Suddenly, the state of Andhra Pradesh and the whole nation are in turmoil. The tranquil climate, which is so vital for economic prosperity as a time of great global challenges and great opportunities, has been vitiated by the pursuit of vote banks arousing primordial loyalties. Politicians playing with fire have now opened the Pandora’s Box, and have sown the seeds of discord in many pockets of India. A dangerous message has gone out: elections, constitutional process, reasoned and healthy public discourse are not important; indulge in rabble-rousing, promote violence and obstruction, and government will yield;

To understand the tumult in Andhra Pradesh now, one should imagine what would happen in Tamil Nadu if a new state of North Tamil Nadu along with Chennai is carved out; or the consternation in Karnataka if South Karnataka with Bengaluru is carved out as a separate state. For the first time, a region with a large capital city wants to separate as a state. So far, every demand for a new state has been from far-flung areas away from the state capital. Hyderabad is not just another city. It is on par with Chennai and Bengaluru, and with 85 Lakh people, accounts for over 25% of the population of Telangana and 60% of the economy of the region. Millions from all over the country and the various regions of AP have made it their home. Every significant political, business or civil society leader has made Hyderabad home, and is emotionally attached to the city, even as the political base may be elsewhere. In such a situation, a very casual approach to separate statehood is calamitous.

Indian nation is still in the making. Mrs. Indira Gandhi was both powerful, and on occasion autocratic. But even when her party had monopoly of power, she understood the fragility of our nation and worked hard to find a compromise on demands for statehood. Two major agitations for separate statehood shook Andhra Pradesh - in Telangana in 1969, and in Andhra region in 1973. Mrs. Gandhi had complete political sway over the whole state without any challenge, and yet she recognized and stated that if each group of districts or sub-region wants separate statehood, eventually every district would become a state and the nation would be ungovernable. At that time, the population of Hyderabad was 10 lakh. Once the congress government in Delhi amended the constitution (32nd Amendment), inserted Article 371-D, and hammered out a six-point formula to protect the interests of Telangana, there was peace and quiet for over 30 years. Hyderabad grew very rapidly and became a major economic hub. And now again casual and arbitrary approach of union government, Short-term vote bank politics of parties, repeated lies uttered by leaders, and unashamed political duplicity.
have led to a wholly avoidable crisis, and once again undermined the eroding legitimacy of politics and parties.

There are serious economic issues to be examined on the issue of carving out a separate state in Andhra Pradesh. First, the capital city is a serious bone of contention, and once people and investors lose faith in the future, it will decline rapidly. This will hurt both Andhra Pradesh and India, because large cities are now important clusters of growth, and if a Mumbai or Delhi faces economic hardship, the whole nation will feel the pangs of pain.

Second, parts of coastal region are agriculturally well-developed and have resources and surpluses. For instance, the coastal region generates surplus revenues in power sector, and is subsidizing power for farmers in Telangana and Royalaseema. A separate state will be burdened by an unviable power sector.

Costal regions are always engines of growth all over the world. Telangana is land-locked, and losing the costal region retards growth and opportunities. Again, this is the first time that a land-locked region is seeking to separate from the coastal belt. When passions subside, the pain and deprivation will be felt.

Water resources are always a bone of contention in a monsoon-fed country. Even in a relatively well-managed city of Mumbai, enjoying abundant rainfall on the west coast, water riots took one life recently. In a water-starved region, river water disputes will escalate, and sharing of Krishna and Godavari waters will be a nightmare.

In the K-G basin of Andhra coast, abundant natural gas reserves have recently been found, and are being tapped. Already there is a challenge of sharing natural resources between the home state and rest of India, and now Telangana will be further depleted.

Large, unviable lift irrigation projects – costing Rs.3 to 4 lakh capital cost per acre, and Rs.40,000 per year per acre maintenance cost have been unwisely proposed in Telangana. They will be a permanent drain on the economy of the region, and will undermine the economy without ensuring benefits.

Poverty, backwardness, corruption, lack of opportunity and unemployment are endemic to many states and sub-regions of India. These are caused by failed policies, misgovernance and politics of plunder leading to kleptocracy. Large parts of Telangana and Royalaseema, most of north coastal Andhra, upland areas of delta districts, and many families suffering discrimination by birth in every village – all of them are victims of terrible misgovernance and political failure. The perpetuation of poverty and under development are largely the result of the plunder of local politicians and bureaucrats. A change of state’s name or boundaries or capital does not alter anything.
India, after decades of slumber, is just now trying to wake up to immense possibilities in a fast-changing world. We suffer unfavorable comparisons with China and many other nations in many economic and social indicators. The need of the hour is to accelerate our growth and promote equity and opportunities. More divisions and vote-bank politics based on caste, religion, region and language will diminish all of us and will create a fertile field for forces of anarchy and plunder.

The notion that someone else is the cause of our problems is dangerous and seductive. Many unscrupulous politicians and dictators used it for their private ends. Hitler’s demonizing of Jews was just one extreme example. If we have any claims to modernity, we owe it to ourselves to promote rational discourse, sensible policies, and politics of harmony and inclusion.

What every sub-region of Andhra Pradesh, indeed every part of India, needs is empowerment of people, district governments and third tier of federalism to help people fulfill their potential, a new political culture based on integrity, trust, sane policies and inclusive approach, a no-holds-barred fight against corruption and plunder, a sharp and unwavering focus on quality education and healthcare to all, and rule of law. We cannot use 19th century notions of divisive politics in a 21st century world. India deserves better from her leaders; people deserve better from parties; and our children deserve better from our generation.

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