

Regional Integration and Regional Balance in India's Five-Year Development Plans

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1. BACKGROUND AND OBJECTIVES

"Regional integration", or the promotion of unity and social cohesion within a nation, and "regional balance", or the relatively equal distribution of the benefits of a country's economic growth, constitute two of the most important philosophies in many countries' development agenda. These two concepts play even more crucial roles in nations experiencing wide racial and tribal conflicts, persisting poverty and large economic disparities. Accordingly, this paper examines how India, the most culturally, linguistically and ethnically diverse geographical entity that holds the world's second largest population and one third of the world's total poor inhabitants (about 75% of India's population live below US\$2 a day), have focused on these principles of "regional integration" and "regional balance". In particular, it investigates the country's five-year development plans and presents the historical pattern of such policies in these plans. Finally, it tries to explain the results of the survey and offers some possible factors that might have influenced the nation's strategy and trend of advocating a regionally-integrated and balanced development in its planning documents.

2. DATA AND METHODOLOGY

Data for this empirical study consisted of India's 1st to 11th Five-Year Development Plans covering the period from 1947 until 2012 [1]. Frequency tabulation, i.e., searching and counting of statements or provisions closely related to "regional integration" and "regional balance" in these plans, was the primary methodology used. In this procedure, statements or provisions were considered relevant to "regional integration" if they aim to establish or promote strong national unity and social cohesion among the country's population while they were assumed related to "regional balance" if they tend to foster the attainment of a balanced and even distribution of social and economic opportunities among the nation's people (sub-categorized as "aspatial regional balance") or among its regions or states (sub-categorized as "spatial regional balance"). Additionally, 11 keywords, namely: *integration, unity, cohesion, oneness, inclusion, harmony, solidarity, cooperation, disunity, diversity and disintegration*, were searched to tabulate "regional integration" statements while 7 keywords, namely: *balance, equality, equity, disparity, imbalance, inequality, and inequity*, were utilized in counting both "aspatial regional balance" and "spatial regional balance" provisions.

3. RESULTS AND DISCUSSION

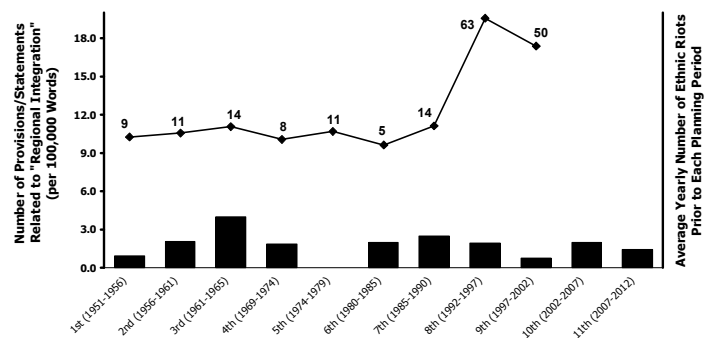
This section shows the results of the tabulation of "regional integration" and "regional balance" statements in India's development plans. The subsequent charts do not only show the number of times these policies appeared in the country's planning documents but also incorporate some relevant variables that might explain the frequency of their occurrences. Supporting discussions and tentative

justifications are likewise given in cases when the suggested factors could not substantially describe the resulting trends of these provisions.

3.1. Regional Integration in India's Plans

Figure 1 shows the frequency and historical pattern of "regional integration" statements in India's plans (bar graph) plotted against the average yearly number of ethnic riots in the country preceding each planning period (line graph) [2].

Figure 1. Frequency of "Regional Integration" Provisions in India's Five-Year Development Plans versus Average Annual Number of Ethnic Riots Prior to Each Plan



From the above, it can be observed that although the focus on "regional integration" in India's 1st, 2nd, 3rd, 4th, 6th and 7th plans seemed responsive to the history of ethnic riots preceding them, the 5th, 8th and 9th plans did not adequately reflect the ethnic conflict scenario occurring prior to their implementation. In the case of the 5th plan (conceived for the period 1974 to 1979), the separation of Bangladesh (formerly East Pakistan) from Pakistan in 1971 might be one probable reason why Indian authorities did not feel compelled enough to strongly advance the policy of "regional integration" for this period following the partition unlike during the previous years when the country was still sandwiched between the two hostile territories of West and East Pakistan. With regard to the 8th and 9th plans (covering the years 1992 to 1997 and 1997 to 2002 respectively), although they still included "regional integration" provisions, the frequency of such statements also failed to match the heightened incidences of ethnic riots prior to their conceptualization. One hypothesis for this may be that the ruling Indian government which prepared these plans became sensitive to the political issues that came ahead these periods. Prior to the 8th and 9th plans, power shifted from one political party to the other – the Indian Congress was defeated in 1989, returned to power in 1991 but fell again in 1996 while the Janata minority government won the elections in 1989, lost in 1991 and regained supremacy in 1996. So whichever party was in control at the time of these plans' introduction might then took some caution in forcefully advocating the concept of "regional integration" and instead exploit the nation's disunity and dividedness to better serve their own party's political interests. Otherwise, a number of major political and civil events including the violence campaign in Kashmir by a Muslim separatist group in 1990, the assassination of Prime Minister Rajiv Gandhi in 1991, and the demolition of a Muslim mosque in Ayodhya

by a Hindu extremist mob in 1992 could just simply account for the surprisingly high number of Hindu-Muslim ethnic violence before the 8th and 9th planning periods as against other stages in the nation's history.

3.2. Aspatial Regional Balance in India's Plans

Figures 2.a and 2.b map the frequency of "aspatial regional balance" statements in India's planning documents vis-à-vis two different variables, namely: (a) the All-India Gini Index [3], which is a measure of economic inequality among the country's population, and (b) the average yearly incidents of economic-motivated riots or demonstrations [2], prior to each planning period. From Figure 2.a, it can be seen that the All-India Gini Index (line graph) cannot sufficiently explain the frequency and pattern of "aspatial regional balance" provisions in India's five-year plans (bar graph) though it somewhat depicts the correct movement from the 2nd to the 3rd plan and from the 7th to the 11th plan. The average yearly number of riots with economic agenda preceding each plan in Figure 2.b, however, can better account for the trend of the country's "aspatial regional balance" focus except of course for the 5th plan and, to some extent, in the 9th plan. It is worth mentioning at this point that India's 5th five-year plan differs significantly from its other plans, not only with respect to volume (it is only about 13% of the average size of all the plans) but also in terms of content (it consisted mainly of a broad outline of the country's development strategy with no dedicated chapters on specific development sectors like agriculture, industry and mining, power, transportation and communications, social services, etc.). This may possibly explain why the frequency of "aspatial regional balance" statements was generally lower in this plan compared to the country's other documents and thus did not match the situation indicated by the two proposed variables.

Figure 2.a. Frequency of "Aspatial Regional Balance" Provisions in India's Five-Year Development Plans versus Average All-India Gini Index Prior to Each Planning Period

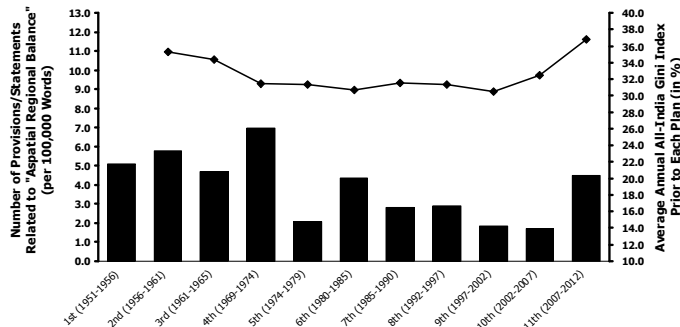
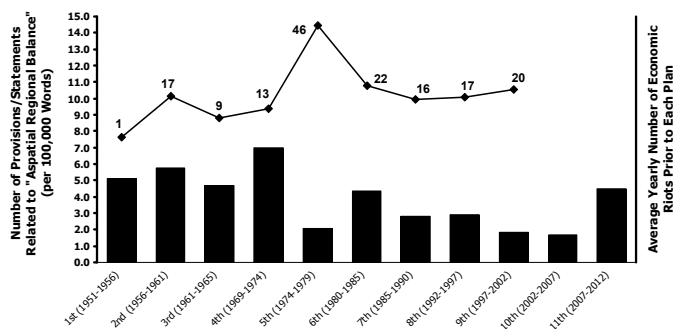


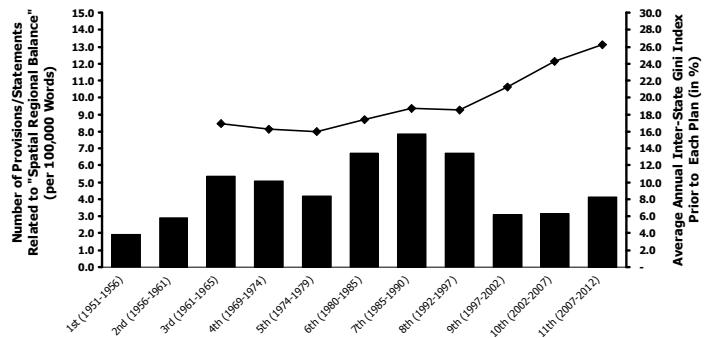
Figure 2.b. Frequency of "Aspatial Regional Balance" Provisions in India's Five-Year Development Plans versus Average Annual Economic Riots Prior to Each Planning Period



3.3. Spatial Regional Balance in India's Plans

In Figure 3, the trend of the Inter-State Gini Index (line graph) [4], which measures the per capita income inequality

Figure 3. Frequency of "Spatial Regional Balance" Provisions in India's Five-Year Development Plans versus Average Inter-State Gini Index Prior to Each Planning Period



across Indian states and union territories, appears to support the Indian government's strategy concerning balanced regional development (bar graph) starting from the 3rd until the 8th plan. This variable, however, finds it difficult to explain the transition from the 8th to the 9th plan when the emphasis on "spatial regional balance" suddenly drops even as the inter-state disparities in the country increased. Probably, the rationalization mentioned in the earlier subsection 3.1 about the political instability preceding these periods can also apply in this instance. If not, another idea might be that the opening of India to the world market (India became member of the World Trade Organization in 1995) could have actually exacerbated the imbalances between the nation's regions as depicted by the rising trend of the Inter-State Gini Index from the 8th plan period and beyond. As a result of such globalization, it may be possible that the Indian government chose to concentrate and fortify the economic bases of the already rich and more developed states to better maximize the benefits from international trade thereby it has decided to downsize its emphasis on "spatial regional balance" policies starting in 1997 or from the 9th plan onwards.

4. CONCLUSION

This paper presented a fresh study on India's growth and development process by particularly focusing on the principles of "regional integration" and "regional balance" in the country's five-year development plans. It evaluated the temporal patterns of the country's emphasis on these two policies and likewise offered some factors and motivations that can possibly explain these trends. Obviously, the variables chosen for the analysis can only provide a partial and rough justification since, in reality, several factors influence a nation's various growth strategies. Nonetheless, it can be said that whatever the underlying reasons are, India, being a pluralistic and multi-ethnic country that faces wide socioeconomic gaps among its peoples and territories, clearly promoted the notions of "regional integration" and "regional balance" throughout its development planning history.

ENDNOTES AND REFERENCES

- [1] All plans are on-line at the Government of India Planning Commission Website (last accessed on December 25, 2008). <<http://planningcommission.nic.in/plans/planrel/fiveyr/welcom e.html>>.
- [2] Sourced from the Varshney-Wilkinson Dataset on Hindu-Muslim Violence in India, 1950-1995, Version 2.
- [3] Sourced from the World Bank's India Poverty Project Database, January 1996.
- [4] Computed by author based on data sourced from the Reserve Bank of India Website. <<http://www.rbi.org.in/home.aspx>>.