

**“Development
must be
comprehensive.”**

– Dr Isher Judge Ahluwalia,
Chairperson, ICRIER

CW presents
the next in a
series of
interviews
with women
who have
made their
mark in the
construction,
building or
infrastructure
sector.



She may be one half of a twosome that redefines the term 'power couple', elevating the phrase from the party pages to the annals of policy. But, **Dr Isher Judge Ahluwalia** has never stood in the shadow of her husband Montek Singh Ahluwalia.

Awarded the Padma Bhushan for her services in the field of education and literature, Ahluwalia is Chairperson of the board of governors of the Indian Council for Research on International Economic Relations (ICRIER), where she served as Director and Chief Executive from 1997 to 2001; Chairperson of the High Powered Expert Committee on Urban Infrastructure, appointed by the Ministry of Urban Development in May 2008; member of the National Manufacturing Competitiveness Council; Vice-Chairperson, Global Development Network, New Delhi; member of the board of trustees of the International Water Management Institute, Sri Lanka; and member of the Advisory Group on Institutional and Human Resources Management, Asian Development Bank.

Other career highlights include serving as Vice-Chairperson of the Punjab State Planning Board (2005-2007); Chairperson of the board of trustees of the International Food Policy Research Institute (IFPRI), Washington DC (2003-2006); member of the Eminent Persons Group (EPG) of the Asian Development Bank; and member of the Commission on Macro-Economics and Health appointed by the WHO. Armed with a Masters from the Delhi School of Economics and PhD from the Massachusetts Institute of Technology (MIT), her research has focused on industrial development, economic reforms and issues in social sector development, and she has written several books including *Industrial Growth in India: Stagnation since the Mid-Sixties*, which received the Batheja Memorial Award for the best book on the Indian economy in 1987. Having published many articles in professional journals, she remains actively engaged in policy debates in India through her contributions to newspapers, magazines and the electronic media.

Incredibly, considering this array of achievements, there's not a trace of hubris as she welcomes us into her home office in Delhi's tony Aurangzeb Road. Dressed elegantly in a sari with her distinctive crop of white hair, she remains attentive and articulate as she speaks about her professional and personal journey to **Editor-in-Chief PRATAP PADODE** and **Group Managing Editor FALGUNI PADODE**...

You first wrote about industrial productivity in India - or the lack thereof - over three decades ago...

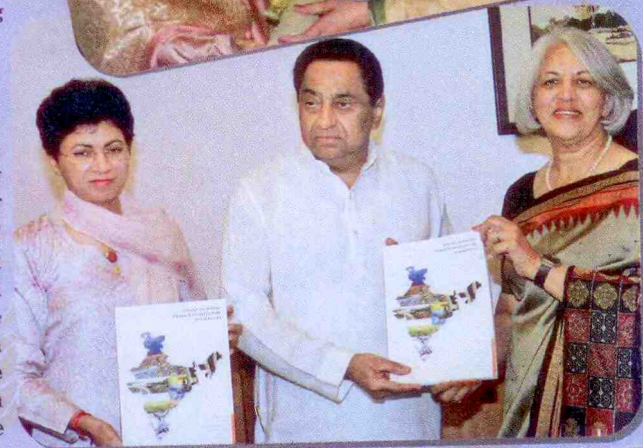
Yes, in 1979, I started gathering data on the matter. Some people said our industrial performance was poor because of the agricultural drag; others maintained that it was because of worsening income distribution. My book, titled *Industrial Growth in India: Stagnation since the Mid-Sixties*, showed that when you put these hypotheses to an empirical test, they did not stand the scrutiny. It was poor productivity performance that was behind industrial stagnation. The reasons were a highly closed and heavily regulated economy with dominance of an uncompetitive public sector. The book was empirical in nature so critics could not find fault with the data, but the implications made them uncomfortable.

The book came out in 1984, but there was a major seminar in 1982, which had participation of the senior most policy makers at the time, like Shri LK Jha, Dr Manmohan Singh, Prof Sukhomay Chakravarty, Prof BS Minhas and my husband Montek Ahluwalia. The book was widely reviewed. There were a number of other studies that also pointed towards the need for industrial deregulation and opening up to foreign trade and investment. But, it was only in 1991 that we opened up the economy owing to circumstances created by the balance-of-payments crisis. My next book *Productivity and Growth in Indian Manufacturing*, reaffirmed the findings of my earlier book on stagnation.

You joined the Indian Council for Research on International Economic Relations (ICRIER) in 1997. Tell us more about the association.

ICRIER was set up by Dr KB Lal, who was the Founder, Director and Chairman.

Receiving the Padma Bhushan from President Pratibha Patil...



Ahluwalia presenting the Report of the High Power Expert Committee to Union Minister for Urban Development Kamal Nath and Union Minister for Housing and Urban Poverty Alleviation and Culture, Kumari Selja

Dr IG Patel took over as Chairman from him. When Dr Patel invited me to join as the Chief Executive of ICRIER, he had a vision for the association, which I shared. On a personal front, my sons had left home for college, and I was ready to take up a full time assignment with administrative responsibilities.

What was your mandate?

I wanted to make ICRIER a world-class institution. We needed high quality faculty and that meant that I had to raise resources. So, building an endowment was a priority for me. We also managed to start the South Asia Network of Economic Research Institutes (SANEI). This is a virtual network wherein we have one research institution each from India, Pakistan, Bangladesh, Nepal and Sri Lanka; we get some money from the Global Development Network and have been doing collaborative research on issues of common interest. ADB and Ford Foundation have also funded SANEI. The SANEI secretariat shifts to a different country every five years. It moved to Pakistan and then to Bangladesh; after 25 years from its inception, it will come back to India.

You also had a stint on TV. How did that come about?

At the turn of the decade in 1999-2000, there were many questions about whether India should engage with the World Trade Organisation (WTO). At the time, some producers approached me for a set of 13 programmes on Doordarshan. We developed a format where there would be two experts from amongst politicians, industrialists, economists who would debate a WTO-related issue with me as the moderator. It started as a 13-part series but ended up continuing for the entire year. I was initially reluctant, but it worked very well and I learnt a great deal.

You then left the country...

My husband moved to Washington to become the first director of the Independent Evaluation Office of the International Monetary Fund (IMF) in 2001. I followed him and worked as a professor at the University of Maryland. We returned in May 2004.

What did you do after your return?

I had decided not to do a full-time job at least for a year. Before I had the chance to wonder what to do next, the Punjab Government invited me to be Vice-Chairman of its Planning Board. It was a fantastic opportunity to look at development from the perspective of the state government rather than the Centre. Already, in 1999-2001, Andhra Pradesh Chief Minister Chandrababu Naidu had set up an Economic Advisory Council and I was a member. That was my first exposure to state-level thinking on development. The same year the Rajasthan Chief Minister Ashok Gehlot also set up a similar council, and I joined that as well. But, when I returned from Washington DC, Punjab gave me the opportunity to really get involved in state level economic planning.

Now, of course, you are involved with urban development at the Central level.

Yes. About two-and-a-half years ago, the Ministry of Urban Development approached me to head its High Powered Expert Committee on Urban Infrastructure. I wondered why they asked me because I had not done any work on urban development. They wanted mainstream economists to get more involved in issues of urbanisation.

Were you familiar with some of these issues?

One of the main issues is water. I had some familiarity. I have been associated with the Naandi Foundation, which was set up by Dr Anji Reddy. Amongst the foundation's many activities is setting up of RO plants for safe drinking water in rural India – now



At the inauguration of the New Delhi office of the IFPRI with Prime Minister Dr Manmohan Singh.

this is being extended to the urban sphere. My association as a board member of the International Water Management Institute has also given me some exposure.

What about other sectors in urban infrastructure?

We studied, discussed and met with experts to understand the issues. I also started writing a monthly column for *The Indian Express* and *The Financial Express* on best practices in urban development. For instance, Allandur, a suburb of Chennai had absolutely no underground sewerage facilities. In 2001, a very dynamic mayor was able to mobilise public deposits and transform the scenario with 100 per cent underground sewerage in a short period of four years. Rajkot in Gujarat has an integrated solid waste management system, which is highly effective. There has been a remarkable transformation in the urban sectors of Karnataka, Andhra Pradesh, Gujarat, Tamil Nadu and Maharashtra; yet, there is much more to be done. I am currently co-editing a volume on 'Urban issues in India'. I am still working on my monthly column and making presentations of my report to whichever chief minister is interested. Since urban development is a state subject, it is very important for the state governments and the Government of India to come together and evolve a joint strategy in addressing the urban challenge. So far, I have made presentations to the Chief Ministers of Bihar, Orissa and Maharashtra and their officials and I will be doing the same shortly to the Chief Minister of Madhya Pradesh. What happens here is that I learn as much as they learn from the findings of our report, because each state has its own context.



With husband Montek, as he receives an award.

What is the road ahead?

Our goal must be to consistently strive to improve the quality of life for the residents of Indian cities. Even the middle class in Indian cities is actually poor when it comes to basic amenities. The Ministry of Urban Development has announced certain basic benchmarks; we need not only invest in urban infrastructure. But, even more important is the need to improve governance, to decentralise and ensure accountability so that we can assure good quality services to our citizens. State governments will have to devolve funds to the local governments and help them improve their own finances so that the constitutional mandate, which puts the responsibility for the service delivery functions to urban local bodies, does not remain unfunded. JNNURM was a good pilot project focussing on select cities. Our report says that the New Improved JNNURM should be open to all, provided it comes with an overall programme of urban development and the state endorses it. If a city is willing to undertake reform and comes up with a viable city development plan, it must be supported.

It must have been a proud moment for you to receive the Padma Bhushan in 2009.

It is indeed an honour, but the real satisfaction comes from recognition from your peers. I believe in the power of ideas. My work has received reasonable reception from policymakers in the Centre and in a number of states.

How have you managed to balance such a rich career with the demands of your family?

I have always worked flexible hours. When my children were young, I was writing books. Even when I worked as a research professor at the Centre for Policy Research, I had a clear understanding that I would be there only between 9.30 am and 2 pm when my children were away at school, but that I would meet any deadline given to me. My children had a full-time mother, and my husband had a full-time partner, and I had a full-time job with flexible hours. It basically meant that I had to wake up early in the morning or stay up late at night to meet my professional commitments. But, I actually enjoyed it. And when you enjoy doing something, you don't mind working at odd hours.

As if on cue, there's a knock on the door. It's her husband, asking her if she's ready to leave – the Ahluwalias have a do to attend. She says her goodbyes graciously, seamlessly making the transition to another aspect of her remarkable persona. Multitasking? The lady simply owns the word.

Would you like to tell us about any such women of substance? Share your suggestions with us at feedback@ASAPPmedia.com