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Economic Backwardness of Jharkhand & Its Reflection on Educational Development: A Historical Approach

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Abstract: Jharkhand, despite being endowed with rich mineral resources, remains one of India's most economically backward states, characterized by persistent poverty, low per capita income, agricultural stagnation, and limited industrial employment. This research paper critically examines how this economic backwardness has shaped and constrained the development of education in the state. Using a secondary data analysis and policy review, the paper explores the interconnections between household poverty, inadequate public investment, infrastructural deficits, and socio-cultural marginalization, and analyses how these factors impede educational access, quality, and outcomes. The findings reveal that economic deprivation manifests in high opportunity costs of schooling, poor infrastructure, severe shortages of qualified teachers, and weak learning outcomes, especially among Scheduled Tribe populations, women, and rural communities. Furthermore, economic backwardness contributes to the intergenerational reproduction of educational disadvantage and undermines the perceived returns from schooling, resulting in high dropout and low transition rates across educational stages. The paper argues that educational development in Jharkhand cannot be sustainably achieved without parallel improvements in the state's economic structure and livelihoods. It emphasizes the need for integrated strategies that address spatial-economic inequities, enhance public funding, and create meaningful linkages between education and local economic opportunities to break the cyclical relationship between economic backwardness and educational underdevelopment in Jharkhand.

I. Introduction:

Education in the modern era is considered an agency for human growth, societal development, and the realization of potential in an individual holistically. However, educational is both a function and determinant of economic development to certain degrees and often resulting in vicious cycles. Economic backwardness is generally defined as a condition of persistent poverty, underemployment, low productivity, and limited access to resources which exerts a direct and multidimensional impact on educational development. The interplay between economic status and education has been extensively documented in developmental economics and sociology of education, wherein education is often positioned both as a driver of and a solution to economic advancement (Tilak, 2002; Psacharopoulos & Patrinos, 2018). In contexts of economic deprivation, however, education is not merely hindered by inadequate material resources but also by systemic and structural constraints that perpetuate cycles of inequality. This has severe implications for population identified as historically marginalized as they often lack the resources and means to break from this cycle.

II. Jharkhand's Economic Situation:

Total Population of Jharkhand according to the census of 2011 is 32,988,134 and is 2.72% of India's total population, it is estimated to be 41,490,000 by 2025 with male constituting 51.33% and women around 48.67%. Estimates accounts 75.95% of its population living in rural areas currently (Jharkhand Economic Survey, 2022-23). Jharkhand is one of India's most economically backward states, with a per capita income of around INR 90,000. Jharkhand's per capita income is 3rd lowest among states in India, it is 46.1% of the national average (Economic Advisory Council to the Prime Minister, 2024). For livelihood approximately 80% of Jharkhand's population is dependent on agriculture. The contribution of agriculture is limited to only 13% in Jharkhand's economy (in Gross Value Added estimation). Agriculture in Jharkhand is monsoon/ rain dependent and lacks a well-developed irrigation system with only 9.3% farming land covered by irrigation. This coupled with increasing acidity of soil terrain (Jharkhand being the top states in terms of soil erosion), use of traditional seeds instead of High-Yeilding variety, lack of technology in farming and lack of market access poses a significant challenge to agricultural productivity in Jharkhand and the livelihood of the people dependent on it. Jharkhand's investment in agriculture has been perpetually low with only 4.5% allocation of state budget in 2025-26, which is lower than the average allocation by states in agriculture in 2024-25 (6.3%). Some improvements have been observed so far with crop diversification, building of road networks, growth of technology integration in farming, growth of horticulture, financing through institutions like NABARD and agricultural research based on Jharkhand's condition. However, Jharkhand still lags behind in investment on agriculture.

Jharkhand is a top mineral supplier to the country with immense unearthed mineral resources. It is the source of about 40% of the total identified mineral resources of India. It is a top producer of Iron ore, Copper ore, Mica, Sillimanite, and Uranium, the second top producer of Chromite, the third top producer of Coal, Bauxite, and Thorium, the sixth largest producer of Gold and eighth largest producer of Manganese, Limestone, China clay, fire clay, graphite, and several others. It is marked by the presence of multiple IADAs (Industrial Area Development Authorities), these are RIADA (Ranchi), AIADA (Adityapur) & BIADA (Bokaro) that house several big govt. run Public Sector Units (PSUs) along with private corporations. The industrialization is mainly in the areas of mining and quarrying, power-generation, steel production but lacks progress in Information Technology, establishment of Special Economic Zone (SEZ), Biotechnology, Food Processing, etc. Despite the availability of mineral resources and big industrial units, the development of Medium and Small-Scale Industries in the state has been below par. It ranks last in terms of registered MSMEs among states in the Eastern region (Ministry of Micro, Small and Medium Enterprises, 2021). The government of Jharkhand has taken steps to promote Seri-culture and handicraft through 'JHARKRAFT' (registered under Companies act), as a marketing and developmental agency. Despite the availability of huge mineral resource base, diversification of industrialization has not been achieved. The phenomenon has been described in economic terms as the 'Resource Curse,' wherein a particular area with abundant natural resources suffers from high poverty levels and lower economic growth. There are exceptions within India where this hypothesis does not hold true, one of the examples is Gujrat, which despite being resource rich has managed to relatively out-perform on industrialization and development indicators (Mundle et al., 2012). The exception to resource curse or its avoidance is possible with correct set of policy measures (Acemoglu, Johnson & Robinson, 2002). This begs the question to enquire the policy with respect to industrialization and development in Jharkhand. The majority of mineral-resources and the linked industries are owned and managed by PSUs (central government undertakings) and others by private corporations. The absence of state government from the industrialization in the state prevented the linkage of industrialization and development of the region and its people. One of the primary reasons for the backwardness of Jharkhand has been attested to the "Freight Equalization Policy" of the Central Government, wherein the aim was to promote the even development of industry across the entire nation. This involved allowing factories to be established in any part of India and providing financial assistance from the central government for the transportation of minerals. This policy of subsidizing the transportation of raw materials was implemented in 1952 and persisted until 1993 (Singh, 2007). The policy had a negative impact on the economic potential of states abundant in minerals such as Bihar (which now includes Jharkhand), West Bengal, Madhya Pradesh (which now includes Chhattisgarh), Uttar Pradesh, and Odisha. This is because the policy reduced the motivation for private businesses to establish production facilities in those regions. As a consequence of the policy, companies preferred to establish their industrial locations nearer to the coastal trading hubs and markets in other regions of the country (Singh, 2007). The effect of the policy has become more evident in contemporary times, with economic data revealing the developmental gap between the coastal states and mineral-supplying states (Hassan & Bezbaruah, 2019)

III. Education in Jharkhand:

Educationally, Jharkhand remains one of the most backward states in India. It is among the worst performers in literacy and elementary education up to higher education levels. In terms of literacy, according to census 2011 figures, it has 66.4% of which male literacy is 76.8% and female literacy is 55.4%, it is the fourth worst performer among states with large male-female literacy gap. However, it is estimated to be presently around 73.4 % overall, 81.0% for males 66.2 for females till 2022 (Jharkhand Economic Survey, 2022). Serious challenges and issues exist both at school level and higher education level in the state. Jharkhand's allocation on education expenditure is 13.6% of the total financial outlay for the year 2024-25 which is lower than the national average of states of 15%.

School education in Jharkhand faces significant challenges despite improvement on certain indicators over the years. Ministry of Education's Performance Grading Index (PGI) reports that assess school educational development across multiple domains including several indicators showed a grade jump of Jharkhand from Level 9 to Level 4 out of 10 Levels and score improvement of 191 points indicating a significant improvement between the year 2017 to 2021.

Jharkhand's Performance over the years (PGI 1.0) & cumulative scores	Domain-Learning Outcomes and Quality (Score out of 180)	Domain-Access (Score out of 80)	Domain-Infrastructure and Facilities (Score out of 150)	Domain-Equity (Score out of 230)	Domain-Governance Processes (Score out of 360)
2017-18 (PGI Score-650	154	53	95	204	144

2018-19 (PGI Score- 761)	156	64	98	198	245
2019-20 (PGI Score- 790)	156	63	112	212	247
2020-21 (PGI Score- 841)	156	64	133	212	276

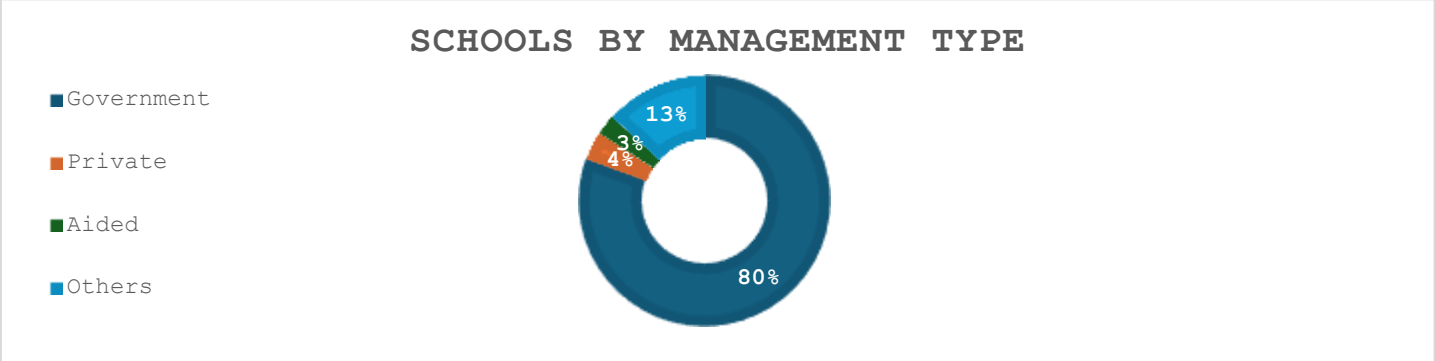
(Source: Performance Grading Index 2.0, Ministry of DoSEL)

However, PGI appropriated high levels to domains such as Governance and lesser points to learning outcomes and was critiqued. A second version of Performance Grading Index was launched in 2022-23 that placed Jharkhand in the bottom second category in overall measurement with 503.7 out of 1000 in overall domains and 73 indicators and ranks amongst the worst performing states. Domain wise performance with levels and score attained (Levels from 1-10, 1: Top, 10: Bottom) are as follows

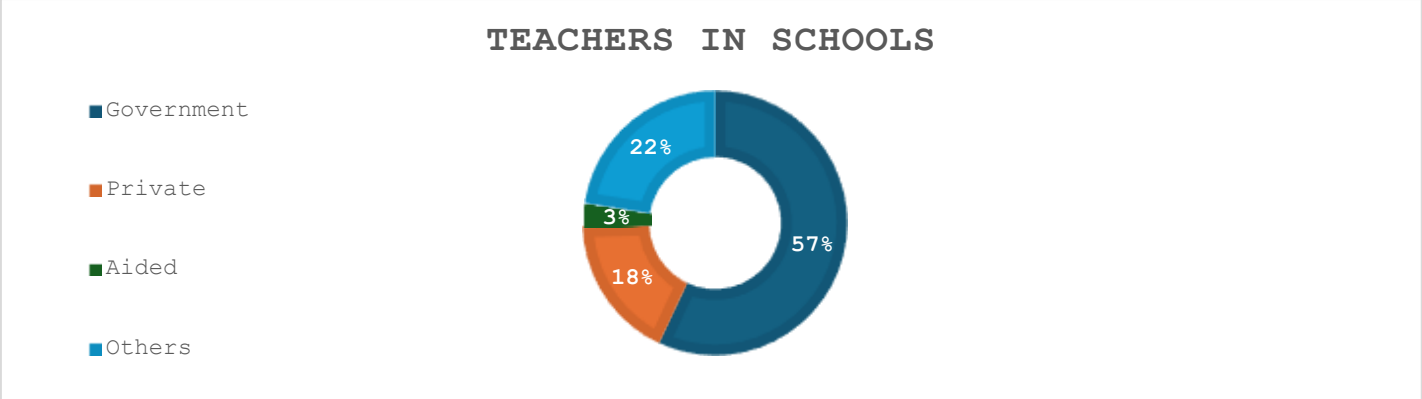
Year	Domain-Learning Outcomes and Quality (0-240)	Domain-Access (0-80)	Domain-Infrastructure and Facility (0-190)	Domain-Equity (0-260)	Domain-Governance Processes (0-130)	Domain-Teacher Education & Training (0-100)
2022-23	57.40 Level 8	48.13 Level 4	65.17 Level 7	209.48 Level 4	59.06 Level 6	64.41 Level 4

(Source: Performance Grading Index 2.0, Ministry of DoSEL)

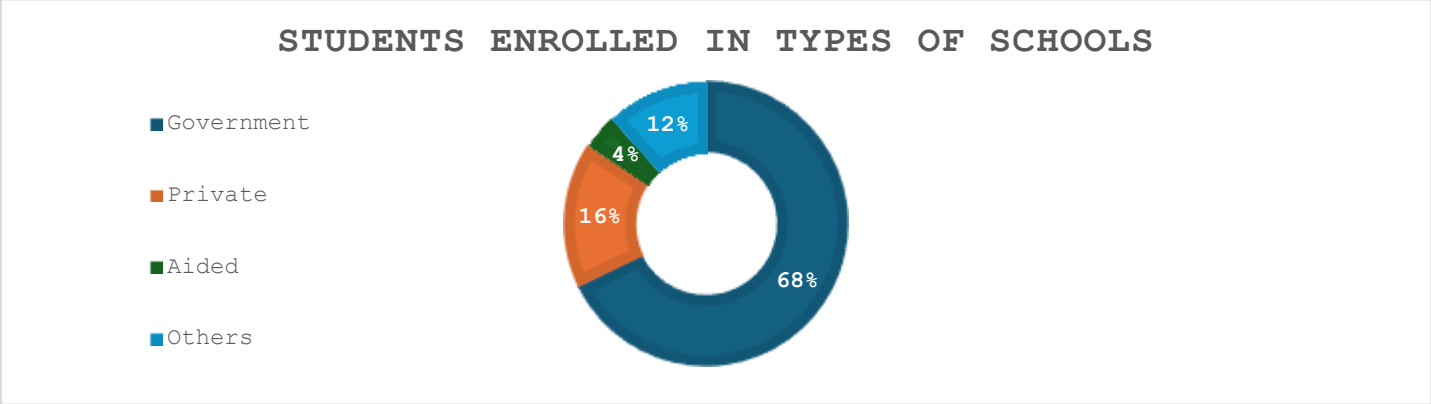
Jharkhand has performed very poorly across learning outcomes, infrastructure and facility, and governance processes domains whereas the performance on access, equity and teacher education and training has been comparable to average national performances. However other reports have questioned and highlighted the poor state of even those domains in Jharkhand performs relatively better. It is required to take a closer look at these indicators through UDISE+ data separately as well as from other data sources and reports to determine a current status of education in Jharkhand.



(Source: Chart prepared based on data of UDISE+ 2023-24 (Figures Rounded up from decimal points))



(Source: Chart prepared based on data of UDISE+ 2023-24)



(Source: Chart prepared based on data of UDISE+ 2023-24)

Types of Schools	Percentage Share by School type	Percentage share by enrollments	Percentage Share of Teachers by school category
Foundational	52.5	22.3	22.7
Preparatory		28.6	
Middle	36.1	26.5	41.5
Secondary	11.4	22.6	35.7

Pan-Jharkhand Indicators of Schools at all Stages	Jharkhand's Performance
Pupil Teacher Ratio	35
Average Teachers Per School	5
Average Enrolments Per School	161
Schools with Zero Enrolments	199
Teachers in schools having zero Enrolments	398
Schools with Single Teachers	8353

(Source: Chart prepared based on data of UDISE+ 2023-24)

Stages of Schooling	Gross Enrollment Ratio (GER) in % - Overall (Male/Female)	Net Enrolment Ratio (NER) in % - Overall (Male/Female)	Adjusted Net Enrolment Ratio (ANER) % – Overall (Male/Female)	Age- Specific Enrollment Ratio (ASER) % -Overall (Male/Female)
Foundational	38.9 (39.3/38.3)	31.7 (31.7/31.7)	37.6 (37.5/37.7)	37.6 (37.5/37.7)
Preparatory	92.4 (92.2/92.6)	66.3 (65.1/67.6)	76.2 (74.6/78.0)	88.2 (87.2/89.2)
Middle	82.5 (81.9/83.1)	57.1 (56.0/58.3)	64.0 (62.6/65.6)	78.5 (78.3/78.6)
Secondary	51.1 (49.3/53.0)	40.0 (38.3/41.8)	40.0 (38.3/41.8)	52.1 (51.3/53.0)

(Source: Chart prepared based on data of UDISE+ 2024)

Types of Schools	Drop-out Ratio Overall (Male/Female)	Retention Overall (Male/Female)	Gender Parity Index	Transition Rate Overall (Male/Female)
Foundational	-	100 (100/100)	0.97	Foundation to Preparatory- 99.2 (98.8/99.5) Preparatory to Middle – 80.5 (79.5/81.6) Middle to Secondary- 67.2 (65.8/68.7)
Preparatory	4.93 (5.3/4.6)	82.3 (81.0/83.8)	1.00	
Middle	9.0 (9.4/8.6)	76.5 (73.8/79.6)	1.01	
Secondary	10.27 (10.3/10.3)	32.3 (31.0/33.7)	1.08	

(Source: Report on New Education Policy Compliance 2022 of Jharkhand highlights)

In terms of Schooling institutions, data indicates that numerically government run schools are much higher, it is disproportionate with both the number of students enrolled and number of teachers employed by a significant margin. Government schools despite having a share of 80% of total schools, only has 57 % of the teachers. Even in different stages of schooling the disproportionate character of teacher employment is evident with foundational and preparatory stages having much less teachers despite having higher numbers of enrollment. Teacher-pupil ratio in Jharkhand remains in normal range but with a very high number of schools have zero enrollments and massive single-teacher schools standing at 8353.

In terms of enrollment, it remains very low at foundational levels, at preparatory levels, the GER is high but with significantly lower NER. Drop-out and retention level successively decrease over stages of schooling with very low retention at secondary level. The gender gap is almost negligible across parameters with females performing slightly better in relative terms.

Some major concerns remain as Jharkhand has the highest number of unrecognized school ratio in India, 30% of government -run schools have enrollment of less than 50 students, it has the highest teacher vacancy of teachers at secondary and higher secondary levels respectively at all India levels and a vast majority of teachers, 70% at primary and 58% at secondary remain underqualified, 58% of students enrolled in government run schools in rural India take help of private tuition which is the third-largest in percentage terms in India (National Education Policy Compliance Profile: Jharkhand, 2022). The issue of 'Para-teachers' (contract teachers employed to fulfil the Right to Education Act 2009 norms and assist permanent teachers in teaching-learning process) in the state has been serious,

the state rather than utilizing them in supportive role has place them in substitutive capacity in most of the cases. The state has 66,379 para teachers on a contract basis and many schools solely managed by para-teachers. Frequent strikes by para-teachers on the issue of regularization and pay-hike which happens to be abysmally low raises the issue of quality teaching-learning as well as teacher motivation in government-run schools which has enrollment of over 77.4 percent of school-going students and is the 7th highest ratio in India. The state lacks mechanism for grievance redressal or dispute resolution for parents, teachers and staff in government run schools.

Annual Survey of Education Reports from 2006 to 2023-24 shows 'Learning outcomes' remain staggering low in government run schools and many indicators showing a downward trend or negative fluctuations with foundational literacy and basic numeracy across the schooling stages. Vocational education too has witnessed this downward trend from 6.7% to 5% between 2017 to 2023 with 95% students still uncovered by vocational education. Digital learning in Jharkhand presents a very grim picture, with only 3% and 36% computer-related learning at elementary and secondary levels respectively (SEQI, 2019). Despite the passage of 'The right to Education Act, 2009' entrusting the responsibility to the state to ensure education for all children in the age group of 6-14 year, Jharkhand is far from achieving the aims and objectives of the programs.

Higher Education: Jharkhand has 1 Central University, 0 open University of either private, state or central affiliation, 11 State Public university, 15 private university, 5 Institute of National Importance, 0 Deemed to be Universities either private or Government. It has the College density (total number of colleges per 100000 population 18-23 years of age) of 8 which is the fourth lowest among states and university density (total number of universities per 100000 population 18-23 years of age) of 0.7 which the third lowest among states (AISHE Report 2021-22). The GER in higher education has almost doubled in the decade of 2011-2021 from 9.9 to 18.6 but still is the fourth lowest among states. Out of 8.80 lakh students enrolled in higher education 4.30 are female enrollments with a Gender Parity Index score of 1.01 in 2021-2022. The state also features low on Teacher-Pupil Ration, Low innovation centers, percentage of NAAC (National Assessment and Accreditation Council) accredited institutions, only 1 institution under top 100 ranked institutions by NIRF (National Institutional Ranking Framework) and 0 in top 50 state public university (Expanding Quality Higher Education through States and State Public Universities Report, 2025).

IV. Relation Between Economic Backwardness & Educational Underdevelopment:

In economically backward regions, household income scarcity constrains the ability to afford direct educational expenses—such as fees, uniforms, books, and transportation—as well as the indirect opportunity costs of schooling (Kingdon, 2007). For low-income households, the economic rationale often prioritizes immediate income-generating activities over long-term educational investments, resulting in higher rates of child Labour, particularly among marginalized groups (Kundu & Mohanan, 2009). This has a significant impact on enrolment and retention, especially in secondary and higher education. Economic backwardness is also reflected in inadequate public investment in educational infrastructure. Schools in economically lagging districts often lack basic amenities such as adequate classrooms, functional toilets, potable water, and electricity (ASER, 2023). Poor infrastructure is compounded by shortages of qualified teachers, high pupil–teacher ratios, and limited access to pedagogical resources, which together compromise the quality of instruction (Govinda & Josephine, 2004). The inequitable distribution of educational infrastructure between economically advanced and backward regions widens spatial disparities in learning outcomes. Economic backwardness contributes to the intergenerational transmission of educational deprivation. Parents with limited educational attainment are less likely to support children's learning due to both economic and cultural capital constraints (Bourdieu, 1986; Desai et al., 2010). In rural and economically disadvantaged contexts, educational aspirations may be constrained by perceived irrelevance of formal schooling to available livelihood opportunities, reinforcing low educational attainment across generations.

The impact of economic backwardness on education is deeply gendered. In contexts of resource scarcity, female education is often deprioritized due to entrenched patriarchal norms and perceptions of lower economic returns to girls' education (Colclough et al., 2000). The burden of domestic responsibilities and early marriage further reduce girls' participation, especially at post-primary levels. For marginalized communities such as Scheduled Tribes (STs) and Scheduled Castes (SCs) in India, intersecting economic and socio-cultural disadvantages exacerbate gender disparities in education (Xaxa, 2014). In economically backward areas, limited formal sector employment opportunities reduce the perceived economic returns to education, particularly beyond basic literacy. This mismatch between education and the Labour market diminishes the incentive for educational investment (Tilak, 2015). As a result, school dropout rates tend to rise at transitional stages—such as from primary to secondary—when economic pressures intensify and employment opportunities remain informal and low-paying.

While targeted government interventions—such as mid-day meal schemes, free textbooks, scholarships, and conditional cash transfers—have contributed to improved enrolment and retention in economically disadvantaged areas (Drèze & Sen, 2013), these measures have not always translated into substantive improvements in learning outcomes. Persistent income inequalities and uneven economic growth perpetuate disparities in educational development, underscoring the need for integrated policies that address both economic and educational dimensions of deprivation. In sum, economic backwardness not only constrains access to education but also influences its quality, relevance, and intergenerational continuity. Without addressing the structural economic inequalities that underlie educational disparities, policy efforts to expand access risk being undermined by the very socio-economic conditions they seek to overcome.

V. Conclusion:

Jharkhand needs a sustained effort to improve upon its economic and educational backwardness to break the vicious cycle of backwardness and underdevelopment. Any effort toward educational improvement without improving household income is not sustainable and will render only limited effects. The efforts need policy examination in a historical sense to assess efficacy. Jharkhand

with significant historically marginalized groups such as Tribal and sub groups within them such as tribal women needs special reference in the policy efforts.

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