

## TELANGANA: A MORTON'S FORK?

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The case is set around the dilemma that the Government of India faced in the early weeks of 2010, that is, whether to create the new state of Telangana or not. It traces the history and evolution of state reorganization in India from independence to the year 2000. With this as background, the case examines the desirability or otherwise of the demand for newer and smaller states. The case offers an opportunity to examine the problems and prospects of articulating the aspirations of people towards development and effective governance. It explores the critical factors to be considered in designing the governance and administrative structures in a democratic polity, and also explores the contours of managing in situations of abundant diversity.

**Keywords:** Public policy, developmental administration, governance, inclusive growth, growth strategy, state reorganization

### INTRODUCTION

On 9 December 2009, Mr Palaniappan Chidambaram, Minister of Home Affairs, Government of India (GOI), stated that his government would initiate steps for the formation of the state of Telangana (*The Times of India* 2009). This came as a welcome shower to the Telangana Rashtra Samiti (TRS), the political party spearheading the movement for the creation of Telangana state by carving out ten districts from the state of Andhra Pradesh. K. Chandrsekhar Rao (KCR), the supreme leader of TRS, had been on a hunger strike for the previous week and a half and his health had deteriorated to a precarious condition. In fact, there was ample reason to believe that it was the hunger strike of KCR, the imminent danger to his life and the possible consequences that prompted the GOI to arrive at a decision.

This case was prepared by P. Bala Bhaskaran, Vice President & Chief Learning Officer, Everonn Business Education Ltd, and former Director, IBS Ahmedabad, to serve as a basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

The announcement by the Home Minister cooled tempers in the Telangana area; KCR called off his hunger strike and the TRS went into a thanksgiving mode. However, the people in the rest of the state of Andhra Pradesh felt cheated. Protests and violence erupted in various cities and towns in the state. A large number of members of legislative assembly (MLA), the state legislature and members of parliament (MP), the federal legislature from the Andhra region offered their resignation in solidarity with the people agitating for the status quo. The announcement was also instant fuel to the dormant fires of a number of political organizations elsewhere in the country, seeking statehood for their regions. Notable among these were Gorkhaland, Vidarbha, Purvanchal, Paschimanchal, etc. They immediately commenced issuing press statements.

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## METAMORPHOSIS OF INDIAN STATES

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### Early Stage of State Formation

In August 1947, at the close of the British Raj, the Indian subcontinent saw the emergence of two dominions—India and Pakistan—from the British-held territories of the region. A large number of princely states, scattered across the subcontinent, which were under British suzerainty, were given the option to either join one of the dominions or remain independent. So one of the first tasks that the two nascent dominions undertook was to persuade and amalgamate the princely states (Menon 1955).<sup>1</sup>

India was already working on a constitution through a Constituent Assembly elected for this purpose, a few years earlier. On 26 January 1950, India adopted a constitution and became a democratic republic. The constitution envisaged a federal structure with a union government at the apex and several state governments at regional levels; the constitution was based on the principle of universal adult franchise (Guha 2010).<sup>2</sup> At that time India was a cluster of about a dozen major provinces and 600 odd princely states almost like a jigsaw. The smaller and contiguous princely states were grouped together into medium-sized provinces before the first general elections in 1951.

<sup>1</sup> The author gives a first-hand account of the integration of the princely states as he was a bureaucrat at that time actively involved in the integration process along with Jawaharlal Nehru, the Prime Minister, and Sardar Patel, the Home Minister.

<sup>2</sup> The author describes and comments on the experiment of introducing democracy based on universal adult franchise to a country of 360 million people when two-third of the population was illiterate and an equal number was below the poverty line by the standards of that time.

### Linguistic States

Soon demands emerged from various parts of the country to create states on the basis of regional languages. The proponents argued that regional language was a strong basis of identity and that governance would reach the governed most effectively only through regional languages. The state of Hyderabad had three to four prominent regional languages. The area that had Telugu as the spoken language was known as Telangana. This was perhaps the largest area. In certain areas, Marathi was the prominent language; in certain other areas, Kannada was the spoken language. The official language of the state of Hyderabad was Urdu; this language was prominent in the urban areas of Hyderabad and only to a small extent in other places. Telugu was spoken in the northern districts of former Madras province as also the coastal areas known as Andhra. Telugu-speaking people from all these areas demanded the unification of all such areas under one state to be called Andhra Pradesh. The demand was vociferously taken up by a freedom fighter called Potti Sriramulu; he embarked on a hunger strike which eventually resulted in his death.<sup>3</sup>

Such demands also arose from other parts of the country because linguistic and cultural identities were quite strong. Certain districts of Madras province were predominantly Kannada-speaking just as certain districts of the Hyderabad state were. The people of the princely state of Mysore were also Kannada-speaking. The Kannada-speaking people from all these areas demanded the unification of their areas into a single state. Similarly Malayalam-speaking people were scattered in certain districts of Madras province and in the princely states of Travancore and Cochin. They too demanded unification of their areas into a single state. Considering the plethora of such demands, GOI appointed a States Reorganization Council to study the situation and come up with a blueprint for redrawing the political map of the country. On the basis of its recommendations, the country was reorganized into fourteen states, primarily on linguistic basis, and they came into existence on 1 November 1956.<sup>4</sup> In this process, a major part of the state of Hyderabad was merged with the new state

<sup>3</sup> Potti Sriramulu (1901–52) was a freedom fighter and an ardent follower of Mahatma Gandhi. He championed the cause of uniting all the Telugu-speaking people under one state immediately after independence. In true Gandhian tradition he went on an indefinite hunger strike to press this goal; he succumbed on 16 December 1952. He is respected all over Andhra Pradesh for this great sacrifice.

<sup>4</sup> States Reorganization Commission, headed by Fazal Ali, was constituted by Prime Minister Jawaharlal Nehru in December 1953, with the objective of redrawing the boundaries of the states on linguistic basis. The Commission submitted its report in 1955. The Act was passed and the new states came into existence on 1 November 1956.

of Andhra Pradesh (AP), while some parts went to Bombay state and some others to the new state of Mysore (later renamed Karnataka).

The reorganization of the Union of India on linguistic basis was not complete. The state of Bombay had its northern part with Gujarati as the lingua franca, while the central and southern parts were predominantly Marathi-speaking. Soon the Gujarati-speaking people started agitating for a separate state, resulting in the bifurcation of the state of Bombay into Maharashtra and Gujarat in 1960.

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### NEW DIMENSIONS, NEW STATES

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#### Nagaland

A set of about fourteen tribes, under the generic group name of Nagas, were located predominantly in the district of Naga Hills in Assam at the time of independence (Kunz and Joshi 2008, Roy Burman 2008). These tribes were, all along, fiercely independent warriors with little exposure to the outside world. Towards the close of the nineteenth century, Christian Missionaries had become active among the Nagas; the consequent gradual conversion to Christianity had mellowed the Nagas' fierceness; the English language had started replacing tribal dialects. In 1947 the Nagas were not prepared to be a part of India; they wanted to be an independent nation. A group of Nagas had formed Naga National Council and resorted to guerilla warfare against the GOI. Given this legacy of the spirit of independence among the Nagas, GOI continued a prolonged strategy of dialogues and persuasion. In 1957, Nagaland Peoples Council was constituted, with participation from the Nagas, to address their special needs and aspirations. A 16-point agreement was entered into and eventually full statehood was granted on 1 December 1963.

#### Punjab

The demand for carving out the Punjabi-speaking areas of Punjab into a separate state had been on the boil since independence. At the time of partition, a major part of the undivided Punjab went to Pakistan in terms of the Muslim majority districts; only a small part came to India as East Punjab. The forced migration of Hindus and Sikhs from the proposed Pakistan to Indian East Punjab followed the partition. The languages prevalent in the state were Punjabi and Hindi. Sikhism had emerged at a turbulent time in the Indian history (fifteenth to seventeenth century) to protect the basic principles of Hinduism, when persecution of the non-Muslims by the

Muslim rulers was at its peak (Kohli 1993: 78–89).<sup>5</sup> Guru Gobind Singh, the tenth Guru of Sikhism, forged his disciples into a strong army of warriors to fight against the continuing onslaught and atrocities by the Muslim rulers. The next century saw the decline of the Mughal Empire; emergence of strong Sikhism can be attributed to be one of the reasons for this. Sikhs carved out an empire of Greater Punjab, which stretched from the Sutlej River to Peshawar on one dimension and from Ladakh to Gujarat on another, with Lahore as the capital. The English had to wait till the middle of the nineteenth century (Anglo-Sikh Wars, 1845 to 1849) to annex the Sikh Empire into the East India Company (Duggal 1988, Rai 1987, Singh 2006). To be a part of India and not even controlling a state within it was perhaps a big loss of identity to the Sikh psyche. They badly needed a symbol of a state to resurrect and sustain their identity. Sikhs identified emotionally with Punjabi written in the Gurumukhi script, which was modified and developed into its present form from the original Punjabi script by Guru Angad Dev, the second Guru of the Sikhs. The demand for bifurcation of the state was being spearheaded by Akali Dal, the political arm of Shiromani Gurudwara Prabandak Committee (SGPC), the apex Sikh religious body. Indian political leadership, haunted by the trauma of partition, was always averse to the idea of bifurcation of any state, especially when the demand had a tinge of religious tone to it. Since the demand for statehood had an element of religious flavour, there was a lurking suspicion in some quarters that the campaign might be hijacked by extremist elements, who were known to be active outside the country with an agenda to establish an independent country for the Sikhs.

These contradicting forces clouded a smooth decision process. It was only in September 1965 that a Parliamentary Committee<sup>6</sup> was formed to study the issue. On the basis of the recommendations of the Parliamentary Committee, GOI appointed Justice J.C. Shah Commission to detail the bifurcation. The Commission completed its task on 31 May 1966 and the new states of Haryana and Punjab came into existence on 17 September 1966.

<sup>5</sup> Guru Tegh Bahadur (1621–75), the ninth Guru of the Sikhs was beheaded, in Delhi in 1675, under the orders of the Mughal Emperor Aurangzeb (1618–1707) for refusing to embrace Islam. This prompted Guru Gobind Singh, the next Guru, to raise an army called Khalsa to defend the faith and the faithful.

<sup>6</sup> A parliamentary Committee headed by Sardar Hukam Singh, Speaker of the Lok Sabha, was appointed by the GOI in September 1965 'to arrive at an amicable arrangement for meeting the needs of the Punjabi and Hindi speaking regions of Punjab State'. The Committee submitted its report in 1965. This formed the basis for the formation of the new states of Punjab and Haryana.

## Mizoram

Mizos were a set of tribes living in the Lushai Hills region in the north-eastern part of India. These tribes are believed to have migrated from the northern part of Myanmar in the fourteenth century. They established themselves in self-contained villages with little or no interaction with the outside world. In 1895, the British proclaimed the region to be a part of British India and brought them under British administration. In 1898, the district of Lushai Hills was formed with Aizawl as its headquarters. Later in 1919, the Lushai Hills district, along with other tribal-dominated areas, was declared a Backward Tract under the GOI Act of 1919. Much later in 1935, the tribal districts of Assam were declared as Excluded Area. A gradual political awakening occurred during the British rule. Mizo Union, formed in 1946, was prominent in representing the aspirations of the Mizo people. The Constituent Assembly working on the Constitution of India created an Advisory Committee to look into the special needs of the tribes and minorities. A subcommittee headed by Gopinath Bordoloi<sup>7</sup> advised the Constituent Assembly on the affairs of the North East. On the basis of the Subcommittee's recommendations, GOI accepted and gave a certain degree of autonomy to the tribal areas; this was enshrined into the Sixth Schedule of the Constitution. Accordingly Lushai Hills Autonomous District Council came into existence in 1952 which only partially satisfied the aspirations of the people of the region. When GOI formed a States Reorganization Council in 1955, the Mizo Union and the members of the Lushia Hills Autonomous District Council pleaded for a state, larger than the Lushai Hills, comprising all the Mizo-dominated areas. Their plea was not accepted.

In 1959, the region was devastated by an unprecedented famine, known as the Mautam Famine<sup>8</sup>; during this period Mizo National Famine Front emerged as the most

<sup>7</sup> As a prelude to granting independence, Constituent Assembly was formed and members were indirectly elected to it by the Provincial Legislative Assemblies. The Constituent Assembly met for the first time in 1946 at Delhi when India was still under British rule. This was to be the interim parliament until a formal constitution was adopted and formal elections were held. The constituent Assembly formed various sub-committees to address specific issues. One such subcommittee was North East Tribal Areas and Assam: Excluded and Partially Excluded Areas Sub-Committee headed by Gopinath Bordoloi. This subcommittee looked into the special needs and safeguards specific to the North East region and its people.

<sup>8</sup> Mautam Famine refers to the famine conditions that occur almost every 48 years along with the flowering of the special bamboo species found in the Indian states of Manipur and Mizoram. These states have almost 30 per cent of the land area covered by bamboo forests. This bamboo species has a life cycle of 48 years, at the end of which it flowers across the entire forest, sheds the seeds and dies naturally. Black rats found in the region feed on the bamboo seeds and multiply at phenomenal speed because

popular local organization, spearheading the relief activities under the leadership of Pu Laldenga. After the famine, Laldenga converted the organization in 1961 into a political body with the name of Mizo National Front and started campaigning for an independent state of Greater Mizoram. He unleashed a campaign of confrontation which forced GOI to deploy armed forces. This state of mistrust and confrontation continued for a very long time; continued negotiation and persuasion made GOI to grant Union Territory status to Mizoram in 1972. Full statehood came much later on 20 February 1987.

### Seven Sister States of the North East

At the time of independence, the North East had only three states: Assam, the princely state of Manipur and the princely state of Tripura. The region had far more diversity—ethnic, linguistic, socio-cultural—than any other region of India. The North East was characterized by mountainous terrain which limited accessibility to the region historically. Various tribes had occupied different parts of the region with little or no effort on *inter se* communication and interaction. Each tribe had its own dialect, distinct and unique from any other.<sup>9</sup> Assamese and Bengali were the only developed languages in the region.

There was no unified political or governance structure in the region till the arrival of the British. This meant that there had been little effort in developing physical infrastructure in the region. The entire terrain was landlocked. After 1947, the situation was further aggravated with only a small corridor (the Siliguri corridor) linking the North East to mainland India. Meaningful agriculture was possible only in Assam; all other regions were hilly and offered little scope for agriculture. All essential goods were required to come from outside as imports. In the post-1947 scenario, absence of cordial relations with China, Pakistan (and later on Bangladesh), Myanmar and the prolonged history of insurgency within the region continued to keep the region strategically sensitive. All these factors had a serious negative impact on the development of the region.

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of some special properties of the bamboo seeds. The enhanced rat population attacks the farms, grain storage in the villages and anything that is edible to them in the region, resulting in famine conditions. The cyclical ecological phenomenon of bamboo flowering, precisely once in 48 years, thus brings disaster to the region. In olden days, this phenomenon brought havoc and very often altered the history of the region. Now with science and technology, serious attempts are being made to genetically manage the flowering season. 'Mautam' literally means bamboo death in Mizo.

<sup>9</sup> For more information on the North Eastern states, refer to Pandey (2008) and Sharma (2005).

In 2000, the total population of the region was in the range of 40 million or 4 per cent of the national population, spread among the states of Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura. Arunachal Pradesh, a union territory, received statehood in 1987 along with Mizoram.

### Three New States in Y2K

The year 2000 saw the emergence of three new states in the Republic of India: Chhattisgarh came into existence on 1 November 2000, Uttarakhand on 9 November 2000 and Jharkhand on 15 November 2000. These three sister states emerged due to the change in the political thinking that smaller states contributed to better governance and development. All of them came out of larger states—in terms of population and geographical area; each had its own history, shared legacy and consequently, an individual identity. All of them came from the most backward states of India, described by economists as BIMARU<sup>10</sup> states.

Chhattisgarh was carved out of Madhya Pradesh, the largest state in India in terms of area. The state derives its name from thirty-six princely states that were supposed to have existed in the region (Hunter 1923, Lethbridge 1893, Markovits 2004). The population had a high percentage of tribal people; the region was landlocked resulting in very little exposure to the external world and the consequent low development. The region was rich in mineral deposits and had a socio-cultural identity of its own that had evolved over a long period of time. Chhattisgarh at present was the tenth-largest state in India in terms of area.

Uttarakhand was carved out of Uttar Pradesh, the most populous state of India. Initially called Uttaranchal, the state was renamed in 2006 as Uttarakhand, a name which finds mention in the ancient text of Rig Ved (Handa 2002). The region is mountainous and located on the southern slope of the Himalayas. The geography of the region made it quite distinct from the rest of Uttar Pradesh, on the Gangetic plain. The region has two major divisions: Garhwal and Kumaon. Though these two were traditionally rival kingdoms, geography, economy, culture and traditions had developed strong bonds and a common identity for Uttarakhand (Agarwal et al. 1995, Husain 1995, Kumar 2000, Mukhopadhyay 1987, Thapliyal 2005).

<sup>10</sup> BIMARU states refer to the most backward states of the Indian Union in terms of per capita income, growth rate, etc. The term BIMARU is an acronym for the states Bihar, Madhya Pradesh, Rajasthan and Uttar Pradesh, created by an economist Prof. Ashish Bose in early 1980s by taking the first letters of each state's name. In the Indian language of Hindi, the term '*bimar*' means 'unhealthy'.



Jharkhand was carved out of Bihar, the second-largest state in India, in terms of population. Geographically, the region came under the Chhota Nagpur Plateau, whereas the rest of Bihar formed a part of the Gangetic plain. The Jharkhand region had significant tribal population, while the rest of Bihar had predominantly non-tribal population. The Jharkhand region had a geopolitical and cultural identity of its own dating back to the period of Magadh Empire. There were royal families of tribal origin who could trace back their lineage to as far back as 1,200 AD. These families had ownership rights over large tracts of farmlands. The region came under the British Empire in 1765. The tribal people revolted against the British rule in innumerable battles starting from 1771. Twentieth century brought industry to this mineral-rich area. Jamshedpur, Dhanbad and Bokaro were cities that adorned the industrial map of India. Despite industrialization, Jharkhand was characterized by economic, social and educational backwardness (Singh 1983, The World Bank 2007). List of states in India and some basic data as in 2009 are placed in Exhibit 1 for an overall perspective of the Indian Union.

#### DYNAMICS OF TELANGANA

##### Background

Geographically Andhra Pradesh comprised two distinct regions—the coastal region and the eastern half of the Deccan Plateau. The plateau region of Andhra Pradesh could further be divided into two parts. The upper (northern) side of river Krishna was known as the Telangana region, while the lower (southern) part was the Rayalaseema region (Exhibit 2). Two major rivers, namely, Krishna and Godavari and large number of their tributaries flowed through the state into the Bay of Bengal. The coastal region was irrigated by surface water with the water table being pretty close to the surface. In the region forming part of the plateau, the water table was much lower and hence this region drew its water requirements from ground water through tube-wells and similar systems. The major part of the rainfall in the state was derived from the North Eastern Monsoon which occurred in the months of October–November. Again, the coastal region got the majority of the rainfall, while the plateau region received scanty rains. These basic differences had wider implications on the cropping patterns, occupations, habitations, lifestyles and densities of population of the two regions (Sachs 2005).<sup>11</sup>

<sup>11</sup> In this book, Sachs analyses the impact that geography has on the development of a region. He explains the differential development of regions and argues for differential diagnosis. These concepts have extensive relevance while looking for bases for creation of administrative units or states.

Andhra Pradesh had always been a predominantly agrarian state. The southern part of Andhra Pradesh was known as the rice-bowl of India, accounting for a significant portion of the rice production of the country. Like all other states in the country, feudalism was rampant in Andhra Pradesh as well (Patnaik 2007). Waves of land reforms in the 1970s changed the situation; in 2009 most (80 per cent) of the farming lands were owned by small and marginal farmers. The land reforms brought in prosperity among a larger number of farmers; however, with the increasing cost of agricultural inputs, depleting ground water resources and spiraling wages, farming had become less remunerative over the years.

The growth of the independence movement and political awakening in India was simultaneous. Andhra Pradesh witnessed a communist movement in the late 1940s and early 1950s. The communists had significant control over the peasants and landless labourers, though they were never able to garner significant seats in the legislative assembly which was controlled by the Indian National Congress and its variants for most part of the post-independence period. People's War Group (PWG), the organization of the communists who did not accept democracy as the prevalent form of government in India, continued to wage war against the elected government. With proactive developmental administration and punitive police action (*The Economic Times* 2010), the influence of PWG eventually decreased even in the remote areas of the state.

Telugu was the main language of the state spoken by nearly 81 per cent of the population as their mother tongue. On 1 November 2008, GOI designated Telugu as a classical and ancient language. Urdu was the mother tongue to 8.6 per cent of the population; Hindi, Tamil and Kannada each were spoken by less than 2 per cent of the population and Marathi by less than 1 per cent. The main ethnic group of Andhra Pradesh was the Telugu who were primarily Dravidians. In terms of religious composition, the state had 88 per cent Hindus, 9 per cent Muslims, 2 per cent Christians and the rest belonged to other religious groups (UNDP 2007, Andhra Pradesh Human Development Report 2007).

The Telangana region has been a part of the former Hyderabad state ruled by the Nizams for over three centuries, and hence its historical evolution had been quite different from the rest of Andhra Pradesh which was under British rule for about the same period. The former Hyderabad state had Urdu as the language of administration and hence the Telangana region, though Telugu-speaking, evolved a hybrid culture and traditions. The British-ruled areas had better education infrastructure and had introduced English education fairly early. This had created some advantages

to the region in terms of development. In effect these factors led to the differential development of the three regions, namely, Telangana, Rayalaseema and Coastal Andhra (Burman 2009, Kanjilal 2009).

### The Telangana Movement

The Telangana region was a part of the Hyderabad state, which was the largest princely state that was integrated into the Indian Union in 1948. Due to the prevailing socio-economic conditions, the early communists in India found the Telangana region as a fertile field to nurture armed rebellions of peasants. The peasants, under the influence of the Communists, had started armed rebellion in 1946 and in the next few years gained control over a major part of the region. As this was a direct threat to the democratic polity that GOI was trying to establish, the armed rebellion was put down through the induction of the army in 1951. Gradually, the Communists came around to accept the democratic framework of the constitution and decided to pursue their goals within this framework. Fringe elements like the People's War Group did not toe this line; they continued their agenda of armed struggle in the interior parts of Telangana and the adjoining regions.

In 1951, the Hyderabad state experienced the first general election of the new republic after the constitution was accepted and established a democratically elected government headed by Dr B. Ramakrishna Rao as the Chief Minister. While Potti Sriramalu was leading the emotional campaign to unite all the Telugu-speaking regions under one state, the people of Telangana region and their leaders were skeptical about the movement's relevance and utility to them (Ali 1955).<sup>12</sup> The skepticism stemmed from three factors: (a) People of Telangana believed that the region was less developed than other Telugu-speaking areas but contributed a larger share of the revenue. On coming together, they feared that the higher revenue contribution would be snatched away by other regions. (b) The rest of Andhra had enjoyed better educational infrastructure under the British rule and hence would grab a major share of the job opportunities in the government. (c) Major rivers like Krishna and Godavari originated from the Telangana region. However, the irrigation projects that were underway at that time would give reduced benefits to the Telangana region.

<sup>12</sup> Para 369 to 389 of the 'Report of the States Re-organization Commission, 1955', Government of India (Ali et al., 1955), deals with the observations and recommendations of the SRC on Vishal Andhra, Telangana and the related matters.

The State Reorganisation Commission (SRC), while exploring the prospects of re-drawing the political map of India on the basis of language, had assessed the predicament of the people of the Telangana region. Para 382 of its report states the following:

Opinion in Andhra is overwhelmingly in favour of the larger unit, public opinion in Telangana has still to crystallize itself. Important leaders of public opinion in Andhra themselves seem to appreciate that the unification of Telangana and Andhra, though desirable, should be based on a voluntary and willing association of the people and that it is primarily for the people of Telangana to take a decision about their future.

The SRC had even toyed with the idea of creating the Telangana state initially and later integrating it with Andhra Pradesh after 1961 with two-thirds majority in the legislative assembly of Telangana. The flavour of the season was predominantly linguistic states; the leaders of the Telangana region were persuaded to accept the concept of a single Telugu-speaking state in return for a Gentleman's Agreement which gave them reassurances in terms of power-sharing, domicile rules in employment and fairness in distribution of expenditure budgets. The strong sentiments of linguistic identity and the persuasive powers of charismatic leaders like Pandit Jawaharlal Nehru repressed the strong undercurrents of apprehensions prevalent among the people of Telangana.

The guarantees assured in the Gentleman's Agreement in 1956 were to lapse by 1969. The underlying assumption was that by 1969, the developmental deficit would have been nullified. But 1969 saw the emergence of agitation for continuance of the assurances. The leaders of Telangana argued that the commitments inherent in the Gentleman's Agreement were seldom honoured and that the developmental deficit continued to exist. The Indian National Congress, under the leadership of Indira Gandhi, was strongly opposed to the creation of one more state. This prevented most of the Congress legislators from the Telangana region from championing the case for a new state, though most of them were inclined towards it. The lone exception was M. Chenna Reddy who left the Congress to form a new political party (Telangana Praja Samithi or Telangana Peoples Association) which won 10 seats out of 14 in the Telangana region in the Parliament elections of 1971. On its part, GOI took the initiative to appoint P.V. Narasimha Rao, a veteran Congress leader from the Telangana region as the Chief Minister of Andhra Pradesh in 1971, thereby assuaging the feelings of the people of the Telangana region. The continued disinclination of the Congress High Command

towards the new state and the strengthening of the Congress Party's fortunes in the post-Bangladesh scenario saw many of the colleagues of Chenna Reddy rejoining the safer political haven of the Congress party.

Towards the end of 1972, the Supreme Court of India upheld the Mulki Rules (rules granting preference and protection to the persons based on domicile). This led to eruption of violent protests across the state barring the Telangana region leading to a state of anarchy. Narasimha Rao resigned as Chief Minister and President's rule was promulgated. The situation was salvaged by GOI through political negotiations. The Mulki Rules were abolished; the state was divided into various zones and employment opportunities in each zone were to be filled in with personnel from the zone. A central university was established at Hyderabad to enhance the educational infrastructure in the Telangana region. These measures pacified the situation. The undercurrents were at a subdued level till the early 1990s when Bharatiya Janata Party (BJP) promised a separate state if they came to power. BJP believed that smaller states would accelerate the process of development and hence when it came to power in the late 1990s, it took initiatives for the formation of Uttarakhand, Jharkhand and Chhattisgarh states. BJP could not create the Telangana state primarily because of the opposition from Telugu Desam Party (TDP), a coalition partner of BJP at the Centre and the ruling party in Andhra Pradesh. However, the intentions of BJP and the creation of the three new states gave impetus to the dormant sentiments of statehood to the people of Telangana. At about the same time, K. Chandrasekhar Rao formed a new political party called the Telangana Rashtra Samiti with the single point agenda of creating a separate Telangana state.

### Was there Development Deficit?

Protagonists of Telangana state claim that their region was less developed in terms of socio-economic indicators and that they had a distinct culture, though the language was common with the rest of AP.

In 2009, there were twenty-three districts in the state and the proposed state of Telangana envisaged ten of them covering 41.84 per cent of the land area, 41.67 per cent of the population and 42.86 per cent of gross state domestic product [GSDP] (see Exhibit 3). This gave a picture of balanced sharing of resources between the two segments. The population densities in the two segments were also not very different (269 in Telangana and 282 in Andhra). Urbanization in Telangana was higher at 31.77 per cent vis-à-vis 24.89 per cent in Andhra; this showed up in higher contribution of non-agricultural sectors of the economy in the GSDP of Telangana (77.74 per cent vs.

67.73 per cent). To some extent this was contributed by the higher contribution of Hyderabad which was the largest city in the entire state. On the whole, Andhra region was more focused on agriculture than the proposed Telangana.

In terms of literacy, Telangana was behind Andhra (58.99 per cent versus 65.18 per cent). In fact the three districts of Adilabad (27.2 per cent), Nizamabad (25.9 per cent) and Karimnagar (47.52 per cent) had contributed significantly to this drag. The average per capita GSDP of AP was ₹34,660. In the Telangana region, eight out of the ten districts were below the average; in the Andhra region, eight out of thirteen were below the average. The literacy rate of Telangana region after excluding the metro city of Hyderabad was 57.15 per cent; similarly, the per capita GSDP of the Telangana region minus the Hyderabad city was ₹32,180. A look at the Development Indicators (Exhibit 4) for the districts show that the Telangana region had more districts which were behind the state average in almost all parameters of development leading to the conclusion of development deficit even after 60 years of independence. In the early 1950s, the development deficit was invariably much higher.

The protagonists of Telangana believed that due to the innate backwardness of the region, in terms of education and skills, most of the opportunities that arose since independence had been grabbed by people of the Andhra region who migrated into the capital city of Hyderabad, notwithstanding the Gentleman's Agreement of 1956. They also believed that the cascading effect of this would continue into the future if preventive measures are not taken.

### Who were Opposed to Telangana and Why?

The votaries of Telugu culture and sub-nationality were the ones deeply disappointed by the demand for a separate Telangana state. The city of Hyderabad, the capital of AP, emerged as a vibrant city in the last few decades with many a feather in its cap. In this age of information technology it became the second-largest hub, after only Bangalore, of IT professionals, IT organizations and IT output. Hyderabad was a much bigger city than any city in the state of Andhra Pradesh; it emerged as a metro of national stature. In 2009, it had the biggest and best international airport in the country and the longest single-entry flyover, some 11-km long, leading to the airport. People of Andhra Pradesh, who took pride in the growth and emergence of Hyderabad as the cultural capital of all Telugu-speaking people, did not grudge about large investments for the growth of Hyderabad. They felt cheated at the prospect of Hyderabad becoming a part of a small state called Telangana and at the prospect of Hyderabad ceasing to be part of their iconic city. As a metro city, Hyderabad had attracted a large number

of people from all over Andhra Pradesh (as also from all over India) in search of employment, professions, businesses and other economic activities. Now with the demand for Telangana rising, the migrants from the Andhra region feared that they would be aliens in their own land. It appeared that the loss of Hyderabad would be more painful than the loss of the vast areas of land forming Telangana.

On another plane, if the state of Telangana became a reality and if the city of Hyderabad was ceded to it, then the rest of Andhra would have to create a capital city out of one of the smaller cities at considerable costs. This would probably take anything between a decade and a quarter century to assume some critical mass and size. This was not a soothing thought to those already perturbed by a sense of cultural loss.

### The Stakeholders

The primary stakeholders to an effective governance system were the people. The people and their aspirations were channelized through the representative process of the political system. As a result the stakeholders' list included, apart from the people, the elected representatives, the political parties, the political leaders, the political processes, the administrative system and the administrators.

Since creation of new states or splitting up of larger states would imply enlargement of the administrative system and more administrative positions, this segment of stakeholders was unlikely to harbour any antipathy towards the concept. In the political arena, the situation was slightly more complex. Smaller states would imply increased emphasis on regional and local issues with regional and local leaders having a larger say in the decision process. These would imply a restructuring of the political organizations and decentralization of the power structure which could lead to discomfiture and trauma of varying degrees at different levels. Glimpses of this discomfiture could be seen in the behaviour of the political parties and the elected members during December 2009.

1. Telangana Rashtra Samiti (TRS) led by KCR had been championing the demand for a Telangana state all along; this political party had only a one-point agenda and hence the influence of this party was restricted to the Telangana region.
2. The UPA with the Indian National Congress as a leading member had promised to 'consider' the Telangana demand; this promise was incorporated in the Common Minimum Program (CMP) of UPA while fighting the elections in 2004. On the basis of this promise, TRS aligned with UPA in fighting the elections in 2004.

3. During UPA's term from 2004 to 2009, no tangible action was taken about its promise to 'consider' the demand for the new state; this angered TRS to walk out of the UPA in 2009 into the welcoming arms of the rival grouping of National Democratic Alliance (NDA), which included Bharatiya Janata Party (BJP), a national level party; Telugu Desam Party (TDP), a leading regional party, and many others.
4. This implied that NDA had tacitly accepted TRS' demand for the new state; UPA had not removed from the CMP its promise to 'consider' the demand for fear of losing the Telangana vote bank. In effect, all the political parties that participated in the Andhra Pradesh elections in 2009 were open to the idea of the Telangana state in some form or other.
5. On 8 December 2009, in a meeting convened by K. Rosaiah, Chief Minister of Andhra Pradesh, all political parties of Andhra Pradesh except the Communist Party Marxist (CPM) supported the proposal to adopt a resolution in the state assembly for creation of Telangana. The declaration of P. Chidambaram, on 9 December 2009, to start the process of state formation was based on the minutes of this meeting.
6. In the following days and weeks, all MLAs and MPs from the Telangana region made it clear that irrespective of party affiliations, they stood for the creation of the new state. Similarly all MLAs and MPs from the rest of Andhra Pradesh made it clear that irrespective of party affiliations, they stood against the creation of the new state. Obviously, none of the elected representatives wanted to be seen swimming against the tide, even for a short while. Leading political parties like Congress, BJP and TDP, with their organizational units inside and outside Telangana taking diametrically opposite stands, found themselves at a loss about how to formulate a clear policy.
7. Why was the CPM opposed to the Telangana state? Did CPM not believe in federalism? CPM had strong following only in three states of India—Kerala, West Bengal and Tripura. Probably CPM feared that supporting Telangana would mean tacit support for the demand for carving Gorkhaland out of West Bengal, which in turn would weaken the CPM's overall strength.

The city of Hyderabad, in the post-independence era, had grown into a metro attracting people and investments from all across the country and abroad. In 1948, it was a small city with a population of 1.03 million which had grown to 6.3 million by 2009. Major manufacturing facilities in 1948 were those of Alwyn and Praga Tools. Immediately on integration with India, the city gained importance when the



army and air force set up major bases around the city. The nation's industrialization efforts through establishment of public sector undertakings (PSUs) found Hyderabad as a prominent location. Hindustan Machine Tools Ltd, Hindustan Aircrafts Ltd, Indian Drugs and Pharmaceuticals Ltd, Bharat Heavy Electricals Ltd and Electronics Corporation of India Ltd were some of the prominent new PSUs that came into the city. Later it became a hub for pharmaceuticals and life sciences with majors like Novartis, Dr Reddy's Labs, Aurobindo Pharma, etc., setting up manufacturing and research bases in and around Hyderabad. In the 1990s when India witnessed the software boom, Hyderabad had a significant share of it. By 2010, the city had grown to 650 sq. km; it had become sixth most populous city in India and the ninety-third richest city in the world in terms of GDP (US\$ 60 billion).

The city had a large share of migrant population from all parts of India constituting significantly to the city's wealth, vibrancy and cosmopolitan culture. This segment of the city's population were not emotionally attached to the cause of Telangana nor were against it; they were, if at all, worried about the turmoil and backlash that might happen to the growth of the city if the uncertainty continued.

#### Do Smaller States and Larger Number of States Mean Weaker India?

Telangana could be the trigger for many such demands. How many states could India optimally have? Will large number of states weaken the unity of India? The US, for instance, had 51 states with only a population of 300 million; India had a population of 1,100 million with only 28 states. The US had a history of only 300 years; India had more than 3,000 years of history with unparalleled diversity. Uttar Pradesh had a population (195 million) larger than that of Brazil (180 million), Russia (190 million) or Pakistan (166 million). In terms of population, each state—Maharashtra (106 million), West Bengal (96 million) and Andhra Pradesh (90 million)—was much bigger than France (62 million) or UK (62 million). In contrast, India also had very small states like Sikkim (0.6 million), Mizoram (1.1 million) and Arunachal Pradesh (1.3 million). What could be the criteria for state formation? Given the Indian context, could there be a guideline for state formation?

#### Should Metros become Independent States?

Mumbai accounted for substantial part of the wealth created in Maharashtra. If Maharashtra was stripped of Mumbai and its outskirts, Maharashtra would be a backward state not significantly better than say Madhya Pradesh or Rajasthan. Did keeping

Mumbai a part of Maharashtra amount to camouflaging the inherent poverty and underdevelopment of the rest of the state?<sup>13</sup> Alternatively, by being part of the state, was Mumbai contributing to the wealth of the rest of the state in any manner? This was true of other metros and states, too. Would it make sense to keep metros of certain critical mass and size as independent states (or union territories for that matter) and cater to their development on a different pedestal? SRC in 1955 was inclined to keep Bombay as a separate state because of its cosmopolitan nature and being a major commercial centre (Rao 2009). The sentiments of linguistic identity pushed Bombay towards Maharashtra and later towards Mumbai.

Sanjay Baru (2009) has argued in favour of city states on four counts:

1. Indian metro cities have been meted out a stepmotherly treatment by the respective state governments and the political bosses for their developments. Mumbai and Kolkata stand testimony to the decline of two great cities as a result of the misplaced priorities of the successive state governments. Four decades ago, these two cities were comparable to Singapore, Shanghai and Hong Kong; they were far ahead of Kuala Lumpur, Jakarta and Seoul. Today all these cities are far ahead of Mumbai and Kolkata. Delhi escaped this destiny because it became a state of its own and its bosses—political and bureaucratic—had a better perspective about the developmental needs of Delhi as a city-state per se. Chandigarh also will escape this tragedy. Because it is a Union Territory.
2. Urban centres are of significance to the Indian polity and economy because the third wave—the service sector revolution—has to begin from these urban centres. India is becoming increasingly urban with nearly 30 per cent of its population living in the urban areas. Urban planning has to get its due priority in the overall schema.
3. Urban centres are the places where people from different regions of the country come to live together. This is where the concept of India as envisaged by the founding fathers of the nation begins to take root. The nation cannot afford such urban centres to be appended to a single cultural or linguistic lineage; they need to be flexible, vibrant, multilingual, multicultural and hybrid.

<sup>13</sup> See Rao (2009). In Rao's (2009) article, the author cites that Maharashtra has 30.7 per cent poor, while the national average is 27.5 per cent. Maharashtra is ranked second or third in terms of Human Development Index, while it has the maximum number of urban poor. Most of the poor are outside Mumbai. The author concludes that without Mumbai, Maharashtra is an underdeveloped state.

4. India needs to allow its cities to grow naturally and be at par with global cities. Mumbai and Kolkata have lost some decades in this growth trajectory. Now Bangalore and Hyderabad are coming into this league and the existing structure would ensure the same fate to them too. If these cities, as also those emerging ones like Ahmedabad, Bhubaneswar, etc., were to escape such a fate they need to be converted into small states on their own, irrespective of whether they are capitals of adjoining states or not. Just as Delhi is the capital of India while being a state on its own, Mumbai could be a state on its own while being the capital of Maharashtra; Kolkata could be a state on its own while being the capital of West Bengal, Bangalore could be a state on its own while being the capital of Karnataka, etc. Such an arrangement will enhance the status of each city and would ensure better space and scope to address its developmental needs.

#### Do Smaller States Mean Better Governance, Growth and Development?

The cases of Uttarakhand, Chhattisgarh and Jharkhand provide some evidence in this direction. All these states were formed in 2000; all of them were carved out of the most backward states, BIMARU states, of the country. Further Jharkhand and Chhattisgarh were the most backward parts of Bihar and Madhya Pradesh, respectively. In the five years from 2004–05 to 2008–09, Uttarakhand averaged 9.31 per cent annual growth rate in GSDP, Jharkhand 8.45 per cent and Chhattisgarh 7.35 per cent. All the three states have grown spectacularly with Jharkhand and Chhattisgarh emerging as industrial dynamos (Aiyar 2009). The new Bihar after truncating Jharkhand from it has also shown a remarkable growth rate (11.03 per cent) in the same period. This was very close to the highest growth rate achieved by any state for the period (Gujarat, 11.05 per cent) (Aiyar 2010). The stellar performance by Bihar could be attributed to two major factors—one, the pragmatic and dynamic leadership of the Chief Minister Nitish Kumar, and two, the fact that the state had become smaller and hence far more manageable. The triggers for the creation of states in the post-1956 era and the outcome of creating each of these states are listed in Exhibit 5.

#### National Policy Framework for State Formation?

Looking back at the evolution of states in India, it was seen that the decision-making process had been predominantly political; also that each state was created only when the popular demand had reached a stage of crisis. The States Reorganization Council

of 1955 was preceded by the death of Potti Sriramulu. Many of the states in the North East were created at the threat of insurgency and secession. The bifurcation of Punjab and Haryana had a prolonged history of agony and crisis management. Had India learned any lesson from the evolutionary process of state creation spread over six decades? India became willing to discuss Telangana in 2010 only because the issue was on the boil. If India had cared and dared to discuss the issue a few years ago, the deliberations would have been far more rational than emotional (Editorial 2009). Now in 2010, there were other demands for new states on the horizon. Should India wait till they come to a boil or should it address the issues proactively now?

Considering the size of India's population, vastness of its land area, its diversity in terms of culture, language, climate, history and geography, it is imperative that the pace of development of different regions would be different. The concerns and needs of each region would be varied and they would change differently with time. It would be prudent to expect paradigm shifts in the aspirations of the people as well as the developmental needs of each region over time. Exhibit 6 is an attempt to capture the triggers relevant in formulating a framework for decision-making in states creation.

Was it not time that the federal government created a structure that systematically looked into all aspects and handled the process of reorganization more rationally, devoid of emotional arm-twisting and blackmail (Aiyar 2010)? What could be the parameters relevant in assessing the demands for reorganizing or creating new administrative units?

### Chidambaram's Choice

It was in this context that Home Minister P. Chidambaram convened an all-party meeting on 5 January 2010 to seek cooperation of all parties concerned and to 'evolve a mechanism and roadmap' to resolve the Telangana issue. Between the all-party meeting convened by K. Rosaiah, Chief Minister of Andhra Pradesh, on 8 December 2009 and the proposed meeting on 5 January 2010, much water had flown down all the rivers of the country. While the consultative approach had the best of merits, everyone realized that such a step should have been taken much earlier. There was also widespread realization that Telangana was only one knot in a chain of knots that needed to be attended to. Would this meeting pave the way to untangle all such issues in the future? What were the options before Chidambaram and the members of the all-party meeting?

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**Exhibit 1**

**India—List of States and Basic Data, 2009**

S. No. (1)	State (2)	Capital (3)	Land Area (sq. km) (4)	Population		MPs in Lok Sabha (7)	Population Density (nos./sq. km) (8)	Literacy 2001 (%) (9)	Urbanization (%) (10)	2006-07 (₹ billion) (11)	GSDP	
				Millions (5)	Per cent of Total (6)						Per cent of Total (12)	Per Cent Per Capita (₹) (13)
1.	Andhra Pradesh	Hyderabad	275,068	75.73	7.37	42	275	60.47	27.08	2,691.7	7.12	33,142
2.	Arunachal Pradesh	Itanagar	83,743	1.09	0.11	2	13	54.34	20.41	n.a.	n.a.	n.a.
3.	Assam	Gauhati	78,483	26.64	2.59	14	340	63.25	12.72	637.7	1.69	22,068
4.	Bihar	Patna	94,164	82.88	8.07	40	880	47.00	10.47	989.6	2.62	10,799
5.	Chhattisgarh	Raipur	135,194	20.8	2.03	11	154	64.66	20.08	642.4	1.70	27,810
6.	Delhi	Delhi	1,483	13.78	1.34	7	9294	81.67	93.01	1,182.4	3.13	72,580
7.	Goa	Panaji	3,702	1.34	0.13	2	363	82.01	49.47	145.2	0.38	90,317
8.	Gujarat	Gandhinagar	196,024	50.6	4.93	26	258	69.14	37.35	2,545.3	6.73	45,882
9.	Haryana	Chandigarh	44,212	21.08	2.05	10	477	67.91	29.00	1,264.8	3.35	53,661
10.	Himachal Pradesh	Shimla	55,673	6.08	0.59	4	109	76.48	9.79	283.6	0.75	42,062
11.	Jammu & Kashmir	Srinagar	222,236	10.07	0.98	6	99	55.52	24.85	290.3	0.77	26,307
12.	Jharkhand	Ranchi	79,700	26.91	2.62	14	338	53.56	22.25	626.8	1.66	21,198
13.	Karnataka	Bangalore	191,796	52.73	5.13	28	275	66.64	33.98	1,882.7	4.98	33,236
14.	Kerala	Trivandrum	38,863	31.84	3.10	20	819	90.86	25.97	1,424.7	3.77	42,623
15.	Madhya Pradesh	Bhopal	308,144	60.39	5.88	29	196	63.74	26.67	1,282.2	3.39	19,108

(Exhibit 1 continued)

(Exhibit 1 continued)

S. No.	State (2)	Capital (3)	Land Area (sq. km) (4)	Population		MPs in Lok Sabha		Population Density (nos./sq. km) (8)	Literacy 2001 (%) (9)	Urbanization (%) (10)	GSDP	
				Millions (5)	Per cent of Total (6)	Lok Sabha (7)	Per cent of Total (11)				Per Capita (₹) (12)	Per Cent of Total (13)
16.	Maharashtra	Mumbai	307,713	96.75	9.42	48	314	76.88	42.40	5,093.6	13.48	32,590
17.	Manipur	Imphal	22,327	2.39	0.23	2	107	70.53	23.88	53.4	0.14	20,796
18.	Meghalaya	Shillong	22,429	2.31	0.22	2	103	62.56	19.63	69.6	0.18	27,971
19.	Mizoram	Aizawl	21,083	0.89	0.09	1	42	88.80	49.50	n.a.	n.a.	n.a.
20.	Nagaland	Kohima	16,579	1.99	0.19	1	120	66.59	17.74	56.7	0.15	22,734*
21.	Orissa	Bhubaneswar	155,707	36.71	3.57	21	236	63.08	14.97	911.5	2.41	23,227
22.	Punjab	Chandigarh	50,362	24.29	2.37	13	482	69.65	33.95	1,234.0	3.27	45,731
23.	Rajasthan	Jaipur	342,236	56.47	5.50	25	165	60.41	23.38	1,484.4	3.93	23,581
24.	Sikkim	Gangtok	7,096	0.55	0.05	1	76	68.81	11.10	n.a.	n.a.	n.a.
25.	Tamil Nadu	Chennai	130,058	62.11	6.05	39	478	73.45	43.86	2,626.9	6.95	40,145
26.	Tripura	Agartala	10,492	3.19	0.31	2	304	73.19	17.02	102.8	0.27	29,960
27.	Uttar Pradesh	Lucknow	238,566	166.05	16.17	80	689	56.27	20.78	3,121.1	8.26	16,841
28.	Uttarakhand	Dehradun	53,566	8.48	0.83	5	159	71.62	25.59	297.1	0.79	31,928
29.	West Bengal	Kolkata	88,752	80.22	7.81	42	904	68.64	28.03	2,726.0	7.21	31,783
30.	Others (Union Territories, etc.)		207,617	2.66	0.26	6						
	National Total		3,287,240	1027.02	100.00	543	324	64.84	27.78	37,793.9	100.0	36,800

**Sources:** Data compiled from CSO, Census of India, NSSO and RBI sources.

**Notes:** Columns (10) and (12) are based on GSDP at factor cost at current prices.

\* indicates that the GSDP data pertains to year 2005-06.

n.a. = not available.



**Exhibit 2**  
**Map of Andhra Pradesh Showing Regions of Telangana, Rayalaseema and Andhra**



**Source:** Developed from <http://www.mapsofindia.com/maps/andhrapadesh/Andhra-pradesh-district.htm>.

**Exhibit 3**  
**District-wise Statistics of Andhra Pradesh**

S. No.	District (2)	District HQ (3)	Land Area (sq.km) (4)		Density (nos/ sq.km) (5)		Urbanization (%) (7)		Literacy % 2001 (8)	Total (₹ billion) (9)	Gross District Domestic Product (2006-07)		
			Area (sq.km) (4)	Density (nos/ sq.km) (5)	Urbanization (%) (7)	Per Capita (₹ '000) (10)	Primary Sector (%) (11)	Secondary Sector (%) (12)			Tertiary Sector (%) (13)		
												Per Capita (₹ '000) (10)	Primary Sector (%) (11)
1.	Adilabad		16,128	2.49	129	26.48	27.20	76.45	30.70	39.03	18.91	42.07	
2.	Nizamabad		7,956	2.35	257	18.00	25.90	67.40	28.68	30.31	25.31	44.39	
3.	Karimnagar		11,823	3.49	295	19.40	47.57	112.44	32.22	36.59	23.73	39.68	
4.	Medak		9,699	2.67	274	14.36	53.24	89.11	33.37	32.35	25.81	41.84	
5.	Warangal		12,846	3.25	473	19.20	58.41	101.35	31.18	33.43	18.16	48.41	
6.	Rangareddy		7,493	3.58	478	54.19	66.21	171.28	47.84	10.98	32.83	56.19	
7.	Nalgonda		14,240	3.25	228	13.22	78.00	86.75	26.69	20.66	27.86	51.47	
8.	Mehboobnagar		18,432	3.51	167	10.57	74.00	90.22	25.70	32.59	21.45	45.97	
9.	Khammam		16,125	2.58	160	19.81	72.00	79.42	30.78	34.11	21.47	44.42	
10.	Hyderabad		625	3.83	5,853	100.00	68.80	258.03	67.37	1.85	17.34	80.80	
	Sub-total A for Telangana region		115,367	31.00	269	31.77	58.91	1132.45	36.53	22.26	23.06	54.68	
11.	Anantapur		19,130	3.64	190	25.26	57.00	104.79	28.79	22.20	25.28	52.52	
12.	Chittoor		15,359	3.75	214	21.65	90.60	109.50	29.20	24.58	23.21	52.21	
13.	Cuddappah		15,379	2.60	169	22.59	70.00	84.64	32.55	30.65	20.72	48.63	
14.	Kurnool		17,600	3.53	199	23.16	54.43	116.78	33.08	34.42	19.43	46.15	
15.	East Godavari		10,807	4.90	453	23.50	65.50	159.73	32.60	38.64	17.51	43.86	
16.	Guntur		11,391	4.47	392	28.80	68.00	158.63	35.49	31.76	20.31	47.94	
17.	West Godavari		7,742	3.80	491	9.74	67.61	131.78	34.68	42.32	17.73	39.95	
18.	Krishna		8,727	4.19	479	32.08	70.00	167.93	40.08	30.57	18.42	51.01	
19.	Nellore		13,076	2.67	204	22.45	71.00	104.33	39.07	41.65	18.72	39.62	
20.	Prakasam		17,626	3.06	174	15.28	57.86	100.93	32.98	35.67	21.06	43.26	
21.	Srikakkulam		5,837	2.54	403	10.98	55.40	65.74	25.88	32.93	21.16	45.92	
22.	Visakhapatnam		11,161	3.83	343	57.95	59.40	145.33	27.55	14.44	27.35	58.21	
23.	Vizianagaram		6,539	2.25	344	18.00	51.82	59.73	26.55	29.05	17.78	53.17	
	Sub-total B for Andhra region		160,374	45.23	282	24.89	65.18	1509.84	33.38	31.46	20.64	47.90	
	Total for Andhra Pradesh		275,741	76.23	276	27.69	62.63	2642.30	34.66	27.52	21.68	50.80	

**Sources:** Data compiled from CSO, Census of India, NSSO and RBI sources.

**Exhibit 4**  
**Andhra Pradesh – District-wise Development Indicators**

	HDI	HPI	GDI	GSDP	LR	IM	HBLP	DiLP	DoLP	Road Density	Bank Density	Tele Density
<b>Telangana Region</b>												
1. Adilabad	0.361	0.65	0.56	30.7	27.2	51	368	2	70	519	5.74	2,789
2. Nizamabad	0.383	0.59	0.59	28.68	25.9	37	409	1	67	696	6.98	3,696
3. Karimnagar	0.448	0.58	0.65	32.22	47.5	33	288	1	59	755	5.39	3,811
4. Medak	0.385	0.62	0.65	33.37	53.2	43	334	3	71	747	6.07	2,749
5. Warangal	0.349	0.62	0.58	31.18	58.4	45	479	1	129	648	5.82	3,233
6. Rangareddy	0.452	0.49	0.62	47.84	66.2	25	347	0	44	795	6.03	6,937
7. Nalgonda	0.36	0.62	0.57	26.69	78	51	296	1	59	772	5.72	3,121
8. Mehboobnagar	0.249	0.71	0.49	25.7	74	35	289	1	62	645	5.44	2,259
9. Khammam	0.42	0.58	0.67	30.78	72	43	299	0	51	564	6.28	3,340
10. Hyderabad	0.591	0.23	0.69	67.37	68.8	22	1,567	14	340	959	15.5	12,617

(Exhibit 4 continued)

(Exhibit 4 continued)

	HDI	HPI	GDI	GSDP	LR	IM	HBLP	DiLP	DoLP	Road Density	Bank Density	Tele Density
<b>Rest of Andhra Pradesh</b>												
11. Anantapur	0.343	0.64	0.56	28.79	57	34	320	2	90	538	6.15	2,731
12. Chittoor	0.451	0.57	0.64	29.2	90.6	29	486	3	138	772	6.93	3,922
13. Cudapah	0.447	0.58	0.59	32.55	70.6	26	350	1	75	523	6.5	3,637
14. Kurnool	0.327	0.65	0.54	33.08	54.4	38	559	5	135	497	6.06	2,743
15. East Godavari	0.411	0.59	0.63	32.6	65.5	31	443	7	111	745	6.96	7,741
16. Guntur	0.49	0.56	0.66	35.49	68	23	490	2	120	748	7.58	4,328
17. West Godavari	0.448	0.55	0.68	34.68	67.6	29	228	3	53	948	7.5	8,888
18. Krishna	0.51	0.52	0.66	40.08	70	26	359	3	105	840	8.57	5,199
19. Nellore	0.452	0.59	0.63	39.07	71	30	465	5	60	596	7.72	3,985
20. Prakasam	0.409	0.63	0.62	32.98	57.9	32	268	3	64	616	7.58	3,157
21. Srikakulam	0.269	0.73	0.33	25.88	55.4	36	376	3	78	973	5.39	1,735
22. Visakhapatnam	0.383	0.62	0.64	37.95	59.4	36	669	3	155	704	5.78	1,948
23. Vijayanagaram	0.236	0.77	0.52	26.55	51.8	46	295	4	78	685	7.86	4,055
Overall AP	0.402	0.58	0.62	34.66	62.6	47	449	3	101	666	7.08	4,121

**Source:** Based on data from UNDP 2007, 'Andhra Pradesh Human Development Report 2007', New Delhi.

**Notes:** DiLP: dispensaries per lakh population; DoLP: doctors per lakh population; GDI: Gender Development Index; GSDP: per capita GSDP; HBL: hospital beds per lakh population; HDI: Human Development Index; HPI: Human Poverty Index; IM: infant mortality rate; LR: literacy rate as %.

Shading in light grey indicates parameters are far below state average.		
Shading in dark grey indicates parameters far above the state average.		
	Telangana	Rest of AP
Light grey	% of districts VERY POOR on indicators	40.00
Dark grey	% of districts VERY GOOD on indicators	15.83
No shade	% of districts Moderate on indicators	44.17
		51.92

**Exhibit 5**  
**New States in India after 1956 and the Outcome**

S.No.	Name of State/s (Year)	Trigger for Formation	Impact on Development, Integration, etc.
1.	Maharashtra, Gujarat (1960)	Linguistic-cultural identity	Maharashtra, on the whole, has been a fast growing state; thanks to the presence of Mumbai, the business capital of India. Interior areas/districts of the state still lag in development (Kanjilal 2009). Gujarat emerged as a fast growing state (Aiyar 2009); thanks to the entrepreneurship of its people. It is better balanced in spatial distribution of development than many states.
2.	Nagaland (1963)	Ethnic-cultural identity	Alienation from mainstream minimized; levels of insurgency reduced significantly (Mukherjee and Singh 2010).
3.	Punjab, Haryana (1966)	Linguistic identity; history/legacy	Better identity; better integration.
4.	Mizoram (1987)	Ethnic-cultural identity	Alienation from mainstream minimized; levels of insurgency reduced significantly (Mukherjee and Singh 2010).
5.	Chhattisgarh (2000)	Ethnic-cultural identity; history	Faster pace of development (Aiyar 2009 and Baru 2009)
6.	Uttarakhand (2000)	Cultural identity; different history; different geography	Faster pace of development (Aiyar 2009 and Baru 2009)
7.	Jharkhand (2000)	Ethnic-cultural identity; different history; different geography	Faster pace of development (Aiyar 2009 and Baru 2009)

**Source:** Compiled by the author.

**Exhibit 6**  
**Triggers on Criteria for Creation of States**

**Objective**

1. Size and structure of the state must facilitate the *governance* to reach everybody and every place in the state. The people must be able to participate in the governance of the state effectively. The distance between the ruler and the ruled must be as small as possible.
2. The size and structure of the state *must enable smooth and fast economic development* of all regions in the state. If the regions of the state are endowed with different natural resources and capabilities, then the process of development is likely to be dissimilar. This would call for special/different strategies of development for each region. It would be desirable to have less variety within a state or the focus and priorities are likely to be lost.
3. It would be wise to *minimize the heterogeneity* among the regions and the people, so that policies and plans of the state can be designed, incorporated and implemented far more smoothly and effectively.

**Some Parameters/Factors**

1. *Geography*: Geography is observed to enable or obstruct the natural process of development. Coastal regions and islands have been historically found to be better linked with the outside world and hence they have experienced faster development. Similarly, regions with rivers and navigational facilities have been found to have experienced faster development. In contrast, landlocked or mountainous regions have been less linked with external world and their development has been slower resulting in differential development (Sachs 2005). So, in creating states, geographical contiguity and similarities should be the important criteria.
2. *Ethnicity, language, culture and religion*: These are primary bases of shared history and legacy. They bind people fairly well and one or more of these have the potential of becoming the basis of identity of the people. Such factors can be harnessed to unite the people.
3. *Shared History, Legacy*: When certain regions have a long history of co-evolution they are bound to have many things in common and it would be natural for them to think, live and grow together. When two regions have had different paths of evolution, then such shared feelings and aspirations are unlikely to be found.
4. *Degree of Development*: When there is more than one region or people with different degrees of development, then the aspirations and needs of the people are bound to be different; the focus and priorities of developmental efforts would need to be different. It would not be wise to group such regions and people into one state.
5. *Economic viability*: Ideal situation is to have states that are self-sufficient. In developing countries, such an ideal situation would rarely exist; we need to look at the potential for self-sufficiency. Another aspect to consider is the size of the state economy in terms of the national economy. Size of the state economy decides the control of the resources and consequently, the balance of power vis-à-vis other states as also vis-à-vis the centre. In a federal set-up, it will not be desirable to have too wide a range of the sizes of the state economy.

6. *Size*: The size of the population primarily decides the relative significance of the state in a federal structure. The number of parliament seats is decided on the basis of population. Geographical area may indicate the resources available to the state and also the investments required to create and maintain the physical infrastructure. To ensure healthy democratic processes and balance of power among states and the centre, it will be desirable that the sizes of states, in terms of their population and number of parliament seats, are within a meaningful range.
7. *Political Viability*: Political viability emerges from the quality of the people, their representatives, political processes, and the political system. Quality of the people depends on the civilization, culture, education and maturity of the people; on the social and economic development as well as the governance structure of the region. In a federal structure the political system, political processes and the governance structure will be fairly identical in all the states; the difference will come from the softer issues. Political viability is also dependant on the balance of power between the centre and state on one side and among the states on the other. Hence issues of size and economic viability also have their impact on political viability.

**Source:** Developed by the author.