

# **The Role of Economic Growth and Good Governance in Promoting Human Development (HD) in the States of India: The Cases of Gujarat and Tamil Nadu**

## **Abstract**

This paper seeks to explain why the Indian state of Tamil Nadu has performed better on major development indicators like the Human Development Index than the economically prospering state of Gujarat over the last three decades. The comparison of these two states presents an anomaly because according to neo-liberalism one would expect strong economic growth as in Gujarat to spill over into other aspects of development. By contrast, the relatively less advanced state (in economic terms) of Tamil Nadu has performed better. The analysis suggests that good governance in terms of the allocation of public finances, bureaucratic efficiency, and the implementation of innovative development policies in compulsory education and maternal and child health explains why Tamil Nadu has performed better than Gujarat. This conclusion is based upon comparative historical process tracing and statistical analysis based on documentary research and several months of field interviews recently conducted in India.