

ISSN : 0975-9999

SELP JOURNAL OF SOCIAL SCIENCE

VOLUME - 1

July - September 2010

ISSUE 3

Date of Issue : 30th July 2010

Single Issue : Rs. 125

POVERTY TARGETING METHODS IN THE INDIAN ECONOMY
MILITANCY AND WOMAN IN KASHMIR VALLEY
FINANCIAL PERFORMANCE OF PUBLIC SECTOR BANKS
PROBLEMS AND PROSPECTS OF TOURSIM DEVELOPMENT
GENDER EQUALITY IN INDIA
PRESENT SCENARIO OF BANKING SECTOR
INTER-STATE DISPARITIES IN HUMAN DEVELOPMENT
WOMEN EMPOWERMENT IN INDIA
FINANCIAL INCLUSION - AN ECONOMIC GROWTH DRIVER
EXPORTS PROBLEMS AND PROSPECTS OF SEAFOOD INDUSTRY



Social Empowerment of Local People Trust

www.selptrust.org
E.mail : tamilself@yahoo.in

INTER-STATE DISPARITIES IN HUMAN DEVELOPMENT IN INDIA

Dr. (Mrs.) R. Annapoorani, Professor, Dept. of Economics, Avinashilingam Deemed University for Women, Coimbatore-43.

Ms. P.K. Sudha, Research Scholar, Dept. of Economics, Avinashilingam Deemed University for Women, Coimbatore-43.

ABSTRACT

Difference between the economic growth and the human development is that of the first focuses exclusively on the expansion of only one choice - income, while the second embraces the enlargement of all human choices - whether economic, social, cultural or political. A comprehensive set of social and human development indicators needs to be evolved to monitor plan progress. In addition to Gross National Product growth rates, annual assessments on the performance on human development front, changes in relative and absolute poverty levels etc. need to be carried out.

Introduction

Human progress is conditioned by the conception of development. Until the end of 1980's, development is often viewed as growth in income. An attempt at rapid growth of the economy has resulted in massive industrialization programmes, which in most nations was unplanned and unsystematic. Consequently, migration to towns and cities, unplanned urbanization with unhygienic and slum conditions of living, pollution, overpopulation, poverty and unemployment were the common features characterizing the lives of the masses, resulting in a deterioration in the quality of life.

Sen (1997) argues that, "Economic growth cannot be sensibly treated as an end in itself. Development has to be more concerned with enhancing the life we need and the freedom we enjoy. In this sense, economic growth is considered as a means to achieve human development. The purpose of development is human development and enhancing the freedoms of the people."

"The phrase human development was used to denote "widening of choices through enhancement of capabilities" rather than expansion of commodities. Capabilities were understood to have 'positive' connotation. A capability could be equated with a trait of skills, enhancement of one's choices without limiting those of others. Living longer, being healthy, being literate and acquiring such traits of persons that help one choose from a wider set of commodities have always been constant endeavour of human race.

The Human Development Report (HDR) was first launched in 1990 with the single goal of putting people back at the center of the development process in terms of economic debate, policy and advocacy. It states, "Human development is a process of enlarging

People's choices. In principle, these choices can be infinite and change overtime. But at all levels of development, the essential ones are for people to lead a long and healthy life, to acquire knowledge and to have access to resources needed for decent standard of living. If these choices are not available, many more opportunities remain inaccessible." According to the Human Development Report (2004) in today's diverse world, human development is first and foremost about allowing people to lead the kind of life they choose and providing them with the tools and opportunities to make those choices.

At the world level, there have been variations in human development between countries.

In 2004, out of the 174 countries for which the Human Development Index was calculated, 63 were in high human development category, 64 in the medium category and 47 in the low category.

The Human Development Index (HDI) is a tool used to measure the non-income dimensions of the quality of life. It is a composite index of three basic components of development -

- ❖ Longevity - Longevity was always measured in terms of life expectancy at birth, and it is taken to reflect total health conditions of people.
- ❖ Educational attainment - Knowledge was measured by adult literacy rate and mean years of schooling with 2/3rds and 1/3rd weights. Still later, mean years of schooling was replaced by combined enrolment ratio.
- ❖ A decent standard of living - level of living was represented by a transformation of per capita income. As the exercise was international in nature and exchange rate was found to be a poor indicator of comparative purchasing power, the UNDP measured per capita income in purchasing power parity dollars, which was transformed.

In India, there have been limited research studies focusing on inter-State disparities in human development. The existing studies - Sivakumar (1991), Chandrasekaran (2007), Jaganathan and Ramaswamy (2007) tried to compare human development index for various States for a selected year. But there is lack of research effort on analyzing the trend in human development for various States over a period of time.

Hence, the current study on "Inter-State disparities in human development in India" was formulated with the following objectives:

- i. To analyze the different indicators of human development in various States and
- ii. To estimate human development index for different States.

Methodology

The study was related to 15 major Indian States each having a population of above 10 million in 2001. The study was based on the data relating to life expectancy at birth, literacy rate, infant mortality rate and per capita net State domestic product for different States of India. The study was related to the period 2001 and required information was compiled from various issues of Economic Survey, Census of India 2001, State profile of India and Statistical Abstract, 2004.

Following the definition and formulation of human development index by the United Nations Development Programme (1990), the study tried to estimate human development index for the selected states. Human development index is a composite index of four basic indicators of human development. Educational attainment is measured by literacy rate.

Health is measured by life expectancy at birth and infant mortality rate and standard of living is measured by per capita net State domestic product.

For the construction of the HDI, fixed maximum and minimum values have been established for each of these indicators:

Life expectancy at birth	:	25 years and 85 years
Adult literacy rate	:	0 percent and 100 percent
Combined gross enrolment ratio	:	0 percent and 100 percent
Real GDP Per Capita (PPP \$)	:	\$100 and \$40,000

For any component of the HDI, individual indices are calculated according to the general formula:

$$\text{Index} = \frac{\text{Actual value} - \text{Minimum Value}}{\text{Maximum Value} - \text{Minimum Value}}$$

For finding Income Index, following the work of Sen and Anand (1999) the following formula is applied:

$$W(Y) = \frac{\log Y - \log Y \text{ mini}}{\log Y \text{ max} - \log Y \text{ mini}}$$

Human development index is a simple average of health index, educational attainment index and standard of living index.

Findings of the study:

(i) Indicators of human development for various States of India:

Life expectancy at birth was the highest in Kerala (73.3) and lowest in Madhya Pradesh (58.6). Similarly literacy rate was the highest in Kerala (90.92 percent) and lowest in Bihar (47.53 percent). Infant mortality rate was the lowest in Kerala (16) and highest in Orissa (98). On the basis of per capita net State domestic product, the various States of Indian economy is grouped into developed States and backward States. In the former category, we have Maharashtra, Gujarat, Haryana, Tamil Nadu, West Bengal, Punjab, Karnataka, Andhra Pradesh and Kerala and in the later, we have Assam, Bihar, Rajasthan, Orissa, Madhya Pradesh and Uttar Pradesh.

(ii) Estimation of human development index for various States of India during 2001

During 2001, the highest magnitude of human development index was found in the place of Punjab (0.623), Maharashtra (0.622) and Haryana (0.621) and Kerala occupied the fourth place (0.619) and the lowest had occurred in case of Bihar (0.498). For some States like Punjab, Maharashtra, Haryana, Uttar Pradesh and West Bengal, the income rank (per capita net State

domestic product) was significantly ahead of their human development index rank showing that these States were having considerable potential for translating their incomes into improved well-being of the people.

Measures recommended:

The study recommended the following measures to improve human development:

- a) Development models have to be people centered and should be effective and sustainable. New partnerships are to be made between the State and the market, which can continue market efficiency with social sensitivity.
- b) Plan targets would first be expressed in terms of basic human needs and only later translated into physical targets for production and consumption. Thus there would have to be a clear exposition of the targets for average nutrition, education, health, housing, etc.
- c) If human beings are to be declared the ultimate of economic planning, adequate steps are required to ensure their full participation in planning. Thus, a human development strategy must be decentralized. The beneficiaries need to be involved fully in planning for themselves and then in implementing the plan that is finally drawn up and.
- d) A comprehensive set of social and human development indicators needs to be evolved to monitor plan progress. In addition to Gross National Product growth rates, annual assessments on the performance on human development front, changes in relative and absolute poverty levels etc. need to be carried out.

References

Books:

- Sen, Amartya. 1997: India – Economic development and social opportunity. Delhi: Oxford India Paper Backs. 43.
- Mandal, Debabrata. 2002: Inter State Comparison of Human Development in India – An alternative measure. *In* Human Development and Economic Development. Ed. New Delhi: Academic Foundation. 197-209.
- Gandhi, Jegadish. 2003: Globalised Indian Economy contemporary issues and perspectives. New Delhi: Deep and Deep Publications. 47-59.
- Misra & Puri. 2004: Indian Economy. Mumbai: Himalaya Publishing. 129-130.
- Streeten, Paul. 1996: Reflections on Human development. Delhi: Oxford University Press. ix-xiii.
- Raj Kapila and Uma Kapila. 2002: Economic Development in India. New Delhi: Academic Foundations. 161.

Journals:

- Bindu. P. Verghese and Damayanthi. 2006: Disparities in and Channels to Human Development. *Man & Development*. 28(3). 11-22.

Reports:

- Census of India. 2001. Government of India.
- Economic Survey. various issues. Government of India. Ministry of Finance and Economic Affairs. Economic Division.
- Human Development Report. Government of India. Various issues.
- State Profile of India. Government of India. Various issues.