Abstract

The increase in regional research in terms of rupees spent and scholars engaged has been enormous during the last few decades. The existence of depressed and distressed regions even in times of general prosperity has become increasingly evident. The existence of regional problems in the process of economic development was recognized by the Indian planners in a very early stage of post independent India. Consequently, reducing regional disparities was set as one of the objectives of our planning process. Inter state disparities were considered and multifarious policy prescriptions were proposed by different planners and policy makers. But one thing which most of them failed to realize is that regional disparities in this country exist at intra state level too.

Regional imbalances are however implicit to the very process of economic development. This is due to the fact that the developmental process is not uniformly distributed over space and time. Besides, they emerge due to geographical non homogeneity and deliberate apathy of the rulers. Economists have long recognized the existence and stubborn persistence of regional dualism at all levels of national development and throughout the historical experience of almost all presently developed countries1.

The present study is aimed at gauging the level of intra state disparities in economic development in Andhra Pradesh. The selection of Telengana is very relevant as Andhra Pradesh was one of the first states to be reorganised along lingual lines and no region can better illustrate the general process of regionalism with its sub regional manifestation in contemporary Indian polity than Telengana.

This study comprises all the districts in the three regions (Coastal Andhra, Telengana and Rayalaseema) of Andhra Pradesh covering the period from 1960-61 to 1990-91 with four benchmark years. It covers 50 important socio-economic indicators of economic development classified in nine sectors. Three different statistical techniques have been used to formulate a composite index of development namely:

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1) Principal Component Analysis
2) Taxonomic Method
3) Simple Averaging Method

Indices were formulated for each district in different sectors as well as at an aggregate level for all the four benchmark years. In the next stage, ANOVA was applied, firstly, to ascertain whether the scores of the districts over the four benchmark years had significantly changed or not. Secondly to find out whether the differences in the scores of the districts in a given region were significant or not.

Further Discriminant Analysis was applied to ascertain whether the difference in the development levels across the three regions were statistically significant or not.

It was also intended to examine the relative importance of different variables (indicators) in a given sector as well as of different sectors at an aggregate level at different benchmark years across the three regions of the state and Andhra Pradesh as a whole.

Based upon the above methodology the present study proposed to examine the following:

Firstly, to test the hypothesis that there were no significant developmental differentials within as well as across the three regions of Andhra Pradesh over the four benchmark years. These developmental differentials are widely perceived to exist as reflected by the Telengana Agitation in late 1960's

Secondly, this study tried to examine the validity of inverted U hypothesis using Coefficient of Variation and Euclidean Distances across the three regions as well as total Andhra Pradesh.
Thirdly, to find out as to which of the adopted technique of formulating the composite index yields better results.

The results indicate that in all the three regions as well as Andhra Pradesh as a whole there were no significant changes in the district level scores across the four benchmark years. It was observed that while within a region there were significant differences across districts indicating the fact that in all the three regions some districts were more developed as compared to others. It was however also observed that there were no significant developmental differentials across the three regions of Andhra Pradesh.

This study was unable to validate the inverted U hypothesis across the three regions as well as for the state as a whole. Rather cyclical fluctuations were observed in most of the cases.

All the three techniques of indexing yielded similar results but nothing specific could be said in terms of superiority of one technique over the other. Rather they were complementary helping in analyzing the results in a much better way.