

**Speech by Sri V K Agarwal, President FISME**  
at Panel discussions on  
**Economic Freedom Index of States of India**  
Chandigarh on 29<sup>th</sup> Jan 2013

Friends,

It is a dream encounter for me – sharing dias with the likes of Swaminathan Ankalesaria Aiyer. 'Swami' is not only an ace economist but a sociologist, a political scientist, a journalist and a true liberal; a contrarian who often turn conventional wisdom on its head

FISME the federation of some 700 MSME associations that I am representing here, primarily works through area, industrial estates, cluster based, product specific, state level associations. We believe these associations have big role to play in development and deserve to be looked upon as institutions in their own rights. The government in all seriousness should work to enhance their capacity to help their entrepreneur members.

On behalf of FISME I extend a standing invitation to leaders of the associations present here that you are welcome to treat it's resources as your own – be it's office when you are on a mission of your association to Delhi or to draw upon whatever knowledge information we may have.

In the midst of the celebrities among us, FISME ventures to claim it self to be a thinking organization -one committed to rights of individuals to hold their liberal views, to dignity and equality. The federation has stayed away from rhetoric of politicians and many industry associations. It had held its own views when it came to liberalization and globalization in 1991, patenting regime, SSI reservations, protagonist of VAT, now GST and FDI in recent times.

FISME has been vociferous in its opposition to area based tax give-aways because these have distorted the economy, to some of the hurried imposition of safeguard duties in the name of helping MSMEs while these measures in fact hurt them, government's wastage of precious resources on worthless schemes and other such pet projects of the power that be.

The individual MSME, even the sector as a whole, has no pull to attract policy makers' attention – it has neither notes nor votes or glamour. The sector, to articulate its needs and aspirations is often unable to even get audiences with those who can make a difference.

In the hope of overcoming the situation on the ground, FISME has created a News Agency 'KNN' to highlight issues of MSMEs' strategic and mundane interests. The idea is also to provide ground level feedback to policy makers and administrators and remove some of the hurdles of communications between the sector and those in the government who may at least have some genuine interest in the sector's welfare

With expectations for better life and education for their young rising, and people getting demanding and impatient the politicians are becoming conscious of the importance of their own performance vis-à-vis their peers albeit slowly. Comparisons are finding place in media as to which state stands where in the pecking order.

FNST with lots of experience gathered from around the world and backed by important institutions, has evolved and customized the process of indexing ECONOMIC FREEDOM for ranking Indian states.

This freedom, friends, is the freedom of the citizens from undue interference by the government. There is said to be a symbiotic relationship between freedom and prosperity which may be commented upon by the learned amongst us.

But to some of us liberty or freedom is even more precious than prosperity. What one of the founding fathers of the US said and is so oft repeated but still so inspiring and dear to me that I am unable to hold myself back from saying once again:

**Those who would give up essential Liberty, to purchase a little temporary Safety, deserve neither Liberty nor Safety**

It would have been in fitness of things that the state government functionaries were with us on this occasion to discuss the nitty gritty of the findings of scholars like Swaminathan Aiyer, Prof Bibek Debroy, Dr Gulati, Laveesh Bhandari. May be we have to wait for some more time for people to become demanding enough for the governments to take these matters more seriously

Till then....

Thanks a lot friends