

Socio- Economic Development in India's Perspective

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Abstract

Indian economy is one the most influential economies which is most important in international economy and international politics. At present, by India it means a country with membership in several International organizations such as SAARC, OECD, WTO, UN, UNCTAD and many more. India was ruled by the colonial British for 200 years before its independence and before that it was ruled by various Buddhist, Hindu, Afgan, Sikhs and Muslim rulers. Now, India is divided into several states with rich geographical, economic, cultural and lingual diversity. So, the progress of socio-economic development is not uniform in all states and to conduct a study on socio-economic development on any state individually we have to go through with the whole nation to get an explicit depiction. Several authors and scholars of economics he mentioned India as a country with great potential to lead the international economy and that it can emerge as a most powerful country of the world but it also has several economic limitations as well. This research paper would attempt to present the socio-economic growth of India. The study and its data presentation is completely based on the secondary data sources such as internet, books, articles, reports, files and database on internet and various information got through newspapers.

Keywords: Socio-economic, Human Development Index, Population Rate, GDP, Education

Introduction

Social and economic development of a nation is measured with the help of several indicators which include gross domestic product, literacy rate, level of unemployment or employment, average life expectancy, mortality rate, population growth rate, health indicators, poverty ratio, per capita income and so on. After a slow paced growth in the economy for several dudes, the Indian market structure geared up during mid

1980s through economic liberalization and after it more structural reforms which transformed the economy towards free market economy were realized in 1990s and 2000s. According to the IMF (2016) Indian economy is the seventh largest economy in the world. The Indian economy growth is majorly driven by the service sector which has been growing comparatively and constantly faster than the other industrial sectors of the nation. The development and growth of economic structure in India followed by public sector reforms, infrastructural development, agriculture and allied agriculture practice reforms, rural upliftment, reforms in lagging states and many more. In past few decades India has done multi-fold development in the socio-economic development, with the immense growth in the literacy rate, reduction in infant mortality rate, growth in nationwide health index, reduction in poverty line and many more. This research paper would assess the growth and development of different socio-economic variables including human development index, demographic development

rate, literacy level, infant death rate, population growth rate, women economic and social upliftment rate, and so on presenting social and economic development rate of India.

The data source of the research paper is secondary data reports of world economic outlook database of International Monetary Fund, National Bureau of Economic Research etc. Data procured from the reports were qualitatively analyzed and compiled together to make the information complete and meaningful as individual variable cannot make any useful interpretation.

Socio-Economic Development - Statistical Outlook

1. **Human Development Index** - Concept of Human Development Index was devised by a Pakistani economist Mahbub ul Haq with an objective to develop the criteria to measure the Human Development of a nation under three major dimensions such as life expectancy, per capita income and education status.

Table 1: HD Index of India

1990	2000	2010	2011	2012	2013	2014	2015	2016
0.428	0.494	0.580	0.590	0.599	0.607	0.615	0.609	0.624

Source: Human Development Reports, UNDP

From Table 1 it could be interpreted that human development index of India consistently increased from 1990 to 2015, but in 2016 even after the positive movement of HDI value i.e. 0.015, India slipped its rank from 130 to 131. In Year 2015 India was ranked 130 (HDI score was 0.609) and in Year 2016 India was placed in the medium human development category with 131 rank (HDI score was 0.624).

2. **Life expectancy Rate of India:** World Health Organization defames life expectancy rate as "the average number of years a person is expected to live on the basis of the current mortality rates and prevalent distribution of health senses in a population".

Table 2: Life Expectancy Rate of India (in years)

1990	2000	2010	2011	2012	2013	2014	2015	2016 (P)
58.5	62.631	66.506	66.904	67.29	67.66	68.014	68.349	68.45

Source: Union Ministry of Health and Family Welfare

Table 3: Life Expectancy Rate of Men and Women in India (in years)

Men		Women	
2001-05	2011-15	2001-05	2011-15
62.3	67.3	63.9	69.6

Source: Union Ministry of Health and Family Welfare

Life expectancy in India is moving up consistently year by year. In India average life expectancy in year 1990 was 58.5 and climbed to around 68.45 in year 2016. This is because of continuous improvement in the medical services, better diet and immunization in India coupled with the prevention and treatment of infectious diseases and better literacy rate. It can also be observed that women's life expectancy is comparatively higher than the men's life expectancy in India.

3. Literacy Rate - Indian education system is observing multifold growth in terms of students enrolled in schools, colleges and universities and continuous advancement in the educational infrastructure offered by the institutions to their students. Indian government has taken several steps to increase the literacy rate by promoting primary education by schemes like Sarv Shiksha Abhiyaan, Mid Day Meal etc. Apart from these, several Scholarships schemes are also offered by the state and central governments to boost the college level education level among youth. To encourage the females, free education to girls upto secondary level and special scholarship schemes for bright girls for promoting them for higher education are offered. One crucial step taken by the GOI is Right to education, under

which free education to child is offered if the family income is lesser than Rs. 1, 00,000 per annum.

Table 4: Gender wise Literacy Rate

Census year	Crude literacy rates		
	Persons	Males	Females
1901	5.4	9.8	0.6
1911	5.9	10.6	1.0
1921	7.2	12.2	1.8
1931	9.5	15.6	2.9
1941	16.1	24.9	7.3
1951	16.7	25.0	7.9
1961	24.0	34.4	13.0
1971	29.4	39.4	18.7
1981	36.2	45.9	24.8
1991	42.8	52.7	32.2
2001	55.3	64.1	45.8
2011	74.0	82.1	65.5

Source: RGCCI

Table 4 presented above reveals the consistent growth in the overall literacy rate in India, as in Year 1901 average literacy rate was 5.4% which climbed at 74.0% in the Year 2011. According to census 1901 male literacy rate in India was 9.8% and female literacy rate was 0.6% and according to census 2011 male literacy rate in India is 82.1% and female literacy rate is 65.5%. Thus overall it could be concluded that both male and female literacy rate observed multi-fold growth which is a good indicator for overall development of a nation.

4. Per Capita Income – Yearly % growth rate of GDP per capita is measured and lies on local currency. Aggregates are based on constant 2010

U.S. dollars. GDP per capita is estimated by gross domestic product division by midyear population.

Table 5: Per Capita Income (in %)

1990	2000	2010	2011	2012	2013	2014	2015	2016	2017
3.367	2.016	8.763	5.249	4.135	5.097	6.234	6.759	5.884	5.3

Source: CSO

According to the statistics revealed by the Central Statistics office, India's GDP is going to observe a slowdown during 2016-17 and may reach 7.1 from the 7.6 of previous financial year. The effect of this slowdown is also reflected on the per person capita as well, as estimated per capita income for 2016-17 is 5.6 as compared to the previous year per person capita which was 6.2 percent. But in 2016-17 due to the growth aspects per capita income is estimated to cross Rs 1 lakh in 2016-17, from Rs 93,293 in the previous fiscal year. For year 2017-18, India's per capita income tapped a slower growth of 8.3% and reached Rs 1,11,782.

5. Population Growth Rate –India especially in southern Asia or around the globe is one of the most populous regions in the world. According to the Census 2011 India's population reached at 1,210,726,932.

Table 6: Population Growth in India (1951-2011)

Census Year	Population	Change (%)
1951	361,088,000	–
1961	439,235,000	21.6
1971	548,160,000	24.8
1981	683,329,000	24.7

1991	846,387,888	23.9
2001	1,028,737,436	21.5
2011	1,210,726,932	17.7
2016	1,266,884,000	4.64
2017	1,281,936,000	1.19

Source: <https://tradingeconomics.com/india/population>

A down trend can be observed in the growth rate of population in India which is a good indicator in several terms for the economy and well fundamentally affect some factors like un-employability, availability of resources, consumption rate and pattern, per capita income and many more areas. If we go by the percentage contribution in the overall growth of the nation according to religions, consistently increasing rate of growth in population can be observed in the Islamic community but in other religions growth percentage seems to be constant or a down trend can also be observed as presented in Table 7. In year 2017 the total population count reached upto 1,281,936,000 with a growth rate of 1.19% in comparison to the previous year population i.e. 1,266,884,000.

Table 7: Religion wise Population Growth in India (1951-2011)

Religion	1951 (%)	1961 (%)	1971 (%)	1981 (%)	1991 (%)	2001 (%)	2011 (%)
Hinduism	84.10	83.45	82.73	82.30	81.53	80.46	79.80
Islam	9.80	10.69	11.21	11.75	12.61	13.43	14.23
Christianity	2.30	2.44	2.60	2.44	2.32	2.34	2.30
Sikhism	1.79	1.79	1.89	1.92	1.94	1.87	1.72
Buddhism	0.74	0.74	0.70	0.70	0.77	0.77	0.70
Jainism	0.46	0.46	0.48	0.47	0.40	0.41	0.37
Zoroastrianism	0.13	0.09	0.09	0.09	0.08	0.06	NA
Others	0.43	0.43	0.41	0.42	0.44	0.72	0.90

Source: <https://tradingeconomics.com/india/population>

6. Health Sector Growth in India - Indian Healthcare sector is observing fabulous growth in consistent years due to widened coverage, improved services and increasing investment by public as well private players in medical sector. The Indian Health Sector trend from 2008 to 2020 is estimating a CAGR of 16.5 per cent and expected industry size to touch is US\$ 160 billion by 2017 and US\$ 280 billion by 2020.

Table 7: Health care sector Growth Trend

Year	Industry Size (US \$ Billions)
2008	45
2009	51.7
2010	59.5
2011	68.4
2012	72.8
2014	81.3
2015	104
2016	110
2017 Forecast	160
2020 Forecast	280

Source: Frost and Sullivan, LSI Financial Services

The growth trend in the health care sector of India will definitely improve it HDI as well in near future.

7. Infant Mortality Rate (IMR) - India observed decline in infant and child mortality rates, from 65 in 2000, to about 40 in 2016. Infant mortality rate is total deaths of infants below one year in the particular year per 1,000 live births in the same year including total death rate, gender wise death. Commonly this rate is used as an indicator of the level of health in a country. 1.4% decline was observed in the year 2017 (39.1), in comparison to the previous year rate that was 40.5.

Table 8: Infant Mortality Rate (IMR) (per 1000 live births)

2001	2002	2003	2004	
63.19	61.47	59.59	57.92	
2005	2006	2007	2008	
56.29	54.63	34.61	32.31	
2009	2010	2011	2012	
30.15	49.13	47.57	46.07	
2013	2014	2015	2016	2017
44.6	43.19	37.9	40.5	39.1

Source: Frost and Sullivan, LSI Financial Services

8. GDP Growth - In 70 years of Independence, India observed fabulous development in all the sectors even after facing extremely weak initial economic status, fragile institutions, and poor governance coupling with the three wars with Pakistan and one with China. India is identified as the most developing economies of the world with consistent growth rate and improving GDP rate with some ups and downs.

Table 9: GDP Growth (Annual %)

Year	% Growth	US(\$)
2017	6.7	6.699 Trillion
2016	7.107	2.264 Trillion
2015	8.01	2.112 Trillion
2014	7.505	2.035 Trillion
2013	6.386	1.857 Trillion
2012	5.456	1.828 Trillion
2011	6.638	1.823 Trillion
2010	10.26	1.657 Trillion
2009	8.48	1.324 Trillion
2008	3.891	1.187 Trillion
2007	9.801	1.201 Trillion
2006	9.264	920.317 Billion
2005	9.285	808.901 Billion
2004	7.923	699.689 Billion
2003	7.86	599.593 Billion
2002	3.804	508.069 Billion
2001	4.824	478.965 Billion
2000	3.841	462.1147 Billion

Source: RBI

In Year 2000 India's GDP was around 3.841% and now in Year 2016 it is near about doubled and reached at 7.107%. The highest growth in GDP % was observed consistently in year 2005,

2006 and 2007 with 9.801, 9.264 and 9.285 respectively. And in Year 2010 with the highest % growth of 10.26 Indian GDP size reached 1.657 Trillion in 2010 as compared to 1.324 Trillion in year 2009. For year 2017 the GDP growth rate of India was 6.7% and the size reached 6.699 Trillion.

9. Agricultural Productivity & Food Security - GDP for the agriculture and allied sector reached US\$ 244.74 billion for the year 2016 which is nearby double the GDP recorded in the year 2007 that was US\$ 131.17 billion. From the presented figure in Table 10 an estimated growth for the sector from year 2007-17 recorded a CAGR of 6.64%. Agriculture and allied services is the primary livelihood for about 58% of the population of India.

Table 10: GDP by value added – size of agriculture and allied activities (USD billion)

Year	Size of agriculture and allied activities (US \$ Billions)
2007	131.17
2008	162.67
2009	141.77
2010	139.39
2011	157.35
2012	160.80
2013	140.77
2014	132.71
2015	259.23
2016	244.74

Source: Ministry of Agriculture, Print Release RBI

Conclusion

From the presented statistical outlook of the socio-economic profile of India it can be easily concluded that India has already made excellent

progress and is continuously achieving a new edge in socio-economic sectors and is moving toward upliftment of the overall social and economical structure of the country. But still despite being one of the fastest growing economies of the world, India falls in 'developing' economies and not in the 'developed' ones. Still we are fighting with several issues like girl child feticide, increasing rate of crime, poor governance, less export, restricted financial inclusion, need of effective parliament structure, reducing corruption, women empowerment, facilitated E-Governance and many more. So, several corrective actions are still yet to be implemented

to make India's socio-economic profile the best in the world.

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