

Social Sector Development: Issues of Efficiency and Equity

Dr. Indranee Dutta

INTRODUCTION:

One of the consequences of the economic reforms initiated two decades ago is a renewed interest and public discussion about social sector development. The word social development underpins a sense of social transformation, a change in the social and economic and overall life of the people. Historically speaking, it is the post World War II period, when the term 'development' has been used as "shorthand for the process of socioeconomic change that has shaped contemporary societies, particularly those of Africa, Asia, and Latin America" (Evans P.B. 2001, pg. 3557). It meant the transformation of agriculture, the growth of industry and the other social political and economic changes that the states were undergoing. Development discourses around the world are dominated by success and failures of development paths that different countries have been taking, the road that one needs to follow to experience success and avoiding the evils that exist.

The states are engaged in considering the best way to develop, i.e. the best course of action to have better society leading to better quality of life of the people. Thinkers and theorists defined the role of the state in many different ways from strict interventionist's role during the 1950s and 1960s to liberalist mode of the contemporary times. Development thinking is a major engagement today among the policy makers, thinkers and social activists. What constitutes development, what kind of development a nation should pursue to have a society of its choice (either influenced by ideology or under pressure of transnational forces) what approaches would help integrate social equality; equity and participation are some of the issues of concern. The idea of development that a country conceives is reflected in the type of policies that it adopts. Therefore an analysis of the development policies of the nations around the world for a period of time, gives a fair idea of the development thinking and its changing nature, from traditional to the contemporary societies. The key development issues such as, growth, poverty, distributive (in) justice/ (in) equity, import substitution and export expansion all occupy their distinctive share in the development thinking.

Before talking about the social sector development, it would be worthwhile to deal briefly about the trajectory of the development thinking as well, because many ideas have influenced the current developmental stage of nations, including India. In his recently published book "*The Evolution of Development Policy: A Reinterpretation (2010)*" Naqvi aptly pointed out the major 'turning points' in development thinking-viz. the Traditional Development Paradigm, the Liberalist Paradigm and the Human Development Paradigm and also the Anti-Liberalist Paradigm (Naqvi, p 3). The traditional development paradigm is characterized by the dominant political opinion that *laissez-faire*¹ is a tool of capitalist exploitation. And this essentially is the outcome of long colonial rule, and leaders of newly independent nations wanted a kind of

¹ In economics Laissez Faire describes an environment in which transactions between private parties are free from state intervention, including restrictive regulations, taxes, tariffs and enforced monopolies

egalitarian institutional framework where people's welfare is assured. Both Mohammad Ali Jinnah in Pakistan and Jawaharlal Nehru in India for instance, held similar views that both the countries would be welfare states free from exploitations. Nehru explicitly stated 'International trade was certainly not excluded, but we were anxious to avoid being drawn into the whirlpool of economic imperialism' [Nehru (1964, p. 403) cited in Naqvi, p. 75]

The liberalist paradigm is based on the belief in the efficiency of privatization and attaches value in 'individual freedom to hold on to what she/he has acquired through his/her alleged superior merit.....lent support to the revival of the *laissez-faire* ideal as an oriflamme of government in economic relations.' (ibid, p.165) Liberalist paradigm rejects an extensive role of the government in economic affairs of the state and claims universal market success. The anti-liberalist consensus on the other hand critiques the liberalist claims about universal market success, minimal government and *laissez faire* stand (ibid, p.194). The human development paradigm reflects basic tenets of most of the international covenants and declarations and these thoughts 'subscribe to a number of distinctive hypotheses about the behavior of the economic agents and a logically consistent framework to deal with the problems of distributive justice, income and non-income poverty and human deprivation, and enhancing the women's agency as active contributors to economic development.'(ibid p. 245) In terms of social development implications these turning points reflect a change of perspectives from strict economic growth to the distribution of income among different segments of the population, and more broadly stress on enhancement of quality of life.

THE GRADUAL SHIFT:

Coming to India, freedom from colonial rule in 1947 gave India a lot of optimism and Nehru's public sector dominated policies received support from Indian politicians and intellectuals alike. With an annual growth rate of 3.5 percent the concept of private sector was totally shunned and government was against monopolistic business and concentration of economic power. There was a kind of license raj as all decisions of business houses needed government approval. The second Five Year Plan in 1956-61 reiterated its objective was to create a *socialistic pattern of society*. The central and state governments participated in industries leading to growth of public sector enterprise during 1960s along with its effects in other sectors. The Green Revolution made the nation self sufficient in food by the end of 1960s. The restrictive trade policies and encouragement to indigenous industries continued during 1970s, disallowing 100 percent FDI, and ethics and welfare filled the socio political psyche. The country started opening up during 1980s with beginning of economic reform policies. Although acceleration of growth to 5.6 percent could be achieved during this period, the decade also experienced macroeconomic imbalances manifested in fiscal deficit, high levels of current account deficit and increasing level of external debt. Faced with acute economic crisis, in 1991, the government of India made some fundamental changes in economic policy with programmes of stabilization and structural adjustment. With initiation of Liberalization, Privatization and Globalization (LPG) policies, the country brought in industrial deregulation, liberalization of foreign direct investment, trade liberalization, overhauling of public enterprises and financial sector reforms. This augured in market led processes, encouraging private

initiatives and scaling down government involvement, which was to have a lot of effect upon the social sector development. All these reforms have been associated with acceleration of growth in terms of industrial output and more vigorous and competitive corporate sector (Bardhan P, 2010, p. 26). As the projection goes both India and China's current share of one-fifth of world income will be about one-third in 2025 (Maddison 2007 cited in ibid p. 1)

GROWTH, EQUITY AND EFFICIENCY:

The meaning of the terms growth, equity and efficiency, as individual words or their collective meaning together has a lot of implications for social sector development. These three terms have both economic and non economic dimensions, the latter mainly relate to social development. *Growth* in economic sense means "An increase in an economic variable, normally persisting over successive periods. The variable concerned may be real or nominal, and may be measured in absolute or in per capita terms." (Black J., 1997) Typically it is the Gross Domestic Product (GDP) and the related measures. Similarly, *equity* in economic terms is normally used with reference to resource allocation. Equity in terms of fairness refers to distributive justice used in welfare economics. It is an act which is just, impartial and fair in treating people without any prejudice. Scarcity of resources is the fundamental issue in economics. *Efficiency* is concerned with optimal production and distribution of such scarce resources. In other words "Getting any given results with the smallest possible inputs, or getting the maximum possible output from given resources" (Black J., 1997). Conflict of interest occurs when one needs to deliver keeping both equity and efficiency in mind. Efficiency might suggest that the price of a commodity should be raised because it is scarce, but doing that would affect common people making it not a fair act. The concept of Pareto efficiency² implies that it is impossible to make one party better off without making someone worse off. It is an economic state where resources are distributed in the most efficient way. However, with the rising market economy the conflict between equity and efficiency seems to be rising, with efficiency overshadowing equity.

If the predictions were to be believed the Indian economy would grow fast if not the fastest in the world. Now the question is how do the issues of equity and efficiency factor in the overall growth scenario of the country? How the social sector development is affected by the current developmental approach? The free market capitalism is often referred to as the cause of much social injustice, inequity, and disparity of wealth between the rich and the poor. Using data from countries which have implemented market reforms, Korukonda and Bathala (2004) found that while industrial production has registered a significant increase only in the case of one country out of four examined, GDP has registered a dramatic increase in the case of all the countries examined (India, Indonesia, Malaysia, Pakistan, Thailand & South Korea)

² Given an initial allocation of goods among a set of individuals, a change to a different allocation that makes at least one individual better off without making any other individual worse off is called a **Pareto improvement**. An allocation is defined as "Pareto efficient" or "Pareto optimal" when no further Pareto improvements can be made. Pareto efficiency is a minimal notion of efficiency and does not necessarily result in a socially desirable distribution of resources, as it makes no statement about equality or the overall well-being of a society. (http://en.wikipedia.org/wiki/Pareto_efficiency)

combined with drastic decline in employment index. Thus GDP growth without the accompanying growth in industrial production or employment generation surely would lead to negative effects upon ordinary citizen. It is the common sense expectation that higher growth should lead to opportunities for reasonable employment and livelihood and good living condition for everyone. But on the contrary increasing inequality accompanies higher growth. Between 1993-94 and 2004-05, the Gini coefficient indicating inequality, rose from 0.25 to 0.27 in urban, and 0.31 to 0.35 in rural areas in India. "Every dimension of inequality, among the regions, among the professions and sectors, and in particular between urban and rural areas has also grown rapidly..." (Amit Bhaduri, 2008, p.11)

It is becoming increasingly evident that economic growth need not necessarily lead to growth in social development. Making a cross country comparisons across developing countries, particularly those countries which experienced rapid economic growth, Sekhar (2005) pointed out that compared to India most of these countries achieved substantial social development in terms of adult literacy, life expectancy at birth and infant mortality rates before embarking on economic development. This enabled countries like China and other East Asian countries to propel social development better, through wider participation of people in economic growth. On the other hand, India's record in eradicating illiteracy, undernourishment, ill health and social inequalities is extremely bad.

Both economic growth and its sustainability are highly dependent on participation of people, which again is determined by the education and health of the population. China and South Korea's economic success was based on simple skills and ability to follow instructions for quality maintenance and not on high degree of skills or technical education, and therefore participation of larger number of people could be ensured.

A kind of contrast is seen in India. India's post reforms growth has been confined to a few sectors like computer software, which required specialized skill beyond the reach of the common people, who do not have access even to basic education (ibid). This may be the reason for the widening disparity in incomes in the post-reform period in India despite decline in poverty (Deaton and Dreze 2002, cited in Sekhar).

EVIDENCE OF INEQUALITY IN SOCIAL SECTOR :

Social sector in this paper would mainly confine to education and health. Equity in these two spheres of life would broadly mean an environment where people can have access to equal quality of education and health facilities irrespective of their social standing, rich or poor, caste-class or rural-urban differences. Efficiency in these sectors would imply that certain input must yield optimum outcome. One way of measuring efficiency of a system is to make an analysis of the public expenditure and output in terms of education and health indicators. However, such an analysis has not been attempted here. Although mostly used in economic sense efficiency is also used in other spheres of life to indicate competence. We would try here to highlight such concerns taking help of the existing data on education and health to make an overall assessment of the equity and efficiency issues.

In both these scores country's performance is abysmally poor. Data on education and health are now widely available both from government and nongovernment sources giving us wide spectrum view of these sectors. Since independence India had made much improvement in education sector but compared to even the other comparable countries like China, and some of the other Southeast Asian countries, India's performance is abysmally poor. As per the United Nations Development Programme (UNDP) Human Development Report 2009, the Human Development Index (HDI)³ of India in 2007 was 0.612 on the basis of which India is ranked 132 out of 182 countries of the world.

India's public expenditure per student in percent of GDP per capita is 8.9 in Primary level, 16.2 in Secondary and 55.0 in Tertiary in 2008, which in each level is much less than the 1999 figures- 11.9, 24.7 and 90.8 respectively. Overall public expenditure on education in 2008 is barely 3.2 percent of GDP. This figure is much below 4.5 percent spent by the middle income countries and further below the high income countries and Euro area- 5.4 and 5.3 respectively (World Development Indicators, World Bank, 2010).

For education to begin well preprimary education is of utmost importance but more than 50 percent of the children of 3 to 5 years of age in India are deprived of this facility. While Gross Enrolment Ratio in Primary level is 113 percent, enrolment figures go down with Secondary and Tertiary with 57 and 13 percent. Average enrolment of the middle income countries in Secondary and Tertiary are 67 and 23 and for the high income the figures are 100 and 69 respectively. Enrolment of children of SC, ST and other backward communities, girls and minority children go down even further. A large number of children are out of school.

While primary school completion rate increased from 63 in 1991 to 94 in 2008, there are still a large number of illiterate youths (12% male 26% female). We have many miles to go in case of adult literacy as well, with 25 percent male and 49 percent female illiterates. The comparable figures for the middle income countries are 12 percent and 23 percent respectively.

The total health expenditure as percent of GDP in 2007 in India is 4.1. The percent of public expenditure and percent of out of pocket private expenditure in the country are 26.2 and 89.9 percent respectively. The total health expenditure as percent of GDP in the middle, high and Euro countries are 5.4, 11.2 and 9.7. The percent of public expenditure and private expenditure to the total are 50.2 and 78.8 in middle income and 61.3 and 36.1 in high income and 76.4 and 60.8 in Euro area.

The country is also deficient in access to improved water sources, improved sanitation and child immunization. There are also a large number (69 Percent) under five children with acute respiratory infection, children suffering from diarrhea and tuberculosis.

On the count of reproductive health, the fertility rate has come down from 4 in 1990 to 2.7 in 2000. But birth attended by skilled health staff is low (49 percent) and maternal mortality is as high as 301 per 100,000 live births. The comparable figures for fertility are 2.4, 1.8 and 1.6

³ HDI is calculated taking three indicators: life expectancy at birth, adult literacy rate and Gross Enrolment Ratio (Primary, Secondary and Tertiary combined)

for middle income, high income and Euro area and maternal mortality 320, 10 and 5 respectively in middle, high and Euro area.

EQUITY, EFFICIENCY AND EDUCATION IN ASSAM⁴:

Assam is a Special Category State wherein it is provided assistance from the Central government by way of 90 percent grant and 10 percent loan. However, until 1990, Assam was classified as a Special category State, continued to receive assistance like the non –special category States-30 percent as grants and 70 percent as loan.

The dependence of the State on Central grants has been increasing over the years while at the same time the tax and non-tax revenue sources of the State government have been declining. Significantly, the share of Centrally Sponsored Schemes (CSS) has been increasing in the Central grants compared to the plan grants. The increasing share of CSS in the Central Grants clearly shows that scheme oriented transfers to the State under different programmers in the post reforms period is a notable feature of the fiscal transfers of the Indian government. With 50 percent of the revenue for Assam comprising of Central transfers, of which nearly 30 percent is CSS, it is therefore obvious that expenditure on social sectors will be more dependent on central transfers rather than State's own resources.

The CSS transfers increased particularly from 2005 after the launching of the NRHM and the SSA. These transfers brought in additional revenue for the State and consequent upon this the total expenditure on social sectors as percentage of GSDP increased in the post 2005 period. Although the SSE as proportion of GSDP had increased in the post 2005 period, there has been a gradual decrease in per capita SSE in Assam. The per capita social sector expenditure in Assam that was same with the average for all states during the period 1980-85, declined over the years. Assam ranks seventh from bottom among all the States in respect of its per capita SSE for the period 2005-10.

While there has been an increase in the spending under SSE, but the proportion of expenditure for education had been decreasing. During the period 2000-01 to 2004-05, 65 per cent of the total budgeted expenditure for social services was incurred for education, which came down to 61 percent in 2007-08 and further to 51 percent as per the revised budget estimates for 2008-09.

The proportion of expenditure on education to aggregate expenditure for the State decreased from 26 percent in 2000-01 to 22 percent in 2001-02, the closing year of the Ninth Five Year Plan. It decreased further during the Tenth plan period. This is mainly because of the increasing fiscal deficits and the shortfall in State's own tax and non-tax revenue and gradual fall in plan grants that the State government's expenditure in education had decreased. The State government expenditure on education as percentage of GSDP is far less than the recommended six percent of the GSDP. Given the fact that a little over two percent of the GSDP is spent for elementary education in the State, it is easy to infer the possible outcomes. The situation is

⁴ This section is based on the study conducted by this Institute "Public Expenditure and Performance of School Education in Assam: The Recent Trend", 2010

even worse in case of secondary education where it is less than even two percent of the GSDP. Even this present level of expenditure has been sustained by the CSS transfers rather than spending from state's own resources.

There has been expansion of number of schools during the last two decades, but compared to the All India level, the growth is abysmally low, especially in Primary and Higher Secondary levels. There are still more than 3000 habitations un-served by elementary education institutions. Moreover, the ratio of Upper Primary to Primary schools has also not touched the norms, indicating less access to Upper Primary schooling.

The first condition of equity is the access to education, especially the physical access. Physical access to school education tells about whether the existing schooling facilities are equally available to all sections of people or to all the localities. Normally in Indian condition access to schooling is affected by distance from home, mode of transport, the road system and the geographical terrain. Besides the physical barriers there are socio-cultural barriers that deter a child from accessing school, especially if the child belongs to a poverty ridden family, a girl child or a differentially able child or a child belonging to a conflict ridden society. Physical access is very unevenly distributed throughout the country including Assam. The latest NSSO round (NSS 64 round, 2007-08) revealed that there is huge disparity in access to schools in India, especially at middle and secondary level schools and village children have to walk longer distance than their urban counterparts. Situation in Assam is even worse.

Equity question demands that all children should have access to education as per their growing age and efficiency question demands that input in terms of student entry in particular cycle should lead to optimum number of students completing that school cycle. For instance, 100 students entering in class I in a particular year should lead to 100 students' transition to the next, i.e., the secondary stage at class VIII. But this does not happen. In India only 76 make it till class V at the end of four years out of 100, indicating a huge loss in outputs. In Assam it is even less. Only 60 reach up to class (DISE 2008-09). The system in the country is fraught with high dropout and repetition rate making it highly inefficient.

Physical conditions and facilities in schools are also very poor. With around one third of the school building *Pucca*, Assam has the least number of *Pucca* buildings in the entire country. Around 75 percent of the schools have no boundary walls. Less than 30 percent of the classrooms are in good condition and more than 37 percent of them require major repairs. As many as 56.67 percent of elementary schools are one-room schools. No state in India has such a large number of one-room schools. A large number of schools are without drinking water or toilet facility. Girls' toilets are available barely in 10 percent of the schools. Electricity connection is available hardly in 7.42 percent of schools and computer facility in 3.69 percent. Assam's position in both counts is third from bottom, next to Bihar and Jharkhand.

Data records gradual decline in children attending ICDS centers, which is the main source of Pre-School education. A gradual shift is observed towards private schools in Pre-School as well as in other schools. So far as the teacher component is concerned, there is a huge shortfall in teachers in primary level. Assam has not followed the norms set by NCTE for recruitment of teachers in different levels of school education. Assam is deficient both in terms of teacher qualification and professional training. It is reported to be the only state in

the country, which has not specified any professional qualification for recruitment of teachers at any level of school education. A large number of posts in the teacher training institutes are lying vacant and teachers are also not deputed for training. Besides, teachers' absenteeism is also very high in the state. Teachers' attendance rate in the state is lowest in the country.

The Gross Enrolment Ratio (GER) and the Net Enrolment Ratio (NER) show an increasing trend in the state during the last four years, which is a positive sign, but a large number of underage and overage children are found at the Elementary level. The Gender Parity Index (GPI) in enrolment both in Primary and Upper Primary is high indicating that gender parity in enrolment has been achieved. However, girls' enrolment in Secondary and Higher Secondary levels are lower than that of the boys.

However, it has been observed that the children who are enrolled do not attend school regularly. And children who attend school all of them do not remain in school for the entire period of time. The difference between enrolment and attendance rate in case of Assam is much higher than the average for all the states in the country. Therefore, the fact is that unless all the children aged 6-14 years do not attend school regularly universal elementary cannot be achieved. The attendance rate gets further reduced in Secondary and Higher Secondary stage.

Ultimately a system is judged by its efficiency i.e., how competently it can handle the assigned tasks. The question is how do the children who go through the process complete the schooling cycle and how do they fare in terms of learning and performance? A system could be called efficient if it has reached or nearing the goals of education. Ideally, a system is efficient when all the students entering at the starting class continues till the end of the cycle, without dropping out or discontinuing or repeating a class (because of not learning what was to be learnt) and when tested at the closing stage, comes out successful (know what they should be knowing). Looked from this criterion it was found that of the 100 students enrolled in class I barely 60 go up to class V, indicating a huge loss of outputs. This Apparent Survival Rate (ASR) in the state is below that of the average for all the states in India and there is a decreasing trend in this indicator. Assam records high dropout rates. Highest repletion takes place in class highest dropouts and I occur at the end of class IV, i.e., the terminal year of Primary stage. This indicates that a large number of children have not entered the Upper Primary level, putting the universalisation of elementary education into real jeopardy.

So far as the learning levels are concerned, there is much gap between what they should be able to do and what the children can actually do. On average less than 20 percent children from class I to class VIII could read text meant for class I, and only 33 percent could read text meant for class II. It is most perturbing to find that only 14 percent students of class VIII could read text of class I, while 77.8 percent could read text meant for class II. In examination results too only around 30 percent of children at the end of class IV could pass with 60 percent marks and 22 percent passed with 60 percent marks at the end of class VIII.

It is worth noting that share of central share of funds in expenditure for elementary education in Assam has increased from 17.20 percent in 2002-03 to 43 percent in 2006-07 and further increased to 47 percent till the midterm of the Eleventh Five Year Plan. The resource crunch of the State has been responsible for gradual decrease in share of State investment in

elementary education and therefore dependence on central funds of SSA and MDM which have more thrust on access leaves little scope for investment in quality improvement in education. The budget allocation and expenditure in Assam therefore needs more rationalization keeping in view the fact that qualitative improvements in school education cannot be made without investments in skill up gradation of the teachers. Mere expansion of schools and increasing enrolment without any concomitant improvement in students' results do not deliver the desired results leading to augmentation of low quality human resources for the State. As reflected by the EDI rankings and index values, major weaknesses of the state in its elementary education has been the access and infrastructure at its upper primary section while infrastructure and the teacher has been the major drawback of the elementary education in Assam

HEALTH INDICATORS FOR ASSAM :

While the growth rate of population during the decade 1991-2001 had been less than the all-India average, nevertheless the Crude Birth Rate (CBR) and also the Crude Death Rate (CDR) for the State was higher than the national average.

Demographic and Health indicators for Assam and India

Item	Assam	India
Total population (Census 2001) (in million)	26.66	1028.61
Decadal Growth (Census 2001) (percentage)	18.92	21.54
Crude Birth Rate (SRS 2008)	23.9	22.8
Crude Death Rate (SRS 2008)	8.6	7.4
Total Fertility Rate (SRS 2007)	2.7	2.7
Infant Mortality Rate (SRS 2008)	64	53
Maternal Mortality Ratio (SRS 2004 - 2006)	480	254
Sex Ratio (Census 2001)	935	933
Population below Poverty line (percentage)	36.09	26.10
Female Literacy Rate (Census 2001) (percentage)	54.6	53.7

Source: NRHM, Assam.

The high MMR and the high IMR in the State shows that the women and child health care services in the State is yet to reach a sizeable proportion of the population in the State. The IMR in the State is the fourth highest among the States in India and still continues to be a major area of concern in women and child health care. The under five mortality rate is 85

deaths per 1,000 live births. These rates imply that despite declines in mortality 1 in 15 children in Assam still die within the first year of life and one in 12 die before reaching age five. The NFHS-III shows that infant mortality in rural areas (67 per 1,000 live births) is 16 percent higher than in urban areas (58 per 1000 live births). In the first five years of life, girls in Assam face a higher mortality risk than boys except during the post-neonatal period (1-11 months). The under-five mortality rate for girls is 11 percent higher than for boys.

The data on nutritional requirement to be supplemented from the required food groups show that in Assam among all children age 6-23 months, only 41 percent of children are fed the recommended minimum times per day and 32 percent are fed from the minimum number of food groups. Overall, only 16 percent are fed according to all the three recommended practices by WHO.

Even during the first six months of life, when most babies are breastfed, 30 percent of children are stunted, 22 percent are wasted, and 30 percent are underweight. Children in rural areas are more likely to be stunted, but even in urban areas, 36 percent of the children suffer from chronic under nutrition. Nearly half of children (47 percent) under age five years are stunted or too short for their age, which indicates that they have been undernourished for some time. Fourteen percent are wasted, or too thin for their height, which may result from inadequate recent food intake or a recent illness. More than one-third (36 percent) are underweight, which takes into account both chronic and acute under nutrition. While there has been an improvement in children's nutritional status with respect to height for age (54 percent to 41 percent) and weight for height (19 percent to 17 percent) during 1998-99 to 2005-06, there has been marginal increase in low weight for age category (35 percent to 36 percent) during the same period.

Anaemia is a major health problem in Assam, especially among women and children. Seventy percent of women in Assam have anaemia, including 45 percent with mild anaemia, 21 percent with moderate anaemia, and 3 percent with severe anaemia. The prevalence of anaemia among women is the highest in Assam (along with Jharkhand) than in all other states in India.

Despite the emergence of a number of health insurance programmes and health schemes, only two percent of households in Assam report that they have any kind of health insurance that covers at least one member of the household. Among the various types of programmes, the most common is privately purchased commercial health insurance (46 percent), followed by health insurance through employer (18 percent) and medical reimbursement from employer (16 percent). Health insurance is over five times as common in urban areas as in rural areas, and increases sharply with the wealth status of the household.

CONCLUSION:

Dreze and Sen (1995) pointed out that although the leaders of independent India had the vision of expansion of social opportunities but not much have been done to turn that vision into reality. While focusing exclusively on opening of economy and broadening the reach of the markets, the country lacked any "initiative towards a radical change in social policies, including those in

basic education and elementary health care.” The above scenario both in context of the country as a whole and in Assam as its constituent state reflects precisely that.

Certain core issues need deeper considerations. While there is recognition by the government of India that these sectors need special attention, one finds a gradual shirking off its responsibility as a prime mover. The vision of the 11th Plan emphatically begins *“The 11th Plan provides an opportunity to restructure policies to achieve a new vision based on faster, more broad-based and inclusive growth.”* (Planning Commission, 2006, 1.4, p1). The key element of the strategy for inclusive growth has been mentioned as the all out effort to provide the mass of people the access to basic facilities such as health, education, clean drinking water etc. *“It is important to recognize that access to these basic services is not necessarily assured simply by a rise in per capita income. Governments at different levels have to ensure the provision of these services and this must be an essential part of our strategy for inclusive growth.”* (ibid, p2) While reiterating the need for providing essential public services to the poor the Plan document mentioned *“While both education and curative health services are available for those who can afford to pay, quality service is beyond the reach of the common people. Other privately provided services are of highly variable quality. In this situation, access to essential services can only be through public financing. In most cases this means public provision or partnership with non-profit and civil society organisations.”* (ibid, p6).

An interesting contrast is found in the Economic Survey 2009-10, published by the Ministry of Finance, Government of India. Going by the 11th Plan document one would expect that by 2009-10 the government would be more proactive towards achieving inclusive growth. However, a complete reversal of the role of the state is suggested. It talks of an *enabling state*, which is a government that does not try to deliver to the citizens everything that they need. *“Instead, it (1) creates an enabling ethos for the market so that individual enterprise can flourish and citizens can, for the most part, provide for the needs of one another, and (2) steps in to help those who do not manage to do well for themselves, for there will always be individuals, no matter what the system, who need support and help. Hence we need a Government that, when it comes to the market, sets effective, incentive-compatible rules and remains on the sidelines with minimal interference, and, at the same time, plays an important role in directly helping the poor by ensuring that they get basic education and health services and receive adequate nutrition and food. This rollback on the Government in the former will enable it to devote more energy and resources to and be more effective latter.”* (Ministry of Finance, 2010, p 23)

Now let us consider a case. A study (Das & Dutta, 2010) conducted by Omeo Kumar Das Institute of Social Change and Development in the district of Udalguri, Darrang and Baksa (the three conflict prone areas of the state), revealed that 50 percent of the children below age six in the sample villages are chronically malnourished, with increased tendency of malnourishment in the highly conflict prone villages (69 percent). With weak immunization coverage (only 35 percent households reporting full immunization of their children) adds to the vulnerability of children. Physical challenges faced by these underprivileged children include epilepsy, polio, and impairment in hearing, speech and sight. There are also instances of spastic children.

In these villages the children panic to go to school. Field visit confirmed that there is no congenial school environment to attract children. Ethnic conflict prevalent in those localities creates fear psychosis. School dropouts constitute around 13 percent of the children under 18 years. Poverty, alcoholism and domestic violence dominate the scene. Hostile home environment often forces the child to leave home and continue education from relatives' home. Field visit also revealed poor intellectual development of children. High rate of teacher absenteeism has been observed.

Now the question is what kind of enabling ethos would be created so that market forces would step in to help out these hapless people? The structured inequity prevalent throughout India is too critical to be left to market forces. In the words of the above document of Ministry of Finance "For achieving inclusive growth there is critical need to rethink the role of the state"-but surely differently.

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