



Addressing Regional Disparities in India

A Critical Analysis of the Aspirational Districts Program

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Abstract: For planners and policy makers in India, the inter-state/regional difference has been a significant obstacle. Despite numerous development initiatives, regional disparities continue to exist over time. In terms of the availability of infrastructure, there was a significant divide between the bustling and dynamic region and the hinterland during the time before independence. This shows an uneven level of growth in and of itself. The regional difference has increased during the course of the subsequent five-year plans. The aim of this research is to understand the issue of regional disparities in India, with special reference to the unequal distribution of resources, development, and opportunities across various regions.

Index Terms - inequality, regional disparities, development, resource, economy.

I. INTRODUCTION

The issues of regional disparity are essentially universal in nature, albeit their severity varies from country to country. The term 'disparity' derives from the Latin word *disparitas*, which means "divided." Regional disparity is defined as a condition in which diverse metrics such as per capita income, consumption level, food availability, agricultural and industrial development, and infrastructure development differ among areas. India, with its vast geographic and cultural diversity, faces significant challenges in achieving balanced regional development., the unequal and uneven development has been a major challenge towards India's path of development over the years. This research is an attempt to explore the issue of regional disparities in India, while focusing on the unequal distribution of resources, development, and opportunities across various regions.

In doing so, firstly This study analyzes the causes behind regional disparities, examines initiatives to address these inequalities. The paper then briefly analyses Aspirational District program which aimed at inclusive development. Finally, the paper argues that by understanding the complexities of regional disparities and implementing appropriate policies, India can strive towards inclusive and sustainable development.

There has not been much theoretical research on regional disparity in India. However, academics that study development issues have produced a great deal of empirical work. In terms of regional growth, Prof. Mathur (1987) explains the geographical discrepancy. The majority of empirical studies on regional differences in income and consumption show that there is a growing tendency of disparity. According to Das and Barua (1996), the Indian economy is still expanding at the expense of increasing regional inequality. In the view of Dreze and Sen (1995), there has been a great deal of diversity in regional development, leading to striking internal diversities. Dutt and Ravallion opine that long-term improvements in rural living have varied throughout Indian states.

Regional disparities in India refer to the unequal distribution of resources, opportunities, and development outcomes across different regions of the country. India is characterized by significant variations in economic growth, infrastructure, social indicators, and standards of living among its states and districts. These disparities are influenced by a range of factors, including historical legacies, geographic location, natural resources, policy priorities, and social and cultural dynamics. Let us look causes of regional disparities in detail.

II. CAUSES OF REGIONAL DISPARITIES

Regional differences in India, as in other emerging countries, stem mostly from colonial authority. At the time, places further distant from the sea shore began to lag behind those closer to it, albeit the inequalities in development status were also influenced by other causes that cannot be assigned only to the colonial period.

Disparities in per capita income can be explained by Colin Clark's economic sector thesis, which states that income levels are higher in places where a greater share of the working population is employed in manufacturing and tertiary sectors. Per capita income has tended to be greater in states with a higher proportion of the population working in tertiary vocations. Further, the early pattern of railway development influenced the location pattern of industrial growth in the past. In accordance with Gunnar Myrdal's thesis, these industrial location centres have attracted a significant percentage of industrialization due to aggregation economies.

While historically, industrialised countries have had more efficient governance structures in terms of skills, responsiveness, and delivery system quality. Good governance, unlike wealth, which is highly mobile across regions and continents, cannot be transplanted in an area since it evolves primarily within the existing socio-political framework over time (Kumar et.al., 2020).

The development of infrastructure has been a connected historical aspect. The more developed regions owe it to their built-in infrastructure dating back to their days as princely states. In some places, princely states paid little attention to progress, claiming to be messengers of God or something, and believing they were born to reign.

Similarly, in recent years, the government's budgetary assistance for infrastructure financing has declined significantly. Developed countries, particularly large cities and towns, have been the primary recipients of both domestic institutional money and external help.

Moreover, term-lending institutions' and commercial banks' operations have also demonstrated a clear trend to concentrate investments in relatively more developed countries. Subsidised lending by banks for financing priority credit, as well as refinancing facilities provided by financial institutions, have enabled richer states to have more access to investible money at reduced rates. Similarly, the RBI's approach of full cost recovery for urban basic services and severe financial discipline imposed on state governments has resulted in greater concentration of money in developed states and major cities.

Also, there is a clear geographical imbalance and disparity in the availability of educational and training facilities across the country, particularly in technical education. The country's public finance system's operations have also aided in the development and escalation of inter-State imbalances. When compared to high income States, low-income States have lower levels of public investment, infrastructure growth, and administrative service standards, which perpetuates inequities. Subsidised loans from the federal government have resulted in regressive inter-governmental transfers, allowing inhabitants of wealthy states to export a sizable percentage of their tax burden to those of poorer states.

India has chosen a skill-intensive path to progress in light of the growing globalisation; already, wages for skilled work are rising. In this circumstance, businesses need to be large in order to assure the efficient utilisation of labour that is in high demand. However, only states with rapid population growth have the environment and infrastructure needed for scalability. This highlights discrepancies even more. Prior to the reform, the public sector was crucial in preserving regional equality by allocating resources to underdeveloped regions. This process has weakened as a result of the public sector's shift in focus as a result of the reforms. The private sector and production that is focused on exports now have more freedom and vigour thanks to the economic changes. These industries, which sought to lower costs and become more competitive, were drawn to regions that were comparatively more developed. Investment and activity moved to these regions as a result, enhancing the divergence pressures. In other words, the higher infrastructure spending makes the wealthier states richer. Between infrastructure and real per capita gross state product, a substantial positive link has been found across states (Kumar et al., 2020).

III. MEASURE TO REMOVE REGIONAL DISPARITIES

The many initiatives made to eliminate or lessen regional differences include

Firstly, Resource Transfers from the Centre to the States, Weighed Favourably Backward States. The resource transfers are handled by the Finance Commission for non-plan transfers and the Planning Commission for transfers that primarily include plans. The Planning Commission works with the appropriate government departments to establish the location of Central projects and Centrally-sponsored programmes during the planning process.

According to a recent study on the subject, relative to their wealthy counterparts, the poorer states have been receiving a proportionately higher quantity of funding for developmental purposes. Secondly, Priority is given to programmes that spread throughout the entire region in the shortest amount of time. The programmes in agriculture, community development, irrigation and power, transport and communications, and social services have the broadest reach and are designed to give people in every region access to the most fundamental facilities and services. Since these programmes are a component of state plans, it is primarily via the shape that state plans are given and the changes that they undergo during the plan period that the advantages of development are spread throughout the entire nation (Sarabu, 2016).

Thirdly, Providing Facilities in Regions with a Lack of Industrial Development. River Valley Projects are a major component of some States' Plans, and significant expenditures have been undertaken. These and other initiatives are crucial for the development of the nation's wide areas, some of which are underdeveloped or suffer from shortages, unemployment, or both. The most remote locations benefit from development when agricultural production, community development, education, and health activities are implemented. Fourthly, Programmes for the Expansion of Village and Small Industries. Village and small industries are dispersed throughout the nation, and different types of assistance from the Central and State Governments are made accessible in the areas in accordance with programmes implemented. Every State has established industrial estates, and they are rapidly being built in smaller towns and rural areas. Fifthly, diffusion of Industrial Activity. Wherever it was possible to do so without compromising crucial technical and economic requirements, the claims of relatively underdeveloped areas have been taken into consideration in the location of public sector undertakings. Numerous significant projects' locations have been chosen based on professional analysis and economic factors. However, given they are located in previously underdeveloped industrial districts, the latter will gain. While proximity to raw materials and other economic factors have obviously been important in choosing locations for basic capital and producer goods industries, it is believed that in a wide range of consumer goods and processing industries, it is possible to foster a regional pattern of development. New processes and new applications for raw materials have helped industry to spread to some extent. Care must be taken to preserve a balance in the regional dispersion of industrial operations in order to support such aspects (Kumar et al., 2020).

Further, programmes for the Development of Backward Areas. The current strategy for the development of backward areas consists of a number of unique programmes wherein monies are supplied in addition to those allotted for regular sectoral programmes. The Aspirational district program is a recent major initiative taken by the government of India. The ensuing part of this paper analyse the significance of this program.

IV. ASPIRATIONAL DISTRICT PROGRAM

The Aspirational Districts Programme (ADP), introduced by the Honourable PM in January 2018, intends to rapidly and effectively transform 112 of the nation's most underdeveloped districts. Convergence (of Central & State Schemes), Collaboration (of Central, State level Nodal Officers & District Collectors), and Competition (among districts by monthly delta ranking) are the program's three main pillars. All three are motivated by a large-scale movement (UNDP, 2020).

With States serving as the primary motivators, this programme focuses on each district's strengths, identifying areas for quick improvement and tracking success by ranking districts regularly. The ranking is determined by the incremental improvements made across 49 Key Performance Indicators (KPIs) organised into five major socioeconomic themes: health and nutrition, education, agriculture and water resources, financial inclusion & skill development, and infrastructure.

The government's "*Sabka Saath Sabka Vikas aur Sabka Vishwas*" initiative aims to improve citizens' quality of life while promoting inclusive growth. This programme places a strong emphasis on enhancing people's capacity to fully participate in the booming economy in order to facilitate utilisation of their potential. By competing with and learning from others in the spirit of competitive & cooperative federalism, districts are pushed and encouraged to first catch up with the best district within their state, and then aim to become one of the best in the nation.

With the goal of accelerating development at the district level, NITI Aayog collaborates closely with the relevant line Ministries and a number of development partners. Additionally, the districts are urged to create and spread best practises that promote development across the socioeconomic themes. In essence, the Aspirational Districts Program seeks to localise the Sustainable Development Goals, resulting in the advancement of the country. The performance of the Aspirational Districts can be viewed on the "Champions of Change" public domain portal at championsofchange.gov.in (Niti Aayog, n.d.).

Aspirational District Program: a brief analysis

The ADP's theory of change rests on three pillars: Competition, convergence, and collaboration. Competition fosters accountability on district governments for final outcomes (instead of inputs) using high-quality data. Convergence creatively brings together the horizontal and vertical tiers of the government. Collaboration enables impactful partnerships between government, philanthropy and civil society.

Of the Aspirational Districts, NITI Aayog plays a mentoring role in 27 districts in eight states, home to about 60 million people. Twelve central government ministries have similarly adopted the remaining districts. A simplified ranking index with few but carefully chosen output and outcome measures will more clearly signal national development targets, while providing autonomy to local governments.

4.1 Successful Outcomes of ADP

Improved Health and Nutrition: The program has focused on enhancing healthcare infrastructure, access to healthcare services, and nutrition outcomes in the target districts. As a result, there has been a notable improvement in key health indicators, including maternal and child health, immunization rates, and reduction in malnutrition rates.

Quality Education: The program has emphasized improving the quality of education and enhancing learning outcomes in the identified districts. Efforts have been made to strengthen school infrastructure, provide necessary learning materials, and enhance teacher training. As a result, there has been a significant improvement in enrollment rates, retention rates, and learning outcomes among students (Sarabu, 2016).

Infrastructure Development: The program has played a vital role in addressing the infrastructure gaps in the aspirational districts. Efforts have been made to improve roads, bridges, electricity supply, water and sanitation facilities, and connectivity. This has enhanced access to basic amenities and boosted economic activities in these regions.

Skill Development and Employment Opportunities: The Aspirational Districts Program has focused on promoting skill development initiatives to enhance the employability of youth in these regions. Skill training programs and entrepreneurship development initiatives have been implemented, leading to increased employment opportunities and income generation.

Financial Inclusion: The program has prioritized financial inclusion by promoting access to banking services, insurance schemes, and credit facilities in the identified districts. This has empowered individuals and communities economically and facilitated access to formal financial services.

Agriculture and Rural Development: The program has emphasized agricultural development, diversification, and enhancement of rural livelihoods in the target districts. Initiatives like soil health cards, access to modern farming techniques, promotion of horticulture, and livestock development have contributed to increased agricultural productivity and income for farmers.

Community Participation and Governance: The Aspirational Districts Program has fostered community participation and involvement in the development process. It has encouraged participatory planning, community engagement, and transparency in governance. This has led to the active involvement of local communities in decision-making and the effective implementation of development initiatives.

Recognition and Awards: Several districts participating in the Aspirational Districts Program have shown remarkable progress and have received recognition and awards for their achievements. This has boosted the morale of the districts' administration, encouraged healthy competition among districts, and highlighted successful models of development (UNDP, 2020).

4.2 By Analysing ADP in various States

Front-level employees' autonomy over processes, along with accountability for results, define high-performing organisations.

This slogan is the foundation upon which the ADP is formed, and the district-ranking index can be further enhanced to more accurately reflect this. In this regard, there are four aspects that are crucial. First, leading state- and district-level activities in districts with and without ADP in the program's priority areas. Second, local governments focus their efforts and enhance programme implementation and design as a result of competition for results. Thirdly, the emphasis on results encourages local

innovation based on a clear understanding of the facts on the ground. Fourth, partnerships between different nonprofit and civil society groups and district governments strengthen local capability (UNDP, 2020).

As with any project of this size and breadth, the early indications of the ADP's effectiveness have been encouraging, but there is always potential for additional initiatives. For the local level to improve program execution and design, high quality administrative data is essential. Administrative data's poor quality is typically a result of capacity limitations on the ground as well as performance-inflating incentives. We must use independent surveys to check administrative data in order to help increase data quality (Sarabu, 2016).

4.3 Challenges that need to address with ADP

The problem of insufficient budgetary resources has an impact on ADP. Multiple ministries implement ADP, which results in a lack of cooperation. For local programme design and implementation to improve, high-quality administrative data is essential. The Delta ranking itself focuses more on evaluating quantity (i.e., access coverage) than quality. The ranking index includes the timely supply of textbooks to schools; nevertheless, districts may or may not experience a difficulty with textbook delivery. The ASER report also emphasises how poor India's educational system is currently (UNDP, 2020).

ADP is a testing ground for a number of innovative governance innovations, nevertheless. The ADP may make developing each district's internal capacity to generate trustworthy and useful data, as well as encouraging a culture of data use, a top focus. At the highest levels of government, the plan has, first and foremost, switched the emphasis from inputs and budgets to outcomes, such as learning and malnutrition. In addition, it has implemented non-financial incentives to motivate government employees to produce results and aggressively promotes forming alliances with philanthropies and civil society to have a greater impact while spending the same amount of money. A streamlined data architecture that cleverly takes advantage of the complementary qualities of administrative and survey data has also been built by the programme.

V. CONCLUSION

Regional disparities in India continue to be a significant challenge that the country faces. These disparities manifest in various forms, including economic, social, and infrastructure disparities between different regions. The Indian government has recognized the importance of addressing regional disparities and has implemented various policies and programs to promote inclusive growth and development. Initiatives such as the Pradhan Mantri Gram Sadak Yojana (PMGSY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), and the Smart Cities Mission aim to bridge the gap between regions by improving infrastructure, promoting rural employment, and fostering urban development. However, despite these efforts, regional disparities persist, and their resolution requires sustained commitment and a multi-pronged approach. It involves not only targeted economic interventions but also social and political reforms that promote equitable distribution of resources, strengthen governance systems, and address social inequalities. Ultimately, addressing regional disparities in India requires a comprehensive and integrated approach that combines economic development, social inclusion, and policy reforms. It requires a collective effort from the government, civil society, and the private sector to ensure that the benefits of development reach all regions and communities, leaving no one behind.

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