CHAPTER-7

CONCLUSIONS AND RECOMMENDATIONS
7.1 Introduction

Issues related with development at the micro-level are complex. When one goes down and deep at the details of analysis at a small region level one is beset with a large variety of parameters. This is so because, when one takes an aggregated view, some conflicting details tend to cancel out. Such details do not surface when one takes an average picture under consideration. However, at a micro level one has to resolve the apparently conflicting trends. Some variables which were examined earlier, e.g. by the Hathi Committee and the I.G. Patel Committee in order to identify the micro-regions which had lagged behind in the process of development, require some modifications now. Besides, in the discussion regarding physical quality of life (PQL), identification of variables varied; sometimes from author to author. This could be expected as, after all, meaning of word 'development' itself is yet not fully settled. Issues like peace, removing gender bias, working for economic and social equality, etc. keep on knocking at the doors for their explicit inclusion.

Identification of backward regions, indeed, is not the same as identification of causes for development. The causes for development may be extraneous, like establishment of a big public

* See page no. 42,43-45
sector unit, they are sometimes accidental, like availability of an important mineral raw-material. Apart from such cases, many economic factors like availability of raw-materials, cheap labour, infrastructure and also role of the government, play a crucial role in the process of development.

As such, availability of large scale cheap labour, when used as an indicator in the process of identification of backwardness will add that particular taluka in the list of backward talukas. However, perhaps because of this very reason, there could be greater industrialisation and a taluka which was considered backward a few years before could take over many other talukas in the ordering of the rank.

In the thesis, I have examined main reasons of development and growth which are associated with infrastructure and hence helped in better utilisation of the inherent potential of a region. I have carefully prepared indices of such growth parameters and development indicators and given them necessary ranks. The study has encompassed a period of nearly four decades and as such is a longitudinal analysis of given parameters.

7.2 Main Findings

7.2.1. It is found that at a taluka level, there is a wide ranging fluctuation in the ranks. These ranks neither remain constant over time nor are the positions of talukas unaltered at a given level of development.
When this exercise is attempted at a little more aggregated district level, it is found that there is certain amount of 'jumpiness' as observed at the taluka level, though not of the same intensity.

7.2.2 It is observed that the process of development depends on some of the internal factors like natural resources base and capabilities of the people. Besides, some external factors like political decision is added to this. There also is at work a set of accidental factors like drought. Droughts take away the saving and income earning potential of the poorer people at the first impact. In a long term situation, frequent visitations of droughts have a depressing effect. Since intensity and frequency of droughts are extraneous factors, in a rainfed and predominantly agricultural situation, such extraneous and extraordinary occurrences also contribute to 'jumpiness' mentioned above.

7.2.3 It is found that the range of movement of talukas on the ladder of development is larger in case of Saurashtra. It is difficult to pinpoint only one or few reasons to explain the situation. Dependence on rainfed agriculture, limited development of infrastructure, retarded industrialisation along with absence of large scale industrial base, seem to be probable reasons behind this set of behaviour. This also underlines an interesting point when viewed from the policy angle. This refers to the relative importance that can be assigned to a sector.
was initially believed that 'agricultural revolution must precede industrial revolution'. This was so in the eighteenth and nineteenth century world. But in the sixties, the policy stance of India was loaded in favour of industrialisation. The Vakil-Brahmananda thesis of wage goods being 'engine of growth', was important at that time. However, since eighties, there is a greater emphasis on service sector. In this light infrastructure has come to play an important role. The moot question, however is, can infrastructure lead to faster development when agricultural base is yet not strong enough? This is to say, can infrastructure as a seed be planted on any soil of socio-economic reality and then, can one expect the same vigour of growth? I do not think so.

I find in this thesis that a strong agriculture can lend strength to the development process. This is so because, as found in case of Saurashtra, economic development remains weak and tenuous, while agricultural base also remains week.

7.2.4 It is also observed that the tribal talukas have usually remained backward. The problem of backwardness of tribal talukas has been identified by the government at both the national as well as the state levels. As a result, a separate tribal area sub plan is operative. However, despite this, in the total ranking system, these talukas have constantly lagged-behind.
There are some probable reasons which can be ascribed to this phenomenon. They are

(a) non-availability/limited availability of irrigation,
(b) retarded agriculture,
(c) limited dependence on the forest as the forests are denuded.
(d) limited exposure to education and literacy
(e) social discrimination.

It is usually found that in the tribal areas infrastructure has also remained least developed. Presumably, in an overall approach of growth for the entire state, public investment is committed to areas where the growth potential already exists.

7.2.5 Interesting enough, it is also found that the tribal pockets have consistently remained less developed. Thus, even though the whole district may be found to be developed the specific group of tribal talukas within that particular district would be found much behind in the ranking of talukas. Thus tribal talukas irrespective of the level of development of the district, have lagged behind.

7.2.6 Among backward districts inequality of rank of talukas is found to be higher as compared to the developed districts. This suggests that as process of development spreads, it spreads more evenly. This observation has to be qualified in the overall context of drought and tribal inhabitations.
7.2.7 I have also found that the entire process of development cannot be sufficiently explained with the help of development indicators only. They have an indicative role to play. There are certain special cases also. It is observed that urban areas have a spread effect on the nearby rural areas. Thus, if an urban area develops faster as compared to other urban areas, rural areas in the vicinity of this particular urban area also develop faster. Thus, there is urban spread effect on micro-level development. The emergent situation thus delves further and leads to still further spread effect. Infrastructure items like transport and communication network adds to the connectivity of urban with rural areas. This facilitates the integration of market. Along with it, there is a greater play of demonstration effect. Besides, the rural areas also are in a better situation, so far as the availability of opportunities is concerned. My thesis suggested that infrastructure plays a significant role in this context.

7.2.8 It is also observed that the talukas which have greater potential, in terms of water resources, power, roads, etc., also attract larger government investment. It is understandable that such facilities would lead to lesser cost of production. As a result of this, it is observed that the talukas which are arid, semi-arid or drought-prone have a lower natural resource base and as such they find greater difficulty in developing themselves.
It is usually argued that infrastructure development provides support to economic development. This raises two sets of issues. (a) The decision about infrastructure investment in a particular taluka and (b) relative importance of a particular item of infrastructural development.

During the study I observed that only those talukas which have greater potential of development have been attracting larger investment in infrastructure also. Besides, infrastructure as a particular item has not always been conducive to greater or sustained development. The logic of this type of behaviour can be understood in the following fashion: Larger investment in education institutions need not always result in highest rate of growth. In the rural scene of Gujarat it is observed that those, who have access to higher levels of education tend to migrate out of the region. In fact this is, a country-level experience also. What one calls 'brain drain' at the country level also happens at a micro-level i.e. we find that the educated tribals as well as other communities behave in a similar fashion at a micro region also. The result of this is that the provision of education as an infrastructure item does not necessarily result in development of a region.

I believe that infrastructure has a role to play in providing a development potential in a region. However, it will be wrong to assume that investment in any one of the components of infrastructure, can result in faster development. Thus, investment in all components of infrastructure like education,
electricity, roads, drinking water, irrigation, credit etc. has to be undertaken in a comprehensive fashion. A piecemeal approach of investment in a single component or a few component does not materialise in full scale development.

7.3 Recommendations

I now venture to put forward a few recommendations. These are divided into two main parts as
(a) those related to policy aspects, and
(b) those related to academic issues.

7.3.1 (a) Policy Recommendations:

(i) Planning for infrastructure should be done on the basis of specific situation prevailing in a given micro-region. Investment in any one component of infrastructure can not be expected to yield desired results.

(ii) While undertaking such planning, need of a specific region should be properly examined. For example, putting up an RRB branch without looking to the savings and investment potential of a region will lead to lop sided development.

(iii) Development of infrastructure is not undertaken in a comprehensive way, presently. This is partly due to the present departmental approach. As against this, in order to provide a comprehensive approach, it will be useful to undertake a village
based approach. In this case, there also should be an emphasis on inter-departmental and integrative approach.

(iv) Such a planning for infrastructure has to be need based and must undertake a bottom up approach.

(v) There still will remain further areas of infrastructure development. Such works are usually undertaken at district or state levels. Thus, e.g. construction of village roads could be based on a bottom up approach. However, other roads, like major district roads and state or national highways must be continued to be planned and executed in the present set-up.

(b) Academic Issues:

In the ongoing debate regarding market economy, role of the State and structural adjustment, the present mode of thinking emphasises the role of infrastructure. This seems to be a wrong emphasis; the debate need not be on the lines of "either or". The question is not whether there should be infrastructure or not. Such an emphasis has created an impression that by putting up more money on any one of the components of infrastructure, market will be integrated and the development potential of a region will be optimally utilised.

I recommend that some case studies be prepared to answer the following:
i) In a given micro-region what is the comprehensiveness of infrastructure? i.e. to say, how much should be the investment on roads, water resources, electricity, communication etc. so that externalsities emerging from each of them leads to faster and sustainable development.

ii) Investment in infrastructure as such can also be examined in terms of (a) its externality and (b) its economy of scale. Thus, for example, power generation can be undertaken if scale-economy has to be achieved, at a state or national level. However, construction of a school building has to be undertaken at a village level only.

iii) While preparing plans for the development of a state or a region such exercises should be preceded. The planning exercises should provide for a connectivity between 'bottom up' and 'top down' approaches in terms of infrastructure planning.