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**Growth dimensions of Karnataka economy in post liberalization period**

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**ABSTRACT**

*Karnataka’s economy is composed of agriculture, manufacturing and service sectors in different combinations. For Economic*

*growth, identification of key sector/factor is crucial and accordingly investment has to be made in such sector /factor rather than*

*overall investment on all the sectors /factors which is called as hirshmanian unbalanced growth concept. Factor analysis was*

*used to identify crucial dimension influencing economy during the post liberalization period (base period from 1997-2001 and*

*terminal period from 2002-2006). The major dimensions identified in the base period are Technology lead Irrigated Agriculture,*

*Services and Manufacturing, Farm Management and Savings and Market Potential. In terminal period the dimensions extracted*

*were Technology lead rainfed agriculture, Services and Manufacturing, Marginalized agriculture and Irrigated agriculture. The*

*change in the dimension was observed within the decade. Technology led rainfed agriculture is identified as the key factor in the*

*terminal period which is the main source of stable staple food in Karnataka. Hence necessary action should be taken towards*

*dissemination, adoption of technology pertinent to rainfed agriculture through effective extension system.*

***Keywords***: Factorial analysis, growth dimensions and liberalization