

## RELATIONSHIP BETWEEN SOCIAL SECTOR EXPENDITURE AND NET STATE DOMESTIC PRODUCT IN HIMACHAL PRADESH AND KERALA

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### ABSTRACT

*The present research study aims to analyses the “Relationship between Social Sector Expenditure and Net State Domestic Product in Himachal Pradesh & Kerala”. The objectives of government policies can be accessed through social sector expenditure. The social sector expenditure largely determines the realization of the objective of growth with equity of the government. The government formulates programmers and schemes, and undertakes various social and economic activities, which aims at socio-economic development of the community. It is the political and economic philosophy of a government, which ultimately determines the magnitude and pattern of social sector expenditure in an economy. For having higher productivity, efficiency and equity in the economy quality of social sector expenditure needs to be scanned during regular intervals. Though, a study of social sector expenditure is important in context to all the states but, tends to become all the more relevant and interesting because of remarkable achievements in the field of social sector in both states Despite various economic limitations,they exhibited very high performance with respect to social sector development by both states, respectively. They have marked similarities not only with respect to their social sector model, but in case of other spheres also. Therefore, keeping in the view of economic similarities of both states, an attempt is made to study the causality between social sector expenditure and NSDP.*

**KEYWORDS:** *Social Sector Expenditure, Political and Economic Philosophy, Efficiency and equity, Economic Similarity.*