

INTER-REGIONAL DISPARITIES IN THE POSSESSION OF PRIVATE CAPITAL—A CASE STUDY OF ORISSA.

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Inter-regional disparities in the context of growth has always attracted the attention of both the academicians and politicians alike. Quite substantial literature exists on the international disparities. Mention may be made of the three authors, namely S. Kuznets,¹ Baldwin², and Rosenstein Rodan³. The considered opinion appears to be that the "gap" between the rich and non-rich countries is widening. At the national level, the works on changes in the inter-regional disparities are not many. However, in an interesting study⁴ S. K. Rao comes to a conclusion which is at variance with the experience at the international level. Rao observing the inter-state economic distance at two different points of time, comes to conclude that "from this it appears that the grouping has remained stable—the most advanced groups now contains only West Bengal and Maharashtra, the next most advanced group has gained in numbers with the addition of Gujarat and Andhra Pradesh, all other states seem to have experienced no change in their status of development.....that the groups continued to contain broadly the same states, suggesting that regional disparities have not been reduced in the course of 15 years of planning".

In the present paper an attempt is made to study the changes in the regional disparities within a state, the disparities being measured are in terms of possession of private capital. The major interest is to see whether the disparities between the advanced districts and the backward districts have grown, decreased or remained static. In other words, the attempt is to see whether the intra-state regional disparities have followed an inter-national model of widening disparities or the national model of constant disparities or whether the disparities have decreased.

¹ See S. Kuznets, *Economic Growth and Structure*, Selected Essays pp. 142-175, Oxford & IBH Publishing Co., 1969.

² See R. E. Baldwin, *Economic Development and Growth*, John Wiley & Sons, Inc. New York, 1967.

³ See P. N. Rosentain-Rodan, *The Have's and the Have-not's around the year 2000*, in *Economics and World Order*, (eds.) by Jagadish N. Bhagawati, Orient Longman Ltd., Bombay, 1972.

⁴ See S. K. Rao, *A note on Measuring Economic Distance between Regions in India*, *Economic and Political Weekly*, Vol. VIII, No. 17, 73.