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Inclusive Economic Growth in Odisha

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Abstract:

Economic Reforms cannot alone propel the economy of Odisha to grow faster. After the economic reforms, in some sectors Odisha is growing much faster compared to previous decades but it is seen that the growth has not been uniform in its effect on people. Large numbers of People of Odisha remain poor and suffer from deprivation. In this sense it is argued that economic reforms in Odisha have not been inclusive enough. Unless, the benefits of growth reach a large section of the people, the economy cannot hope to sustain its growth. Unless the growth is inclusive, the fruits of development only remain limited to the higher section of the society but not to the grass-root levels. That's why there is the need of inclusive economic growth. Growth that is not inclusive affects the society, the economy and the polity. Inclusive growth seeks to broaden the flow of benefits of globalisation towards the currently excluded sections. The present paper focus on the need for Inclusive economic growth in Odisha. Inclusive economic growth is needed in Odisha for Removal of poverty, Creation of employment opportunities, Removal of income inequalities, Empowering people through education and skill development, Agricultural development, Reduction of regional disparity, for social sector development, protecting environment, for good governance, Creation of gender sensitive society, removing social exclusion, Infrastructure development, encouraging financial inclusion. The focus of the government in recent years has shifted from 'promoting Incredible India' to 'building Inclusive India'. In recognition of this, the Planning Commission had made inclusive growth an explicit goal in the Eleventh Five Year Plan (2007-2012). The main aim of twelfth five-year plan was also to achieve faster, sustainable and more inclusive economic growth. Odisha ranks 32nd among Indian States in HDI. Despite Persistent efforts by the govt. towards economic upliftment of the People, Odisha has been ranked among the nine poorest States in the Country. The Global Multi-Dimensional Poverty Index MDPI 2022 prepared by comparing the development in several sectors and parameters that are inter-linked in the past five years revealed that nine States including Odisha continued to remain poor in the Country. As per the Report released by Oxford Poverty and Human Development Initiative and UNDP, of the 10 poorest States in 2015-16, except West Bengal the rest nine – Bihar, Jharkhand, Odisha, Chhattisgarh, Meghalaya, MP, UP, Assam and Rajasthan remained the poorest in 2019-21. One of the salient features of chronic Poverty in Odisha is regional disparities. For a State like

Odisha, inclusive economic growth is necessary. The paper highlights the growth story of Odisha in Post Reform period, and also focuses on why such type of growth is not sufficient and there is need for inclusive economic growth.

Keywords: Regional Disparities, Inclusive Economic Growth, Economic Reforms

Introduction

In Odisha, the concept of inclusive growth aims to address the State's socio-economic disparities by focusing on the equitable distribution of resources, reducing poverty, and providing access to basic services and opportunities for all citizens, particularly marginalized sections of society such as the poor, women, and disadvantaged communities.

The economic reforms undertaken in the early 1990s helped to make Odisha one of the world's fastest growing economies. In every sector Odisha's growth is faster in post 1990s compared to the previous decades. Mahatma Gandhi once said, "Poverty is the worst form of violence". APJ Abdul Kalam said "Almost half of the population of the world lives in rural regions and mostly in a state of poverty. Such inequalities in human development have been one of the primary reasons for unrest and, in some parts of the world, even violence". In 2011-12, the population below the poverty line (BPL) in Odisha was 13.85 million. This was a 24.6% decrease from 2004-05, when 57.2% of the population was below the poverty line.

Located on India's east coast, between West Bengal and Andhra Pradesh, Odisha comprises 4.7% of India's land mass, 3.7% of the population (some 38 million people) and over 5% of India's poor. Despite its rich endowment of mineral wealth, forests, lakes, rivers and a long coastline facing South-East Asia, Orissa is still ranked amongst the poorer states in India. Odisha ranks 32^{nd} among Indian States in HDI. Despite Persistent efforts by the govt. towards economic upliftment of the People, Odisha has been ranked among the nine poorest States in the Country by a Global Study released recently.

The Global Multi-Dimensional Poverty Index MDPI 2022 prepared by comparing the development in several sectors and parameters that are inter-linked in the past five years revealed that nine States including Odisha continued to remain poor in the Country.

As per the Report released by Oxford Poverty and Human Development Initiative and UNDP, of the 10 poorest States in 2015-16, except West Bengal the rest nine – Bihar, Jharkhand, Odisha, Chhattisgarh, Meghalaya, MP, UP, Assam and Rajasthan remained the poorest in 2019-21.

Regional disparities in Odisha are a result of unequal distribution of economic resources, development and opportunities across the State. Some factors that contribute to these disparities includes:

1. Uneven economic development
2. Regional marginalization
3. Political marginalization
4. Undiversified economy
5. Low level of investment
6. Slow economic growth
7. Frequent natural calamities

Odisha economy continued the remarkable upsurge post-pandemic, growing at a rate of 11.5 per cent in 2021-22 and 7.8 per cent in 2022-23. These growth rates have not only been significantly higher than that at the national level for the corresponding years, but also surpassed the pre-pandemic trend of performance. As a consequence, the state's per capita income has risen to INR 1,50,676 in 2022- 23(AE) thereby dramatically shrinking the gap vis-à-vis the national level to half of what it used to be in 2011-12.

Performance in the education sector has shown major strides. The multi-pronged push for quality human resources, infrastructure and institution development and governance through "Mo-School", "Mo-College" & "Adarsha Vidyalaya" as well as the across-the-board adoption of the 5T transformation Approach has been very effective. Similarly in health, performance has been nothing less than transformative. With the universalised Health Assurance under the Biju Swasthya Kalyan Yojana (BSKY), access to quality preventative and curative health services including critical care have been achieved for all on the ground. Special attention has been given to nutrition security and eradication of anaemia under Anaemia Mukta Lakhya Abhiyan (AMLAN) for all affected people including pregnant women, lactating mothers, women of reproductive age group, adolescents and children. Empowerment of youth and women is bringing about societal metamorphosis. The makeover of youth into a powerhouse of change through sports, creativity and animation has been palpable. The construction of World's largest Hockey Stadium in Rourkela and hosting of the Men's Hockey World Cup 2023 are only the tell-tales signs of a deeper transformation happening in the state. With the support of Mission Shakti, women are continuously scaling new heights in terms of economic and social entrepreneurship and leadership. From participating in Self-Help Groups to being captains of growing number of small and medium enterprises women have been championing electrifying change touching all rungs of society and development. The vision for SHGs is to become SMEs in future.

A new NITI Aayog report has revealed that Odisha clocked the fourth-highest drop in multi-dimensional poverty among states in the last half a decade. The proportion of multi-dimensional poor fell from 29.34 per cent in 2015-16 to 15.68 pc in 2019-2021, said the national think tank's just-released Multi-dimensional Poverty Index (MPI), 2023. As per National Family Health Survey 5 (2019-2021), a total of 34.1% of children under five years of age in Odisha were stunted, 6.1% wasted, and 29.7% underweight. At the all-India level, 35.5% of children were stunted, 7.7% wasted, and 32.1% were underweight. Literacy rate has gone up from 15.8% in 1951 to 63.08% in 2001 and 72.9% in 2011. According to National Statistical Office data, as of the year 2021, India's average literacy rate in 2021 is 72.87% while male literacy rate is 81.59% and Female literacy rate is 64.01%.

Economic Reforms of the kind cannot alone propel the economy of Odisha to grow faster. It is true that Odisha is growing much faster in some sectors compared to previous decades after the economic reforms, but it remains an evident fact that the growth has not been uniform in its effect on people. Large numbers of Indians remain poor and suffer from deprivation as revealed in the above indicators. It is argued that economic reforms in Odisha have not been inclusive enough. Unless, the benefits of growth reach a large section of the people, the economy cannot hope to sustain its growth. Financial inclusion is very important if the average Indian is to benefit from the various Government policies. Unless the growth is inclusive, the fruits of development only remain limited to the higher section of the society but do not reach the grass-root levels. That's why there is the need of inclusive economic growth. The World Bank defines inclusive economic growth as the rate and distribution of economic growth that is equitable, provides equal opportunity, and protects people during market and employment transition. In the foreword to the 11th plan, Dr Manmohan Singh wrote that India needs to "ensure that growth is widely spread so that its benefits, in terms of income and employment, are adequately shared by the poor and weaker sections of our society". The Reserve Bank of India (RBI) defines inclusive growth as the pace and pattern of economic growth that creates employment opportunities and reduces poverty. It also aims to provide access to basic services and opportunities for all citizens.

Inclusive economic growth is needed for

- Removal of poverty
- Creation of employment opportunities
- Removal of income inequalities
- Empowering people through education and skill development
- Agricultural development
- Reduction of regional disparity
- For social sector development
- Protecting environment
- For good governance
- Creation of gender sensitive society
- Removing social exclusion
- Infrastructure development

Growth that is not inclusive affects the society, the economy and the polity. Inclusive growth seeks to broaden the flow of benefits of globalization towards the currently excluded sections. The focus of the government in recent years has shifted from 'promoting Incredible India' to 'building Inclusive India'. Inclusive growth needs to be achieved in order to reduce poverty and other social and economic disparities, and also to sustain economic growth. In recognition of this, the Planning Commission had made inclusive growth an explicit goal in the Eleventh Five Year Plan (2007-2012). The main aim of twelfth five-year plan was also to achieve faster, sustainable and more inclusive economic growth. Rapid and sustained poverty reduction requires inclusive growth that allows people to contribute to and benefit from economic growth. Rapid pace of growth is unquestionably necessary for substantial poverty reduction, but for this growth to be sustainable in the long-run, it should be broad based across sectors and inclusive of the large part of the country's labour force. The targeted economic growth rate of Indian economy in 11th five-year plan was 9 % but India is growing around 8%. Further, the growth is not inclusive, worsening the economic condition of the people in rural areas.

Both the 11th and 12th plan had inclusive economic growth as their primary objective. One of the typical reasons for persistence of poverty is financial exclusion. A society can be considered financially inclusive when all segments and strata of society have access to financial services and timely and adequate sources of formal credit. Though there are a few people enjoying some kinds of services from savings to net banking, still in our country around 20% of people lack access to even basic financial services like savings, credit and insurance facilities. The key Strategies for Inclusive economic growth are:

1. Financial Inclusion
2. Sustainable Development
3. Infrastructure Development
4. Skill Development

Review Of Literature

Ali (2007) analyses the key elements in inclusive growth are employment and productivity, development in human capabilities and social safety nets and the targeted intervention.

Habitat (2009) defines inclusiveness of economic growth as gross domestic product growth that leads to significant poverty reduction.

Elena and Susana (2010) of World Bank focused on both the pace and pattern of growth and have identified the employability of the poor and the cost of capital, geography and infrastructure as building blocks of inclusive growth analytical framework.

Elena and Susana (2010) defined inclusive growth as that growth which can reduce poverty and allow people to contribute to economic growth and benefit from the growth process. They pointed out that rapid pace of growth is unquestionable necessary for substantial poverty reduction but for growth to be sustainable in the long run should be broad based across the sectors and inclusive of the large part of the country's labour force.

This definition of inclusive growth has a direct link between the micro and macro determinants of growth. Inclusive growth is disadvantage reducing growth

(Klasen, 2010). Growth Report (2010) notes that inclusiveness is a concept that encompass equity, equality of opportunity and protection in market and employment transitions.

World Bank (2009) stated that inclusive growth can be achieved by focusing on expanding the regional scope of economic growth, expanding access to assets and thriving markets and expanding equity in the opportunities for next generation.

Inclusive Economic Growth and Financial Inclusion

FINANCIAL INCLUSION IN ODISHA AT 3 DISCRETE POINTS OF TIME

	Deposit account per thousand population			branches per 1000 km2			branches per lakh population		
DISTRICTS	2001	2011	2020	2001	2011	2020	2001	2011	2020
ANUGUL	277	555	1489	11	16	27	6	8	12
BOUDH	138	267	1189	7	7	15	6	5	9
BOLANGIR	175	359	1245	11	14	23	5	5	8
BARGARH	138	377	1250	12	15	25	5	6	9
BALASORE	264	503	1371	31	36	63	6	6	9
BHADRAK	183	378	1376	25	35	59	5	6	9
CUTTACK	421	709	1608	44	58	101	7	9	14
DEOGARH	172	382	1320	7	8	14	7	7	12
DHENKANAL	272	470	1312	14	17	30	6	7	10
GANJAM	344	708	1450	23	32	50	6	8	11
GAJAPATI	190	501	1268	7	8	11	5	6	7
JHARSUGUDA	337	601	1649	16	27	45	7	10	15
JAJPUR	273	498	1524	28	39	72	5	6	10
JAGATSINGHPUR	365	599	1558	43	58	95	7	9	13
KHURDA	519	1074	2479	72	129	228	11	16	25
KEONJHAR	207	499	1317	11	17	23	6	8	10
KALAHANDI	118	312	1018	10	12	17	6	6	8
KANDHAMAL	139	363	1181	5	6	9	6	6	9
KORAPUT	191	397	1100	7	9	14	5	6	8
KENDRAPARA	271	494	1325	25	30	48	5	6	8
MALKANGIRI	90	277	898	3	4	8	4	3	7
MAYURBHANJ	241	627	1398	13	16	25	6	7	9
NOWRANGPUR	64	167	868	6	7	12	3	3	5
NUAPADA	129	303	1220	7	8	16	5	5	9
NAYAGARH	199	418	1387	14	17	30	6	7	11
PURI	300	537	1365	30	36	62	7	7	12
RAYAGADA	181	469	1095	7	9	14	6	7	9
SAMBALPUR	365	619	1662	12	16	26	9	10	15
SUBARNAPUR	157	367	1370	12	15	31	5	6	11
SUNDERGARH	381	560	1461	12	17	26	7	8	11
ODISHA	267	530	1410	14	20	32	6	7	11

Source: Values calculated from the data for districts of Odisha, Basic Statistical Return, RBI

The above table shows the comparison between 3 parameters: deposit account per thousand population, number of branches per thousand km^2 and number of branches per lakh population at 3 discrete points of time i.e. 2001, 2011 & 2020 for all the districts of Odisha. Khurda has the highest deposit account per thousand population in all the three periods; in 2001 Khurda has 519 deposit account per thousand population which is increased to 1074 in 2011 and 2479 in 2020. Number of branches per thousand km^2 in 2001 for Khurda is 72 in 2001 which jumped to 129 in 2011 and 228 in 2020. Number of branches per lakh population which was 11 in 2001 increased to 16 in 2010 and 25 in 2020. The table also shows Nowrangpur has the lowest deposit account per thousand population in all the three periods. In 2001, Nowrangpur has only 64 accounts per thousand population which increased to 167 in 2011 and 868 in 2020. Malkangiri has lowest number of branches per thousand km^2 in all the three periods. In 2001, Malkangiri has only 3 branches per thousand km^2 which is increased to 4 in 2011 and 8 in 2020. The district Nowrangpur has also lowest number of branches per lakh population in all the three periods. In 2001 and 2011 Nowrangpur has only 3 branches per lakh population which is increased to 5 in 2020.

District wide IFI from 2001 to 2020

DISTRICTS	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
ANUGUL	0.32	0.31	0.32	0.3	0.3	0.29	0.28	0.28	0.28	0.27	0.29	0.28	0.32	0.27	0.27	0.27	0.27	0.27	0.27	0.27
BOUDH	0.17	0.17	0.17	0.16	0.16	0.12	0.1	0.1	0.1	0.08	0.09	0.08	0.08	0.1	0.12	0.13	0.15	0.15	0.16	0.14
BOLANGIR	0.21	0.2	0.2	0.19	0.19	0.19	0.18	0.16	0.16	0.15	0.15	0.13	0.14	0.15	0.15	0.16	0.16	0.16	0.16	0.15
BARGARH	0.19	0.18	0.19	0.18	0.18	0.19	0.18	0.16	0.16	0.18	0.18	0.14	0.16	0.17	0.17	0.19	0.18	0.18	0.18	0.17
BALASORE	0.26	0.41	0.41	0.4	0.39	0.38	0.35	0.32	0.31	0.3	0.28	0.24	0.23	0.24	0.23	0.27	0.27	0.27	0.26	0.25
BHADRAK	0.17	0.24	0.26	0.21	0.21	0.2	0.23	0.21	0.2	0.2	0.24	0.19	0.2	0.18	0.2	0.23	0.26	0.24	0.23	0.25
CUTTACK	0.62	0.6	0.62	0.6	0.6	0.58	0.59	0.53	0.5	0.51	0.49	0.47	0.44	0.47	0.46	0.45	0.46	0.43	0.43	0.44
DEOGARH	0.22	0.24	0.25	0.24	0.24	0.22	0.21	0.18	0.2	0.17	0.19	0.18	0.17	0.2	0.21	0.21	0.21	0.2	0.2	0.21
DHENKANAL	0.33	0.32	0.31	0.3	0.3	0.29	0.26	0.24	0.23	0.22	0.24	0.21	0.18	0.23	0.24	0.23	0.22	0.22	0.22	0.21
GANJAM	0.43	0.41	0.41	0.27	0.39	0.36	0.35	0.32	0.35	0.35	0.38	0.35	0.33	0.33	0.33	0.3	0.29	0.29	0.28	0.28
GAJAPATI	0.17	0.19	0.19	0.19	0.19	0.18	0.18	0.16	0.16	0.16	0.2	0.21	0.2	0.19	0.17	0.17	0.16	0.16	0.16	0.11
JHARSUGUDA	0.28	0.36	0.36	0.35	0.4	0.38	0.44	0.39	0.37	0.36	0.38	0.33	0.35	0.32	0.31	0.34	0.35	0.35	0.37	0.37
JAJPUR	0.36	0.34	0.35	0.33	0.32	0.31	0.29	0.27	0.27	0.3	0.29	0.28	0.27	0.28	0.29	0.32	0.31	0.31	0.31	0.31
JAGATSINGHPUR	0.35	0.55	0.55	0.52	0.51	0.5	0.47	0.41	0.45	0.43	0.46	0.41	0.42	0.42	0.42	0.43	0.42	0.42	0.41	0.41
KHURDA	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
KEONJHAR	0.21	0.21	0.22	0.21	0.22	0.21	0.24	0.25	0.28	0.27	0.28	0.22	0.25	0.23	0.23	0.23	0.21	0.21	0.2	0.2
KALAHANDI	0.2	0.19	0.2	0.19	0.18	0.15	0.14	0.15	0.15	0.14	0.15	0.13	0.14	0.13	0.11	0.1	0.11	0.11	0.11	0.09
KANDHAMAL	0.19	0.17	0.15	0.14	0.14	0.13	0.12	0.11	0.15	0.15	0.15	0.13	0.14	0.14	0.14	0.14	0.15	0.15	0.15	0.13
KORAPUT	0.17	0.19	0.19	0.19	0.2	0.19	0.18	0.2	0.24	0.22	0.17	0.12	0.11	0.13	0.11	0.11	0.12	0.12	0.12	0.11
KENDRAPARA	0.35	0.34	0.34	0.33	0.33	0.31	0.29	0.26	0.27	0.25	0.26	0.23	0.25	0.24	0.24	0.24	0.23	0.23	0.22	0.2
MALKANGIRI	0.07	0.06	0.06	0.06	0.02	0.01	0.06	0.02	0.02	0.02	0.04	0	0.02	0.05	0.06	0.05	0.04	0.04	0.05	0.04
MAYURBHANJ	0.23	0.29	0.29	0.29	0.29	0.29	0.28	0.25	0.25	0.27	0.29	0.26	0.27	0.26	0.26	0.23	0.22	0.23	0.22	0.19
NABARANGPUR	0.02	0.01	0.01	0.01	0.01	0.01	0.009	0.01	0.01	0.01	0.007	0.02	0.01	0.007	0.007	0.007	0.007	0.003	0.003	0.007
NUAPADA	0.16	0.14	0.18	0.17	0.18	0.16	0.14	0.13	0.13	0.12	0.11	0.09	0.12	0.14	0.15	0.15	0.14	0.14	0.16	0.15
NAYAGARH	0.21	0.26	0.26	0.25	0.25	0.24	0.23	0.21	0.21	0.19	0.22	0.19	0.2	0.23	0.23	0.23	0.23	0.23	0.23	0.23
PURI	0.31	0.48	0.49	0.46	0.46	0.39	0.36	0.36	0.35	0.34	0.32	0.3	0.3	0.31	0.3	0.31	0.29	0.3	0.3	0.3
RAYAGADA	0.22	0.21	0.18	0.17	0.17	0.16	0.15	0.19	0.2	0.2	0.22	0.17	0.16	0.16	0.15	0.14	0.14	0.14	0.14	0.12
SAMBALPUR	0.37	0.44	0.44	0.42	0.43	0.43	0.41	0.39	0.37	0.36	0.35	0.33	0.32	0.33	0.34	0.35	0.35	0.35	0.35	0.33
SUBARNAPUR	0.2	0.19	0.2	0.19	0.19	0.18	0.17	0.15	0.15	0.15	0.18	0.17	0.17	0.18	0.2	0.21	0.21	0.21	0.22	0.24
SUNDERGARH	0.33	0.36	0.35	0.34	0.34	0.33	0.34	0.3	0.29	0.28	0.29	0.25	0.27	0.27	0.27	0.26	0.16	0.25	0.25	0.24
AVERAGE	0.28	0.3	0.31	0.29	0.29	0.28	0.27	0.26	0.26	0.26	0.26	0.24	0.24	0.25	0.25	0.25	0.24	0.25	0.25	0.24
CV	64.1	62.36	61.89	64.31	64.29	67.23	68.11	70.63	68.78	70.58	67.61	75.57	73.56	70.98	70.62	70	71.53	70.43	70.09	73.88

Source: Index calculated from the data for Districts of Odisha, Basic Statistical Return, Reserve Bank of India (for various years)

The above table represents the composite index of financial inclusion for all the Districts of Odisha for the period 2001 to 2020. It can be observed from the table that a few Districts are under the category of High-level financial inclusion, some Districts are medium level financial inclusion and all other are under low level financial inclusion. The district which is continuously under High level financial inclusion category for the period under study is Khurda. Cuttack is under high level financial inclusion category from the period 2001 to 2010 but after that till 2020 it is under medium level financial inclusion category. Jagatsinghpur is under High level financial inclusion category for the period 2002 to 2006 but except these years in all other years it is under medium level financial inclusion category. The district which is under medium level financial inclusion throughout the period is Sambalpur. Ganjam is under medium level financial inclusion category from 2001 to 2016 but after that it is under low level financial inclusion category. Jharsuguda is under low level financial inclusion category in 2001 but from 2002 to 2020 it is under medium level financial inclusion category. Kendrapara is under medium level financial inclusion category for the period 2001 to 2006 but from 2007 to 2020 it is under low level financial inclusion category. Balasore is under low level financial inclusion districts in 2001 and from 2011 to 2020 but in all other years it is under medium level financial inclusion category. The districts which are under low level financial inclusion are Bargarh, Bhadrak, Bolangir, Boudh, Deogarh, Gajapati, Kalahandi, Kandhmal, Keonjhar, Koraput, Malkangiri, Mayurbhanj, Nowrangpur, Nayagarh, Nuapada, Rayagada and Subarnapur. Thus, it is observed that over the period under study we observe no significant change in the performance of the districts with regard to the IFI under study. Districts have shown a stability in their location, i.e., Districts which are High Level Financial Inclusion District remain at the high level, over time while the districts which are medium level financial inclusion District at medium level and the districts which are low level financial inclusion District remain there. In short, there is no evidence of any trend towards greater inclusion with respect to the IFI over study over our chosen time period. The above table also depicts the inter-district disparity increases if we compare 2001 with 2020 that means only few districts performs better and we can’t say Odisha is performing better in terms of financial inclusion or Odisha is on the way to achieve inclusive economic growth.

Comparisons Between Literacy Rate and IFI For the Year 2011

DISTRICTS	LITERACY RATE	RANK	IFI	RANK
ANUGUL	77.53	12	0.29	9.5
BOUDH	71.61	18	0.09	28
BOLANGIR	64.72	21	0.15	25
BARGARH	74.62	14	0.18	21.5
BALASORE	79.79	9	0.28	12.5
BHADRAK	82.78	6	0.24	15.5
CUTTACK	85.05	4	0.49	2
DEOGARH	72.57	17	0.19	20
DHENKANAL	78.76	11	0.24	15.5
GANJAM	71.09	19	0.38	4.5
GAJAPATI	53.49	26	0.2	19
JHARSUGUDA	78.86	10	0.38	4.5
JAJPUR	80.13	8	0.29	9.5
JAGATSINGHPUR	86.59	2	0.46	3
KHURDA	86.88	1	1	1
KEONJHAR	68.24	20	0.28	12.5
KALAHANDI	59.22	24	0.15	25
KANDHAMAL	64.13	22	0.15	25
KORAPUT	49.21	28	0.17	23
KENDRAPARA	85.15	3	0.26	14
MALKANGIRI	48.54	29	0.04	29
MAYURBHANJ	63.17	23	0.29	9.5
NABARANGPUR	46.43	30	0.007	30
NUAPADA	57.35	25	0.11	27
NAYAGARH	80.42	7	0.22	17.5
PURI	84.67	5	0.32	7
RAYAGADA	49.76	27	0.22	17.5
SAMBALPUR	76.22	13	0.35	6
SUBARNAPUR	74.42	15	0.18	21.5
SUNDERGARH	73.34	16	0.29	9.5
Correlation coefficient	0.7			

Source: Data collected from Census 2011, and BSR, RBI

The above table depicts the correlation between IFI and literacy rate for all the districts of Odisha for the year 2011. It is observed from the above table that even if the correlation coefficient is not perfectly positive but positive correlation between the two variables is shown from the table. That means there a district having higher IFI is also having higher literacy rate. There is an association between IFI and literacy rate.

According to available data, in Odisha, districts like Jharsuguda, Angul, and Sundargarh generally have the highest HDI values, while districts like Balangir, Rayagada, and Malkangiri tend to have the lowest HDI values, indicating significant disparities in human development across the state; with areas featuring mining and industrial activities usually ranking higher due to better economic indicators.

Conclusion

In order to achieve faster economic growth and employment, Odisha needs extensive growth, which means expanding its capacity. But for this growth to be sustainable and for jobs to be productive, there also needs to be intensive growth. For long-term sustainability, growth should happen in many different sectors of the economy which will increase the chances of inclusive growth in Odisha. Odisha also needs to focus on structural transformation, which means diversifying the economy and moving away from relying on just one or a few sectors. It is essential to recognize that promoting inclusive development requires a multi-stakeholder approach involving the government, civil society organizations, the private sector, and communities working together to create sustainable and equitable development opportunities for all.

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