



SOUTHERN STATES EMERGED AS LEADERS: EAC PM; ECONOMY

NEWS: Steady growth in west, south states; decline in Bengal: EAC-PM report

WHAT'S IN THE NEWS?

The per capita incomes of Maharashtra and Gujarat remained above the national average since the 1960s, with the 2023-24 data showing Gujarat at 160.7 per cent of the national average and Maharashtra at 150.7 per cent.

Post-Liberalisation (1991):

- Southern states saw a significant surge in per capita income, emerging as leading performers.

Northern States:

- Delhi and Haryana performed well, though Haryana's growth is concentrated around Gurugram.

Western States:

- Maharashtra and Gujarat consistently performed well, with Gujarat showing rapid growth post-2000.

Punjab's Decline:

- Despite early gains from the Green Revolution, Punjab's economic performance has declined, possibly due to over-reliance on agriculture.

Eastern States:

- Remain a concern, with West Bengal dropping from 3rd to 14th in per capita income since the 1960s.

UP and Bihar:

- Economic performances worsened, particularly after bifurcation.

Rajasthan and Odisha:

- Improved post-liberalisation but saw minimal increases in income levels.

Chhattisgarh and Madhya Pradesh:



- Per capita income levels have remained consistently low.

Rise and fall of economic fortunes

The charts are based on data sourced from the Economic Advisory Council's paper, "Relative Economic Performance of Indian States: 1960-61 to 2023-24"

Chart 1: The chart shows the relative per capita income levels. It is a percentage of per capita Net State Domestic Product of a State to the all-India per capita Net National Product or per capita Net National Income

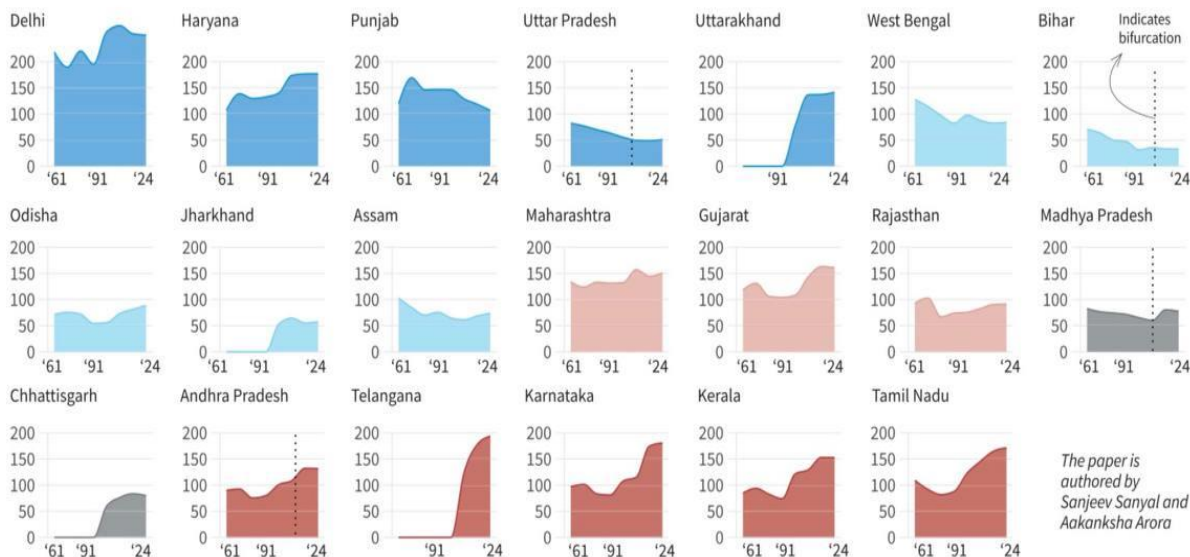


Chart 2: The chart shows the State's share in national GDP. It is defined as the ratio of a State's Gross State Domestic Product to the sum of GSDP of all States. The darker the blue, higher the share in national GDP

■ In chart 2, figures for Andhra Pradesh, Uttar Pradesh, Bihar and Madhya Pradesh are that of undivided States post bifurcation and of divided States post-bifurcation

■ Among smaller States, Goa led the list, with its relative per capita income doubling compared to the 70s. Chandigarh also recorded a high income level, though it had declined marginally recently

State	1960-61	1970-71	1980-81	1990-91	2000-01	2010-11	2020-21	2023-24
Delhi	1.4	1.5	2.3	2.6	3.7	3.7	3.7	3.6
Haryana	1.9	2.7	2.9	3.1	3.2	3.8	3.6	3.6
Punjab	3.2	4.4	4.3	4.3	3.9	3.3	2.7	2.4
Uttar Pradesh	14.4	13	13.2	12.6	10.2	8.7	8.2	8.4
Uttarakhand	-	-	-	-	0.7	1.2	1.1	1.1
West Bengal	10.5	9.7	8.8	7.9	8.2	6.7	5.7	5.6
Bihar	7.8	6.9	6.3	6	2.8	2.9	2.8	2.8
Odisha	2.9	3.2	3.2	2.5	2.3	2.9	2.7	2.8
Jharkhand	-	-	-	-	1.7	1.8	1.5	1.5
Assam	2.6	2.4	2.1	2.4	1.9	1.6	1.7	1.9
Maharashtra	12.5	11.9	14.2	14.6	14	15.2	13	13.3
Gujarat	5.8	6.7	6.3	6.4	6.4	7.5	8	8.1
Rajasthan	4.4	5.1	3.9	4.7	4.6	4.9	5.1	5
Madhya Pradesh	6.3	6.1	6.6	6.9	4.3	3.8	4.7	4.5
Chhattisgarh	-	-	-	-	1.5	1.7	1.7	1.7
Andhra Pradesh	7.7	7.7	7	7.6	8.2	4.6	4.9	4.7
Telangana	-	-	-	-	-	3.8	4.7	4.9
Karnataka	5.4	5.7	5.3	5.3	6.2	5.9	8.1	8.2
Kerala	3.4	3.8	3.6	3.2	4.1	3.8	3.8	3.8
Tamil Nadu	8.7	7.3	6.9	7.1	8.3	8.4	8.9	8.9

Source : <https://indianexpress.com/article/business/economy/steady-growth-in-west-south-states-decline-in-bengal-eac-pm-report-9573216/>