



INEQUALITIES OF DEVELOPMENT IN TAMIL NADU

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ABSTRACT

This paper is determined to study the Inequalities of Development in Tamil Nadu state. The study used secondary sources of data. The main objectives of the study are to examine the regional growth and to examine the causes and consequences of inequality. The study concluded that the problems of inequality can be reduced only increasing productivity in all the sectors.

Keywords: Development, Inequality, Government, Liberalisation, Technology.

I Introduction

Nature has formed variation among people, among regions. These variations are called as natural differences or inequalities. The conditions of these natural inequalities are also called as constraints. These constraint are based on, economic, social, psychological, political and cultural practices. These constraints can be termed economic inequality, social inequality, psychological inequality, political inequality and cultural inequality.

Development is a progress. Progress will be shown in literacy rates, life expectancy, full employment, increase in per capita income, and improvement in standard of living. Inequality in development is increasing year after year. Inequalities of Development have been considered in terms of economic backwardness from corner to corner of the states or districts in a state. To control and to reduce inequalities in our country many steps have been taken by government.

Economic activities are classified into different groups using some significant criterion. These groups are recognized as sectors of economy. There are three sectors in the economy viz., Agriculture, Industry and Service. Since 1951, to achieve balanced regional development, especially in all the five year plans the major objective was to reduce regional disparities or inequalities in the economy. Even after a numerous efforts taken by the government, inequality in development continues to be on the rise as population increases.

Goswami and Chakraborty (2007) examined the sectoral income inequalities and consumption inequalities and their share in the increasing income inequalities in India during the period 1981-2000. Another part of this study was based on Indian experience of trends in inequality and by using their index (under this measure relative inequality among the regions in any economic indicator is explained by a simple ratio which compares shares of the states in that indicator with their respective shares in population) of inequality it measured inequality in almost all the sectors. The study concluded that inequality had increased in almost all the sectors but in service, infrastructure and in unregistered manufacturing sector the increase was more compared to other sectors. The study suggested that industrial policies should be directed towards the expansion of labour intensive industries which could be achieved through a mix of industrial and trade policies.

Singh N. and et al., have examined regional inequality in India. Moreover, they examined trends behaviour in of economic development at the state level. The study concluded that, there are concerns that regional inequality in India has increased after the economic reforms. This concern is supported by various statistical analyses. Study suggested that, inequality trends may not be as bad as suggested by state domestic product data. Moreover, there are some indications of increases in regional inequality but they are neither uniform nor over dramatic. To some extent increases in regional inequality are determined by factors that are necessary for accelerated growth in particular the more efficient allocation of private capital foreign as well as domestic.

The present study focused on certain issues, which is extremely relevant in the current scenario to achieve greater balanced regional development of the districts of Tamil Nadu. The first and chief issue relates to some basic questions like, How do we identify Inequality? What are the causes of Inequality? What are the suggestions to reduce Inequality?

Identification of Inequality:

Inequality is a social problem. It can be identified by using some statistical tools. The problem of inequality on development can be identified by certain indicators. Some of these are:

- Physical disparities indicate variations in climate, may be failure in the monsoon, earthquakes and natural calamities. Because of this the productivity will be very low in agricultural sector.
- Infrastructural facilities may not be available in such area, such region will not be in situation to have link with other regions.
- The number of people living in square kilometer may be high.
- Per capita income of the people may be very low.
- The productivity in the industrial sector will be low.
- Unemployment problems
- Dominants will be the private sectors; capitalists will dominate the region.
- Skills, efficiency and capabilities of the labourers will be low.
- Standard of living of the people will be very low and there will be severe poverty as people do not get their basic necessities.

Hence a region or a state will be identified by the problems which they face like low productivity, low income, low saving, unemployment and poor standard of living. But these situations can be reduced and removed with the proper cooperation of the people.

Causes for Inequality:

Tamil Nadu is a state which has plenty of resources. But all the resources have not been utilized effectively. Unless the resources are utilized in an efficient manner there will be inequality in the state. Resources available in one district of state may not be available in another district. Following are the various causes for inequality in development of Tamil Nadu.

- Liberalisation:
One of the major reasons for inequality in development is liberalization policy which is being used to encourage the foreign trade. After the implementation of this policy there is a tremendous change in trade level. It has changed the economic structure of the state. Liberalization creates positive impact on one side but on the other side it leads to inequality. It makes the rich district richer poor district poorer. This situation widens the inequality in the state.
- Advanced technology:
Improvement and advancement in the technology leads to more production in all sectors but it widens the problem of inequality in the state. Only the districts which have more financial resources can install new techniques in the sectors and the districts which are financially weak cannot bring the changes technically.
- Education system:
Education system in our state creates a problem of inequality in development. There are different systems of education say ICSE, CBSE and State Board. Each system provides different way of teaching, different syllabus, different way of grading. Only the rich class can afford education by spending more. People with low income provide education by spending lesser. This situation widens the problem of inequality in development.
- Peoples mind-set:
The mindset of the people towards their children has always been indifferent in the present world. More priority is given to boys and the girls are completely ignored. In many families beyond certain age the girl child is deprived of education and is do household chores. This kind of discrimination will create inequality in development of the state.
- Availability of resources:
Tamil Nadu has multiple resources. Each and every district has plenty of minerals and human resources. Some are hilly areas and some are plains and desert areas with different resources. The variation in availability of resources creates a problem of inequality in development.

Consequences of Regional Inequality:

Variation in development leads to many problems in the districts of Tamil Nadu. Following are the impact of inequality in Tamil Nadu.

1. When inequality rises in the state, the levels of corruption also increases. With unequal development in the state, people in the underdeveloped districts are prone to indulge in corruption as they wish to improve their standard of living.
2. Inequality in the development of region will create a situation of migration of the people from the region where they reside to the developed region where the infrastructural facilities are available.
3. Inequality in development of the region will affect the productivity because only developed regions can install and use modern techniques whereas the regions which are developing will not be able to use modern techniques to increase productivity.

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