



PACE AND PATTERN OF ECONOMIC DEVELOPMENT OF GUJARAT

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ABSTRACT:

Gujarat is a state of India, situated at the western most part of the country. The state is in discussion among modern thinkers for its development strategy. Gujarat is studied and compared with other Indian states too for its high economic growth rate. The state came in existence in 1960 by splitting the Bombay state on the linguistic bases. Gujarat has many growth potentialities as well as natural and social curse on its account which impeded state's growth. Albeit, high growth rate is not a new experience for Gujarat since its inception, there are few questions that arise when we are concerned with sustainable growth and development. When we study socio-political and natural factors of the state, we can see that not any single factor is responsible for Gujarat's high growth rate, but it's a result of combined impacts of innovation, political prudence, and growth propensity of people which have converted some unwanted events in favour of the state. At the end of the story, the question is that the Gujarat has become an example of economic growth but can the growth pattern of Gujarat be a theory for other state? This paper is trying to unveil some features of economic growth pattern of Gujarat state for state's own sustainable development and for other states of India to be an example if it can be. For this study, some major eventual incidents and decisions taken by Gujarat are studied that have become milestone and directional in growth path of the state.

KEYWORDS : Gujarat state, Economic growth, sustainable development, socio-economic events of Gujarat.

INTRODUCTION

In these earlier decades of 21st century, the Gujarat is much talked and discussed on its economic growth strategy. Albeit, Gujarat has been prospered for centuries, we have documents in history. The history of Golden city of Dwarka, expedition on Somnath by Muhammad Ghazni, transoceanic trade relations of Kachchhi traders and so on. The state has experienced many emperors, ruling styles, natural calamities and social agitation. If, for a moment, we ignore some scattered incidents in society, Gujarat has remained and known for its peaceful and pro-growth life of people.

Post-independence history has narrated separation of two states and formation of Gujarat for administrative ease, demarked by numbers of language speakers. Thus, Gujarat is always compared with Maharashtra. Natural and industrial-economic similarity provokes us to compare with Rajasthan and Tamil Nadu respectively. The Gujarat, recently, is most compared with Rajasthan and Tamil Nadu's strategy of development by investing in human capital and natural environment protection.

Present study on Gujarat has three broad themes: (1) is the growth pattern of Gujarat an idiosyncratic in reference to its growth in 21st century? (2) Can growth strategy of Gujarat be applicable to other states of India?- if any theory is made then, and (3) can this growth formula assure



for sustainable development for the state itself?- should the state simply continue doing what it is doing now?

REVIEW OF LITERATURE:

Review of literature of recent time depicts importance of sustainable development than earlier concepts of economic growth and development. If any economy has grown or is growing but its growth is not percolating to the lower level of society, it will be said growth without development.

Thus modern literature studies economies of states, nations as well as world economies with contextual relationship of sustainable development.

In reference to our study of Gujarat state, traditionally Gujarat's comparison has been found with other industrialized states like Maharashtra and Tamil Nadu. Also we find studies with states with higher GDP rate like Punjab.

Modern literature focuses on post reform era study and so called reforms in Gujarat after 2001, which projects Gujarat as the model of growth.

Looking to the Indian states, Gujarat is being studied most nowadays for its pro- sustainable development strategy. On the other hand also Gujarat is compared with Gujarat's growth strategy.

Modern economic literature puts two theories of growth and development; they are Amartya Sen theory and Jagdish Bhagwati theory. Sen emphasizes on human development and formation of human capital for sustainable development. J. Bhagwati argues for growth first that will lead to social development.

As an essence, we can confer that,

Growth and development are complementary to each other,

Role of government is crucial to create pro-development environment, simultaneously people's participatory approach decides level of development,

Environmental sustainability, literacy and social mobility are core factors for economic and social well being.

SIGNIFICANCE OF THE STUDY:

Studying economic aspects of Gujarat state will guide for growth process not only for the state of Gujarat but for other states of India too. This study will also unveil growth impediments as the paper considers history of state's economic growth. This may help us identifying and predicting such factors in future decision making. Identification of growth pattern of Gujarat will be helpful to policy makers for state's own sustainable development as well as in creation prodevelopment environment in other states of India. Indirectly this study will bring us to the causes of underdevelopment or slower growth of other states. At the end, we can be able to conclude whether the Gujarat state is going on the right track of development or any change is required.

OBJECTIVES OF STUDY:

To identify features of economic growth of Gujarat.

To understand growth theory of Gujarat.

To know applicability of growth pattern of Gujarat to other states of India, if it can.

To check potentiality of Gujarat for its sustainable development.

RESEARCH QUESTIONS:

What are the socio-economic and natural factors that have shaped economy of Gujarat?

Can the growth pattern of Gujarat be applied to other states of India?

What should be emphasized for sustainable development of Gujarat in reference with other states of India developing at the same level?

METHODOLOGY:

This study is purely based on secondary data. Data have been used from government publications like report by NITI AAYOG, UNDP report, socio-economic reviews etc. newspaper articles like published in Times of India, Indian Express and articles published in journals like EPW have been considered to prepare this paper. Analysis encompasses period from 1960 to 2018.

“In search of sustainability and applicability of economy of Gujarat..

Sustainable development requires growth that percolates to the lowest strata of the society. Another condition is natural environment protection for development process to be kept continue. To be more precise, an economy’s growth potentiality depends on two factors, they are social environment and natural environment. Society’s ability to identify and convert resources in prosperity is the main ingredient of development recipe.

For this paper some representative indicators of social and natural environment have been taken. Human Development Index is considered here to see the social strength and sustainability of Gujarat. For natural environment sustainability, forest cover of total geographical area of

Gujarat has been considered. Some other supportive data like population below poverty line, per capita income, sex ratio are studied.

To know economic and social history of Gujarat, this paper has gone through some milestone like decisions of Gujarati people, which reflect their attitude and aptitude, as, ultimately growth and development depends on people’s propensity to develop (W. W. Rostow)

PROFILE OF GUJARAT:

Geography: Gujarat is a state of Republic of India, situated at the western part of the country. The state is covered by Pakistan at the North and North-western part, Rajasthan at the North-east, by Madhya Pradesh at the East and by Maharashtra and Union territories of Diu, Daman and Dadra and Nagar Haveli at the South. South western and Western parts of Gujarat are covered by the Arabian Ocean.

Political History: Gujarat has been ruled by the Gurjars, Mughals, Marathas and British respectively. Some states like the Baroda state had direct relationship with British Governor General, and therefore retained local self-rule.

After independence, the Mahagujarat movement took place and resulted in separation in 1st May, 1960. This separation from the Maharashtra state was based on Gujarati spiking population for administrative ease. Since 1960 to 1995, Indian National Congress party ruled Gujarat, and then the Bharatiya Janata Party took over and is in the power.

Environment: Gujarat is state with 1600 km long coastal line. This has given the state benefits to develop ports and trade; on the other hand the state is suffering from extension of desert and salt in the land. Port area has very scant vegetation and less developed agriculture. Gujarat has 46 minor/intermediate ports. The state has 1 major port Kandla and a private port at Mundra. Southern districts of Gujarat have wet climate, whereas northern and north-western part is desert. Total forest area has been taken here as a sign of environmental health of Gujarat. Table 5 shows worsening situation of natural environment.

CHRONOLOGY OF GUJARAT'S DECISION:

With the passage of time, Gujarat has experienced changing concept and dimensions of development; from sustainable development (1986) to human development (1990) and inclusive development (1993). Albeit, the state has to go far to achieve the status of developed state, even though it has high / highest growth rate. Now, let us take a glance of growth story of the Gujarat state.

Gujarat is trending with commercial activities since its inception (/separation). Some historical events and support of nature has bestowed Gujarat economic prosperity. After independence, India's major port Karachi went in the hands of Pakistan and then Kandla became the major port of India. This kind of favourable situation gave the state opportunities to grow. On the political aspect, Gujarat was the first state who adopted Panchayati raj system of local governance. This shows Gujarat's political maturity and prudence. Let take a look to some milestone like events or decisions taken by Gujarati people in the history.

INFERENCES

Credit of Gujarat's development goes to mutual and cooperative decisions and actions of people as well as the government.

Natural factors have played major role in pushing up or pulling back growth of the development.

Although the state has high growth rate and low unemployment rate, the state cannot be said as developed as sex ratio, income inequality, environmental unsustainability etc. are targets which are yet to be addressed.

Here, in the state, social development is in the hands of people, like taking benefits from government schemes, or improving sex ratio etc. and thus the state has to focus now on human development that lead to economic growth.

Thinking for the applicability of the state's theory to other states of India, we can say that essence of the theory can be applied to other state; for example, other states can learn from lessons and experiences of Gujarat, but it cannot fit to all- sea ports cannot be developed, wind mills cannot be installed, but other states can identify their own natural environmental features and they can select their path. In similar way, other states need to attend human development matter while focusing on economic growth.

Remembering our objectives of the study, we have to analyze Gujarat's data with 3 views: 1st, what are the pattern of growth / development of Gujarat? 2nd , is the pattern of growth/development sustainable for the state itself? And 3rd , is the pattern applicable to other states of India? Let us see in the facts....

1st, emerging pattern of growth/ development: Gujarat is not a developed state; it is a state with high growth rate. The state has focused on manufacturing sector of industry and labour intensive technology, therefore the state has only 1.2% rate of unemployment.

Also the state has taken care of its agriculture sector and applied innovative ideas through its agriculture universities and resent soil testing process. People of Gujarat, whether they are civilians or political authority, have used natural environment and have converted them for commercial benefits like development of ports and production of renewable energy by wind mills and so on.

2nd' Sustainability of Gujarat: Sustainable development needs equal distribution of resources between present and future and between all classes of economy. If we look at some facts of Gujarat, the state will have to focus on following points for its sustainable development.. ,

More and more use of renewable energy
Land afforestation
Improvement in HDI

Although, the state has very high per capita income, comparing with other Indian states, the state has very big number of people below poverty line. This shows income inequality.

3rd, applicability of Gujarat's growth pattern: Enterprise and adoption of innovative ideas are inbuilt features of people of Gujarat. The state has taken benefits of use of their natural environmental situation; somewhere it has adapted its economic activities, for example, where natural vegetation is scanty and only grass can grow due to desert area and absence of sufficient rainfall, the state has developed animal husbandry as an occupation. As an overall inference, we can say that Gujarat's methodology can be applicable to other states of India. Other states can focus on manufacturing and skill based industries, by soil testing method, agriculture cropping pattern can be decided.

CONCLUSION:

The Gujarat is Gujarat since 1960. It is not a newly developed or developing state. The people of Gujarat and the government of Gujarat both have played major role in utilizing their skills. Not only people, nor the government only is responsible for status of a developed state. People have induced and reacted to government policies. Also for future development or in other words for sustainable development, people and government both have to be serious, as, worsening sex ratio, decreasing forest cover etc. are some issues which are pulling back the state on the path towards being developed.

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