

GROWTH INEQUALITIES AND POVERTY IN TAMILNADU

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My object in this guest lecture* will be to attempt a bold sketch, as it were, of certain key aspects of socio-economic development in Tamilnadu, particularly in the last two decades. The concept of development is an abstraction to which we have to give meaning by examining a whole host of inter-related and issue-related facts. It is for this purpose that I have chosen the triangular frame of growth, inequalities and poverty. In relation to Tamilnadu, we shall primarily look at the levels of growth, its pattern, and the extent to which poverty and inequalities of various kinds have persisted despite such growth as has taken place.

Tamilnadu is one of the States that form the polity and economy of India, itself a part of the global economy. In assessing socio-economic performance in Tamilnadu, it will be useful to draw comparisons with levels of development in other major States and in India as a whole. Such comparisons, however, are essentially no more than pointers. They can make us "sit up and think" but it is as the result of further thought that final judgments should be attempted. In coming to such judgments, we have to take note of the resource base of Tamilnadu in relation to that of other states or India generally; forces and factors in the wider Indian and global economy that have had an impact on Tamilnadu as well; and Government policy and programmes both in the Central and State levels. At the same time, our survey will have to lead us back to Tamilnadu in the sense that our focus is on the ways in which it might be possible to increase growth, to reduce inequality and to purposefully attack poverty at the decision making levels of our State.

We shall use for the purpose of our survey a variety of data that are generally available and come from official statistical sources of the Central and State governments.¹ Undoubtedly, there are

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1. The data sources are identified in each of the tables. For National Income and State Domestic Product Data, we have referred to *Tamilnadu, An Economic Appraisal* (TEA) issued by the Government of Tamilnadu and the *Annual Economic Survey of the Government of India*.

inadequacies and various other difficulties pertaining to data. These difficulties should not however discourage the effort to seek a broad understanding of where Tamilnadu stands in terms of growth, inequalities and poverty. The present purpose is to develop such an understanding rather than to nail down firm quantitative indicators, absolute or relative. Others may tend to interpret some of our "dark" conclusions in terms of various shades of "grey"; still they will be distinguishable from "white".

Income and Growth

The well-understood and commonly-used measure of aggregate growth is the GNP and in relation to Tamilnadu, the State Domestic Product (SDP). From 1960-61 onwards, comparable estimates for Tamilnadu and other States are available. One limitation of the SDP is that it estimates the income *originating* in Tamilnadu rather than what *accrues* to Tamilnadu including net income flows from outside. Nevertheless, the SDP is a useful first informant of the level of growth. We can relate the SDP to population figures in the censuses and find out about the level and trends in per capita incomes. We can see how SDP has behaved over time and get an idea of the trend of growth. By comparing the SDP of Tamilnadu with that of other States, its relative performance can be gauged. The contributions to SDP from various sectors of the economy such as agriculture, industry and services can be analysed to find out the composition or structure of the SDP and variations of this over time can be looked at. Thus the SDP can give a first general insight into the economy and its performance in terms of broad averages. This picture can then be supplemented with a more detailed insight into the principal sectors of the economy such as agriculture and industry to understand both sources of the growth in the past and the constraints that might operate in the future.

Let us accordingly begin by reviewing the income level in Tamilnadu in terms of per capita SDP. Comparable data in this regard is available only from the 1960s. Table 1 gives Statewise figures for per capita SDP for the 15 major States in India for 1960/61, 1970/71 and 1978/79, the latest year for which data for all these States is available. Per capita net National Product for all-India is also given for these years.

In 1960/61, Tamilnadu had the fourth highest per capita SDP. Its per capita SDP was 7.8 per cent higher than the all-India

average and was 80.7 per cent of that of the richest State (Maharashtra). In 1970/71, Tamilnadu had slipped to the 9th position, its per capita SDP was 8.2 per cent below the all-India average and 56.4 per cent of the richest State (Punjab). In fact, in constant prices of 1960-61 there was hardly any increase in the per capita SDP of Tamilnadu from 1960/61 (Rs. 330) to 1969/70 (Rs. 337). In 1978/79, Tamilnadu's position had improved somewhat to the 7th place. Yet, its per capita SDP was 12.1 per cent below the all-India average and only 53.4 per cent of that of the richest State (Punjab).

Table 2 compares growth rates in net domestic product and its per capita of the major States during 1960/61 to 1977/78. These estimates are the latest made available by the Central Statistical Organisation and are based on standard methodologies evolved by them. A strict comparison inter-se among the States is not possible because of some differences in methodology, source material used, the base years used for constant price comparison and differences in terminal years in a few cases. However, the table can serve to give some idea of relative performance. It shows that in terms of growth, overall (at 2.3 per cent per annum) and per capita (at 0.44 per cent per annum), Tamilnadu has been very much at the bottom of the list if we take the last two decades as a whole. During 1961-81, the population of Tamilnadu grew by 43.4 per cent. This was significantly lower than the growth in all India population which was 55.7 per cent; it was also the lowest rate of population growth among the 15 major States in this period. It will thus be immediately clear that per capita SDP in Tamilnadu has registered a relatively poor increase not because of high population growth. On the other hand, it has occurred *in spite of* a low growth in population.

We obtain a somewhat more encouraging picture if SDP growth rates in Tamilnadu are analysed separately for 1960-70 and for 1970-78. In the 1960s, Tamilnadu with an annual growth rate of 2.1 per cent significantly lagged behind the all-India growth rate of 3.5 per cent (in 1960-61 prices). In 1970-78 there was an improvement. The SDP growth rate in Tamilnadu went upto 2.7 per cent but was still distinctly behind the all-India growth rate of 3.7 per cent (in 1970-71 prices).

Table 3 gives the sectoral growth rates in Tamilnadu for the two periods viz., 1960-70, and 1970-78. It will show that growth in

agriculture and allied sectors was negative (at an annual rate of minus 0.7 per cent) in the 1960s while there was an improvement to an annual rate of 1.6 per cent in 1970-78. On the other hand, there was a sharp deceleration in the industrial growth rate: from 6.1 per cent in the 1960s it dropped to 1.5 per cent in 1970-78. The growth rate in electricity generation also decelerated from 8.4 to 5.3 per cent between these two periods.

Agriculture and Irrigation

It is of interest to find out how Tamilnadu stands in relation to other States in the matter of the rate of growth of foodgrain production and in the current level of per capita food production. Table 4 gives the statewise picture of growth rates from 1960/61 to 1978/79 as well as average per capita food production in the five years ending 1979/80. The long term growth rate in Tamilnadu at 1.83 per cent has been distinctly below the all-India average of 2.77 per cent. In terms of ranking, as many as 9 States come ahead of Tamilnadu. Per capita food grain production in Tamilnadu is currently at the level of 145 kg per annum. This is below the all-India average of 166.3 kg and below that in 9 other States.

As is well known, there are year-to-year fluctuations in foodgrain output due to variations in seasonal conditions. It will therefore be useful to compare average production in the two decades. In 1960/61 to 1969/70 average annual food-grain production was 54.83 lakh tonnes. In 1970/71 to 1978/79, average annual production was 68.54 lakh tonnes or 25.0 per cent higher. This order of increase was not very far ahead of the population growth of about 19 per cent in the corresponding span of time.²

1965/66 in the 1960s and 1974/75 in the 1970s were two years of the most serious droughts in Tamilnadu. Foodgrain output in the 1960s varied from a high of 57.88 lakh tonnes in 1962/63 to a low of 50.32 lakh tonnes in 1965/66. In the 1970s, the variation was from a high of 77.5 lakh tonnes in 1977/78 to a low of 47.97 lakh tonnes in 1974/75. The low point in the 1970s was thus lower than the low point of the 1960s. As compared to a low-to-high ratio of about 87 per cent in the 1960s, the corresponding ratio was only 62 per cent in the 1970s pointing to increased vulnerability.

Agricultural output in physical terms is a function of the net area cropped, the yield rates or productivity, and the intensity of-

cropping. Changes in cropping pattern are also relevant. In Tamilnadu, the average annual net sown area increased marginally from 6.03 million-hectares in the 1960s to 6.12 million hectares in 1970-79. Area sown more than once went up from an average of 1.07 million hectares in the 1960s to 1.3 million hectares in 1970-79, i e., by nearly 11 per cent. However, having reached a peak of 1.47 million hectares in 1973-74, it did not increase thereafter. In other words, net area increases more or less came to an end in the 1960s and increases in the intensity of cropping have plateaued off from the mid-1970s. Average productivity of rice (kg per hectare) went up from 1503 in 1960-70 to 1725 in 1970-79 or by 14.8 per cent. It too reached a peak of 2057 in 1973-74. There has been no substantial change in the cropping pattern in Tamilnadu in the period under review, and in fact since the 1950s. Food grains (cereals and pulses) have continued to account for nearly 70 per cent of gross cropped area; within this, there has been a small shift to paddy from cholam, cumbu and ragi. Paddy accounts for about half of the area under foodgrains with dry crops like millets and pulses taking the other half. Among cash crops, the share in acreage of sugar cane has nearly doubled from 1960/61 to 1978/79 but the total area under sugar cane even in the latter year was only 2 per cent of gross cropped area.

Irrigation and the use of high yielding seeds, chemical fertilisers and pesticides have enabled improvements in the intensity of cropping and in productivity, besides contributing to the increase in the area under a more remunerative crop like sugar cane. Investments in irrigation and government programmes for agricultural extension credit and supply of inputs have helped in this process. The current per hectare consumption of chemical fertilisers in Tamilnadu (NPK) at 64.2 kg is more than twice the all-India average of 31.9 kg. It is next only to that of Punjab (125.3 kg) but also only a little more than half of the level in that State.³

Irrigation being a crucial element in increasing agricultural output, we may look at the irrigation picture in Tamilnadu in a little more detail. Table 5 gives statewide figures of the percentage of irrigated area for all crops to gross cropped area in 1976/77. The proportion of irrigated area in Tamilnadu at 42 per cent

3. Centre for Monitoring Indian Economy *District Level Data for Key Economic Indicators* May 1981 Table 3. 9-2.

compares favourably with the all - India average of 25.8 per cent. The only States with significantly higher ratios are Punjab (80.8 per cent) and Haryana (51.1 per cent). Gross area irrigated in terms of annual averages went up from 2.7 million hectares in the First Plan (1951-56) to 3.2 million hectares during the Third Plan (1961-66). The corresponding increase in net irrigated area was from 2.1 to 2.5 million hectares. The contributions to this increase were to the extent of 39 per cent from tanks, 33 per cent from wells and 28 per cent from canals.

In the 1970s, net irrigated area expanded from 2.6 to 2.9 million hectares. In this phase, there has been little increase under canal irrigation and the area under tank irrigation has actually declined. Almost the whole of the increase of 300,000 hectares is accounted for under well irrigation. Of the extent of 2.9 million hectares of net irrigated area in Tamilnadu in 1978/79, 32 per cent was served by canals, 29 per cent by tanks which are largely rain-fed, 37 per cent by wells and 2 per cent by other sources. It is also to be noted that Tamilnadu has already exhausted most of the potential it has under major, medium and minor irrigation. Table 6 will show that as compared to an all-India ratio of 45.9 per cent for utilisation of ultimate potential in irrigation, Tamilnadu has already reached 78.7 per cent, the highest ratio among all the States.

Consistent with the growth in well irrigation, there has been a striking increase in the number of electrified pumpsets in Tamilnadu, from 5.3 lakhs in 1970/71 to 9.2 lakhs in 1980/81. Tamilnadu is the leading State in India in pumpset irrigation and accounts for 21.3 per cent of irrigation pumpsets in India.⁴ This has been rendered possible by extensive rural electrification. Electricity has been extended to almost all of our 16,000 villages while in terms of the percentage of villages electrified, the all-India average is only 47 per cent. While being an impressive and welcome development, the rapid growth of pumpset irrigation is not without its costs. It has created a heavy burden on the electricity system in physical and financial terms because of the large supply of power to agriculture at highly subsidised rates of

4. TEA 1979 and *ibid* Table 3.7-2.

tariff.⁵ Due to over-exploitation of groundwater, there are signs that the water table is progressively going down, particularly in the districts which have a large number of pumpsets such as Coimbatore, Salem and N. Arcot. The investment, maintenance and operating costs on pumpsets are such as to make it difficult for poorer farmers to invest in, or use, them without incurring debt. Fragmentation of land is also a constraint in the efficient and economic use of well water for crop irrigation.

Industry and power

Tamilnadu, along with Maharashtra, W. Bengal and Gujarat, is among the most industrialised States of India whether measured in terms of employment, value added in manufacture, or capital investment in the manufacturing sector. Table 7 gives the relevant comparisons. In the 1960s and 1970s, there has been a diversification and sophistication of our industrial structure with chemical-based and engineering industries contributing to significantly larger shares in output and to the growth in industrial employment.

In analysing the sectoral growth rates in Tamilnadu, we have drawn attention to the fact that while there was an improvement in the 1970s in the growth rate in agriculture, the growth rates in industry and in electricity generation both show a distinct decline in the latter phase. Tamilnadu being part of the larger all-India industrial market and economy, trends in industrial output from one period to another in the State could in large measure be influenced by factors that are not specific to Tamilnadu alone. Such linkages should be quite obvious in the case of some of our major industries such as cotton textiles, leather, automobile ancillaries and sugar. And, in fact from about the mid-1960s there has been a deceleration in industrial growth in all-India as well, and in particular continued stagnation in the cotton textile industry. Having said this, it is necessary to draw attention to certain trends and features that should cause concern.

One is that additions to installed capacity for electricity generation considerably slowed down in the 1970s. Between 1961/62

5. The Tamilnadu Electricity Board's estimate of the actual cost of supply of a unit of electricity to the pumpset is 47 paise as compared to the tariff of 12 paise for small farmers (with less than 5 acres of land) and 15 paise for others. The overall subsidy at current levels of agricultural consumption can be estimated to be over Rs 70 crores

and 1970/71, installed capacity increased from 560 MW to 1965 MW i. e., by about 1400 MW or by more than 250 per cent. Between 1970/71 and 1979/80 the increase was from 1965 MW to 2929 MW i. e., by about 1000 MW or by only 49 per cent. It is noteworthy that in this period in the 1970s, installed capacity at an all-India level has increased from about 15,000 to about 28,000 MW or by over 93 per cent.⁶ Secondly, about 47 per cent of power generation capacity in Tamilnadu is still based on hydel sources subject to fluctuations in rainfall. A third factor is that as much as about 26 per cent of power generation in Tamilnadu is consumed for groundwater irrigation. Thus given capacity constraints, vicissitudes of generation, and a large draft on available power from agriculture, industrial demands for electricity have been under severe pressure, particularly in the 1970s. Undoubtedly, this has been a major factor that accounts for the deceleration in the industrial growth rate in the 1970s which was brought out in Table 3. We must also note that Tamilnadu is disadvantageously placed in the power sector. Hydro potential has been very nearly exhausted. The State is far away from the main coal fields of Bengal - Bihar or Madhya Pradesh, leading to higher costs and haulage problems in thermal power generation. It has, however, large lignite deposits in Neyveli. The phased exploitation of lignite for power and nuclear power plants will need massive central investments.

A second trend that deserves notice is the lag in new industrial investment in Tamilnadu in the 1970s. This is not unrelated to the power shortage. Table 8 gives figures of fixed capital investment in the registered factory sector for 1970-71 and 1976-77 in respect of Tamilnadu and the other 14 major States. It will show that in this relatively short period, Tamilnadu has slipped from the 4th to the 5th place in terms of investment. Industrial investment in Tamilnadu increased in this period only by 35.4 per cent as compared to 81.7 per cent for all the 15 States taken together. In terms of the rate of growth in investment, Tamilnadu stood 12th among 15 States. In 1970-71, investment in Tamilnadu was 67 per cent of the level in Maharashtra which was the leading State in this respect; in 1976-77, it came down to 48 per cent of that in Maharashtra which retained its first place.

6. TEA, 1973 and 1979; and *Government of India, Economic Survey 1980-81*.

Changes in the Structure of SDP and Employment

We have touched upon some principal factors related to agricultural and industrial growth in Tamilnadu. Let us now return to the SDP and look at the changes that have occurred in the sectoral composition. The share of the primary sector has declined from about 52 per cent in 1960/61 to about 40 per cent in 1969/70 and to 37.4 per cent in 1977/78. The share of mining and manufacturing has gone up from about 15 per cent in 1960/61 to 20.9 per cent in 1969/70 and has remained at around that level in the late 1970s. Together, the share of the primary and secondary commodity producing sectors has decreased from 67 to about 61 per cent during the 1960s and to about 57 per cent in the late 1970s. Correspondingly, the share of construction, utilities and services has gone up from 33 per cent in 1960/61 to 43 per cent towards the end of the 1970s.

A decreasing share for the primary sector in the SDP is sometimes viewed as an automatic sign of development. This is not always so. In the case of Tamilnadu, it has largely been the result of a low growth rate in agriculture and allied sectors, and a shift to construction, transport and a number of miscellaneous service activities rather than primarily to industry. We must also notice that the fall in the share of agriculture and allied sectors in the SDP has not resulted in a shift in employment from agriculture to industry or to other sectors. Population Census data for 1961 and 1971 show that the share of the primary sector in employment has gone down only slightly from 64.4 per cent in 1961 to 63.3 per cent in 1971. The share in employment of mining and manufacturing has remained at 13.4 per cent over the entire decade of the 1960s.

Census figures of 1981 are not yet available in sufficient detail for us to review the trend in the 1970s. We however have figures of total main workers, and of cultivators and agricultural labourers in 1981. With these, it is possible to study the changes in these two decades in the share of the agricultural work force (consisting of cultivators and agricultural labourers) in the total work force. Table 9 gives these figures. It shows that the agricultural work force has continued to remain at about 61 per cent of all workers. But as between cultivators and agricultural workers, a striking

shift has taken place between 1961 and 1981.⁷ In the agricultural work force, about 30 per cent were agricultural labourers in 1961 with little or no land dependent on wage incomes as their main source of earnings. This proportion has sharply risen to 52 per cent by 1981. In absolute numbers, the increase in 1961-81 of agricultural labourers is from about 28 lakhs to about 59 lakhs i. e., their number has more than doubled in the last two decades. Thus while there has been no reduction in the proportion of those engaged in agriculture, a large shift has occurred from cultivation to wage labour within the agricultural work force. A number of factors must have accounted for this very significant increase in the numbers of agricultural labourers which has taken place mainly in the 1960s: demographic growth; the resumption of tenancies; debt and distress leading to loss of land on the part of small peasants; rural non-agricultural workers such as craftsmen and weavers shifting to coolie work on land; as well as a greater demand for labour arising from increased irrigation, higher agricultural output and spread of the new technology.

The Broad Picture of Growth

We can now try to very briefly sum up the picture of growth in the last two decades that emerges from the data that has been reviewed. The long term growth rate in Tamilnadu has continued to be low although there has been a turn for the better in the 1970s. The fact that the population growth rate in Tamilnadu has been the lowest for any State in India in 1961-81 has helped to buttress per capita growth. Yet the density of population (1981) at 371 per sq. kilometre is well above the all-India average (221 per sq. km.): Tamilnadu occupies the 5th highest place among major States in regard to the pressure of population.

The scope for area increases for cropping has been exhausted about two decades ago, and that for surface irrigation from canals and tanks about a decade ago. There has been a striking increase in groundwater irrigation. But this entails a heavy draft on limited power availability and a progressive depletion of groundwater resources. The increase in irrigation has nevertheless enabled a relatively high use of improved seeds and chemical fertilisers

7. See S. Subramanian and V. K. Ramachandran, *Agricultural Labourers in the Working Population of Rural Tamilnadu; Preliminary Results from the censuses of 1961, 1971 and 1981* Madras Institute of Development Studies June 1982 for a detailed discussion of the trends.

which in turn has brought gains in productivity. But both productivity increases and increases in intensity of cropping appear to have tapered off since the mid 1970s. While foodgrain output has increased in the 1970s, per capita foodgrain production is relatively low and has not risen very much in the last two decades. Irrigation, power and agricultural output are all highly vulnerable to rainfall within Tamilnadu and in catchment areas elsewhere. Agriculture has not diversified; Tamilnadu is not self-sufficient in pulses, oilseeds or cotton; there has been little growth in the proportion of milk, meat and fish; and poor progress in farm forestry. Despite a shift in the sectoral contributions to SDP from agriculture to industry, there has been no decrease in the share of employment in agriculture nor a growth in the proportion of employment in industry. Within the agricultural work force, the numbers of agricultural labourers who depend mainly on wage earnings rather than on self cultivation has more than doubled pointing to growing impoverishment.

While there has been a growth and diversification in the industrial sector, output increases have sharply declined in the 1970s. Strikingly so is also the case with additions to installed capacity in power generation. There has been a sluggish growth in new industrial investments as well. Industry continues to be concentrated in the greater Madras Metropolitan area and in Coimbatore.⁸ Many areas in the State, notably eastern Ramanathapuram and Dharmapuri, remain backward both in terms of industry and agriculture.

Inequalities

Our analysis so far has been based on national income data, the Censuses and other official data relating to overall income and production. As a next step, it will be of interest to know how much of the State's income is saved and the proportion of it that is finally consumed. Proceeding further, it will greatly help if one can have data on incomes, savings and consumption among different fractiles of the population. For example, to find out what these are among households in the top 5 or 10 per cent of income earners as compared to those in the bottom 20 or 40 per cent. Unfortunately, data are not available on either savings at

8. The three districts of Madras, Chengalpattu and Coimbatore account for over 51 per cent of employment and nearly 65 per cent of value added in the factory sector.

the level of the State or on the distribution of incomes and savings at household levels within the State. Our exploration into inequalities will therefore have to be pursued in other ways. On economic inequality, we can obtain some idea of the distribution of land and of other assets from NSS and RBI surveys. This is valuable because assets and income have a circular or mutually reinforcing relationship. Incomes get translated or congealed into assets through savings. In turn, assets provide the basis for generating income flows through investment, trade, moneylending and a variety of other means. In the next section we move from inequality to absolute poverty which is a stark consequence of the nature of growth and inequality in our context. Thereafter, in discussing the 'quality of life', we turn to dimensions of inequalities which prevail in relation to literacy and health.

Two tables will suffice for our purpose in vividly bringing out the extreme concentration of land and other assets in Tamilnadu. Table 10 gives the ownership distribution of land in 1971-72 as brought out in the 26th Round of the NSS. It shows that among those who own land, marginal farmer households owning upto 2.5 acres constitute 78.4 per cent while the extent of land that they own is only 20.2 per cent of the total. Small and marginal farmer households owning upto 5 acres constitute 89.8 per cent of households but account for only 42.1 per cent of land owned. The remaining about 10 per cent of households with 5 acres or more own as much as about 58 per cent of land. The estimates in the 26th Round of the NSS also show that among all the States in India Tamilnadu had the highest percentage in 1971/72 of rural households not owning any land at all (17.01 per cent) as also of those who neither owned nor operated any land (14.09 per cent).

We have information from the RBI's All-India Debt and Investment Survey 1971-72 on the distribution among rural households of all assets including not only land but also such items as buildings, livestock, farm and non-farm equipment, durable consumables and financial assets. Table 11 is based on the data available from this source. It shows that the top 10 per cent of rural households own about 78 per cent of assets. Within them, the top one per cent owned about 38 per cent of assets i. e., more than the assets owned by the bottom 95 per cent taken together. This is indeed striking.

We shall not enter into a discussion of whether concentration of land and other assets has worsened or lessened in the 1960s. Even if concentration has lessened, for which there is no clear evidence, the skewness of distribution in 1971-72 is striking and little consolation is gained. If on the other hand it has worsened, the picture of inequality only gets heightened by the indication that it is not only great but might have also grown.

In this context, it might be of interest to comment on the progress of land reform in the State. In 1960, land ceiling legislation was introduced fixing the ceiling at 30 standard acres. In 1970, the ceiling was reduced to 15 standard acres. In the 1960s, when land ceilings were originally imposed, the potential surplus was officially estimated at 25.5 lakh acres at a ceiling of 10 standard acres. However up to the end of 1981, only 1.37 lakh acres have been notified as surplus of which 1.01 lakh acres have been so far distributed. Clearly, many large landlords have been able to evade the ceiling legislation through partitions and benami transactions. Unlike as in some other States (notably, W. Bengal and Karnataka), Tamilnadu has not brought forward legislation to enable tenant tillers to own leased land. Nor has there been adequate implementation of legislation assuring tenants of security and fair rents. No attempt has been made to bring about consolidation of landholdings despite States like Punjab, Haryana and Uttar Pradesh having shown the way.

Poverty

The study we can rely on for obtaining a systematic idea of the poverty level State-wise and the changes in it over time is one undertaken by M. S. Ahluwallia⁹. This is based on NSS data available on a State-level basis from the 13th Round (1957-58) to the 28th Round (1973-74). He takes the rural poverty line at Rs. 15 per capita per month in all-India rural prices for 1960-61, estimates State poverty lines with reference to it, and allows for price changes using State-level indices in the Consumer Price Index for Agricultural Labour. The all-India estimates are arrived at as a weighted sum of the estimated percentages in the individual States. Table 12 gives the position of Tamilnadu vis-a-vis the all-India level and the rank of Tamilnadu from the poorest end of the list of 14 major states for which estimates are available. The

9. Montek S. Ahluwallia *Rural Poverty in India: 1956-57 to 1973-74* World Bank Staff Working Paper No. 279 May 1978.

table shows that the rural poverty proportion has fluctuated in Tamilnadu from year to year during this period. This is to be expected because of variations in seasonal conditions affecting agricultural output. Consistently however Tamilnadu has remained among the States in India with a very high poverty proportion. It had the highest proportion in two years (1957/58 and 1959/60), the second highest in one year (1961/62), the third highest in one year (1960/61), the fourth highest in three years (1965/66, 1968/69 and 1970/71), the fifth highest in one year (1964/65), the sixth highest in two years (1963/64 and 1966/67) and the seventh highest in two other years (1967/68 and 1973/74). In this span of 12 years, its relative position did not at any time improve beyond the 7th. Furthermore, in this entire period, the proportion of the rural poor in Tamilnadu has been above the all-India level. It has also never been less than 50 per cent, except in 1973-74 when it dipped marginally to 48.3 per cent.

In order to estimate the urban poverty line, we can use Rs.55 per capita per month in current prices of 1973-74 which can be taken as a reasonable basis. From NSS data the proportion of the urban poor can then be estimated at 49.1 per cent. In absolute numbers this would mean that in 1973-74, 146 lakhs in the rural population and 63 lakhs in the urban population of Tamilnadu or about 2 crore persons constituted the absolutely poor.

In regard to "who are the poor", an estimate made by C. T. Kurien for Tamilnadu in 1970-71 is that 56 per cent of cultivators consisting of those operating a hectare of wet land or three hectares of dry land, 87 per cent of agricultural labourers, and about 85 per cent of non-agricultural rural labourers would come under the poverty line.¹⁰ The bulk of the latter would be handloom weavers, other rural artisans, construction workers, fishermen and destitutes and old people without occupation.

A very high proportion of agricultural labourers are among the absolutely poor and, as we have seen, there has been a very large increase in their numbers in Tamilnadu in the last two decades. It is therefore of particular interest to know whether their condition has improved. An agricultural labourer derives his or her earnings mainly from wage employment. As such, his (or her) level of annual earnings will depend mainly on the

10. C. T. Kurien *Rural Poverty in Tamilnadu* in International Labour Organisation *Poverty and Landlessness in Rural Asia 1977*.

number of days in the year for which employment is available and the average daily wage level. Trends in these two parameters will have to be analysed with reference to price increases so that it would be possible to obtain an idea of the change in real terms. There is unfortunately no hard data in regard to the growth in the availability of employment to agricultural labourers. Micro-level village studies suggest that factors have operated both to increase employment as well as to offset such increases.¹¹ Greater output arising from the use of improved seeds and chemical inputs, higher intensity of cropping, more irrigation and crop diversification would have led to greater labour absorption in agriculture. Growth in non-agricultural activities and in government services have resulted in some shift of agricultural labour to non-agricultural rural activities. On the other hand, mechanisation, particularly the use of tractors, has displaced employment. On the supply side, there has been an increase of about 24 per cent in the agricultural work force as a whole in 1961-81 and an increase of 110 per cent in the numbers of agricultural labourers. In the result, it seems that any increase in the duration of employment is not likely to have been significant.¹²

In regard to wages, trends vary in different regions of the State but aggregate data indicates that in real terms wages have fallen between 1951/52 and 1973/74. Discounting money wages by the prices of rice 11 sort, Kurien finds that in real terms, the average daily wage for men field labourers in 1973/74 was 71 per cent of its level in 1951/52 with the corresponding ratio being about 76 per cent for women.¹³ Again in regions where real wages have increased, duration of employment may have gone up to a relatively lesser extent so that total real earnings would show no significant increase. There is little doubt that despite such growth that Tamilnadu has had, a large proportion of agricultural labourer households, most marginal farmers and

11. See, for instance, S. Guhan and Joan Mencher *Iruvelpattu Revisited* Madras Institute of Development Studies 1982.

12. Data from the Agricultural Labour and Rural Labour Enquiries of 1956/57 and 1964/65 and the NSS 25th Round (1970-71) do not lead to any definite conclusions regarding a possible — increase vide C. T. Kurien op. cit.

13. C. T. Kurien *Dynamics of Rural Transformation A Study of Tamilnadu 1960-1975* Orient Longman 1981

many small farmer and rural non-agricultural households remain under the poverty line.

In regard to aggregate employment, data is available on where Tamilnadu stands in relation to other States. Table 13 gives aggregate measures of unemployment in the equivalent of person years (i. e., taking into account the extent of under employment as well) on a State-wise basis for 1972-73 based on the 27th Round of the NSS. At the all-India level these estimates place unemployment at 18.57 million in equivalent person years and the unemployment rate, i. e., the proportion in the labour force of those seeking and available for work, at 8.34 per cent. Tamilnadu accounts for 2.35 million person-years of unemployment, the largest for any single State. Its share in all-India unemployment at 12.63 per cent is the highest for any State. The unemployment rate for Tamilnadu at 12.17 per cent was significantly higher than the all-India level of 8.34 per cent and the second highest among all the States.

We can supplement this data by pointing out that applicants in the live registers of employment exchanges in Tamilnadu have increased in number from 347,000 in 1970 to 968,000 in 1979. In the same period, the numbers of educated job seekers—SSLC, PUC, graduates and post graduates—have increased from 179,000 to 485,000.¹⁴

The Quality of Life

Let us now turn to an examination of the levels of literacy, health and nutrition in Tamilnadu since these are the prime indicators of social development. Table 14 gives the relevant figures for Tamilnadu and other states. In literacy, Tamilnadu stands third in India coming after Kerala and Maharashtra. Its literacy rate of 45.8 per cent in 1981 is close to that of Maharashtra (47.4 per cent) but less than two-thirds of that of Kerala (69.2 per cent) which is the leading State. In life expectancy, Tamilnadu is 7th among the major States. There are only five other States with a lower infant mortality rate than Tamilnadu. In per capita calorie consumption, Tamilnadu stands lowest among all States.

Using estimates of life expectancy, infant mortality and literacy, a composite index of the Physical Quality of Life (PQLI) has been

14. TEA, 1979.

constructed for 12 States in India for 1971. The sources of data and the methodology followed have been explained by the author of this index Morris D. Morris and his colleague Michelle D. Mc Alpin in a recent book entitled "Measuring the condition of India's Poor."¹⁵

The PQLI is useful in providing us with an idea of the comparative position of different States. Within each State, differences in the PQLI as between rural and urban areas and as between males and females have also been worked out. As might be expected, the differential is greatest between urban males and rural females. Table 15 gives these figures.

In terms of the composite PQLI, Tamilnadu stands fifth coming after Kerala, Punjab, Maharashtra and Karnataka. While its index (viz., 46) is close to that of the last three States (50, 49 and 48 respectively) it is far behind that of Kerala (70). In terms of rural-urban differentials, the disparity in Tamilnadu is larger than in 7 other States. Likewise, in terms of male-female differentials, 6 other States fare better than Tamilnadu.

Some of the differentials in regard to literacy need to be further highlighted. In 1981, while overall literacy in Tamilnadu was 45.8 per cent, female literacy at 34.1 per cent was less than three-fifths of male literacy at 57.2 per cent. Literacy among the rural population was 37.7 per cent or just about three-fifths of the urban rate of 62.2 per cent. Among rural females, it was as low as 25.1 per cent. In regard to scheduled castes, the figures for 1981 are not yet available. In 1971, it was only 21.8 per cent or less than half of what it was in the rest of the population (viz., 43.3 per cent). It was a mere 9 per cent among scheduled caste, rural females.

The question of female literacy is particularly important because a high literacy among women tends to be associated with lower infant mortality and consequently lower death rates.¹⁶ Kerala for

15. Morris D. Morris and Michelle D. Mc Alpin: *Measuring the condition of India's poor: The Physical Quality of Life Index* Promilla and Co. New Delhi 1982.

16. A Survey of infant and child mortality undertaken by the Registrar-General of India showed that the infant mortality rate (Per 1000 live births) was 132 among illiterate mothers and 64 in the case of mothers who had had education at the primary level or above.



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instance not only has the highest literacy rate of 69.2 (in 1981) but its female literacy rate is as high as 64.5 which is 87 per cent of its male literacy rate of 74. Kerala also has a high life expectancy and the lowest infant mortality rate (vide Table 14). Rural-urban and male-female differentials in PQLI are the lowest in Kerala (vide Table 15). What is particularly impressive about Kerala is that it has achieved outstanding levels of literacy and health despite being one of the poorest States in India in terms of per capita SDP (vide Table 1).

A comparison with Kerala in regard to death rates is also of interest. According to all-India Health Statistics, the death rate in Tamilnadu in 1978 has been estimated at 12.8 while it was placed at 7.0 for Kerala. In fact, it is a higher death rate rather than a particularly low birth rate that accounts for the low population growth rate in Tamilnadu. The implication of this is that if mortality gets reduced with better health facilities, the population growth rate in Tamilnadu might well increase. A reduction of mortality, particularly infant mortality, and family planning, in a framework of better health, education and nutrition, are *both* necessary.

Data on inequalities in the health status is less firm. The differential in rural-urban infant mortality rates (IMR) is a significant one. According to the estimates of the Registrar-General of India, rural IMR in Tamilnadu was estimated at 133.9 in 1970 while the urban IMR was 89.9.¹⁷ There are large disparities in the provision of health facilities in Tamilnadu. In the late 1970s, the population-bed ratio was 761 for Madras City while it was 6901 for the rural areas. The population-doctor ratio was 621 in Madras city and 4840 in the districts.¹⁸

In all respects, the scheduled castes occupy a very disadvantaged position. We already saw that their literacy level was low. In villages they have very poor access to basic amenities such as drinking water supply, health facilities, house sites, housing and electricity. About 82 percent of scheduled caste workers in 1971

17. It is also striking that in India as a whole the rural IMR remained at 136 between 1970 and 1978 while the urban IMR declined from 90 to 70 in this period.

18. S. Guhan *Health in Tamilnadu: Fact and Issues* Madras Institute of Development Studies 1981.

were engaged in agriculture. Of them, 78 per cent were agricultural labourers belonging to the poorest segment of the population. It is a cruel misnomer to call the Harijans the "Children of God" when they suffer from so much economic inequality and social discrimination.

Conclusion

At an earlier stage, we had summed up the broad picture of growth in Tamilnadu. Subsequently, we had drawn attention to the large inequalities in the ownership of land and other assets; to the existence of massive poverty and to large scale unemployment; and to inadequacies and inequalities in the provision of such basic needs as literacy and health. This picture of slow and uneven growth with much inequality and poverty represents a general equilibrium of backwardness with such mutually supportive elements as massive poverty, low purchasing power, and low per capita food production; a low population increase related to relatively high mortality; and low levels of demand and of output in the commodity producing sectors of the economy. Illiteracy and passivity could also perhaps be added to this list.

These elements are not unique to Tamilnadu vis-a-vis other States in India or to India with reference to many other developing countries. It is true also that for Tamilnadu to achieve accelerated growth, much support and assistance will be needed from the Centre, especially in power, water and industry as well as the co-operation of neighbouring States and a faster development of all-India markets. One cannot however rest with saying this without also pointing out that much needs to be done, and can be done at the State level for promoting growth and reducing poverty. Our review would have itself conveyed the broad agenda for action, while a detailed blueprint is beyond the scope of this lecture.

We can conclude that whether it is growth or equity, the tasks ahead will be complex because of the increasing pressure of population on basic resources such as land, water and minerals that confronts Tamilnadu. They will demand considerable political will and vision, technical expertise and administrative dynamism. The very first step is to be aware that Tamilnadu faces serious development problems which are bound to become increasingly severe. The purpose of this lecture is to draw attention to this crisis amidst the fog of complacency and the noisy distractions of day-to-day politics which surround us.

Table 1 : Per capita SDP in current prices (Rs)

State	1960/61	1970/71	1978/79
1. Andhra Pradesh	275	585	1052
2. Assam	315	539	953
3. Bihar	215	402	773
4. Gujarat	362	829	1505
5. Haryana	327	870	1797
6. Karnataka	285	685	1136
7. Kerala	265	564	1056
8. Madhya Pradesh	260	484	893
9. Maharashtra	409	784	1788
10. Orissa	217	482	860
11. Punjab	374	1030	2088
12. Rajasthan	284	620	1098
13. Tamilnadu	330	581	1114
14. Uttar Pradesh	246	486	977
15. W. Bengal	321	712	1282
All-India (per capita NNP)	306	633	1267

Source : Central Statistical Organisation and Government of India : *Economic Survey 1980-81*

Table 2: Growth rates in net domestic product and per capita ndp of States 1960/61 to 1977/78.
(Factor cost, 1960/61 prices)

State	Annual compound rates in percentage	
	NDP	Per capita NDP
1. Andhra Pradesh	3.0	0.93
2. Assam	2.8	- 0.25
3. Bihar ¹	2.4	0.45
4. Gujarat	3.2	0.71
5. Haryana ¹	5.3	2.45
6. Karnataka ¹	3.5	1.34
7. Kerala ¹	3.0	0.73
8. Madhya Pradesh	2.8	0.22
9. Maharashtra	3.8	1.50
10. Orissa ²	4.1	1.89
11. Punjab	5.2	3.20
12. Rajasthan	3.1	0.48
13. Tamilnadu	2.3	0.44
14. Uttar Pradesh	2.4	0.52
15. W. Bengal ¹	2.3	- 0.05
All-India	3.6	1.34

¹ relates to 1976/77. ² relates to 1975/76

Source: Central Statistical Organisation *Monthly Abstract of Statistics* 1979 and World Bank Report No. 3401-IN on *Economic Situation and Prospects of India* April 1981.

Table 3 : Sectoral growth rates of SDP in Tamilnadu
(Annual compound rate in percentages)

	1960/61 to 1969/70 ³	1970/71 to 1977/78 ⁴
1. Primary sector ¹	0.7	1.6
2. Mining and manufacturing	6.1	1.5
3. Electricity generation	8.4	5.3
4. Construction	5.0	7.0
5. Transport and Communication	7.9	3.4
6. Others ²	3.0	3.8
SDP	2.1	2.7

¹ Includes agriculture, animal husbandry, forestry and fishery.

² Includes trade, storage hotels and restaurants, banking and insurance, real estate and ownership of dwellings, public administration and other services.

³ In 1960/61 constant prices.

⁴ In 1970/71 constant prices.

Source : Government of Tamilnadu: *Tamilnadu, An Economic Appraisal* (Various issues).

Table 4: Growth and per capita levels of foodgrain production

State	Growth rate ¹ 1960 – 1979 (per cent)	Per capita ² foodgrain output (kg) (Average of 5 Years upto 1979/80)
1. Andhra Pradesh	1.69	159.8
2. Assam	2.35	NA
3. Bihar	1.92	120.8
4. Gujarat	3.56	121.5
5. Haryana	5.33	416.1
6. Karnataka	3.40	173.6
7. Kerala	1.39	51.0
8. Madhya Pradesh	1.67	183.0
9. Maharashtra	1.77	148.6
10. Orissa	1.19	164.4
12. Punjab	8.01	620.9
13. Rajasthan	2.97	194.9
14. Tamilnadu	1.83	145.0
15. Uttar Pradesh	2.79	173.4
16. W. Bengal	2.72	142.1
All-India	2.77	166.3

Source: ¹ J. S. Sarma *Agricultural Policy in India* International Development Research Centre 1982.

² Centre for Monitoring Indian Economy. *District Level Data for Key Economic Indicators* May 1982.

Table 5: Irrigated cropped area to gross cropped area 1976/77

State	(per cent)
1. Andhra Pradesh	35.0
2. Assam	17.3 ¹
3. Bihar	31.8
4. Gujarat	13.5
5. Haryana	51.1
6. Karnataka	44.9
7. Kerala	12.7
8. Madhya Pradesh	9.8
9. Maharashtra	11.2
10. Or'issa	19.2
11. Punjab	30.8
12. Rajasthan	17.6
13. Tamilnadu	42.0
14. Uttar Pradesh	42.1
15. W. Bengal	20.2 ²
All-India	25.8

¹ Refers to 1953/54 ² Refers to 1967/68

Source: Ministry of Agriculture and Irrigation: *Indian Agriculture in Brief* 1978.

Table 6 : Utilisation of Ultimate potential in irrigation upto 1977/78.

(Percentage)

State	Medium and major irrigation	Minor irrigation	Total
1. Andhra Pradesh	55.6	44.8	50.7
2. Assam	6.2	17.1	13.0
3. Bihar	35.4	35.6	35.5
4. Gujarat	32.0	77.7	43.7
5. Haryana	57.0	76.1	63.4
6. Karnataka	40.4	44.3	42.0
7. Kerala	43.0	29.1	35.6
8. Madhya Pradesh	21.0	33.3	26.0
9. Maharashtra	27.3	47.2	36.0
10. Orissa	36.9	22.6	31.3
11. Punjab	75.0	79.7	77.6
12. Rajasthan	50.2	73.3	60.9
13. Tamilnadu	78.7	78.8	78.7
14. Uttar Pradesh	43.8	57.5	50.8
15. West Bengal	61.5	46.4	44.5
All-India	42.4	49.5	45.9

Source: Planning Commission Draft Sixth Five Year Plan 1978/83.

Table 7: Position of major industrialised States in India, 1976/77

(Shares in all-India in percentage)

State	Employment	Value added	Fixed Investment
1. Maharashtra	18.2	24.4	16.1
2. W. Bengal	13.3	12.1	8.0
3. Tamilnadu	10.0	9.4	7.7
4. Gujarat	8.9	9.4	9.2
5. Uttar Pradesh	8.0	7.4	6.3
6. Bihar	5.2	5.4	12.4
7. Andhra Pradesh	8.5	5.1	5.3
8. Karnataka	5.2	4.9	4.6
9. Madhya Pradesh	4.1	4.8	6.3
10. Others	17.7	17.1	24.1
All-India	100.0	100.0	100.0

Source : Central Statistical Organisation *Annual Survey of Industries 1976-77* Summary Results for Factory Sector.

Table 8 : Fixed Capital Investment in Factory Sector 1970-77.

State	1970 71 (Rs. crores)	1976 77 (Rs. crores)	Percentage increase of 1976 77 over 1970 71
1. Andhra Pradesh	483.60	857.98	77.4
2. Assam	184.17	294.97	60.2
3. Bihar	677.46	2004.29	195.9
4. Gujarat	574.47	1489.97	159.4
5. Haryana	219.6	495.77	125.4
6. Karnataka	414.43	747.40	80.3
7. Kerala	192.42	540.18	180.7
8. Madhya Pradesh	530.46	1020.65	92.4
9. Maharashtra	1374.35	2610.66	90.0
10. Orissa	413.76	492.40	19.0
11. Punjab	266.93	799.96	199.7
12. Rajasthan	299.36	664.07	121.8
13. Tamilnadu	917.39	1242.21	35.4
14. Uttar Pradesh	968.88	1013.14	4.6
15. W. Bengal	1049.13	1289.00	22.9
Total	8566.77	15,562.65	81.7

Source : Central Statistical Organisation *Annual Survey of Industries 1976-77.*

Table 9 : Agricultural work force in Tamilnadu : 1961, 1971 and 1981.

	(per cent)		
	1961	1971	1981
Cultivators	42.07	31.26	29.40
Agricultural labour	18.42	30.46	31.45
	60.49	61.72	60.85
Other workers	39.51	38.28	39.15
All workers	100.00	100.00	100.00

Source : Census of India 1961, 1971 and 1981.

Table 10 : Distribution of ownership holdings in Tamilnadu 1971-72.

Size class of household ownership holding (acres)	Cumulative percentage of households	Cumulative percentage of area owned
Upto 0.99	60.53	4.45
1.00 - 2.49	78.40	20.23
2.50 - 4.99	89.79	42.07
5.00 - 7.49	94.55	58.02
7.50 - 9.99	96.54	67.28
10.00 - 14.99	98.55	80.27
15.00 - 19.99	99.27	87.00
20.00 - 24.99	99.54	90.25
25.00 - 29.99	99.69	92.49
30.00 - 49.99	99.91	96.95
50.00 and above	100.00	100.00

Source : NSS Report 215 Vol. I (Rural Table 2)

Table 11: Concentration in the ownership of assets in rural Tamilnadu 1971-72

Decile group	Percentage share in total assets owned
0 - 10	0.04
10 - 20	0.15
20 - 30	0.32
30 - 40	0.58
40 - 50	0.97
50 - 60	1.61
60 - 70	2.75
70 - 80	5.08
80 - 90	10.86
90 - 95	12.47
0 - 95	34.83
95 - 99	26.20
99 - 100	38.97
	100.00

Source : C. T. Kurien Dynamics of Rural Transformation A Study of Tamilnadu 1950-1975 Orient Longman 1981 based on RBI's All-India Debt and Investment Survey 1971-72.

Table 12: Relative position of Tamilnadu in rural poverty

(Percentage of rural poor)

Year	Tamilnadu	All-India	Rank of Tamilnadu (from the bottom)
1957 — 58	67.8	53.4	1
1959 — 60	64.4	48.7	1
1960 — 61	53.9	42.0	3
1961 — 62	51.0	42.3	2
1963 — 64	52.0	49.1	6
1964 — 65	57.4	50.4	5
1965 — 66	59.5	51.1	4
1966 — 67	62.7	57.4	6
1967 — 68	58.1	57.9	7
1968 — 69	60.6	53.5	4
1970 — 71	57.3	49.1	4
1973 — 74	48.3	47.6	7

Source : Derived from Montek S. Ahluwallia *Rural Poverty in India: 1936-1982 to 1973-74*.
World Bank Staff Working Paper No. 279 May 1978.

Table 13 : Status of unemployment by States 1972 - 73

State	Unemployment in equivalent person years (million)	Share in total all-India Unemployment (per cent)	Unemployment rate (per cent)
1. Tamilnadu	2.35	12.63	12.17
2. Andhra Pradesh	2.32	12.49	12.01
3. Maharashtra	2.22	11.93	9.73
4. Bihar	2.05	11.05	10.26
5. Kerala	1.88	10.11	25.23
6. W. Bengal	1.64	8.79	10.66
7. Uttar pradesh	1.22	6.54	3.68
8. Karnataka	1.15	6.36	9.20
9. Orissa	1.01	5.43	10.82
10. Madhya Pradesh	0.71	3.85	3.67
11. Gujarat	0.66	3.56	6.36
12. Rajasthan	0.49	2.62	3.72
13. Punjab	0.23	1.26	4.54
14. Haryana	0.15	0.79	4.10
15. Jammu & Kashmir	0.14	0.74	8.38
16. Assam	0.09	0.48	1.98
17. Other States and UTs	0.26	1.37	
All India	18.57	100.00	8.34

Source : Draft Five Year Plan 1978-83

Table 14: Statewise indicators of Health, Literacy and Nutrition

State	Life expectancy (years)	Infant mortality rate (per 1000 live births)	Literacy (in 1981)	Calorie intake per day
1. Andhra Pradesh	56.1	109	29.9	2040
2. Assam	51.3	137	NA	NA
3. Bihar	NA	NA	26.0	NA
4. Gujarat	53.4	144	43.8	1612
5. Haryana	NA	NA	35.8	NA
6. Karnataka	56.3	93	38.4	2220
7. Kerala	62.8	58	69.2	1842
8. Madhya Pradesh	55.9	145	27.8	2779
9. Maharashtra	56.1	107	47.4	2281
10. Orissa	52.6	134	34.1	NA
11. Punjab	64.3	112	40.7	2832
12. Rajasthan	50.5	127	24.1	2044
13. Tamilnadu	54.8	114	45.8	1498
14. Uttar Pradesh	48.9	182	27.4	2307
15. W. Bengal	NA	NA	40.9	NA
All India	54.6	134	36.2	1985

Source: Literacy figures are from the 1981 Census. Others are from Morris D. Morris and Michelle B. Mc Alpin *Measuring the Condition of India's Poor: The Physical Quality of Life Index* Promilla & Co. New Delhi 1982.

Table 15: PQLI for States

	PQLI	Rural-urban differential	Male-female differential	Urban Male-Rural Female differential
1. Andhra Pradesh	43	23	7	30
2. Assam	37	29	9	36
3. Gujarat	40	21	13	33
4. Karnataka	48	22	9	31
5. Kerala	70	5	5	9
6. Madhya Pradesh	37	28	13	40
7. Maharashtra	49	20	9	29
8. Orissa	37	24	13	36
9. Punjab	50	17	8	29
10. Rajasthan	33	30	12	43
11. Tamilnadu	46	25	12	37
12. Uttar Pradesh	25	28	26	42
All-India	40	26	13	38

Source : Morris D Morris and Michelle B. Mc Alpin op. cit.

This short monograph, originally delivered as a lecture in the Madurai Kamaraj University, examines the development experience of Tamilnadu since the 1960s in terms of growth, inequalities and poverty. The picture that emerges is one of poor growth, sharp inequalities, massive poverty, large scale unemployment and inadequacies and inequalities in the provision of such basic needs as literacy and health.

The author concludes that, whether it is growth or equity, the tasks ahead will be complex. They will demand considerable political will and vision, technical expertise and administrative dynamism. The very first step is to be aware that Tamilnadu faces serious development problems which are bound to become increasingly severe.

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