

# Centrally Planned Inequality

## The Tale of Two States – Punjab and Bihar

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## Introduction.

The spectrum of regional inequalities in India is a very wide one. Table 1 on page 10 showing the per capita State GDP's illustrates the extent of this. Punjab and Bihar with per capita incomes of Rs.25,048 and Rs.5,466 respectively represent the two ends of the wide spectrum. Though this might have been the case historically, a study of state GDP's in the decades after independence reveals that the width of the spectrum has only widened. In 1965 Punjab's per capita income was Rs.562 and was 1.7 times that of Bihar's Rs.332. In 2001 Punjab's per capita income grew 45 times over to Rs.25,048 and is now almost five times that of Bihar. Bihar's per capita by contrast grew by just 16 times to Rs.5,466. During the same period the national per capita grew from Rs.490 to Rs.16,707 or by 34 times. Quite clearly Bihar has been growing at a much slower pace than the rest of the country. It would seem that rather than resulting in greater equality, five decades of central planning has actually resulted in greater inequality between the states in particular and regions in general.

Compounding this extremely unhappy situation is the fact that the intra-state inequality too is much greater in Bihar than in Punjab. The Gini coefficient for Punjab is 0.29 while that of Bihar is 0.318.<sup>1</sup> The Gini coefficient is a measure of the inequality of income distribution. It was evolved by the Italian statistician Corado Gini, and fixes inequality on a scale of zero to one. Thus in a society where everyone received the same income the Gini would be 0.0, while in a society where one person got everything the Gini would be 1.0. Thus the higher the Gini the greater the inequality. The movement of the Gini tells us a lot of the kind of society a country has. In Cuba the Gini moved down from 0.55 in 1953 to 0.22 in 1986, while the Gini rose in the USA from 0.35 in the 1970's to 0.40 now. Most European countries get Gini's around 0.30 while most African countries have Gini's in excess of 0.45. So we should not be surprised that Bihar's Gini is so much worse

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<sup>1</sup> Macroscan (August 2003): 'Per Capita Income Growth in the States of India', [www.macroscan.org](http://www.macroscan.org)

than Punjab's. Better economic growth obviously leads to greater equalization, and economic growth, in India at-least, is a direct outcome of public investment.

That Punjab grew faster than Bihar because of higher public investment can be easily discerned from Table 2 on page 11. Higher public investment in a state also has other long-term effects. Higher investment results in greater tax collections giving rise to an ever-increasing entitlement to central funds. In this manner the original injustice leads to perennial flow of rightful funds.

### The Engine and the Driver.

Since its inception in March 1950, the main thrust of the Planning Commission, as stated in the resolution to set it up, has been to “formulate a plan for the most effective and balanced utilization of the country's resources; and to define the stages, on a determination of priorities, in which the plan should be carried out and propose the allocation of resources for the due completion of each stage.”<sup>2</sup>

Since 1950 India's economy has been vigorously planned and continues to be so even after the so-called liberalization began in 1992. The growth in the size of the ten Plans is indicative of the pivotal role of the Plans in shaping the economic destiny of India. Table 3 on page 12 reveals the growth of Plan outlays and GNP. The First Five Year Plan (1951-56) had an outlay of Rs.1,960 crores while the GNP in 1951 was Rs.9,506 crores. The Tenth Five Year Plan (2002-07) by contrast has grown to Rs. 15,92,300 crores while the GNP in 2002 was Rs.22,30,372 crores. Thus while GNP has grown 235 times over, Plan outlays have grown more than 835 times over. During the same period per capita income has risen from Rs.275 in 1951 to Rs.16, 707 in 2002, or by about 61 times.

One very obvious inference from this is that the State has been the main engine of economic growth in India and the Planning

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<sup>2</sup> *Rediff.com Business Desk (July 19,2004): What does the Planning Commission do?*

Commission, as it decides priorities and apportions resources, is the driver of this engine. It is undeniable that there has been growth and Indian society has undergone a substantial transformation in the past five decades. A good part of the credit for this must accrue to the Planning Commission that so minutely plotted the path of growth and change. Having said that, it also follows that what happened as a result of the skewed priorities of the Plans must also be ascribed to it.

## Between Punjab and Bihar.

Though the achievement of a greater equalization of people and regions in India was not explicitly stated in the Constitution, the very notions of a socialistic society and democracy implies a determined thrust towards just that. Unfortunately from all available data it is obvious that did not happen. In fact the divisions between regions and people only deepened. Many studies are available that detail this. The question that remains is why this never became a political issue? Is it that our leaders do not care? Or is it that they do not know? Or has it never become an issue because the people in general do not care? Whatever be the reasons, we have come to accept certain stereotypes. Such as the relative prosperity of the Punjab is due to the hardworking and innovative peasant, while the poverty of Bihar is due to the deep divisions in its society, corruption and lawlessness. Like most generalizations these too are seriously flawed.

Clearly Punjab prospered as India made huge investments in it. These huge investments were often at the cost of other regions. Take the year 1955 (see table 4 on page 13). It gives us a vivid snapshot of this. In this year the total national outlay for irrigation was Rs.29,106.30 lakhs. Of this Punjab got Rs.10,952.10 lakhs or 37.62%. By contrast Bihar got only Rs.1,323.30 lakhs, which is only 4.54% of the irrigation outlay. The Bhakra Nangal dam, one of Jawaharlal Nehru's grandest temples of modern India, planned at an outlay of Rs.7,750 lakhs, alone irrigates 14.41 lakh hectares. Even after excluding this from Punjab's irrigation plan; we see that its outlay is almost 2.5 times that of Bihar.

Table 5 page 13 details the land availability and usage pattern in the major states of India. Punjab has 50.36 lakh ha. of land and of this 42.88 lakh ha. is arable. Of this arable land 89.72% or 38.47 lakh ha. is irrigated. Looking at it in another way 76.38% of all land in Punjab is irrigated. Much of it owing to the munificence of the Government of India. Given the recent attitudes of the present Punjab government, the Bhakra Nangal dam may not be a place of worship for all of India, but it certainly is one for Punjab!

In contrast only 40.86% or 71 lakh ha. of Bihar's total area of 173.80 lakh ha. is under cultivation. Of this cultivated area only 36.42 lakh ha or 51.30% is irrigated. Thus Bihar which is almost 3.5 times larger than Punjab has less irrigated land than Punjab. Even after accommodating for the difference in terrains in both states, the sheer difference in the irrigated acreage and the percentage of irrigated acreage, the direct result of public spending on irrigation in Punjab is telling. It is not without some irony that having benefited at the cost of other states; Punjab today denies any water to the neighboring states.

Table 2 on page 11 outlines the per capita plan outlays of Punjab and Bihar for each of the Five Year Plans. In the current plan Bihar has a per capita outlay of Rs.2,536.23 while Punjab has a per capita outlay of Rs.7,681.10, or more than three times that of Bihar. The trend for this substantially higher per capita plan outlay was set in the very first Five Year Plan.

There is no need to stress that bulk of the plan funds are provided by the Government of India. This is well known. But what needs to be stressed is that there are many other less obvious benefits. For instance almost 50% (see table 6 on page 14) of the food grains procurement by the FCI is from Punjab, which means about half the food subsidy of Rs. 25,160 crores too flows into the hands of Punjab's farmers. Likewise, since Punjab consumes 8.01% of the total fertilizers it stood to benefit by Rs.1,060.85 crores on this account. (see table 7 on page 14). Table 8 on page 14 shows the subsidies to be constantly increasing, which only suggest that in the years to come Punjab will only get more.

But what is more lucrative and perhaps the most unfair of the benefits that Punjab garners for itself at the cost of others is by cornering over a third of all positions in the Indian Armed Forces. Detailed statistics are not easily available, and military officials are understandably very cagey on revealing details of a statewide breakdown of military recruitment. The argument still around that some sub-nationalities are martial races and make better soldiers than others is a lot of colonial balderdash that has been more than amply shown to be false by the showing of the other regiments of the Indian Army. Besides it must also not be forgotten that the East India Company subjugated the entire Punjab with troops mostly drawn from present day UP and Bihar who in turn were subjugated by troops drawn from southern India. The skew towards recruitment from Punjab is best illustrated by the fact that the Indian Army derives two infantry regiments – the Sikh and Punjab – with about 40 battalions in all from the Punjab. The Indian Army has one Bihar Regiment with about 20 battalions. The skew does not end here. The Sikh and Punjab regiments consist mostly of troops recruited from the plains and foothills of Punjab, while the Bihar regiment draws its soldiers from Bihar, Jharkhand, eastern UP and abutting areas of MP and Chattisgarh. Most of the non-infantry units also heavily draw recruits from Punjab. The Armored Corps for instance is said to be almost 50% from Punjab.

The important point for us to consider is that the wage bill of India's armed forces, 1.18 mn. strong at last count, in 2000-2001 amounts to Rs.44,233.67 crores and thus Punjab gets at least Rs. 14,745 crores of it.<sup>3</sup> There are currently 18,01,145 ex-servicemen in India. In addition we have 3,72,179 widows also receiving pensions. The total pension bill of the armed forces was Rs.11,000 crores (est.) in 2003. In the past six years alone this amount has grown from Rs. 4,947.42 crores to Rs. 11,000.00 crores. (see Tables 9 & 10 on page 15 for details.) This means in the past seven years at least Rs. 22,000 crores of the Rs.65,000 crores paid by way of pensions has flowed into Punjab on this account. By contrast Bihar gets a negligible amount in terms of both wages and pensions. Kerala is often described as a money order economy. But

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<sup>3</sup> Kendriya Sainik Board, Ministry of Defence, GOI

facts seem to suggest that it is Punjab that deserves this description more.

With such subsidies and funds flows, both deserved and undeserved, it is little wonder that Punjab is doing better than others and much better than Bihar.

### Ranking the better off.

In the recent years we have seen a new trend of magazines and other publications ranking states ostensibly on the basis of performance. Since they command considerable resources and are politically influential, such awards are public occasions with constitutional functionaries present lending an aura of authenticity to the awards. Punjab does well in getting these awards. If there was one to be awarded for the most subsidized state in India, that too might go to Punjab?

As we have seen in the case of Punjab and Bihar, unequal public spending has created an unequal economic situation. But this does not automatically establish that Punjab is better administered, as these publications would like us to believe. Punjab's financial position is not very much better than that of Bihar. Probably, the best measure of how well a state is being administered is to look at its debt service ratio. Punjab is no better than Bihar in this regard.

Tables 11 & 12 on page 16 reveal the extent to which Punjab and Bihar live beyond their means. Clearly Bihar is doing better on this account with much smaller revenue expenditure to revenue gap. In 2002-03 this gap for Bihar was Rs.1,517 crores, whereas it was Rs.3,018 crores for Punjab. Both states have almost the same revenue levels. Bihar has a superior improving record than Punjab when it comes to the proportion of disbursements out of capital budgets.

If one has to go by the charges made by the present Chief Minister of Punjab against his immediate predecessor, corruption in Punjab is a more serious matter. The sums involved at the top leadership level are quite astounding. There is no evidence to suggest that the

incidence of subordinate corruption is less in Punjab than Bihar. Clearly being better off does not make a state better, especially when doing better just means getting more from the Government of India than size, needs and merit warrant.

The relationship between human development rankings and per capita income is an obvious one. Thus, generally speaking the higher the per capita income, the higher the human development ranking. We can see from Table 13 on page 17 that these rankings have not changed in any substantial way since 1981. The big change was in Tamil Nadu, which leapt from the seventh place in the HDR to the third place between 1981 and 1991. It stays that way in 2001. Tamil Nadu also has the best economic growth during this period. In the decade 1991-2001 Tamil Nadu's per capita income grew by 378% while that of Punjab grew by 306%. During this entire period political power in Tamil Nadu alternated between the two Dravidian parties, each with its their own notions of good governance and ethics. The point here is that the caliber and even character quotient of political and bureaucratic leadership does not vary much from state to state, yet some do better than others. Much of this has to do with public investment. To say some of our sub-nationalities are intrinsically better than others in qualitative terms is unscientific and intellectually offensive. Thus to make out that some deserve more than others is just as pernicious.

### How much more did Punjab get and how much less did Bihar get?

Table 14 on page 18 details this. It shows how Punjab consistently got more than the national per capita average and how Bihar progressively got less in each Plan. When these amounts are totted up together they are quite huge. Even without factoring the benefits due to the Bhakra Nangal project and border roads and canals network Punjab got Rs. 9742.19 crores more and Bihar got a huge Rs. 77,161.50 crores less. Given this money it is likely that Bihar would have fared better. It will be worthwhile to recall that in 1952, Dr. Paul Henson Appelby, the well-known University of California Public Administration scholar, after a detailed study of



public administration systems in the various states concluded that Bihar had the best government in India. We can now only speculate on the possibilities that might have been, had good government got good financial support?

It is this Rs.77,000 crores hurdle Bihar must vault over first, if it is to catch up with the rest of India. If we factor the last fifty years and the cost of the human misery inflicted as a result of this neglect the true cost will be truly astronomical!

<b>Table 1: Per Capita State's GDP (At Current Prices)</b>			
<b>State</b>	<b>PC State's GDP in 1965 (Rs.)</b>	<b>PC State's GDP in 2001 (Rs.)</b>	<b>Number of Times PC State's GDP in 2001 &gt; PC State's GDP in 1965 *</b>
<b>Andhra Pradesh</b>	387	16,373	42
<b>Bihar</b>	<b>332</b>	<b>5,446</b>	<b>16</b>
<b>Gujarat</b>	498	19,228	38
<b>Karnataka</b>	448	18,041	40
<b>MP</b>	298	10,803	36
<b>Maharashtra</b>	534	23,726	44
<b>Rajasthan</b>	373	13,116	35
<b>Tamil Nadu</b>	403	20,975	52
<b>U.P</b>	373	9,721	26
<b>West Bengal</b>	532	16,072	30
<b>Assam</b>	NA	11,357	...
<b>Haryana</b>	450	23,742	53
<b>Chattisgarh</b>	NA	6692.0	...
<b>Jharkhand</b>	NA	6651.0	...
<b>Orissa</b>	329	8,547	26
<b>Punjab</b>	<b>562</b>	<b>25,048</b>	<b>45</b>
<b>Kerala</b>	380	21,310	56
<b>Himachal Pradesh</b>	NA	18,920	...
<b>Arunachal Pradesh</b>	NA	8,580	...
<b>Delhi</b>	NA	38,860	...
<b>Goa</b>	NA	45,105	...
<b>Jammu and Kashmir</b>	NA	12,399	...
<b>Manipur</b>	268	13,213	49
<b>Mizoram</b>	NA	NA	...
<b>Nagaland</b>	NA	8,726	...
<b>Sikkim</b>	NA	16,143	...
<b>Tripura</b>	333	14,348	43
<b>Meghalaya</b>	NA	14,510	...
<b>Uttaranchal</b>	NA	13,290	...
<b>All India</b>	490	16,707	34

**Source: State Finance, 2002-03, GOI**

Note: \* - Calculated from the available data.

<b>Five Year Plans (FYP)</b>	<b>Punjab</b>			<b>Bihar</b>		
	<b>Plan Outlay (Rs. crores)</b>	<b>Per Capita Plan Outlay (Rs.)</b>	<b>Number of Times State GDP Greater than Previous Plan</b>	<b>Plan Outlay (Rs. crores)</b>	<b>Per Capita Plan Outlay (Rs.)</b>	<b>Number of Times State GDP Greater than Previous Plan</b>
<b>First FYP (1951-56)</b>	124.00	136.26	*	104.4	26.98	*
<b>Second FYP (1956-61)</b>	1,263.00	1117.7	*	194.2	41.85	*
<b>Third FYP (1961-66)</b>	231.39	204.77	*	337.04	72.72	*
<b>Fourth FYP (1969-74)</b>	293.56	224.35	3.0	531.28	97.79	2.1
<b>Fifth FYP (1974-79)</b>	220.87	152.09	1.8	368.67	61.04	1.4
<b>Sixth FYP (1980-85)</b>	1,957.00	1165.71	2.0	3,225.00	475.66	1.9
<b>Seventh FYP (1985-90)</b>	3,285.00	1917.69	1.8	5,100.00	667.54	1.7
<b>Eighth FYP (1992-97)</b>	6,570.00	3239.64	2.7	13,000.00	1511.63	2.4
<b>Ninth FYP (1997-2002)</b>	11,500.00	5070.55	1.6	16,680.00	1805.63	1.1
<b>Tenth FYP (2002-07)</b>	18,657.00	7684.1	*	21,000.00	2536.23	*

**Source: Plan Documents, Planning Commission, GOI**

Note: (1) The Plan outlay of Punjab during first two Five Year Plans are for the composite state.

(2) GDP figures are as at the beginning of each Plan.

(3) \* - Data not available.

**Table 3: Plan outlay, GNP, Per Capita Income and Plan Size as % of GNP during Different Five Year Plans.**

<b>Five Year Plans</b>	<b>Plan size (Rs. crores)</b>	<b>GNP during the Entire Plan Period (Rs. crores)</b>	<b>Per Capita Income (Rs.)</b>	<b>Plan size as % of GNP</b>
<b>First five Year Plan (1951-56)</b>	1,960	51,227	275.00	3.82
<b>Second Five Year Plan (1956-61)</b>	4,672	69,885	307.00	6.68
<b>Third five Year Plan (1961-66)</b>	8,576	1,05,729	383.00	8.11
<b>Fourth five Year Plan (1969-74)</b>	15,778	2,35,338	745.00	6.70
<b>Fifth five Year Plan (1974-79)</b>	39,426	4,19,909	1,197.00	9.38
<b>Sixth five Year Plan (1980-85)</b>	1,10,467	8,70,475	1,922.00	12.69
<b>Seventh five Year Plan (1985-90)</b>	2,18,729	16,44,229	3,286.00	13.30
<b>Eighth five Year Plan (1992-97)</b>	4,85,457	46,25,068	7,587.00	10.49
<b>Ninth five Year Plan (1997-2002)</b>	8,44,031	86,71,093	14,284.00	9.73
<b>Tenth five Year Plan (2002-07)</b>	15,92,300	---	16,707.00	---
<b>Source: Plan Documents, Planning Commission &amp; Central Statistical Organisation, GOI</b>				

Note: (1) The Per capita Income (PCY) is for the first year of each Five Year Plans.

	Punjab (Rs. Lakhs)	Bihar (Rs. Lakhs)	Grand Total for all India (Rs. Lakhs)
<b>Total Outlay on Irrigation</b>	10,952.10*	1,323.30	29,106.30
<b>% of Total Irrigation Outlay</b>	37.62	4.54	...

Source: Plan Document, Planning Commission & India 1955-A Reference Annual, The Publications Division, Ministry of Information and Broadcasting, GOI

Note: \* - Of which Bhakra Nangal Outlay Rs. 7,750.00 lakhs.

State	Total Area (Lakh Ha.)	Total Agri. Area (Lakh Ha.)	Agri Area as % of Total Area	Irrigated Area (Lakh Ha.)	Irrigated Area as % of total Agri Area
AP	275.45	70.00	25.41	39.45	56.36
Assam	78.44	28.00	35.70	5.72	20.43
<b>Bihar</b>	<b>173.80</b>	<b>71.00</b>	<b>40.86</b>	<b>36.42</b>	<b>51.30</b>
Gujarat	196.24	35.00	17.84	30.42	86.91
Haryana	44.21	43.00	97.26	27.93	65.00
Karnataka	191.79	72.00	41.92	23.63	32.82
Kerala	38.86	NA	---	3.50	---
MP	443.44	112.00	25.26	63.04	56.29
Maharashtra	307.71	128.00	41.60	25.67	20.06
Orissa	155.71	54.00	35.00	20.90	38.70
<b>Punjab</b>	<b>50.36</b>	<b>42.88</b>	<b>85.15</b>	<b>38.47</b>	<b>89.72</b>
Rajasthan	342.24	127.00	37.10	54.21	42.68
Tamil Nadu	130.06	38.00	29.21	29.45	77.50
UP	294.42	200.00	68.00	120.12	60.06
West Bengal	88.75	68.00	76.61	19.11	28.10
<b>All India</b>	<b>3287.26</b>	<b>1219.00</b>	<b>37.08</b>	<b>NA</b>	<b>---</b>

Source: Directorate of Economics & Statistics, Ministry of Agriculture, 2002

Note: The data on total area of Bihar, Madhya Pradesh and Uttar Pradesh include areas of Jharkhand, Chattisgarh and Uttaranchal respectively.

	1998-99 (Lakh Tonnes)	1999-00 (Lakh Tonnes)	Procurement in Punjab as % of All India 1998-99	Procurement in Punjab as % of All India 1999-00
<b>Punjab</b>	122.15	162.11	45.69	46.90
<b>All India</b>	267.32	345.61	---	---

Source: Ministry of Food & Consumer Affairs, GOI

Note: The food grain procurement is for rice and wheat only.

State	Fertilizer Consumption in 1998-99 (Tonnes)	Fertilizer Consumption in 1999-2000 (Tonnes)	% of total consumption in 1998-99	% of total consumption in 1999-00	Share in fertilizer subsidy in 1999-00 (Rs. crores)
<b>Punjab</b>	13,75,266	14,47,389	8.18	8.01	1,060.85
<b>Bihar</b>	8,94,991	9,85,600	5.32	5.45	721.80
<b>All India</b>	1,67,97,483	1,80,69,735	---	---	---

Source: Ministry of Agriculture, GOI

All India	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
<b>Food Subsidy (Rs. crores)</b>	8,700.00	9,200.00	12,010.00	17,494.00	24,176.45	25,160.00
<b>Fertilizer Subsidy (Rs. crores)</b>	---	13,244.07	13,799.98	12,807.86	11,014.52	11,847.00

Source: Ministry of Agriculture, GOI

Note: (1) Food Subsidy: The total subsidy released to Food Corporation India.

(2) Fertilizer Subsidy: Subsidy paid on urea and the amount of concession paid on decontrolled Phosphatic and Pottassic Fertilizers.

<b>Table 9: Defence Pension</b>	
<b>Year</b>	<b>Rs. crores</b>
<b>1997-98</b>	4,947.42
<b>1998-99</b>	7,270.28
<b>1999-00</b>	11,024.65
<b>2000-01</b>	10,538.93
<b>2001-02</b>	10,487.92
<b>2002-03</b>	10,092.07
<b>2003-04</b>	11,000.00
<b>Total</b>	65,361.27
<b>Source: Ministry of Defence, GOI</b>	

<b>Table 10: Defence Personnel in India, 2003-04</b>	
<b>Total Number of Ex-servicemen in Defence in India</b>	18,01,145
<b>Total Number of Widows of Defence Personnel</b>	3,72,179
<b>Total Number of Defence Personnel Retiring Every Year</b>	60,000
<b>Source: Kendriya Sainik Board, Ministry of Defence, GOI</b>	

<b>Table 11: Budgetary Position of Bihar and Punjab (Rs. crores)</b>										
		<b>Bihar</b>			<b>Punjab</b>			<b>All States</b>		
		<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>
<b>Revenue Budget</b>	<b>Revenue</b>	11,385	10,219	12,016	9,377	9,625	12,946	2,37,953	2,70,901	3,06,943
	<b>Expenditure</b>	14,345	12,560	13,533	11,713	13,467	15,964	2,91,522	3,31,400	3,55,166
	<b>Revenue-Expenditure Gap % age</b>	26	23	13	25	40	23	23	22	16
<b>Capital Budget</b>	<b>Receipts</b>	6,113	4,902	4,556	5,000	7,515	5,780	1,11,591	1,23,532	1,18,812
	<b>Disbursement</b>	2,601	2,309	2,862	2,398	3,313	3,214	55,677	70,131	75,768
	<b>Receipts-Disbursement Gap % age</b>	57.5	53.0	37.2	52.1	55.9	44.4	50.0	43.2	36.2
<b>Source: Statistical Outline of India, 2003-2004</b>										

<b>Table 12: Total Debt, Gross Interest Payment, Gross Interest Payment as Percentage of Revenue Receipts and Total Budget in 2002-03</b>				
<b>State</b>	<b>Total Debt (Rs. crores)</b>	<b>Gross Interest Payment (Rs. crores)</b>	<b>Gross Interest Payment as % of Total Revenue Receipts</b>	<b>Total Budget (Rs. crores)</b>
<b>Bihar</b>	44,649.00	2863.90	23.60	16,395.00
<b>Punjab</b>	37,985.00	3211.00	24.80	19,178.00
<b>All States</b>	6,83,168.00	72285.30	23.60	4,30,954.00
<b>Source: Budget Documents of Punjab and Bihar &amp; Statistical Outline of India 2003-2004</b>				



<b>Table 13: Human Development Index Ranking by State</b>			
<b>State</b>	<b>1981</b>	<b>1991</b>	<b>2001</b>
<b>Andhra Pradesh</b>	9	9	10
<b>Assam</b>	14	14	14
<b>Bihar</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Gujarat</b>	4	6	6
<b>Haryana</b>	5	5	5
<b>Karnataka</b>	6	7	7
<b>Kerala</b>	1	1	1
<b>Madhya Pradesh</b>	13	12	12
<b>Maharashtra</b>	3	4	4
<b>Orissa</b>	10	11	11
<b>Punjab</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Rajasthan</b>	11	10	9
<b>Tamil Nadu</b>	7	3	3
<b>Uttar Pradesh</b>	12	13	13
<b>West Bengal</b>	8	8	8
<b>Source: National Human Development Report 2001, Planning Commission, March 2002</b>			

<b>Table 14: Actual, Projected Plan Outlay if Received National Average and Gap between Actual and Projected Outlay of Punjab and Bihar (Rs. crores)</b>						
<b>Five Year Plans (FYP)</b>	<b>Punjab</b>			<b>Bihar</b>		
	<b>Actual Plan Allocation</b>	<b>Projected Allocation on the Basis of National Average</b>	<b>Gap Between the Actual and Projected Outlay</b>	<b>Actual Plan Allocation</b>	<b>Projected Allocation on the Basis of National Average</b>	<b>Gap Between the Actual and Projected Outlay</b>
<b>First FYP (1951-56)</b>	124.00	52.71	71.29	104.40	423.22	(-) 318.82
<b>Second FYP (1956-61)</b>	1,263.00	110.37	1152.63	194.20	465.40	(-) 271.2
<b>Third FYP (1961-66)</b>	231.40	189.53	41.86	337.04	793.08	(-) 456.04
<b>Fourth FYP (1969-74)</b>	293.60	371.60	(-) 78.04	531.28	1,703.61	(-) 1,172.33
<b>Fifth FYP (1974-79)</b>	220.80	655.84	(-) 434.97	368.67	2,732.92	(-) 2,364.25
<b>Sixth FYP (1980-85)</b>	1,957.00	2,492.91	(-) 535.91	3,225.00	10,374.40	(-) 7,149.4
<b>Seventh FYP (1985-90)</b>	3,285.00	4,108.92	(-) 823.92	5,100.00	18,777.12	(-) 13,677.1
<b>Eighth FYP (1992-97)</b>	6,570.00	4,373.63	2,196.37	13,000.00	18,609.38	(-) 5,609.38
<b>Ninth FYP (1997-2002)</b>	11,500.00	8,288.61	3,211.39	16,680.00	36,850.72	(-) 20,170.7
<b>Tenth FYP (2002-07)</b>	18,657.00	13,715.51	4,941.49	21,000.00	46,972.25	(-) 25,972.3
<b>Total</b>	44,101.80	34,359.63	9,742.19	60540.59	1,37,702.10	(-) 77,161.5

Source: Plan Documents, Planning Commission, GOI

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