

# BOTTLENECKS V/S RESOURCE DEVELOPMENT IN BIHAR

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## ABSTRACT

Resources of Bihar have been done and it has been concluded that the region under reference is not pauper from the point of view of the availability of resources. Excellent soil conditions, tremendous pool of water resources, favourable climatic condition for the cultivation of varieties of crops and vast human resources- a fortuitous combination of these resources can certainly open the Pandora's box for the all around development, progress and prosperity of the state. But it is an irony of fate that we have not been able to develop and utilize the huge resources at our command. Non availability of any industrially potential minerals did not deter the people of Punjab and Haryana for marching ahead on the path of progress. However, Bihar is better placed in the matter of availability of resources in relation of Punjab and Haryana. It clearly reflects that the state has not been able in removing bottlenecks which have been causing non-utilization of available resources.

## Introduction

All such factors, which retard the process of growth and development in any region, are termed as bottlenecks. Some bottlenecks are physical in nature, some are economic and some are cultural in nature. Further it can be said that all these bottlenecks are relative in time and space relationship. Bihar is a good example of under developed economy. Whatever be the reasons working behind, it is a stark reality that the state is an impoverished region with lost pristine glory of the past. Hence it is a prerogative to know first the basic characteristics of our exiting socio-economic and cultural conditions.

Bihar is a state having more than 42% of its population living in conditions of misery. Poverty is not only acute but also a chronic malady. The central problem of underdevelopment of resources in the eastern part of India is the prevalence of mass poverty which is the cause as well as consequence of their low level of development. Bihar is faced with the problem of unutilized or underutilized manpower on the one hand and of unexploited natural resources in the other. This state of affairs may be due to stagnancy of techniques or to certain inhibiting socio-economic and cultural factors, which prevent the more dynamic forces in economy from asserting themselves.

## Characteristic Features of Underdeveloped Economy of Bihar

The following are the major issues, which have been acting as bottlenecks in the development and progress of state of Bihar:-

## Poverty as a Retiring Factor of Development:

The vicious circle of poverty perpetuates misery and foils all attempts which are essential for proper utilization and development of resources. Per capita income of Indian people barring a few exceptions is the lowest in the world and similarly Bihar holds the lowest position in India from the point of view of per capita income. No development work can take place without capital. Hence capital crunch is the most important constraint in the development of existing resources of the state. In the years since 1950 the developed countries or developed regions have improved their per capita income at much faster rate but we have been limping along so badly. On All-India level the percentage of total population of India living below poverty line declined from 40% in 1967-68 to 22% in 2011-12. During the same period people living below poverty line in Bihar mismatched the All-India level. Still we have more than 33.7% people living below poverty line. This reveals that the burden of poverty is very massive. Rapid reduction and eventually the elimination of poverty is, therefore, is the most important bottleneck of development. From table 1 per capita Net State Domestic Product (NSDP) at current prices of various states can be perused.

**TABLE 1**

### PER CAPITA NET DOMESTIC PRODUCT AT CURRENT PRICES: BASE YEAR 2011-12

Sl. No.	States	CURRENT PRICES; BASE YEAR 2011-12			
		2014-2015	2015-2016	2016-2017	2017-2018
1	<b>India (in Per Capita Net National Income (NNI) )</b>	<b>86,647</b>	<b>94,731</b>	<b>1,03,870</b>	<b>1,12,835</b>
2	Andhra Pradesh	93,903	1,07,276	1,23,664	1,42,054
3	Arunachal Pradesh	1,10,912	1,12,312	1,19,481	NA
4	Assam	52,895	60,817	67,303	NA
5	Bihar	28,671	30,213	34,409	38,860
6	Chhattisgarh	72,946	76,025	84,265	92,035
7	Goa	2,89,185	3,34,576	3,75,550	NA
8	Gujarat	1,27,017	1,39,254	1,56,527	NA
9	Haryana**	1,48,485	1,62,034	1,80,174	NA
10	Himachal Pradesh	1,23,299	1,35,512	1,50,285	1,60,719
11	Jammu & Kashmir	61,213	73,229	78,163	NA
12	Jharkhand	57,301	52,754	59,799	63,754

13	Karnataka	1,30,024	1,48,110	1,61,936	1,81,788
14	Kerala	1,35,537	1,48,011	1,63,475	NA
15	Madhya Pradesh	56,069	62,817	74,590	NA
16	Maharashtra	1,32,611	1,47,610	1,65,491	1,80,596
17	Manipur	52,717	55,447	58,501	NA
18	Meghalaya	64,638	68,836	73,291	79,807
19	Mizoram	1,03,049	1,14,055	1,28,998	NA
20	Nagaland	78,367	82,466	90,168	NA
21	Odisha**	63,173	65,650	74,234	80,991
22	Punjab	1,08,970	1,18,858	1,28,890	NA
23	Rajasthan**	76,436	83,977	92,076	1,00,551
24	Sikkim	2,14,148	2,45,987	2,70,572	2,97,765
25	Tamil Nadu	1,28,372	1,40,441	1,50,036	1,66,934
26	Telangana	1,24,104	1,40,840	1,59,856	1,81,034
27	Tripura**	63,969	80,027	NA	NA
28	Uttar Pradesh	42,267	47,062	51,014	55,339
29	Uttarakhand	1,35,881	1,47,592	1,57,643	1,73,820
30	West Bengal	68,876	75,992	83,126	95,562
31	And. & Nic. Islands	1,19,291	1,26,445	1,36,824	NA
32	Chandigarh	2,06,760	2,22,710	2,37,599	NA
33	Delhi**	2,49,635	2,71,305	3,00,793	3,29,093
34	Puducherry	1,46,921	1,72,913	1,85,141	1,98,046

Source: For Sl. No. 1- Press Note on National Account Statistics Back Series 2004-05 to 2011-12

Source: For Sl. No. 2-34 - Directorate of Economics & Statistics of respective State Governments

\*\* As on 28.02.2018

The same situation is observed if India's GDP is compared with some selected countries of the world. Table 2 shows the relative position of India vis-avis selected countries of the world.

**TABLE-2****PER CAPITA GNI (GROSS NATIONAL INCOME) AT MARKET PRICES**

Sl. No.	Countries	Purchasing parity basis (2018) in U.S. Dollars
1	Switzerland	69,220
2	U.S.A.	63,390
3	Germany	55,800
4	U.K.	45,660
5	Japan	45,000
6	China	18,140
7	India	7,680

The survey also presents a detailed scrutiny of sectors like roads, power, railway, civil aviation and postal services. It analyses the shared nature of talks between the state and centre in developing physical infrastructure.

Coming to the status of social sectors, the survey admits that Bihar was placed on the lowest rung of the ladder vis-à-vis other states with respect to human development index (HDI).

Another feature of GDP growth of Bihar in particular and India in general is that there is an acute imbalance in distribution of growing inequalities. As per national Sample Survey Report it can be said that there have been growing inequalities of income and wealth in India during the last five decades of planned economic development, redistribution of income in favour of the less privileged has not taken place.

### **LACK OF INFRASTRUCTURAL FACILITIES**

Dr. V.K. R.V. Rao, a noted scholar in the field of economic planning and management has opined, “ The link between infrastructure and development is not a once for all affairs. It is a continuous process; and progress in development has to be preceded, accompanied and followed by progress in infrastructure, if we are to fulfil our declared objectives of a self-accelerating process of economic development”. Without any shadow of doubt it can be said that what to tell about development, it can be imagined without the development of infrastructures. Nothing can move until and unless concerned infrastructures do not move. It was the developed state of infrastructure, which enabled Britain in rule the world during 18<sup>th</sup> , 19<sup>th</sup> & early second half of the 20<sup>th</sup> centuries. U.S.A., Japan, Germany, Sweden, France etc. belonged to the group of developed nations only because of the fact that they have developed infrastructural facilities. As blood is to the body so is infrastructure to all round socio-economic development.

Infrastructural facilities- often referred to as economic and social overheads consist of:

1. Irrigation, including flood control and command area development;
2. Energy: coal, electricity, oil and non-conventional sources;
3. Transport: Railway, roads, water navigation and civil aviation;
4. Communications: Posts and Telegraphs, telecommunications etc.;
5. Banking, finance and insurance;
6. Social overheads: health, hygiene and education.

## **GROWTH OF INFRASTRUCTURE**

Indian planners were fully aware of the link between infrastructural facilities and general economic development. On India level, despite of several constraints rapid expansion of these facilities took place during the last five decades of planning that can be perused. But during the same period inter-state disparities in the growth of infrastructure came to the surface. Unfortunately, Bihar (before partition in November 2000), the number two states in India from population point of view (only behind to U.P) with tremendous natural resources did not get much benefited from the ongoing tremendous natural resources did not get much benefited from the ongoing tremendous development in the field of infrastructures. After 2000 the state has become even more pauper in every field of economy.

However, whatever be the development in infrastructural fields, its spatial pattern of distribution has been extremely disproportional between rural areas and urban areas. Though infrastructural facilities were not altogether neglected for the rural areas- for example, expansion of irrigation, rural electrification etc. – the overwhelming emphasis was on the provision of infrastructural facilities mainly for the urban areas. It is the people in our cities and towns who could take full advantage of the development of power, transport, communications, banking and such overheads as education and health. The concentration of the infrastructure in the urban area and their relative neglect in rural areas resulted in inadequate development and thereof, of inadequate employment opportunities in the rural areas.

## **IRRIGATION AS INFRASTRUCTURE**

The following lines may be quote from the Draft outline of Sixth Five Year Plan- “Since food occupies the first place on the hierarchical needs of man we can neglect agriculture only at the risk of economy instability.” These lines have been linked in the national perspective. For Bihar these lines are sort of gospel because more than 87% people of the state are directly or indirectly engaged in agricultural pursuits for their livelihood and sustenance. Without the growth and development of agriculture nothing can be achieved in Bihar because, here agriculture is not merely an occupation rather a tradition- the lifeline of the people. Keeping the overwhelming importance of agriculture in mind the First Five Year Plan gave the highest priority to agriculture. The then Govt. of Bihar allotted more than 30% of the total public sector outlay on agriculture, irrigation soil conservation, dry farming, land reclamation, adoption of scientific practices, expansion of transportation, power, marketing and other basic facilities were the focused objectives to be achieved within the stipulated time –frame.

Registered vehicles and road length per 100 km<sup>2</sup> of area of the state of Bihar have close relationship. Whether we use registered vehicles per 1000 persons or telecom lines per 100 persons, none of these indicators by itself indicate a direct connection between them and rate of development has its own limitations. Infrastructure development can be demand driven when it is followed by investment in directly productivity activities and it is supply-driven when it is preceded by investment in directly productive activities. Demand-driven extension of infrastructure leads to its better utilisation with very little time lag but supply-driven enlargement of capacities does lead to its utilisation with a time lag. There can be justification of both approaches.

Nevertheless, the development of infrastructure is an essential, though not a sufficient condition of development. This can be realized from a close perusal of the infrastructure development index developed by CMIE. This index included the following items with the weights indicated in brackets:

- (a) Transport facilities (26%)
- (b) Energy Consumption (24%)
- (c) Irrigation facilities (20%)
- (d) Banking facilities (12%)
- (e) Communication facilities (6%)
- (f) Educational facilities (6%)
- (g) Health facilities (6%)

### Conclusion:-

Bihar, India's third most population and most densely populated state is also one of the most resource constrained. But what it can strengthen is human capital, which depends on a healthy and skilled population across all socio-economic groups and across all regions within the state. For more than a decade now, commendable political commitment by the Government of Bihar to improve health and nutrition care.

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