STATES’ SOCIAL SECTOR EXPENDITURE OF INDIA IN PRE REFORM AND POST REFORM PERIOD 1981 -2010: AN EVALUATION

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ABSTRACT

This paper makes an attempt to study the size and growth of States’ Social Sector Expenditure in Pre Reform and Post Reform Period 1981 -2010 with the help of the social priority ratio. The main objective of the study is to understand the composition and growth of Social Sector Expenditure (SSE) of all States’ of India in general and the State of Goa in special. The size and composition of SSE is studied on the basis of its share in total expenditure and in GDP. The growth is arrived at by CAGR. It is found that though Goa is considered as the progressive State with higher growth rate of GSDP and high HDI, in the post reform period its SSE has declined and did not reverse back to the position of 1991. As far as all States’ of India are concerned the pre reform performance is better than the post reform performance. Applying Rigorous Social Cost-Benefit Tests to All Spending and Regulation Decisions should be made compulsory. It is suggested that the SSE should be increased by raising the capital expenditure. It is suggested that only the lowest income people should be subsidized.

KEYWORDS: adequacy and quality of expenditure, post reform period, public participation Social Sector Expenditure (SSE), social tension.