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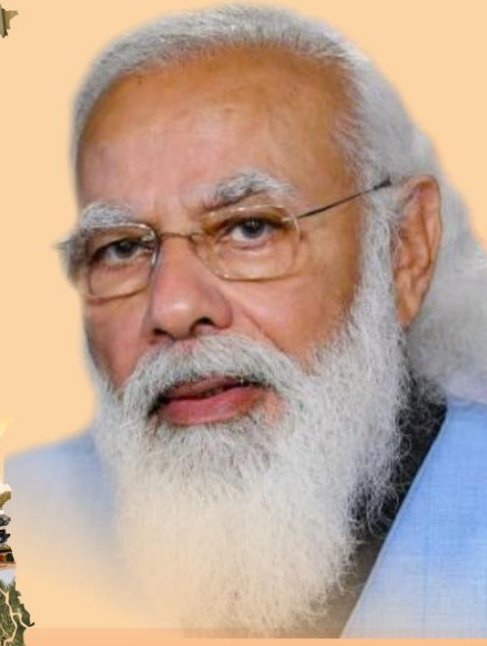

A ROADMAP FOR THE REVIVAL OF SERVICE SECTORS IN WEST BENGAL

Dipankar Sengupta

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Preface

While India's economic turnaround in the 1990s was scripted in great part due to its stellar performance in various service sectors such as those based in information technology (IT), both internally and externally, West Bengal largely missed this bus. This is despite the fact that the state had necessary human resources to take advantage of such sectors.

This industrial decline was understandable, given the political milieu that was not suitable for industry. However, the inability to participate in the service sectors boom, especially the IT and later the IT-enabled services (ITeS), was surprising. So remote does West Bengal appear from India's IT story that we often forget that the first digital computer in India - the British built Hollerith Electronic Computer (HEC) 2M - was installed in the Indian Statistical Institute Kolkata in 1955.

Prior to this, the Institute had developed an analog computer in 1953, which was the first computer in India. Moreover, the state possessed considerable technical talent as well as pool of persons trained in various aspects of business studies. For example, accountancy services, which could have easily supported the ITeS sector.

From those heady days to the present bleak position where West Bengal is not a serious player in the IT sector is a situation that has to be acknowledged. Indeed, no plan for West Bengal's renewal can make sense if this reality is not accepted. This may sound like a truism but the fact is in order to find solutions to a challenge one has to first acknowledge and accept it.

In contrast, the scenario in tourism is better but only when compared to the bleak scene in the IT sector! Tourist arrivals in West Bengal have picked up but the state lags substantially when compared to the leading states of

India. Indeed, West Bengal is yet to receive the share of tourists commensurate with its population.

Therefore, keeping these challenges and also opportunities in mind, this document by Professor Dipankar Sengupta proposes certain interventions in both sectors. It argues that restricting our vision to IT and ITeS alone would underestimate the state's potential and would lead to another round of missed opportunities.

In order to get a fair share in the knowledge economy that has emerged in India and given the strengths of the Greater Kolkata region in traditional sciences including the sheer numbers of trained scientists, both actual and potential, the state has to make specific moves with god speed.

Many of them have been outlined in this paper. For example, supply of human resources for the various sectors of the "knowledge economy" with some tweaking of course curriculum should be a priority.

Thus, a coalition of higher educational institutions, technology majors and financial entities, especially venture capital funds, is proposed to run/operate "knowledge parks" with different thrust areas to attract global investment in the form of knowledge hubs like laboratories and R&D establishments as well as incubate start-ups.

On the other hand and as tourism is concerned, it is again argued that West Bengal's current plans for tourism are characterised by a lack of ambition and that the state has aimed too low.

Therefore, this document proposes that with proper planning and support there are several circuits that can individually attract at least ten million tourists a year. It proposes certain mega schemes for the Gangasagar, Nabadwip, the Bengal Hills, while singling out Santiniketan to be the Modern Cultural Capital of India.

The accent is on employment generation and diversification of livelihood opportunities. It argues that given the fact that the employment multiplier for tourism is highest among the various sectors appropriate interventions, which include homestays, can considerably boost employment as well as income.

In short, the sectors chosen as thrust areas encompass India's quest to transform itself into a "knowledge economy" with West Bengal playing the role it should have played much earlier as a sword arm of this national endeavour.

Alongside, it also envisages the state assuming a rewarding role as a place of culture and entertainment, and as a place hallowed in our scriptures as sites where Maa Ganga meets the ocean and thus, is visited every year by millions of pilgrims.

Dr Syama Prasad Mookerjee Research Foundation is honoured to publish this document, which is a part of our endeavour for the socio-economic revival of West Bengal. I am sure that this and other such documents of this initiative will make a significant contribution towards this goal for a state, which is at the cusp of a change for good.

I thank Professor Dipankar Sengupta for his efforts to prepare this very interesting and thought-provoking document and Shri Bipul Chatterjee, Executive Director, CUTS International and Honorary Convenor of Dr Syama Prasad Mookerjee Research Foundation"s Working Group on Socio-economic Revival of West Bengal for his guidance and active support.

February, 2021

Dr Anirban Ganguly
Director
Dr Syama Prasad Mookerjee Research Foundation

Introduction

The Whats, Whys and Hows

The Service sectors in India had long been regarded as a residual sector, the consequence of a declining employment potential of agriculture and industry not growing fast enough. The fact that India did not follow the conventional process of sectoral transformation with services leapfrogging to become the largest sector of the economy before the share of manufacturing had surpassed agriculture led to this sectoral transformation being considered 'abnormal'.

Within a decade of liberalisation in early 1990s, however, perceptions about this sector and its potential had changed dramatically, especially with the performance of the Information Technology (IT) and the IT-enabled services (ITeS), which continues to this day. Indeed, it the considerable trade surplus in services that helps in part to offset the massive deficit in India's merchandise trade.

Unfortunately, the state of West Bengal has missed this bus. This in itself is a paradox. Given its long history and indeed its availability of hard and soft infrastructure in science, technology, engineering and mathematics (STEM) along with commerce subjects with tens of thousands of students graduating every year, there was no reason for the state to miss out on this development completely, which is so human resource (HR) intensive.

If not the first on the bus, it could have been the second or the third. To be sure, the HR in this case was largely technology graduates but they were not IT graduates alone. This sector pulled in technology graduates from all disciplines looking for problem solving capabilities. Much of the effective training comes after they had been recruited.

There was no reason for this not to happen in West Bengal. Science graduates, especially those with mathematics as one of their papers, can easily be trained to code. When it came to ITeS, the outsourcing of work like preparing payrolls of corporations could have also been done in Bengal given the large number of commerce students trained in accounts.

Clearly, it was not the shortage of HR, lack of quality or skills that was responsible for West Bengal missing out. After all, the presence of such HR from this state in the IT sector in Bangalore, Hyderabad or Gurgaon is far from negligible.

The investment climate and work culture in the state was the key factor. For an industry with deadlines and dealing with clients in real time, interruptions in work would damage relations with customers/clients immensely with obvious financial implications.

On the other hand, when sectors like tourism is concerned, West Bengal came in late. While there has been a jump in recent years when it comes to absolute numbers, it remains way behind the top most state in this regard, that is Tamil Nadu. West Bengal's tourism potential, both its scope and range, is often under-estimated leading to lost opportunities in both income and employment.

Transport is another sector where West Bengal has lost out. The massive potential in sea, air and land transport has remained under-utilised, leading to missed income and employment opportunities.

In another vein, no effort has been made to upgrade/modernise/standardise the vast informal sector, especially when it comes to food vendors. The consequences of this, as argued in this document, could be enormous.

Therefore, this document is focused on two specific areas where interventions can be made with maximum effects. They are in the 'knowledge sector' and the 'tourism sector'.

This is not to deny the potential that may exist in other sectors like education and health. But it may be argued that from the point of view of employment generation and getting the maximum value for investment, the sectors chosen are appropriate given West Bengal's endowment and resources.

Services and the Knowledge Economy

India's integration with the global economy, especially the developed world, has not been through her presence in global value chains but through the services exported, particularly IT and ITeS, to many major corporations. Thus, India began by using aspects of the knowledge economy to provide those services to major corporations, which are vital but non-core. But she has upgraded herself.

IT systems of financial companies like banks are often serviced by Indian IT majors. With advances in technology, core operations of companies are increasingly embedded in a matrix of IT operations making it impossible and possibly irrelevant to distinguish between core and non-core operations of a firm.

Therefore, a service provider must not only have expertise in IT but increasingly must also possess domain expertise (not merely passing knowledge) in the core functions of its clients. That is that its own expertise must become increasingly inter-disciplinary, must be able to integrate various associated skills apart from IT related ones; for example, expertise in finance, portfolio management, etc. while supplying IT backend support to financial institutions.

At the same level but on a different area, commercial cutting-edge research and development are also outsourced. Given a particularly high level of safeguards regarding intellectual property rights, many knowledge-intensive industries may hive off sections of research activity (at various levels of advancement), which are human resource intensive to places where such resources

are available in adequate numbers and have the tradition of collaborative research. Indeed, in IT this is common. There is no reason as to why it should not be common in fields like pharmaceuticals, electronics etc.

Having missed the bus very early on or got on very late, what does West Bengal have that may give it an edge in the rapidly changing world of the knowledge economy? On the face of it when it comes technical education, it seems not much since seat availability in engineering colleges in the state is abysmally low compared to other states both in absolute terms and more so in terms of seat availability per million population.

However, given the fact that engineering education in India is so inadequately imparted, in terms of employable engineers, the state is likely to fare better but not by much. On the other hand, when it comes to general science in college education, the state's position becomes considerably better and, while faring less than states like Tamil Nadu, the quality of education imparted and the syllabi is possibly of the highest quality in the country for all streams.

For example, while the figures for post-graduate and PhD enrolment falls in absolute terms to being half of that of Tamil Nadu, the quality of education imparted and the standards is again higher than most Indian states. How then can West Bengal's human resources be utilised to give it a better foothold in the knowledge economy?

The state's less than desired presence in technical education, though a disadvantage, should not be overplayed. Various reports including those from the National Association of Software and Service Companies (NASSCOM) have commented on the low quality and employability of engineering graduates from Indian engineering colleges. Indeed many IT firms are compelled to retrain new hires, especially in languages/programmes, not taught in the colleges as syllabi upgradaton often lags advances in industry.

That is why many industry figures lay stress on problem solving skills and communication skills. This is not to say that coding skill and programming should not be taught, but with suitable modification of syllabi and course structure, a large number of graduates especially with a Physics-Mathematics background can be drafted as programmers.

More so, when it is overseen by higher educational institutions of repute of which there still quite a few in the state where the latest developments in the field are taught by practising professionals to students. Indeed, the New Education Policy of India, 2020 (NEP) calls for flexibility and openness when it comes to higher education and an increasing industry-academia interface. If the NEP, 2020 is followed in its true spirit, there is no reason why a ready supply of IT professionals from the state cannot be supplied to the IT industry.

Similarly, there is a potentially large pool of students trained in skills like accounting practices and financial methods who could easily be drafted to perform backend non-core operations of corporations in the developed world.

Thus, West Bengal, especially the Greater Kolkata region, is a very good candidate for far greater share of the IT and ITeS sectors that has come India's way. If leapfrogging to the latest programmes can take place and upgradation becomes institutionalised, the upper-end/cutting-edge of the IT value chains can substantially shift to this region. Indeed, so will be the case with many ITeS operations. When hires are local, attrition/turnover rates are likely to be low leading to lower salary costs without lower salaries.

But this requires end-to-end planning with the help of IT majors, their identification of gaps so that they may be covered.

However, merely to attempt to take a slice of the Business Process Outsourcing/IT/ITeS cake would be to underbid as West Bengal has much more. When it comes to the interface between technical/statistical knowledge and analytical skills in the sense of offering educated judgements/forecasts on the basis of data, especially economic, the Greater Kolkata region has traditionally been ahead of all other places in India.

Indeed, it is the alumni of various institutions in this region who have played a large role in spreading these skills in other parts of the country, even abroad. The potential pool of such skilled persons with necessary software skills can easily be ramped up to meet market demand. Thus, business consultancy services too can be located in West Bengal.

Even further, given the long tradition of basic scientific research, there is no reason as to why this cannot be re-focussed to commercial applications and make it attractive for companies worldwide to source/locate their laboratories here. From here to a potential dynamic start-up culture is a short step.

No city in India has the critical minimum mass of potentially skilled people to enable India to upgrade its knowledge process outsourcing where companies worldwide purposefully allocate relatively high-level tasks involving specialised knowledge or problem-solving to an outside organisation or third party processing a high level of domain expertise, in this case located in the Greater Kolkata region.

For this to happen, West Bengal's higher educational institutions will have to work outside their silos and make their systems into an open architecture that allows participation of knowledge workers in the various fields as envisaged by the NEP, 2020. Upgradation of knowledge and its seamless and logical integration with the knowledge economy makes it a requirement.

Here the regulatory mind-set that governs these institutions is far more important than actual financial resource requirement, as in the case of ease of doing/running business. If Hyderabad and Gurgaon, which followed Bemgaluru in cornering a share of the IT and ITeS business, there is no reason why Greater Kolkata cannot. From here to seek a niche in knowledge process outsourcing is a logical development for which the state possesses the most important factor, human resources.

Thus, a plan of action in this case must specify the area - the Greater Kolkata region, the local players - the top ten higher educational and research institutions, the knowledge players - the IT and other technology companies where the required skills are identified, the gaps measured, the necessary training provided and research re-focussed, office space issues and other logistics and regulatory issues clarified and amended.

The actual financial involvement of the government has to be limited. Here, the confidence of technological companies about the state's ability to deliver is paramount and if that is won over great things can occur in West Bengal.

To this end it is suggested that Science and Technology Parks (defined as "*being a property-based development that accommodates and fosters the growth of tenant firms and that is affiliated with a university and/or a government and/or private research bodies*") based on proximity, ownership, and/or governance) in the form of limited companies be set up, each mentored by a team that comprises of a University, a Technology Major, a Venture Capital (VC) Firm and Civic Jurisdiction where the Park is located.

The choice of the technology major and the VC firms would depend on core competencies of the mentoring University/Institute. The Parks, however, will not be exclusive to either the University or the Technology Major in terms of their participation.

It is also logical that most (but not all) of these parks be located in the Greater Kolkata region. The universities that can mentor these parks would be as follows:

1. Jadavpur University, Kolkata
2. Indian Institute of Engineering Science and Technology, Shibpur, Howrah
3. University College of Science and Technology/Rajabazar Science College, Kolkata
4. The West Bengal University of Health Sciences, Bidhannagar (Salt Lake)
5. Bidhan Chandra Krishi Viswavidyalaya, Mohanpur, Nadia
6. Indian Institute of Technology, Kharagpur, Paschim Medinipur
7. National Institute of Technology, Durgapur, Paschim Bardhaman
8. Indian Institute of Information Technology, Kalyani, Nadia
9. Visva-Bharati University, Santiniketan, Birbhum
10. North Bengal University, Darjeeling

Clearly, each park will have its own thrust areas from IT to Engineering to Medicine/Health, Basic Sciences related fields, etc. The potential range of services can range from IT-enhanced entertainment given Kolkata's own entertainment industry to molecule/procedure discoveries in medicine to cultural products, which reflect the state's range of untapped/un-monetised research excellence.

The idea is to vastly increase the number of start-ups as also the areas in which these start-ups will operate. This entire culture operates in a milieu of *uncertainty* as contrasted to *risk.*

Therefore, given that there is not much 'known' about who and what sector is the next dark horse, the wisest option is to cast the net as wide as possible. The ones that are successful may give rise an entire new sector/industry. An ecosystem has to be created.

The Tourism Sector

One of the surprising yet heartening developments in West Bengal has been the rise of tourism. Tourist arrivals have increased dramatically, especially domestic tourist arrivals, which rose from 25.4 million to 92 million in the 2013-2019. Rise in foreign tourist arrivals was less dramatic in the same period - 1.24 million to 1.66 million.

But as a share of total tourist arrivals, West Bengal, which has 7.5 per cent of India's population, punches considerably below its weight, getting only 4.6 per cent of domestic arrivals and 5.6 per cent of foreign arrivals. The figures for Tamil Nadu are 20.8 per cent and 21 per cent, respectively. Moreover, West Bengal's foreign arrivals are largely from Bangladesh whose spending power is limited.

Nonetheless, the current state of tourism is a far cry from what existed over a decade ago and reflects a change in mind-set. What is now required is a change in strategy for both a qualitative as well as a quantitative improvement in domestic and foreign tourist arrivals as well as to host them in a manner that increases revenue and employment.

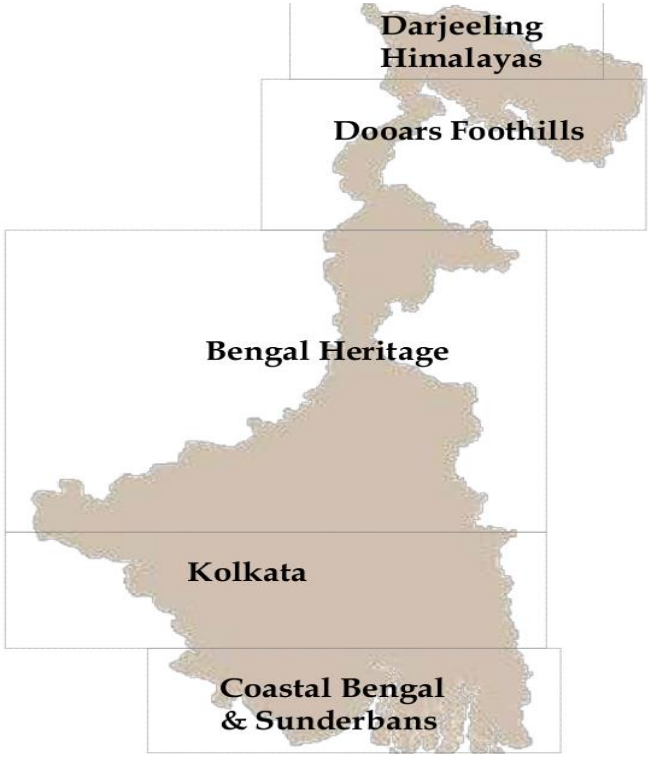
West Bengal's tourism performance is not constrained by its potential, which is vast. It was constrained by a mind-set, which is changing and by infrastructural constraints like hotel room capacity, which at 2703 rooms is way behind 6400 of Tamil Nadu, 3976 for Rajasthan and 15,000 for Maharashtra. It is hardly surprising then that of the lucrative foreign tourist arrivals, West Bengal lags way behind Tamil Nadu, Maharashtra, Uttar Pradesh, Delhi and Rajasthan.

Where domestic tourism is concerned, West Bengal lags behind Tamil Nadu, Maharashtra, Andhra Pradesh, Uttar Pradesh, Telengana and Karnataka. Even if West Bengal were to get the share of both domestic and foreign

tourist arrivals commensurate with her population share, it would be a dramatic improvement. But the state is a laggard in India whereas India is a laggard internationally as far as tourism is concerned. Therefore, it would be a folly to aim low when the potential market is very high. This is one of some of the shortcomings of the West Bengal Tourism Policy that came into effect in 2016.

While there can be no dispute with respect to the classification of tourist circuits in the state into Darjeeling Himalayas, Dooars Foothills, Bengal Heritage, the Sunderbans, the Coastal Bengal, the Greater Kolkata region, and the proposed coastal circuit (Udaypur-Digha-Shankarpur-Tajpur-Mandarmani-Bakkhali-Henry Island-Frazerganj), it is low on ambition and in spite of references to "*community engagement, generation of local livelihood options*" spells out little on this vital aspect.

West Bengal as Classified by Types of Tourism



The policy targets 10 per cent growth rate of tourism inflows, which is significantly below the national growth rate of domestic tourists flow. But it is not difficult to see why the ambition has been capped. One reason of course is the lack of tourism infrastructure, especially hotel room capacity. And, this stems from an unimaginative approach towards this issue, especially homestays.

This has to be explained in a greater detail. It can clearly be seen that of the six circuits identified, except for metropolitan West Bengal - the Greatar Kolkata region - all other circuits have a problem with respect to hotel infrastructure. There are qualitative and quantitative problems with respect to hotel rooms.

However, to concentrate on hotels alone is to limit options to investments that are 'lumpy' - that is of a critical minimum size if they are to be undertaken at all and at times in virgin areas where return on investment becomes uncertain/risky. A homestay, on the other hand, avoids the problem of land acquisition and investment size.

Indeed, the incremental capital required for additional accommodation creation becomes much lower. This is more so for rural areas than urban areas. As it turns out, except for the Greater Kolkata region, all the tourist circuits including the planned one are either primarily rural or at least partly rural.

Thus, a strategy in these circuits based on homestays that includes identification of sites and potential hosts, capacity building and financial assistance in the form of access to credit even on the present numbers can directly benefit at least nine million families. With a proper strategy, which is more ambitious on numbers, this can easily go up to 20 million families.

So far, the Homestay Policy of the Government of West Bengal is a regulatory framework that determines who and what qualifies to be a homestay. There is no homestay strategy. This is because there is no integration between

homestay promotion and circuit promotion and development. This is by no means a simple task but neither insurmountable. The various elements of such a strategy are as follows:

- the type of rooms to be built, the sanitary aspects, the food to be served, etc.;
- which localities are to be located within each circuit;
- associated with the above, are transport logistics, the conveyance of homestay tourists from their place of stay to their destinations; and
- the minimum necessary infrastructure needed in the circuits, which is circuit-specific.

It would help to consider some numbers here. Let us consider the tourist season is considered to be of 120 days duration and average stay of a tourist at a home stay is three days with one day as preparation time to turn-around the room - that is leaving 90 days to host tourists. Thus, one room can host 30 tourists/tourist couples per season.

If a third of West Bengal's current traffic of domestic arrivals - that is approximately 90 million - is diverted towards homestays, this would mean that at least a million households would be benefitted directly assuming one homestay unit per family.

At a more convenient two homestay rooms per family this would be half a million. If these domestic arrivals were to double and proportionately diverted to homestays rise to 45 per cent, then three to six million rural households would be benefitted directly. The multiplier effects would encompass a multiple of this.

We have already observed that the targets set out by the West Bengal Tourism Policy were unjustifiably modest. While the various circuits in the state are correctly mapped out, the inability to think bold and think big will

hold tourism back. Let us explain some cases where this policy misses out.

Religious Tourism - Gangasagar

While the Gangasagar pilgrimage attracted 1.8 million people in 2018, this compares with a 10 million peak with respect to Shree Mata Vaishno Devi at Katra, is negligible. This is in spite of the fact that Gangasagar is far older and is associated with our religious scriptures. The popularity of Katra can in large part be attributed to the institutionalisation of the pilgrimage in Katra in the form of the Shree Mata Vaishnodevi Shrine Board set up by the then Governor of Jammu and Kashmir, Jagmohan which led to streamlining of the yatra and the setting up of facilities for pilgrims, which transformed the yatra from a generally hellish experience to a very pleasant affair.

This encouraged pilgrims to come back and the good publicity that this circuit acquired attracted pilgrims and tourists of all classes with hotels catering to them being set up in Katra. If this was possible for Katra, it is eminently possible for Gangasagar as well. Indeed, the plan for Gangasagar may incorporate an element missing in the Katra example - that is to induce pilgrims coming to Gangasagar to use it as a springboard to visit other parts of the state, certainly the nearby tourist destinations like the Sunderbans.

Similarly, the failure to think big with respect to Nabadwip in the Nadia district - a holy place for the Vaisnavites - also let West Bengal missing out on another mega-destination where domestic as well as foreign tourists are concerned. There are a number of other such circuits, which can be developed.

Cultural Tourism - Santiniketan

While Santiniketan attracts 1.2 million visitors annually, the lack of imagination with respect to its development and expansion is the result of a stagnant mind-set and also the acquisition of a destination that reeks of provincialism rather than universality. The confinement of Santiniketan to a Bengali Tagoreana is the greatest disservice that could have been done to the memory and legacy of Ranindranath Tagore.

What Santiniketan needs is a multi-faceted intervention where art, music, architecture and literature are freed from the clutches from its supposed guardians and others allowed to participate. The Universality of Tagore demands the broadening of this space to include other men and women of art, music and literature not only of that age but of contemporary times as well.

Indeed, if it becomes a living, dynamic and evolving region of art and education with other educational and cultural institutions also finding space, there is no reason why it should not strike a chord nationally and internationally as a town of Education, Art and Culture, a more evolved version of Oxford or Cambridge.

Thus, Santiniketan can also become a mega-destination for visitors whose spending power would also be substantially higher than the average tourist who visits West Bengal. Here too, an emphasis on homestays with appropriate financing and capacity building would be an inclusive, cost-saving strategy that would enhance room availability and ensures that the effects of tourist spending is localised for local employment/income generation.

Hill Tourism - Darjeeling and the Dooars

While West Bengal's hills have been the traditional stomping grounds for those who wish to escape the heat of the summers, other destinations like Uttarakhand, Himachal Pradesh, etc. have taken over. Indeed, given the lack of public investment in infrastructure in the Bengal Hills, its carrying capacity has remained limited. For example, tourist arrivals in Darjeeling are just in lakhs with 2.5 lakhs in 2018.

Again the example of Shree Mata Vaishno Devi Shrine Board is worth holding up, which ensures that 10 million people are able to visit a single shrine also located in a particularly fragile part of the North Western Himalayas because the necessary public investments and a regulatory framework have been instituted.

The Bengal Himalayas are spread over a wider area than Katra and hence to carry out a similar exercise would be eminently possible. That exercise would of course have to include public transport, building codes and amplify the homestay practice that has already taken root. Thus, Darjeeling district could have a far larger number of tourists without experiencing undue congestion.

These examples can be multiplied several times over. Tour operators can easily drive home the point to potential tourists in places like Delhi that the Hills of North Bengal, the Tea Gardens in the Hills and in the Dooars, Gangasagar is nearer than locations in many other states if travelling time is concerned (when travelling by air). The traffic jams in Himachal Pradesh's hill stations in 2019 are examples as how narrow current choices are and that this is more of a sellers' market than is commonly realised.

Therefore, any gap analysis between what is possible and what exists now indicate the necessity of significant interventions in:

1. Gangsagar
2. Nabadwip
3. Santiniketan
4. The Bengal Hills and the Dooars

To this list may be added some relatively minor (compared to the first four) potential circuits:

1. Bishnupur in Bankura
2. Tarapith in Birbhum
3. Tarakeshwar in Hooghly
4. Madan Mohan Mandir in Cooch Behar

These interventions would be in the form of the institutions of Pilgrimage Destination Management Boards for Gangasagar and Nabadwip and infrastructure to handle multiples of existing traffic. Bodies like the Gangasagar-Bakkhali Development Authority or the Tarapith-Rampurhat Development Authority are too limited in scope and territorial jurisdiction to tourism to multiples of its current volume.

In Santiniketan, it would be more rewarding to transform and broaden its milieu to make it more cosmopolitan and contemporary without losing its roots. If the goal is to make it the Cultural Capital of India then the Santiniketan-Sriniketan Development Authority is clearly not the agency to accomplish this task.

The most challenging would the intervention in the Bengal Hills and in the Dooars where investments in urban infrastructure will be considerable and the management of water, sanitation and transportation will be crucial. But with modern technology at our disposal, it is by no means insurmountable.

Interventions like these are the way forward to double domestic tourist arrivals as compared to 2019 over the next five years. They would also require expansion in the capacities of the Airports of Kolkata and Bagdogra as well

as road and rail links from Kolkata to South and Central Bengal and Bagdogra to Darjeeling and the Dooars.

For Kolkata where hotel rooms are scarce and urban space a problem, the outskirts of Kolkata in all directions - that is along the Krishnanagar City Line, the Diamond Harbour Line, the Bandel Line, the Kharagpur Line, the Barasat Line - must be included in a master plan that aims to boost tourist arrivals to the nearby towns as places to host tourists even if not to visit. The extension of the Metro Lines, therefore, is crucial. The upgradation of water transport to use the Hooghly and other rivers as an additional means to decongest Kolkata is vital too.

Thus, it is advocated that for Gangasagar, Nabadwip and Tarapith, Pilgrimage Boards be set up on the lines of the Shree Mata Vaishno Devi Shrine Board with the aim of promoting and managing pilgrim/tourist flows, maintenance and development of the entire circuit, development of hotels and coordination of homestays, pushing tourists to nearby tourist destinations. The jurisdiction of these boards must not just include the entire district but must also consider branch offices in every major pilgrim source.

The mandate of these boards should include the management/overseeing of arrivals from the nearest airport/station, their stay, visit to the places of pilgrimage and back again. This would imply the development of hotels/homestays, transport service providers as well as the subsuming of activities of the Development Authorities that currently operate so as to plan the development of these areas in an appropriate manner as tourist flows increase.

The rise in volumes one should plan for should be at least five millions in the next five years for Gangasagar and Nabadwip, and 10 millions in seven years' time. For Tarapith, the figures should be three and six millions, respectively.

If Santiniketan is to be promoted as the Capital of Modern Indian Culture then clearly the Santiniketan-Sriniketan Development Authority with its limited powers and scope cannot be the body to do it. Here, the promotion of culture in all its facets ensuring its cosmopolitanism and rootedness as well as cultural/art entrepreneurship, education, etc. have to be integrated into city planning to attract tourists from all over the world.

This would have to necessarily be a National Project with inter-ministerial collaboration and one that would most certainly require an airport for the proposed city. The one in Andal in Paschim Bardhaman provides that facility.

To sum up, the projects proposed should be taken up by the following bodies:

1. The Gangasagar Pilgrimage Board
2. The Nabadwip Pilgrimage Board
3. The Tarapith Pilgrimage Board
4. The Bishnupur Tourism Development Board
5. The Tarakeshwar Pilgrimage Board
6. The Madan Mohan Mandir Pilgrimage Board
5. The Santiniketan National Cultural Capital City Authority
6. The Bengal Hills Development Board (which will include the Dooars)

Modernising the Informal

The Case of Street Food

It is a paradox that West Bengal's cuisine while reputed nationally has seen relatively low levels of commercial exploitation, especially when compared to Punjabi cuisine and cuisine from the Southern states except for sweets. West Bengal's street food, on the other hand, has always maintained its presence in the state's streets for decades. While it is unmatched for variety, by and large this presence has been dominated by the informal sector.

Per se this domination by the informal sector is not a negative development. Free of regulations, competition has given rise to innovations, which has led to a delightful variety of food items that is offered to customers. Over the years this has been supplemented by takeaway shops, which offer variety of preparations including traditional Bengali cuisine.

So far purveyors of street food are largely the young and the adventurous. Worries about hygiene, which is not entirely unjustified, keep a lot of people away from sampling the delights of these vendors.

It is vitally important that a framework of certification be conceived so that vendors may be certified to be of a certain standard if such vendors voluntarily subject themselves to a regulatory regime where it can be verified that certain health and safety standards have been adhered to in her/his operations.

These standards must be such that food supplied by such vendors is deemed to be healthy. Such a framework would put to rest anxieties of potential customers and increase the market of food vendors.

Couples with digital applications of managing the demand and supply in local languages, this can only increase the number of people employed in this sector as well as cause a qualitative improvement in the type of employment.

The overall impact would be increased convenience for people (tourists and office goers included) who are customers for such food as also lower prices for them. All this serves to increase the 'livability' in the state and makes it even more attractive to tourists.

Conclusions

There is no doubt that West Bengal has missed out on the most exciting part of India's services boom. This tragedy is compounded by the fact that where trained and scientific manpower is concerned, the state was well placed to ride the IT boom of the late 1990s that Bengaluru rode.

With respect to tourism, West Bengal is only now beginning to vie for its own share but its efforts are constrained by unambitious strategies, which are not as innovative as they should be. For a latecomer who has decided to secure its own place in the sun, it is still not sure of its 'unique selling points'. This requires changing of the mind-set.

In our introduction, it was stated that this document will concentrate on certain specific service sectors. There are certain necessary backward linkages that are required and also forward linkages, which will be made possible if the sectors covered here, are to take-off.

It is evident that without an efficient transportation sector (the subject matter of a previous document of this sequel on Socio-economic Revival of West Bengal – 'A Connectivity Vision for West Bengal', Pritam Banerjee) the tourism sector will remain constrained. While transportation and logistics as a sector does provide employment, they are intermediate services to other industries and for this specific 'tourism', which is a 'final service' consumed by the consumers.

The role of transportation, the demand for which will necessarily grow, has to be seen as an efficient enabler rather than a source of employment (which it no doubt is). Even for the knowledge economy, an efficient passenger transport system is a must if the Greater Kolkata region is to grow as a hub.

Real estate availability will be spread out given Kolkata's spatial characteristics and even with the institutionalisation of 'work at home', knowledge workers will need to get around in a reasonable time. An efficient multi-modal transportation system, thus, is vital for both the sectors that receive emphasis in this document.

The forward linkages that will be made possible particularly by the knowledge/IT sectors will be many. For example, the Greater Kolkata region had long been a banking hub. It is no longer so.

However, as financial management is increasingly and critically driven by technology and knowledge as opposed to by rote practices, it is eminently possible for 'finance and banking' to come back to this region once more.

As we have argued, given an enhanced level of inter-sectionality of skills that are required for an increasing number of business consultancy services, the Greater Kolkata region is one of the most suitable locations that can host firms supplying them.

To conclude, there are two other significant sectors that this document chooses not to focus on as 'service sectors'. They are education and health. This requires justification. Education, especially higher education, is vital to the knowledge economy. Skills are also vital for the tourism sector to grow. They are essential inputs in economic development and growth.

When it comes to education as a source of revenue, it may be argued that it is a merit good which should be supplied by the state or at least financed by it. Today, education hubs thrive because of state failure to provide these services.

To plan for such a sector based on continued state failure may not be the best strategy where sustainability is concerned. The same is the case with health.

With respect to tourism, there are case studies before us where innovative interventions have served to transform hitherto minor destinations into mega attractions. West Bengal, which has so many potential sites, is, therefore, a prime candidate to be a major tourist destination attracting both domestic and foreign tourists.

This requires some bold and innovative initiatives that integrate the state's natural endowment and cultural and religious heritage with a population desirous of supplementing their incomes.

There is no reason to believe why in West Bengal tourism cannot rival Tamil Nadu and provides direct and indirect employment and income to a large part of the state's households. A start has to be made and its time has arrived.

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