

## **NEED FOR IMPROVING HUMAN CAPITAL (HDI) IN RAYALASEEMA REGION OF ANDHRA PRADESH**

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### **ABSTRACT**

Human resource development is a complex and multifaceted concept. It is also a continuous process. It requires sensitivity to changing needs in order to set priorities. Developing people is the essence of any human resource development effort and it is an important means of all other development activities (plans, policies, programmes, establishment of new structures, mechanisms). All forms of development (economic, technological, ecological, agricultural, social, industrial, etc.) are ultimately meant to serve people in terms of improving their happiness through better quality and standards of life. Keeping in above significance the present study shows the position of human capital (HDI) in Rayalaseema region of Andhra Pradesh in India

**KEYWORDS:** Human Capital, Health, Education and Income

### **INTRODUCTION**

“We shall require a substantially new manner of thinking if mankind is to survive”.

**- Albert Einstein**

Andhra Pradesh is one of the 29 states of India, situated on the country's southeastern coast. The state is the eight largest state in India covering an area of 160,205 km<sup>2</sup> (61,855 sq mi). As per 2011 census of India, the state is tenth largest by population with 49,386,799 inhabitants. The state has the second longest coastline of 972 km among all the states of India, second only to Gujarat. It borders Telangana in the northwest, Odisha in the northeast, Tamil Nadu in the south and water body of Bay of Bengal in the east. There are two regions in the state namely Coastal Andhra and Rayalaseema. There are 13 districts with 9 in costal Andhra and 4 in Rayalaseema.

Rayalaseema (Anantapur, Chittoor, Kadapa, Kurnool Distrits) is situated Southern tip of Andhra Pradesh, bordering East Nellore - a costal district, West Karnataka, North Telangana and South Tamilanadu. In 2011 census, the four districts had geographical area of 67,299 k.m, 1.52 crore population. Rayalaseema is not only a backward area but also drought prone area. In this background this paper presents what is site of human capital (HDI) in Rayalaseema.

Human development is thus a process of widening people's choices as well as raising the level of well-being achieved. Thus, as noted by Paul Streeten, the concepts of human development puts people back at center stage, after decades in which a maze of technical concepts had observed this fundamental vision.

## Role of Human Capital in Economic Development

Human resources are an important factor in economic development. Economists often see population as an obstacle to growth rather than as a factor which will assist the development activity. Nevertheless, man makes positive contribution to growth. Man provides labor power for production and if in a country labor is efficient and skilled, its capacity to contribute to growth will decidedly be high. The productivity of illiterate, unskilled, disease ridden and superstitious people is generally low and they do not provide any hope to developmental work in a country. While discussing the causes of under development earlier, we have stated that if a country can manage to use its man power properly, it will prove to be an important factor in development. But in case human resources remain either unutilized or the man power management remains defective, the same people who could have made a positive contribution to growth activity prove to be a burden on the economy.

## REVIEW OF LITERATURE

This part of the paper focuses its attention on the review of various theoretical and empirical studies relating to human development carried out at international, national, state level by both official organizations and individual scholars, a sample of the same is presented here under:

In an unprecedented gathering of the leaders of 189 countries in September 2000 at **UN Millennium Summit** adopted UN Millennium Declaration and committed them to pursue eight goals primarily relating to human development. These goals were to (i). Eradicate extreme poverty and hunger (ii). Achieve universal primary education (iii). Promote gender equality (iv). Reduce child mortality (v). Improve maternal health (vi). Combat HIV/AIDS (vii). Ensure environmental sustainability and (viii). Develop a global partnership for development. As stated already the worldwide progress in achieving these goals was the subject matter of Human Development Report 2003.

**Anjanik Kochak (2006):** compared the progress in the achievements of various human development indicators by India and China. The author found that in HDI and in many other human development indicators, China occupied a comfortable position than India. Though the trend for the period from 1975 to 2005 was in upward direction for both India and China, rate of growth was faster for China especially after 1990 when it initiated second round of liberalization. Interestingly, what India achieved in Human Development in 2003 was achieved by China 16 years back in 1987. The study also found that HDI and GDP difference ranks were positive for China and negative for India signifying the fact that China gave much importance for investment in health and education compared to income growth than India did.

**The Planning Commission (2002):** government of India has brought out National Human Development Report 2001 in the year 2002. The Report has computed Human Development Index (HDI), a Gender Equality Index (GEI) for major Indian states for selected years of 1981, 1991 and 2001. The study found significant improvement in HDI by 26 per cent between 1981 and 1991 and by 24 per cent between 1991 and 2001 at the national level. Though there were gross rural urban disparities in human development, the same seemed to have narrowed down during the period under study. Similarly, there were gross inequalities among different Indian states in human development. As expected the inequalities across states on the HDI were less than the income inequality as reflected in the per capita state domestic product. The Report also presented rich set of database on different dimensions of human development.

## OBJECTIVES OF THE STUDY

The specific objectives of the present study are:

- To compare the Per Capita Income of different districts in Andhra Pradesh;
- To understand the changes in Literacy Rate of different districts in the state;
- To elucidate level of Life Expectancy in Andhra Pradesh:

Based on the above objectives the study is entirely depend on secondary data

### The Stage of Human Capital in Andhra Pradesh

We are rediscovering the essential truth that people must be at the center of all development. The purpose of development is to offer people more options. One of their options is access to income – not as an end in itself but as a means for acquiring human well-being. However, there are other options too such as long life, knowledge, political freedom, personal security, community participation and guaranteed human rights. People cannot be reduced to a single dimension merely as economic creatures. What makes them and the study of the development process fascinating is the entire spectrum through which human capabilities are expanded and utilized to the fullest.

The above discussion shows that the concern of development economists in recent years has shifted from economic growth to human development. Human development measures in three basic dimensions: a long and healthy life, access to knowledge and a decent standard of living.

**Table 1: District-Wise Per Capita Income in Andhra Pradesh**

S No.	District	2004-10 Constant Prices		2004-10 Current Prices	
		2008-09	2009-10	2008-09	2009-10
1	Srikakulam	22,381	24,455	30,008	35,959
2	Vijayanagaram	25,987	27,157	34,838	38,550
3	Visakapattanam	48,780	50,976	64,116	72,512
4	East Godavari	38,094	39,002	48,238	55,661
5	West Godavari	33,125	33,712	42,594	49,746
6	Krishna	41,238	44,398	52,968	63,202
7	Guntur	33,672	34,949	43,997	49,543
8	Prakasam	34,378	36,593	49,221	56,345
9	Nellore	36,421	36,470	46,039	52,481
<b>Average of Costal Andhra</b>		<b>34,897</b>	<b>36,412</b>	<b>45,780</b>	<b>52,666</b>
10	Chittoor	27,706	28,983	35,639	40,703
11	Y.S.R. Kadapa	28,911	31,476	38,238	44,273
12	Anantapuram	29,034	31,847	40,440	45,300
13	Kurnool	28,279	29,548	38,237	42,573
<b>Average of Rayalaseema</b>		<b>28,482</b>	<b>30,463</b>	<b>38,139</b>	<b>43,212</b>

Source: Socio Economic Survey of Andhra Pradesh 2011-12

Table 1 provides the obvious picture about the district wise analysis of 2008-09 and 2009-10 per capita income in Andhra Pradesh. Visakapattanam, East Godavari, Krishna districts in coastal Andhra and Anantapuram, Y.S.R Kadapa in Rayalaseema have highest per capita income in Andhra Pradesh. Srikakulam, Vijayanagaram in Costal Andhra and Chittoor, Kurnool in Rayalaseema have lowest per capita in Andhra Pradesh. Therefore, the average of Costal Andhra has higher per

capita income to compare average of Rayalaseema.

**Table 2: District-Wise Literacy Rate in Andhra Pradesh**

S No.	District	2001			2011		
		Male	Female	Total	Male	Female	Total
1	Srikakulam	67.19	43.68	55.31	72.25	52.56	62.30
2	Vijayanagaram	62.37	39.91	51.07	69.04	50.16	59.49
3	Visakapattanam	69.68	50.12	59.96	75.47	60.00	67.70
4	East Godavari	70.00	60.60	65.40	74.90	67.80	71.30
5	West Godavari	78.05	68.99	73.53	77.63	71.05	74.32
6	Krishna	74.39	63.19	68.85	79.13	69.62	74.37
7	Guntur	71.24	53.74	62.54	75.40	60.64	67.99
8	Prakasam	69.35	45.08	57.38	73.53	53.40	63.53
9	Nellore	73.67	56.38	65.08	75.93	62.30	69.15
<b>Average of Costal Andhra</b>		<b>70.66</b>	<b>53.52</b>	<b>62.12</b>	<b>74.81</b>	<b>60.83</b>	<b>67.79</b>
10	Chittor	77.62	55.78	66.77	81.15	63.65	72.36
11	Y.S.R. Kadapa	75.83	49.54	62.83	78.41	57.26	67.88
12	Anantapuram	68.38	43.34	56.13	74.09	54.31	64.28
13	Kurnool	65.96	40.03	53.22	71.36	50.81	61.13
<b>Average of Rayalaseema</b>		<b>71.94</b>	<b>47.17</b>	<b>59.73</b>	<b>76.25</b>	<b>56.50</b>	<b>66.41</b>
<b>Andhra Pradesh</b>		<b>70.32</b>	<b>50.43</b>	<b>60.47</b>	<b>74.83</b>	<b>60.01</b>	<b>67.41</b>
<b>India</b>		<b>75.26</b>	<b>53.67</b>	<b>64.84</b>	<b>82.14</b>	<b>65.46</b>	<b>74.04</b>

**Source:** Statistical Abstract of Andhra Pradesh 2013.

Table 2 provides the clear picture of district wise literacy rate of Andhra Pradesh. It has been increasing literacy rate for three decades but it is lower than the national average. As per 2011 census only four districts in the state i.e., Krishna, West Godavary, East Godavary and Chittor have the more than 70% of literacy rate, beyond these four districts Chittor only belong to the Rayalaseema region. Vijayanagaram and Kurnool districts have lower literacy rate in Andhra Pradesh. Therefore, the average of Costal Andhra has higher literacy rate to compare average of Rayalaseema. The literacy rate is very important measurement to the Human Development Index (HDI). Literacy rate of Andhra Pradesh is very low to compare other states and national average. Because of lower literacy rate Andhra Pradesh has lower HDI rank. Therefore must be taking care of improving the education.

**Table 3: Life Expectancy Rate in Andhra Pradesh and India**

Year	Andhra Pradesh	India	Difference
1980-81	58.40	54.00	4.4
1990-91	60.60	59.10	1.5
1994-95	61.80	60.40	1.4
2000-01	64.60	62.90	1.7
2005-06	67.50	63.30	4.2

**Source:** Human Development Reports and Census of India

Table 3 provides the life expectancy rate of Andhra Pradesh and India. Above table shows, life expectancy has been increasing trend of Andhra Pradesh from 1980-81 to 2005-06, to compare to India. Nearly three decades, Andhra Pradesh has best performance in life expectancy rate.

## CONCLUSIONS

It is recognized that 'Development' is about enlarging people's choice by enhancing their functioning and capabilities. It is also held that "development is of the people, for the people and by the people". 'Of the people' refers to

human capital formation and human resources development through nutrition, health and education. 'For the people' stresses the need for the benefits of economic growth to be translated into people's lives. And 'by the people' means that people must be able to influence a process that affects their lives. In other words, development must be shaped to fit people, as opposed to people being shaped to fit development.

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