



THE WHITE HOUSE
PRESIDENT
GEORGE W. BUSH

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President Meets with Young Entrepreneurs at Indian School of Business

Indian School of Business
Hyderabad, India

[President's Visit to India and Pakistan](#)

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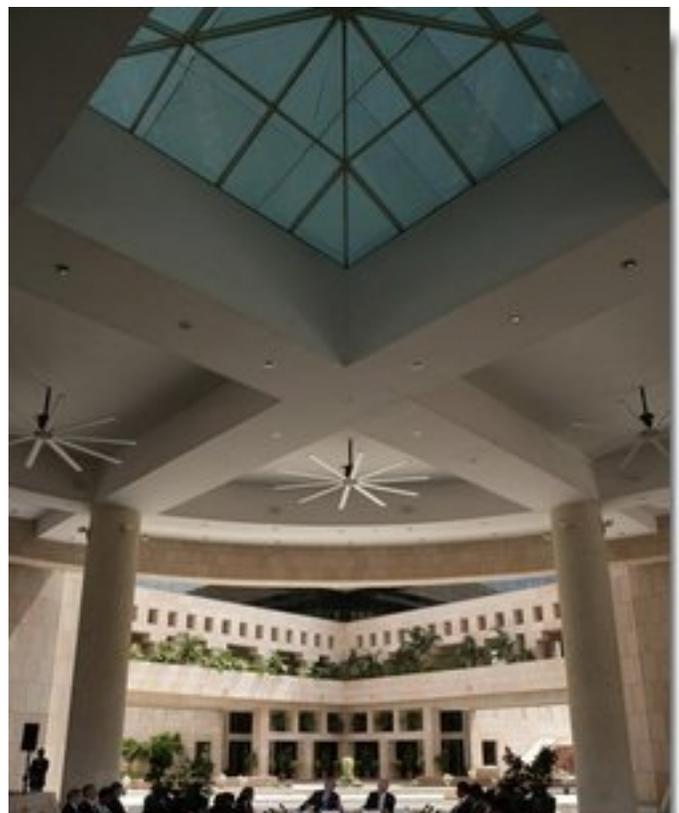
THE PRESIDENT: Thank you for the warm welcome. You know I was a Harvard Business School graduate. This isn't exactly how I went to class when I was there, but I am honored to be here at ISB.



Yesterday I had the honor of standing on the stage with your Prime Minister, talking about a new relationship between the United States and India. I am excited about our strategic partnership. I'm equally excited about the future of India. It is in the interest of the United States to be friends with India; it's in the interest of the United States to work for free and fair trade with India; it's in the interest of the United States that an entrepreneurial class grow in this great country. It's in the interest of India that an entrepreneurial class grow in this great country, so that people can realize dreams and find good jobs.

You know, I said something really interesting, I thought interesting -- otherwise, I wouldn't have said it -- the other day in a speech I gave in Washington. There are -- the middle class of India is 300 million people large. That's larger than the entire United States. And when America looks at India, America ought to look at India as a strategic partner in keeping the peace, a great democracy which is capable of having people from different religions live side-by-side in peace and harmony, and a wonderful opportunity to -- with whom to trade.

One of the things that you can judge a country by is the vitality of the youth, and one of the reasons I really wanted to come to ISB was because I understand it's the center of excellence in education. It's a new school that is using innovative techniques to give people the tools necessary to succeed.



Yesterday I met with some Indian CEOs and American CEOs, kind of the old folks. Today I'm meeting with the CEOs of tomorrow, the people that are going to help drive this great engine of economic prosperity for India -- for the good of the world, is how I view it.



And so, thanks for letting me and the Ambassador come. Ambassador, thanks for setting this up. I want to thank Chairman Gupta, a fellow Harvard Business School graduate who helped form this school. I want to thank the Dean of this school, as well as the professors and faculty, for being here, as well, and the rest of the students -- thanks for letting me come by to say hello. I think it would be interesting for you to tell me what's on your mind, or ask me questions, the whole purpose of which is to help kind of foster this partnership that is developing on the political level so that people in my own country can see that there's folks just like themselves here in India working to realize dreams and create opportunities.

So whoever would like to begin, we can start. And if not, I'm just going to call on somebody -- like you. (Laughter.)

Q I guess I'll do the honors. Thank you for being here. I didn't graduate from ISB, but it seems like a great place. I graduated from Carnegie Mellon, in Pittsburgh --

THE PRESIDENT: That's also a good place. (Laughter.) I will tell you something -- she's really smart -- to go there. (Laughter.) You don't go there unless you're smart. (Laughter.)



Q Anyways, so I'm from the IT industry, so let me ask a question relating to that -- not just IT, I guess generally outsourcing. So India and China have experienced a lot of growth because of globalization and outsourcing, in general -- IT outsourcing, in particular. And I live in the U. S. so I know that there is a lot of resistance in the media and also in the industry about outsourcing. But as entrepreneurs and as people who believe in capitalism, we feel that there's no other way to go but capitalism and globalization and outsourcing, et cetera. So does the government or -- does it have a political strategy on how to manage, do a balancing act?

THE PRESIDENT: I appreciate it. First of all, what do you do?

Q I have a IT consulting company.

THE PRESIDENT: Okay. One of the -- the future of any country is to make sure women have got opportunity, and so I congratulate you for being a CEO. By the way, I've got a strong woman who travels with me in the Secretary of State. (Laughter.) I'm not trying to avoid your question, by the way.

(Laughter.)

People do lose jobs as a result of globalization, and it's painful for those who lose jobs. But the fundamental question is, how does a government or society react to that. And it's basically one of two ways. One is to say, losing jobs is painful, therefore, let's throw up protectionist walls. And the other is to say, losing jobs is painful, so let's make sure people are educated so they can find -- fill the jobs of the 21st century. And let's make sure that there's pro-growth economic policies in place. What does that mean? That means low taxes; it means less regulation; it means fewer lawsuits; it means wise energy policy.

So I've taken the position -- I've taken it as recently as my State of the Union, where I said, the United States of America will reject protectionism. We won't fear competition, we welcome competition, but we won't fear the future, either, because we intend to shape it through good policies.

And that's how you deal in a global economy. You don't retrench and pull back. You welcome competition and you understand globalization provides great opportunities. And the class opportunity for our American farmers and entrepreneurs and small businesses to understand, there's a 300-million-person market of middle-class citizens here in India, and that if we can make a product they want, then it becomes -- at a reasonable price -- and then all of a sudden, people will be able to have a market here. And so -- and people in America should, I hope, maintain their confidence about the future.

Thanks for the question. Good luck to you.

Yes, ma'am.

Q I actually went to Wellesley College and I'm actually a student at the ISB.



THE PRESIDENT: Let me say something before you ask the question. One of the most important things for America is to make sure our universities and colleges are accessible to Indian students, because I find it really interesting the first two questioners have gone to school in the United States. There can be sometimes perceptions about our country that simply aren't the truth, but nevertheless, become stuck in people's minds. And one way to defeat those perceptions is to welcome people to the United States so you can see firsthand our good side and our bad side, and you can draw your own conclusions without being told what to think.

Sorry to interrupt.

Q No problem. This is actually related to the point you just made about the market with the 300 million people. I actually run the non-profit club and social enterprise club here at the ISB, with a lot of help from the faculty from the Center of Entrepreneurship and the student body. And we're a fairly active group who are very -- who believe in what we call compassionate capitalism, through providing for venture capital funding for the small businesses and social entrepreneurs so that they can innovate and actually sustain themselves by providing affordable goods, and using a market-based model,

rather than the traditional aid-based model.

So my question to you, Mr. President, is what do you feel and how do you feel that your government will support India in this sort of bilateral partnership whereby your investors can get a financial return, as well as create social impact in a developing country such as India?

THE PRESIDENT: Well, there's two types of investments. One is private capital, which goes to places where people think they can get a reasonable return relative to risk. And government can help assuage some concerns about risk by having transparency in policy, consistent law. One of the things you don't want to do is invest in a country, and then all of a sudden, laws change, or transparency into why people make decisions, or less bureaucratic hurdles in order to invest.

People look around at places to invest. In my country, for example, there's competition between the states. And if they see there's a lot of bureaucratic hurdles you have to get over in order to invest in one state versus another, people tend to mitigate risk in order to maximize return.

There's also public investment, and through USAID and other aspects of our State Department, we do provide micro-financing -- small loans to entrepreneurs.

Today, I went over to the Agricultural Center and saw some of the benefits of not only good agricultural research, but the concept of micro loans to encourage entrepreneurship, particularly amongst women in rural India. And it's an effective program. And micro loans have worked around the world.

And so one of the things we do through our State Department, ably led by Secretary Rice, I want you to know, is to encourage micro loan financing.

Yes, sir.

Q Yes, Mr. President. My company is based in the U.S., and we deal mostly with electronic components, exports to India. My question is, after this nuclear deal, do you think the same thing will come in the electronics field? Like there are a lot of sanctions, export restrictions on shipping components to India. That same product they can buy at -- they pay more, but they get it from Europe where there's no export restrictions.

THE PRESIDENT: We're constantly reviewing what's called the Export Control List. And I thank you for bringing that up. And obviously, as this relationship changes, as a strategic partner, the folks involved with the Export Control List will be taking that into account.

Yesterday's energy agreement was an important agreement. It's important for the United States, and it's important for India. It's important for the United States because -- in that we live in a global energy market when a fast-growing country like India consumes more fossil fuels, it causes the price of fossil fuels to go up not only in India, but around the world, including the United States. And therefore, the extent to which we can help nations develop civilian nuclear power is in the nation's interest.

Secondly, India has been an excellent partner in nonproliferation over the past decades, and therefore, I can tell the American people that this is an important agreement to help deal with the proliferation issue.

For India, it makes sense because it will enable India to be able to meet electricity needs in a way that doesn't pollute the air. The United States and India and China must use technologies to do our duty to not only make sure our economies expand, but also to be good stewards of the environment. And nuclear energy is a -- is a renewable source of energy in which there is zero greenhouse gases.

Yesterday was a -- as I mentioned to you in our private meeting, yesterday was a way to put the Cold War behind us and to move forward as strategic partners. And I want to congratulate your Prime Minister and the Indian government for its -- for working with me and our government to show the world what's possible when people can come together and think strategically.

Yes, sir.

Q Mr. President, I did my MBA -- from Johnson and Wales, Rhode Island, and I loved every bit of it. I saw your speech on the Asia Society, and I thought it was very spectacular.

THE PRESIDENT: Thank you. You can leave it right there. (Laughter.) No, go ahead.

Q My question is, India was never this important. Why has it become so important now?

THE PRESIDENT: That's a really good question. I think India has always been an important country, but the problem is, international politics made it very difficult for previous Presidents and previous Prime Ministers to reach common agreement. As I said, we're getting rid of the Cold War, and the truth of the matter is, the Cold War caused the world to become pretty well divided. And if you're on one side of the divide, it was politically difficult to work with people on the other side of the divide.

That began to change, of course. And so I wouldn't say that India was not an important country up to now, because it was.

(End of public portion of event.)

END 1:00 p.m. (LOCAL)

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