

Growing Regional Disparity in Uttar Pradesh: Inter-District Analysis

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This paper analyses inter-district disparity in Uttar Pradesh in three cross-section period 1990-1991, 2000-2001 and 2010-2011. It uses five sectors for measuring disparity, i.e., agriculture, industry, services, education and health and 46 sub-indicators which explain economic and social development in the state at district level. On the basis of composite index, it has identified the backward or disadvantaged regions across the state. The result of Principal Component Analysis (PCA) suggests that inter-district disparity has declined over the period and there is a sign of convergence. The empirical findings show that law and order, share of non-farm income and health development are the indicators which have influenced the level of development. It is time to take appropriate steps to bridge the gap between core and periphery regions.

I Introduction

The problem of disparity in economic attainment has been the most important issue of debate among economists and a major cause of concern for the policy-makers the world over. It is a matter of debate whether inter-regional or intra-regional disparity is aggravated during the process of development, i.e., economies and regions diverge as development takes place or whether they converge. The French economist Perroux (1955) was one of the first who asserted that growth does not appear everywhere at the same time and manifests itself in points or poles of growth with variable term effects of the economy as a whole. This idea was developed further by Myrdal (1957) who explained the impact of the growing region on the rest of the economy with the help of two opposite kinds of forces: backward and spread-effects. The former refers to all adverse effects like movement of labour, capital and trade, from the backward to developed regions as development takes place. These economic forces are reinforced by non-economic factors like the inferior status of public utilities, poor health of the people and discouraging social climate and value system. The cumulative process evolves upwards in the prosperous regions and downwards in the backward regions. On the other hand, spread effect works through increasing demand for the agricultural products of the backward regions, stimulates technical advancement and proliferation to the backward regions, boosts demand

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