

An Investigation of the Dravidian Model's Claim to Superior Socioeconomic Development

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Abstract

Purpose : This investigation scrutinized the efficacy of the Dravidian model in socio-economic development within Tamil Nadu and juxtaposed it with the paradigms observed in Maharashtra and Gujarat to discern its impact on societal advancement.

Methodology : The study examined several social and economic variables in these states using a longitudinal analysis spanning from 1991 to 2021. A thorough structural model was built to carefully investigate the relationship between the economic policies that were put into place and the social development indicators that emerged.

Findings : The empirical data obtained from this research demonstrated a strong positive correlation between the Dravidian model's application and Tamil Nadu's social advancement, indicating the model's greater effectiveness in comparison to Maharashtra and Gujarat states. This finding further demonstrated the Dravidian Model's ability to accelerate socioeconomic development.

Practical Implications : The results suggested that inclusive growth frameworks, which are similar to the Dravidian model, should be used as practical means of achieving long-term socioeconomic development. Policymakers and industry stakeholders' strategic conversations will be informed and enhanced by this inference.

Originality : This study departed from other investigations by providing empirical evidence that supports the Dravidian model's pivotal function in promoting inclusive growth. As such, it contributed to the conversation about socioeconomic development tactics in developing nations.

Keywords : Dravidian model, socioeconomic development, inclusive growth, structural model analysis

JEL Classification Codes : O10, P25, R11

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India's notable economic growth over the last 10 years has positioned it among the top economies in the world. This increase is related to the government's "pro-business" measures (Kohli, 2012) and attempts to align its markets internationally, giving state governments more authority. Differences in economic growth between Indian states have spurred discussions regarding the best development model. This is highlighted by the divergent growth strategies of governments like Kerala, which prioritizes social development (Singh, 2011), and Gujarat,

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which favors capital-intensive policies (Bhagwati & Panagariya, 2013). This research aims to explore the “Dravidian Model” of Tamil Nadu, which uniquely combines economic growth with human development (Kalaiyarasan & Vijayabaskar, 2021). Over the years, few literatures have examined the performance of various state models of economic development, however, a comparative analysis of the performance of the economic model of one state with another is lacking. The current study attempts to close the gap by contrasting Tamil Nadu's economic model and development trajectory with that of Maharashtra and Gujarat, two other economically developed states in the nation.

This research seeks to investigate the effects of diverse economic methods on social progress by comparing the socio-economic development models of Tamil Nadu, Maharashtra, and Gujarat. Our assessment of the feasibility of the suggested Dravidian model of socio-economic development for India's inclusive growth will be aided by the study's results. The results of this study may have a significant influence on the conversation about development models in emerging countries, given the current emphasis on holistic development and growth on a global scale.

Literature Review

The various socioeconomic advancements throughout the Indian states have been brought to light by a number of research studies (Addison et al., 2015; Bhuyan & Islam, 2016; Das & Das, 2011; Das, 2017; Sarmah & Das, 2012). The main areas of interest for this research are industrial groupings and clusters, socioeconomic circumstances and microfinance, which brought attention to the complex processes involved in social development.

The Dravidian model of development, which is used in the state of Tamil Nadu and focuses on achieving economic growth via social justice, is one notable socioeconomic model of development that has gained attention in recent years (Kalaiyarasan & Vijayabaskar, 2021). It outperforms other development plans due to its comprehensive approach and inclusive development across social sectors, and both social reformists and economists have given it considerable attention.

There has been a lot of research throughout the years on the uneven economic development among the various Indian states. Bhagwati and Panagariya (2013) analyzed the economic impact of various poverty reduction strategies across Indian states. Bhoir and Dayre (2015) proved through their investigation that Government intervention through fiscal policies has produced different economic outcomes in different states. Furthermore, Chotia and Roa (2015) found evidence for the impact of regional infrastructure disparities on economic growth and progress, particularly on poverty metrics. A number of studies have also examined the relationship between economic development and social progress. These include the influence of unemployment, poverty, and literacy levels on domestic violence (Das & Roy, 2020), the necessity of balanced growth to achieve socio-economic development (Drèze & Sen, 2013), and the role of financial inclusion on inclusive growth as a crucial model of economic development (Dixit & Ghosh, 2013).

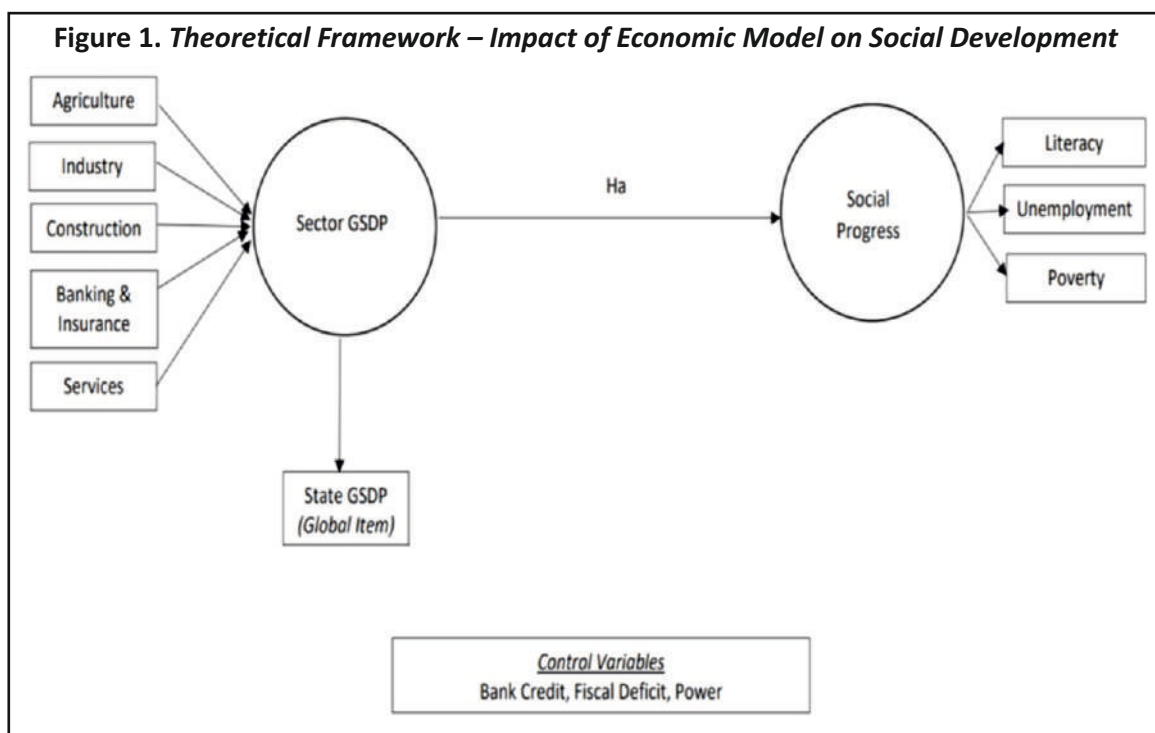
Furthermore, recent studies have analyzed the factors affecting developmental discrepancies among Indian states. Hussin and Yik (2012) proved the significant impact of economic sectors on the overall growth and development of a state. Kaushal and Ghosh (2018) argued the indispensable role of the banking and insurance sectors on social progress in the liberalized era. Kennedy (2013) and Khan et al. (2012) postulated the need for economic restructuring, particularly on unemployment and socio-economic deprivation at the regional level, to address the disparity in economic growth across the Indian states. These studies collectively highlight the need for a thorough analysis of development models that can overcome the socio-economic disparities and development across the Indian states. By performing a scientific inquiry on the efficacy of the Dravidian model in fostering social development and economic progress through social justice, the current study seeks to close this information gap.

Theoretical Model of the Study

This study aims to investigate how the economic development of three Indian states—Gujarat, Maharashtra, and Tamil Nadu—affects each state's social development. Figure 1 displays the theoretical model constructed to meet the objectives of the study. Solanki et al. (2020) postulated that the economic development (GDP) of a region is mainly attributed to three sectors, viz., agriculture, industry, and services. Similarly, Hussin and Yik (2012) analyzed the economic growth of China and India by focusing just on these three economic sectors: agriculture, industry, and services. On the other hand, the importance of the banking and insurance sector's contribution to India's total GDP was empirically demonstrated by Kaushal and Ghosh (2018). Additionally, the study conducted by Koner et al. (2012) stated that the building industry contributes to India's GDP.

RBI, in its *Handbook of Statistics on Indian States*¹, measured the economic activity of states in the following six categories: agriculture, industry, manufacturing, construction, banking and insurance, and services. As industry and manufacturing are enveloped into one another, we used only five indicators (strongly supported by literature) for our study of economic development in the chosen states, viz., agriculture, industry, construction, banking and insurance, and services. Since these are the sectors that contribute to a state's GDP, the study's formative indicators for the sector GSDP (Gross State Domestic Product) predictor construct are the percentage changes in these sectors' economic value addition. Following the guidelines for framing formative constructs (Hair et al., 2019), the global item is the percentage change in the state's GSDP.

Numerous research studies have demonstrated that the primary indicators of social development and progress in society are a rise in literacy and a decline in unemployment and poverty (Addison et al., 2015; Das & Roy, 2020; Khan et al., 2012; Kwatra et al., 2016; Mahmud et al., 2013; Singh, 2016). Therefore, the study's reflected indicators of social progress are determined to be a percentage increase in the literacy rate and a percentage drop in the rates of unemployment and poverty. Government policy has the power to influence social advancement as well



¹ Reserve Bank of India — Handbook of Statistics on Indian States (rbi.org.in)

as economic prosperity. Studies have shown that governments can influence the financial and social growth of society primarily through managing the money supply, implementing deficit budgeting, and building infrastructure such as energy and power (Bhoir & Dayre, 2015; Korkmaz, 2015; Pereira et al., 2011). Therefore, bank credit, fiscal deficit, and power were selected to serve as the study's control variables.

Methodology

This study is a quantitative empirical investigation focusing on the socio-economic development models in India. The study is based on secondary data analysis to investigate the impact of economic development on social progress in the states of Tamil Nadu, Maharashtra, and Gujarat. The sample framework is justified by the importance of the chosen states in the Indian socio-economic backdrop. Tamil Nadu, Maharashtra, and Gujarat have distinct economic policies and social development, making them perfect for comparative analysis. Data were collected for 30 years, from 1991 to 2021, using RBI's *Handbook of Statistics on Indian States*. In terms of credibility, the secondary data sources employed in this study are highly respectable and well-known for their correctness. The trustworthiness of the scales utilized in the analysis is supported by RBI's credibility as a data provider. Partial least squares structural equation modeling (PLS-SEM) was used to analyze the data using the SMART PLS software. This approach was selected due to its applicability in the analysis of complex models that combine formative and reflective elements (Hair et al., 2019). The study assumes that various state-specific development models affect social progress metrics in different ways.

Analysis and Results

Economic Model and Social Development in the State of Tamil Nadu

Assessment of the Measurement Model

In this study, the guidelines provided by Hair et al. (2019) were employed to evaluate the measurement models using PLS-SEM results. The study identified the indicators for the exogenous construct, Sector GSDP, as formative and those for the endogenous construct, social progress, as reflective. Hair et al. (2019) suggested evaluating indicator collinearity, convergent validity, and the indicators' significance for the formative construct (see Table 1). In the meanwhile, it is necessary to assess the reflective construct's internal reliability, consistency, convergent validity, and discriminant validity (see Table 2). The formative construct was evaluated for convergent validity (i.e., compared to a global item) using redundancy analysis. It is evident from Table 1 that the formative

Table 1. Assessment of Formative Construct – Tamil Nadu

Formative Construct	Item	Outer Weight	Outer Loading	VIF (Outer)	Global Item (β)
Sector GSDP	<i>GAgri</i>	0.043 ^{ns}	0.325	1.407	0.934
	<i>GBakIns</i>	0.095**	0.311	1.285	
	<i>GCons</i>	0.229**	0.808	2.582	
	<i>GInds</i>	0.540**	0.796	2.223	
	<i>GSrv</i>	0.469**	0.727	1.908	

Note. PLS-SEM analysis is done using SMART PLS software

ns = not significant ($p > 0.05$); ** = significant ($p < 0.05$).

GSDP = Gross State Domestic product ; *GAgri* = GSDP Agriculture ; *GBakIns* = GSDP Banking and Insurance ; *GCons* = GSDP Construction ; *GInds* = GSDP Industry ; *GSrv* = GSDP Service.

Table 2. Assessment of Reflective Construct – Tamil Nadu

Reflective Construct	Item	Outer Loading	ρA	Composite Reliability	Average Variance Extracted	Heterotrait-Monotrait Ratio (HTMT)			
						Bank Credit	Fiscal Deficit	Power	GSDP TN
Social	LR	0.807	0.87	0.823	0.616	0.321	0.13	0.659	0.372
Progress	PR	0.934							
	UER	0.570							

Note. PLS-SEM analysis is done using SMART PLS software.

LR = Literacy Rate ; PR = Poverty Rate ; UER = Unemployment Rate.

construct effectively satisfies the requirements for convergent validity because the correlation value between it and the global item, GSDP–TN, surpasses 0.7.

The variance inflation factor (VIF) is used to assess the indications of the formative construct's collinearity. Generally speaking, the VIF levels ought to be near or less than 3. There is no collinearity risk because all of the VIF values for the formative construct's indicators are below 3 (as seen in Table 1). In the final step of assessing the formative construct, the significance of indicator weights is examined to determine their statistical significance and relevance. All indicators, with the exception of “GAgri,” were significant, according to Table 1. However, Diamantopoulos and Winklhofer (2001) pointed out that “GAgri” was kept because of its theoretical significance.

The shared variance between individual variables and their corresponding constructs is shown in indicator loadings. They validate the dependability of the reflecting construct indicators. According to Hair et al. (2019), the majority of indicator loadings for the reflective construct are more than the recommended threshold of 0.708. This is seen in Table 2. The “UER” indicator was kept in place despite its lower loading because its average variance extracted (AVE) was greater than 0.5. To gauge the reflective construct's “internal consistency,” we look at composite reliability and ρA values, which, as indicated in Table 2, fall between the advised range of 0.70 and 0.95. Moreover, all AVE values exceed the benchmark of 0.5, signifying acceptable convergent validity.

Discriminant validity is evaluated last to make sure every construct is distinctly different. The average correlation between intra- and inter-construct item correlations is compared to determine the HTMT ratio, which is used to quantify this. A high HTMT value means that the discriminant validity is diminished. Table 2 shows that all of the reflecting construct's HTMT values are still considerably below the cautious limit of 0.85, confirming the satisfactory discriminant validity.

Assessment of the Structural Model

Hair et al. (2019) stated that the evaluation of the structural model encompasses three key elements: identifying collinearity issues, verifying the importance and significance of path coefficients, and gauging the model's ability to explain and predict. Our study's results are displayed in Table 3, with the PLS output illustrated in Figure 2. The VIF is used to look at the model's collinearity. Table 3 shows that all VIF values are less than 2, with 1.213 being the maximum inner VIF for our designs. This validates that the model's collinearity doesn't present any major issues, protecting the integrity of the regression results.

The results of the SEM analysis (Table 3) show that the exogenous construct, sector GSDP ($\beta = 0.378$), has a significant positive impact on the endogenous construct, social progress. When we look into the control variables, only power has a significant influence on the endogenous construct of the study ($\beta = 0.578$); however, power

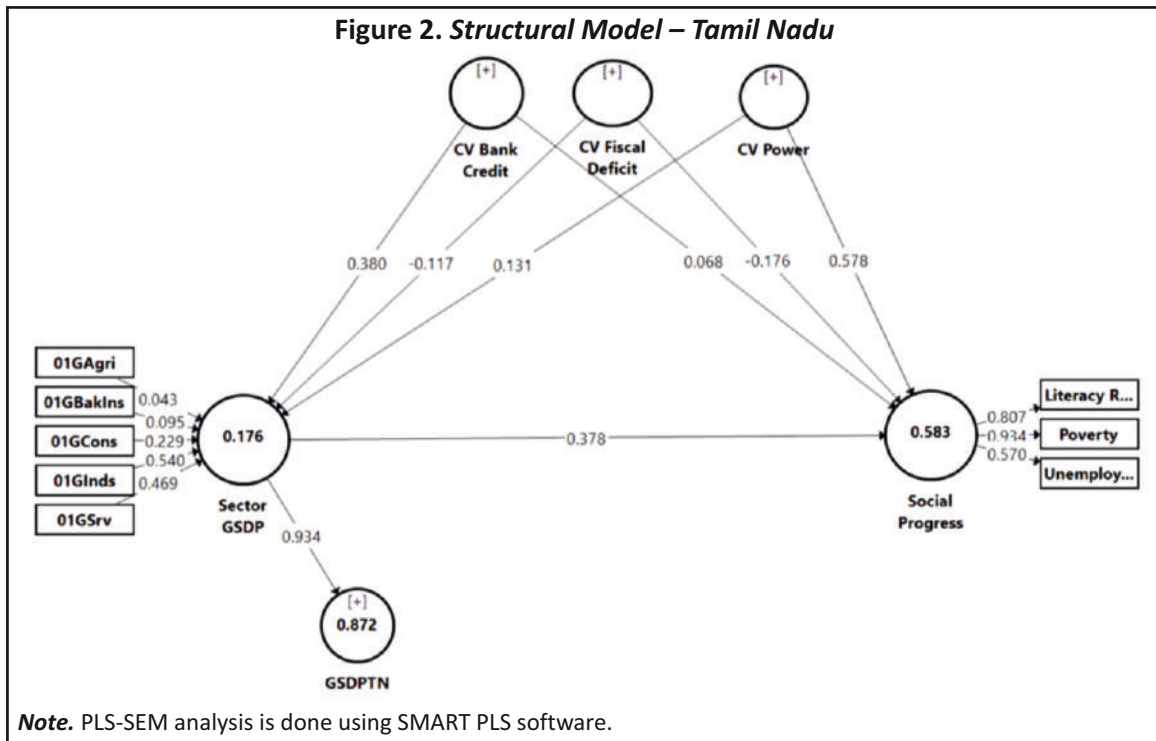


Table 3. Structural Model – Tamil Nadu

Outcome	R^2	Predictor	Direct Paths & Hypotheses	β	t -Statistics	p -Values	Significance	f^2	VIF
Sector GSDP	0.176	CV	Bank Credit → Sector GSDP	0.38	1.524	0.128	No	0.169	1.033
		CV	Fiscal Deficit → Sector GSDP	-0.117	0.574	0.566	No	0.016	1.046
		CV	Power → Sector GSDP	0.131	0.481	0.63	No	0.02	1.062
Social Progress	0.583	GSDP	Sector GSDP → Social Progress	0.378	2.286	0.022	Yes	0.282	1.213
		CV	Bank Credit → Social Progress	0.068	0.352	0.725	No	0.009	1.208
		CV	Fiscal Deficit → Social Progress	-0.176	1.129	0.259	No	0.07	1.063
		CV	Power → Social Progress	0.578	3.778	0	Yes	0.74	1.083

Note. PLS-SEM analysis is done using SMART PLS software ; CV = Control Variable ; GSDP = Gross State Domestic Product.

doesn't hold much significance on the exogenous construct. No other control variables (bank credit and fiscal deficit) have any significant impact on either the exogenous or the endogenous constructs.

The results show that the dependent constructs R^2 value is more than 0.50 (Table 3). Hence, we can say that the model has achieved a moderate-to-high level of success (Hair et al., 2019) in explaining the impact of the economic model on the social development of the state of Tamil Nadu. It could be noted that control variable power ($f^2 = 0.74$) has the largest f^2 effect size, followed by the exogenous construct, sector GSDP ($f^2 = 0.282$), which significantly influences the endogenous construct, social progress.

Predictive Relevance of the Model

Since R^2 statistics explain only the in-sample explanatory power of the model (Saari et al., 2021), to analyze the “out-of-sample predictive relevance” of the study's model for social progress, blindfolding and PLS_{predict} analysis has been performed, and the results are shown in Table 4.

Table 4. Predictive Relevance of the Model – Tamil Nadu

Construct	Indicator	PLS (RMSE)	LM (RMSE)	PLS-LM (RMSE)
Social Progress ($Q^2 = 0.257$)	Poverty	0.766	0.741	0.025
	Unemployment	1.062	1.132	-0.07
	Literacy	1.012	0.995	0.017

Note. PLS-SEM analysis is done using SMART PLS software.

As the “ Q^2_{predict} ” value is above zero and at least one of the indicators has the RMSE_{PLS} value lower than the RMSE_{LM} values on an indicator level” (Table 4), we can say that the predictive power of the model has been sufficiently established (Saari et al., 2001).

Economic Model and Social Development in the State of Maharashtra

Assessment of the Measurement Model

For the formative construct (Table 5):

- ✦ Convergent Validity: The correlation with the global item, GSDP – TN, exceeds 0.7, confirming satisfactory convergent validity.
- ✦ Collinearity: VIF values for all indicators are below 3, indicating an absence of collinearity issues.
- ✦ Indicator Significance: Although the “GBakIns” indicator isn't statistically significant, it remains included due to its theoretical relevance, as suggested by Diamantopoulos and Winklhofer (2001).

For the reflective construct (Table 6):

- ✦ Internal Reliability and Consistency: Most indicator loadings surpass the 0.708 threshold. The decision to retain the “UER” indicator was based on the construct's AVE being over 0.5.

Table 5. Assessment of Formative Construct – Maharashtra

Formative Construct	Item	Outer Weight	Outer Loading	VIF (Outer)	Global Item (β)
Sector GSDP	<i>GAgri</i>	0.313**	0.361	1.011	0.926
	<i>GBakIns</i>	-0.068 ^{ns}	0.405	1.847	
	<i>GCons</i>	0.224**	0.532	1.263	
	<i>GIInds</i>	0.611**	0.738	1.072	
	<i>GSrv</i>	0.503**	0.684	2.128	

Note. PLS-SEM analysis is done using SMART PLS software.

ns = not significant ($p > 0.05$); ** = significant ($p < 0.05$).

GSDP = Gross State Domestic Product ; *GAgri* = GSDP Agriculture ; *GBakIns* = GSDP Banking and Insurance ; *GCons* = GSDP Construction ; *GIInds* = GSDP Industry ; *GSrv* = GSDP Service.

Table 6. Assessment of the Reflective Construct – Maharashtra

Reflective Construct	Item	Outer Loading	ρA	Composite Reliability	Average Variance Extracted	Heterotrait-Monotrait Ratio (HTMT)			
						Bank Credit	Fiscal Deficit	Power	GSDP MAH
Social	LR	0.751	0.727	0.802	0.581	0.623	0.189	0.531	0.391
Progress	PR	0.905							
	UER	0.599							

Note. PLS-SEM analysis is done using SMART PLS software.

LR = Literacy Rate ; PR = Poverty Rate ; UER = Unemployment Rate.

⇒ Convergent Validity: Both composite reliability and ρA are within the 0.70 to 0.95 range, and all AVE values go beyond 0.5. This demonstrates good internal consistency and convergent validity.

⇒ Discriminant Validity: As all HTMT values are notably below 0.85, this confirms adequate discriminant validity.

Assessment of the Structural Model

Table 7 displays the findings of the structural model pertaining to the state of Maharashtra ; whereas, Figure 3 displays the PLS output for the same state. Table 7 shows that the VIF values are all less than 2, with 1.852 being the highest. This implies that the structural model does not have a significant collinearity problem, guaranteeing accurate regression findings. It can be seen from the table that the exogenous construct, sector GSDP ($\beta = 0.233$),

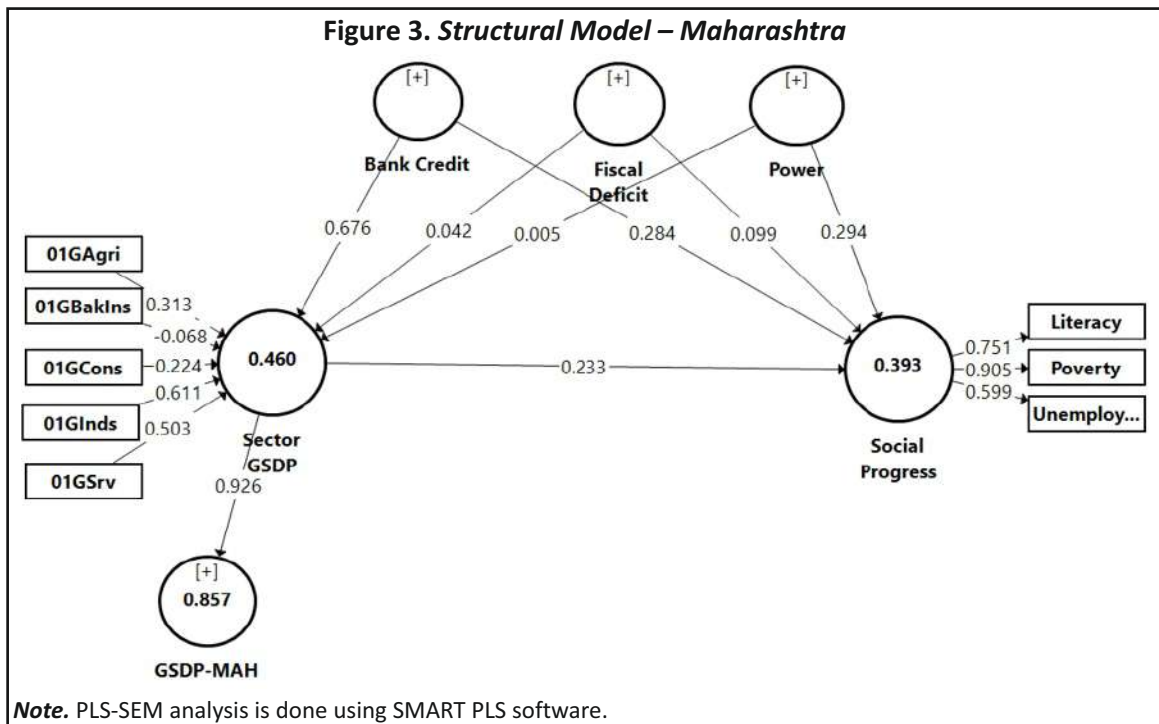


Table 7. Structural Model – Maharashtra

Outcome	R^2	Predictor	Direct Paths & Hypotheses	β	t-Statistics	p-values	Significance	f^2	VIF
Sector GSDP	0.46	CV	Bank Credit → Sector GSDP	0.676	4.608	0	Yes	0.802	1.054
		CV	Fiscal Deficit → Sector GSDP	0.042	0.211	0.833	No	0.003	1.041
		CV	Power → Sector GSDP	0.005	0.032	0.975	No	0	1.095
Social Progress	0.393	GSDP	Sector GSDP → Social Progress	0.233	0.724	0.469	No	0.048	1.852
		CV	Bank Credit → Social Progress	0.284	0.992	0.321	No	0.07	1.9
		CV	Fiscal Deficit → Social Progress	0.099	0.211	0.584	No	0.016	1.044
		CV	Power → Social Progress	0.294	1.429	0.153	No	0.13	1.095

Note. PLS-SEM analysis is done using SMART PLS software ; CV = Control Variable ; GSDP = Gross State Domestic Product.

doesn't have any significant influence on social progress. When we look into the control variables of the study, only bank credit has a significant impact on the exogenous construct, sector GSDP ($\beta = 0.676$); however, bank credit doesn't have any significant impact on social progress. No other control variables (fiscal deficit and power) have any significant impact on either the exogenous or the endogenous construct. According to Hair et al. (2019), the model has achieved a modest level of success in explaining the impact of the economic model on the social development of the state of Maharashtra, as evidenced by the endogenous construct's R^2 value of 0.393 (Table 7).

Predictive Relevance of the Model

As the “ Q^2_{predict} value is above zero and all the indicators have the RMSE_{PLS} value lower than the RMSE_{LM} values on an indicator level” (Table 8), we can say that the predictive power of the model has been sufficiently established (Saari et al., 2001).

Table 8. Predictive Relevance of the Model – Maharashtra

Construct	Indicator	PLS (RMSE)	LM (RMSE)	PLS-LM (RMSE)
Social Progress ($Q^2 = 0.16$)	Poverty	0.936	0.951	-0.015
	Unemployment	1.044	1.104	-0.06
	Literacy	1.01	1.04	-0.03

Note. PLS-SEM analysis is done using SMART PLS software.

Economic Model and Social Development in the State of Gujarat

Assessment of the Measurement Model

The evaluation of formative constructs is based on the standards set by Hair et al. (2019), as demonstrated in Table 9, with tests for convergent validity, indicator collinearity, and the significance and relevance of the indicators. Reflective constructs should take into account internal reliability, consistency, convergent validity, and discriminant validity, as stated in Table 10. Table 9 provides evidence of the formative concept's convergent validity, with a correlation coefficient of more than 0.7 with the global item GSDP – TN. Additionally, since every VIF value for this construct is less than three, there is no evident collinearity. As seen in Table 9, the majority of the formative construct's indicators are noteworthy; however, the “GBakIns” indication stands out as an anomaly. However, its inclusion is justified by its theoretical significance (Diamantopoulos & Winklhofer, 2001).

Table 9. Assessment of Formative Construct – Gujarat

Formative Construct	Item	Outer Weight	Outer Loading	VIF (Outer)	Global Item (β)
Sector GSDP	<i>GAgri</i>	0.408**	0.464	1.177	0.9
	<i>GBakIns</i>	0.011 ^{ns}	0.288	1.376	
	<i>GCons</i>	0.335**	0.142	1.434	
	<i>GInds</i>	0.81**	0.672	1.257	
	<i>GSrv</i>	0.409**	0.527	1.317	

Note. PLS-SEM analysis is done using SMART PLS software.

ns = not significant ($p > 0.05$); ** = significant ($p < 0.05$).

GSDP = Gross State Domestic Product ; *Gagri* = GSDP Agriculture ; *GBakIns* = GSDP Banking and Insurance ; *GCons* = GSDP Construction ; *GInds* = GSDP Industry ; *GSrv* = GSDP Service.

Table 10. Assessment of Reflective Construct – Gujarat

Reflective Construct	Item	Outer Loading	ρA	Composite Reliability	Average Variance Extracted	Heterotrait-Monotrait Ratio (HTMT)			
						Bank Credit	Fiscal Deficit	Power	<i>GSDP GUJ</i>
Social	<i>LR</i>	0.905	0.778	0.82	0.614	0.255	0.243	0.21	0.444
Progress	<i>PR</i>	0.858							
	<i>UER</i>	0.535							

Note. PLS-SEM analysis is done using SMART PLS software.

LR = Literacy Rate ; *PR* = Poverty Rate ; *UER* = Unemployment Rate.

With one exception (Hair et al., 2019), all indicator loadings for the reflective architecture are above the criterion of 0.708, as seen in Table 10. Despite its lower value, the indicator “UER” is retained because the construct's AVE is larger than 0.5. Furthermore, Table 10 indicates that both the composite reliability and ρA fall within the accepted 0.70 to 0.95 range. The reflecting construct's excellent internal consistency and convergent validity are supported by the fact that all AVE values exceed the 0.5 threshold. Moreover, the reflective construct's HTMT values are well below the conservative 0.85 mark, as shown in Table 10, establishing its robust discriminant validity.

Assessment of the Structural Model

The results of our structural model with respect to Gujarat are shown in Table 11, and the PLS output with respect to Gujarat is shown in Figure 4. Collinearity in models can be found using a measure called the VIF. The maximum inner VIF for our model is 1.201, in accordance with Hair et al. (2019), and Table 11 illustrates that all VIF values are under 2. Accordingly, dependable regression results are guaranteed since the inner model appears to be devoid of substantial collinearity issues. It can be seen from Table 11 that the exogenous construct, sector GSDP ($\beta = 0.467$), has a significant positive impact on the endogenous construct, social progress. The exogenous and endogenous constructs are not significantly impacted by any of the control variables, including bank credit, fiscal deficit, and power. According to Hair et al. (2019), the model has achieved a modest level of success in explaining the impact of the economic model on the social development of the state in Gujarat, as evidenced by the R^2 value of the endogenous construct, which is 0.382 (Table 11).

Table 11. Structural Model – Gujarat

Outcome	R ²	Predictor	Direct Paths & Hypotheses	β	t-Statistics	p-Values	Significance	f ²	VIF
Sector GSDP	0.151	CV	Bank Credit → Sector GSDP	0.356	1.663	0.097	No	0.148	1.01
		CV	Fiscal Deficit → Sector GSDP	-0.194	0.747	0.455	No	0.038	1.157
		CV	Power → Sector GSDP	0.143	1.029	0.59	No	0.021	1.153
Social Progress	0.382	GSDP	Sector GSDP → Social Progress	0.467	2.62	0.009	Yes	0.3	1.177
		CV	Bank Credit → Social Progress	0.106	0.596	0.551	No	0.016	1.16
		CV	Fiscal Deficit → Social Progress	-0.27	1.241	0.215	No	0.098	1.201
		CV	Power → Social Progress	0.235	1.029	0.304	No	0.076	1.177

Note. PLS-SEM analysis is done using SMART PLS software. CV = Control Variable ; GSDP = Gross State Domestic Product.

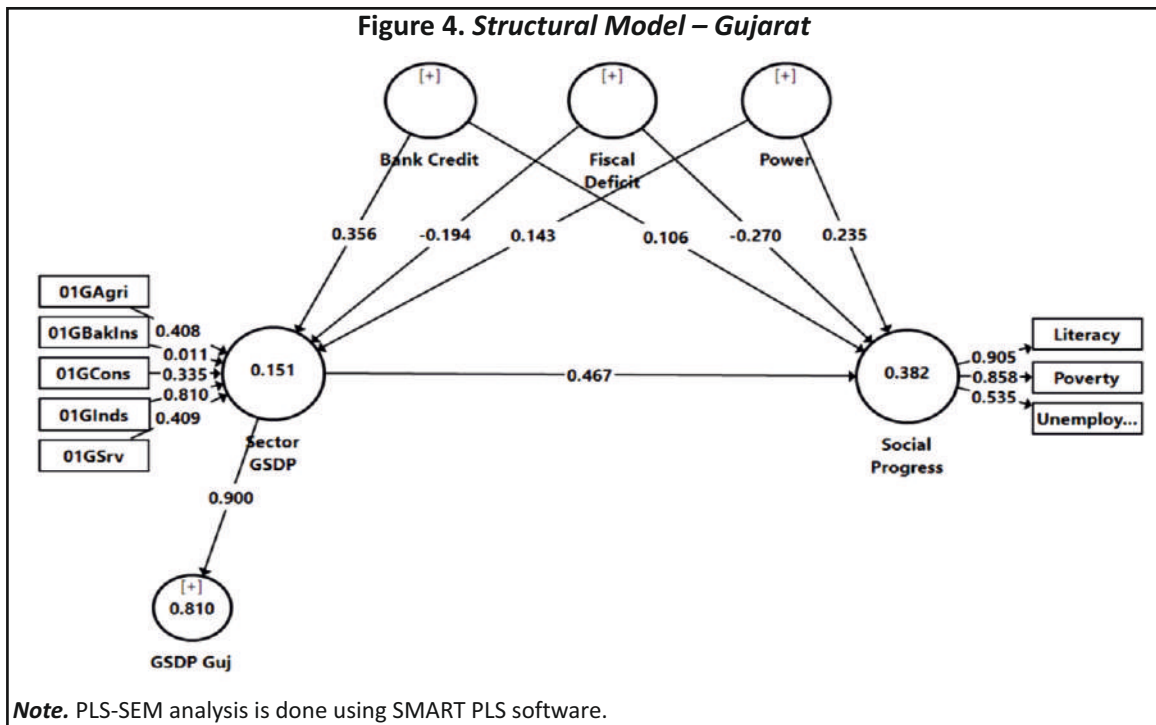


Table 12. Predictive Relevance of the Model – Gujarat

Construct	Indicator	PLS (RMSE)	LM (RMSE)	PLS-LM (RMSE)
Social Progress (Q ² = 0.182)	Poverty	1.004	1.003	0.001
	Unemployment	1.052	1.12	-0.068
	Literacy	1.057	1.052	0.005

Note. PLS-SEM analysis is done using SMART PLS software.

Predictive Relevance of the Model

As the Q^2_{predict} value is above zero and at least one of the indicators has the RMSE_{PLS} value lower than the RMSE_{LM} values on an indicator level (Table 12), we can say that the predictive power of the model has been sufficiently established (Saari et al., 2001).

Discussion

The Dravidian model of development is claimed to have achieved high levels of economic growth along with significant social development. This study empirically investigates the Dravidian model of socioeconomic development by comparing it with the socioeconomic models of Maharashtra and Gujarat. Data from these three states from 1991 to 2021 were analyzed to understand the relationship between their economic models and social development. The results prove the superiority of the Dravidian model over the other states. The study findings show a significant “positive relationship” between economic development and social progress in Tamil Nadu, with a 60% variance in social development impacted by its economic model. This result is in line with studies like Aggarwal (2017), Drèze and Sen (2013), and Kala et al. (2017), which point out the more inclusive development trajectory in the state of Tamil Nadu because of the investment in human development.

The study concludes that there is no meaningful connection between Maharashtra's social advancement and economic growth. The outcome supports Das's (2017) claim that “the primary goal of development should center on the enhancement of human capabilities, which has been neglected in many Indian states for a very long time, even though economic growth, as measured by increasing gross domestic product and other related variables, is one of the most fundamental inputs to the overall development process. A similar view was expressed by Mohanty and Das (2017) and Kala et al. (2017). In Gujarat, as in Bhagwati and Panagariya (2013), a favorable correlation was observed between the economic model and social advancement. The Dravidian model, however, has a greater influence on Tamil Nadu, as seen by the state's retail industry's evolving human resource environment, which is narrowing the skill gap (Chakraborty & Altekar, 2021; Tripathi et al., 2017; Tomar, 2017). In conclusion, while Gujarat shows a positive relationship between its economic model and social progress, Tamil Nadu's Dravidian model demonstrates a more substantial impact on social development. This aligns with the wider socioeconomic patterns noted in research such as Lokhande (2017) and Singh and Nigam (2021), which investigate the changing social and economic dynamics in these states.

Managerial and Theoretical Implications of the Study

The findings of this study have significant implications for industry managers, marketers, and practitioners. A similar strategy may prove advantageous in other industries, given the Dravidian model's success in emphasizing human development in addition to economic growth. Supervisors might concentrate on tactics like investing in community development and staff well-being that not only improve social welfare but also drive economic performance. These factors can be used by marketers to increase consumer trust and brand reputation. In theory, this research adds to the body of knowledge by presenting empirical data on the performance of a socioeconomic model that strikes a balance between economic expansion and human development. It offers a more comprehensive approach, challenging current models that place a higher priority on economic growth than social considerations. A deeper comprehension of the intricate relationship between economic policies and social consequences is made possible by the study's use of upgraded scales and analysis tools. This research provides value and proposes that inclusive growth can lead to more sustainable development by critically assessing existing ideas and models.

Conclusion

India's key development challenge is inclusive growth. Without question, progress has improved India's human situation by reducing poverty; yet, the picture is not very optimistic, and additional work is required. This study demonstrates the superiority of the Dravidian model of socioeconomic development, which has enabled such

broad-based growth through the democratization of economic opportunity. Tamil Nadu has managed to preserve a far more dynamic and inclusive economic process by emphasizing the redistribution of possibilities in the modern economy. In order to address the subnational variations in economic and social outcomes across the nation as it navigates national regulations and institutions alongside global market impulses to forge a development path, it is imperative to acknowledge the institutional embedding of Tamil Nadu, one of India's most progressive subnational regions.

Limitations of the Study and Scope for Further Research

The main drawback of this study is that it relies heavily on secondary data, which might not fully represent the subtleties of the socioeconomic models. Furthermore, the results' generalizability is limited by their exclusive emphasis on three Indian states. Subsequent investigations may broaden the range of places and take initial data collecting into account for more in-depth understanding. To provide a more thorough understanding of the socioeconomic development models, future research may examine the Dravidian model's long-term viability as well as its adaptability to other cultural and economic circumstances.

Authors' Contribution

Dr. K. R. Ramprakash carefully selected research papers and analyzed data to create the theoretical framework, while Dr. C. Joe Arun oversaw the strategic start of the empirical investigation. As the study's primary correspondent, Prof. Kishore Kunal made sure that the methodology was rigorous and gave general direction. The team collaborated to help Dr. Ramprakash write the manuscript.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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