Reduction in the regional imbalances in economic development in India has been recognised as an explicit objective behind our national plans, especially after the Second Five Year Plan. Both the Planning Commission and the Finance Commissions have recognised that there exists a considerable divergence in the level of economic development as reflected by the differences in the levels of per capita income and productivity from State to State. However, there is a serious dearth of scientific studies relating to the analysis and explanations of such disparities in India. The present study makes an attempt to fill in this gap.

Behaviour of the interstate income inequalities over a period of time is an important field of investigation because it allows us to judge the degree of success achieved by the policy instruments over a given period of time. A detailed study of the interstate variations in economic growth, it is felt, may throw some light on the fundamental issues involved, and hence, may provide useful guidelines for future policy in this regard. The present study, it should be pointed out, is merely a first step in this direction, and is
undertaken primarily with the hope that others will join
to help achieve the goal.

Though the nature of the present study is largely
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although responsibility of any probable errors in the Chapter
rests entirely with me. When it comes to the acknowledgement,
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