

Pareto Optimality and Distributive Justice in Indian Economic Growth Trajectory the Saga of Jangareddigudem Revenue Division –A Case Study

B. Srinivasa Rao

Lecturer in Economics, Department of Economics, Csts Govt. Kalasala, Jangareddigudem-534447
Eluru district, Andhra Pradesh

INTRODUCTION

The popular measure of human satisfaction now a days is undoubtedly the GDP for all practical purposes accepted and practiced by all nations and renowned institutions all over the globe. However, the measure of GDP faces toughest competition from the other recent indicators like HDI, GEM, PQLI, Green GDP, GDP per capita etc., but remained in the top slot.

Therefore the debate on welfare of any country's population and even distributive justice for that matter solely depends on the acceleration of the GDP of the society. The postulates of welfare economics like Pigou's too concludes that the increasing GDP automatically ensures the societal welfare and economic efficiency. But, the ethical and normative economics side of welfare concepts by people like Amartyasen and others somehow doubt and remain cautious in buying the above argument. Many believe that the increasing GDP is not percolating downstream to ensure distributive justice nor ensuring economic efficiency in creating wealth.

Finally, from this paper we can understand that GDP is simply the popular but one among the many other popular indicators to measure human welfare. Even then, it fails on many counts to reflect the reality. GDP is a measure of income not the assets. Unless you link the assets, one cannot understand the distributive justice part. Therefore we need other indicators or mechanism to catch hold the socio economic dynamics of human happiness. Hence a thorough understanding on the growth trajectory through the journey of Indian GDP since 1947 can be very much beneficial in knowing the contours of Indian social welfare matrix and its distributive justice angle in further.

GDP Growth Story Source Economic Survey

Economic Survey 2022-23 Statistical Appendix | 1

| Year | Gross National Income (₹ crore) | | Net national income (₹ crore) | | Per capita net national income (₹) | |
|----------------|---------------------------------|-----------------|-------------------------------|-----------------|------------------------------------|-----------------|
| | Current prices | Constant prices | Current prices | Constant prices | Current prices | Constant prices |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| 2011-12 Series | | | | | | |
| 1950-51 | 10181 | 495274 | 9531 | 448483 | 265 | 12493 |
| 1951-52 | 10828 | 510505 | 10136 | 465486 | 278 | 12753 |
| 1952-53 | 10638 | 524122 | 9949 | 480731 | 267 | 12923 |
| 1953-54 | 11588 | 556545 | 10941 | 514489 | 289 | 13575 |
| 1954-55 | 10948 | 583005 | 10382 | 548393 | 269 | 14207 |
| 1955-56 | 11165 | 602537 | 10560 | 567499 | 269 | 14440 |
| 1956-57 | 13297 | 635962 | 12647 | 599736 | 315 | 14956 |
| 1957-58 | 13690 | 633039 | 12968 | 595941 | 317 | 14571 |
| 1958-59 | 15248 | 679555 | 14462 | 640433 | 346 | 15321 |
| 1959-60 | 16045 | 696488 | 15212 | 656423 | 357 | 15409 |
| 1960-61 | 17561 | 734466 | 16680 | 694569 | 384 | 16004 |
| 1961-62 | 18584 | 761038 | 17608 | 719592 | 397 | 16207 |
| 1962-63 | 19969 | 782931 | 18917 | 739509 | 417 | 16289 |
| 1963-64 | 22946 | 830072 | 21777 | 784625 | 469 | 16910 |
| 1964-65 | 26750 | 891111 | 25423 | 842755 | 536 | 17780 |
| 1965-66 | 28106 | 867165 | 26714 | 816540 | 551 | 16836 |
| 1966-67 | 31876 | 866818 | 30145 | 812952 | 609 | 16423 |
| 1967-68 | 37343 | 933850 | 35367 | 876628 | 699 | 17325 |
| 1968-69 | 39559 | 966014 | 37441 | 905884 | 723 | 17488 |
| 1969-70 | 43565 | 1029151 | 41125 | 965200 | 777 | 18246 |
| 1970-71 | 46533 | 1082340 | 43598 | 1011757 | 806 | 18702 |
| 1971-72 | 49829 | 1100363 | 46611 | 1026822 | 841 | 18535 |
| 1972-73 | 54943 | 1094795 | 51353 | 1018453 | 906 | 17962 |
| 1973-74 | 66916 | 1131633 | 62592 | 1052122 | 1079 | 18140 |
| 1974-75 | 79087 | 1146339 | 73533 | 1062259 | 1240 | 17913 |
| 1975-76 | 84957 | 1252240 | 78414 | 1164066 | 1292 | 19177 |
| 1976-77 | 91579 | 1273436 | 84489 | 1179925 | 1363 | 19031 |
| 1977-78 | 103791 | 1366655 | 96177 | 1269352 | 1517 | 20021 |
| 1978-79 | 112515 | 1445029 | 104071 | 1343841 | 1606 | 20738 |

Contd...

2 | Economic Survey 2022-23 Statistical Appendix

Table 1.1: Gross National Income and Net National Income

| Year | Gross national income (₹ crore) | | Net national income (₹ crore) | | Per capita net national income (₹) | |
|-----------------------|------------------------------------|-----------------|----------------------------------|-----------------|---------------------------------------|-----------------|
| | Current prices | Constant prices | Current prices | Constant prices | Current prices | Constant prices |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 2011-12 Series | | | | | | |
| 1979-80 | 123715 | 1371460 | 113397 | 1265522 | 1708 | 19059 |
| 1980-81 | 147408 | 1464390 | 135470 | 1352931 | 1995 | 19925 |
| 1981-82 | 172816 | 1550504 | 158235 | 1433659 | 2287 | 20718 |
| 1982-83 | 192621 | 1599940 | 175717 | 1476733 | 2482 | 20858 |
| 1983-84 | 224130 | 1716327 | 205347 | 1587882 | 2840 | 21962 |
| 1984-85 | 250764 | 1779406 | 228840 | 1642628 | 3097 | 22228 |
| 1985-86 | 283105 | 1873425 | 256851 | 1728209 | 3402 | 22890 |
| 1986-87 | 316561 | 1962251 | 286935 | 1808778 | 3722 | 23460 |
| 1987-88 | 359246 | 2036744 | 324539 | 1872727 | 4119 | 23766 |
| 1988-89 | 424867 | 2227956 | 384410 | 2055937 | 4775 | 25540 |
| 1989-90 | 487547 | 2360178 | 440563 | 2178379 | 5360 | 26501 |
| 1990-91 | 568564 | 2486353 | 513966 | 2292078 | 6126 | 27319 |
| 1991-92 | 652183 | 2511622 | 585053 | 2303954 | 6835 | 26915 |
| 1992-93 | 749551 | 2650632 | 672722 | 2431154 | 7715 | 27880 |
| 1993-94 | 863912 | 2780663 | 777894 | 2551800 | 8721 | 28608 |
| 1994-95 | 1014487 | 2967254 | 914377 | 2723964 | 10048 | 29934 |
| 1995-96 | 1192099 | 3192013 | 1075501 | 2934298 | 11589 | 31620 |
| 1996-97 | 1381734 | 3436436 | 1247350 | 3163037 | 13186 | 33436 |
| 1997-98 | 1532089 | 3581984 | 1379581 | 3287915 | 14311 | 34107 |
| 1998-99 | 1757329 | 3803495 | 1587676 | 3489318 | 16151 | 35497 |
| 1999-00 | 1972831 | 4139292 | 1779304 | 3800560 | 17775 | 37968 |
| 2000-01 | 2117153 | 4286910 | 1902148 | 3924698 | 18667 | 38515 |
| 2001-02 | 2295175 | 4499695 | 2057006 | 4112858 | 19779 | 39547 |
| 2002-03 | 2475924 | 4676257 | 2219107 | 4268230 | 21014 | 40419 |
| 2003-04 | 2771822 | 5043422 | 2487363 | 4609081 | 23203 | 42995 |
| 2004-05 | 3163957 | 5442938 | 2829998 | 4967090 | 25987 | 45611 |
| 2005-06 | 3606009 | 5872936 | 3226040 | 5351624 | 29169 | 48387 |
| 2006-07 | 4221395 | 6342389 | 3783068 | 5770565 | 33717 | 51431 |
| 2007-08 | 4878150 | 6852740 | 4369214 | 6219065 | 38394 | 54649 |
| 2008-09 | 5481229 | 7052191 | 4887836 | 6358644 | 42356 | 55101 |

Contd....

| Table 1.1: Gross National Income and Net National Income | | | | | | |
|--|------------------------------------|-----------------|----------------------------------|-----------------|---------------------------------------|-----------------|
| Year | Gross national income (₹ crore) | | Net national income (₹ crore) | | Per capita net national income (₹) | |
| | Current prices | Constant prices | Current prices | Constant prices | Current prices | Constant prices |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 2011-12 Series | | | | | | |
| 2009-10 | 6328407 | 7606319 | 5638126 | 6837719 | 48189 | 58442 |
| 2010-11 | 7552665 | 8211816 | 6756720 | 7373384 | 56971 | 62170 |
| 2011-12 | 8659505 | 8659505 | 7742330 | 7742330 | 63462 | 63462 |
| 2012-13 | 9827250 | 9104662 | 8766345 | 8094001 | 70983 | 65538 |
| 2013-14 | 11093638 | 9679027 | 9897663 | 8578417 | 79118 | 68572 |
| 2014-15 | 12320529 | 10402987 | 10978238 | 9224343 | 86647 | 72805 |
| 2015-16 | 13612095 | 11234571 | 12162398 | 9963681 | 94797 | 77659 |
| 2016-17 | 15215268 | 12163619 | 13623936 | 10782092 | 104880 | 83003 |
| 2017-18 | 16905230 | 12998695 | 15140418 | 11508774 | 115224 | 87586 |
| 2018-19 (3 rd RE) | 18697344 | 13840474 | 16713054 | 12226019 | 125946 | 92133 |
| 2019-20 (2 nd RE) | 19881742 | 14374253 | 17716597 | 12641633 | 132115 | 94270 |
| 2020-21 (1 st RE) | 19534226 | 13368279 | 17194158 | 11536004 | 126855 | 85110 |
| 2021-22 (PE) | 23296345 | 14500812 | 20529727 | 12519976 | 150007 | 91481 |
| 2022-23 (1 st AE) | 26799146 | 15461721 | 23594934 | 13347932 | 170620 | 96522 |

Source : National Statistical Office

Notes :

PE : Provisional Estimates,

RE: Revised Estimates

AE: Advance Estimates

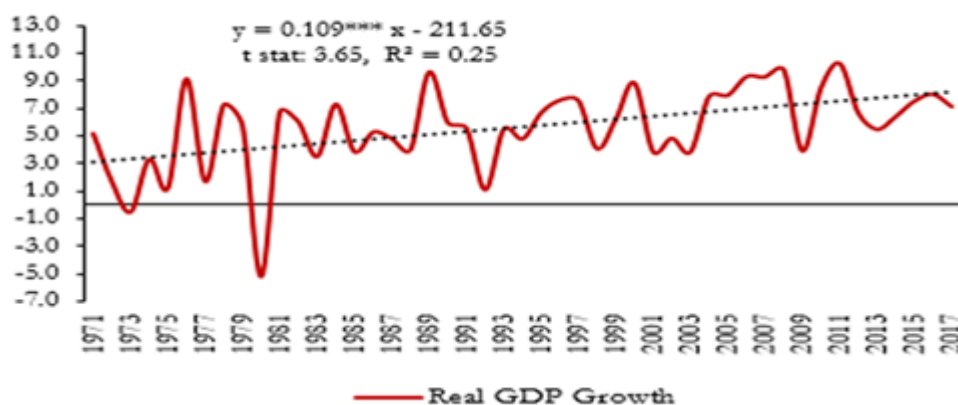


Figure 1: India's growth rate has consistently accelerated over the long run
SOURCE WORLD BANK

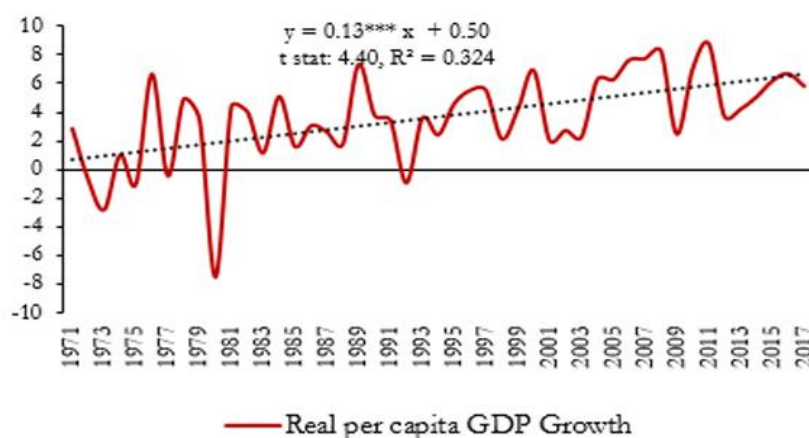


Figure 2: Growth acceleration has been faster in Per Capita Income Source World Bank

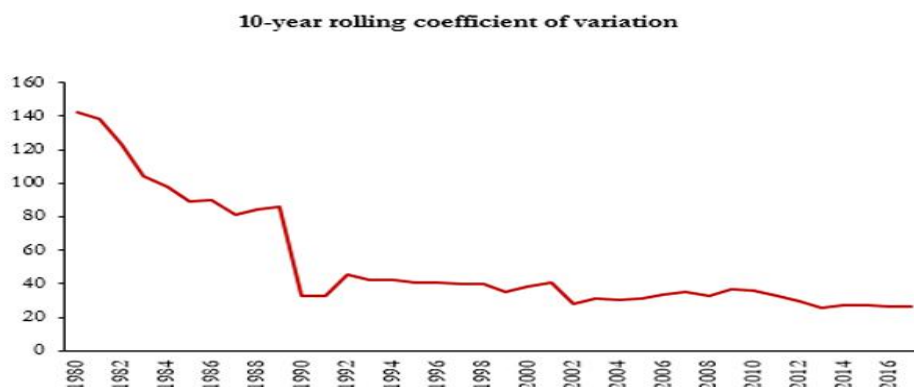


Figure 3: India's long-term growth rate has become increasingly more stable
Source World Bank

The Hindu growth rate slowly transformed to one of the world's fastest growth rates by 2023 amidst covid pandemic and Russia Ukraine war and placed the nation's economy in the top 5th place among the world nations and placed in top 3rd place in terms of PPP globally.

Indian economy is now transformed as the 5th largest economy after USA, China, Japan, Germany and 3rd largest economy in the world in terms of PPP. Real GDP growth is now showing the quick recovery path of the Indian economy. In the recent budget 2023-24 too, the Finance Ministry is optimistic on the future growth prospects in further, by exclusively betting on private consumption of our society.

But, the **consistency in GDP** growth has been the biggest challenge due to numerous reasons in the Indian Economy. Lack of financial discipline, dependency on international oil prices, global trade prospects, oscillating forex reserves, forex rates, internal inflationary trends, political corruption, foreign policies, population explosion, natural calamities, covid and nuclear warfare issues, lack of institutions, markets, environmental issues, dependency on monsoons, poor utilization of both human and natural resources, lack of skills, slow growth rates of real GDP, structural problems, low base effect, liquidity issues, economic reforms, problems in estimating GDP etc., are a few which impact the consistency part of the progress.

On the other hand the Indian GDP is far behind the **actual potential growth rate of the economy** as is evident from the studies/estimates/projections of RBI. According to different econometric studies by RBI, the potential growth rate of GDP for India is in between 9 - 10 percentage. The existing natural resource base and institutional mechanism in Indian GDP allows the economy every time to reach its highest potential. But, many difficulties in the execution front contrast the GDP growth rates all along these years.

The **GDP growth seems unsustainable and not exactly in line with the proposed SDGs** to be honoured by 2030. The RBI study on Green GDP reveals that the amount in terms of environmental loss resulted in decline in actual GDP to almost 1 trillion \$.

The Element of Distributive Justice

After considering the intricacies of the growth of GDP, it's time to focus on the **distributive justice aspect** as the real success and social welfare, human happiness exclusively depends on fair distribution of the produced GDP.

Since distribution of assets and wealth is defective in Indian context, the macro distribution and personal distribution of income among the factors of production and citizens is not justifiable. The concentration of wealth and absence of percolation of income are strongly working against the ideal principle of distributive justice.

As GDP is income, therefore, distribution of Assets is more important to have a justifiable income distribution further.

The **macro economic distribution** in terms of shares of the prices of factors of production in the GDP is very much helpful in digesting the ground realities of distributive justice at the first level. An article from RBI suggests that the income distribution is favouring capital movement and attracting higher investment in the industrial sector, whereas labour income share in the industry remains stagnant.

Later on, the distributive justice can be studied with the special focus on social realities like gender, caste, religion, region, language and so on. The **PCI** is quite helpful in grasping the clear picture of the distributive justice from one important angle.

But true picture can be drawn from the specific study on above mentioned **social realities like gender, caste, religion, region, language and so on.**

The Indian economic growth seems missing the distributive justice since independence. The 132nd rank in UNDP HDI, 136th rank in UN HHI, 135TH rank in GGI gender gap index of WEF, PQLI, 101st rank in GHI global hunger index, Socio economic parameters like malnutrition, huge migration, mmr, imr, high levels of COR, NPAs, poor social sector spending etc., along with faulty economic policies in terms of both fiscal and monetary measures, deficits, laws are clearly indicating the loss.

The failure of land reforms, LPG policies, world trade policies seemingly supporting concentration of wealth and huge gaps in income distribution. This scenario looks like the paradox of pareto optimality condition as episodes like hindenbergadaani report showcasing the classic situation where ordinary persons have to be worse off to make adani better off as if the Indian economy achieved pareto optimality. On the other hand, the class, gender, place, language, region dimensions of the distributive justice is gaining larger support at this juncture and creating havoc in political, social spectrum in India now a days. But, the priority of the economists must be on working for the efficiency of the economy and achieving distributive justice in terms of macro economic distribution of national income to the factors of production like land, labour, capital, organisation and technology in the first instance.

Amidst this backdrop this paper tries to focus on the pareto optimality and social dimensions of distributive justice in terms of upliftment of tribal community in jangareddigudem revenue divisional arena in eluru district in Andhra Pradesh. The performance of ITDA and its ancillary units like GCC and SC/ST sub plan and impact of Polavaram irrigation project and subsequently the LARR act on local tribal communities are taken up as subject matter for this paper. In this regard localising SDGs in every action plan and cost benefit analysis to optimize the resource allocation would pave the road to success for the Indian economy in coming decades.

The **research questions** arise here are

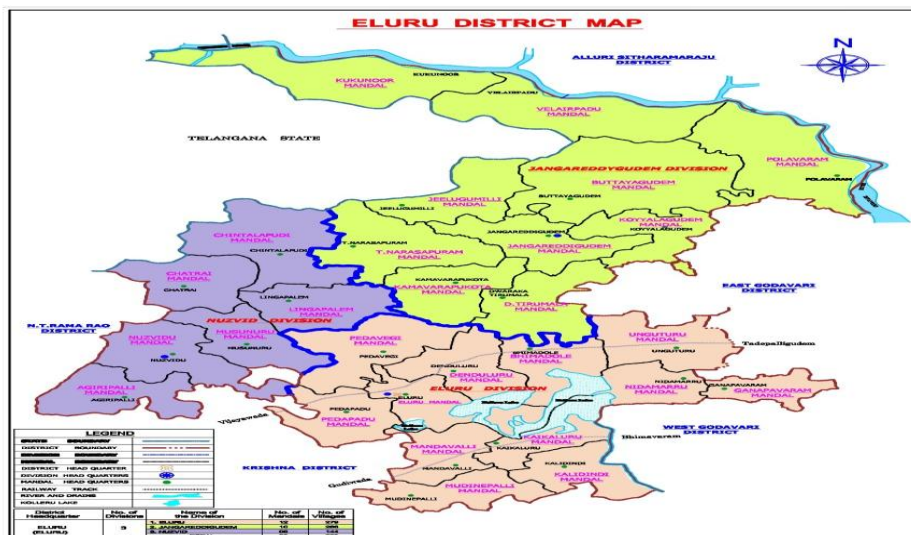
1. what are the trends in income generation and sectoral contribution in this tribal region with a comparison to the national aggregates.
2. what is the performance of the local tribal communities in terms of HDI and SDG

The **research methodology** is proposed to be followed here Is

This scope of this study is limited to the predominant tribal communities in jangareddigudem revenue division, eluru district, Andhra Pradesh. This study is going to include a primary data collection process and in further depend on different secondary sources of data. This study intends to study the relationship of pareto optimality conditions with the existing distributive justice in this tribal region.

Area Of Study

Jangareddigudem Revenue Division, Eluru District, Ap

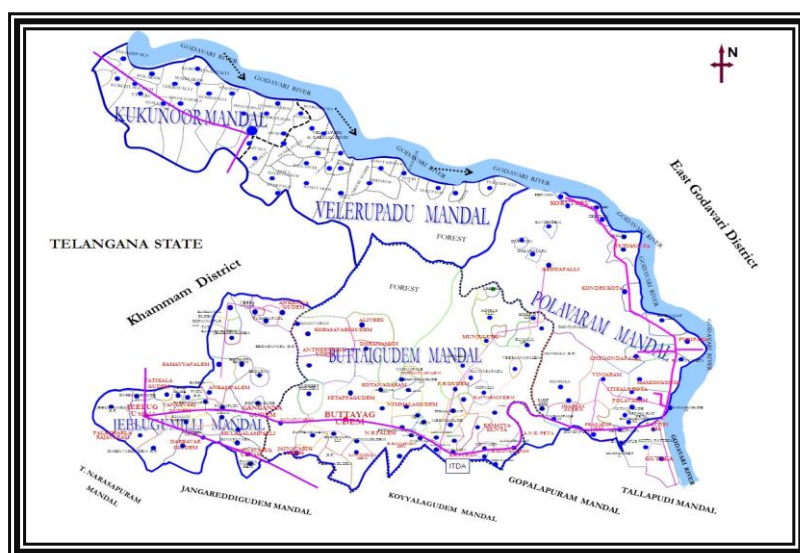


Jangareddigudem revenue division consists of

1. kamavarapukota
2. t.narasapuram
3. jangareddigudem
4. Polavaram
5. Buttaiyagudem
6. Jeelugumilli
7. Koyyalagudem
8. Kukunoor
9. velerupaadu

Administrative Units Of The District:

The District comprises Three Revenue divisions viz., Eluru, Jangareddigudem and Nuzvid with 12 Mandals, 09 Mandals, 06 Mandals respectively which comes to 27 Mandals, separately for Revenue and Panchayat Raj with effect from 02-04-2022 in place of 48 Revenue and Panchayat Raj mandals with the objective of bringing the administration to the doorsteps of the people. They started functioning from 02-04-2022. Besides, 2 Municipalities, 1 Nagara Panchayats and 1 Corporation are in position at Nuzvid, Jangareddigudem, Chintalapudi (Nagara Panchayats) and Municipal Corporation, Eluru. Also the Eluru District having 550



Map of the Agency Mandals (ITDA., K.R.Puram) of Eluru Dist.

Demographic Particulars:

The District occupies an area of 6411.56 square K.Ms. with a density of 312 per Sq. K.M. It accounts 3.9 % of the total area of the State. There are as many as 655 Revenue villages exist in the district, of which 624 villages are inhabited while the balance 31 are uninhabited. There are a total number of 550 Gram Panchayats in the district. The Physical characteristics, natural resources and potentialities of the mandals in the District are not homogeneous. As per 2011 census, the total population of the District is 20,02,658. It accounts for 4.04 % of the total population of the State. The female population of the District is 10,02,389 and this forms 50.05 % of the District and 4.05 % of the State Female Population. According to 2011 census, rural population of the District is 16,18,288 and it constitutes 80.70 % of the District population and 4.63 % to that of State rural population. Similarly, the urban population of the District spread over in 4 towns is 3,84,370 forming 19.30 % of the District population and 2.63 % of the State urban population. As regards community wise population, the SC population of the District is 4,38,087 which is 21.87 % of the District population and 5.17 % of the State total S.C. Population. Similarly, the S.T. Population of the District is 1,21,973 and it accounts for 6.09 % of the District and 4.45 % of the State S.T. Population. The decennial growth of population in the District from 2001 census to 2011 census was 3.5 %. The density of population according 2011 census is 312 per Sq.km, whereas it was 304 per Sq. K.M. for the State. The Literacy rate of the District is 71.44 % which is higher than the State literacy rate of 67.35%. The sex ratio of the District is 1002 females per 1,000 males as against 997 of the State. The number of workers as arrived at in 2011 census is 9,65,123 forming 48.19 % of total population of the District and 1.95 % of the State total population.

Economy

The gross district domestic product (GDDP) is ₹45,963 crore (US\$6.9 billion) and it contributes 8.8% to the gross state domestic product (GSDP). For the FY 2013-14, the per capita income at current prices was ₹86,974 (US\$1,300).

Paddy, banana, sugarcane, and coconut are the main agricultural products cultivated in the district. The agriculture sector contribute ₹18,385 crore (US\$2.7 billion), industries contribute ₹7,086 crore (US\$1.1 billion), and services contribute ₹20,491 crore (US\$3.1 billion) to GDDP. The major products contributing to the gross value added (GVA) of the district from agriculture and allied services are paddy, sugarcane, banana, coconut, milk, meat and fisheries. The GVA to the industrial and service sector is contributed from construction, electricity, manufacturing, unorganised trade, and transport.

Cashew nut, mango and tobacco are other important production from the district. Shrimp production is also a main activity along with pisciculture. The woolen pile carpet industry in Eluru produces eco-friendly carpets from wool that are exported.

FINDINGS AND ANALYSIS ITDA., K.R.PURAM AT A GLANCE

| | | |
|--------------------------|--|--------|
| Geographical Area | The Geographical area of ITDA., K.R.Puram is 1006.10 Sq.kms | |
| Demography | No. of Mandals in ITDA | 5 |
| | No. of Revenue Villages | 152 |
| | No. of Gram Panchayats Schedule (Schedule - 69 + Non Schedule - 4) | 73 |
| | No. of PESA Gram Sabah's notified | 175 |
| | Total No. of habitations (Schedule - 405 + Non Schedule - 4) | 409 |
| | No. of Households | 28167 |
| Population | Total Population (2011 census) | 187929 |
| | Tribal Population (Male- 47093 + Female - 49936) | 97029 |
| | No. of PVTG Population (Male- 5811 + Female - 5016) | 10827 |
| | No. of PVTG households | 2276 |
| | No. of Hill top villages | 39 |
| | No. of habitations electrified | 406 |
| | No. of habitations Un electrified (Modela, Gudlamadugu and Telladibbalu) | 3 |
| | No. of habitations Connectivity | 393 |
| | No. of Un connected habitations | 16 |
| HEALTH | Community Health Centers | 2 |
| | Primary Health centers | 15 |
| | Sub Centers | 85 |
| AWC's | Main AWC's | 319 |
| | Mini AWC's | 118 |
| GCC | No. of GCC Societies | 2 |
| | No. of D.R. Depots | 36 |
| | No of GCC Godowns | 5 |

Profile - I.T.D.A., K.R.Puram Eluru District.

| | |
|--|--|
| Total Population in ap | 4893.87 lakhs |
| % in total population | 26.31 |
| Literacy rate | 59% Females 49.40 |
| GER in higher education | 15.4 among st students |
| Gender parity index | 0.85 |
| Drop out rates in 10th | 62.4% |
| BPL 2011-12 | 24.1% RURAL |



| | |
|---|--------------------|
| TENDULKAR METHODOLOGY | 12.1% URBAN |
| UNEMPLOYED AMONG WORKING TRIBAL POPULATION | 5% |
| CRIME RATE RANK AGAINST ST POPULATION | 3 |

Tribal Statistics India.. Ministry Of Tribal Welfare, Govt. Of India

This study, in the initial stages, with a special focus on the secondary data available, finds that the tribal community in the jangareddigudem region are unable to match the speedy economic growth patterns elsewhere in the region, state and nation.

The hardships in terms of displacement due to the ongoing Polavaram multipurpose project, the recent alleged tinkering to Forest conservation regulations which allow private companies without the consent of native tribal communities, non inclusion of some regions into scheduled areas, lacuna in the functioning of SC/ST sub plan, ITDA in terms of employment creation and implementation of various schemes, GCC, poor infrastructure etc., are impediments in the running towards high volumes income generation and sectoral contribution to the GDP from jangareddigudem tribal region.

The regions still need support in terms of proper roads, exposure on millets in the backdrop of International year of millets, natural farming, stopping of podu cultivation, protections of forests and wild life, formation of FPO farmer producer organisations, strengthening of GCC for the procurement of MFP minor forest produce, branding and marketing of bamboo and other local indigenous plants varieties etc., These all will definitely have a strong say in enhancing HDI and achieving SDGs in this region.

Socio Economic Profile Of Tribal Communities In Jangareddigudem Revenue Division

The people of this region are mostly preoccupied by traditional agriculture including Podu cultivation practice. The tribal communities evidently lead a subsistence life. Absence of industry, service sectors, poor infrastructure, barren lands, sparse forest cover give a dry picture when compared to the regions of dense easternghats elsewhere. Low standard of living in terms of IMR, MMR, life expectancy, PCI, SDGs, literacy rates, low levels of gross mandal domestic production GMDP, slow growth rates etc., on par with the other aspirational regions of India is prevailing in this region. The Polavaram project and the recent forest regulations and R and R trauma for the displaced are the burning issues of this peaceful region in the present times.

After a careful analysis of the above socio economic, natural conditions of the tribal region of jangareddigudem revenue division, one can suggest the afforestation on commercial lines as done in Scandinavian countries with special focus on small scale agro processing units as a measure to have a leap frog growth strategy which specifically suits the local area people. The absence of mining and the availability of Godavari waters, vast array of land, hard working unskilled labour can be converted to best options amidst backward economic scenario. The natural region of easternghats may be protected for ever to cater the needs of Andhra Pradesh state, only if the local growth strategies considers the local environmental intricacies.

While introspecting the economic growth amidst the amrutkaal and G.20 summit backdrop, the retrospective growth pattern since 1947 tells us many things. In fact economic growth which talks about income growth alone is quite different from the distributive justice which includes economic development issue which covers many macro economic aspects inherently. Hence enough care is to be taken while understanding the relationship between these two issues of economic growth and distributive justice. Often the distributive justice is perceived as income redistribution alone just similar to DBT (direct benefit transfer and other welfare schemes alone). But, on a serious note, it should be the wealth redistribution instead of mere income redistribution. Wealth redistribution in terms of forgotten land reforms, direct tax reforms, bank credit distribution etc., can pave the way of human welfare and happiness in the Indian context. At this juncture, wealth creation by using large volumes of demographic dividend, natural resources and indigenous/modern technology. But simple, peripheral skilling of the youth by external paid certifications may not be a fruitful solution to wipe out the gross root problems of Indian youth.

Understanding And Measuring Economic Growth In Terms Of Real Human Happiness

A.C.Pigou long back felt that the increase in income will most often ensures the maximum social welfare and economic efficiency. This given immense support for accepting GDP as a good indicator to measure not only the economic growth but also real human happiness in general. But, contrast to the above, there have been number of other indicators have cropped up in recent times like HDI, GEM, PQLI, HHI, HPI, SDGs, COMPETITIVENESS, CORRUPTION index, Credit ratings etc., for practical purposes. Therefore, human welfare now a days is need to be



discussed and debated on other parameters other than mere GDP as a panacea, though India now stood at 5th position in dollar terms and 3rd position in PPP terms and marching ahead for 5 trillion dollars and 10 trillion dollars in near future.

But, the RBI studies show that Indian GDP is untenable, oscillating, not consistent, below the optimum/potential levels of around 10%. Moreover, green GDP estimates show the high volume of negative externalities in the Indian context, and ultimately our economy falling short of achieving SDGs in its true sense.

Understanding Distributive Justice Part

Despite the presence of many socio, political, moral, ethical arguments to support the nature of distributive justice, from the economics perspective, this can be seen and validate by the following mechanisms

1. Observing the macro economic distribution...how the factors of production are being honoured. Many of the RBI studies show the poor receipts of Labour when compared to the Capital in the Indian industrial setup. But, absence of proper studies in this line of thinking by MOSPI is a big challenge in understanding the dynamics of macro distribution in the Indian context.
2. PCI is the other important indicator but has its own limitations since it is just an average.
3. The crucial and beneficial argument could be the identification of distributive justice in terms of caste/religion/region/creed/gender/language etc., in the diversified Indian social realities.

After analysing the economic growth and distributive justice in the above lines of macro issues and validating theoretical support, this paper tries to focus on the socio economic scenario of tribal communities in the Jangareddigudem revenue division and consisting 7 mandals out of which 4 mandals have a dominant tribal population

While answering the research questions raised by this paper, the AP state Mandal Domestic Product MDP by Govt. of Andhra Pradesh contributes a valuable understanding. It shows that the 4 mandals always stood last in the combined West Godavari district in terms of agriculture, industry and services sector performance and their contribution to the economy has been poor. The Dept. of economics and statistics DSE AP, the local ITDA integrated tribal development agency and CPO chief planning officer, eluru data reveals the poor social indicators of the local tribal communities of jangareddigudem revenue division in eluru district of Andhra Pradesh. Localizing SDGs is still in the pipe line and yet to be executed in these areas.

There have been criticism on the suffering of local communities due to the Polavaram project also observed by NCST national commission on scheduled tribes recently. The proposed recent forest regulations also may have huge impact on ownership rights of the local communities of their forest land as many perceive and get scared in the recent times. The GCC girijan cooperative corporation is also useful to the extent of minor forest produce and can do much to eliminate the middlemen in tribal agricultural scenario. The silver lining in ITDA kannapuram, buttaigudem mandal is Biscuits production while using millets by the local people. This model can be extended to many other products of local importance.

The students of B.A programme of CSTS govt. kalasala collected data regarding poor infrastructure in the jangareddigudem revenue division under a CSP community service project has become the primary data to analyse the local conditions. The data regarding FPO farmer producer organisation collected from the students of these mandals by using PRA participatory rural appraisal research approach has also become a primary source of data in understanding the plight of tribal farming community and the role of middle men. Absence of processing, branding, technology are the causes of low levels of tribal farming incomes in these regions.

The Road Ahead... Sweedish Model of Commercial Forestry...The Scope Of National Bamboo Mission

After assessing the district geological, climatic, natural conditions as mentioned in the district mining report given by govt. of AP this paper suggest adoption of National Bamboo Mission for this region to have good standards of living. The tribal communities now a days migrating to local Nellore District to work as wage earners in Brick making industry as the recent Andhra University study reveals. The Sweedish model of Commercial Forestry can be the useful solution to the native tribal communities in this region.

The Government Degree Colleges like CSTS Government Kalasala, Jangareddigudem can act as Incubation Centres and Resource Centre to analyse and suggest the futuristic models in line with the National Bamboo Mission of Govt. of India and FPO and processing industry promotion by gearing up social entrepreneurship in local areas. After analysing the details as mentioned above, this paper finds a paradox to Pareto Optimality condition in the Indian context of growth trajectory. This paper feels that in India or even in Jangareddigudem revenue division tribal community terrain, resources are allocated in such a way **to make some one well off while making many worse off.**

The recent criticism from all quarters on the displacing and not providing fair R & R package of the Polavaram project affected people, the recent Forest regulations and Adani's episode of huge public resource investments, Ambani's allocations of large volumes of crude oil imported from Russia at cheaper rates etc., makes one to experience the paradox of Pareto optimality conditions of resource allocation in the Indian context.

CONCLUSION

This scenario looks like the paradox of Pareto optimality condition as episodes like Hindenburg Adani report showcasing the classic situation where ordinary persons have to be worse off to make Adani better off as if the Indian economy achieved Pareto optimality. On the other hand, the class, gender, place, language, region dimensions of the distributive justice is gaining larger support at this juncture and creating havoc in political, social spectrum in India now a days. But, the priority of the economists must be on working for the efficiency of the economy and achieving distributive justice in terms of macro economic distribution of national income to the factors of production like land, labour, capital, organisation and technology in the first instance.

BIBLIOGRAPHY

- [1]. Estimation of potential output in India, RBI, by Sanjib Bordoloi, Abhimanyu Das and Ramesh Jangili, Reserve Bank of India Occasional Papers Vol. 30, No.2, Monsoon 2009
- [2]. Economic Survey by MOF, India 2022-23 <https://www.indiabudget.gov.in/economicsurvey/doc/eschapter/echap01.pdf>
- [3]. Article from world bank economists "India's remarkably robust and resilient growth story", Poonam Gupta, Florian Blum, World Bank, April, 2018 <https://blogs.worldbank.org/endpovertyinsouthasia/india-s-remarkably-robust-and-resilient-growth-story>
- [4]. India projection note economic outlook 2022 <https://issuu.com/oecd.publishing/docs/india-oecd-economic-outlook-projection-note-novemb>
- [5]. Estimation of Green GDP in India, Anupam Prakash, Kaustav K Sarkar, Amit Kumar, RBI bulletin, October, 2022 <https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/2ESTIMATIONGDPFORINDIA65C6FCD18BA940D5B33130942352CAE6.PDF>
- [6]. Productivity Growth in India: An Empirical Assessment* by Sreerupa Sengupta and Sadhan Kumar Chattopadhyay, RBI bulletin, January, 2023 <https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/02ART19012023C2BCA396B632479BBDD5485D89FDEEF4.PDF>
- [7]. IBEF, India Brand Equity Foundation data. <https://www.ibef.org/economy/indian-economy-overview>
- [8]. Reports from NCST National Commission for Scheduled Tribes on Polavaram displaced villagers https://ncst.nic.in/sites/default/files/3705_0.pdf
- [9]. Ministry of Tribal Affairs, Govt. of India data <https://tribal.nic.in/Statistics.aspx>
- [10]. ELURU.AP.GOV.IN website of district collectorate data
- [11]. ITDA integrated tribal development agency, Kannapuram, Eluru district, data
- [12]. Mandal Domestic Product by Govt. of Andhra Pradesh and Statistical Abstract of AP DSE