



Charting Nitish Kumar's achievements and challenges



BIHAR'S ECONOMY has changed a great deal under Chief Minister Nitish Kumar, who has won re-election.

As Table 1 shows, the primary sector is a smaller component of output. But, as Table 2 shows, manufacturing itself has shrunk in recent years, although services have picked up the slack. In particular, as Table 3 shows, communications has been a consistent source of growth. Agriculture has been volatile, showing a dependence on rain and prices. However, as Table 4 shows, the productivity of major crops – except pulses – has increased.

Yes, Bihar has very far to go. As Table 5 reveals, its industrial sector is a serious under-performer. As Tables 6 and 7 demonstrate, factories in Bihar are smaller in terms of both capital and labour.



5: BIHAR'S INDUSTRIAL SECTOR AN UNDER-PERFORMER

Contribution of industrial sector in GSDP (2012-13) (%)

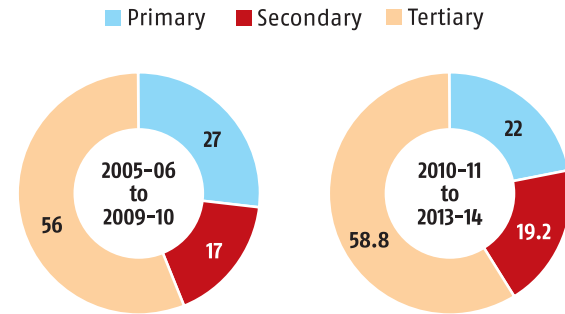
Gujarat	39.20
Jharkhand	38.50
Maharashtra	28.40
Madhya Pradesh	27.80
India	27.30
Andhra Pradesh*	24.40
Uttar Pradesh	22.20
Bihar	18.10

Source: Central Statistical Organisation from Govt of Bihar's Economic Survey 2014-15

*Undivided

1: PRIMARY SECTOR'S SHARE IN OUTPUT HAS SHRUNK

Sectoral composition of GSDP in Bihar (%)

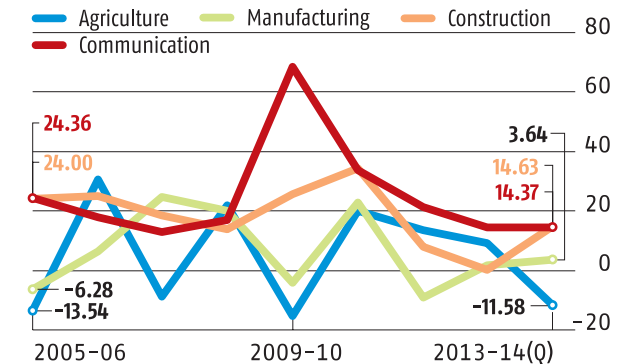


GSDP stands for Gross State Domestic Product

Source: Govt of Bihar's Economic Survey 2014-15

3: COMMUNICATIONS A CONSTANT SOURCE OF GROWTH

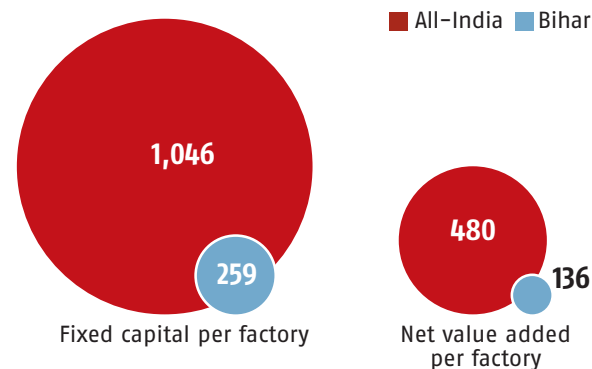
Yearly growth rate of GSDP at constant prices (2004-05) by sector (%)



Source: Govt of Bihar's Economic Survey 2014-15

6: FACTORIES IN BIHAR SMALLER IN TERMS OF CAPITAL

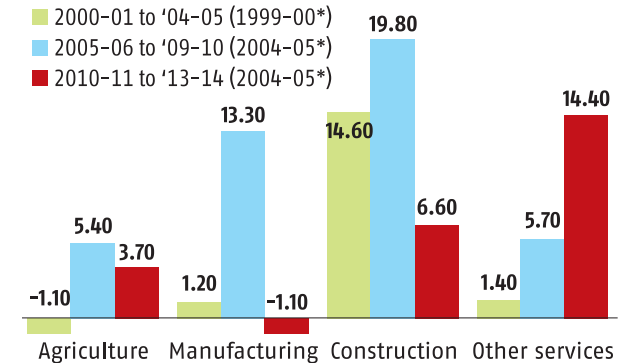
Structural ratios of manufacturing sector in India and Bihar (2011-12) (₹ lakh)



Source: Annual Survey of Industries, 2011-12, from Govt of Bihar's Economic Survey 2014-15

2: MANUFACTURING HAS SLUMPED BUT SERVICES UP

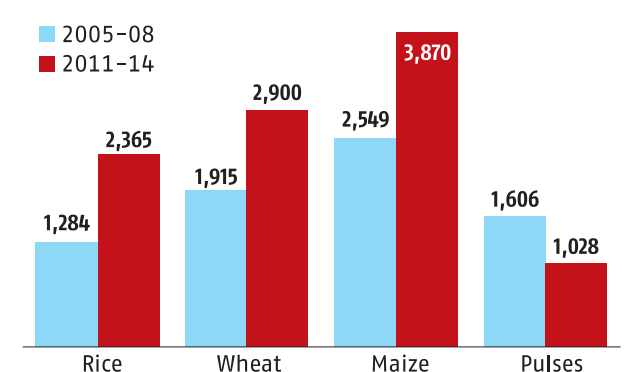
Compounded annual growth rate



*Constant prices Source: Directorate of Economics and Statistics, Govt of Bihar, from Economic Survey 2014-15

4: PRODUCTIVITY OF CROPS, SAVE PULSES, HAS INCREASED

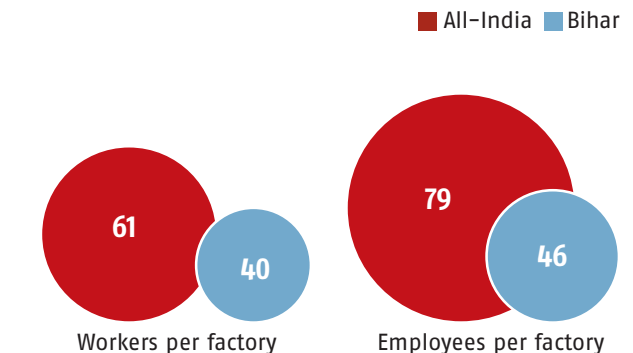
Productivity of major crops in Bihar (triennium average) (kg/ha)



Source: Govt of Bihar's Economic Survey 2014-15

7: THEY ALSO EMPLOY FEWER PEOPLE

Structural ratios of manufacturing sector in India and Bihar (2011-12) (numbers)



Source: Annual Survey of Industries, 2011-12, from Govt of Bihar's Economic Survey 2014-15