

## **Jharkhand's record**

**Business Standard / New Delhi January 30, 2006**

Talk to anyone, especially the chief minister, on what Jharkhand has achieved in the five years since its birth, and the answer will probably be: Rs 200,000 crore of proposed investment—of which a fifth will come from a single plant of 12 million tonnes by LN Mittal. In the age of de-licensing, when states have to compete for funds, investments are a good yardstick (among several) by which to judge chief ministers, and Jharkhand therefore has something to show. Yet, as the Jharkhand Citizen Handbook brought out by the Centre for Civil Society, for the Ranchi-based Hindi daily Prabhat Khabar shows, governance and investment don't necessarily go hand in hand, though it is true that without governance there can be little investment. Once the investment flows in, and the state gets royalty and taxes on the produce, the issue is what it does with the money. So far, what Jharkhand has achieved with the money it already has, has been quite poor.

Jharkhand, another report done by the economics research firm Indicus Analytics (also for Prabhat Khabar shows, has 817 schools per million people, which is lower than the national average of 1,036 but better than West Bengal's 725. Yet its literacy rate, at 54.13 per cent, is lower than West Bengal's 69.22. Indeed, the state has the country's highest rate of teacher absenteeism, at 42 per cent, and 13 of its 22 districts are among the 150 least literate districts in the country. As for anecdotes to testify to poor administration, there is the fact that, while the central government released Rs 7.2 crore for subsidised housing under the Valmiki Ambedkar Awas Yojana in 2004-05 for constructing 3,500 housing units and 90 toilets, not one house or toilet has been constructed so far. And, though the state was set up due (in part) to the lack of participatory governance involving the local people, it has yet to conduct a single election to its local bodies.

One reason for these poor outcomes is the rapid turnover of officials in charge of various projects. The chief secretary's tenure has averaged a year in Jharkhand, that of the development secretary has been eight months, and the city development secretary's a mere 5 months. In the five years since the state's formation, districts like Chhatra have had 10 deputy commissioners and five superintendents of police; Koderma has had as many as eight superintendents of police, or one every seven months. Indeed, if you look at the data, you find a reasonably close and inverse correlation—the districts with the least security of tenure, such as Chhatra, are the least affluent. Why officials should be transferred in this fashion every few months is hard to understand—because little can be achieved in tenures of less than two years. Nor is the problem money; monitoring what teachers do is surely not difficult if there is a proper system of inspection. The state does not need to wait for investments to flow in, or for the resulting revenue from taxes to become available; within the resources it already has, it can address many of the failures of governance in vital fields like health and education. If it fails to do that, the jobs that are created by the new investment will go to people from other states. And Jharkhand would have then had investment, but not development.