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from the ringside

The potential of Rajasthan

I have just returned from Jodhpur after speaking to a group of NASDAQ and New York Stock Exchange Advisory Board members. They were fully cognisant of the new India which has emerged. In fact, their wives seemed even more perceptive, looking beyond growth and economic issues. The questions they posed to me covered a whole gamut of complex issues—demography, human resource development, water, local self-government, future of coalition politics, sustainability of the current Confidence Building Measures with Pakistan and the importance of the nuclear agreement with the USA inter alia for energy security.

What intrigued me was why they had selected Jodhpur to be the centrepiece of their India visit. It was then with some surprise that I learnt that a few days ago the senior management of Credit Suisse was also here to celebrate their completion of 150 years. Earlier, the Li & Fung Board meeting was also held, not to speak of the Mastek Customer meet, board meetings of Mahindra & Mahindra, Birla Sun Life to name a few. In the next few months, many more events are in the offing, like the Celloware conference and Micro Inks Board meeting.

For its size, Jodhpur was obviously doing well in attracting so many events. Enticing events and managing them well has not been India's forte. Spain had hosted 18,566 meetings in 2003 whereas our responses are usually ad hoc, un-coordinated between various ministries and of course, the Centre and the states not acting in tandem. For too long, the need to have an India Events Commissioner has remained neglected. It is, therefore, creditable that in the absence of a coherent national policy, medium towns have gone ahead to grasp the new opportunities which the new India profile has to offer. So what do we learn from the Jodhpur example?

First and foremost, the importance of local leadership. Gaj Singh, the erstwhile ruler of the Marwar State, has bent his energies and considerable talent in repositioning Jodhpur not merely for tourism, both domestic and foreign, but to host successful events. His success stories keep growing and each experience has multiple lessons.

Second, states which offer security of life and property, broad cohesiveness of society and a sensitive local administration will meet with greater success. Rajasthan has been lucky in having successive governments of Bhairon Singh Shekhawat, Ashok Gehlot and Vasundhara Raje, which have preserved the rule of law and instilled a sense of security among its people. This can hardly be said of many other states. There is new hope for Bihar given Nitish Kumar's development-centric approach. Successive governments in Rajasthan have realised the centrality of these obligations and their catalytic role in the development process.

Third, high-quality infrastructure is, needless to say, as important as good governance. The significant improvement in national and state highways in Rajasthan coupled with significant improvements in drinking water, drainage, sewerage in its six-seven major cities has certainly helped. Here again, the continuity of policies by successive governments has lent momentum to initiatives

which commenced earlier.

Rajasthan does not figure high in the Human Development Report on many indicators, particularly education and in reference to the girl child. Other development indicators like per capita consumption of electricity, assured access to cattle feed and drinking water during frequent bouts of drought remain grossly inadequate. So what should be Rajasthan's priorities?

First, to bring about a significant improvement in its infrastructure, it need not set up multiple power plants but should become an efficient trader in power, buying from Pit Head power, efficiently using and trading in energy. The Rural Roads Programme linking village roads to upgraded state highways needs added momentum.

Second, to significantly improve its human resource performance indicators, particularly primary education, lowering drop-out ratios through improved coverage, supervision of education quality and greater local accountability. Third, to leverage its vast tourism potential, for the fact that all hotel rooms are fully booked for the current season and for the next two years suggests unexploited potential. Significant improvement in hotel rooms, including budget hotels, needs a transparent policy.

Along with tourism, attracting events both national and international has its multiplier effect on repositioning the brand, creating possibility of replication and added employment.

The need to lobby, leverage and secure improved air connectivity is also a daunting challenge which has eluded successive governments. Both improved road connectivity and air linkages, as well as creating regional aviation hubs, will support tourism in Rajasthan.

Finally, the need to attract investment not merely in tourism but also in information technology and above all agriculture. A strategy for sustainable agriculture development which optimises available water resources both surface and underground as well as harnesses traditional water conservation techniques will hold the key to Rajasthan's future. Rajasthan, given its proximity to Delhi and having successive enlightened chief ministers, is well positioned for a new growth trajectory.

The Economic Policy & Reforms Council created by Vasundhara Raje has made several credible recommendations on these complex issues. These need vigorous implementation to demonstrate tangible outcomes. While detractors both within her party and outside, coupled with rumour-mongering, have tried to derail development focus, it would be a pity if Raje loses either resolute will or abiding commitment since the government is not even half way through its tenure. Only time will tell if Rajasthan is able to capitalise on its comparative advantages in becoming a major development hub.

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