

Sense and sensibility for the soon-to-be-formed twin States

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With the final phase of demerger of Telangana from Andhra Pradesh imminent, the emotional element must now be replaced by cold and hard thinking of the opportunities that such a reorganization offers to both successor States - Seemandhra and Telangana.

Both states have a reasonable fiscal position. The breakup of population and the revenue, expenditure and surplus is given below. As can be seen, the two regions will constitute medium sized states and are not 'small' by any criteria. The revenue and expenditure figures are the average for 2003-06 as given by to the Assembly. The figures for "Headquarters" has been reallocated on the basis of population of the two states.

It is reported that in 2012-

13, the state's own tax revenues stood at Rs 69,146 crore. Allocating Headquarters tax revenues to the two successor states by their population proportions, Telangana revenues will be Rs 25,767 crores and Seemandhra revenues Rs 43,379 crores. Figures for expenditure are not available but they are likely to have grown faster than revenues since 2006 because the AP government had gone on a spree of free spending and huge borrowing to fund its many populist schemes and defunct new irrigation projects under Jalayagnam.

Fiscal consolidation may be necessary for both successor states in order to fund the transition and further development. The allocation of loans secured by the composite state will also impinge on the fiscal situation for each successor state as it is already doing now for AP. A cold hard look needs to be taken at projects and schemes introduced by the AP government which cost the exchequer heavily and diverted funds from basic development and productive capital formation. This situation for both successor states must lead to a drive for lean and efficient government. The Legislative Council is one white elephant that can be abolished as well as the number of Cabinet Ministers and Special Chief Secretaries and DIGs.

For example, out of the 400-odd IAS officials in the AP cadre, Telangana can manage with about 50-70. More IAS officers means more expenditure and more confusion and conflict among them and delayed action. Similarly, out of the 210 IPS AP cadre officers, Telangana can do with less than 75. Both IAS and IPS officers are underemployed and waste their time managing corporations which waste resources and for which these officers are not trained and thus not even competent.

As far as government officials are concerned, Seemandhra will have a great excess of them as recruitment has been largely from its areas. Telangana will benefit from a trimmed government staff strength and ensures a lean government. Seemandhra may need to initiate a voluntary retirement scheme for its excess staff.

Decentralizing government to the district level with Ministers stationed in the district headquarters with all powers over the district administration almost like the Chief Minister has over the state administration would improve governance. The accessibility to the government would increase for the common citizen and both IAS and other officers would be stationed at this level. District plans would be made and implemented after approval by the State Government and a State Finance Commission will allocate revenue to each district based on rational criteria as is done by the Union Finance Commissions.

Eliminating corruption in all government services should be the main aim and if this is ruthlessly dealt with much of the governance issue will be resolved. This leaves only efficiency of execution for which serious demands must be made and make officials accountable. Minimal red tape, quick decision-making, elimination of corruption, decent and fair regulation will bring investment pouring in to both successor states from other parts of the country and abroad - apart from relieving the people from the burden that corruption poses.

The tasks for Telangana are restoration of its age old tank irrigation, the introduction of orchard crops in unirrigated lands. Telangana villages need to be linked to a robust rural road network and to district headquarters. Natur

ally, farmers need development of market centers at district level with banking and insurance facilities. Above all, there is a need to connect all villages to a 24-hour electrical supply as has been done in Gujarat and other States.

Telangana needs vocational training centers at every district headquarters with hostel facilities. A complete mapping of each survey number of agricultural land, with its fertility and potential identified and advice and help given to farmers to increase their productivity and profitability.

The biggest item for Telangana is the condition of Hyderabad City and its hinterland. While Hyderabad has seen a much lauded development in the last decade, the city has been made into a messy slum. The roads, footpaths, traffic, underground and on ground drains, reliability of power supply and drinking water supply, the quality of all municipal services -

these are not anywhere near metropolis or civilized standards. Much needs to be done before Hyderabad becomes livable. A strong development authority which can tax, spend and ensure proper municipal services is needed. Huge funding will be needed but a lessening of population pressure due to demerger along with the decentralization of Government to Telangana districts and the move of the Seemandhra government from the city may help.

For Seemandhra, a wonderful opportunity arises to devise a State government structure which is dispersed all over the state. With road, rail and air communication, apart from e-mail, fax, phone etc, there seems no particular reason why all government offices should be located in one place. Seemandhra can experiment with District capitals connected to a central hub. The main activity will be at district level and this will allay fears of neglect along the whole long length of Seemandhra. This, as also district-level dispersion of Ministers' offices, will reduce infrastructure load and benefit many more areas of the state. If as will be done in Telangana along with district government and district planning, a state finance commission is set up to allocate revenues to districts, then Rayalaseema and North Coastal Andhra may be reassured that it will not be neglected by the Central Delta region.

While the development needs in Seemandhra have been more or less taken care of in the last 60 years, there is a need to maintain infrastructure created and to enlarge its scope and increase its quality.

Seemandhra's main problem is the three Deltas -

Godavari, Krishna and Pennar. Like for the Cauvery Delta, it is inevitable that water for irrigation for these Deltas will be reduced because over time they will get less water from Maharashtra, Karnataka and Telangana - as also upland areas of Seemandhra. Crop pattern changes are critical for the Krishna and Pennar Deltas. It is better for the Delta farmers to resort to water conservation, switch from water intensive and labour intensive rice and sugarcane cultivation to other crops with less demand on water and labour. Alternate irrigated crop pattern is also what Telangana needs if it is to expand its irrigated area by spreading existing irrigation water over a larger ayacut area.

Sensible, fair, rational and economic solutions are available for both successor governments. Whether they will follow this route or continue to do what they have done till now is the moot point. For the good of the people of the two states, let us hope that better sense will prevail.

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