LEVELS OF ECONOMIC DEVELOPMENT IN SOUTH KONKAN REGION OF MAHARASHTRA: SPATIAL AND TEMPORAL ANALYSIS

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Abstract:

Economic development is the process by which a nation improves the economic, political and social well-being of its people. Economic development is a policy endeavor with aims of economic and social well-being of people. The concept of development should not be confined to economic attainment alone. It should be human centric. Human development is much more than the rise and fall of incomes. However, economic development plays major role in the development of human well-being. One cannot totally under estimate this attribute. It is the driving force in the development process. Maharashtra has constantly done well for itself in terms of economic growth. However, Regional variation and disparity in the levels of economic development is major concern for human welfare (MHDR, 2002).

The present study brings into our notice that South Konkan region has made relatively less progress in terms of economic development in last three decade. Its economic development index has increased from 0.25 index values in 1991 to 0.42 index value in 2011. Decadal growth rate in terms of economic development is not good in the South Konkan region (27.27%) compare to state's averages growth rate (34.78). In the last three decades, out of seventeen tehsils in the study region, Ratnagiri is only one tehsil in the category of moderately developed. Still nine tehsils in the category of low developed and seven in the category of very low developed are found. There is not a single tehsil in the study region which is observed in the category of highly developed. It is not good sign of economic development of the study region. On the one hand, the study region has several geographical hindrances which restrict the economic development of this region and people from this region migrate towards Mumbai, Pune and Goa etc. in search of job. On the other hand, South Konkan region has some potential for development. Rich sea shore, marine fishery, tourist destination, favorable conditions for specific cash crops like Mango, Cashew-nut etc. should be utilized for the economic development of the region.

Key Words: Human Resource Development, Economic Development, Spatial, Temporal, GNP, Economic Development Index

Introduction:

Economic development is the process by which a nation improves the economic, political and social well-being of its people. The term has been used frequently by economist, politicians, and others in the 20th and 21st centuries. Economic development is a policy

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intervention endeavor with aims of economic and social well-being of people; economic growth is a phenomenon of market productivity and rise in GDP. Consequently, as economist Amartya Sen points out, "economic growth is one aspect of the process of economic development.

The concept of development should be human centric. It should not be confined to economic attainment alone. It is about much more than the rise and fall of incomes. As Aristotle said in the ancient Greece, "Wealth is evidently not the good we are seeking, for it is merely useful and for the sake of something else". Economic growth is only a means of enlarging people choices and human resource development is the end of development process. It is revealed in UNDP'S Human Development Report that, many countries have high GNP per capita but low human development index and vice versa. For example, Iraq, Kuwait, Qatar and Mauritius have high per capita GNP but their human development index remains relatively low, while Srilanka, Jordan and Peru have relatively low per capita GNP but their human development index is high. But still economic status play major role in the development of human well being. One cannot totally under estimate this attribute. It is the driving force in the development process.

Maharashtra has constantly done well for itself in terms of economic growth. However, economic growth has necessarily to be judged in terms of its sect oral composition and regional distribution as well as its impact in terms of generating income and employment for the poor. The problem is the pattern of regional distribution where wealth has been unevenly distributed, leading to wide disparities (MHDR, 2002). Regional variation and disparity in the levels of economic development is major concern for human welfare. Hence, the main aim of administrator should be to reduce regional disparity and provide every citizen all possible facilities for their overall development.

Computing Economic Development Index:

For analyzing the spatial and temporal variation in economic status in the study region, economic development index has been calculated from sixteen available tahsil level economic parameters which are helpful for depicting the economic scenario of the district.

Selected Indicators for Computing Economic Development Index:

Economic development index is calculated from sixteen available representative tahsil level indicators of the study region. They are as follow:

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X1. Percentage of household above poverty line

X2. Percentage of households living in permanent houses

X3. Work participation rate

X4. Percentage of workers engaged in secondary and tertiary activities

X5. Percentage of urban population

X6. Percentage of households availing banking service

X7. Percentage of villages having agricultural credit societies

X8. Per capita electricity consumption (kWh)

X9. Percentage of electricity used for industrial and commercial purpose

X10.Use of chemical fertilizers per 1000 hectares of net sown area.

X11. Percentage of households using LPG, electricity and biogas as cooking fuel

X12.Percentage of cultivable area to total area

X13. Percentage of net sown area to total cultivable area

X14. Percentage of households having assets like TV/Radio

X15. Percentage of households having assets like landline telephone, mobile or both

X16. Percentage of households having assets like automatic two-wheeler (scooter / motor cycle / moped) and four-wheeler (car / jeep / van)

Dimension index has been worked out for each indicator by using following formula as per classical HDI propounded by UN (Roy, 2008).

$$Iij = \frac{Xij - Min.Xij}{Max.Xij - Min.Xij}$$

Where Iij = Factor score for the Jth districts tahsil with respect to ith variable

Xij = actual value for the selected variable

Min Xij = Minimum goal post the selected variable

Max Xij = Maximum goal post the selected variable

However, there is danger in the choice of maximum and minimum goal posts as they are subjective and change over time. Hence, these goal posts are selected on the basis of the levels that can be achievable or have been achieved elsewhere in the district and have universal validity.However, the goal posts for some variables are minimum or maximum values in the data series.This does pose a problem of changing goal post with change in data over the time (Hirway and Mahadevia, 1999). However, such goal post is selected, as there is no firm and objective basis for deciding the goal post. In the present research work, minimum and maximum goal posts have been selected based on extreme values observed in the last few decades (for minimum) or

expected in the next few decades (for maximum) (Karnataka-HDR,2005).Table -1 shows selected goal post for each selected indicator for computing economic development index.In the second and final stage, the composite index of social well-being is worked out by aggregating the component indices and dividing it by total number of indices. It is worked out with the help of following formula.

$$Ij = \frac{\sum Iij}{\sum n}$$

Where,

Ij = Composite index

$\sum Iij$ = Summation of component indices

$\sum n$= number of variables.

Besides the above indicators there are other various constituents which should be also incorporate while analyzing the economic development in any region e.g. per capita income, GDP growth rate etc. However, the data regarding all these indicators is not available at tahsils level and also for all the decades. Therefore, in the present study these indicators have been excluded and only those indicators have been included which data is available at tahsillevel and for all the decades. However, for some indicator data is not available for one or more decades, in spite of this these indicators have been included by considering their importance in the analysis.

Spatial and Temporal Variations in Economic Development:

Composite index of selected sixteen parameters from 1991 to 2011 has been calculated for analyzing social levels of economic development in the study region. All the tehsils in the South Konkan region have been divided into following four categories on the basis of their composite index value. They are as below-

1. Tahsil with score < 0.40 index value considered very less developed in terms of economic development

2. Tahsil with score 0.40 - 0.60 index value considered less developed in terms economic development

3. Tahsil with score 0.60- 0.80 index value considered moderately developed in terms of economic development

4. Tahsil with score > 0.80 considered highly developed in terms of economic development

Table-1 presents temporal variations in terms of economic development in South Konkan region of Maharashtra from 1991 to 2011. In 1991, all the 16 tahsils in South Konkan region are found in very less developed category of economic development with index value below 0.40. It clearly indicates that the South Konkan region is lagging behind in

terms of economic development from 1991. Adverse geographical conditions have restricted the agricultural and industrial development of the region. It is reflected in its low economic development. In 2001, most of the tehsils in the study region show positive growth rate but it is not enough. Ratnagiri is only one tehsil in the study region which transform very low developed to low developed with having index value above 0.40 in 2001. All the other tehsils remain in very low developed category of economic development. It indicates that growth rate of economic development in the study region is comparatively very low and not enough attention was paid by the administrator, politicians in the decade of 1991-2001. In 2011, Ratnagiri tehsil is only one tehsil in the study region which is found in the category of moderately developed with index value above 0.60. It is mainly due to the relatively good position in terms of

population above poverty line, permanent house, work participation rate, banking facilities, agricultural credit societies, good proportion of cultivable area to total area and also have good number of household assets etc. Nine tehsils remain in the category of low developed with index value above 0.40. They are namely Chiplun (0.48), Khed (0.46), Sawantwadi (0.44), Vengurla (0.43), Kankavli (0.42), Devgad (0.41), Dapoli (0.40), Malwan (0.40), and Kudal (0.40). Remaining all seven tehsils are observed in the category of very low developed in terms of economic development with index value below 0.40. In the last three decades, out of seventeen tehsils in the study region only one tehsil is in the category of moderately developed. Still nine tehsils in the category of low developed and seven in the category of very low developed are found. It is not good sign of economic development of the study region.

Table 1: Levels of Economic Development in South Konkan 1991-2011

Sr. No.	Category	1991	2001	2011
1	Very Less Developed < 0.40	Mandangad, Dapoli, Khed, Chiplun, Guhagar, Sangmeshwar, Lanja, Rajapur, Devgad, Vaibhavvadi, Kankavli, Malwan, Kudal, Sawantwadi Ratnagiri, Vengurla, =16	Mandangad, Dapoli, Khed, Chiplun, Guhagar, Sangmeshwar, Lanja, Rajapur, Devgad, Vaibhavvadi, Kankavli, Malwan, Kudal, Sawantwadi Vengurla, Dodamarg =16	Mandangad, Guhagar, Sangmeshwar, Lanja, Rajapur, Vaibhavvadi, Dodamarg =07
2	Less Developed 0.40- 0.60	=00	Ratnagiri, =01	Dapoli, Khed, Chiplun, Devgad, Kankavli, Malwan,

				Vengurla, Kudal, Sawantwadi, =09
3	Moderately Developed 0.60 – 0.80	=00	= 00	Ratnagiri, =01
4	Highly Developed > 0.80	=00	=00	=00

Source: Compiled by Researcher

Table 2: Tehsil-wise Decadal Variations in Growth Rate of Economic Development in South Konkan – 1991-2011 (In Percentage)

Sr. No.	Tehsil	Economic Development	
		1991-2001	2001-2011
1	Mandangad	11.54	13.79
2	Dapoli	-11.42	29.03
3	Khed	25.00	53.33
4	Chiplun	15.63	29.73
5	Guhagar	33.33	09.38
6	Ratnagiri	05.26	50.00
7	Sangmeshwar	24.00	06.45
8	Lanja	00.00	25.00
9	Rajapur	12.50	18.52
	Ratnagiri District Total	30.77	26.47
10	Devgad	-02.94	24.24
11	Vaibhavvadi	-03.22	13.33
12	Kankavli	25.92	23.53
13	Malwan	25.92	17.65
14	Vengurla	16.13	19.44
15	Kudal	30.77	17.65
16	Sawantwadi	25.00	25.71
17	Dodamarg	N.A.	33.33
	Sindhudurg District Total	29.17	29.03
	South Konkan	28.00	27.27
	Maharashtra	15.00	34.78

Source: Compiled by Researcher

Table-2 shows tehsil wise decadal variations in growth rate of economic development in South Konkan region of Maharashtra in the decade of 1991-2001 and 2001- 2011. In the decade of 1991-2001, three tehsils namely Dapoli from Ratnagiri district and Devgad, Vaibhavvadi from Sindhudurg district show negative growth rate,

It is mainly due to the incorporation of some new parameters which were not included in previous decades due to unavailability of data, e.g. households' assets, electricity

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consumption, households living in permanent houses etc. These parameters have relatively less index value compares to other parameters. Remaining all other tahsils show positive growth rate in terms of economic development. In the decade of 1991-2001, highest growth in terms of economic development is registered in Guhagartahsil (33.33%) of Ratnagiri district, while lowest growth rate in terms of economic development is observed in Dapolitahsil (-11.42%) of Ratnagiri district. However, Decadal growth rate in terms of economic development is good in the study region (28.00%) compare to state's averages growth rate (15.00%). However, these figures are only relative figure and South Konkan region is lagging much behind in terms of economic development compared to Maharashtra states average condition. In the decade of 2001-2011, all the tehsils in the study region show positive growth rate in terms of economic development. It is good sign for development in the region. However, the decadal growth rate in the study region (27.27%) is comparatively low as compared to states average growth rate (34.78%). It indicates that Maharashtra state is developing more rapidly compared to South Konkan region in terms of economic development. Highest growth in terms of economic development is registered in Khedtahsil (53.33%) and

Ratnagiri tehsil (50.00%) of Ratnagiri district, while lowest growth rate in terms of economic development is observed in Sangmeshwartahsil (06.45%) of Ratnagiri district. Decadal growth rate in terms of economic development is not good in the South Konkan region (27.27%) compare to state's averages growth rate (34.78%). Economic development is one major dimension among the other dimensions, where South Konkan region is lagging much behind compare to state of Maharashtra. There is large scope for betterment and development in the sector of economic development in study region.

Conclusion:

The present unit brings into our notice that South Konkan region has made relatively less progress in terms of economic development in last three decade. Its economic development index has increased from 0.25 index values in 1991 to 0.42 index value in 2011. Decadal growth rate in terms of economic development is not good in the South Konkan region (27.27%) compare to state's averages growth rate (34.78%). In the last three decades, out of seventeen tehsils in the study region Ratnagiri is only one tehsil in the category of moderately developed. Still nine tehsils in the category of low developed and seven in the category of very low developed are found.

There is not a single tehsil in the study region which is observed in the category of highly developed. It is not good sign of economic development of the study region. In comparison to other sectors of human resource development this sector is lagging much behind. Since, the study region has several geographical hindrances which restrict the economical development of this region. That is why; people from this region migrate towards Mumbai, Pune and Goa etc. in search of job. Ratnagiri, Devgad, Malwan, Kankavli and Vengurla have some potential for development. Rich sea shore, marine fishery, tourist destination, good accessibility of these tehsils should be utilized for the economic development of the region. Though, Geographical condition is not favorable for the agricultural development, however on the other hand it is quite good for some fruit crops like mango, Cashewnut etc. These fruit crops should be enhanced. New industry; household and processing industry should be developed in the study region. Tourism is one of the best options for better job opportunities in this district since there are several tourist destinations in this district. Administrator, politician should pay much attention for the development of this sector.

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