

## District Development Indicators

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### 1. Introduction

Decentralisation of administrative and planning machinery, devolution of power and formation of district governments are priority areas of the present government. Meeting the needs of good governance and bringing in district government data at the district level have assumed a great deal of importance. The basic strategy behind devolution of power and decentralisation of administrative units in the state is people-centered, responsibility-based and service-oriented. In Andhra Pradesh (AP) increase of 1347 sq. kms. in forest cover from 1997 till date, fall in percentage of people below poverty line to 15.77% in 1999-2000, total number of Self-Help groups (at least one in all villages and 75% of villages have 15-20 groups) rising to 457526 as on August 2003 are some of the outstanding results of the strategies followed in the state. According to the Employment Market Information statistics available, a total of 20,422 establishments exist in the state giving employment to 20,53,544 persons as on December 2002. Presently there are 33 e-Seva centres (with over 250 service counters spread over the twin cities of Hyderabad and Secunderabad in the state of Andhra Pradesh) serving over 30,000 citizens on an average per day. All service counters are facilitated with an electronic queuing system. It is a one-stop-shop for over 51 G2C and B2C services.

The proposed change in the system and the process warrants availability of data and information at district level to facilitate job of district functionaries and elected representatives. District Development Indicators (DDIs) should contain important statistical data for all twenty three districts in AP. This working paper provides a framework for selecting and formulating DDIs. Keeping in view this objective, the data for all the districts in AP has been analysed for this exercise. It is hoped this working paper would be useful for district administrators, planners, elected representatives and researchers at every level.

### Transition in Economic Development

As an economy develops, so do its structural bases of national /district competitiveness. At low levels of development, economic growth is determined by the mobilisation of primary factors of production: land, primary commodities, and unskilled labour.

Year	Primary Sector	Secondary Sector	Tertiary Sector
1993-94	36	22	42
1994-95	33	24	43
1995-96	33	24	43
1996-97	33	23	44
1997-98	29	25	46
1998-99	32	24	45
1999-00	30	23	47
2000-01	31	22	46
2001-02	30	22	47

Source : Directorate of Economics & Statistics

Real economic growth also facilitates the fight against inequality and poverty, because people are always more ready to share part of an increasing income than to absorb an absolute reduction in a stagnant income. Growth is clearly not sufficient for all these things to happen, but it is certainly a necessary precondition (Fortin, 1999).

The transition is quite visible for AP, as primary sector contribution has gone down, secondary sector shows no variation, and as per the fast development in services sector, figures have shown a rise. According to NASSCOM (National Association of

Software and Service Companies) Hyderabad has achieved highest growth rate of 323% in IT enabled services in 2001-2002.

### **What are indicators?**

Indicators are measurements that tell us whether progress is being made in achieving our goals. They essentially describe the performance dimension key in measuring performance.

### **Why have Indicators?**

There is already a package of internationally accepted key economic indicators which are widely understood, and used to monitor how the economy is performing. These include growth in the economy, rate of inflation, level of interest rates, balance of payments, public sector borrowing and debt. The Government uses them in making its economic policy decisions. They are also widely reported in the media and are recognised by the public, who understand what levels of, or trends in, these indicators mean in terms of the performance of the economy.

### **Selection of the indicators**

A good indicator should satisfy a number of criteria. It should be scientifically sound and technically robust, easily understood, sensitive to the change that it is intended to represent, measurable and capable of being updated regularly. Ideally, we also need indicators which we can use now to report on progress, which means information must be available already, or can readily be collected. The selected indicators should give a broad overview of whether we are achieving a 'better quality of life for everyone, now and for future generations to come'. They should also cover the three pillars of sustainable development, namely social progress, economic growth and environmental protection, including people's everyday concerns like health, jobs, crime, air quality, traffic, housing, educational achievement, wildlife and economic prosperity.

### **Why Development Indicators System?**

An indicator system understands the linkages between economic strength and better quality of life. By deconstructing the components of district growth into discrete measurements, we can articulate the main drivers of economic progress, which in turn, reveal the necessary preconditions for a rising standard of living. The indicator system also serves as a tool for decision makers in government and sectors like industry, agriculture, etc. It identifies both problems and opportunities for policymakers and business leaders, and indicates possible initiatives for improvement. Used consistently over time, indicators can help track changes and trends in economic performance, thereby revealing where policy might best be employed to spur ongoing improvements in districts' quality of life.

Some sample based data (for example, employment data from ASI) is less reliable for small districts, especially when it is further disaggregated by sector of employment or ethnicity of employees. Other data, such as GDP, is simply not available below the sub-regional level. In these circumstances, smaller areas may still find regional or sub-regional data useful to provide contextual information. The indicators themselves also vary in reliability because of the way in which some of the data is estimated (for example, GDP at subregional level) and so require careful interpretation.

### **District Development Indicators (DDIs)**

A district's ability to increase its prosperity is the function of many factors including its macroeconomic environment, its microeconomic foundations for business and individual













































