

# POVERTY AS BOTTLENECK IN DEVELOPMENT OF BIHAR

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## Abstract:

A careful appraisal of resources of Bihar reveals that it is not pauper from the point of view of the availability of resources. Excellent soils conditions, tremendous pool of water resources, favourable climatic conditions for the cultivation of varieties of crops and vast human resources-a fortuitous combination of all these resources can certainly open the Pandora's box for the all round 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 from marching ahead on the path of progress. However, Bihar is , better placed in the matter of availability of resources in relation to 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. This presentation has been done to peruse , the present state of resource utilization in Bihar.

## 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 relative in time and space relationship. Bihar is a good example of under developed economy whatever be the reasons working behind, it is stark reality that the state is an impoverished region with lost pristine glory of past . Hence it is a prerogative to know first the basic characteristics of our existing socio-economic and cultural conditions ,

Bihar is state having more than 42% of its population living in conditions of misery. Poverty is not only acute but also a chronic malady. At the same time, there exist unutilized natural resources. Prof. M. Eugene Staley's <sup>1</sup> remarked about Bihar (1954) is still valid . His lines may be quoted here ,....the state , though enriched in several resources, is inflicted with mass poverty which is chronic and not the result of some temporary misfortune; obsolete methods of production and social originations which means that the poverty is not entirely due to poor natural resources and hence could presumably be lessened by methods proved in other countries .

Prof. Amartya sen <sup>2</sup> has rightly said that the central problem of under development 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.

Swami Vivekananda, revolutionary saint drew a very grim picture of Indian hopelessness -"There runs on economic struggle through every religion struggle. This animal called man has some religious influence, but he is guided by economy. You may preach a religion that may not be perfect in every detail, but if there is an economic background, and you have the most advent champions to preach it you can convince a whole country....." Man is guided by the stomach. He wakes and the stomach guests first and the head of towards . Have you not seen that ? It will take ages for the head to go first." Vivekanand's the then revelations in the Indian context, are still valid in the context of Brahma Bihar is faced with the problem of unutilized or under utilized manpower on the one hand and of 65 available natural resources on 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 UNDER DEVELOPED OF BIHAR:**

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

#### **1. Poverty as a retarding 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 Bihar people, barring a few exceptions, is the lowest 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 alone so badly. Dandekar <sup>3</sup> and Rath showed that 40 % of rural population and 50% of the urban population lived below the poverty line in 1967-68 on all-India level the percentage of total population of India living below poverty line declined from 40% in 1967-68 to 26.1 in 2000-01. During the same period people living below poverty line in Bihar mismatched the All-India level. Still we have more than 42% people living below poverty line . This reveals that the burden of poverty is very massive. Rapid reduction and eventually the alimationation of poverty , therefore, is the most important bottleneck of development . From Table

1.1 The per capita Net state Domestic product (NSDP) of current prices of various state can be perused.

**Table 1.1**  
**Per capita Net State Demestic Product at Current Prices**

Sl.No.	States	2015-16	S.N.N	States	2015-16
1	Chandigarh	57621	18	Chhatisgarh	16863
2	Goa	53992	19	Manipur	14766
3	Delhi	51664	20	Madhya Pradesh	18011
4	Pondicharry	50936	21	J & K	13390
5	Haryana	29.963	22	Uttarakhand	15260
6	Maharashtra	29204	23	Assam	15139
7	Andman & Nicobar	28340	24	Jharkhand	14509
8	Punjab	27851	25	Orisa	14388
9	Gujarat	26979	26	U.P.	12817
10	Himachal Pradesh	24903	27	Bihar	8380
11	Kerala	24492	28	Andhra Pradesh	20757
12	Tamilnadu	23358	29	Nagaland	18911
13	Mizoram	22207	30	Tripura	18676
14	Karnataka	21696	31	Meghalaya	18135
15	Karnataka	21696	32	Arunachal prsesh	17393
16	West Bengal	20896		All Bihar	34380

Source: Economic Survey 2016-17

From analysis of Table 1.1 it is clear that . All India average per capita NSDP at current prices was Rs. 24380.00 in 2003-04 . among all states of India. Bihar stands at the lowest point (Rs. 5780.00) and Chandigarh holds the first position (Rs.57621.00) out of all states and union territories only 11 states have more NSDD than the All-India average . These states are namely, Chandigarh (rs. 57621), Goa (Rs. 53092), Delhi (Rs. 51664), Pondicherry (Rs. 50936) , HaryaRs. 29963), Maharashtra (2922040, Andman and Nicobar, (Rs. 28240), Punjab (Rs. 27851), gujarat (Rs. 26979), HImachal Pradesh (Rs. 24903) and Kerala (Rs. 24492). The remaining 21 states of India have not even reached the All-India level of NSDP. Tamiladu (Rs. 23358), Mizoram (Rs. 22207), Karnataka (21696), Sikkim (Rs. 21586), West Bengal (Rs. 20896), Andhra Pradesh (20757) , Nagaland (Rs. 18911), Tripura (Rs. 18676), Meghalaya (Rs. 18135), Arnuachal Pradesh (Rs. 17393), Rajasthan (Rs. 15486), Chhatisgarh (14863). Manipur (Rs. 14786), Madhya Pradesh (Rs. 14011), J & K (rs. 13320), Uttaranchal (Rs. 13260), Assam (Rs. 13139), Jharkhand (Rs. 12509), Orissa (Rs. 12388), U.P. (Rs. 10817) and Bihar (Rs. 5780) all these states lag behind the national average (Rs. 24380). Montek singh <sup>4</sup> Ahulwalia, Deputy Chairman, Planning commission of India had opined that human development in India provided a different perspective from comparison of incomes . Inequalities in human development are very large and social progress has lagged for behind economic expansion in the recent past." It can

safely be said that the acceleration in GDP growth following reforms was accompanied by sharp increase in regional disparities. After introduction of reforms, economic growth in the middle income states has jumped, particularly in the states which already had better social services. The same situation is observed if India's GDP is compared with some selected counties of the world. Table 1.2 shows the relative position of India Vis-a-vis selected countries of the world

**Table 1.2**

**Per capita GNI (Gross National Income) at Market prices**

Sl.No.	Countries	Exchange rate basis (2003) (in U.S. Dollars)	Purchasing parity basis (2003) (in v.S. Dollars)
1	Switzerland	39,880	32050
2	U.S.A.	37,610	37,500
3	Japan	34,510	28,620
4	Germany	25,250	27,460
5	U.K.	28,350	27650
6	China	1100	4990
7	India	530	2880
8	Bihar	125.61	682.56

Source: Compiled from World Development Report, 2001.

From perusal of Table 1.2 it is evident that the under developed economics (India belonging to this group) are marked by the existence of low per capital income. The per capita income of an Indian in 2003 was \$530 . Barring few countries, the per capita income of the Indian people is the lowest and in India, Bihar's per capita in come is the lowest. In comparison to India the per capita income in Switzar land, Germany, U.S.A. and China was 75 times, 48 times, 71 times and 2.30 times higher respectively Mr. M. Govind Rao<sup>5</sup>, director, national Institute of Public finance and policy opined that International comparison of Real product and purchasing power (1978) in exaggerating in nature . It may be noted that in 2003 the average per capital GDP of U.S.A. at exchange rates was 71 times that of India, while as the purchasing power parity rates, It was 13 times. In the words, per capita income at official exchange rates exaggerated the disparities while the purchasing power parity figures corrected the position . Even after this adjustment, though the per capital income differences got narrowed down still the difference between the level of living of the developed countries and under developed countries was quite large and significant keeping the above criterion in mind it can be said that on the basis of purchase power parity basis Bihar's position is 2.28 times lower than . All-India average and in comparison to U.S.A. Bihar's position is more than 37 times lower.

Further it can be said that inter-district and intra-district distribution of income is also very uneven. As per the economic survey presented by Bihar Govt. during Budget session, March 2007, it has been found that out of 37 districts (now 38) only 13 districts of Bihar had more per capita GDP than the state average. Those are Patna, Siwan, Saran, Bhagalpur, Bhojpur, Munger, Samastipur, Begusarai, Jehanabad, Nalanda, Rohtas and Muzaffarpur . Sheohar, A. banks , Jamui, Kishanjanj, Darbhanga and Khagaria district have been found more vulnerable from the point of view of per capita GDP.

Another feature of GDP growth in Bihar in particular and India in general is that there is an acute imbalance in distribution of growing inequalities. <sup>6</sup> 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 seven decades of pained economic development , redistribution of income in favour of the less privileged has not taken place. On the other hand concentration of income and wealth has increased various studies and surveys have clearly indicated that even the small gains of development over the years have not been equitably distributed. The condition of the bottom 38% population of Bihar has definitely deteriorated and the next 22% of the population has remained stagnant . Thus, about 60% of the total population of the state has not been able to get benefited from so-called development taken place in the state. A leading issue of economic development is to assure continued growth with justice through better distribution of wealth produced in the state.

### **CONCLUSION:**

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 on call 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 self-accelerating process of economic development." Without any shadow of doubt it can be said that what to tell about development, it can not be imagined without the development of infrastructures. Nothing can move until and unless concerned infrastructures do not move. It was the development state of infrastructure which enabled . Britain to rule the world during 18th, 19th & early second half of the 20th centuries. U.S.A., Japan, Germany, Sweden, France etc. belonged to the group of development 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.

The prosperity of Bihar in particular and India in general depends directly upon the development of agriculture and agro-based industries. The truncated Bihar is predominantly on agrarian state. Here nothing can move unless agriculture moves and agriculture.

From the facts discussed above, it is clear that the states is endowed with very fertile land which is capable of supporting bumper harvests. Excellent climatic conditions, extreme fertile soils and more than 72% restless hands ready to break the shackles of hindrances ahead of them -all these combined together fight against poverty.

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