

# DEVELOPMENT OF BACKWARD REGIONS IN INDIA

Mrs. Jane Dan

Assistant Professor

Isabella Thoburn College, Lucknow

# Backward regions-

- ▶ Largely subsistence economy-an economy which produces only enough output for its own consumption and does not attempt to accumulate wealth
- ▶ These regions have not come out of their equilibrium trap-The low-level equilibrium trap is a concept in economics developed by Richard R. Nelson, in which at low levels of per capita income people are too poor to save and invest much, and this low level of investment results in low rate of growth in national income.

# ▶ **Causes of Regional Disparity in the country leading to Backwardness-**

## ▶ **Historical Factor**

- The British government and industrialists developed only those regions of the country which possessed rich potential for prosperous manufacturing and trading activities. Thus port cities like Bombay, and strategically important areas like Calcutta and Madras received initial development.
- In the absence of proper land reform measures and proper industrial policy, the country could not attain economic growth to a satisfactory level.

## ▶ **Geographical Factors**

- The difficult terrain surrounded by flood prone areas, hilly terrain, rivers and dense forests leads to increase in the cost of administration, cost of developmental projects, besides making mobilization of resources particularly difficult.
- Himalayan states like Himachal Pradesh, Northern Kashmir, Uttarakhand, North-Eastern states remained mostly backward due to its inaccessibility and other inherent difficulties.

## ▶ **Location Specific Advantages**

- Due to some locational advantages like availability of irrigation, raw materials, market, port facilities etc. some regions are getting special favour in respect of site selections of various developmental projects e.g. oil refineries are mostly located in close to sea.

### ► **Early Mover Advantage**

- New investment in the private sector has a general tendency to concentrate much on those regions having basic infrastructural facilities.
- Term-lending institutions and commercial banks tend to concentrate investments in the relatively more developed States.

### ► **Failure of Planning Mechanism**

- Local needs; one size fits all approach, lack of adequate resources, poor implementation of plans, lack of planning capacity at state level reduced capacity of Planning Commission to ensure balanced development.

### ► **Restricted Success of Green Revolution**

- **Green revolution** improved the agricultural sector to a considerable extent through the adoption of new agricultural strategy of high yielding variety seeds, assured irrigation, provision of technical knowhow etc.
- However, the benefit of green revolution were restricted to Punjab, Haryana and western Uttar Pradesh as this belt had advantage of irrigation facilities, were traditionally wheat growing states, with adequate policy support from State Governments which other areas lacked and couldn't reap benefits of Green Revolution.

### ► **Law and Order Problem**

- Extremist violence, law and order problem etc. have been obstructing the flow of investments into backward regions besides making flight of capital from backward states.

## **Identification of Backward Regions in India -**

By the decision of the National Development Council, two working groups - the Pandey Committee and the Wanchoo Committee were set up by the Planning Commission in 1968. The Pandey Committee was to recommend the criteria for identification of backward regions and the Wanchoo Committee was to recommend the fiscal and financial incentives for starting industries in backward areas. Thus in order to simplify the work of transferring resources from Centre to the states, it was decided to identify backward regions of the country. Initially the criteria, to identify the backward regions, the level of per capita income was taken into consideration. This was found to be quite inadequate. Therefore, in 1969 the Planning Commission appointed a study group to suggest some specific criteria for identifying backward regions. This group suggested 45 many indicators such as agriculture, Industry, education, health, power and so on for the identification of backward regions. However these criteria were too diffuse and it was, therefore quite essential to select more precise criteria for the identification of backward region.

# Need for the identification of Backward Regions-

Balanced Development of each regions and class is the objective of national economic policy , India has adopted a policy of balanced Regional Development.

There are large regional variations in the level of development which if grows unchecked , might pose a danger to national unity .

At government level ,some committees were also constituted to examine the problems of backward regions by the centre and state governments. Among these are-

1- Pandey Committee

2-Chakravarty committee on backward areas (1972)

3-The national committee on the Development of Backward Areas(1978) known as sivaraman committee.

4-Committee for the Development of backward areas of Gujarat (1984) known as IG Patel Committee

5-Dandekar Fact Finding Committee on Regional Imbalances in Maharashtra.

6-Wanchoo committee

# Development of Backward Regions -

- ▶ The nature and causes of backwardness are not the same in all the regions within a country, a single macrolevel approach will not be an ideal solution.
- ▶ The strategy that is required is one of promoting that sector which is backward and whose backwardness is hindering the overall progress of the region. Such assessment is possible only at the regional level.
- ▶ Development of backward area and reduction in regional disparities depend upon the micro-level plans formulated based on the assessment of the local needs and development.
- ▶ The micro level plans can be effectively implemented and can be made to realize the desired objectives only when the constituents regions are systematically identified according to their levels of developments, the extent of disparities among the regions and the various regional characteristics like typology, physiography, demographic and socio-economic dimensions and so on.
- ▶ The Government of India has made some efforts for the development of backward areas of the country, since 1951, when efforts at planned development were intensified. The problems of regional development and disparities attracted the attention of policy makers and economists.

# Indicators used by National Committees-

The Pandey Committee in 1969 did this work. The criteria were :

- ▶ 1. Districts around a radius of 50 miles from large cities or large industrial projects.
- ▶ 2. Poverty of the people as indicated by low per capita income starting from the lowest to 25 percent below the state average.
- ▶ 3. High density of population in relation to utilization of productive resources and employment opportunities as indicated by a. Low percentage of population engaged in secondary and tertiary activities. b. Low percentage of factory employment. c. Non and or underutilization of economic and natural resources like minerals, forests etc.
- ▶ 4. Inadequate availability of electric power or likelihood of its availability with' 1 or 2 years.
- ▶ 5. Inadequate transport and communication facilities.
- ▶ 6. Inadequate availability of workers



## The study group appointed by the Planning Commission (Fourth plan 1966-1971) suggested indicators covering the following-

(1) Density of population

(2) Percentage of population engaged in agriculture (including agricultural labourers as percentage to total worker)

(3) cultivable area per agricultural worker

(4) Net area sown per agricultural worker

(5) Percentage of gross irrigated area to net sown area

(6) Percentage of area sown more than once to net sown area

(7) Per capita gross value of agricultural output

(8) Percentage of literate population, men and women

(9) Percentage of school going children both boys and girls in the age group of (i) 6 to 11 years and (ii) 11 to 14 years

(10) Number of seats per million population for technical training

(11) Hospital beds per lakh of population and some of the criteria used by Pande Committee.

## References-

- ▶ [Niti.gov.in](http://Niti.gov.in)
- ▶ [Inflibnet](http://Inflibnet)

