

UTTAR PRADESH ECONOMY: AT A GLANCE

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Uttar Pradesh is India's fourth largest and the most populated state in India. With an area of 93,933 sq mi (243,286 square km), Uttar Pradesh covers a large part of the highly fertile and densely populated upper Gangetic plain. There is an average population density of 828 persons per km² i.e. 2,146 per sq meters. Uttar Pradesh shares an international border with Nepal to the north. Other states along Uttar Pradesh's border include Uttarakhand, Haryana and Delhi to the north and northwest; Rajasthan on the west; Madhya Pradesh on the south; Chhattisgarh and Jharkhand on the south east; and Bihar on the east. The administrative and legislative capital of Uttar Pradesh is Lucknow. The climate of Uttar Pradesh is predominantly subtropical; however, weather conditions change significantly with location and season. Uttar Pradesh can be divided into three distinct hypsographical regions i.e. (i) The Himalayan region in the North; (ii) The Gangetic plain in the centre and (iii) The Vindya hills and plateau in the south.



Population:

The state of Uttar Pradesh is expanded in an area of 240,928 sq. km. There are 18 Mandals, 75 Districts, 312 Tehsils 813 Blocks and 106704 Villages. The population of Uttar Pradesh was recorded 199581477 persons during the census 2011 out of which 155.11 million (77.72 percent) are rural and 44.47 million (22.28 percent) are urban. There is an addition of 33383556 persons from census 2001 to census 2011. The population in rural areas declined 1.50 percent during 2001-11. The state shares largest rural percentage i.e. 18.62 percent of the country's rural population during 2001-2011. The population growth rate of Uttar Pradesh was recorded 20.09 percent during 2001 to 2011. During 2001 to 2011 the decadal growth rates in rural and urban areas were recorded as 17.81 percent and 28.75 percent respectively. As per Census 2011, Uttar Pradesh has got 908 females per 1000 males and child sex ratio has been recorded as 899.

The total literate population in Uttar Pradesh was recorded at 118.42 million persons as per census 2011 out of this 88.39 millions belong to rural areas and 30.02 million belong to urban areas. Total literacy rate in Uttar Pradesh was recorded 69.72 percent as per census 2011. This shows that there is a significant increase of 45 percent over Census 2001. In state rural and urban literacy rates are 67.55 percent and 77.01 percent respectively. The decadal change indicates that there is an increase in literacy rate by 15.02 percent and 7.26 percent in rural and urban areas respectively.

Male literacy in Uttar Pradesh is recorded as 78.48 percent in rural areas and 81.75 percent in urban areas during the Census 2011. There

is a significant increase in male literacy of the state in rural as well as in urban areas i.e. 11.89 percent and 4.99 percent respectively during 2001-11. Female literacy in rural areas of Uttar Pradesh is recorded at 55.61 percent and in urban areas it is recorded at 71.68 percent during the Census 2011. Female literacy rate in rural areas and urban areas increased by 18.71 percent and 9.95 percent respectively during the census 2001 to census 2011.

Agriculture:

The Economy of Uttar Pradesh is basically agrarian in nature. Majority of the population in the state depends on agriculture for its livelihood. As high as 65 percent of the total workforce in the state depends on agriculture most of them are below poverty line. Agriculture of the state has a paramount role in the food production and food security of the country. The production of food grain in UP was 383 lakh metric tonne in 2002-03 and increased to 430 lakh metric tonne in 2007-08. The production of pulses, however, went down from 22 lakh metric tonne in 2002-03 to 16 lakh metric tonne in 2007-08. Average yield of food grain for Uttar Pradesh was 21.88 quintal per hectare in 2007-08. Average yield of rice was highest in the year 2003-04 in Uttar Pradesh. Average yield of wheat was highest in the year 2007-08 in UP. The actual yield levels are much below the potential thus indicating a large technological gap between known technology and its application.

Irrigation:

Irrigation facilities in Uttar Pradesh are relatively well developed. It is one of the indicators for measuring the development of Agriculture in Uttar Pradesh There is variation in the net irrigated area during the period 2002-03 to 2007-08. In the year 2006-07 net irrigated area was the maximum (i.e.133.13 lakh hectare) and in the year 2002-03, it was minimum (i.e. 128.48 lakh hectare) during the period 2002 to 2007.

The total irrigated area of state is 130.85 lakh hectares during the year 2010-11. In Uttar Pradesh the source wise irrigation status, shows that irrigation through canal is 18.02 percent, 3.01 percent through State Tube well and Private tube wells have maximum share of irrigation that is 70.17 percent.

Industry:

A large amount of industrialization in Uttar Pradesh has taken place in an organised manner, particularly in small scale sector. The major industries in the state include, sugar, cements, vanaspati, cotton cloths and yarn. The State has now taken a lead in improving the overall infrastructure and logistical facilities, essentials for driving industrial, economic and social growth. Micro, Small and Medium Enterprises Sector is very important for economic development of the State. This sector is backbone of economic progress and development of the Country because of its contribution in industrial productivity, employment generation, versatile nature, adaptability and contribution in exports. MSME sector provides employment in bulk next to agriculture sector in the State. Information Technology, Biotechnology, and fast emerging Service sector are providing new dimensions to development.

The contribution of SSI sector is playing significant role in creating large scale employment opportunities at lower capital cost. The SSI units are supplementary and complementary to large and medium scale of units also. About 612338 SSI units were established in U.P. with the capital investment of ₹ 7172.03 cr. and employment oppor-

tunities were extended to 2396121 persons upto March 2008.

U.P. registered a growth rate of 5.5 percent in GSDP against GDP growth rate of 7.8 percent (All- India) during the Tenth Plan. In the first two years of Eleventh plan (i.e. 2007-08 and 2008-09) the state registered GSDP growth of 7.9 percent and 7.2 percent respectively.

Power:

Power is considered to be one of the most important resources for economic development. The shortage of power has wide ranging implications for industrialisation as well as overall development of UP. The power generation capacity in the state has not expanded earlier to keep pace with the rising demand. Under the provisions of the Energy Conservation Act-2001, Uttar Pradesh Power Corporation Ltd has been designated to function as State Designated Agency, Uttar Pradesh. Taking IPP, co-generation and share in central projects power availability currently in U.P. is 6640 MW. Peak period gap is over 25 percent of the availability. In UP, 88.27 percent villages were electrified by the end of the year 2008-09, while the corresponding national figure was 83.6 percent. To meet the objective and ensure availability of 1000 Kwh. per capita by the end of 2017. Government of Uttar Pradesh has encouraged Private Participation in the Power Sector.

Road:

One of the important preconditions for rapid economic development of any economy is the presence of a good road network. The state has an extensive road network. Uttar Pradesh has set up Uttar Pradesh State Road Transport Corporation (UPSRTC) to provide an economical, reliable and comfortable transport in the state. In UP, length of all weather pucca roads per thousand sq. km. is 182 km (2003-04). The road network requires modernization in view of the rapidly growing road traffic. Another major issue is that of poor road connectivity in the rural areas, as still a large number of villages are not connected with all weather pucca roads. The state's share in road network in India is merely 12 percent. The total number of vehicles on road was 13297 (in thousands) reported in the year 2010 in State.

Railways:

Uttar Pradesh is connected with the major cities of India by railways. Express, super-fast, and passenger trains connect Allahabad, Agra, Lucknow, Kanpur, Varanasi and Gorakhpur with the other parts of the country. In Uttar Pradesh total rail route is 8702 km out of 2137 km (i.e. 24.56 percent) route has been electric route. Railways play important role in the development of industry, agriculture, cement, coal, fertilizer and manufacturing sector.

Aviation:

Uttar Pradesh there are six domestic airports at Agra, Allahabad, Gorakhpur, Kanpur, Lucknow and Varanasi including two international airports i.e. Chaudhary Charan Singh International Airport, Lucknow and Lal Bahadur Shastri Airport, Varanasi. It is also proposed to set up Taj International airport in the Delhi- NCR region.

Banking:

A well developed financial infrastructure is an essential requirement for promoting economic activities in any economy. As far as banking sector is concerned there is predominance of nationalised banks with more than 5000 branches of which SBI and its associates have 1712 branches, followed by regional rural banks with 3092 branches, private sector banks with 526 branches and foreign banks with 17 branches. The operations of scheduled commercial banks in the state are an indicator of its financial development. Uttar Pradesh ranks at

13th position out of 15 major States.

Telecommunication:

In the state, telecom sector has expanded at a very fast rate in recent years. In Uttar Pradesh, 2519 thousand telephone connections were working in 2007-08. The numbers of post offices in 2010-11 in Uttar Pradesh were 17669. The State needs to harness full growth potential of this sector for overall growth of its economy.

Health:

In Uttar Pradesh health care facility is dominated by the private sector, as 90 percent of rural and urban residents utilize the private sector for outpatient care and 74 percent of rural and 68 percent of urban residents visited private hospitals. The State has accorded to reduce infant, child and maternal mortality, the incidence of communicable diseases and to improve reproductive health. The desired achievements in these sectors require improved essential health care services, such as coverage for immunization, family planning and institutional (or safe) deliveries, early recognition and prompt and effective treatment of life threatening illnesses, especially acute respiratory infections (ARI), Diarrhea, Malaria and T.B. and access to reliable basic health care, as well as health advocacy for increased knowledge and understanding of appropriate health behavior.

The state government manages a vast network of health facilities. It consist of 20521 sub centers, 3692, P.H.C., 515 C.H.C., 191 District and Other hospitals, 3 Super Specialty Hospital and 9 Medical Colleges to provide a range of preventive and curative health services to the public. However, despite this vast network, access to the targets stands as one of the barriers in the upgrading the health services.

Poverty:

Poverty prevents people from advancing in economic and social spheres of life. National Sample Survey (NSS) data is used to form the basis for computation of poverty statistics. The latest such Round was 61st round in 2004-05. The poverty rates for rural and urban areas of the State are found to be 30.7 and 32.9 % respectively.

Updated poverty lines were used in conjunction with the 2007-08 MPCE distribution of state sample data of 64th round NSS. In Uttar Pradesh, 19.2 percent population (19.2 percent rural, 19.5 percent urban) was found to be below the poverty line in 2007-08. A steeper fall in rural poverty as compared to urban poverty resulted in the pattern that urban poverty rate in the state now surpasses the rural poverty rate.

Unemployment:

The major challenge before economy of Uttar Pradesh is unemployment problem. The different rounds of NSS give the unemployment situation. Uttar Pradesh is having 1st rank in population and 5th rank in terms of geographical area in the country however the above analysis shows that Uttar Pradesh is one of the backward states in India. The slow growth of the state economy can be attributed to various factors. Political willingness is one of the major factors which affected pace of economic development though there was political stability in the state. Low productivity in agriculture and allied sectors has adversely affected employment and income generation. Poor industrial infrastructure along with low level of investment is the major reason for the slow growth of industrial sector in the state. The development of potential sectors like handloom, tourism, bio-technology, IT needs an integrated approach for the speedy development of the state.

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