

The White House

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Remarks by the President to U.S.-India Business Council and Entrepreneurship Summit

5:43 P.M. IST

THE PRESIDENT: Thank you very much. (Applause.) Please, everyone be seated. Good afternoon, everyone. Namaste. Thank you all for an extraordinarily warm welcome. And before I get started, I just want to acknowledge some outstanding public servants, some wonderful dignitaries who are in the room. Anand Sharma, our Commerce and Industry Minister here in India. (Applause.) Khurshid Salman, the Minister of Corporate Affairs and Minority Affairs, who's here. (Applause.) Dr. Montek Singh Ahluwalia, State Planning Commission Deputy Chairman. (Applause.) Gary Locke, who is the Secretary of Commerce for the United States. (Applause.) Terry McGraw, the chairman of the U.S.-India Business Council. (Applause.) Hari Bharti, the president of the Confederation of Indian Industries. (Applause.) And Rajan Bharti Mittal, president of the Federation of Indian Chambers of Commerce and Industry. (Applause.)

On behalf of my wife Michelle and myself, thank you to the people of Mumbai and the people India for the incredible hospitality you have already shown just in the few hours since I've arrived in this magnificent country.

We are especially honored to be here as you celebrate Diwali. (Applause.) Some of you may know this. Last year, I was honored to become the first American President to help celebrate the Festival of Lights in the White House. (Applause.) And I know that today, families are lighting their Diyas and giving thanks for their blessings and looking ahead to the new year. So to all of you who are observing this sacred holiday here and around the world, Happy Diwali and a Saal Mubarak. (Applause.)

I want to thank all the organizations that have brought us together today, as well as the business leaders, the CEOs, the government officials who have joined us here in Mumbai. I just had some incredibly productive discussions with American business leaders and Indian entrepreneurs, and today I want to speak with you about why we all benefit from the strengthening ties between our nations.

This is my first trip to India, but this will be my longest visit to another country since becoming President. (Applause.) And that's because I believe that the relationship between the United States and India will be one of the defining and indispensable partnerships of the 21st century.

Our nations are the two largest democracies on Earth. We are bound by a common language and common values; shared aspirations and a shared belief that opportunity should be limited only by how hard you're willing to work, only by how hard you are willing to try. Trade and commerce between our people has been happening for centuries -- even before we were independent nations. Indian immigrants crossed oceans to work on farms in the United States, and later generations came to practice medicine, and do cutting-edge research, and to start businesses. American researchers, in turn, partnered with Indian scientists to launch the Green Revolution that transformed life for generations of Indians. Americans have helped build India, and India has helped to build America.

Today, your country is one of the fastest-growing economies in the world. And while there are many amazing success stories and rapidly expanding markets in Asia, the sheer size and pace of India's progress in just two decades is one of the most stunning achievements in human history. (Applause.) This is a fact. Since your reform of the licensing raj and embrace of the global economy, India has lifted tens of millions of people from poverty and created one of the largest middle classes on the planet.

You are now a nation of rapid growth and rising incomes and massive investments in infrastructure and energy and education. In the coming decades, you will be the world's most populous nation, with the largest workforce and one of the largest economies in the world. Now, undoubtedly, that means that the United

States and India will engage in a healthy competition for markets and jobs and industries of the future. But it also offers the prospect of expanded commercial ties that strongly benefit both countries.

The United States sees Asia — and especially India — as a market of the future. We don't simply welcome your rise — as a nation, and a people -- we ardently support it. We want to invest in it. And I'm here because I believe that in our interconnected world, increased commerce between the United States and India can be and will be a win-win proposition for both nations. (Applause.)

I realize that for some, this truth may not be readily apparent. I want to be honest. There are many Americans whose only experience with trade and globalization has been a shuttered factory or a job that was shipped overseas. And there still exists a caricature of India as a land of call centers and back offices that cost American jobs. That's a real perception. Here in India, I know that many still see the arrival of American companies and products as a threat to small shopkeepers and to India's ancient and proud culture.

But these old stereotypes, these old concerns ignore today's reality: In 2010, trade between our countries is not just a one-way street of American jobs and companies moving to India. It is a dynamic, two-way relationship that is creating jobs, growth, and higher living standards in both our countries. And that is the truth. (Applause.)

As we look to India today, the United States sees an opportunity to sell our exports in one of the fastest-growing markets in the world. For America, this is a jobs strategy. As we recover from this recession, we are determined to rebuild our economy on a new, stronger foundation for growth. And part of that foundation involves doing what America has always been known for: discovering and creating and building the products that are sold all over the world. That's why I've set a goal of doubling America's exports over the next five years — because for every \$1 billion in exports, thousands of jobs are supported at home.

And already, our exports to India have quadrupled in recent years — growing much faster than our exports to many other countries. The goods we sell in this country currently support tens of thousands of manufacturing jobs across the United States — from California and Washington to Pennsylvania and Florida. And that doesn't even include all the American jobs supported by our other exports to India — from agriculture to travel to educational services.

As we speak, American-made machinery is helping India improve its infrastructure, including the new airport here in Mumbai where I landed this morning. This year, there was a new sight on India's highways — American-made Harley-Davidson motorcycles. (Laughter.) A growing number of American-made aircraft are taking flight in your skies. And soon, there will be more.

That's because today, just moments before I arrived here, several landmark deals were sealed between the United States and India. Boeing, one of America's largest companies, is on track to sell India dozens of commercial and cargo aircraft. General Electric, another American company, will sell more than a hundred advanced jet engines. And I'm pleased that two U.S. firms are finalists for a major locomotive tender. Now, these are just a few of the more than 20 deals being announced today, totaling nearly \$10 billion in U.S. exports. (Applause.)

From medical equipment and helicopters to turbines and mining equipment, American companies stand ready to support India's growing economy, the needs of your people, and your ability to defend this nation. And today's deals will lead to more than 50,000 jobs in the United States -- 50,000 jobs. (Applause.) Everything from high-tech jobs in Southern California to manufacturing jobs in Ohio.

Now, these are major deals that are significant for both our nations. But our trade relationship is not just about what America sells India. It's also about Indian investment in America is doing. Indian investment in America is among the fastest growing of any country. In recent years, Indian companies have invested billions of dollars in the United States -- in American machinery, manufacturing, mining, research, technology. Today, these investments support tens of thousands of American jobs.

And at the same time, hundreds of American companies -- including many small businesses -- are investing in India; not just in telecommunications, but in industries from clean energy to agriculture. This means more choices for Indian consumers and more jobs for Indians and Americans.

Our relationship is also about more than the goods that we sell or the investments we make -- it's about the innovative partnerships we forge in the name of progress. Before I came here, I had a fascinating meeting. I met with business leaders from both our countries, including some incredibly young Indian entrepreneurs. And what's fascinating is the way that they are now partnering to take technology that has had one application and use in the United States and found entirely new uses and new businesses models here, in India.

They're working together to make cell towers across India that can run on solar, and not diesel. They're putting American technology into Indian electric cars. They're trying to bring new filtration systems and clean drinking water to rural India; and they're trying to develop better drugs for diseases like malaria. These are examples of American companies doing well and Indian companies doing well.

And these partnerships remind us that by pursuing trade and commerce, we are unleashing the most powerful force the world has ever known for eradicating poverty and creating opportunity -- and that's broad-based economic growth.

Now, despite all this progress, the economic relationship between the United States and India is still one of enormous untapped potential. Of all the goods that India imports, less than 10 percent come from the United States. Of all the goods that America exports to the world, less than 2 percent go to India. Our entire trade with your country is still less than our trade with the Netherlands -- this is a country with a smaller population than the city of Mumbai. As a result, India is only our 12th largest trade partner.

I have no doubt that we can do better than that -- we can do much better. There's no reason this nation can't be one of our top trading partners. And that's why we want to work together with you to remove the barriers to increased trade and investment between our nations.

In the United States, we're committed to doing our part. With India and our other G20 partners, we've resisted the protectionism that would have plunged the global economy even deeper into recession. Today, our country remains one of the most open economies in the world. And while I make no apologies about doing whatever it takes to encourage job creation and business investment in America, I still work to make sure our efforts don't unfairly target companies and workers from this nation or any nation.

And to further increase our exports to places like India, we're marshalling the full resources of the United States government to help our companies sell their goods and services in other markets. We're increasing export financing for small and medium-sized businesses. We're being a better advocate for our businesses. We're increasing our trade missions. In fact, my Secretary of Commerce, Gary Locke, will be leading another trade mission to India in the next few months. And we're reforming our export control system, so that even as we strengthen our national security, we make sure that unnecessary barriers don't stand in the way of high-tech trade between our countries. Today, I'm pleased to announce that we will work with India to fundamentally reform our controls on exports, which will allow greater cooperation in a range of high-tech sectors and strengthen our nonproliferation efforts. (Applause.)

So we're taking the necessary steps to strengthen this relationship. India can also do its part. Over the past two decades, it has become much easier for companies to do business and invest here in India. It was striking talking to some of the American CEOs who are here who've come frequently over decades and seen the incredible progress that's been made. But I don't think it's any secret that infrastructure, regulatory barriers and other issues of uncertainty still pose some serious challenges.

Today, India is making major investments in its infrastructure and creating greater transparency to support growth and entrepreneurship. Going forward, that commitment must be matched by a steady reduction in barriers to trade and foreign investment -- from agriculture to infrastructure, from retail to telecommunications. Because in a global economy, new growth and jobs flow to countries that lower barriers to trade and investment.

These are steps we can take together to strengthen the economic ties between our nations — ties that hold incredible promise for our people and our future — the promise of new jobs, new industries and new growth. Whether or not that promise is fulfilled depends on us — on the decisions we make and the partnership we build in the coming years.

We must admit it won't always be an easy road, but as I stand here today, I can tell you that I'm absolutely confident we will meet this challenge because -- (applause) -- because in our two nations, I see the fundamental ingredients to success in the 21st century.

I'm confident because we both cherish the entrepreneurial spirit that empowers innovation and risk-taking, and allows them to turn a good idea into a new product or company that changes the world. And we have examples of Indian entrepreneurs and American entrepreneurs sitting right here who've already begun to do that.

And I'm confident because we both know that for those businesses to thrive, our nations need to invest in science and technology, in research and development, and an infrastructure for the 21st century.

I'm confident because we both recognize that knowledge is the currency of the future, and that we must give our children the skills and education that success requires in a global economy. (Applause.)

And I'm confident because our countries are blessed with the most effective form of government the world has ever known: democracy. (Applause.) Even if it can be slow at times. Even if it can be messy. Even if, sometimes, the election doesn't turn out as you'd like. (Laughter and applause.)

For we know that when governments are accountable to their people, their people are more likely to prosper; and that, over the long run, democracy and economic growth, freedom in the political sphere and freedom in the economic sphere go hand in hand. We believe that. (Applause.)

What gives me the most confidence about our future is our greatest resource — the drive and ingenuity of our people: workers and entrepreneurs- students and innovators; Indians and Americans, including the nearly 3 million Indian Americans who bind our nations together. (Applause.)

For despite all the sweeping changes of the last few decades — from the reform of the licensing raj to the technological revolutions that continue to shape our global economy — it has been people who have driven our progress. It is individual men and women like you who put their shoulder to the wheel of history and push. An American scientist who discovers an agricultural breakthrough. **An Indian engineer who builds the next-generation electric car.** A small business owner in Detroit who sells his product to a new company in New Delhi. And all the Mumbaikars who get up every day in this City of Dreams to forge a better life for their children — from the boardrooms of world-class Indian companies to the shops in the winding alleys of Dharavai.

This is the spirit of optimism and determination that has driven our people since before we were nations - - the same spirit that will drive our future. And that's why I'm thrilled to be in India and with you here today. And that's why I'm confident that we can and will forge new economic partnerships and deliver the jobs and broad-based growth that our peoples so richly deserve. And I am absolutely certain that the relationship between the United States and India is going to be one of the defining partnerships of the 21st century.

Thank you very much, everybody. Thank you. (Applause.)

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5:58 P.M. IST