

forward as it needs to—both for itself and for India. Rather than becoming a truly global financial, commercial, and manufacturing center, the state is held back by infighting and the need to balance competing interests. Prithviraj Chavan has been unable to maneuver around both the Shiv Sena and his own coalition partners to fully realize Mumbai's global future.

Gujarat's Narendra Modi: Running and Gunning

Meet India's most admired and most feared politician: Narendra Modi, chief minister of Gujarat.¹² The state of Gujarat, to Maharashtra's north and west, constantly reminds its more famous neighbor of what is possible in a well-run state that lacks an effective political opposition. In fact, if India were governed by GDP monotheism, Narendra Modi would be party secretary. Under his guidance, Gujarat has been India's fastest growing state. As a result, he is by far the most popular politician from his BJP party.

Modi combines the pragmatic and efficient spirit of Gujarat's entrepreneurs with charismatic and potentially destructive, divisive, and bellicose Hindu nationalism. That mix has real global implications.

Before visiting Gujarat, I had heard about Modi—from all sides—all across India. "India's most effective public official." "If given five years, he would transform India's economy." Just as important, he also was described with the strongest condemnation. "He cannot be forgiven for the riots." "Gujarat borders on a cult of personality." As I have learned, there is almost no way to start a conversation about Modi without angering someone in India.

I spent ninety minutes with Modi at his chief minister's residence in the capital, Gandhinagar. In person, he is a policy maven—introverted and precise but also passionate about the most technical of subjects. On a wide range of issues, his Gujarat is pushing, not following, New Delhi and India.

That is certainly the case in economic growth, where much of Gujarat's development has come from manufacturing. In Modi's words, "In Gujarat, we are good at making things."¹³ In the last

decade, manufacturing nearly tripled in Gujarat, jumping from about \$10 billion in 2003 to \$29 billion in 2009.¹⁴

Modi launched “Vibrant Gujarat” in 2003—a trade-oriented confab to market the state to Indian and foreign investors. He established simple rules: “We will not pay any incentives and will not accept any bribes. But I will provide single window facilitation, quality power and water, and will honor my commitments.” One Gujarati businessman told me that he had been suspicious back then and had doubted that any companies would ever actually invest. But they did. According to state published reports, pledged investments have grown from 76 MOUs amounting to \$14 billion in 2003 to nearly 8,000 MOUs signed in 2011 for \$450 billion.¹⁵

These foreign investors include Ford, Colgate-Palmolive, Procter and Gamble, Nestlé, Hitachi, Hyundai, and Peugeot Citroën. But more striking is that India’s leading corporations have set up shop in Gujarat, choosing it above other Indian states. In particular, Reliance, Tata, and Bajaj Auto have made Gujarat a hub—if not a major hub—of their domestic manufacturing enterprises.

Modi also targeted rural development. “If it does not work in the villages, it will not work in the city.” His eyes light up when discussing infrastructure, agricultural colleges, solar energy, and climate change. “I prioritized four things,” he said, holding up his four fingers, and then pulling each one down in turn: “Water, electric power, connectivity, and distance education.”

Modi expanded water and power resources to both the city and the countryside and invested heavily in the development of manufacturing in Gujarat, in particular the petrochemical and automotive industries. When another state—West Bengal—was slow to make way for Tata Motors to build a factory for its Nano minicar, Modi sent a short text to Ratan Tata, the chairman of Tata Group: “Welcome to Gujarat.”¹⁶ Fourteen months later, cars started rolling off the assembly line in Sanand.

As a result of such aggressive promotional strategies, foreign investment is expanding in Gujarat, making its economy the fourth

largest in the country, behind Delhi, Maharashtra, and Karnataka but ahead of larger states such as Tamil Nadu, Andhra Pradesh, and West Bengal.¹⁷

However, in the social realm, Modi's efforts on behalf of Gujarat's poorest have not always been as successful. Despite efforts to improve rural education, roads, and connectivity, several indexes of human development have fallen on his watch. Gujarat's poorest citizens have fallen behind far more backward states when it comes to rural employment as well as child hunger and malnutrition. Furthermore, in Gujarat three out of ten girls still cannot read or write.¹⁸

Modi's political power is not just built on his economic advances. It also has to do with his version of Hindu nationalism. Modi is among the most vocal proponents of *Hindutva*—an appeal to “Hindu civilization”—similar to the emphasis on “Western Civilization” or “Judeo-Christian values” at the center of American conservatism.

Yet beyond simply advocating for *Hindutva*, Modi's power to inspire and to polarize is built on the belief that he is willing to back up his words with actions. A single incident has branded Modi in that regard: Gujarat's 2002 Hindu-Muslim riots. On February 27, 2002, fifty-eight Hindus were burned alive in a train car, in what appeared to have been an orchestrated attack by a Muslim mob in the Gujarat town of Godhra. Adding to the emotional toll of the massacre, the Hindus were returning from a pilgrimage. The next day, Modi called for a day of mourning—which many Hindu mourners took as an invitation to riot. Gujarat exploded, with the death toll reaching a thousand people, mostly Muslims. Unlike previous riots in India, these burst live onto the nation's television screens. As a result, the riots are the single event for which Modi is known by nearly all Indians—and that may always be the case.

When I met with Modi, he raised the riots without prompting. In his telling, the inability to stop or slow the riots was a rookie error. “I had never run anything before, I had never run for elected office, and I was just installed in my position the day before,” he said. “And then the Godhra train incident happened.”¹⁹ Numerous eyewitnesses

feel that Modi was either complicit or at least indifferent to Muslim suffering. Accusations persist that he empowered and perhaps even guided goon squads to terrorize Muslim neighborhoods; directed the police to allow attacks on Muslims; sought to cover up the worst of the crimes, including by murdering corroborating witnesses; or failed to prosecute Hindu nationalists. No formal charges were ever pressed against Modi. A lengthy special investigation produced a confidential report, but India's Supreme Court recently turned the whole matter back to the local courts of Gujarat.

The U.S. government found enough reason for concern that in 2005 the State Department revoked Modi's visa. It cited a provision that bars any government official who "directly carried out, at any time, particularly severe violations of religious freedom."²⁰

Many think Modi should show greater contrition.²¹ When I met with him, he danced around accepting responsibility. He suggested that he has missed opportunities to lead: "I have made mistakes, and my government has made mistakes. What is important is that we recognize them, evaluate what we have done, and then fix them." He has called for intercommunal healing, leading a state-wide fast for "peace, unity, and harmony" and expressing "pain . . . for the families who had suffered."²²

Still, Modi has never apologized. Opponents fear a slick charm offensive in an effort to soften his image in advance of the national parliamentary elections in 2014, which could make him prime minister.

Whether guilty or innocent, he remains hugely popular in Gujarat. In December 2012, he won a reelection mandate in the state's legislative assembly, winning 115 of 182 seats.²³ Modi's party—the Hindu nationalist BJP—lost only two seats, allowing him to govern the state with little opposition and no rival in sight.

That has led to enormous debate within the country as to whether the BJP will put him forward as their candidate for prime minister in 2014. Other than the Congress Party—the party of Mahatma Gandhi, Nehru, and Nehru's family—the BJP is the only

other truly nationwide party in India.²⁴ The Congress Party is social democratic leaning and secular whereas the BJP is free market leaning and Hindu. Narendra Modi is both economically and culturally devout, which makes his worldview all the more important for other global leaders to understand and take seriously.

I asked Modi about the growing involvement—and even coordination—of state chief ministers on issues of foreign and security policy. The biggest flashpoint in the spring of 2012 was a proposal by the central government to establish a national counterterrorism center (often referred to as NCTC). This is a loaded issue in a country that still fears terror attacks, particularly from Muslim minorities, who make up nearly 20 percent of the population. Several chief ministers protested that the central government was usurping what had previously been state rights.

Modi started cautiously, “Foreign policy belongs to the center,” clearly aware that any comment by a chief minister on foreign policy would be seen as going beyond a state’s authority. But he went on to say that the “center and states both have equities” and that “the center simply needs to do a better job of consulting.” When it came to Iran, he declined to discuss the particulars of that country’s nuclear ambitions or its oil trade with India (though much of that oil is processed in Gujarat). But he did say that one should not discriminate between state sponsors of terror. “One policy should fit all.” Modi’s comments were fascinating yet elliptical. Cutting off Iranian oil would be a major policy shift for India—apparently acceding to U.S. leadership and pressure. But Modi also could have been poking at the United States for supporting Pakistan, despite the latter’s backing of Islamic extremist groups, while at the same time the U.S. was trying to isolate Iran.

Modi made clear that he considers Pakistan to be a state sponsor of terror. “They provided shelter for Bin Laden, and they continue to support terror.” Modi’s tenure in Gujarat—including the riots—is closely watched next door in Pakistan, making his growing popularity in India a potential flash point in bilateral relations.

Modi felt most comfortable talking about economic diplomacy, including his own trade missions to China, Europe, and Japan. He seems to be enjoying the global platform Gujarat's economic boom has provided for him. He has written Prime Minister Manmohan Singh to ask whether the states can have their own representatives at key embassies overseas. Modi expressed great interest in the fact that dozens of American states often have their own offices in countries as far afield as Germany, China, and Brazil, independent of U.S. embassies.²⁵

Perhaps because of his economic diplomacy, Modi did not demonstrate the deep suspicion many Indian nationalists feel toward China. "China is good at making things. Gujarat is also good at making things. We can compete with China or cooperate with them." In my conversation with him, Modi avoided discussing China itself as a direct threat. Instead, he questioned Chinese counterparts in their support of Pakistan, which he believes undermines China's commitment to global counterterrorism norms. "They listened to me and were polite. I do not think it will change the way they behave."

Modi may never be able to move past his role in the 2002 riots. Despite his popularity, his party is not likely to win enough seats in 2014 for them to govern alone. Many potential coalition partners—and even some within the BJP—fear or even detest Modi; they do not like what Modi has done and are uncertain how he would behave as prime minister. The BJP seems inclined to put him forward as the party's candidate for prime minister. But he is, and will continue to be, the most dynamic and turbulent force in India's national politics—and perhaps its foreign affairs.

Tamil Nadu: A View to the East

If Maharashtra looks to Arabia, and Gujarat looks over its shoulder at Pakistan, then Tamil Nadu looks to Southeast Asia. Sitting on the southernmost tip of the subcontinent, the region has maintained deep trading relations with Singapore, Malaysia, Indonesia, Thailand, Vietnam, and Myanmar. Tamil Nadu also connects that