DEVELOPMENT, SHARED FATE AND THE DEMAND OF ‘SPECIAL STATE’ STATUS IN INDIA

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ABSTRACT

Recent demand of ‘Special State’ status in India, led by Bihar, has been subject to opinion based justice by both print and electronic media. A serious attempt has not been taken to interrogate, though critically, the nature of demand, the language of demand and the development model coming out of these demand(s). Unless the language(s) of demand itself is/are subject to critical investigation, it is futile to concentrate the narrower debate on the pros and cons of the demand of the ‘special state’ status in India.

Keywords: Development, ‘Special State’ Status, shared fate, civil society, opinion(s), kamma-niyama, Bihar

I

The debate(s) around the demand of ‘Special State’ status, led by Bihar1, in India is/are under-researched but projected as over-conclusive. The content of the debate is primarily based on the framework of efficiency, viability or the mis(governance). Academic injustice is inherent in the debate as no single serious attempt has been undertaken to interrogate the nature, language and the reflected intentionality of the demand itself. As a result, the debate around the ‘Special State’ status has become the subject of opinion-based justice2. Keeping this in mind, the paper intends to interrogate the language of demand of the ‘special state’ status and the imagined

1 The state of Bihar becomes the focal point of the debate, in this essay, on the demand of special state status as the issue was raised very vociferously by the chief minister of Bihar Nitish Kumar even though the similar demands were raised by different states in different parts of India especially Orissa and West Bengal. Though the different contexts are instrumental in shaping the intent as well content of the demand by the various states, but I think a common minimal argument, which is coming out of this essay, could be extended to all the differential contexts as far as the language of the demand is concerned.

2 It is unfortunate that the issue of demand of ‘special state’ status in India has not got even the minimum space in academic journals. The newspaper editorials and the electronic media have tried to fulfill the space with opinions, rather with a well documented research. Also, the opinions have functioned on the minimalist levels. It has discussed only the pros and cons of the demand rather the nature and the language of demand itself.
citizenship/development model coming through the language of demand. This paper, therefore, does not intend to study the demand of ‘special state’ status on the grounds of efficiency, viability or the normativity, exclusively, rather an exhaustive framework has been used to reach at the causality, if any, of the language of the demand of ‘special state’ status and the inherent citizenship model. To establish causality this paper assumes that the demand of ‘special state’ status by the state corresponds to the demand of citizens of that particular state. Though there are enough to accept the fact that the demand of state, sometimes, functions under its own political-electoral logic, much distant from the intentions/wills of the citizens, but I want to progress my paper under the assumption that, despite all these, a minimum thin layer of demand correspondence exists between citizens and state.

The paper is divided into four sections. The next section will, briefly, talk about the political and social demography of post-independence Bihar. The focus will be on the political and socio-economic trajectories through which Bihar has reached at the present condition of socio-economic distress. The third section presents, systematically, the discourse on the demand of ‘special state’ status in India. It also divides the debates on few thematic grounds. The final section looks into the inherent dilemma in the demand of ‘special state’ status by the state of Bihar. It also talks about one possible way in which this dilemma could be tackled³.

II

Before I progress with the major arguments of my paper let me present a brief picture of, historical, socio-political and economic trajectories through which Bihar has passed and has reached at the present stage of multiple distresses. This is important to speculate why the state of Bihar in 21st century, despite having enough human and natural resources, is counted as the least developed state in India. It is also important to know what role the class, caste, political and other institutions as well as electoral process have taken, through different trajectories or in its permutative capacity, to push the state at this distress conditions. It will help us to understand the reason behind significantly irrelevant levels of industrialization and urbanization in the state. It will also help us to understand the important role played out by migration in economic and social development of the state.

The State of Jharkhand, rich in mineral resources, was carved out of the state of erstwhile Bihar in 2000. Jharkhand part of the united Bihar accounted almost 85% of the mineral and other

³ Nowhere, I want to claim that the way out presented in the paper is exhaustive in nature. It is one of the several possible way out many would look forward to come out from the present dilemma of Bihar’s demand. Having, but, different and even stronger way out does not mean Bihar’s demand of ‘special state’ status is not based on the contradictory imaginations. One important intention regarding the selection of this topic, for the seminar paper, is to start a debate and discussion on the burning issue of Bihar. So, the clear intention is to initiate a discussion rather than an attempt towards the hasty solutions.
deposits\textsuperscript{4}. Carving out of the state of Jharkhand from the united Bihar left the latter with the situations of resource crunch. The state of Bihar is 12\textsuperscript{th} largest state in the country and it, almost, comprises of 3\% of total geographical area of the nation. However, Bihar is the 3\textsuperscript{rd} most populous state in the country and consists about 8.5\% of the total population of the nation\textsuperscript{5}. Non-surprisingly, the state of Bihar, therefore, has highest population density in the country. The state of Bihar is characterized by low level of economic growth, high level of poverty, second after the state of Orissa, and the lowest level of per-capita income amongst all states of the country. It is also counted as one of the least urbanized state in the country\textsuperscript{6}.

Historically, Bihar has been the important sight and arena of Indian Civilization. Mauryan and Gupta Empire ruled here for centuries, before the arrival of British in India\textsuperscript{7}. In ancient and medieval period Bihar was not known only for its prosperity but also for its excellence in education and cultural glory. In the British period, but, the region of Bihar declined on its almost all important fronts. The Permanent Settlement Act of 1793, which was for appropriation of land revenues, changed fundamentally the tenancy act and the positions of tenants\textsuperscript{8}. It affected small industries, textile industries and the level of investment in both private and public sectors. The situation of agriculture got turmoil, economy got stagnant and the widespread poverty became the integral part of the people of Bihar during the British Rule\textsuperscript{9}. No such attempts were undertaken to improve the conditions of agriculture and consequently it also affected the trade and industrialization in the state.

Though, in post-independence period, the \textit{zamidari system} got abolished and also helped peasants to come out of exploitative agrarian system, but it also caused, simultaneously, the mass eviction of peasants\textsuperscript{10}. Abolition of \textit{zamidari system}, though, changed the land relations to some extent but the overall system still remained ‘semi-feudal’ as the control over the social, political and economic sectors remained in the hands of few\textsuperscript{11}. The unfortunate feature of new system was not only that it was exploitative but also it became impediments in the systematic transformation of the agriculture sector\textsuperscript{12}.

\textsuperscript{5} See, Registrar General and Census Commissioner of India, \textit{Census of India}, 2011.
\textsuperscript{8} Ibid.,
Government of India, in 1948, introduced the Freight Equalization Policy for the resources like iron and coal\textsuperscript{13}. This policy was unfortunate for the eastern region of the country, particularly Bihar, as it did not allow the state to gain by virtue of it being rich in mineral resources. This policy cut in both ways. First, it allowed the richer Western and Southern states to exploit the mineral resources at the subsidized rate. And second, due to flight of mineral resources and capital, industrialization could not take place in the state like Bihar. The state of Bihar also could not became the beneficiaries of the Central government initiatives i.e. Green Revolution, in the 1960s, as the associated internationalities (for instance irrigation) were selectively targeted\textsuperscript{14}. In fact, the Green Revolution further placed the state of Bihar at the comparative disadvantaged position and increased the divide between richer and poorer states.

Nevertheless, in the 1950s, Bihar experienced a modest growth in agricultural sector due to partial land reform and the small level of investments. But due to several associated and inherent conditions i.e. partial land reform, higher level of poverty, small level of investment, socio-economic structures, and low level of infrastructures Bihar experienced economic decline in comparison with rest of the states\textsuperscript{15}. An attempt was done to check these conditions in the 1980s but in 1990s, the period of economic liberalization, the situation aggravated again\textsuperscript{16}.

The widespread poverty, economic stagnation and the exploitative mode of land-relations in the state of Bihar have several consequences. It caused the heavy scale migration of Bihar’s poor peasants and agricultural labourers to the rest of the country, especially the western part of India\textsuperscript{17}. Simultaneously, it has also experienced the militant movements in southern part of the state. Also, the rise of corruption, failure in governance, tensions at the level of caste and class, and the dysfunctional delivery mechanisms in the state have gave the state of Bihar a tag of ‘failed state’\textsuperscript{18}. In recent years, however, during the regime of Nitish Kumar, the image of Bihar is changing. 1990s also saw the assertion of middle castes i.e. Yadavs, Kurmis in the politics of

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Bihar\textsuperscript{19}. Even though the economic conditions of lower and middle castes in Bihar are, more or less, unchanged but the assertion in the political arena has important consequences for the semi-feudal relations in Bihar. These assertions in the political spheres have tried to moderate the patron-client relations in Bihar and consequently it has become important in changing the social relations in the rural landscape.

In the last two decades, however, the image of Bihar is changing. For the same period the state of Bihar has witnessed a good improvement in the law and order situations. It has also experienced the high turnaround in its overall growth rate due to high growth in the secondary and tertiary sectors like construction, communication, trade and transport\textsuperscript{20}. But the situation of agriculture has not changed much and its contribution to the overall growth rate of the state is comparatively low\textsuperscript{21}. Agriculture’s contribution to the Gross State Domestic Product is nearly about 33%, but it employs more than 60% of the total work force. Service and industry, on the other hand, employ 22% and 16% of the total work force but its contribution to the Gross State Domestic Product is much higher than the agricultural sector, that is, 54% and 12% respectively. Though the state has experienced a higher economic growth in the last two decades but the picture of per-capita income is much worrying case\textsuperscript{22} (See the Table in the next page).

The brief picture of Bihar, stated till now, would be very helpful to reach at some overlapping conclusions for the further progress of the paper. It could be asserted that the present condition of Bihar is the historical and present result of several factors. Some of these are human made but some others are also because of natural limitations. Bad-governance, faulty federal-economy arrangement, floods, less level of industrialization, Central government’s partiality in tax-incentives and federal assistance and many other associated factors have culminated heavily to push Bihar at this stage of socio-economic distress. It would not be rhetorical to argue that Bihar’s present conditions have been the product of internal as well as external factors. We cannot see the present situation of Bihar just in isolation. It should be seen in its totality i.e. its position in federalism, Bihar’s position vis-à-vis-Center and many others. Present situation is the result much of internal factors but not insignificant of external factors. In lieu of this, the responsibility is supposed to distribute proportionally for internal as well as external agents.

Shared responsibility is important necessity for pushing Bihar out of current level of multiple distresses. The next section would present the debates on the demand on special state status in India and would, further, judge the same with the parameters of shared responsibility.

\textsuperscript{20} Ibid.,
\textsuperscript{22} Ibid.
Periods | % Per Capita Income of the all-India per-capita income
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1990s | 60
1993-4 | 40
2003-04 | 30
2009-10 | 30


### III

This section, briefly, focuses on the debates on the demand of ‘special state’ status in India. The attempt will be to locate the themes of the debate with special reference to Bihar’s demand of the ‘special state’ status. Since not a single researched papers, exclusively dealing with the demand of 'special state' status, are available I will be drawing much from the newspaper editorials, debates on electronic media and news from the print media. The debate, though, have too much of opinion-contents, but I have included them for the paper because I think they give us a wider framework of themes in which the demand could be contested. This section will begin with the short introduction of what it means to have ‘special status’ and will conclude the section with the all possible, through different trajectories, moments of debate.

Once a state gets the status of ‘special state’ it gets financial incentives from the Central Government for setting up industries. This category is given to states which possess some distinct features i.e. educational and infrastructural backwardness, low population density, sizeable tribal population, hilly terrain, touching the international boundaries (national security concerns), and non-viable financial positions of state finances.\(^{23}\) It allows state to get a bigger share from the Central Government fund and resources. Investors investing in these states also get tax exemption and, consequently, it attracts more private investment in these special states.\(^{24}\) Central assistance to these states, up to 90%, is treated as grant but for other states it is only up to 30%.\(^{25}\) Currently, 11 states enjoy the ‘special state’ status.\(^{26}\) These are: Jammu Kahmir, Himachal Pradesh, Arunachal Pradesh, Assam, Manipur, Tripura, Meghalaya, Mizoram, Nagaland, Sikkim and Uttarakhand.

\(^{26}\) Ibid.
Recently, the issue of ‘special state’ status is raised, vociferously, by Bihar’s chief Minister Nitish Kumar. He is urging the Central government to give the status of ‘special state’ to Bihar. He also raised the same issue at the National Development Council (NDC) meeting in Delhi, 2012\textsuperscript{27}. He sees Bihar’s economic backwardness an important reason to claim for the ‘special state’ status. According to him, this status is important for the state of Bihar to draw more private investment and infrastructural development\textsuperscript{28}. Since Bihar does not meet the present criteria to be eligible for the ‘special state’ status, he is arguing for reviewing the criteria itself\textsuperscript{29}. According to him, those states which had been given ‘special state’ status were much better than Bihar on different social and economic parameters\textsuperscript{30}. So he wants several other important criterion should be given important in formulation of criterion for the ‘special state’ status. He wants several other factors to be included into: health, per capita infrastructural facilities, education, per capita income and human development index\textsuperscript{31}. Raghuram Rajan headed-Committee, for evolving a composite development index of states, placed Bihar just after Odisha in the index of most underdeveloped state\textsuperscript{32}. The Committee placed 10 states under the category “least developed states”, and argued in favor of higher central assistance\textsuperscript{33}. Presently, Bihar gets second highest central fund assistance just after Uttar Pradesh. So it will be difficult for Central government to, further, increase the fund. In this case, it is important for the state of Bihar to demand the special state status for more private investment. Centre, on the other hand, do not intend to bow to such demands as it might spark off similar demands from other quarters of the country and it might be difficult for the Centre to balance that. Montek Singh Ahluwalia, deputy chairman Planning Commission, denied Bihar’s demand just one day before the NDC meeting 2012, on the logic that Bihar does not fulfill the existing criteria\textsuperscript{34}. Meanwhile, he said Bihar has been recognized for the Backward Regions Grant Fund (BRGFs)\textsuperscript{35}. At the same time, a similar demand has been raised by several other states i.e. Orissa and Jharkhand. The Jharkhand Vikas Morcha (Prajatantrik) (JVM-P) and the All Jharkhand Students Union (AJSU) successfully demonstrated one day bandh in the state of Jharkhand for the demand of the ‘special state’ status for Jharkhand\textsuperscript{36}. Orissa also demand the ‘special state’ status but on different logic than the Bihar.

\textsuperscript{27} See, ‘Bihar’s Demand for Special Category Status’, \textit{The Hindu}, December 28, 2012
\textsuperscript{28} Ibid.,
\textsuperscript{29} Ibid.,
\textsuperscript{30} Ibid.,
\textsuperscript{31} See, Shaibal Gupta, ‘Why Bihar is Special’, \textit{The Indian Express}, November 17, 2012.
\textsuperscript{33} Ibid.,
\textsuperscript{34} See, ‘Bihar does not meet special state status criteria: Montek Singh Ahluwalia’, \textit{The Times of India}, December 26, 2012.
\textsuperscript{35} Ibid.,
Orissa demanded on the logic of ‘self-esteem’ (Swabhiman) and opposed Bihar’s similar demand\(^{37}\).

Now let me concentrate on the intellectual discourses on the issue of demand of ‘special state’ status in India, which surfaced after the Bihar’s initiative. It is important to understand how the issues of politics of development got debated in intellectual and public domain. It will also be helpful to understand how the language and terms of debate got shaped by the debates of efficiency, governance and centre-state relations. Pratap Bhanu Mehta’s editorial in *Indian Express* saw the Bihar’s demand of special state status as, politically, over-determined gesture on the part of Nitish Kumar\(^{38}\). Though he accepted the challenges of political-economy in Bihar but suggested the targeted attacks on the specific bottleneck in Bihar rather than the quest of a new legal status\(^{39}\). Anshuman Tiwari, national bureau chief of *Dainik Jagran* saw this demand as a danger of creating a situation of ‘competitive backwardness’ amongst the states in India\(^{40}\). His apprehension is that once the Centre changes the criteria of identifying backward states, an intense competition would begin amongst states to prove themselves more backward. Many desperate states would project the painted picture of their deplorable conditions for such demand and, consequently, it would boost the ego of Centre\(^{41}\). Backwardness, then, will be the new type of brand for states. He laments criticism on UPA government for turning the development debate, in India, upside down\(^{42}\). Govind Bhattacharjee, public finance expert, even questioned the relevance of ‘special status’ for the development intentions and aims of the state\(^{43}\). For him, the current benefits associated with the special status are insufficient for meeting the development objectives of a state. So he saw the demand by Bihar a political stunt and the strategies for electoral gain the upcoming Lok Sabha elections in 2014\(^{44}\). Arvind Mohan, on the other hand, saw the importance of *Adhikar Rally*\(^{45}\) in opening up a new avenue for national politics. He saw it as a signal of pragmatic trade-off\(^{46}\). He saw the rally as an attempt, on the part of Nitish Kumar, to get closer to the Congress in a situation when Narendra Modi has been projected as the BJP candidate for the Prime Ministership. He saw the rally as an important tactic

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\(^{39}\) Ibid.,

\(^{40}\) See, Anshuman Tiwari, Pichcharne Ka Puraskar (Prize for Lagging Behind’), *Dainik Jagran*, March 18, 2013.

\(^{41}\) Ibid.,

\(^{42}\) Ibid.,


\(^{44}\) Ibid.,

\(^{45}\) Nitish Kumar named the rally, for the demand of ‘special state’ status, for the state of Bihar as “Adhikar Rally”.

for the electoral arithmetic for both Congress and the JD (U)\(^{47}\). Many other commentators defended Bihar’s demand of special state status and called the rally as a forerunner of a movement\(^{48}\). N. K. Singh, Rajya Sabha M.P, defended Bihar’s demand by arguing in favor of special interventions to give development a push in the state of Bihar\(^{49}\). Pavan Kumar Varma, advisor to the Nitish Kumar, also defended Nitish’s model of development and argued strongly in favor of special status for Bihar\(^{50}\). Many other commentators, on the other hand, criticized Nitish’s demand and saw it only as a drama for scoring political points and aspirations of new electoral alliances\(^{51}\).

A brief overview of the debate asserts my earlier apprehension that most of these debates focus only on some aspects i.e. viability and non-viability of the special status for Bihar’s developmental objectives. The debate, generally, focuses only on the grounds of governance, electoral strategies, and criteria for special status. In doing so, the debate do not speculate on the language of the demand itself. It also does not interrogate the model of ‘citizens and ‘citizenship’ this demand intends to portray and disguise, and what is the associated consequences. The next section will, exclusively, focus on these aspects.

IV

Nitish Kumar, Chief Minister of Bihar, led and addressed a rally named ‘Adhikar Rally’ in the Patna and Delhi on November 4, 2012 and March 17, 2013 respectively\(^{52}\). Addressing large crowds, in Patna as well as in New Delhi, he blamed Centre for discriminating Bihar and argued in favor of special state status. He said Bihar has ‘Right to Development’ and for this Centre has to stop discrimination against Bihar\(^{53}\). Interestingly, Nitish Kumar argued for the special status in the language of ‘right’. The name of the rally ‘Adhikar Rally’ demonstrates the same. ‘Adhikar’ is the Hindi synonyms of ‘Right’ in English. My aim, here, is not to judge whether the demand of special status coming through the language of ‘right’ can solve the problems of Bihar. Rather

\(^{47}\) Ibid.,
\(^{50}\) See, Pavan K Varma, ‘Nitish’s Skinny Model’, The Times of India, March 19, 2013.
\(^{53}\) Ibid.,
my aim, in this paper, is to speculate the impact and consequences of the demand in the language of ‘right’ for the citizenship/development per se.

Since 1990s India entered the era of liberalization. It also saw the gradual shift of Indian market from the command market economy to the federal market economy. Economic decentralization defined the new phase of Indian market. This period saw the rise of state Chief Ministers in the economic decision-making on several important matters. States got much flexibility in economic decision-making. Centre’s role as the commander of economy declined. But, Centre collects the taxes from the state in several economic arenas. Though Centre generates its own fund through several mode of taxation but the taxes from state also constitute a significant part of its gross collection. If this is so, how the demand of special status would be responded by other states, particularly the richer states? The language of right has backfired the state of Bihar, as other prosperous states have invoked Macedo’s arguments in the Indian contexts. In defense of the US immigration policy Stephen Macedo argued in favor of political community’s sole agency in deciding the immigration. According to him, a political community faces a moral dilemma that is how and why to help members of other political community when the members of their own political community is in difficult socio-economic positions, even though the members of the earlier is in comparatively better position than the latter. He saws the prime responsibility of political community to look towards their own members. Several state chief ministers have objected the Centre’s attempt to grant more to ‘failed state’ for the man-made situations. In short, the language of ‘rights’, for the demand of special state status, cannot sustain longer in the Indian contexts.

Language of ‘rights’, in specific contexts of demand of special status, also places the corresponding responsibilities only on the Centre. But, as the second section of the paper shows that situation of Bihar is internal as well as external. Amongst external factors there are further differential factors which contributed to the culmination of current situation of Bihar. Federal arrangements i.e. freight equalization policy equally impacted the same. So, the current language of ‘rights’ place responsibility, only, on the Centre not on the states. It, indirectly, asserts that the federal units have no stronger mutual responsibility.

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55 Ibid.,
56 Ibid.,
58 Even though Macedo’s arguments are for a political community, it has, often, been re-invoked for the differential units within a political community.
Bihar’s demand of special state status is also, indirectly, linked to the issue of migration. Several Bihari migrants, particularly the poor peasants and agricultural labourers, have migrated to the western and south India for the work and livelihood. Though they have legal-constitutional right to work in any parts of the country but they are often threatened to leave the state on several pretexts. They are often treated as second-class citizens in the migrated state. Case of Mumbai and Guwahati is example of the same. The problem, here, is not of absence of rights or legal discriminations for the Bihari migrant workers. These people have full-fledged rights to work in any parts of the country. Problem is of non-inclusion of the migrants on the equal moral-basis in the civil society. The issue of moral inclusion of citizens in civil society on equal moral-basis cannot be/have not been solved by the language of ‘rights’.

I think, therefore, that the current attempts on the parts of Bihar’s chief minister are not going to get anything in concrete as far as the core of the issue is concerned. We need to incorporate the theoretical framework of Gautam Buddha and James Holston to rethink the important issues. Ambedkar reinterpreted Buddha in his last book. Buddha’s concept of Kamma-Niyama is important to rethink the present dilemma. According to Buddha, in the language of Ambedkar, a action might have instant, distant, and much distant effects. Sometimes effect of an action might be visible much after the actualization of that action. In this case, in human society, it is important to have a social arrangement in which all agents have equal moral responsibility for all the actions. In other words, Buddha was proponent of ‘shared fate’. Similarly, James Holston, in her example of Katrina in USA showed how the legal citizenship is not enough. Her thesis shows that despite having the equal legal rights to all the citizens it is important that a moral inclusion of all the citizens should take place at the equal moral level. Raj Thakre interview with CNN-IBN chief executive Rajdeep Sardesai, though very hostile towards North Indians, throws similar concerns, though indirectly. In the interview, while supporting the prime ministerialship of Narendra Modi, he says he wants Narendra Modi to concentrate a significant time period, if he becomes the Prime Minister of India, to the state of Bihar and Uttar Pradesh so

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65 See, [https://www.youtube.com/watch?v=GujM64RV6bM](https://www.youtube.com/watch?v=GujM64RV6bM)
that these states become developed enough to avoid migration to Maharashtra. Though this statement is very hostile but the surface solution which Raj Thakre is proposing is important aspects of mutual responsibility which could not be tackled under the language of ‘rights’. A new language of ‘shared fate’ and moral inclusion at the level of equality is required to tackle the problem of Bihar and other similar states. It could not be solved on the contradictory imaginations through the language of ‘rights’.