

Achievements turn out to be curse in disguise: economics and politics of south India reveals

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Abstract

Background/Objectives: This study discusses the political and economic concerns of the 15th finance commission proposed change in the population base year and also the extreme arguments such as Dravida Nadu.

Methods/Statistical analysis: The methodology of this paper is descriptive in nature. Hence there are no such statistical approaches in the paper, whereas the important facts and figures are discussed in their contextual relevance and then compared. A content analysis approach is employed to understand and evaluate the problem through historical, political and economic transitions in the topic.

Findings: It is an all-time argument that the North Indian states have been feed by the efforts of south Indian states. This concern actually has a factual base. The concerns of South India are genuine and justifiable. Hence the achievements of South Indian states with regard to population control policy and human development should be rewarded. For that the revised criteria for sharing tax and non-tax revenues by the 15th finance commission should be re-evaluated or the old criteria must be brought back. Only such decisions can encourage other states to perform in a better way with regard to national policies and overall development.

Improvements/Applications: A serious re-thinking on the 15th finance commission proposed change in the population base year is necessary.

Keywords: South India, Dravida Nadu, Population, Tax, Finance Commission, Politics.

1. Introduction

The 15th finance commission is seriously considering on criteria for sharing tax and non-tax revenues collected by the central government with the states. The last 14 finance commissions have been following the 1971 population census for this sharing base [1]. Now the 15th finance commission has suggested the sharing base should be 2014 population (2011 census). If this suggestion is going to be implemented, then the forward states in the country such as Kerala and other southern states which were successful in implementing the central government's population policy and family planning will lose their tax revenue just because they set a high standard of human development. This loss of revenue for South Indian states is purely because that those states were able to implement the central government of scheme of population control successfully. Independent India had a population policy ever since it is independent and it says that 'One couple should have one child and someone may have more than to for the sake of chronic bachelors and people with no fertility in the society' (Hum Do Hamare Do which lately has become Hum do HamaraEk) [2]. For instance, Kerala is one of little such state who followed the policy at its early stage itself and achieved the objective. Hence if the Centre is going to make 2011 population as the criterion for tax sharing, Kerala's share is going to decline drastically. It is pure injustice that the central government was not ready to discuss such a matter with state when a system that has been followed for five decades is going to be changed.

2. Materials and Methods

The methodology of this study is primarily descriptive one, based on the previous debates and discussions in the field. Hence important facts and figures are discussed in their contextual relevance and then compared in the subsequent sections. A content analysis approach is employed to understand and evaluate the problem through historical, political and economic transitions in the topic.

3. Results and Discussion

1. Economics of population: Kerala story

This is a decision which can never be perceived as scientific at all. If we take the case of Kerala, Kerala's population share in the national population was 3.80% during 1971 census, and it has reduced to 2.76% in 2011 census. Thus it is obvious that the tax revenue share from Centre will decline in the case of Kerala. In the meanwhile states like Uttar Pradesh - where the population control policy was utter failure – are going to gain. Because Uttar Pradesh failed to execute the population policy as planned or because they were not keen to make it successful, now accounts 16.5% of national population. Precisely, such states are now going to be immensely benefitted for their lethargic approach to population control policy. This situation can never be justified and it will only make the developing states to rethink and to stop implementing any such social developmental schemes anymore. And there is something that the finance commission ignores about while making the statement that 'the decreased population in Kerala like state reduces the burden of such states' [3]. Kerala like state are now having an over burden of elderly people, accounting 13% of the national elderly population, compared to mere 6.2% in 1971. Considering the higher life expectancy and improvements in healthcare sector of the state, the proportion of elderly population in the state is likely to increase drastically in the near future. Wide spread out-migration of youngsters [4] in the state may accelerate the same. Hence the concern about the growing elderly population needs more attention and resources. Also, the sex ratio in the state has also marked historical achievements such that 1084 females for 1000 male (2011), strongly backed by reduced poverty, IMR and MMR and improved healthcare facilities. This gender development is also an outcome of the state policy and determination that women are no longer a liability, but an asset. However, male and female unemployment in the state is roughly trifold higher than that of national figure, due to the higher educational attainments and stagnated industrial sector growth of the state.

Hence by considering all these facts, states like Kerala where life expectancy and elderly population are high should be given special assistance to look after the welfare of the growing number of dependent population. Also, the achievements in increasing sex ratio should also be properly acknowledged by giving aid to curb the unemployment crisis due to higher achievements in women health and education. These aids can be utilised for curbing unemployment problems through skill development programs and entrepreneurship training like programs for women. Only such decisions can encourage other states to perform in a better way, just as Kerala did. Otherwise, it will stagnate all the human development in the country, by giving a wrong message that any improvements in the living condition of the society is going to affect your resources and better to stay stagnated.

2. Politics: The urge of Dravida Nadu is revamping

On any criterion, South Indian States are better off compared to North Indian States. However, the rolling central governments always used to restrict the assistance to the southern part of the country, is one of the common complaint of South India, irrespective of states and political parties or leaders from south. The 15th finance commission consideration on 2014 population (2011 census) criteria for sharing tax and non-tax revenues collected by the central government with the states is now mooting the South-North discrimination debates louder. As a result, a fifty year old idea – Dravida Nadu- has been recalled in the southern state [5]. Dravida Nadu was a political ideology initially evolved in Tamil Nadu for a political alliance among south Indian states. Periyar E V Ramaswami from Tamil Nadu was the first person who brought the concept of Dravida Nadu during 1930s [6]. Periyar was strongly oppositionist to the Brahmanical dominance in the society and he perceived the North Indian domination over south as the same Brahmanical suppression [7]. Being from Justice Party, he has raised the ideology that 'Tamil Nadu for Tamilians' during 1938, and extended the idea to Dravida Nadu concept, on the basis of the argument that the cultural heredity of south Indian states are common [8]. During 1940, he has sought support for the idea from Muhammed Ali Jinnah, the then Prime Minister of Pakistan and made discussions at Mumbai [9]. During the same year, he has conducted a Dravida Nadu Conference at Kancheepuram in Tamil Nadu and released a broad outline map of the proposed Dravida Nadu which includes the present states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana and some parts of Odisha and West Bengal. Later when Anna Durai – a disciple of Periyar – constituted Dvavida Munnetra Kazhagam (DMK) party, one of their proclaimed aims was formulation of Dravida Nadu.

Although DMK has officially withdrawn the idea of Dravida Nadu during 1963 when India-China war has happened, they have won in 1967 Tamil Nadu election by utilising the 'Dravida' heredity and feeling [10]. Since then only Dravidian parties were able to rule Tamil Nadu. The Anti-Hindi concept against the Hindi imposition attempts of central government was the starting point of Periyar in his early political life and later he was successful in transforming it to Anti-Hindi Movement across Tamil Nadu [11]. Though decades have filed, the burning Anti-Hindi Imposition ideology is still alive and active in Chennai and among Tamil youth. It is evident even from the propaganda of Kamal Hasaan's new political party Makkal Needhi Maiam which actually offered a new political culture in Tamil Nadu during its inception [12]. Kamal Hasaan is also now compelled to rely on the 'Dravida' heredity conception.

3. Economics of the Discrimination & Dravida Nadu

So far the idea of Dravida Nadu was exclusively supported by Tamil Nadu alone. Now the economic interests of South Indian states have widened the scope and popularity of the concept. As all major south Indian states – Kerala, Karnataka, Andhra Pradesh- have slowly been accepting the idea and the respective Chief Ministers / Finance Ministers have identified the need for join together against the discrimination of central government, the political streamlining for common alliance among south Indian states have been set and loud [13]. Andhra and Karnataka have already called for finance Ministers meet with Kerala and Tamil Nadu [14]. DMK, One of the leading political parties in Tamil Nadu, has explicitly supported the revamped idea of Dravida Nadu [15]. Of course the politics behind this step is to stop BJP's encroached to south Indian states too. However, it is more a call of time.

The complaint on North India favouritism of ruling central governments is not a new phenomenon. It is as old as Indian federal governing system's evolvement. The 15th finance commission consideration on 2014 population (2011 census) criteria for sharing tax and non-tax revenues collected by the central government with the states is now adding oil to the fire. In a way, the new step of the 15th finance commission is an authorisation of the aforesaid complaint. Drastic improvements of South India in the fields of literacy, healthcare and there by population control should not be acknowledged by reduced tax share from the Centre. This proposed new practice is going to reduce the tax share of south Indian states on a higher scale. Tamil Nadu is going to be the biggest loser by reduced tax share of 6.06% against the previous share of 7.59%. In the same way, Kerala's tax share is going to be reduced to 2.81% instead of previous 3.93% share. In the meanwhile, the beneficiaries are North Indian states where the population control policy was not followed properly or not effective. However, when the national population policy was declared, the Central Government had an assurance statement to the states that the states will not lose share of tax from the Centre by reduced population or controlled population. And now, it is an open violation of this assurance and motivation to limit states from improving themselves.

4. Conclusion

It is an all-time argument that the North Indian states have been feed by the efforts of south Indian states. This concern actually has a factual base. For instance, Tamil Nadu GDP is 15.9 lakh crores (2017), whereas Uttar Pradesh with a trifold higher population compared to Tamil Nadu has GDP of 14.8 lakh crores only (2017). Also, it is a fundamental fact that the initial steps to ruling of any state or Centre are population strength. Naturally, states with higher population will get higher number of seats in elected parliament in a democracy like India. So there also the states that were able to manage the population blast are thrown back. Eventually, those states, such as south Indian state, are not able to rule the nation in proportion to their economic contribution to the national cake. So the case is ultimately complex as long as the Centre is not going to address all these factual concerns. Hence by considering all these facts, the achievements of South Indian states with regard to population control policy and human development should be rewarded. For that the revised criteria for sharing tax and non-tax revenues by the 15th finance commission won't be fitting. The commission should think about fixing the concerns of South India since they are genuine and justifiable matters. Only such decisions can encourage other states to perform in a better way with regard to national policies and overall development. Otherwise, it will stagnate all the human development efforts in the country, by giving a wrong message that any sort improvements in the living condition of the society is going to affect your resources and state income and it is better to stay stagnated.

Hence let's conclude that population is the base of everything. However, Periyar's Dravida Nadu is still far away since all these South Indian states – Kerala, Karnataka, Tamil Nadu, Andhra Pradesh, Telangana- and the UT of Puducherry are in fights on a number of river water sharing issues including Kavery, Mullaperiyar, Aaliyar and Palar rivers. Fixing these issues may take decades according to the existing pace.

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