



UTTARAKHAND STATE: AN ECONOMICAL PARADOX OF POVERTY AMIDST SOCIO- ECONOMIC INDICATORS OF GROWTH AND DEVELOPMENT

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ABSTRACT

Uttarakhand state though provides very good picture in terms of Socio Economic indicators of growth and development however paradox is that there lies utter poverty, abject equalities in regional development and an ever increasing hill plain divide. The important feature of the geographical distribution of population in state is its concentration in plains and valley areas and this leads to the entire inequalities in regional development. Paper proposes decentralisation of power and governance to grass root level and strengthening of Panchayati Raj institution to deliver social and economic justice to people.

Introduction

Uttarakhand, located in the north western part of India in Himalayan ranges between 28° - 43' N to 21° - 27' N latitude and 77° - 34' E to 81° - 02' E longitude is spread over an 53483 square kilometers, of which about 46035 square kilometers (86 percent of the total areas) is hilly and mountainous and about 7448 square kilometers (14 percent) are of plain topography. In northeast

and southeast, Uttarakhand shares international boundaries with Tibet Autonomous Region of China and Nepal respectively. In northwest its borders with another Himalayan state Himachal Pradesh and in south and southwest by Uttar Pradesh. Carved out of Uttar Pradesh, on 9th November 2000, the state is organized in two divisions Garhwal and Kumaon with 13 districts.



As per census 2011, Uttarakhand, has population of about 1.01 crore people. The average density of population in the state is 189 persons per square kilometers. In terms of population only Jammu and Kashmir (1.25 crore) is larger than Uttarakhand. In terms of population and area, Uttarakhand is the second most populated and fourth largest among the 10 States in the Himalayan region of the country. Only Jammu and Kashmir, Arunachal Pradesh and Himachal Pradesh have larger area compared to Uttarakhand. (*Appendix 1 Area and Population of Himalayan States of India 2011*). The district wise distribution of population of the Uttarakhand is given in table 1

Table 1: Uttarakhand: Demographic Composition 2011

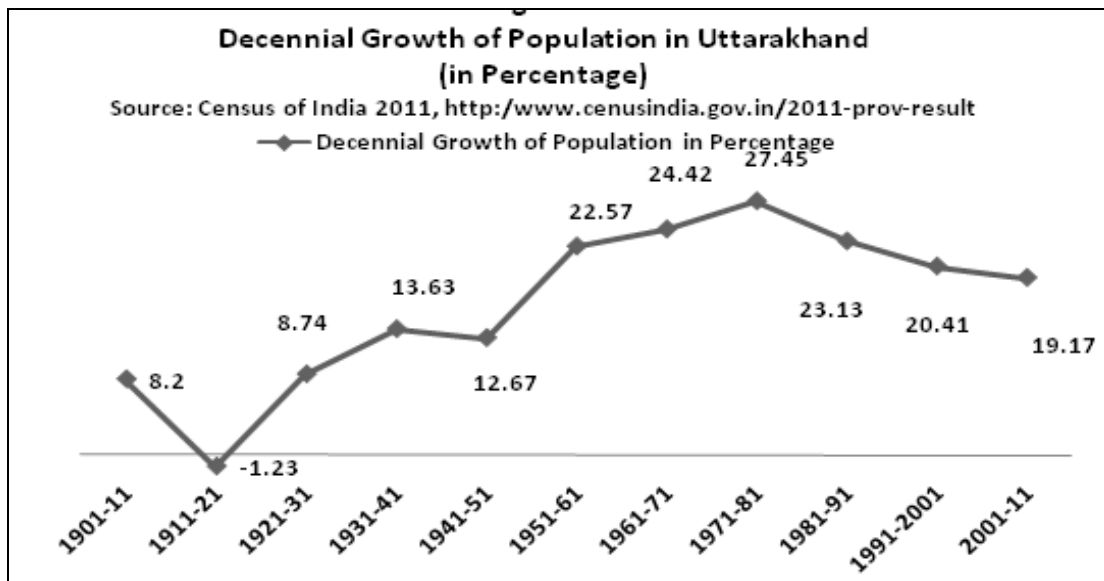
District/ Division	Population			Sex ratio - 2011 Number of female to per thousand male		Decennial growth rate of population in %		Urbanisation % (urban population to total population)
	Total	Male	Female	Overall	0-6 age group	1991- 2001	2001- 2011	
Almora	6.22	2.90	3.32	1142	921	3.67	(-)-1.73	10.02
Bageshwar	2.60	1.24	1.36	1093	901	9.28	5.13	3.50
Champavat	2.59	1.31	1.28	981	870	17.60	15.49	14.79
Nainital	9.55	4.94	4.61	933	891	32.72	25.20	38.94
Pithoragarh	4.86	2.40	2.46	1021	812	10.95	5.13	14.31
US Nagar	16.48	8.59	7.89	919	896	33.60	33.40	35.58
Chamoli	3.91	1.94	1.98	1021	889	13.87	5.60	15.11
Dehra Dun	16.99	8.93	8.05	902	890	25.0	32.48	55.90
Hardwar	19.27	10.25	9.02	879	869	28.70	33.16	37.77
Pauri Garhwal	6.87	3.26	3.60	1103	899	3.91	(-)-1.51	16.41
Ruder Prayag	2.37	1.12	1.25	1120	889	13.43	4.14	4.19
Tehri Garhwal	6.16	2.97	3.20	1078	888	16.24	1.93	11.37
Uttarkashi	3.30	1.68	1.61	959	915	23.07	1.93	7.35
Uttarakhand	101.17	51.54	49.63	963	886	20.41	19.17	30.55

Source: Census of India 2011, <http://www.censusindia.gov.in/2011-prov-result>

The important attribute of the geographical distribution of population is its concentration in plains and valley areas. Four districts, viz. - Dehra Dun, Haridwar and US Nagar, and southern part of Nainital District have relatively flat topography, better infrastructure and high rate of urbanisation. These four districts are the most populous district of the state and account for about 55 percent area and 62 percent of the population of the state. Remaining nine districts which are

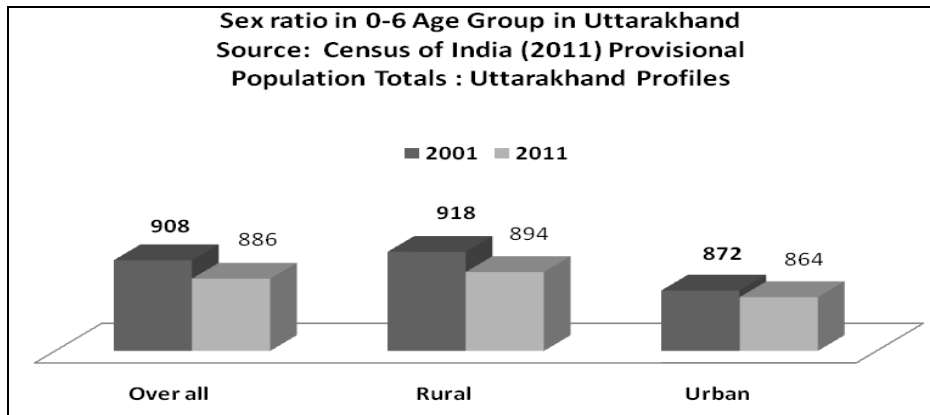
mountainous are small in population. The table 1 reveals that, as per census 2011, about seventy percent population of the state is rural, scattered in small mountainous villages. The decennial growth of population in the state, as the following figure suggests, in the decade immediately preceding independence registered sharp increase and thereafter grew with good rate reaching to its peak in the decade 1971-81 and thereafter started decelerating. In the decade 2001-11 this process has hasten further as population of two districts Almora and Pauri Garhwal, which account for about 13 percent population of the states have declined in absolute terms by 1.51 and 1.73 percent respectively. In other mountainous districts too, growth rate of population has decelerated substantially. However, in districts which are in plains or have substantial plain area - the pattern of population growth is different. For example, in Dehra Dun and in Haridwar districts population has increased at faster rate by 33 percent between year 2001-11. The Village level data as per census -2011 are yet to be available, but as the per census of 2001 about 49.5 percent villages of the state are of a population size of up to 200 persons and 31.1 percent villages population ranges between 201-500 person (*Appendix 2*). The population distribution, will be further sparse as not only natural growth of population in mountains districts is declining but large number of families are migrating from rural areas of mountains to urban areas and out of the state (region) for livelihood opportunities (*Bora R.S 1996*). Also *Sekhar (2007)* found that women's participation in the rural economy is noteworthy. Migration even tends to be highly gender-specific: in Uttarakhand it is the male population who leave their villages to engage in off-farm activities while women remain behind to maintain domestic affairs. This spatial pattern of population distribution, in absence of minimum population thresholds makes it difficult to plan and provide social facilities optimally. Problem if elementary schooling is more intricate - especially in rural areas - as population in the age group of 0-6 years, in villages is declining, and this decline in Uttarakhand (9.68 percent) is glaringly large vis-à-vis national average. In some district the child population, as per the census of 2011 has gone down as low as 15 to 23 percent.

Figure 1



Uttarakhand has sex ratio, 963 female to per thousand male, which is any time better than national average (940) and many other states including the state of Uttar Pradesh (908) from which it was carved and six Himalayan states. Study of the Table 1 reveals that there are variations in the sex ratio across districts. In seven districts of the state, viz. Almora, Bageshwar, Chamoli, Pauri Garhwal, Pithoragarh, Ruderprayag, Tehri Garhwal, which are primarily hill districts females outnumber males. However, female outnumbering males, does not displays women empowerment and gender equality but a paradox which reflects the state of women because of heavy migration of male workers to plains and other parts of country for finding sustainable source of livelihood. . Rashmi Gangwar (2007) points out aptly as to how due to high migration rate of men in Hills women are left behind to make both their ends meet that also with insufficient and infertile land In absence of employment opportunities. Domestic agriculture production of peasant households in majority of the cases in the mountain state is hardly sufficed to meet requirement and consequently, youth are forced to migrate to better pasture land and engage in low remuneration jobs in formal and non formal sectors to sustain their families back in hills.

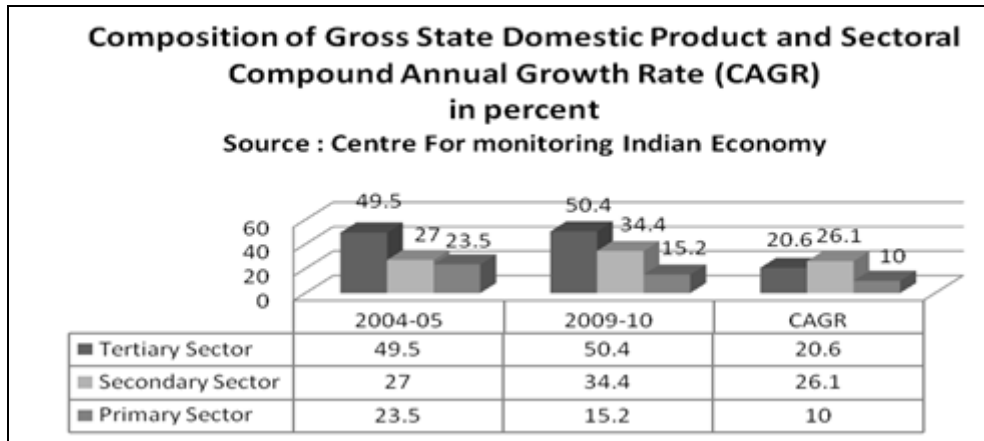
Figure 2



This proves considerably that female outnumbering male as proven by Government figures is not an indicator of female empowerment. This fact is proved by the skewed and declining gender ratio in 0-6 age group (Figure 2). The matter of worry is that juvenile sex ratio between year 2001-11 has declined both in urban and rural areas in many districts. Experimental studies have proved that this feature of the economy of the state is an outcome of the mismatch between the resource utilisation, people need and development efforts (*Bora R.S 1996*) and has its roots in the colonial rule (1815-1947). Among the seven Himalayan State, the economy of Uttarakhand is largest in term of Gross State Domestic Product (GSDP). The GSDP (at 2004-05 price) of Uttarakhand in the year 2010-11 was about Rs.77,580/- cores which is about 1.06 percent of the GDP of India. The average annual growth rate of the state (Growth of GSDP at constant price) has been reported about 9 percent from 1999-2000 to 2008-09, higher than the corresponding figure of 7.2 percent for the nation. This implies that the state is growing at a rate higher than national economy. It is pertinent to mention that in the year 1999-2000 the Per Capita income in the state of Uttarakhand (at that time it was part of Uttar Pradesh) was Rs.13516 (at the prices of 1999-2000) about 85.10 percent of the nation per capita income but gradually this gap is narrowing down to the extent that in 2008-09 the per capita income of state was Rs.36520, about 95.90 percent of the national per capita income. Given these trends it is expected that the economy of the region will grow at a greater pace than the national economy (*Government of Uttarakhand, Directorate of Economics and Statistics - year not stated*) and soon this gap between the per capita national income and state per capita income will be bridged (*Government of India, Planning Commission 2009 p.75*) However, it is noteworthy that that out of the thirteen district five districts - viz. Haridwar (20.5 percent), Dehra Dun (16.3), Tehri-

Garhwal (16.1), US Nagar (11.8) and Nanital (9.1) accounts for about 73.8 percent of the total Net State Domestic Product of the state. Economies of other districts are so small that none of accounts for more than 6 percent of the Net State Domestic Product (*Appendix 3*). The economy of the state is gradually transforming. As illustrated in (**figure 3**) the secondary sector activities are gaining impetus at greater pace.

Figure 3



However, the composition of secondary sector reveals construction activities - largely government investment in road construction, constitute most of the output of the sector. Manufacturing industry which is supposed to be the most vibrant among all secondary activities, registered a growth of 34.1 percent, from 2004-05 and 2009-10, is largely concentrated in the plain and valley areas. The share of other than household industries in about one percent or less than one percent in the Net Domestic Product of 9 districts viz., Almora (1.02 percent), Bageshwar (0.32), Champavat (0.33), Pithoragarh (0.10) Chamoli (0.10), Dehra Dun (0.25) Ruder Prayag (0.42), Tehri Garhwal (1.01) and Uttarkashi (0.39). All these districts are predominantly mountainous districts. The tertiary sector – accounts for nearly fifty percent of the state product. In this sector, Hotel and Restaurant services are growing faster than other (about 15.7 percent in the period 2004-05 to 2009-10). However, the economy is predominately rural and most of the activities other than agriculture are concentrated in urban areas as apparent in the Table 2. Primary sector too, which is basis of the people in rural areas, is also undergoing changes with time. The matter of concern is that despite strong agriculture base, Uttarakhand is an average state in terms of per capita agricultural production and yield per hectare, The contribution of Uttarakhand is less than one percent in the total national agricultural production.

If the plain and valley districts are excluded from these data the condition will worsen further. This is because there have not been much improvement in agriculture.

Table 2: Sector wise Spatial Distribution of State Net Domestic Product 2008-09

Details	Distribution of SNDP			
	Rural	Urban	Organized	Unorganized sector
State Net Domestic Product	64	36	26	74
Primary Sector	98	02	05	95
Secondary Sector	55	45	47	53
Tertiary Sector	47	53	32	68

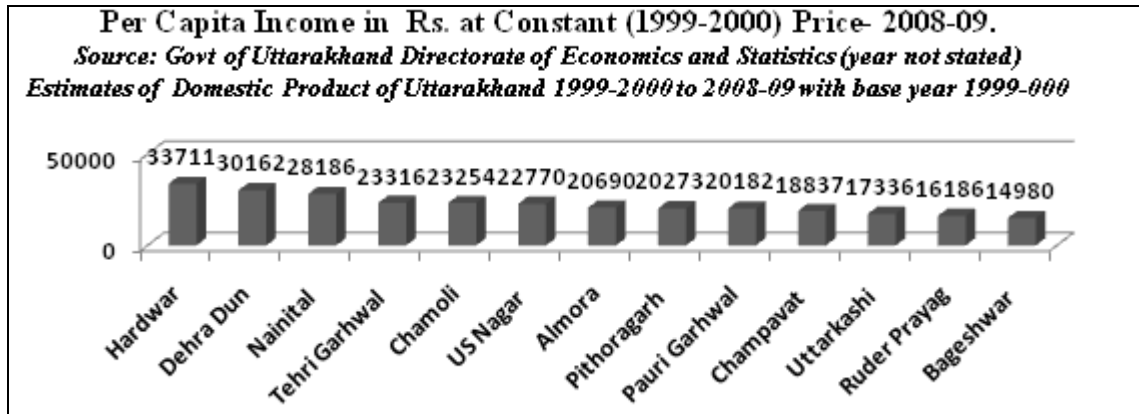
Source: Estimates of Domestic Product of Uttarakhand 1999-2000 to 2008-09 with base year 1999-000 Government of Uttarakhand Directorate of Statistics and Economics, Dehra Dun.

The agriculture sector faces many institutional and topographical constraints like 72 percent land holdings are of less than one hectare Moreover, because of geographical constraints in absence of any innovation makes irrigation, as challenging task and as a result most of the arable land in the district is un-irrigated (only 44 percent of the total cultivated area is irrigated). The irrigated area too with increase in altitudes tends to decline to the extent that in mountainous districts, 80-90 percent land is un-irrigated. Because of these constrains- despite a natural storehouse of biodiversity, agriculture in the state is predominantly survival oriented as on average more than 80 percent cultivable area is under cereals.

The other prominent feature of the economic structure, as given in Table 2 is supremacy of unorganised sector in every sector. These indicators could explain the paradox, of high incidence of poverty amidst high growth rates. Given the fact that growth rate in the state is higher than of national average and the gap between the national per capita income and state per capita income is narrowing down at a good pace, it is expected that in Uttarakhand the proportion of people living below poverty line will be not high. But the facts belie this expectation. At the poverty line of Rs.478.02 per month in rural areas and Rs.637.67 in urban area, the percentage of people living below poverty line in the state in the year 2004-05 was 40.80 percent in rural areas and 36.5 percent in urban areas, which is much higher than national averages (28.3 and 25.7)

average of state of UP (33.4 and 30.6) and Himachal Pradesh (10.7 and 3.7) of people living below poverty line (*Government of India, Planning Commission 2009 p 193*). The extents of regional disparity is apparent from the following Figure 4 that districts Dehra Dun, Nainital, Haridwar and US Nagar are either in plains or have substantial plain areas and have higher income compared to other districts. The mountain districts have economies – in which agriculture is the main stay of the people and the next to it is employment in tertiary sector .

Figure 4



Bright Way Ahead

India being one of the oldest and strongest democracy with concept of welfare state enshrined in constitution will be haunted by the evils of inequalities and exclusion on a mass scale. Accordingly, the Government as enabler and driver may face challenges and inordinate delay compounded with reduced efficiency in delivering basic social and economic services to the citizens. This is because the bureaucratic administrative machinery, intertwined in procedural bottleneck, finds it difficult to timely and appropriately respond to the specific needs and thus do justice to different regions and communities. Therefore, in India since the adoption of constitution, strong need has had always been felt to delegate powers to the grass root level institutions, to ensure more public participation and encourage local commitment to provision of basic key services like health, hygiene, sanitation etc . Therefore, to facilitate the decentralisation of governance to grass root level, the historical 73rd and 74th constitutional amendments were passes in year 1993. Capacity building of institutions is the fundamental task of governance at

grass root level, towards delegation of powers of governance to commoners and nurturing sense of accountability among stakeholders at local level. For the state of Uttarakhand these social traditions along with people as most important assets undoubtedly provide very conducive environment for delegating powers to grass root level institutions of governance. It is only by strengthening grass root institutions like Panchayati Raj that Uttarakhand as a state can mitigate socio economic evils which have eclipsed the state due to Hill- plain divide . The paradox of poverty and retarded growth amidst indicators of socio economic growth can be arrested and Uttarakhand can march ahead in path of economic prosperity.

Appendix 1: Area and population of Himalayan State

Source: <http://www.censusindia.gov.in/2011-prov-result>

State	Area in Square kilometers	Population			Sex ratio of female to per thousand male	Density of population (Person per km ²)	Decrial growth rate of population
		Total	Male	Female			
1. Arunachal Pradesh	83,743	13,82,611	720232	662379	920	17	25.92
2. Himachal Pradesh	55,673	68,56,590	3473892	3382617	974	124	23.71
3. Jammu & Kashmir	2,22,236	12548926	6665561	5883365	883	124	23.71
4. Manipur	22,327	2721756	1369764	1391992	987	122	18.65
5. Meghalaya	22,429	2964007	1492668	1471339	986	132	27.82
6. Mizoram	21,081	1091014	552339	538675	975	52	22.78
7. Nagaland	16,579	1980602	1025707	954895	931	119	- 0.47
8. Sikkim	7,096	607688	321661	286077	889	86	12.36
9. Tripura	10,492	3671032	1871867	1799165	961	350	14.75
10. Uttarakhand	53,566	1011675	5154178	4962574	963	189	19.17
Total Himalayan state	515,222	43980947	22,647,869	21,333,078	942	85	18.79
Total India	32,87,240	1210193422	623724248	586469174	940	382	17.64

Appendix 2: Population size of the villages of Uttarakhand 2001

Figures in brackets denote percentage to total

Source: Government of Uttarakhand, Department of Planning: Statistical Diary 2007-08

Population Size	Number of village	Population Size	Number of Town
Up to 200	7797 (49.5)	Up to 1000	3 (3.49)
201-500	4902 (31.1)	1001-2000	4 (4.65)
501-1000	1878 (11.9)	2001-5000	11 (12.79)
1001-2000	752 (4.8)	5001-1000	28 (32.56)
2001-5000	350 (2.2)	10001-20000	16 (18.60)
5000 and above	82 (0.5)	20001-50000	16 (18.60)
Total	15761 (100)	50001-100000	5 (5.81)
		Above 100000	3(3.49)
		Total	86(100)

Appendix 3: Net District Domestic Products at Constant (1999-2000) Prices (in Rs. Lakh)

District	Primary Sector		Secondary Sector		Tertiary Sector		District Net Domestic product (NDDP)	
	Rs.	Percent to NDDP	Rs.	Percent to NDDP	Rs.	Percent to NDDP	Rs.	Percent to total Uttarak hand
Almora	43915	29.8	39792	27.0	63778.0	43.2	147485.0	5.5
Bageshwar	9196	21.8	14529	34.4	18519	43.8	42244	1.6
Champavat	16091	33.7	12468	26.1	19257	40.3	47816	1.8
Nainital	47490	19.5	66296	27.3	129303	53.2	243089	9.1
Pithoragarh	24540	23.2	34425	32.5	46984	44.3	105949	3.9
US Nagar	79283	24.9	88479	27.8	150301	47.3	318063	11.8
Chamoli	22466	23.1	37739	38.8	37154	38.2	97359	3.6
Dehra Dun	33320	7.6	126085	28.8	277774	63.5	437179	16.3
Hardwar	74941	13.6	268194	48.6	208380	37.8	551515	20.5
Pauri Garhwal	26795	16.8	53825	33.8	78484	49.3	159104	5.9
Ruder Prayag	8275	19.1	14702	34.0	20284	46.9	43261	1.6
Tehri Garhwal	304224	70.2	66102	15.3	62877	14.5	433203	16.1
Uttarkashi	18597	32.0	15183	26.1	24307	41.8	58087	2.2
Uttarakhand (total)	709133	26.4	837819	31.2	1137402	42.4	2684354	100

Source: Govt of Uttarakhand Directorate of Economics and Statistics Estimates of Domestic Product of Uttarakhand 1999-2000 to 2008-09 with base year 1999-000, Dehra Dun http://des.uk.gov.in/files/books/b8_9.pdf Retrieved on 24th Jan, 2012

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