



Development Situation in Major States of India: An Empirical Study

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Abstract:

The term economic development is generally used in many other synonymous terms such as economic growth, economic welfare, secular change, social justice and economic progress. The present study attempts to find how development can be conceptualised and tries to analyse the situation of development in major states of India. So, the objectives of the study is to find out the level of development in these states; and to analyse the inter-state disparities in terms of development. The study indicates that a large disparity exists in respect of development on the whole, and various indicators of development such as health, literacy and infrastructure in these states.

Keywords: *Economic development, Secular change*

Introduction

Economic development is a more inclusive concept than economic growth. Economic development is generally understood to mean that apart from increase in national income or per capita income poverty, unemployment and inequality must also be declining in the growth process. Besides, according to Sen (2000), freedom to improve the quality of life of the poor, their freedom from undernourishment, freedom from illiteracy, freedom from illness are essential requirements of economic development. It is the building up the capabilities of the poor and the enlargement of opportunities to gain freedom in these respects that Sen calls development. Since, economic growth is not enough because the benefits of growth may not be channelled to the poor, or to expanding their social and economic opportunities, the United Nations MDGs have shifted the reflection to a development agenda that is for human development, not just economic growth, and for equity not just efficiency. Economic development is a very broad concept. It is not easy to define as it includes all the elements of growth, equity, and sustainability.

It includes economic growth and social welfare of the economy. It means that the terms 'economic development' refers to increase in output (economic growth) and provision of social welfare service such as health, education and employment as well as and alleviation of poverty. It implies both, more output and changes in the technical and institutional arrangements by which it is produced and distributed. The term development is multifarious and has different meanings to different scholars. There is considerable disagreement over the meaning and measurement of socio-economic development and what actually constitutes 'true development' (Baster, 1992).

Economic development in its basic sense, as observed by the World Bank relates to the qualitative change and restructuring in a country's economy in connection with technological and social progress. The main indicator of economic development is increasing GNP per capita (or GDP per capita), reflecting an increase in the economic productivity and average material well-being of a country's population (World Bank, 1997).

Economic development is a process whereby an economy's real national income as well as per capita income increases over a long period of time. Here, the process implies the impact of certain forces which operate over a long period and embody changes in dynamic elements. It contains changes in

resource supplies, in the rate of capital formation, in demographic composition, in technology, skills and efficiency, in institutional and organisational setup. It also implies respective changes in the structure of demand for goods, in the level and pattern of income distribution, in size and composition of population, in consumption habits and living standards, and in the pattern of social relationships and religious dogmas, ideas and institutions. In short, economic development is a process consisting of a long chain of inter-related changes in fundamental factors of supply and in the structure of demand, leading to a rise in the net national product of a country in the long run.

The term economic development is generally used in many other synonymous terms such as economic growth, economic welfare, secular change, social justice and economic progress. As such, it is not easy to give any precise and clear definition of economic development. But in view of its scientific study and its popularity, a working definition of the term seems to be quite essential. Economic development, as it is now generally understood, includes the development of agriculture, industry, trade, transport, means of irrigation, power resources, etc. It, thus, indicates a process of development. The sectoral improvement is the part of the process of development which refers to the economic development. Broadly speaking, economic development has been defined in different ways and as such it is difficult to locate any single definition which may be regarded entirely satisfactory. In addition to the illuminating reports of the U.N.O. on the subject, some top ranking economists like Nurkse (1953), Dobb (1975), Staley (1965), Buchanan (1984), Rostow (1960) and Ellis (1993) have made some original contributions to the Economics of Development and define it.

According to Meier and Baldwin (1957), economic development is a process whereby an economy's real national income increases over a long period of time. Okun and Richardson (1961) defines economic development as a sustained secular improvement in well-being, which may be considered to be reflected in an increasing flow of goods and services.

Some economists like Baran (1961), Buchanan and Ellis (1955) interpret economic development as something more than merely an increase in total output; they believe that it should also denote a rising standard of living. They define economic development as a process whereby the total per capita income or output of a country increases over the long period. Baran (1961) says, "Let economic growth or development be defined as an increase over time in per capita output of material goods". Buchanan and Ellis (1955) say that development means developing the real income potentialities of the under-developed areas by using investment to effect those changes and to argument those productive resources which promise to raise real income per person. Clark (1967) defines economic development from the angle of economic welfare. In his words, "Economic progress can be defined simply as an improvement in economic welfare". Economic welfare, following Pigou (1932), can be defined in the first instance as an abundance of all those goods and services which are customarily exchanged for money. Leisure is an element in economic welfare and more precisely: "We can define economic progress as the attaining of an increasing output of those goods and services for a minimum expenditure of effort, and of other scarce resources, both natural and artificial". According to United Nations Experts Committee for Development Policy (2012), "Development concerns not only man's material needs but also the improvement of the social condition of his life". Development is, therefore, not only economic growth, but growth plus change—social, cultural and institutional as well as economic". This definition encompasses economic and non-economic aspects of development. This definition stresses on the expansion of development variables, and also improving the quality of those variables. For example, capital is a development variable. Not only the increased quantity of capital is needed but the improvement in its productivity is also required for development. Similar instances can be given in respect of other development variables. The central point of this definition is that quantitative and qualitative changes in development variables are considered essential ingredients of economic development. From all these definitions, it may be concluded that economic development is a continuous process which has to be extended over a long period of time so as to break the vicious circle of poverty and lead a country to a stage of self-sustaining growth or to self- generating economy.

Economic development is a process rather than the result of it which results in a rise in real national income, and the net national product must have a sustained increase i.e., it must be over a long period of time. The two most common indicators of development are per capita income (national income divided by the size of the population) and the average annual rate of growth in the national income. However, experience suggests that the GDP growth is not having much effect on the life of the poor. Therefore, it is essential to understand development from the perspective of human well-being. The concept of economic development usually refers to some measurable form of progress. The most common measure of development, by far, is gross national product (GNP). There are some alternative measures of development. Development is more than a purely quantitative economic process; it also involves a qualitative improvement in the life of a nation's population. Much of the contemporary theoretical and empirical literature is concerned with the provision of basic needs and physical quality of life as alternative means of assessing the development performance of nations. This typically involves focusing upon the poverty rate, infant mortality, literacy, educational enrolment, caloric intake, access medical care, and the availability of housing and sanitation facilities. While the provision of these basic needs is related to a nation's level of economic development, economic growth is an inefficient condition for ensuring the availability of these services. These components of quality of life are potential, but not inevitable, products of an expanding economy (Jaffee, 1998). The concept of underdevelopment, also widely used in the contemporary development literature, denotes a socio-economic structure characterised by a reliance on the export of raw materials and primary products, regional disparities in economic growth, poor economic integrated sector, and domination by external forces, a poorly developed class structure, and a chronic balance of payment crisis fueling the accumulation of debt. The term development is Seers (1979) provides a list of eight important conditions for development like enough food, employment, equality, education, democracy, national independence, equal status for women, and sustainability. He also adds that if one or two of these conditions have been growing worse, then it is not development even if per capita income increases to higher level. Moreover, it has been widely argued that the means of development is not just to increase incomes, but to increase people's choices which may extend to standard education, good health, true democracy, cultural identity, social security, sustainability, and many other areas of human well-being. Development must deal with the entire society, not just with the economy, and people must be put at the centre of the stage (Haq, 1997). Also scholars have put forth another argument that the expansion of social opportunity is a key to development (Dreze and Sen, 1997). Extension of basic education, better health care, more effective land reforms and greater access to provisions of social security would enable the marginalised sections of society to lead a less restricted life and also better use of markets. A governance process should aim at eliminating disparities and promote development. It should concern with mankind and should meet the basic needs of human beings, particularly the poor. Effectiveness of governance means maximising its contribution to development, or to the increase in welfare (Higgins, 1992). Effectiveness involves minimising the costs and getting the maximum amount of output from given resources. Equity means not to allow greater inequalities of income, wealth, power, privilege, and social status in society (Higgins, 1992). Similarly, UNDP observes that all men and women have opportunities to improve or maintain their wellbeing (UNDP, 1997). Sustainability is a long term process which includes the establishment of the basic social and economic institutions necessary for continuing economic growth. According to UNDP, "The needs of this generation must be met without compromising the right of future generation to be free of poverty and deprivation and to The sustainability of the institution in the development process depends on the management of the institution, people's participation, performance of scheme/plan implementation, local capacity, capacity of resource mobilisation and focus on the benefit continuation for the long term. Economic development includes economic growth and social welfare of the economy. It means that the term 'economic development' refers to increase in output (economic growth) and provision of social welfare service such as health, education and employment as well as alleviation of poverty. "Development concerns not only man's material needs, but also the important in social conditions of his life". Economic development is an innovative process leading to the structural transformation of social system. According to UNO, "development concerns not only man's material needs, but is also the

important in social conditions of his life. Development is, therefore, not only economic growth but growth plus change-social, cultural and institutional as well as economic". Thus, economic development is related to quantitative and qualitative changes in economic wants, goods, incentives, institutions, producing knowledge or the upward movement of the entire social system (Robinson, 2009). It describes the underlying determinants of growth such as technological and structural changes. Economic development involves increase in national income; benefits to the population from this increase in income, i.e., increase in real per capita and reduction in poverty, inequality and unemployment. So, economic development is a necessary condition for improvement in the quality of life exhibited by variables such as per capita income, physical quantity of life index and human development etc. In strictly economic term, development has traditionally meant a sustained annual increase in GDP or GNP at rates varying from 5 percent to 7 per cent or more. A common alternative economic index of development has been the rates of growth of per capita GNP, the ability of a nation to expend its output at a rate faster than growth of population. Till the 1960s, the term economic development was often used as a synonym of economic growth, the measure for the latter being the rise in per capita GNP in real terms. According to Kindleberger (1986), "whereas economic development implies changes in technological and institutional organization of production as well distributive pattern of income". On the economic front, the agenda is not economic growth but more directly aimed at improving human well-being of the poor, i.e., human development (Fukuda-Parr Sakiko and Ponzio Richard, 2002). "The basic purpose of development is to enlarge people's choices. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures: greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives." - Mahbub ul Haq (1934- 1998), founder of the Human Development Report "Human development, as an approach, is concerned with the basic development idea: namely, advancing the richness of human life, rather than the richness of the economy in which human beings live, which is only a part of it." - Amartya Sen, Professor of Economics, Harvard University Nobel Laureate in Economics, 1998 Human development means expanding the choices for all people in society. This means that men and women - particularly the poor and vulnerable - are at the centre of the development process. It also means "protection of the life opportunities of future generations...and...the natural systems on which all life depends" (UNDP, Human Development Report, 1996). This makes the central purpose of development the creation of an enabling environment in which all can enjoy long, healthy and creative lives. Economic growth is a means to sustainable human development - not an end in itself. Human Development Report 1996 showed that economic growth does not automatically lead to sustainable human development and the elimination of poverty. For example, countries that do well when ranked by per capita income often slip down the ladder when ranked by the human development index. There are, moreover, marked disparities within countries - rich and poor alike - and these become striking when human development among indigenous people and ethnic minorities is evaluated separately. There are five aspects to sustainable human development - all affecting the lives of the poor and vulnerable:

- Empowerment - The expansion of men and women's capabilities and choices increases their ability to exercise those choices free of hunger, want and deprivation. It also increases their opportunity to participate in, or endorse decision-making affecting their lives.
- Co-operation - With a sense of well-being, human development is concerned with the ways in which people work together and interact.
- Equity - The expansion of capabilities and opportunities means more than income - it also means equity, such as an educational system to which everybody should have access.

- Sustainability - The needs of this generation must be met without compromising the right of future generations to be free of poverty and deprivation and to exercise their basic capabilities.
- Security - Particularly the security of livelihood. People need to be freed from threats, such as disease or repression and from sudden harmful disruptions in their lives.

UNDP focuses on four critical elements of sustainable human development: eliminating poverty, creating jobs and sustaining livelihoods, protecting and regenerating the environment, and promoting the advancement of women. Developing the capacities for good governance underpins all these objectives.

The process of development is far more extensive: Apart from the rise in output, it involves changes in the composition of output as well as a shift in the allocation of productive resources to ensure social justice. Development must, therefore, be conceived of as a multidimensional process involving major changes in social structures, popular attitudes and national institutions as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty. Development in its essence, must represent the whole gamut of change by which an entire social system, tuned to the diverse basic needs and desires of individuals and social groups within that system, moves away from a condition of life widely perceived as unsatisfactory, towards a situation or condition of life as materially and spiritually better. Development must, therefore, be conceived of as a multidimensional process involving major changes in social structures, popular attitudes and national institutions, as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty (Williamson, 2005).

The life sustaining basic human needs include food, shelter, and health protection. When any one of these is absent or in critically short supply, a condition of absolute underdevelopment exists.

Some Indicators of Development

Gross domestic product (GDP) and per capita income is the most commonly used measure of a country's success. But, a country enjoying a very uneven distribution of income would have a lower level of well-being than the one with same level of per capita income but less poverty. The well-being of a country cannot be reduced only to income level alone. So, other aspects of the development such as per capita income, life expectancy, literacy rate, infant mortality rate, and per capita electricity consumption, per capita road length, and growth rates of per capita income etc. must also be taken into consideration while observing the development situation of any state. In the absence of economic growth we cannot follow the criterion of Pareto optimality. Therefore, the variations in growth rate of NSDP will be a highly speaking indicator of the development gap that prevails among the states. The state-level disparities in the per capita income become a very significant indicator of the developmental variations among states. While there is a broad consensus on the overall improvement of the economy and quality of life during the period, there are significantly differing perceptions about the distributional effects of these gains. Disparities in economic and social development across the regions and inter-regional disparities among different segments of the society have been the major plank for adopting planning process in India since independence. Disparities can be a cause of political resentment in less prosperous regions and disillusion with the political process, leading to social unrest. Indeed, ever since India's independence in 1947, one of the major policy objectives of government has been to reduce disparities in living standards, to promote national unity, and to foster growth with equity. Objectives of the Study The proposed study aims at exploring various aspects development and poverty. The present study attempts to find how development can be conceptualised and tries to analyse the situation of development in major states of India. So, the objectives of the study is to find out the level of development in these states; and to analyse the inter-state disparities in terms of development. The study will largely focus on the state of development in major states during the reform period. The major states of India are chosen on the basis of size of population of the states. Development Situation of Major States of India The most common indicators of the economic development of a state are Growth rate of Gross State Domestic Product (GSDP) and the per capita annual income generated by that state. With a very small cake large people cannot be served hence with a very low economic growth rate poverty can only be shifted among the member of the society.

In the absence of economic growth we cannot follow the criterion of Pareto optimality. Therefore, the variations in growth rate of GSDP will be a highly speaking indicator of the development gap that prevails among these states. The level of poverty or the share of population which do not have minimum income to meet its basic requirements is an indicator of the level of economic development as well as the inequality in the income distribution. Therefore, state-level disparities in the availability of per capita income become a very significant indicator of the developmental variations among states. Growth rate of Gross State Domestic Product (GSDP) and Per Capita Gross State Domestic Product (GSDP) as a percentage of per capita GDP of the country are presented in the table below:

Growth Rate of GSDP

GSDP Growth Rate (% Growth over previous year)									
States	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Andhra Pradesh	5.7	-1.4	10.8	5.6	5.9	6.3	-1.4	12.2	4.6
Assam	4.6	1.4	4.1	2.8	2.9	2.9		1-0.2	3.2
Bihar	-4	-4.3	3.2	10.9	-13.9	23.8	-3.9	7.6	3.7
Gujarat	-6.5	28.4	-1.8	18	5.5	14.2	2.1	7.2	2.1
Haryana	2.5	0.2	4.9	7.1	2.5	11.6	1.4	5.6	7.6
Himachal Pradesh	0.4	5.6	4.3	9.6	6.2		76.4	7.2	6.4
Karnataka	12	2.7	7.3	5.6	6.4		96.9	12.7	6.3
Kerala	2.4	6.8	9.4	8.3	4.5	3.7	2.9	7.1	7.5
Madhya Pradesh	-5.5	7.2	10	2.9	6.1	6.5		56.6	10.5
Maharashtra	0.3	14.3	10.9	2.6	11.5	5.1	5.6	3.4	9.7
Orissa	11.7	-0.9	6.7	5.3	5.2	-4.7	13.1	2.4	5.2
Punjab		54.7		52.9	4.2	7.4		35.6	5.6
Rajasthan	-6	13.7	-6.4	17.2	4.1	11.3	11.3		42.1
Tamil Nadu		35.3	8.6	12.6	3.5	4.9	8.2	4.7	6.1
Uttar Pradesh	1.3	1.7	2.9	5.8	3.7	10.7	-0.1	2.8	5.5
West Bengal	7.7	3.2	7.3	6.8	7.4		78.3	6.4	6.9
All India				7.3	7.3	7.8	4.8	6.5	6.1

During the period of study, the states that have performed well in terms of growth rate of Gross State Domestic Product (GSDP) include Kerala, Maharashtra, Himachal Pradesh, Tamil Nadu and Gujarat. Annual growth rates of these states, between 1991-92 to 2012-13, strongly reveal economic disparities in the economy as Gujarat, Haryana, Maharashtra and Himachal Pradesh are much ahead in the race as compared to Bihar, Uttar Pradesh, Orissa and Madhya Pradesh. GSDP in itself does not explain the per capita availability of consumption but growth rate of GSDP speaks about the pace of income generation which determines the development situation in a state. It is well known that per capita growth rate represents how growth rate is translated at per capita level and can thus, raise the average standard of living. It can be easily observed that states having higher level of per capita income in 1991-92, have also performed well in terms of GSDP growth rate. States that performed well in the context of GSDP growth rate include Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Maharashtra, Rajasthan and Tamil Nadu. Punjab has not been performed well in terms of GSDP growth however it has highest level of per capita GSDP during the period of study except some years when it was holding the second position. GSDP in itself does not explain the per capita availability of consumption but growth rate of GSDP speaks about the pace of income generation which determines the development situation in a state. It is well known that per capita growth rate represents how growth rate is translated at per capita level and can thus, raise the average standard of living. Looking at the situation in terms of per capita income, one could notice that Punjab was at the top in 1991-92

and it was followed by Haryana, Maharashtra and Himachal Pradesh respectively, while Bihar was at the bottom most level and Uttar Pradesh was the state second to it. Then come Orissa, Madhya Pradesh and Assam. The situation remained same in the initial year of the next decade. However, the situation has changed a little in case of the apex states and Maharashtra, Haryana, Gujarat, Kerala and Punjab have interchanged their positions in this descending order. In year, 2006-07 Maharashtra had exceeded Punjab in term of per capita GSDP. But Bihar, Uttar Pradesh, Madhya Pradesh, Assam, Rajasthan and Orissa have hardly been able to bring about much of a change in their positions in this regard. In 1994-95 the per capita GDP for India was 8070. Eight states out of the sixteen were below than this level when they were compared while the remaining eight were lying above the all India per capita average. In 2001-02, Andhra Pradesh has cross the national average and the number of states that have per capita higher than national per capita income became nine. But the remaining seven states which were lying below the national average in 1991-92 were also lying below the national average.

Per Capita Income Absolute (Rupees)										
States	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Andhra Pradesh	2060	2134	2039	2232	7711	8071	8514	8191	9144	9445
Assam	1544	1575	1557	1583	5737	5760	5793	5796	5664	5785
Bihar	1197	1105	1017	1019	3306	2728	3338	3100	3210	3282
Gujarat	2641	2381	3091	2944	11535	11649	13206	13018	13735	13298
Haryana	3509	3499	3421	3498	11598	11545	12591	12389	12728	13308
Himachal Pradesh	2241	2213	2267	2315	8489	8801	9140	9625	10131	11051
Karnataka	2039	2262	2278	2410	8097	8368	8990	9416	10549	10912
Kerala	1815	1826	1932	2103	8598	8868	9145	9265	9819	10430
Madhya Pradesh	1696	1538	1618	1754	6550	6790	7089	7301	7621	8248
Maharashtra	3483	3399	3837	4177	12158	13221	13464	13925	14199	15257
Orissa	1383	1530	1476	1543	5054	5204	4773	5382	5471	5742
Punjab	3730	3825	3931	4026	12784	13008	13705	13812	14333	14809
Rajasthan	1942	1755	1975	1776	7134	7216	7862	8601	8754	8555
Tamil Nadu	2237	2270	2363	2544	9932	10147	10451	11260	11592	12167
Uttar Pradesh	1652	1627	1615	1626	5209	5256	5706	5518	5432	5675
West Bengal	2145	2267	2295	2419	7094	7492	7880	8408	8814	9320
All India					8070	8489	9007	9244	9650	10071

States	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Andhra Pradesh	15427	16574	17213	17340	18819	19963	21728	23898	26229	27362	28528
Assam	12282	12447	12529	13072	13675	13946	14419	14894	15526	16272	17080
Bihar	5786	6554	5994	6658	6117	6772	6745	8233	8818	10206	10577
Gujarat	18864	17227	18200	19509	22387	23346	26268	28335	31594	33608	NA
Haryana	23222	24423	25638	26748	28805	30690	32980	36669	39462	41896	44493
Himachal Pradesh	20806	21824	22543	23234	24377	26244	27447	28620	30519	32343	34101
Karnataka	17502	17352	17402	18115	18236	19841	22295	23621	26536	27526	28696
Kerala	19461	19809	20659	21944	23159	25122	27714	30476	33372	35457	NA
Madhya Pradesh	12384	11150	11715	10880	11870	12032	12712	13307	13943	14918	15929
Maharashtra	23011	21892	22258	23447	24859	26603	28684	31702	34406	35003	37501
Orissa	10622	10208	10697	10500	11900	13311	13877	15760	17352	18212	19456
Punjab	25631	25986	25992	25955	27075	27905	28487	30154	31662	33198	34935

Rajasthan	13619	12840	13933	12054	15579	14908	15736	17480	18769	19708	19806
Tamil Nadu	19432	20319	19748	19662	20707	22975	25558	28320	29445	30652	NA
Uttar Pradesh	9749	9721	9672	9806	10120	10421	10766	11311	11981	12637	13219
West Bengal	15888	16244	17225	17568	18374	19367	20187	21773	23456	24720	26626
All India	15881	16173	16769	17109	18301	19331	20868	22580	24295	25494	NA

1990-91 to 1993-94 at 1980-81 Prices

1994-95 to 1999-2000 at 1993-94 Prices

1999-2000 to 2009-10 at 1999-2000 Prices

Source : Directorates of Economics & Statistics of respective State Governments

Per Capita Income Growth Rate (% Growth over previous year)

States	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Andhra Pradesh	3.6	-4.5	9.5		44.7	5.5	-3.8	11.6	3.3
Assam		-1.1	1.7	0.4	0.4	0.6	0.1	-2.3	2.1
Bihar	-7.7		-80.2	8.9	-17.5	22.4	-7.1	3.5	2.2
Gujarat	-9.8	29.8	-4.8	17.8		113.4	-1.4	5.5	-3.2
Haryana	-0.3	-2.2	2.3	4.7	-0.5	9.1	-1.6	2.7	4.6
Himachal Pradesh	-1.2	2.4	2.1	7.9	3.7	3.9	5.3	5.3	9.1
Karnataka	10.9	0.7	5.8	3.3	3.3	7.4	4.7	12	3.4
Kerala	0.6	5.8	8.9	7.7	3.1	3.1	1.3		66.2
Madhya Pradesh	-9.3	5.2	8.4	-0.5	3.7	4.4		34.4	8.2
Maharashtra	-2.4	12.9	8.9	-0.2	8.7	1.8	3.4		27.5
Orissa	10.6	-3.5	4.5	3.2		3-8.3	12.8	1.7	5
Punjab	2.5	2.8	2.4	0.6	1.8	5.4	0.8	3.8	3.3
Rajasthan	-9.6	12.5	-10.1	15.4	1.1		99.4	1.8	-2.3
Tamil Nadu	1.5	4.1	7.7	10.9	2.2		37.7	2.9	5
Uttar Pradesh	-1.5	-0.7	0.7	2.8	0.9	8.6	-3.3	-1.6	4.5
West Bengal	5.7	1.2	5.4		55.6	5.2	6.7	4.8	5.7
All India				4.9	5.2	6.1	2.6	4.4	4.4

States	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Andhra Pradesh	7.44	3.86	0.74	8.53	6.08	8.84	9.99	9.75	4.32	4.26
Assam	1.34	0.66	4.33	4.61	1.98	3.39	3.29	4.24	4.8	4.97
Bihar	13.27	-8.54	11.09	-8.31	10.71	-0.4	22.06	7.11	15.74	3.64
Gujarat	-8.68	5.65	7.19	14.75	4.29	12.52	7.87	11.5	6.37	NA
Haryana	5.17	4.97	4.33	7.69	6.55	7.46	11.18	7.62	6.17	6.2
Himachal Pradesh	4.89	3.29	3.07	4.92	7.66	4.58	4.27	6.64	5.98	5.44
Karnataka	-0.86	0.29	4.1	0.67	8.8	12.37	5.95	12.34	3.73	4.25
Kerala	1.79	4.29	6.22	5.54	8.48	10.32	9.97	9.5	6.25	NA
Madhya Pradesh	-9.96	5.06	-7.13	9.1	1.37	5.65	4.69	4.78	6.99	6.78
Maharashtra	-4.87	1.67	5.34	6.02	7.02	7.82	10.52	8.53	1.82	7.04
Orissa	-3.9	4.79	-1.84	13.33	11.86	4.25	13.57	10.1	4.96	6.83
Punjab	1.39	0.02	-0.14	4.32	3.07	2.09	5.85		54.85	5.23
Rajasthan	-5.72	8.51	-13.49	29.24	-4.31	5.55	11.08	7.37		50.5
Tamil Nadu	4.56	-2.81	-0.44	5.31	10.95	11.24	10.81	3.97	4.1	NA
Uttar Pradesh	-0.28	-0.51	1.38	3.2	2.98	3.31	5.06	5.93	5.47	4.61
West Bengal	2.24	6.04	1.99	4.59	5.4	4.23	7.86	7.73	5.39	7.71
All India	1.84	3.69	2.03	6.97	5.63	7.95	8.2	7.6	4.94	NA

1990-91 to 1993-94 at 1980-81 Prices

1994-95 to 1999-2000 at 1993-94 Prices

2000-2001 to 2009-10 at 1999-2000 Prices

Source : Directorates of Economics & Statistics of respective State Governments

Economic growth and per capita income growth provide an economy increased amount of resources to help it reduce poverty level. It is normally expected that a growing economy can better take care of its poor population because rising income presents an opportunity to distribute a reasonable part of the increased income in favour of the poor population in the economy. A less growing economy emphasises more on redistribution of the existing resources while a well growing economy has option to allocate a considerable share of the augmented income towards the poor. Though there are differences among economists and economic institutions regarding the estimates of the percentage of the poor, yet there is unanimity among them that there has been a secular decline in the poverty ratio in the economy since the late 1970s.

Per capita GSDP of a state increases as a result in of its economic growth, if the population growth does not exceed the pace of economic growth. The example of Punjab and Andhra Pradesh make clear this picture. Despite being having highest per capita income, Punjab failed to sustain its top rank because of consistence low economic growth. While due to consistence higher economic growth Andhra Pradesh has got success in getting out of the club of countries that have an average per capita GSDP less than the country average.

While there is a broad consensus on the overall improvement in the economy and also in the quality of life of the people, still there are significant disparities among Indian states in terms of social and economic development. The major indicators of quality of life include the level of knowledge and the average condition of health of the people. These measures taken together constitute the quality of human capital. As we all know that quality of human capital is very crucial factor for economic development which assures the effective utilization of available resources. A country with a poor quality of human capital cannot utilize its available resources in an appropriate manner. Hence, these measures of human capital become highly important indicators of economic development. In an economy, literacy rate and life expectancy are considered as good representatives of level of knowledge and average health conditions of the people respectively. Since the data about life expectancy is not available on annual basis and is taken at five-year period at a time, so, it becomes quite difficult to assign any definite value to a particular year. Apart from this constraint, the state-wise data about life expectancy in India is available up to 2002- 2006 at present. Probably it is one of the most important reasons behind many of the researches using infant mortality rate in place of life expectancy in their researches pertaining to development and its aspects. Infant mortality rate is defined as number of infant (one year of age or younger) deaths per 1000 live births. Also called as Infant death rate, it is a basic pointer of health care in a society. In India more developed or prosperous states have higher life expectancy while poor states like; Madhya Pradesh, Assam Orissa, Uttar Pradesh and Bihar have low level of life expectancy. This position has remained same during the period 1997 to 2006. Kerala has been again the top performer in this respect also as the life expectancy in the year 1997 was much higher (76.2 for female and 70.8 for male) in comparison of the other states. Punjab held the second position with a life expectancy of 69.3 years for female and 67.3 years for male. However, we do not have complete data on life expectancy; common features in this regard have remained unchanged. All states except Bihar, Madhya Pradesh and Uttar Pradesh have greater life expectancy of females than males. A lesser female life expectancy is by and large due to the prevailing gender bias against females in a society and it is not supported by any sound reasoning. In the year 1991, infant mortality rate was the worst in Orissa (124) followed by Madhya Pradesh (117), Uttar Pradesh (97), Rajasthan (79) and Assam (81) respectively; while Kerala (17) had the lowest infant mortality rate among Indian states. The worst performing five states have continued with their dismal show even up to 2012 in terms of positions from the floor, their only achievement being some interchange among themselves due to which they are placed in the following order - Madhya Pradesh (56), Orissa (53), Uttar Pradesh (53), Assam (55) and Rajasthan (49). Kerala, which had a low infant mortality rate at 17 per 1000 live births in 1991 has it 12 per 1000 live births in 2012, remains at the apex. The states that were next to Kerala, such as Punjab

(53), Tamil Nadu (57) and Maharashtra (60), were quite behind in 1991, and still continue to have a large difference in 2012 as they have infant mortality rate standing at 21 per live births for Tamil Nadu, 25 per live births for Maharashtra and 28 per live births for Punjab. The difference of infant mortality rate between Kerala and Tamil Nadu was situated at 09 in 2012; therefore, it may take a long period for these states to reach near Kerala. Many states may find it difficult to improve their positions at a consistent rate after reaching a certain low rate of infant mortality in the process of stepping up. Bihar, which presents an example of another low performing state in development aspects, stood at infant mortality rate of 69 in 1991 and is presently at 43 per 1000 live births in 2012. These differences in infant mortality rate across Indian states reveal dazzling gaps concerning the status of health care in these states. Infant mortality rate has a high degree of positive relationship with life expectancy at birth. Kerala which has performed appreciably in terms of infant mortality rate and life expectancy and has been able to maintain a position of one of the front runners in terms of per capita net state domestic product has the highest literacy rate (93.9 per cent) in 2011. The state next to Kerala, i.e. Himachal Pradesh (83.8 per cent), in this respect has a gap of 10 per cent points while for Maharashtra (82.9 per cent), which is third ranked in this aspect, the gap steps up to 11 per cent points. Bihar is the lowest performing state in terms of literacy rate as it has a literacy rate of 63.8 per cent, while next to Bihar are Rajasthan at 67 per cent and Uttar Pradesh at 69.7 per cent. Bihar has leapt forward in the last decade (2001 to 2011) but its literacy rate is nevertheless very low when compared with other states in the country.

Infant Mortality Rate												
States	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	
Andhra Pradesh	70	73	71	64	65	67	65	63	66	66	65	
Assam	76	81	76	81	78	77	74	76	76	76	75	
Bihar	75	69	73	70	67	73	71	71	67	63	62	
Gujarat	72	69	67	58	64	62	61	62	64	63	62	
Haryana	69	68	75	66	70	69	68	68	70	68	67	
Himachal Pradesh	69	75	69	66	59	63	63	63	68	54	51	
Karnataka	70	77	73	67	67	62	53	53	58	58	57	
Kerala	17	16	17	13	16	15	14	12	16	14	14	
Madhya Pradesh	111	117	104	106	98	99	97	94	98	90	87	
Maharashtra	58	60	59	50	55	55	48	47	49	48	48	
Orissa	122	124	115	110	103	103	95	96	98	97	95	
Punjab	61	53	56	55	53	54	51	51	54	53	52	
Rajasthan	84	79	90	82	84	86	85	85	83	81	79	
Tamil Nadu	59	57	58	56	59	54	53	53	53	52	51	
Uttar Pradesh	99	97	98	94	88	86	85	85	85	84	83	
West Bengal	63	71	65	58	62	58	55	55	53	52	51	
States	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Andhra Pradesh	66	62	59	59	57	56	54	52	49	46		4341
Assam	74	70	67	66	68	67	66	64	61	58		5555
Bihar	62	61	60	61	61	60	58	56	52	48		4443
Gujarat	60	60	57	53	54	53	52	50	48	44		4138
Haryana	66	62	59	61	60	57	55	54	51	48		4442
Himachal Pradesh	43	61	42	51	49	50	47	44	45	40		3836
Karnataka	58	55	52	49	50	48	47	45	41	38		3532
Kerala	11	10	11	12	14	15	13	12	12	13		1212
Madhya Pradesh	86	85	82	79	76	74	72	70	67	62		5956

Maharashtra	45	45	42	36	36	35	34	33	31	28	25	25
Orissa	91	87	83	77	75	73	71	69	65	61	57	53
Punjab	52	51	49	45	44	44	43	41	38	34	30	28
Rajasthan	80	78	75	67	68	67	65	63	59	55	52	49
Tamil Nadu	49	44	43	41	37	37	35	31	28	24	22	21
Uttar Pradesh	83	80	76	72	73	71	69	67	63	61	57	53
West Bengal	51	49	46	40	38	38	37	35	33	31	32	32

Literacy rate

States	1991	2001	2011
Andhra Pradesh	44	60	67
Assam	53	54	72
Bihar	38	63	62
Gujarat	61	82	78
Haryana	56	69	76
Himachal Pradesh	64	77	83
Karnataka	56	67	75
Kerala	90	91	94
Madhya Pradesh	45	64	69
Maharashtra	65	77	82
Orissa	49	63	73
Punjab	59	70	76
Rajasthan	39	60	66
Tamil Nadu	63	74	80
Uttar Pradesh	41	56	68
West Bengal	58	69	76
All India	52	65	73

Source: Census 2001 and 2011, Office of Registrar General

Some facts are very clear in the context of literacy rate. The improvements in growth of literacy rate have been comparatively high in less developed states like as Uttar Pradesh, Bihar, Orissa and Rajasthan. However, despite being high achievements in literacy rate in terms of growth they stay at a lower stand till now. The southern states have performed comparatively better and most of them now stand at higher position in this context. Andhra Pradesh is the only southern state that has not done adequately well in terms of literacy rate which stands at 67.7 per cent and is lesser than that of even Uttar Pradesh. Given a situation that literacy in most of the states is growing at a rate of 0.5 to 0.7 per cent per annum, it is still expected to take more than twenty five years when India could be near to achieving hundred per cent literacy in some states. On the basis of above discussion it can be said that disparities exist in respect of development on the whole, and various indicators of development such as health, literacy and infrastructure in these states.

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