

SOCIO-ECONOMIC DEVELOPMENT OF HARYANA SINCE ITS INCEPTION: A STUDY

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Abstract

Haryana was carved out of the former state of East Punjab on 1st November 1966 on a linguistic basis. Socio-Economic Development is the process of social and economic development in a society. It is measured with indicators such as gross domestic product (GDP), literacy, medical facilities and levels of employment. The social sector development is a precondition for sustained human development and economic growth of an economy. Both are closely interrelated. Social sector development has a positive impact on the economic growth of an economy. Human resource development is essential for the development of people and the nation as a whole. Haryana is one of the progressive states of India and has contributed significantly to socio economic development of India. Haryana today is a well-developed industrial state. It has a very strong infrastructure base. More than half area of Haryana is included in the national capital region. It provides an excellent advantage to Haryana's economy. The state has also emerged as a base for the knowledge industry including IT and biotechnology. The state has 22 districts, 94 tehsils and 6841 villages. With just 1.5% of the total area of the country and less than 2.1% of the country's population, Haryana has achieved a place of distinction for itself in the Indian economy.

Keywords

Gross Domestic Product, Per Capita Income, Infrastructure, Economic Development, Haryana.

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Introduction

Haryana is one of the progressive states of India and has contributed significantly to socio-economic development of India. Socio-economic development is the process of social and economic development in a society. It is measured with indicators such as GDP, literacy, medical facilities and levels of employment. The social sector development is a precondition for sustained human development and economic growth of an economy. Both are closely interrelated. Social sector development has positive impact on economic growth of an economy. Human resource development is essential for the development of people and nation as a whole. The economic growth of Haryana has been exemplary since its inception as a separate state. With just 1.5% of total area of the country and less than 2.1% of the country's population, Haryana economy has achieved a place of distinction for itself in the Indian economy. It has the third highest per capita income in the country after Goa and Sikkim. Haryana is the second largest contributor of wheat and third largest contributor of rice to the national pool of food grains. Haryana is the largest exporter of Basmati rice. The Panipat Refinery (IOCL) situated at Panipat is the 2nd largest refinery in South Asia.

Haryana's structural transformation from an agrarian state to Industrial state with services sector has showed progressive development towards achieving sustainable development goals. Though Haryana is a geographically small state, the contribution of the state to the National Gross Domestic product at constant (2011-12) prices has been estimated as 3.8% as per quick estimates of 2019-2020.

Haryana is one of India's largest automobile hubs and manufactures two thirds of passenger cars, 50% of tractors and 60% of motorcycles in the country. The state has also emerged as a base for the knowledge industry including IT and biotechnology. Gurugram, An emerging metropolis is the house of major information technology units of India. Haryana is the largest exporter of software. Haryana today is a well-developed industrial state and the state government is also committed to create a progressive business environment. Haryana surrounds Delhi on three sides forming the Northern, Western and Southern borders of Delhi. More than half area of Haryana is included in the National Capital Region. The state has 22 administrative districts, 74 sub divisions, 94 tehsils, 154 towns and 6841 villages. Haryana has a population of 2.54 crore and area of 44212 square kilometer.

Objectives of this Study

The study has been geared to achieve the following objectives:

1. To explore the social and economic changes in Haryana economy,

2. To analyze the contribution of Haryana to socio economic development of India,
3. To compare Haryana's economy with India's economy

Research Methodology

This is Quantitative and Analytical Research. This study has been carried out with the help of secondary data only. All the data has been collected from the various sources such as Websites, Books, Economic Survey and Ministry of Statistics, Haryana.

1. Various parameters of Socio-Economic growth of Haryana:

1.1 Health facilities in Haryana: Health is a most important major development indicator. Good health increases the quality of life and ability to work efficiently. Infact health of the masses is an integral part of a nations' social and economic development. Consistent efforts of Haryana government have yielded good results in the area of health since inception of Haryana. In Haryana, birth rate, death rate and Infant Mortality Rate(IMR) is decreasing. Reduction in death rate and infant mortality rate indicates availability of better health care facilities, control over diseases etc. Following Table (1.1.1) depicts that birth rate, death rate and IMR are decreasing over the period of time.

1.1.1 Table: Birth Rate, Death Rate and IMR in Haryana

Year	Birth Rate	Death Rate	Infant Mortality Rate- IMR (per 1,000 in agegroup of 0 to 1 year)
1971	42.1	9.9	72
1991	33.1	8.2	68
2001	26.8	7.6	66
2011	21.8	6.5	44
2018	20.3	5.9	30

(Source: Director General of Health Services, Haryana)

In Haryana, Percentage of Population in the age group of 0 to 14 year is high and percentage of population of 60 years and above 60 years is increasing. It indicates higher life expectancy, better health services facilities and reduction in death rates in Haryana. Following table (1.1.2) shows the information regarding age structure:

1.1.2 Table: Age Structure

Year	Age-group: 0-14 years	Age-group:15-59years	Age-group:60 and above 60 years
1971	46.23	47.97	5.80
1981	41.75	51.91	6.34
1991	39.25	53.00	7.75
2001	35.85	56.28	7.87
2011	29.70	61.52	8.78

(Source: Various Census Reports)

In Haryana, health services are being provided through a network of 3470 hospitals, community health centres, primary health centres, dispensaries, sub centres etc. Following table (1.1.3) reveals the status of health services in Haryana:

1.1.3 Table: Status Of Health Services in Haryana

Indicators	1966-67	1980-81	2000-01	2019-20
No. of Hospitals, Dispensaries and Community Health Centres/Sub-centres	785	1,480	3,072	3,470
No. of Beds available in Health Centres	4,584	8,748	10,878	8,897
Birth Rate (per'000)	42.1 (1971)	37.2 (1980)	26.9 (2000)	20.3 (2018)
Death Rate (per'000)	9.9 (1971)	11.2 (1980)	7.5 (2000)	5.9 (2018)
Infant MortalityRate (per '000)	72 (1971)	103.5 (1980)	67 (2000)	30 (2018)

(Source: Statistical Abstract of Haryana, 2019-20)

In order to provide better health services, Haryana Government has initiated many schemes like Chief Minister free Health Scheme, setting up of Ayush Department, Aayushman Bharat Scheme, Haryana Swasthya Vahan Seva, distribution of free medicine in OPD etc.

1.2 Literacy in Haryana:

In any Economy, Education plays a vital role. It makes the person civilized, refined and cultured. Education is an investment in knowledge that is bound to pay better results. It leads to economic prosperity by establishing industries and businesses thereby increasing employment opportunities. Haryana government is well aware of the fact that educations plays a significant role in the overall development of the society. It has made sincere and consistent efforts to make 'Education for All' and to provide good quality education to the people of Haryana. Government has strengthened academic infrastructural facilities in Haryana.

1.2.1 Table: Number of Recognised Educational Institutions in Haryana

Type of Institution	1966-67	2019-20
Universities	01	60
Colleges	40	359
Teachers Training Colleges	05	475
High/Senior Secondary Schools	597	8,575

Middle/ Senior Basic Schools	735	5,704
Primary/ Junior Basic Schools	4,447	9,928
Technical Education Institutions, Industrial Training Institutes and Engineering Colleges	07	885

(Source: Statistical Abstract of Haryana, 2019-20)

The above table 1.2.1 indicates significant growth in recognised educational institutions. With these efforts literacy rate has improved in Haryana.

1.2.2 Table: Literacy Rate, in Percentage

Year	Literacy Rate, in Percentage
1971	26.89
2001	67.91
2011	76.64

(Source: Census Reports)

The above table (1.2.2) indicates that the literacy rate in Haryana has seen upward Trends and is 76.64% as per 2011 population census. Male literacy stands at 85.38% while female literacy is 66.7%. The three best performing districts in literacy rate are Gurugram, Panchkula and Faridabad. The vision of the government is to utilise State's human resource potential to its fullest in the education sector with equity and inclusion. The Haryana government has taken several initiative or schemes to enhance literacy and basic education of the youth, expanding access to all levels of education, including higher and technical education. To improve the female literacy rate, Haryana government has made girl education free upto graduation level. To attract more children to school, Mid day Meal scheme, Sarv Shiksha Abhiyan, Rashtriya Madhyamik Shiksha Abhiyan, free text books etc., have been started by the government. RTE Act 2009 has also been implemented in Haryana.

1.3 Growth of state domestic product of Haryana

Gross state domestic product is defined as a measure in monetary terms of the volume of all goods and services produced within the boundaries of the state during a given period of time, accounted without duplication. Consumption of Fixed Capital (CFC) or depreciation is deducted from Gross State Domestic Product (GDP) to obtain Net State Domestic Product (NSDP). Rising per capita income at constant price is the indication of real economic development of that country. The trends in state domestic product and per capita income are as follows:

1.3.1 Table: Trends in State Domestic Product and Per Capital Income in Haryana

Item	1966-67	2011-12	2015-16	2019-20
Net State Domestic Product (crore) (at current prices)	540	2,71,152	4,38,140	7,08,364
Net State Domestic Product (crore) (at constant prices of year 2011-12)	304 (Base 1960-61)	2,71,152	3,60,202	5,04,035
Per Capital Income (at current prices)	608	1,06,085	1,62,034	2,47,628
Per Capital Income (at constant prices of year 2011-12)	343 (Base 1960-61)	1,06,085	1,33,591	1,76,199
Gross State Domestic Product (crore) (at constant prices 2011-12)	332	2,97,538.52	4,13,404.79	5,59,705.00

Sources: Statistical Abstract of Haryana, 2019-20 and Economic Survey of Haryana, 2020-21

The above table(1.3.1) reflects that NSDP at current and constant prices and per capita income at current and constant prices are increasing. It indicates that the economic growth is taking place as well as the living standards of the people of the state are also raising. Haryana data reported NSDP per capita at 274,634.596 INR in 2022. This records and increase from the previous number of 235,706.983 INR for 2021. It shows that since inception, per capita income of Haryana has increased many fold. Per Capita Income of Haryana is the third highest among all the states of India, only after Goa and Sikkim. Net state domestic product of the economy consists of output of three major sectors of the economy that is agriculture sector, industrial sector and service sector.

Though Geographically, Haryana is a small state. It has made remarkable economic development. The economic growth of Haryana has been exemplary since its inceptions as a separate state.

1.4 Growth in agriculture sector:

Haryana is primarily an agricultural state. About 70% of residents are engaged in agriculture and allied activities. Economic life in Haryana is mainly influenced by agriculture. Agriculture sector is a developed sector in Haryana. Haryana constitutes 1.5% of India area, yet contributes 15% of the agriculture produce which has grown seven times since the foundation of Haryana in 1966.

About 86% of the area in the state is arable; and of that 96% is cultivated. Haryana is self sufficient in food production and the second largest contributor to India's central pool of food grains. Haryana is the largest exporter of Basmati rice among all the states of the country. It also has highest productivity in Wheat, Bajra and Mustard oil seeds among all the states of India. Agriculture is the key to State's economic growth and prosperity. Following table shows more than seven fold growth in agriculture sector.

1.4.1 Table: Growth of Agriculture in Haryana

Items	1966-67	2004-05	2015-16	2019-20
Production of Food grains (lakh tones)	25.92	130.57	163.33	184.20
Wheat Production (lakh tones)	10.59	90.43	113.52	118.77
Rice Production (Lakh tones)	2.23	30.94	41.45	51.98
Sugarcane Production (lakh tones)	51.0	82.3	71.69	77.30
Cotton (thousand bales of 170 kg each)	288	1,450	993	2,485
Oil Seeds (lakh tones)	0.92	8.36	8.55	11.75

(Source: Economic Survey of Haryana, 2020-21; Statistical Abstract of Haryana 2019-20)

With the fast development in industry and service sector in the state percentage contribution of agriculture sector in Net State Domestic Product has reduced from 56.6% in 1966-67 to 16.6% in 2019-20, still, agriculture is the leading occupation for the people of state.

1.5 Growth in Industrial Sector:

Economic development is also measured through industrial sector. Haryana is one of the leading states in terms of industrial production especially passenger cars, two wheelers, cranes, tractors and electric mixer. The industry sector is the second largest contributor to the state domestic product. The percentage share of industry sector has increased from 20.5% in 1966-67 to 32.8% in 2019-20. Haryana has strong industrial base with 1,986 large and medium units and about 97,020 micro/small scale enterprises. Government has setup various industrial parks, industrial estates, information technology parks etc. Haryana is a third largest exporter

of software and one of the preferred destinations for IT facilities. Haryana is also a preferred destination for auto majors and auto component manufacturers. As of April 2021, Haryana had a total installed power generation capacity of 12480.87 MW, comprising 5719.67 MW under private utilities 2929. 30 MW (state utilities) and 3831.90 MW (central utilities). Haryana has strong infrastructure base.

The state offers a wide range of fiscal and policy incentives for businesses under the Industrial and investment policy 2011, Enterprises Promotion Policy 2015 and Haryana Enterprises and Employment Policy, 2020 in order to retain its position as the most preferred investment destination for both domestic investors as well as global investors.

1.5.1 Table: Growth of Industries in Haryana

Items	1966-67	2004-05	2015-16
No. of Registered Micro and Small Scale Industries	4,519	70,326	97,020
No. of Large and Medium Scale Units	162	1,249	1,986
Exports (in rupees crore)	4.50	20,000	1,74,572*

(Source: Economic Survey of Haryana, 2020-21)

Above Table (1.5.1) reflects growth of Industries in Haryana and significant increase in exports of Industrial products from the state. In the state of Haryana, 22 Special Economic Zones had been notified till 30th November 2021.

Following factors are responsible for this growth in industrial sector of Haryana:

- Strong infrastructure base
- Favorable geographical location
- Development of industrial estates and parks
- Supportive industrial and investment policy
- Availability of skilled manpower
- Setting up of SEZs
- Peaceful law and order situation
- Cordial employer employee relations

1.6 Growth in Service Sector:

Service sector of Haryana is the fastest growing sector and has become the main driver of the growth process of the economy. Service sector is the largest contributor in the state domestic product. It has led to sharp rise in State's per capita income.

The percentage contribution of this sector in the state GDP has increased from 22.9% in 1966-67 to 51% in 2019-20. Supported by improvement in agriculture and manufacturing, the state saw an upturn in the service sector. The rise in the service sector's share in GDP takes Haryana closer to the basics of a developed economy. Service sector refers to multiple activities which comprises of Trade, Transportation, Communication, Entertainment, Banking services, Health, Education, etc. All the sub-sectors of service sector are making tremendous progress. The sub-sectors of service sectors can be classified as follows:

1. Trade, Hotels, Transport and Communication
2. Financial and Business Service
3. Community, Social and Personal services.

The growth rate of service sectors always remained above the primary and secondary sectors. Haryana's economic growth can be called service-led growth especially after 1995 -96.

1.6.1 Table: Contribution of Different Sectors in State Domestic Product of Haryana

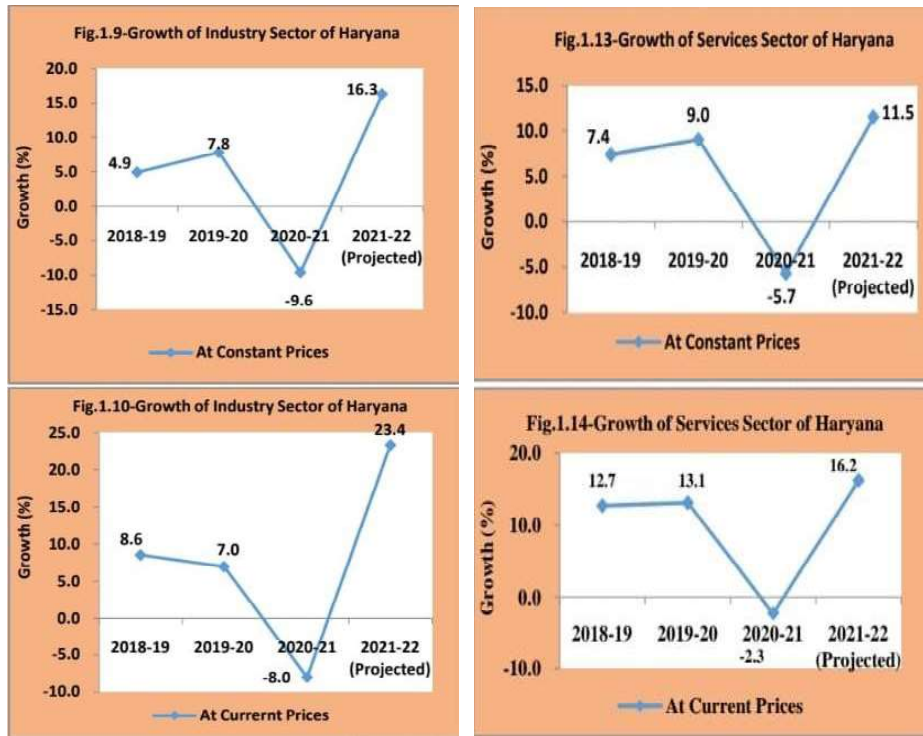
Year	Primary Sector (in percentage)	Secondary Sector (in percentage)	Tertiary Sector (in percentage)
1966-67	56.6	20.5	22.9
2001-02	28.1	28.6	43.3
2010-11	19.4	28.8	51.8
2016-17	17.8	30.5	51.7
2019-20	16.6	32.8	50.6
2020-21(expected)	18.9	30.2	50.9

(Source: Economic Survey of Haryana, 2020-21)

It is evident from the above table (1.6.1) that the contribution of service sector is increasing at a faster rate in comparison to primary sector and secondary sector. This is a positive and beneficial change in the economy of Haryana.

Present Scenerio Of Industrial And Service Sector Of Haryana

Following graphs show the present situation of industrial and service sector of Haryana



Source: Economic survey of Haryana 2020-21

The trends in above graphs show that :

The industry sector was badly hit during the crisis of pandemic. However this sector is expected to record the growth of 16.3% in 2021-2022 with a V-shaped sharp recovery in economic growth.

The major impact of pandemic has been borne by the service sector. The service sector contracted by -5.7% in 2020-2021 at constant prices. But the growth of 11.5% has been projected for 2021- 2022.

Comparison of growth rates of different sectors of Haryana in comparison to India

The following table (A) highlights that Haryana is growing faster in each sector as compared to India.

Table A: Growth Rate of GDP and Different Sectors of Haryana in Comparison to India (in percentage)

Year	Agriculture		Industry		Services	
	Haryana	India	Haryana	India	Haryana	India
2007-08	0.0	5.8	6.6	8.6	13.6	10.3
2010-11	6.1	7.0	8.3	8.2	11.4	9.3
2015-16	2.9	0.8	7.9	8.2	10.9	9.8
2018-19	5.0	2.4	4.9	4.9	7.4	7.7
2019-20	5.6	3.3	7.8	(-)1.1	9.0	7.2

(Source: Economic Survey of Haryana, 2020-21 and Economic Survey of India, 2020-21)

Various parameters of economic and social development of Haryana in comparison to India can be summarized in the following table :

S. No.	Item	Year	Haryana	India
1.	Area	2012-13	44,212 sq. km	32.87 lakh sq. km
2.	Literacy Rate	2011	75.6	74.04
3.	Birth Rate	2018	20.3	20
4.	Death Rate	2018	5.9	6.2
5.	Infant Mortality Rate	2018	30	32
6.	Per Capita Income (at current prices) (at constant prices, 2011-12)	2019-20	Rs. 2,47,628	Rs. 1,34,186
		2019-20	Rs. 1,76,199	Rs. 94,566
7.	Gross Domestic Product (at current prices) (at constant prices, 2011-12)	2019-20	Rs. 7,80,612 crore	Rs. 2,03,39,849 crore
		2019-20	Rs. 5,59,705 crore	Rs. 1,45,65,951 crore
8.	Net Domestic Product (at current prices) (at constant prices, 2011-12)	2019-20	Rs. 7,08,364 crore	Rs. 1,81,87,414 crore
		2019-20	Rs. 5,04,035 crore	Rs. 1,28,22,882 crore

(Source: Economic Survey of Haryana 2020-21 and Economic Survey of India, 2020-2021)

From the above table it is clear that the pace and level of economic development in Haryana is much better in comparison to India.

Conclusion

Haryana is doing amazing work in each sector. The structural composition of state economy has witnessed significant change since the inception of Haryana.

Adjacency to national capital Delhi provides excellent advantage to Haryana economy. It has helped Haryana in its faster development. Indira Gandhi international airport provides easy global connectivity which facilitates industrialization. Haryana is the first state in the country to achieve hundred percent electrification. Haryana government is promoting e-governance and online platform for providing various services. Government has provided conducive policy environment also. Thus due to strong infrastructure base, peaceful law and order situation and harmonious industrial relations, Haryana's economy is continuously gaining strength and moving towards new heights of development.

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