



HYDERABAD KARNATAKA DEVELOPMENT: AN EVALUATION

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ABSTRACT

The present article examines the issues and concerns of regional development in Hyderabad Karnataka based on qualitative analysis. The study of regional imbalance assumes significance in the light of the global decentralization trend. Regional inequalities contribute to social and economic inequalities across the globe. In India regional disparities have been the matter of serious concern since independence through Five Year Plans. Dr.D.M.Nanjundappa committee had recommended establishing an appropriate institutional set-up to accelerate the process of development in different sectors of Hyderabad Karnataka. A three-decade struggle to seek special status for six Karnataka districts ended when Lok Sabha passed the Constitution (118th Amendment) Bill, 2012. The Special Development Plan (SDP) has also been implemented in this region to enhance the social and economic status of the people who had faced lot of hardships due to lack of state intervention. The Action Plan of 2014-15 provides for the allocation of Rs.600 crore for the integrated development of the region. The developmental strategies in Karnataka require social development and environmental conservation since there is a positive linkage between them. The policy makers and other stakeholders of the region are required to allocate adequate funds, design area-specific programmes and implement target-group oriented development schemes in the region in order to achieve the goal of inclusive development in the new millennium.

KEYWORDS: Regional Inequalities, Environmental Conservation, Regional Imbalance, Agriculture Sector, Strong Economic Growth.

PREAMBLE

The main cause of regional inequality has been the strong backwash effects and the weak spread effects in such economics (Myrdal, 1957:11). The study of regional imbalance assumes significance in the light of the global decentralization trend. Several observers suspect increasing regional inequalities in decentralizing countries and demand the implementation of interregional transfer schemes. The decentralization initiatives across the world were promoted by international development agencies and local policy initiatives. Regional inequalities contribute to interpersonal inequalities so that it might be more efficient to redistribute between individuals using tax-transfer schemes instead of redistributing between regions (Christian, 2011:02).

In India regional disparities have been the matter of serious concern since independence through Five Year Plans with an aim of attaining socio-economic well being. The issue of regional disparities is widely discussed in the post-independence era. The disparities continued even after implementing several plans in different phases in India. Regional imbalances involve non utilization of available resources to the optimum levels. The Indian economy is confronted with the sharp and growing regional imbalance or variations among India's different states and territories in terms of per capita income, poverty, availability of infrastructure and socio economic development. Karnataka state is not an exception to this acute problem of regional disparity. There are certain glaring differences in socio-economic, politico-cultural issues between the erstwhile princely state of Mysore and the North Karnataka. In particular, the people of Hyderabad Karnataka have suffered the worst because of regional imbalance in all walks of life. The present article examines the issues and concerns of regional development in Hyderabad Karnataka based on qualitative analysis.

A BRIEF PROFILE OF KARNATAKA

The State of Karnataka is the 8th largest state in the Indian Republic in terms of geographical area of 1,91,791 square kilometers. It is also the 9th largest in terms of population. The state is situated in South West India and accounts for 6.3 percent of geographical area and 5.1 percent of the population in the country. The state is bounded by Maharashtra and Goa states in the north and northwest; by the Arabian Sea in the west; Kerala and Tamil Nadu in the south and Andhra Pradesh in east. The State is confined roughly within 11°5' and 18°5' North latitudes and 74° and 78°5' East longitudes, situated on a table land, where the Western and Eastern Ghat ranges converge in the Nilgiri hill complex. It comprises of 30 districts. The state's capital city is Bengaluru.

According to the latest figures of 2015, Karnataka has 65,061,069 people living. The population of the state was estimated to be 61,130,704 in 2011 Census of India. From there on, Karnataka has added another 3.9 million people to its growing population between years 2011 to 2015. Bangalore is the largest city in the state with over 1 million people living there. The state adds around 1 million people every year to its existing population. There are over 30 districts in the state of Karnataka. Among all the districts in the state, Bangalore Urban, Belgaum and Gulbarga are the most populated districts with a total head count of 3 million people in each district. Male to female ratio or Sex Ratio is quiet good in the state with 1000 males available for every 964 females.

In the last 30 years, Karnataka has been showing major signs of decline in its population growth. The urban poor constitute about 25.25% while the rural poor constitute about 17.38%. The agriculturists and agricultural laborers together accounted for 67.7% of the main workers in the state. About 55% of the work force is associated with the agriculture sector while the remaining the work force is associated with industry, business and other unorganized sector. Rapid industrialization and growth of various metros in Karnataka has contributed a lot towards its population growth. Bangalore, the capital city witnessed a large number of migratory populations from other parts of India.

Karnataka is marching towards remarkable progress in the field of economic development. The GDP of Karnataka (5.3%) is higher than the national GDP (5.0%) according to the FY2014-15. The state's export constitutes about 13% of all India exports. The State is home to the fourth largest technology cluster in the world after Silicon Valley, Boston and London. The manufacturing sector (12.0%), construction sector (10.0%) and service sector (45.0%) employ the work force according to Economic Survey of Karnataka 14-15.

The World Economic Forum has identified Karnataka among the top four innovation hubs in the World. With good rail, road & air connectivity, logistic support, infrastructure, excellent telecommunication network and peaceful labour, the State has been a preferred destination for investment attracting 4th largest FDI in the country. The State is considered as the fastest growing market in India. State has been ranked V for a healthy business climate and attracting investments by World Bank's Investment Climate Index. Recently, Karnataka has earned third position in receiving Foreign Direct Investment.

The notable features of Karnataka include - Strong economic growth, A well-structured and qualified administrative system, fertile lands and high agricultural productivity along river basins and in irrigated areas, leadership in coffee, raw silk, sandalwood, and floriculture production, reputation as a progressive state, strong position in new high-technology industries such as biotechnology, rub-off from success of high technology industry, availability of trained manpower, wide network of educational institutions, generally peaceful environment and communal amity, according to Karnataka Vision - 2025 document. Karnataka has the potential to move to be within the top three ranks on an all India basis on these human development indicators by 2025.

REVIEW OF LITERATURE

The issue of regional disparity has been examined within the neoclassical growth framework across the globe. Prominent among them include - Myrdal (1957:11), Dholkia (1985:03), Nanjundappa (1999:14), Kadekodi (2000:08), Panchamukhi (2001:15), Chandna (2002:01), Kalam (2005:09), Nanjundappa (2010:13), Prabhakar (2010:16), Shiddalingaswami and Raghavendra (2010:19), Christian (2011:02), Nanjunda (2012:12), Singh (2012:20), Ratnakar (2013:17), Doddamani (2014:04), Hanagodimath (2014:07) and Shankaranand and Biradar (2014:18).

HIGH POWER COMMITTEE ON REGIONAL DEVELOPMENT

Hyderabad-Karnataka is a region located in north-east Karnataka, India. It is the Kannada speaking part of the Hyderabad State that was ruled by the Nizams of Hyderabad until 1948. Karnataka is facing inter and intra-regional disparities since its reorganization in 1956. After the integration new areas such as Hyderabad Karnataka and Bombay Karnataka, the old Mysore Karnataka region was relatively developed and there are several arguments that the north parts of Karnataka have constantly been neglected. The economic, social and population characteristic indices have increased significantly in Karnataka during the same period. Much development has been found in south Karnataka in all five socio-economic sectors as compared to north Karnataka (Shankaranand and Biradar, 2014:18).

The Hyderabad-Karnataka region comprises Bidar, Yadgir, Raichur, Koppal, Bellary and Gulbarga that are in the present state of Karnataka. The Hyderabad-Karnataka region is the second largest arid region in India. The regional gap emerged in the State on the eve of the reorganization of States in 1956. The new areas that joined

the State from Hyderabad State and Bombay State were relatively less developed than the Old Mysore State. This area formed the Northern part of the State. The indicators of development which have been developed by a number of researchers show that North Karnataka exhibits a high degree of under development as compared to South Karnataka (Panchamukhi, 2001:15). In the absence of focused efforts in the past, the development gap increased over a period of time leading to marginalization and exclusion of the region and its people from the mainstream development process. Efforts have been made over a period of time to reduce the development gap. However, there has been a growing realization that investment and focus on the area especially on initiatives to improve the human development indicators must be further accelerated.

For many poor people around the world migration is a way of life, and has been for centuries. After Independence, Government of India (GOI) adopted the socialist-capitalist (mixed economy) model of development through five year planning. As a result of the defective policies of agricultural development the regional disparity is increasing, which is leading to the increase in the seasonal migration of agricultural laborers. In Karnataka state regional disparity has become a political issue. Southern Karnataka region, which is politically dominant, is developed in terms of irrigational facilities and loan availability and other basic infrastructure whereas Northern Karnataka Specially Hyderabad Karnataka regions are comparatively less developed. As a result, every year thousands of marginal farmers and landless agricultural laborers migrate seasonally to Maharashtra for survival and inclusion (Doddamani, 2014:04).

The Government of Karnataka had constituted a High Power Committee on Redressal of Regional Imbalances under the chairmanship of eminent economist Dr. Nanjundappa. The committee thoroughly examined the status of development on the basis of socio-economic indicators in all the 175 taluks in the state and submitted its report in 2002. The committee also identified 114 taluks as backward taluks. These taluks were further classified into most backward, more backward and backward based on the basis of development indicators. Most of the taluks belonged to Hyderabad Karnataka and Mumbai Karnataka regions. South Karnataka has higher regional disparity than that of North Karnataka. Among the divisions Mysore division has highest regional imbalances followed by Bangalore, Gulbarga and Belgaum divisions. The Nanjundappa Committee has suggested for the improvement of social and economic conditions of the

people of North Karnataka on the basis of the policy making and resource allocation among different regions and sectors (Hanagodimath, 2014:07). The committee had also recommended a policy mix of resource transfer, fiscal incentives and special programmes for development of the 114 backward taluks in the state. Emphasis was laid on overcoming the regional imbalance and facilitating regional inclusiveness in economic development of the state.

STATUS OF REGIONAL DEVELOPMENT IN HYDERABAD KARNATAKA

A three-decade struggle to seek special status for six Karnataka districts ended when Lok Sabha passed the Constitution (118th Amendment) Bill, 2012. The bill enables the President to empower the governor to establish a separate development board for the Hyderabad-Karnataka region with the provision that a report on its working would be placed each year before the provincial assembly. Article 371 will help in development of HK region. In fact the peoples' movement for regional development has really brought happiness amongst the people of Hyderabad Karnataka. The people's movement has really strengthened the democratic set up (Ratnakar, 2013:17).

The committee had recommended establishing an appropriate institutional set-up to accelerate the process of development in different sectors of Hyderabad Karnataka. The government has established High Court benches at Dharwad and Kalburgi and ensured access to timely justice to the people of North Karnataka. Central University of Karnataka (Kalburgi), Women's University (Vijayapura), Horticulture University (Bagalkot), Fisheries Science University (Bidar), Dairy Science College (Kalburgi) and Horticulture College (Bidar) were also established in order to enhance the status of higher education and technical education in this region.

The Special Development Plan (SDP) has also been implemented in this region to enhance the social and economic status of the people who had faced lot of hardships due to lack of state intervention. The goal of balanced development in the state as a whole has not been achieved to the satisfactory level. Adequate financial resources are not earmarked for the development of the social sector and enrichment of demographic dividend in the Hyderabad Karnataka region. The programmes under Special Development Plan are implemented for the physical and financial progress of the region. The allocations under SDP have helped the backward taluks in different categories to get additional resources to accelerate the development process. The agricultural sector is developed

to certain extent through the implementation of Rashtriya Krishi Vikas Yojane (Central Sector Scheme), Enrichment of soil fertility (State Sector) and Raitha Samparka Kendras (State Sector). The watershed development programme has been implemented through people's participation in the region.

The primary health centers and district health institutions are also upgraded in the region. Cluster complex was established in 39 most backward taluks with a view to provide teachers' quarters in backward taluks/regions to enable the teachers to stay in rural areas and provide quality education to children. The residential schools were also established to provide better educational services to the students. The rural housing scheme has been implemented under the Ashraya-SDP and Vajpayee urban housing schemes. The roads are also constructed in the rural areas to facilitate better mobility of the people and development of agriculture, industry and business sectors. The irrigation facilities are also extended through Karnataka Neeravari Nigama Limited (KNNL). The tourism sector has received funds for the development of infrastructure at various places in backward taluks. Approach roads to tourist places have also been constructed at various tourist places.

The Backward Region Grant Fund was created to redress regional imbalance in development and develop community infrastructure. The Panchayat Raj Institutions and Urban Local bodies have also received funds under the 11th Five year Plan and 12th Five year Plan. The capacity building programmes are also organized for elected representatives, officials and organizers of NGOs to facilitate active implementation of various development programmes in the region. But, the goals of participatory development and inclusive development of the women and weaker sections of society have not been effectively achieved in this region. According to Article 371(J) special status was accorded to Hyderabad Karnataka which includes Bellary, Bidar, Bijapur, Gulbarga, Koppal, Raichur and Yadgir districts in the year 2012.

The implementation of Article 371(J) has ensured the reservation of a proportion of seats in educational and vocational training institutions in the Hyderabad-Karnataka region for students who belong to that region by birth or by domicile. Employment opportunities are also made available to the people under this special legislation. The Karnataka Educational Institutions (Regulations of Admission in the Hyderabad - Karnataka Region) Order, 2013 provides for reservation of 70% of available seats to the children of this region. The Action Plan of 2014-15 provides for the allocation of Rs.600

crore for the integrated development of the region. The Hyderabad Karnataka Development Board is responsible for designing suitable schemes for regional development. The nomination of office bearers and members on political considerations has impeded the progress of this region

THE FUTURE OF HYDERABAD KARNATAKA

Karnataka is a safe and peaceful State in the Indian map. This atmosphere has to be complemented with creative tasks and mission, to empower the people of Karnataka for economic prosperity (Kalam, 2005:09). Capability enhancement of poor is required to integrate them into the workings of an expanding economy. The primary focus of development policy in Karnataka, therefore, has to be on balanced growth ensuring better sectoral output employment ratio (Karnataka State Planning Board, 2008:10).

Regionally disaggregated poverty and unemployment estimates show that there is substantial heterogeneity in the degree and depth of poverty and unemployment in northern part of the Karnataka state. The broad picture that emerged from the survey show higher levels of rural poverty and unemployment problem in the most of northern Karnataka districts, that are part of the, Bidar, Bijapur, Raichur, Gulbarga and Belgaum etc districts. Highest concentration of the seasonal unemployment is also seen in the northern districts only. Recent human development report (2011) says rural poverty still remains high in numerous part of the northern part of the state (Nanjunda, 2012:12).

The D.M.Nanjundappa committee has done an extensive and elaborate study on regional imbalances, but it could not focus much on the socio-cultural dimensions on developmental processes. The most revealing observation of the committee is the acute backwardness of the Hyderabad region. Discrimination based on prioritization of caste, creed and ethnocentrism definitely hinders the developmental processes. Social institutions should take even much responsibility on harmonization of Inter-caste, inter-group, inter-religion relationships and extend the awareness of fraternity. Government and NGO's should take initiative to improve the socio-economic taking into consideration socio-cultural diversities of the region (Prabhakar, 2010:16). The committee suggested that 40 per cent and 20 per cent of the special development plan fund should be spent on different sectors of these divisions to reduce regional imbalances (Shiddalingaswami and Raghavendra, 2010:19).

The developmental strategies in Karnataka require social development and environmental

conservation since there is a positive linkage between them. Improvements in environmental status will reduce income inequality and vice-versa. Improvements in literacy, health care deliveries and thrust on income generation have their direct and feedback impacts in reducing the extent of poverty. Therefore, the summary package of development across the districts can be literacy, health care, employment and income generation, and environmental preservation. They will in turn reduce both income inequality and the extent of poverty, and also contain the population problem. The Hyderabad Karnataka districts do require interventions on social, developmental and environmental fronts simultaneously (Kadekodi, 2000:08).

CONCLUSION

Inter-state economic disparities in India have sharply risen in the post reform period, bringing back the issue of regional disparities into the debate on Indian political economy. However, taking the entire post reform period (1991-2009) the pattern of investment has remained highly skewed in favour of the richer states. The capita revenue capacity of richer states like Punjab, Haryana and Maharashtra is almost double that of the poorer states like Uttar Pradesh and Bihar. The system of fiscal transfers in the country must address this situation taking into account the totality of the flows. There is a strong case for another reorganization of the Indian states into smaller units based on objective criteria. The resources they will get from the centre through Finance Commission devolution or Planning Commission grants will go directly for the benefit of people residing there, instead of the present system when allocation of resources to districts largely depends on the discretion of the state government. Political sagacity demands that a rational and objective view of these issues is taken and timely action initiated instead of waiting till the time when the situation takes a violent turn and goes out of hand as has happened in Andhra Pradesh recently (Singh, 2012:20).

The Twelfth Five Year Plan also lays emphasis on faster; more inclusive and sustainable growth across all the regions of the country. But, the social sector has not received adequate funds for the attainment of social democracy and economic justice in Hyderabad Karnataka region. The focus, however, needs to be on education, health, agriculture and industrial development of the region. The policy makers and other stakeholders of the region are required to allocate adequate funds, design area-specific programmes and implement target-group oriented development schemes in the region in order to achieve the goal of inclusive development in the new millennium.

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