An Exposition of Social Sector Expenditure in Tamil Nadu in the Context of Economic Reforms

(T. Maheswari, Asst. Professor in Economics, Lady Doak College, Madurai, Tamil Nadu)

Abstract

Social development paves the way for economic development. Most of the Social Sector Subjects fall within the purview of the States, for which funding is provided through the Centrally Sponsored Schemes. Tamil Nadu sets a model, for other states in India, in the social sector development. In this backdrop, this paper attempts to examine the social sector expenditure of Tamil Nadu and its components. It was inferred that the share of social sector expenditure to total public expenditure of Tamil Nadu is tremendously decreasing from 45.08% in the year 1990-91 to 13.82% in the year 2009-2010. The share of Tamil Nadu to India’s total expenditure is also decreasing from 8.5% in the year 1990-91 to 2009-2010. It may be due to that in the initial stage huge investment are required to develop the social infrastructure and later on the share may be reducing but at the same time it should satisfy the needs of the people. With the limited resource allocations of resources from the central government Tamil Nadu is the pioneer in the social sector development. So it is derived that more financial burden was incurred by the state government. In due course of time it will worsen the financial situation of the state.