

Interstate Disparity in Development: A Cross Sectional Study of Indian States

Dr. Arati Bharali*

Abstract

Development is a process that creates economic growth with the positive changes in social, environmental and demographic atmosphere of a society. For the adequate level of development in the economy, development of human resource becomes as a prerequisite. Education and health are the two most important determinants of human resource. Better health means reduction of death rate including infant mortality rate (IMR) and maternal mortality rate (MMR). Again, reduction of IMR has an indirect effect on reducing the birth rate of the society. India has different levels of development in different regions. The level of the basic facilities of life like drinking water facility, electricity facility, and sanitation facility differs across regions. Again, the number of people living below the poverty line and status of health among the individuals differs across states. Therefore, there is a need to know the divergences in development of the states across various regions. To know the interstate disparity an index has been constructed by adopting the method of constructing Human Development Index (HDI) by UNDP. The self constructed index can be captured by eight selected indicators. The empirical result from the data shows that the overall index value for the country India is 0.51. It can be stated that India is moderately developed. The same is the case for the state Assam having the index value of 0.59. Punjab is the highly developed state and Manipur is the least developed state. Majority of the states of India are moderately developed on the basis of these eight indicators.

Key words: Development index, Education, Health, Human resource development, Poverty.

1.0 Introduction

Development is a process that creates economic growth with the positive changes in the social, environmental and demographic aspects of a society. With

* Assistant Professor, Department of Economics, Tezpur College, Tezpur, Assam.

the introduction of the new endogenous growth theory by Schultz (1961; 1971), Bowman (1966) and Becker (1975), human resource has been regarded as an important factor for economic development along with other physical factors of production. Human resource development is placing people at the centre of development. Bringing about development of the people, by the people and for the people will lead to development of the whole society. The main theme of 1996 Human Development Report was: "Human development is the end; economic growth a means." The Report argues that economic growth, if not properly managed, can be jobless, voiceless, ruthless, rootless and futureless, and thus detrimental to human development (HDR, 1996). The quality of growth is therefore as important as its quantity; for poverty reduction, human development and sustainability. Again economic growth is not sustainable without human development. There is a two-way relationship between human resource and economic development.

Human resource, if not engendered, is endangered. Given this problem, world leaders attending the United Nations Millennium Summit in September 2000, adopted Millennium Development Goals (MDG) of a set of 8 goals including the eradication of poverty and hunger; achieving universal primary education; gender equality; reducing child mortality etc, that establish concrete, time-bounded targets for advancing development by 2015 or earlier.

2.0 The Factors

For the adequate level of development in the economy, development of human resource becomes as a prerequisite. Education and health are the two most important determinants of human resource. Better health means reduction of death rate including infant mortality rate (IMR) and maternal mortality rate (MMR). Again, reduction of IMR has an indirect effect on reducing the birth rate of the society. Low level of birth as well as death rate can be an indication of development of a country. Access to safe drinking water and sanitation is a prerequisite to reduce the death rate including IMR and death of the children under 5 years. India is providing safe drinking water to a population of 82.7 percent in rural and 91.4 percent in urban areas (Census of India, 2011). Again the Government of India has made the target of offering universal sanitation to each household by 2012.

Nowadays, electricity facility is also included under the basic facility of mankind. A huge section of the population in India is deprived of this basic facility. Hence, there is a need to understand the interstate disparities in this concern.

Due to mass poverty the population of the developing countries such as India are not only deprived of the basic facilities of life; but are also poor in their health status. In this regard it is necessary to analyse poverty in India state wise. The Government of India is undertaking measures to reduce its poverty since its independence. Yet poverty was assumed to be reduced with the increasing growth rate of the country till 1970s. After that only different poverty alleviation programme had begun. However, interstate disparity prevails in the country regarding poverty.

3.0 Significance of the Study

India, being the second largest populated country of the world, has different levels of development in different regions. The level of the basic facilities of life such as drinking water facility, electricity facility, and sanitation facility differs across regions. Again, the number of people living below the poverty line and status of health among individuals differ across states. Thus, there is a need to know the divergences in development of the states across various regions on the basis of certain indicators such as access to basic facilities of life, poverty, health status.

This paper examines the interstate disparities among Indian states. The paper will also analyse how the development of the states differs on the basis of this disparities.

4.0 Objectives of the Study

The study seeks to:

- (1) Analyse interstate variation in development across Indian states.
- (2) Recognise the highly developed as well as lowly developed states of India.

5.0 Methodology

The present study covers data relating to interstate comparison across different states of India. The study is mainly based on secondary sources. Data of 35 states in India has been collected for the year 2014. The methodology adopted is both qualitative and quantitative.

To know the interstate disparity an index has been constructed by adopting the method of constructing Human Development Index (HDI) by UNDP. The self constructed index can be captured by some selected indicators. Thus, drinking water within premise, electricity facility, sanitation facility, percentage of population living below the poverty line in rural as well as urban area (by using Tendulkar methodology), birth rate, death rate, infant mortality rate etc. are some of the indicators which will show how the performance of states are different depending on these indicators. For this data has been collected from Government reports such as Reports of NITI AAYOG, Census data 2011 and Office of the Registration General of India (SRS Bulletin).

For constructing the index eight indicators have been taken as proxy to know the differences across states. These eight indicators are further regrouped into three categories, viz., Basic facility dimension (BFD): drinking water within premise, electricity facility, sanitation facility; Poverty dimension (PD): percentage of population living below the poverty line in rural as well as urban area; Health dimension (HD): birth rate, death rate, infant mortality rate. After that, maximum and minimum values for all the indicators have been calculated. Weights have been assigned thus: for BFD it is one third for each indicator, for PD it is half for each indicator and for HD it is one third for each indicator. Formula for calculating dimension indices is,

$$D_i = \left[\frac{ActualX_i - MinimumX_i}{MaximumX_i - MinimumX_i} \right]$$

Where:

D_i = Dimension Index; Actual X_i = Particular value of the indicator for which index value is constructed; Maximum X_i = Maximum value among the values of the indicator concerned; Minimum X_i = Minimum value among the values of the indicator concerned.

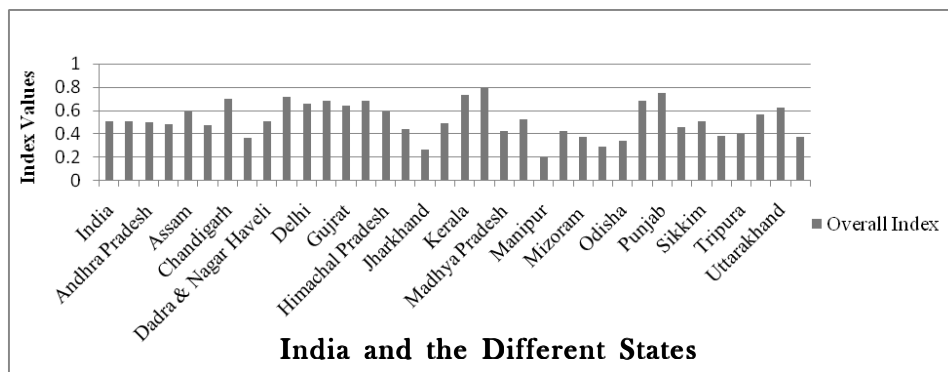
The overall indices for each state have been constructed thereafter by using the values of the dimension indices. It is the average of the three dimensions.

6.0 Results and Discussion

The empirical result from the data shows that the overall index value for the country India is 0.51. It can be stated that India is moderately developed depending on these eight indicators. The same is the case for the state Assam having the index value of 0.59. Punjab is the highly developed state with 0.75 index value among all the Indian states. The second position is occupied by Lakshadweep (index value = 0.79). Out of all the thirty five states the least developed state is Manipur with index value 0.2. The second last position is for the state Jharkhand with index value 0.27 (Construction of index values is shown in table in the Appendix).

A total of 20 states out of 35 Indian states have an overall index value more than 0.5. Hence, it can be concluded that majority of the states of India are moderately developed on the basis of these eight indicators. Again, none of the states in India is highly developed as none has an index value greater than 0.8. The remaining 15 states are lowly developed having index value less than 0.5. For India as a whole, the result goes with the majority of the states. Figure 1 gives an overview of the status of development of Indian states. Here it is observed that most of the states lies within the index value 0.5 to 0.8.

Figure 1 Overall Index of Development for India



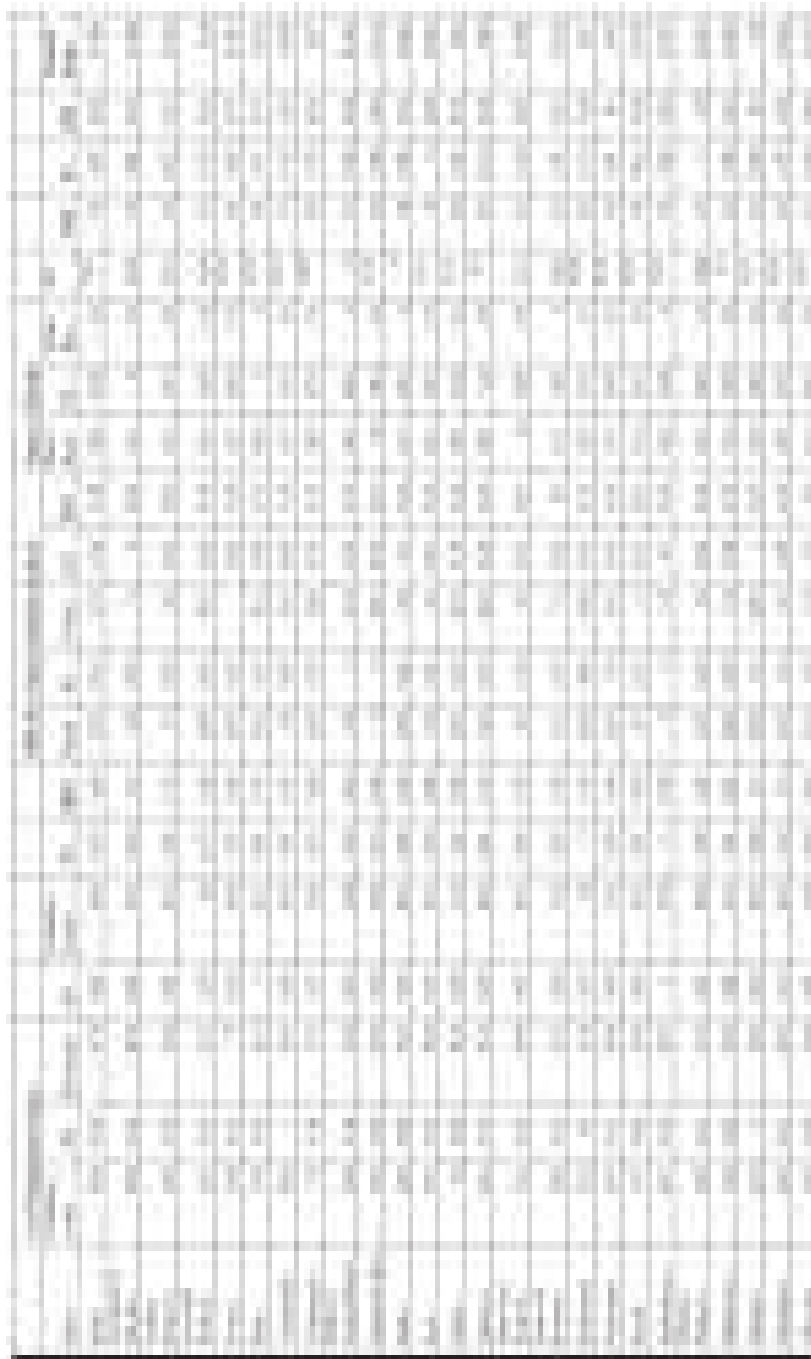
Source: Author's representation of data

7.0 Conclusion

India is a country having second largest population of the world. The problems of the states differ depending on the socio-political, geographical, economical and regional variations. The provision of basic facilities required for life differs across states. Hence, the status of health of the individuals differ. All these factors create dissimilarity in the level of development across states. Some states become lowly developed and others moderately developed. This necessitates proper central policies to meet the canon of equity in the development of a country.

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State/UT	IMR	DI	BFD	PD	HD
Andhra Pradesh	10.5	1.0	1.0	1.0	1.0
Assam	10.5	1.0	1.0	1.0	1.0
Bihar	10.5	1.0	1.0	1.0	1.0
Chhattisgarh	10.5	1.0	1.0	1.0	1.0
Goa	10.5	1.0	1.0	1.0	1.0
Gujarat	10.5	1.0	1.0	1.0	1.0
Haryana	10.5	1.0	1.0	1.0	1.0
India	10.5	1.0	1.0	1.0	1.0
Karnataka	10.5	1.0	1.0	1.0	1.0
Kerala	10.5	1.0	1.0	1.0	1.0
Madhya Pradesh	10.5	1.0	1.0	1.0	1.0
Madhesh Pradesh	10.5	1.0	1.0	1.0	1.0
Odisha	10.5	1.0	1.0	1.0	1.0
Punjab	10.5	1.0	1.0	1.0	1.0
Rajasthan	10.5	1.0	1.0	1.0	1.0
Tamil Nadu	10.5	1.0	1.0	1.0	1.0
Uttar Pradesh	10.5	1.0	1.0	1.0	1.0
West Bengal	10.5	1.0	1.0	1.0	1.0

Source: (1) NITI AAYOG
 (2) Office of the Registration General of India (SRS Bulletin V0l 51 No 1)
 (3) Census of India, 2011 (Govt. of India)

Note: IMR = Infant Mortality Rate, DI = Dimension Index, BFD = Basic Facility Index, PD = Poverty Index,
 HD = Health Index