

Report

Growth Story of Bihar

November 13, 2012



**THE INSTITUTE OF STRATEGIC STUDIES,
ISLAMABAD**

Round Table Discussion with Chief Minister, Bihar Growth Story of Bihar

The Institute of Strategic Studies Islamabad (ISSI) hosted a Round Table Discussion with a 12-member Indian delegation led by Mr. Nitish Kumar, Chief Minister, Bihar India on November 13, 2012. Other members of the delegation included Dr (Smt) Renu Kumair, Minister, Industry Dept; Smt. Prof. Sukhada Paandey, Minister, Art, Culture & Youth; Shri Salim Perwez, Deputy Chairman, Bihar Legislative Council; Shri Naushad Ahmad, Chairman, Bihar State Minorities Commission; Shri N.K. Singh, MP (Rajya Sabha); Shri Ashok Kumar Sinha, Chief Secretary, Govt. Of Bihar; Shri Anjani Kumar Singh, Principal Secretary to Chief Minister; Shri Amir Subhani, Principal Secretary, Home Dept, Govt. Of Bihar; Shri Atish Chandra, Secretary to the Chief Minister; Shri Mohammad Abbas, Member, Higher Caste Commission; Dr Imtiaz Ahmad, Director, Khuda Baksh Library, Patna

The Director General, Ambassador (Retd) Jehangir Ashraf Qazi extended a warm and hearty welcome to the delegation. He said that we are honored to have such an outstanding personality at our institute. He said that Mr. Nitish Kumar has done a fabulous job in Bihar as a chief minister. He has brought a revolution in Bihar of which only few people can think of. He said that Bihar is one of the fastest growing economic states in India today and this was made possible only due to excellent leadership qualities of Mr. Kumar.

The Chief Minister of Bihar, Mr. Nitish Kumar in his speech on '*Growth Story of Bihar*,' said that he was extremely grateful to the Government of Pakistan for inviting the delegation to this magnificent country. He said that we share common heritage and common history. 'Pakistan' is always in our cognitive world. The trial and tribulations in your country find its resonance in our country as well. We have to banish several common ills such as illiteracy, malnutrition, and poverty that bedevil our countries. It is fascinating to look at the shared aspirations of people of India and Pakistan. Our population growth rate is comparable and so is our rate of urbanization. More than 50% of our population is the youth and they aspire for a fair society and dignified

harmonious life. Our authentic independence will be on the day we achieve the highest pedestal in human development.

The task of social amelioration is not an easy agenda. But without it we cannot take our nation forward. A robust and functioning state structure is a necessary pre-condition to achieve this. It was a part of certain ideological understanding that the dismantling of the state ensures authentic democracy and succor to the people. In contrast, I believe in the alternate school of thought whereby the state is a necessary pre-condition not only to ensure law and order but to ensure development of the people. It is my humble belief that resurrection and building of the state is the ultimate necessity to provide justice to the people. Without a functioning state, we cannot ensure even a minimum agenda for the people.

My tryst of seven years and concomitant achievement is modest. We sincerely worked to develop a functioning state which can become catalytic agent for change in Bihar. The story of Bihar is this story of the power of democracy and state building. When we won the mandate, people asked me, "What are your top priorities?" and I replied – My first priority is Governance, my second priority is Governance and my third priority is Governance.

How do you achieve Governance when the state's presence, authority and capability are weak? In Bihar, we answered this by setting a holistic vision for Governance --- A vision for "Development with justice." This is what people call the Bihar Model of Development --- a way of progress that generates economic growth while ensuring high level of integrity and accountability, broad social inclusion and representation of the weakest sections.

People gave us the mandate to turn the tide of underdevelopment and initiate the state towards a promising future of growth, prosperity and harmony. The first step was to establish the presence and authority of the state in Bihar. So we focused on three important aspects.

The first was law and order. We made this loud and clear – the rule of law must prevail, the guilty would not be spared. We expanded the capacity of the police force through recruitments and modernization. Dialogue was initiated between the judiciary and the executive to facilitate trials. Courts were established to conduct speedy trials. More than 74,000 criminals were convicted. Police stations were overhauled and reflected the spirit of the state to establish the rule of law. No more could criminals roam freely on

the street. In contrast now goons are on the run. Police stations have been built as per the requirement in the state in the last seven years. Once peace and safety was established on the streets, people responded with greater faith in the Government. They have started investing in their needs and expanding their commercial activities. The image and economy of Bihar was beginning to take off. One example of this is, that of air traffic which rose by 4 times in six years and another would be the tenfold increase in the number of foreign tourists coming to Bihar (from about 94,000 in 2006 to more than 9,72,000 in 2011).

The second was to improve the public infrastructure. Roads and bridges were constructed across a Bihar at rapid pace. Schools and primary health centers were overhauled and began functioning. The spirit of the state to deliver governance to the people was visible. The actions spoke for themselves. Once the towns and villages became connected, economic activity zoomed. The statistics of growth in Bihar only reflect the impact of these measures. Bihar Bridge Construction Corporation which was once defunct has constructed 1031 new bridges in the last six years. It has a turnover of more than Rs 1200 crores with a profit of Rs 250 crores.

The third and equally important measure was to empower the marginalized sections of society. For the first time in India, Bihar gave 50 % reservation to women in Panchayat and Urban local body elections. Commissions such as Mahadalit Aayog, and Ati Pichchara Aayog were setup to accelerate empowerment of the marginalized sections. The reach of the state was extended. A concurrent dialogue between people and the state was established through programs such as Janta Ke Darbar Me Mukhya Mantri and several Yatras. Finally, government was de-mystified through such programs where people could directly meet the Chief Minister. Several new schemes were launched to empower the minority sections. The perpetrators of Bhagalpur communal riots were not only brought to book but the victims were also compensated and granted pensions for life. Girl students were given cycles and dresses which led to manifold increase their enrolment at schools. We also passed the Right to Public Service Act which gave people an undiluted guarantee that the government will deliver certain services with timeliness. Presently 55 services have been included. Delivery of services has been expedited and the harassment of the service seekers has become negligible. Delay in delivery services invites penalty and departmental action against erring officials. In first fifteen months of its implementation more

than two crore people have availed various services. Such measures and many others helped us to raise the participation of poor and weaker sections in the development of Bihar. People did not feel left behind when Bihar was moving ahead. They are very much on board and part of the story. Beyond these, the overall financial, administrative and technological apparatus was overhauled. Bihar was practically run on archaic technology before my Government came to power. In merely 4 years since then, Bihar won the award for e-Governance. This is the kind of technological transformation we achieved. The finances of the state were in shambles. The Government passed the Fiscal Responsibility and Budget Management Act (FRBM) to establish adequate financial discipline. Taxes were simplified and collection process was strengthened. The Tax Revenue of the state increased by more than three times in the past six years. Procedural complexities were removed to accelerate decision-making. Bihar Administrative Reforms Mission was setup to help the government in designing and implementing reforms to make the administration more efficient, transparent and accountable to the people. Some of the important reforms that BPSM undertook are modernization of district collectorates through e-governance, digitization of land records, and better compliance of RTI requests. With these measures, Bihar began gaining recognition for its governance. This allowed us to be proactive and assertive in claiming the rightful share of Bihar from the Central Government. As a result, the resource pool of Bihar increased thereby allowing us to invest more in public infrastructure, social programs and governance measures.

The statistics of growth in Bihar merely reflect part of the story of Bihar's development. Bihar has clocked the highest GSDP growth rates in the last few years and the per capita income of the state has increased four times despite recurrent disasters in the form of floods and drought. The plan size of Bihar grew seven times in the last seven years, from Rs. 4000 Crores to Rs. 28,000 Crores. There was huge leap in the budget of Bihar. The capacity to spend has increased manifold in the state. Incidentally, Bihar is transcending from barter to flourishing into a market economy. Once a small market, Bihar is now expanding and fast integrating with the national market and beyond. However, the most promising story of Bihar is that the growth is inclusive. The weakest sections of society are part of this growth. Democratic institutions such as Panchayati Raj are part of this growth. Social harmony is part of this growth. An assertion of Bihari brotherhood is part of

this growth. And most importantly, a roadmap for future where farmers and youth can live a life of dignity and achieve their potential is part of this growth. The vision for this section is not esoteric. With the Farmer in the centre stage, the Agriculture Road Map 2012-2017 represents a Holistic Approach of agricultural development. It attempts to achieve qualitative increase in production and productivity across all sectors. The technologies and management of resources are sustainable and it represents an integrated approach for the development of cereals, pulses, oilseeds, fruits, vegetables, sugarcane, Jute, honey, mushroom, milk, meat, eggs and fisheries, which we call as rainbow Revolution. The nuts and bolts of the vision have been mediated through, 'Agricultural Road Map' aiming for a Rainbow Revolution.

However, the job is far from over. There are plenty of challenges that we face on an everyday basis - livelihood for the people, risk of disasters, human development, penetration of banking public health issues, widespread poverty, energy sufficiency etc. But, Bihar is ready to face these challenges. We have resurrected the capacity of the state to deliver growth and good governance while staying accountable, fair and transparent.

We may begun well but still lot has to be done and we have the resolve for it.

I believe that we can strengthen India by strengthening the state of Bihar. I also believe that the social harmony and inclusiveness for which Bihar stands today plays a stronger role in developing an atmosphere of harmony in South Asia.

The speech was followed by a question/answer session. In response to the comments and questions from the people round the table, Chief Minister said that it was change for the betterment. People in the first tenure do not have much expectations but it is in the second tenure, people feel that they should invest and now they have aspirations to do something for their state. On the question of Kashmir issue, Mr. Kumar said that we need to find solution of contentious issues between India and Pakistan through dialogues. In response to question whether good governance is important for democracy or not, the Chief Minister said that democracy and good governance are interlinked. Democracy with good governance leads to growth. Regarding the question on environmental protection, he said that protection of environment is very important and his government is paying

great attention on this issue. He also said that he has planned to build an 'Institute for Environment and Ecology' at one of the Bihar's university. In the end, the Director General ISSI, Mr. Ashraf Jehangir Qazi thanked the Chief Minister, Mr. Nitish Kumar and his delegations for his enlightening speech and the other guests round the table.

Prepared by:

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