

The 'Rajasthan Model' takes the reforms ramp

Policy reform at the top of the state's agenda

It is increasingly clear that Rajasthan, under the leadership of Chief Minister Vasundhara Raje, will lead the country in terms of policy reform. Ms Raje was elected last year with a comfortable majority in the state Assembly; she did even better in the Lok Sabha elections, where she ensured her Bharatiya Janata Party won all the 25 seats. At least for now, she is unchallenged within Rajasthan's politics - a far cry from the infighting and subversion that marked her last tenure, which ended six years ago. But what Ms Raje has chosen to do with her mandate is impressive. In effect, she is single-handedly creating a "Rajasthan model" of development. Where the "Bihar model" focused on road-building and law and order as growth multipliers, and the "Gujarat model" looked at infrastructure spending and state-assisted industrial projects from the private sector, the Rajasthan model differs in that it puts liberal economic reform at the centre of the development strategy. Ms Raje has political space to do this not just because of the scale of her Assembly election victory, but also the content of the campaign and the nature of the government she is replacing - few disagree with the claim that the Ashok Gehlot government was able to do well at creating welfare schemes. Ms Raje can, thus, credibly claim that she was voted in to deliver growth, at which Rajasthan has not done that well in recent years.

The stream of reforms she is proposing, including to land and labour legislation, is in many cases long overdue. Unfortunately, most of the laws in question were, in fact, part of the central statute book, although they deal with issues that are, in the Constitution, part of the "concurrent list" that is supposed to be shared between the Centre and the states. It is argued that these state-level changes to central legislation can stand if the president gives his assent. This, however, may be subject to challenge in the courts; only time will tell. However, given that the central government - although it, too, has a massive mandate - seems unwilling to spend political capital on radical reform, that Ms Raje is taking it up should be welcomed. The Rajasthan Assembly has already passed state-level amendments to several labour laws - the Industrial Disputes Act, the Factories Act, the Contract Labour (Regulation and Abolition) Act and the Apprentices Act. The land acquisition law is also set to change, reducing the proportion of landowners whose consent is required and - perhaps problematically - making even objecting to acquisition an offence. Land, of course, is a state subject, so Rajasthan can amend the law without any problems.

This newspaper has now reported that Ms Raje is also planning to move ahead with her own alternative to the Aadhaar unique ID scheme, which will focus on the female head of a household as the target for benefit transfers. It is argued that this will help existing schemes that focus on the household dovetail better with the electronic architecture. While questions may continue to be raised about whether a move away from Aadhaar is a good idea, Ms Raje's emphasis on direct benefit transfers should nevertheless be praised. Other states should follow suit.