



Role of the Indian Economy in Ek Bharat Shreshtha Bharat

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Abstract

The Indian economy plays a decisive role in strengthening national unity by creating economic interdependence, reducing regional disparities, and promoting inclusive growth across states and Union Territories. The Ek Bharat Shreshtha Bharat (EBSB) initiative, launched by the Government of India, seeks to enhance emotional, cultural, and developmental integration among diverse regions of the country. While EBSB is often viewed primarily as a cultural exchange programme, its long-term effectiveness is deeply rooted in economic integration and shared prosperity. This paper examines the role of the Indian economy in advancing the objectives of Ek Bharat Shreshtha Bharat by analysing key dimensions such as inter-state trade and market integration, infrastructure development, financial inclusion, industrialization, labour mobility, agricultural cooperation, tourism, and digital transformation. It argues that economic integration acts as the material foundation of national integration by fostering cooperation, mutual dependence, and balanced regional development. The study highlights that inclusive and regionally balanced economic growth is essential for transforming India's diversity into collective strength. By linking economic policies with the vision of Ek Bharat Shreshtha Bharat, the paper concludes that a strong, integrated, and inclusive Indian economy is not only vital for sustainable development but also indispensable for reinforcing national unity and social cohesion.

Keywords: Indian Economy, Ek Bharat Shreshtha Bharat, Economic Integration, Regional Development, Cooperative Federalism, Inclusive Growth

Introduction

India is one of the most diverse nations in the world, not only in cultural and linguistic terms but also in its economic structure and development patterns. The Indian economy exhibits striking regional variations in income levels, industrial development, employment opportunities, infrastructure availability, and human development indicators. These differences have historical roots shaped by colonial policies, uneven resource endowments, geographic constraints, and differential access to education and technology. While such diversity enriches the Indian experience, it has also posed serious challenges to national integration and balanced development. Since independence, Indian policymakers have repeatedly emphasized that political unity must be supported by economic integration and social justice in order to sustain national cohesion.

In this context, the Government of India launched the initiative Ek Bharat Shreshtha Bharat (EBSB) with the objective of strengthening unity and integrity by promoting mutual understanding, cultural exchange, and cooperation among Indian states and Union Territories.



Cultural integration without economic inclusion remains fragile and symbolic. True national unity requires that people across regions feel economically connected, mutually dependent, and equally empowered to participate in the growth process. The Indian economy plays a central role in transforming the ideals of Ek Bharat Shreshtha Bharat into a lived reality. Through inter-state trade, infrastructure development, labour mobility, financial inclusion, industrial expansion, agricultural cooperation, tourism, and digital transformation, the economy creates strong material linkages among regions. These linkages foster cooperation, reduce regional isolation, and promote a shared sense of national destiny.

Ahluwalia (2011): Identifies industrialization and infrastructure gaps as the roots of persistent income inequality. He argues that balanced regional growth is a prerequisite for cooperative federalism and national unity. World Bank (2022): Provides empirical evidence that connectivity and financial inclusion reduce spatial inequalities and promote labor mobility, essential for the convergence goals of EBSB. Panagariya (2020): Demonstrates how liberalization and tax reforms have strengthened inter-state linkages. By creating a "shared economic space," market integration naturally fosters national interdependence. Rao & Singh (2019): Focus on fiscal federalism, arguing that equitable resource distribution and fiscal transfers empower weaker states to participate meaningfully in national integration. NITI Aayog (2021): Shifts the focus to cooperative federalism, highlighting that inter-state collaboration and policy learning are more effective for collective growth than isolated competition.

Objectives of the Study

- To examine the role of the Indian economy in promoting national integration through the Ek Bharat Shreshtha Bharat initiative.
- To analyse the impact of inclusive growth, financial inclusion, and key sectoral developments (agriculture, tourism, and digital) on reducing regional disparities and strengthening cooperative federalism in India.

Relationship between Indian Economic System and Ek Bharat Shreshtha Bharat

The Indian economy operates within a federal structure where both the central government and state governments share responsibilities for economic planning and development. While states enjoy autonomy in many areas, they remain deeply embedded in a national economic framework characterized by a common currency, integrated financial system, and unified market. Ek Bharat Shreshtha Bharat builds upon this framework by encouraging structured interactions between states, thereby reinforcing the economic interdependence that already exists.

Economic relationships often precede and reinforce social and cultural relationships. When people from different regions engage in trade, employment, education, and tourism, economic cooperation gradually gives rise to mutual understanding and respect. The Indian economy thus serves as both the foundation and the facilitator of EBSB. Without inclusive economic growth and regional integration, the cultural objectives of Ek Bharat Shreshtha Bharat cannot be sustained in the long run.

Structure and Diversity of the Indian Economy



The Indian economy is characterized by extraordinary diversity in terms of sectoral composition and regional specialization. Agriculture continues to employ a large share of the workforce, particularly in northern, eastern, and central India, while industrial and service sectors dominate the economies of western and southern states. Metropolitan regions contribute a disproportionate share to national income, whereas many rural and tribal regions remain economically marginalized. This uneven structure reflects differences in historical investment patterns, access to infrastructure, human capital development, and institutional capacity.

Despite these disparities, economic diversity provides significant opportunities for inter-state cooperation and specialization. Different regions possess comparative advantages in agriculture, minerals, manufacturing, services, and tourism. The Indian economy integrates these diverse strengths through inter-state trade and national supply chains. Ek Bharat Shreshtha Bharat encourages states to recognize and value each other's economic contributions, thereby fostering a sense of shared progress and collective responsibility. Economic diversity also promotes resilience by reducing dependence on a single sector or region. When integrated effectively, regional diversity strengthens the national economy and enhances its capacity to absorb shocks. In this sense, the Indian economy transforms diversity into unity, directly supporting the vision of Ek Bharat Shreshtha Bharat.

Regional Disparities and the Imperative of Inclusive Growth

Regional disparity is one of the most persistent challenges confronting the Indian economy. Significant differences exist among states in terms of per capita income, employment opportunities, industrial development, infrastructure quality, and access to education and healthcare. These disparities can generate social tensions and undermine national unity if left unaddressed. Inclusive growth, therefore, is not merely an economic objective but a political and social necessity.

Ek Bharat Shreshtha Bharat recognizes that national integration cannot be achieved without economic justice. The Indian economy supports this objective through fiscal transfers, centrally sponsored schemes, and development programmes aimed at uplifting backward regions. Investments in education, healthcare, infrastructure, and skill development are critical for reducing regional imbalances. When citizens in less-developed regions experience tangible improvements in their living standards, their sense of belonging to the nation is strengthened.

Inclusive growth also enhances economic efficiency by expanding the domestic market and increasing productivity. By integrating lagging regions into the growth process, the Indian economy strengthens the foundations of Ek Bharat Shreshtha Bharat and ensures that unity is rooted in shared prosperity rather than symbolic gestures.

Inter-State Trade and Market Integration

Inter-state trade plays a crucial role in integrating regional economies into a unified national market. Historically, India's internal market was fragmented by multiple indirect taxes, regulatory barriers, and logistical inefficiencies. These obstacles increased transaction costs



and limited economic interaction among states. The introduction of the Goods and Services Tax marked a watershed moment by creating a unified national market.

GST has strengthened the economic foundations of Ek Bharat Shreshtha Bharat by eliminating inter-state tax barriers and promoting the principle of “One Nation, One Market.” By facilitating the free flow of goods and services across state boundaries, GST has increased economic interdependence among regions. Inter-state trade fosters specialization, enhances efficiency, and encourages cooperation, thereby reinforcing national unity. Under EBSB, trade fairs, exhibitions, and promotion of regional products further deepen these economic linkages. When consumers across India use goods produced in different states, economic exchange is accompanied by cultural appreciation, reinforcing the spirit of Ek Bharat Shreshtha Bharat.

Infrastructure Development and Economic Connectivity

Infrastructure development is a cornerstone of economic integration. Physical connectivity through roads, railways, ports, and airports reduces geographic isolation and enables the movement of goods, people, and ideas. Large-scale initiatives such as Bharat Mala Pariyojana and Sagar Mala Programme have significantly enhanced inter-state connectivity and market access. Improved infrastructure integrates remote and backward regions into national supply chains, enabling them to participate in economic growth. Digital infrastructure further complements physical connectivity by enabling communication, e-commerce, telemedicine, and digital education. Together, physical and digital infrastructure strengthen the material foundations of Ek Bharat Shreshtha Bharat by making inter-state interaction more frequent and meaningful.

Financial Inclusion and Economic Integration

Financial inclusion is a vital instrument for integrating citizens into the national economy. Historically, large sections of the population, particularly in rural and backward regions, were excluded from formal financial systems. Initiatives such as Pradhan Mantri Jan Dhan Yojana, digital payments, and Direct Benefit Transfers have transformed access to financial services. When citizens across states participate in the same banking and payment systems, economic participation becomes more equitable. Financial inclusion reduces regional disparities and strengthens social cohesion. By ensuring that economic opportunities and government benefits reach all regions, the Indian economy supports the integrative objectives of Ek Bharat Shreshtha Bharat.

Industrialization, Employment and Labour Mobility

Industrial development plays a crucial role in generating employment and reducing regional disparities. Manufacturing initiatives such as Make in India aim to strengthen domestic production while promoting balanced regional development. Industrial corridors and special economic zones encourage investment in less-developed regions, creating employment opportunities and reducing migration pressures. Labour mobility further enhances economic integration. Migrant workers contribute to host-state economies while maintaining strong ties with their home regions. This movement of people facilitates cultural exchange and mutual



understanding, embodying the spirit of Ek Bharat Shreshtha Bharat. The Indian economy thus integrates regions not only through markets but also through human interaction.

Agriculture, Rural Economy and Cooperative Development

Agriculture remains the backbone of the Indian economy and a major source of livelihood. Inter-state cooperation in agricultural research, extension services, marketing, and value addition enhances productivity and rural incomes. Cooperative models in dairy and agriculture demonstrate the potential of collective action in empowering rural communities. By facilitating the exchange of best practices and technologies across states, the Indian economy strengthens rural integration and reduces regional disparities. A strong rural economy is essential for achieving the inclusive growth necessary for Ek Bharat Shreshtha Bharat.

Tourism, Culture and Economic Exchange

Achieving the economic objectives of Ek Bharat is hampered by deep-seated structural and institutional constraints, primarily persistent regional disparities in income, industrial capacity and human development that fuel social discontent. These imbalances are exacerbated by uneven infrastructure and a significant digital divide, which isolate rural and border areas from mainstream market access and modern financial systems. Furthermore, a key driver of labour mobility integration is hampered by the lack of social protection for migrants and administrative barriers, while financial asymmetries and the dominance of the informal sector limit the ability of poor states to invest in inclusive growth. Ultimately, these challenges, coupled with fragmented regulatory frameworks and the potential for competitive federalism to override collective national interests, require strong policy coordination and institutional reforms to create a truly integrated and equitable economic landscape. Finally, economic policies alone cannot address deep-rooted social inequalities related to race, gender, and regional identity. Marginalized communities often face limited access to education, credit, and employment, which restricts their participation in the broader economy.

Conclusion

The vision of *Ek Bharat Shreshtha Bharat* emphasizes that lasting national unity in India depends not only on cultural exchange but on strong economic integration that transforms diversity into shared strength. The Indian economy plays a central, multidimensional role by fostering inter-state trade, a unified national market, and infrastructure development that reduce regional isolation and create mutual dependence among states. Financial inclusion, industrial growth, labour mobility, and rural economic development further promote equity, shared opportunity, and social cohesion, while tourism and cultural industries link economic benefits directly with cultural interaction. Together, these economic forces create shared interests, a sense of collective destiny, and inclusive growth, ensuring that *Ek Bharat Shreshtha Bharat* moves beyond symbolism to become a lived reality grounded in economic interdependence, national trust, and balanced development.

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