

Governance, not government, should be visible: Vasundhara Raje

The Rajasthan chief minister on her state's transition from a regime of entitlements to empowerment



Vasundhara Raje says only those governments have been successful which have managed to make themselves small and create partners around themselves. Photo: AP

New Delhi: Borrowing a page from the Gujarat playbook under Narendra Modi, Rajasthan chief minister Vasundhara Raje is seeking to convert her state from an industrial wasteland into an economic powerhouse. There is a new emphasis on infrastructure creation and employment generation, education, e-governance, overhaul of labour laws that impede industry, a greater role for the private sector and above all, inclusive growth. Raje, who led the Bharatiya Janata Party (BJP), to a spectacular win in the December state elections after having narrowly lost power in 2008, says Rajasthan is transiting from a regime of entitlements to empowerment. “I think there are a large section of the people that are interested in making this transition. They have realized that entitlements are like running on the spot and not taking you anywhere,” she said in an interview. Edited excerpts:

Your budget reflects a new ethos.

The people of Rajasthan have immense potential. Economically they are 'thinking' people, wherever they have gone, whether it is across the world or in the country, they have been successful. So it is a huge potential we should perhaps check out; and, we should be looking to realize this potential. If we do that, Rajasthan will actually be a powerhouse. To achieve this we will have to do a lot of changes. And that will happen through some changes in legislation and in administration, and this is why we are looking at changes in the rules and laws. Perhaps change some outdated ideas that could make a difference to people's lives. So the idea is to create a policy framework so that we can make deliveries (of services). We have to tie it up. It is not about what may or may not happen next year, but what will happen—this is the delivery. And there have to be timelines; because if you don't, then it doesn't work. And then you have to ensure quality—slipshod work is not justifiable.

I therefore think it is very important since people, who have gotten used to what has been dished out for the last 60 years, have become much more discerning. They are informed by social media, the Internet, television and hence are very clear about what they want. People have also become much more assertive and interested in telling you what they want.

So, people are ready to make this transition from entitlement to empowerment?

I think there are a large section of the people that are interested in making this transition. They have realized that entitlements are like running on the spot and not taking you anywhere. I think they realize that this (policy changes) is a way to free them to realize their potential. And that is important.

But, as a politician don't you fear that your unambiguous support to reforms can be used by your opponents to target you?

I believe there are ways in which one can do it. It doesn't necessarily have to be rough. It may be very unpopular but if you engage with the people, it can be done. But it will take time. In my earlier avatar I was in such a hurry and I believed that people would accept that it was for their good. I wanted to be double quick—instead of doing one thing in five days, I would like to do three things in five days, because there was so much to do. But I discovered

hurrying also ruins the palette because people do not understand what you are doing.

Maybe if you took a little bit of more time you may be able to put that thing on the ground in an effective fashion rather than being in a hurry and expecting they will understand. I have changed that a little bit; said 'ok, it can't happen so fast', though it agitates me inside. So I don't believe people fail to understand. If you put it to them nicely and make them partners in change, then more likely than not, they join in you in the effort.

In a sense your campaign readied them for this. You kept signalling that tough decisions needed to be taken?

During my sankalp yatra (during the election campaign) many people said, "Please don't say this". But I went ahead because I could sense an upsurge and feel the affection. I reciprocated that affection. But to do something, I told them, I may have to be a little tough; we have to take some not-so-pleasant steps and I cannot do that unless you are with me. And you have to understand that when we have to better our lot, we have to go through some tough times. All of us have had to work very hard to be where we are and been through very tough times. So, I kept telling the people that you have to go through some trying times and I need your support. We need to change this entitlement and dole approach that has happened for 60 years and things have only gone from bad to worse; nothing has improved. We know that this won't work and we can't afford to waste the next 60 years.

Your budget also focuses on connectivity and proposes to do this through a big push to private sector participation. How do you propose to incentivize it for the private sector?

There is no money; governments have to become much smaller now. There was a time when governments were very big, overpowering things. Everything happened because of government. And people were very small participants in the process, if at all. Now things have changed. As you see, governments have become smaller entities.

I believe only those governments have been successful which have managed to make themselves small, create partners around themselves—whether they be business or they be civil society. In my experience I have found it important to have PPP (public-private partnership); they have something to offer and when I tried it out in the last regime, it worked.

In your budget you also spoke about de-nationalization of road transport. Could you explain?

We have what we call nationalized routes for RSRTC (Rajasthan State Road Transport Corporation). As a result RSRTC have had a monopoly of roads and bus network for so many years. It is their buses that ran on these nationalized routes—on these routes, private buses are not allowed. It is very similar to the Indian Airlines story.

So what we did was that we created a Rajasthan State Bus Port Services Corporation to develop and manage bus-stands in the State. Anybody (private or public) can use these bus-stands.

At the same time we have not abandoned RSRTC. We have tied them to some reforms that are linked with a monthly grant of Rs.10 crore. In addition we are routing the Rs.360 crore for providing equity to Rajasthan State Bus Port Services Corporation through RSRTC. So we feel we don't have to put them out of business, but at the same time, they have to learn to be able to go into competition. They have to become more efficient.

This is very important. Because without competition you become lackadaisical; and if this happens, then services to people suffer. If there are large leakages, buses are not up to the mark, then we are not living up to the expectations of the people.

The airlines experience has been good and hence serves as a good example. I remember when my brother (the late Madhavrao Scindia) announced the open skies policy everybody went after him—there were strikes and all sorts of protests. Of course we have learnt from that and have been careful to point out that it is not a question of putting you out of business, but you also become a competitor. The public must have choice.

You are also proposing to raise user tariffs for drinking water. Now it is a very sensitive issue and considered as the third rail of Indian politics. How do you propose to handle the politics of this decision?

As far as water is concerned, we account for only 1.6% of the total water resources of the country and over 5% of the total population. So, one thing people have understood here is that you cannot produce/supply water when there is none. Everyone understands that it is the next problem; we are already paying but the amounts are very small. I am not saying the poorest of the poor have to pay. But for a person like me or you or anyone else who can afford to

pay, we have to understand the value of water so that we don't waste it. For example you shouldn't use drinking water to wash the tyres of your car and so on. So, if in Bangalore, Mumbai you can pay Rs.200-400 for your water, so can we. I don't think it will be a problem and I am willing to take a chance—it is important. The message of importance of conserving water has to go out. Also it is tied up with urban reforms initiated under the Jawaharlal Nehru National Urban Renewal Mission. Access to these funds is linked to carrying out these reforms.

How do you propose to fix the power situation in your state and also what is your strategy to exploit the potential for solar power?

As far as power is concerned, I need you to understand that we had a very bad power situation in Rajasthan. Last time round, before I took charge, they had hived the Board off into companies. In the last year of my first term, I thought we are all concentrated about just the farmers, while there are a large amount of domestic users—about 42 lakh. We tried to improve the transmission systems. We started to separate agricultural and domestic supplies. It started paying some dividends. There were debts of about Rs.10,000-15,000 crore when we left—and in the last five years it has gone up to nearly Rs.75,000 crores! You can imagine how carelessly these things have been dealt with. They have to be attended to now. Alternatively, they will become like millstones around your neck. Worse, everything else gets destabilized.

So we think that in some towns we can work with PPP in distribution of power. Not privatize it, because the privatization experience in some places was not exactly a hot success. As a result while we will not be completely getting rid of our personnel—their job security will be assured—we also need to bring in efficiencies through PPP. We believe this will be helpful to the people.

Solar power is our strength. Immense amount of land, sunshine availability—we compare very favourably to the other deserts of the world in this regard. And from the kind of people who have been coming here, I understand they too appreciate the availability that can be turned into an opportunity. We are also looking at serving remote areas (where lines do not go easily), with solar power. The new solar power policy is almost completed.

Your labour reforms seem to be getting a lot of attention. Industry should be happy.

I think it is a little outdated to call it the ministry of labour. It is not labour any more, it is the other way round—we should call it employment and skill development ministry. I believe if you look at reforms in this sector, it doesn't go towards hurting the labour; it goes towards improving the habitat for employment and that, I think, is very, very important. Like I said in the bus port business, we are not going to hurt them but we are creating opportunities for others.

Here we are not hurting anyone, we are taking good care of the labour while at the same time trying to bring in the reforms. So as a result, this becomes a field for more employment opportunities. And I believe that one of the reasons why we don't find people coming in with investment, or getting upset about this is because to them, we have made things a little more stringent. We are trying to change this and bring in a more investment-friendly atmosphere without compromising unduly the security of the work force.

We have said you have to give notice, we have said it's not about making three months payments, severance pay, you make it for six months so that they get an opportunity to go out and look for jobs. So it is important because it frees a lot of people up and it also frees the industry up to bring in more people with requisite skills—resulting in a whole lot of employment opportunities, where they weren't existing. So I think it very important to allow it.

What about skilling?

We are doing the largest programme of its type today in skill development based on the PPP model involving 22 companies. All of them are taking on so many people, developing their skills and creating employment for them. Another 24 companies will be working with us soon. So, in the next one year, say around next March, 1.34 lakh people will be employed with good salaries. My target for the next five years is employment for 15 lakh people; some of the jobs will come from government, but a large amount is coming from outside.

I am trying to tell the youth that the sky is the limit. Do not be worried that you are not getting a government job. We are creating opportunities so that you can look after your family, you can get yourself a standard of living, can upgrade yourself to the global or national level; the world is your oyster. That is the message.

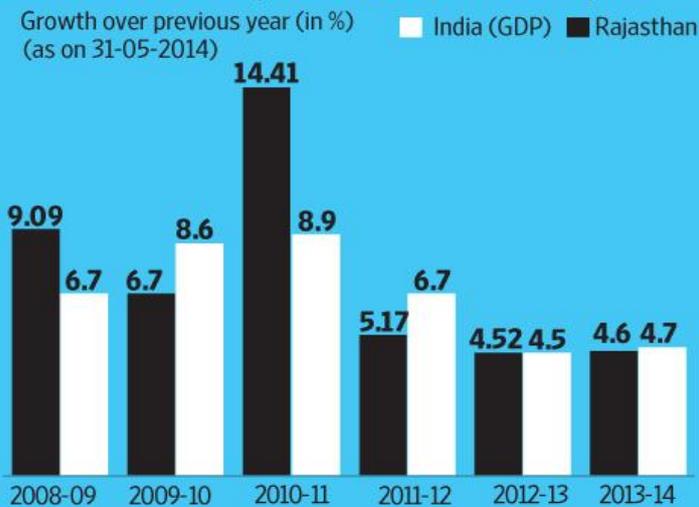
STATE OF AFFAIRS

BUDGET HIGHLIGHTS

- Highways dedicated to public sector to be denationalized.
- Rationalization of drinking water rates.
- Land bank on Google Maps in all the divisional headquarters.
- Restructured Bhamashah Scheme to provide an identity card with financial inclusion through core banking enabled account for all resident families in the state.
- Disinvestment of 10 to 25% in select PSUs.

Gross state domestic product (GSDP) at constant prices

Growth over previous year (in %)
(as on 31-05-2014)



Literacy rate (in %)



Population (Census 2011)

India **1,210,569,573**

% Decadal growth in total population (2001-2011) **17.7**

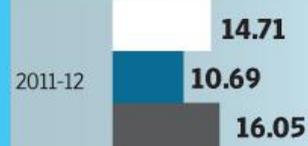
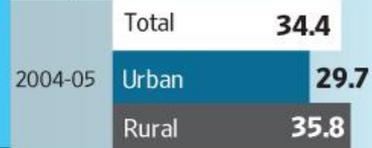
Rajasthan **68,548,437**

% Decadal growth in total population (2001-2011) **21.3**

Poverty ratio

% of population below poverty line
(Tendulkar methodology)

Rajasthan



India



Source: Planning Commission, Union Budget

So the big picture, if you stand back and look in the last more than six-eight months of your government, is that you are altering status quo fundamentally in the state in every respect.

You see, the most important thing is to be able to create quality delivery. Why would you want to pay for electricity when you don't get the quality that you should be getting? You get five hours of power cut and you are still to pay electricity bills! Naturally you will protest.

So I have said to our people within the government that you cannot ask them to make payments for something they are not receiving. Similarly for water, I give them water and then I take back money. No one is going to say no to me since they are going to be delighted that the quality has improved. So delivery and quality—these are hugely important. The problems are what people face today and they are tired of waiting inordinately.

And I also believe that will only happen if you bring in competition. All of this will not remain the exclusive domain of government because then there is a certain amount of slackness/inefficiency that comes in because of the lack of competition. You allow the competition and this doesn't happen. It is extremely vital that in governance, service quality is of the best possible standard. That is what our citizens deserve.

It is not about changing a status quo really. Our efforts are all about making empirical, systemic changes, which yield fruit in the long term too—by securing the future of our citizens. These various small steps add up to create an environment where governance is more visible than governments.