

# REGIONAL UNDER-DEVELOPMENT: AN EMERGING ISSUE IN INDIA

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## ABSTRACT

India's multi-level efforts for the planned economic development during last eight decades since independence have not made any impressive impact on the socio-economic structure of the rural sector in the country. The Central and State Governments have justifiably been emphasising during the last couple of years instant urgency of taking step to bring about qualitative change in the life of the people living in the rural areas. Despite the reiteration of emphasis on development of rural areas and the implementation of various rural development programmers which were designed with a view to contributing in their own way towards the country's professed objective of rural reconstruction and much cherished Gandhian dream of 'Village Swaraj'. There is not denying the fact that the achievements have fallen short of the expectations. Simultaneously many State Governments have already taken measures on their own to raise the economic and social levels of the rural areas, particularly those which happen to be specially depressed. These States have launched a variety areas.

## INTRODUCTION

One of the most urgent problems facing all nations of the world today is the problem of achieving more rapid economic development and higher levels of living in their less developed regions. The specific policies adopted in each country and resources devoted to programmes will thus depend on the nature and range of the problems encountered, levels of social and economic development, and on institutional and political factors. In short, regional problems require certain means to counteract centripetal forces which are inherent in economic and technological development and which tend to aggravate the existing disparities between one region of the country and another between cities and rural areas, and within cities themselves, creating tension, distress and rivalry in the midst of plenty.

A State is, however, under greater obligation to create opportunities of growth for all its regions and to provide such conditions in which each region can solve its main problems and harness its natural and human resources for its own development as of the larger economy of which it is part. Rapid economic developments and the change may act differently in different regions of the country. Within a more or less limited period of time, some regions may be totally isolated from, or adversely affected by the expansionary wave, or just be prevented from maintaining their position. A few regions may still progress but their possibilities of progress are marred or limited by the absence of certain necessary conditions. The conditions of a region comprehend both negative positive factors. Negative factors such as lack of natural resources, and unfavourable climatic and geographic features place some regions at a relatively disadvantages position to other regions in the same country and their initial relative disadvantages lead to many more such as inadequate infrastructural and social facilities, and the lack of employment opportunities. The positive factors, on the other hand, are characterised by rapid economic and technological advancements in a given country or state which may tend to accentuate regional disparities.

Regions which have not fully participated in the mainstream of growth may be facing the problem of unutilisation or under-utilisation of resources, especially manpower. Such regions may be either completely under developed, or primary producing areas with below average incomes, or old industrial areas hampered by declining industries. In contrast the rapidly expanding areas may be faced with pressures on physical and manpower resources and excessive concentration and growth. All of these regions constitute the ‘problem areas‘ of different types, including (1) the backward or undeveloped areas halted at the threshold of self-sustaining development; (2) the developed regions with recession of arrested growth due to loss of competitive advantage in their accompanying loss of ability to substitute new kind of activities; (3) areas of excessive growth and congestion causing adverse externalities as such and many a serious problems affecting urban growth which do, in fact, tend to be most aggravated in very large cities.

The process of economic development does not at any stage affect all the regions of an economy equally. In the process of national development different regions differ with each other in attaining the level of economic activity, which leads to differential regional economic growth. Some regions may have rapid development while other may remain underdeveloped or may be totally isolated due to lack of natural resources, infrastructural facilities and unfavourable climatic and geographic conditions. In absence of economic development there also arises the problem of utilization or underutilization of resources which further leads to inequality of income among regions and causes regional income problems. Economic problems becoming 'regional' is simply their being concerned predominantly with a particular area of a country, or with the relations between its different areas. Most commonly they arise out of economic grievances that are felt by the people or by important sections of the people, in such major divisions, that is to say in particular regions.

The intensive growth promotes structural change in a region by way of changing its resource endowments, labour force, industrial structure, and income levels, and further by reducing income differentials among regions through shifts in demand activity and employment, and initiation of new economic and social opportunities. The extensive growth process involving a geographic type frontier begins with the human settlement and resource development in new areas. It may generate extreme regional differences in the spatial incidence of economic activity in some regions it typically leads to specialisation in primary production and at the same time in some others to industrialisation and urbanisation. The latter may derive a number of advantages over the primary producing regions exploitation, however, continues on regional incomes and hence produce cumulative income differentials among region.

A major purpose of economic development is to correct imbalances that arise out of the long period of historical forces; imbalance between regions and countries and, in turn, What in fact may be more serious-between regions in any one country, and even between sub-regions. It is this co- existence of affluence and poverty that is the basic cause not only of international but also of local tensions. One reason for

maintaining that regional inequalities constitute a problem is the question of national costs in the imbalanced use of regional resources in simple terms, there is a loss of output and income to the national under-development of others.

Regional problems are not static. They are continually evolving in the context of expanding economies, demographic changes, growing affluence and inflationary pressures as well as changes brought on by technological progress which in some instances is of fundamental character. While the interest in regionalism has a considerable economic motivation, it is also has a strong political motivation and is mainly to be found in the countries with large population or those which include district communities having ethnic, linguistic, economic or social diversities.

During the process of development, regional economic inequality phenomenon has two angles, one is relative and the other absolute differential. Relative differential is more useful for the purpose of framing suitable regional development policies and the programme. The absolute differential in regional income is more meaningful from the political point of view. According to Williamson i.e. it is quite possible and hardly uncommon that a period of convergence in regional income per capita relative to a national average may at the same time be one of increasing absolute differentials. An index based on the former will be determined by regional growth differentials; one based on the other latter will be influenced by a mixture of regional growth rate differentials and initial absolute differentials. Mobility, problems of depressed industrial and rural region suffer from economic malaise.

In the context of developing areas, the term; 'regional economic development' means essentially a steady increase in output per capita achieved through a mobilization of resources and the use of resources in a more productive manner. This mobilisation is facilitated by changes in demand and by new methods of organisation. Regional economic development is based on form of growth from below and does not generate any conflict between policies of locational efficiency and regional equity.



## Conclusion

Among different regions of an economy the incidence of regional economic growth may be quite different over a period of time. Free play of market forces strengthen these tendencies which lead to further widen the inter regional disparities. Myrdal explained this by cumulative and circular causation and said that there tendency inherent in the free play of market forces to create regional inequalities and that this tendency becomes the more dominant the poorer a country is. The priority assigned to regional development depends upon the relevance of a regional development depends upon the relevance of a regional strategy from the standpoint of the national socio-economic goals. In neo-classical development theory, there is no accent on the regional development only in the context of factor immobility, according to neo classical theory if there is perfect mobility of factors of production among different regions, there will be no regional problem. As there is considerable immobility of factors and goods in practice, it shows the neo-classical approach is not relevant.

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