

UP economy on fast track despite pandemic jolts

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Over one and half years into the Covid-19 pandemic, UP Chief Minister Yogi Adityanath has recognised that economic growth is a priority. With his “reform, perform, transform” mantra, he has shown that this is “an evolving Uttar Pradesh” we are witnessing.

The state’s economy has improved markedly under him since 2017. Yogi has enacted a series of policies that have helped the economy improve. Employment opportunities have improved, unemployment rate has fallen and wages eventually increased.

What makes this economic record especially remarkable is that the economy faced major headwinds, particularly due to slowdown of economic activities globally due to the pandemic.

Despite that, Uttar Pradesh has received 96 proposals for investment of Rs 66,000 crore since the outbreak of the Covid-19 pandemic. American tech giants like Microsoft, MAQ Software and PepsiCo are setting up their units in Uttar Pradesh at a cost of Rs 2,866 crore.

The state’s focus has been to improve law and order situation in the state. Yogi’s no tolerance approach has led to over 34k criminals being booked and Rs 1,500 crore mafia property seized since 2017.

The Gross State Domestic Product (GSDP) of Uttar Pradesh grew at a CAGR of around 8.43% between 2015-16 and 2020-21 to reach Rs. 17.06 trillion (US\$ 234.96 billion). The Net State Domestic Product (NSDP) grew at a CAGR of around 8.42% between 2015-16 and 2020-21 to reach Rs. 15.12 trillion (US\$ 208.34 billion). It is Yogi’s ambition of powering UP into a \$1 trillion economy state behind organising one of India’s biggest ‘Investors Summit’ in 2018 which attracted 1045 intentions with investments worth INR 4.28 lakh Cr.

Meanwhile, Uttar Pradesh has emerged as the top investment destination and has received 98 investment proposals worth Rs 13,408.19 crore in the manufacturing sector during the past four years. The state, ranked number 2 in the country for ‘Ease of Doing Business’ has become the hotspot for foreign investors as well.

The government’s marquee initiative “One District One Product (ODOP)” Programme, launched on the occasion of UP Diwas in January, 2018 is playing a major role when it comes to revival of the traditional handicrafts and strengthening the rural economy.

The objective of the programme is to preserve, develop and promote local arts, crafts and traditional skill of communities spread across each district of Uttar Pradesh. For example, the artisans’ of the old wood carving industry of Saharanpur needed training to attune them to present-day requirements. Now under the ODOP scheme, they are being provided with training facilities which will not only improve the products, but will also improve efficacy.

Already over 90 lakh Micro Medium and Small Enterprises (MSMEs) of the state are playing a major role in boosting the state’s economy and are engaged in making unique products that are in demand within the country as well as in international markets. Chief Minister Yogi Adityanath wanted to further strengthen the contribution of MSMEs and traditional artisans in UP’s GDP through the ODOP Programme and lead the state’s economy to achieve \$ 1 trillion milestone. ODOP has further led to a 38% increase in the export sector of the state.

The current unemployment rate in Uttar Pradesh stands at 5.0 % which is one of the lowest in the country as per the July 2021 report of Centre for Monitoring Indian Economy (CMIE). Maharashtra has 10.7% unemployment rate while Kerala has 7.5% unemployment rate. Prior to 2017, unemployment was above 18% and with the arrival of Yogi Adityanath and his commitment towards ensuring employment, the figures drastically came down to 2.1% in 2017 and till 2020 remained well below 10%.

Making the case that infrastructure itself can be inclusive is a straightforward one. Many of the worst decisions in the infrastructure planning of Uttar Pradesh were made decades ago to intentionally marginalise and separate communities but Chief Minister Yogi Adityanath’s primary policy is inclusiveness and welfare of 24 crore citizens of the state.

As a result, Uttar Pradesh, earlier known for poor infrastructure, is now accelerating towards expressway success by building India’s longest expressway network (approx 1,321 kilometers network). Earlier this week, Yogi approved the proposal of BrahMos AeroSpace which had sought 200 acres of land in the Defence Corridor to establish a missile manufacturing unit in the state.