

Human Development Report 2007 Andhra Pradesh

Prepared for
Government of Andhra Pradesh
by
Centre for Economic and Social Studies



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Dr.Y.S. RAJASEKHARA REDDY



CHIEF MINISTER
ANDHRA PRADESH

HYDERABAD

MESSAGE

It gives me immense pleasure in introducing the first ever Human Development Report published by the Centre for Economic & Social Studies (CESS), a competent and autonomous research agency, for Andhra Pradesh.

I am told that CESS, while preparing the report, has made extensive work involving a large number of stakeholders in order to ensure a realistic approach.

In fact, the Government is also keen to adopt a realistic approach in assessing ground realities and formulating programs with human face, and achieve sustainable and balanced growth in all areas. Development should reflect not only in economic growth and higher GSDP, but also in improvement of quality of life of even weaker sections.

I hope this report will help in reassessing our investment strategies, if necessary, and identifying areas for further attention, and guide to accelerate the implementation of various developmental and welfare programs like '*Jalayagnam*', **INDIRAMMA**, '*Aarogyasri*' and IT to all cities.

In other words, I am confident that Andhra Pradesh Human Development Report (APHDR) will serve as an important tool in making a comprehensive planning towards achieving '*Haritandhrapadesh*' wherein every sector will experience even and simultaneous development, paving way for emergence of Andhra Pradesh as the model state in India.


(Y.S. RAJASEKHARA REDDY)



K. ROSAIAH



MINISTER FOR FINANCE, PLANNING &
LEGISLATIVE AFFAIRS
GOVERNMENT OF ANDHRA PRADESH

HYDERABAD

MESSAGE

I am glad that our State Andhra Pradesh is finally bringing out its maiden Report on Human Development.

I have noticed that the first "Andhra Pradesh Human Development Report" is an important research-cum-policy document, prepared by an academically competent and autonomous research institute, viz., Centre for Economic and Social Studies (CESS). As I understand, economic development does not mean the growth of income alone but also calls for improvement in the quality of life of our people. Good governance should facilitate realization of these dreams of people.

The report encompasses Human Development Indices, computed both for State and Districts as well. The Report focuses on the levels of achievement, the areas of concern and the possible ways of progress with reference to crucial socio-economic indicators. The purpose of the Report is to provide an independent and objective assessment of the status of human development in different districts of Andhra Pradesh and in the State as a whole. With due importance attached to the outcomes of the report, our endeavour is to give highest priority to the steady improvement of human development conditions in the State.

I am hopeful that the Report would be found useful for all, especially the Policy makers, academicians and researchers.

K. Rosaiah

(K.ROSAIAH)

A.K. GOEL, I.A.S
Special Chief Secretary to Government



PLANNING DEPARTMENT
Government of Andhra Pradesh
Hyderabad.

MESSAGE

I am extremely delighted to be associated with the release of first ever Human Development Report for Andhra Pradesh. This economic exercise got delayed by more than half a decade. Anyway, better late than never.

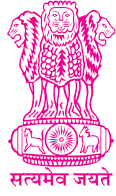
Human development is defined by the United Nations Development Programme as enlarging the range of people's choices. The most important amongst these wide ranging choices are enjoying a long and healthy life, be educated and to have access to resources required for a decent standard of living, and thereby making Human development both as means and ends as well.

Andhra Pradesh has a distinction of being one of the most richly endowed natural resource-based states in the country. Known for centuries as 'Annapurna', the state has a historical record of producing and supplying rice to different parts of the country. It adopted Green Revolution quite early. The state, of late, also has decent levels of achievement in education and health sectors. However, there remains substantial scope for improvement.

The gains of development have not benefited all areas and various sections of the people equally. The Andhra Pradesh Human Development Report highlights these disparities in achievement levels among various sections of the society. The much touted '*Inclusive growth*', in the 11th Plan document by the Planning Commission, has a similar philosophy in achievement of a decent level of Human development for all. I am confident that this report would enable the formulation of future strategies for further improving the human development attainments in Andhra Pradesh.

I would like to thank the Planning Commission, Government of India, and the United Nations Development Programme for all the assistance and support provided for the preparation of this report and look forward to future cooperation in following up the messages of this report. I surely thank the Centre for Economic and Social Studies (CESS), Andhra Pradesh, for bringing out this extremely useful report.


(A.K. GOEL)



Planning Commission



India

MESSAGE

On behalf of the Planning Commission, Government of India and the United Nations Development Programme, we congratulate the Government of Andhra Pradesh for preparing the first Human Development Report for the State.

The HDR comprehensively analyses various aspects that have a bearing on human development, including governance, inclusion and environment and effectively establishes the linkages between the facets of human development.

Primarily an agrarian economy, the State has been witnessing exemplary growth in industries, particularly the IT industry. The Andhra Pradesh HDR analyses the challenges that a society in such a transition faces. Important lessons have been identified on how to effectively manage this transition.

We once again felicitate the Government of Andhra Pradesh for the preparation of its Human Development Report.

Santosh Mehrotra

Senior Consultant (RD), Planning Commission
Government of India

Maxine Olson

UNDP Resident Representative
& UN Resident Coordinator

Preface



Prof. S. Mahendra Dev

*A*ndhra Pradesh is unique in several respects. Some of these unique features are: its history of social movements; it was one of the few states which adopted the green revolution; development of participatory institutions including self-help groups; its remarkable progress in technical education; its innovative poverty alleviation strategies; its distinctive demographic experience; and, the state was at the forefront in economic reforms. The experience of Andhra Pradesh with these unique features raises several far-reaching issues on the strategies to be followed in improving human development.

The objective of this report is to examine the experience of Andhra Pradesh in human development at the state and district levels keeping in view these remarkable features together with the interventions and policies of the state.

There has been a 'turnaround' in economic growth and fiscal performance of A.P. in recent years. The State has to focus also on 'inclusive growth' as there is still a considerable degree of poverty, inadequate human development, problems in agriculture, insufficient quantity and quality of employment, significant regional, social and gender disparities and problems in delivery systems. There has been considerable progress in A.P. in all these components of inclusive growth but this has not been sufficient for achieving broad-based and equitable development. The present government is also making efforts to have higher and inclusive growth in which human development is an important component.

The macro environment in terms of growth and fiscal situation at both the Centre and the state level are much better now than before. There is also greater awareness now about improving delivery services through better governance. Andhra Pradesh should make use of these favourable developments to improve human development in the state.

It was at the invitation of the Planning Department that CESS agreed to prepare the human development report of Andhra Pradesh. Similar to other state HDRs, this Report is sponsored by the Planning Commission, Government of India and the United Nations Development Programme (UNDP).

The Andhra Pradesh Human Development Report (APHDR) is probably the first in India covering the data base up to 2005-06. Thus, the report covers the fifteen year post-reform period which is sufficient for examining the impact of economic reforms on human development.

This report is the outcome of the collective effort of several people. A participatory procedure has been followed in preparing the report. In addition to a state level workshop at Hyderabad, six regional workshops were held to elicit the opinion of people on human development issues in different locations. The regional workshops were held in Mahabubnagar (South Telangana), Warangal (North Telangana), Visakhapatnam (North Coastal Andhra), Guntur (South Coastal Andhra) and, Anantapur and Tirupathi (Rayalaseema). The local organizers Dr. G. Ramachandrudu (Visakhapatnam), Dr. K. C. Suri and Dr. Narasimha Rao (Guntur), Dr. T. Papi Reddy and Dr. MD. Iqbal Ali (Warangal), Dr. Ashok (Mahabubnagar), Dr. Y. V. Malla Reddy (Anantapur) and Shri. Muniratnam and Dr. Rajasekhar (Tirupathi) helped us in organizing these regional work shops. From CESS, Dr. C. Ramachandraiah, Prof. S. Galab, Dr. E. Revathi and Dr. C. Ravi helped in organizing these workshops. We are thankful to organizers and participants in the state level and regional workshops.

Faculty members (S.Galab, M. Gopinath Reddy, Jeena, G.K. Mitra, K.V. Narayana, R. Nageswara Rao, C. Niranjana Rao, P. Padmanabha Rao, C. Ramachandraiah, V. Ratna Reddy, E. Revathi, N. Sreedevi, S. Subrahmanyam) of the Centre for Economic and Social Studies (CESS) prepared the background papers for many of the chapters of the report. We thank all those involved. In addition, there were also a few commissioned papers from academicians and NGOs which have been useful for some components of the report. A few parts of the chapter on agriculture were taken from the work of Prof. D. Narasimha Reddy and Prof. V. Nagi Reddy of ICFAI prepared the background paper on education while Prof. Rama Padma of IIFH (Indian Institute of Family Health, Hyderabad) prepared the background paper on demography and health. There were some inputs from Centre for Dalit Studies (CDS) on aspects of human development of the Dalits (SCs). We had a survey on the working of public institutions in rural areas conducted by Development and Research Services (DRS). For the APHDR, Dr. S. Irudaya Rajan of Centre for Development Studies along with Dr. Mohanchandran did Infant Mortality Rate (IMR) estimations for the year 2001. We are thankful to Prof. D. Narasimha Reddy, Prof. V. Nagi Reddy, Shri. G. Laxmaiah (CDS) Shri. Narsimha Rao (DRS), Dr. Rajan and Dr. Mohanchandran.

The core team consisting of myself, Dr. C. Ravi and Mr. M. Venkatanarayana prepared the report based on the background papers. We are grateful to Dr. Ravi and Mr. Venkatanarayana for spending lot of time in preparing the APHDR. We also thank Prof. Kanakalatha Mukund for editing the manuscript.

The progress of the report was monitored by a Steering Committee (chaired by Prof. C. H. Hanumantha Rao) and Technical Committee (chaired by Prof. S. Subrahmanyam). We thank Prof. C.H.Hanumatha Rao, Prof. K. L. Krishna, Prof. S. Subrahmanyam, Principal Secretaries and Heads of Departments from Government of Andhra Pradesh for their help and useful comments on the report.

Also we thank Mr. Vijay Kumar, Librarian (CESS) his colleagues for their help in locating data and research material necessary for the report.

Shri Rosaiah garu, Hon'ble Minister for Finance and Planning has given full support for the preparation of the report. Shri A.K. Goel, the Special Chief Secretary, Planning Department, Government of Andhra Pradesh has been in constant touch with us by giving useful comments and encouragement in preparing the report. Shri T. Koteswara Rao, former director, Planning Department (GoAP) has been with the centre (CESS) while preparing the APHDR and gave useful suggestions on the report. We thank all of them.

The report was prepared with the support of the Planning Commission, Government of India. We wish to thank Shri B. N. Yungandhar, Member, Planning Commission, Dr. Rohini Nayyar (former adviser) and Dr. Santosh Mehrotra (present adviser).

The UNDP, India country office has given full support in the preparation of the report. The initial involvement of Prof. Seeta Prabhu, head of the Human Development Resource Centre (HDRC) at UNDP proved to be very useful later in preparing the report. She gave a lot of encouragement and support throughout the preparation of the report. We wish to thank the UNDP Resident Representative Ms. Maxine Olson, Prof. Seeta Prabhu and Shri Suraj Kumar.

This is the first human development report for the state of Andhra Pradesh. The process of preparation of APHDR has been an enriching experience for the core team and others. We hope the analysis and findings of the Report would be useful for improving human development of Andhra Pradesh in future.

S. Mahendra Dev

Director, CESS

01-05-2008