Chapter XI

EPILOGUE

I. Summary of Conclusions

The district of Cachar is strategically located on the southern-west part of Assam bordering Bangladesh. In the study of the economic development of Cachar, which has become a sensitive border district because of its peculiar geographical location, a few historical facts are of relevance to the socio-economic conditions of the post-independence period. True to Indian heritage, Cachar was essentially a rural area, and the people in general were agriculturists; the land was sparsely populated; and being a natural extension of Bengal plains, it came to be peopled by Bengalees during the latter rulers of the Kachari kingdom. Under the impact of British rule from 1833 to 1947 the district underwent radical socio-economic transformation, with the increase in the area under cultivation, increase of exports, increase of population, progress of education, emergence of towns and expansion of trade and commerce. With the growth of tea industry, the hitherto purely agricultural tract made a stride towards industrialisation resulting in the emergence of economically dominant middle class.

But hardly had the British rule consolidated itself in Cachar when it got involved in the national struggle for independence since swadeshi movement¹ and any further economic

¹ Bhattacharjee, J.B., Cachar District under British Rule in NE India, Delhi, 1977, pp. 147-230
growth was inconceivable. In fact, nothing was done by the British to plan the economic development of the region, as was the case with the country as a whole, and consequently when the country became Independent, the economy of the district of Cachar was in a bad shape. Moreover, the partition isolated the district from its old social, cultural, economic and commercial contact with Bengal, brought in its trail heavy refuge influx which changed its demographic structure, and, thus, put a heavy, though temporary, pressure on the economy.

The district of Cachar, though lacking in minerals, is rich in forest and water resources; but the vast green has remained unutilised, while the rivers and their tributaries are notorious for their raging floods causing widespread devastation while depositing silt.

Peopled by heterogeneous masses from different sources, Cachar experienced an excessive growth of population since 1941, natural growth being compounded by heavy influx of displaced persons, following the partition of India. Though these displaced persons, commonly known as Hindu Refugees, were initially a burden for the district, but in the ultimate analysis, it is found that they have made remarkable contributions towards the development of the predominant sectors in the economy during the period under study. Other distinguishing demographic features of the district are that, unlike the State as a whole, the Scheduled Castes outnumber the Scheduled Tribe population, and that the percentage literacy in the district is higher than that of Assam and all-India average. In the study
of the demographic features of the district, it needs be mentioned that the vast human resources have remained unutilised; and the magnitude of human waste will be revealed from the fact that about 71.3 per cent of the total population belong to the category of non-workers.

The planning in India began in 1951; it was intended to be a socialistic planning, but could not be such in a complete manner and so it became planning for mixed economy with a public sector to build up and a private sector that was to grow under severe restraints and eventually to be contained by the public sector.\footnote{1} The complete shape of socialistic planning with a declared goal of socialistic pattern of society was given in the second plan onward. But in Cachar, during the period under study, the successive four Plans failed to bring about the desired socio-economic transformation in the life of the masses; and the study reveals a disquieting picture in the economic front of the district. The inter-temporal analysis of the overall economic position of the district shows that the relative condition of the district has deteriorated over the decade between 1961-'71, which has been accentuated by spiralling prices over the period. The poor standard of living of the people is reflected by relatively lower per-capita income (as against Assam and all-India) on the one hand and the relative higher price-level in the district, on the other. As agriculture is by far the most important source of income

contributing to more than half of the district's income, any fluctuation in income from this sector, due to floods and droughts, produces a corresponding fluctuation in the aggregate income of the district.

Cachar's economy is predominantly agrarian, major portion of its population depending on and deriving income from agriculture. Being favoured with suitable climatic conditions and soil fertility, the district has become the second crop region in the State of Assam and has made spectacular progress in Boro paddy cultivation which was introduced by the refugees. But the agriculture here is faced with twin problems created by nature: (1) excessive rainfall in summer causing heavy flood; and (2) scanty rainfall in pre-monsoon and post-monsoon period causing drought. The other institutional and social constraints are inadequate infrastructural facilities, water-logging, inadequate irrigational facilities, inadequate finance and illiteracy, ignorance, conservatism and traditionalism of the farmers. Besides this, the very agrarian structure, where most of the holdings are below one hectare, has created the problems of marginal and sub-marginal farms. As a matter of fact, due to these institutional, structural and social drawbacks, the mode of cultivation as well as the cropping pattern have remained largely primitive and the I.A.D.P. which sought to bring transformation in the fields also could not affect any appreciable change because its activities were not spread throughout the district, for which multiple cropping and crop diversification are yet to make any headway.
Turning to the industrial sector, it is found that no large-scale industry has come up during the period under study. Tea still remains the only industry in the organised sector but, faced with multifarious problems, economic and technical, this industry is in a state of decadence.

The cottage and small-scale units, most of which have come up only in recent years, are also not properly developed. The major obstacles to industrialisation are transport bottleneck, miserable power-supply position, lack of technical knowledge and shy entrepreneurship. The most revealing factor in the industrial sector of the district is the absence of any large-scale industry under public sector. The district, thus, remains industrially backward and the public sector did nothing to lift the district out of its state of backwardness.

The progress of infrastructural facilities in the district leaves much to be desired. In the sphere of transport and communication, there has virtually been no development over the period, except nationalisation of some routes and the little that has been achieved, is the contribution of the private sector. In fact, the wound created by the partition in the transport front is yet to be healed up.

No step has been taken in the public sector for generation of electricity in the district though it has vast water-resources and as such, the district is dependent entirely upon the power imported from a farflung areas of Meghalaya, and the Barap district of Assam. The supply of power is inadequate
enough not only to energise the irrigational implements but such inadequacy has also prevented a good number of well-set industrial units from starting production.

There has been no significant breakthrough in the sphere of banking in the district over the four successive plan periods, be it in the sphere of number of banks or bank branches, coverage of population per bank, extension of banking facilities to rural areas or in the sphere of deposit-advance ratio. The nationalisation of banks is yet to make its impact felt in the economy of the district in affording banking facilities.

The study in the employment front reveals that the problem of unemployment of the district is in its worst form. There has been a fearful increase of non-workers to total workers since 1951 for which unemployment problem has taken an alarming shape, revealed clearly from the fact that the number of job-seekers, registered with the Employment Exchanges of the district, doubled within a span of only two years from 1972 to 1974. Here, as there, the public sector is yet to make its satisfactory contribution in comparison with the private sector; and had there been no tea industry what would have been the shape of the economy, is not difficult to imagine. Likewise, the training facilities, which are inextricably linked up with the employment potential, present a gloomy picture.

The under-developed nature of the economy of the district is reflected in its trade and commerce which take a
shape of one-way traffic, depending almost entirely on its imports. The stagnating position of workers engaged in trade and commerce in relation to its total working force, over the period since 1951, the relatively small number of trading establishments, among all the districts of Assam, and concentration of trading activities in the urban areas are the special features of the trade and commerce of the district. The partition of the country in 1947 shattered the communication system of the district and consequently affected its mercantile activity adversely. The mercantile community of the district, as such, have had to adapt themselves, against many odds, with the new roundabout lines of communication, entailing heavy transportation costs and, hence, it would be too much to expect a fair deal in this sector.

To sum up, the district of Cachar presents a bewildering spectacle of a backward economy having a rapidly growing population subsisting on agriculture at a very low level of living with little or no industrialisation while the inadequacy of infrastructural facilities has stood in the way of rapid growth. These exactly are the ills with which the economy of Assam has been afflicted.¹ The development so far achieved, however meagre it is, is mainly the contribution of the private sector.

¹(a) Goswami, P.C., The Economic Development of Assam, Bombay, 1963, pp. 45, 48, 176, 177, 209
(e) N.C.A.E.R., New Delhi, Techno-Economic Survey of Assam, 1962, pp. 113, 152
II. Recommendations

Problems identified, the following recommendations are made to accelerate the pace of economic development, keeping in broad perspective the main objectives of the economic policy to establish a structure which will increase production, provide employment and reduce income disparities:

First, the economy of the district being agrarian, agricultural development should be given topmost priority to achieve self-sufficiency in food, generate more income and create surplus to meet the future demand of industries, in view of which the following steps need be taken:

1. To save the agriculture of the district from being a gamble of nature, the combined measures of flood control and irrigation should be undertaken by materialising the proposed Barak Dam Project. Moreover, as the district offers ample scope for small and medium irrigation projects, such possibilities should be materialised without further delay, enlisting farmers' co-operation, by making them irrigation-minded.

2. In order to put the agriculture of the district on proper footing the following institutional

---

1. The proposed Barak Dam, if implemented, will also solve the problem of power shortage of the district and will help bring forth many industrial projects which could not be set up for the inadequacy of power.
changes are to be brought about. As the district has large number of small holdings, the compulsory consolidation by the State or voluntary joint farming by the farmers appear to be the only solution. Cheap credit facilities should be provided to the farmers through the Co-operatives, and for this, the re-orientation and improvement of administrative efficiency of the co-operatives should receive more attention. Elimination of middlemen and provision of warehousing facilities are also the important pre-requisites for transforming the existing state of agriculture of the district.

3. The agriculture of Cachar shall have to undergo a technological revolution for increased production; for this, new agricultural strategy consisting of introduction of new and High Yielding Variety of improved seeds, increased application of right amount of fertilisers coupled with the extension of the use of pesticides should be introduced with a much wider base than the green revolution or the I.A.D.P. so that the multiple cropping and the cropping pattern become a popular method of cultivation in the district for years to come. Since the small and medium categories of
farmers predominate in the district, the new strategy for agricultural development programming should concentrate on them.

4. As the socio-cultural attitude of the farmers has stood in the way of improved method of cultivation, the farmers need to be educated and given proper and on-the-spot training regarding improved package of practices. Thus, apart from provision of assured water-supply and other package inputs, large-scale demonstration of the new technology will provide the desired incentive and serve as an eye-opener to farmers pursuing traditional practices. This way the agriculture in the district can be revolutionised. A continuous process of social education will keep the farmers in touch with all latest scientific break-through.

5. For all-round development of agriculture, measures should also be adopted for improving the quality of the livestock and poultry by artificial insemination and supply of improved bulls and birds, while the foundation of scientific pisciculture should be laid in heels and jheels.

Secondly, in view of the excessive growth of population and widespread poverty, there arises the immediate need for
utilisation of the vast natural resources of the district to assist development of industries, raising of the income and improvement of the living standards. The vast water-power potential, which is running waste, should be harnessed for generating hydro-electricity to lay the industrial base; while the forest wealth needs exploitation for industrialisation.

Thirdly, to achieve rapid economic growth, the district must be industrialised. But as industrialisation presupposes surplus agricultural production, minimum social capital requirements and utilisation of natural resources, the industrialisation shall have to be undertaken by the Government, giving the private sector reasonable share in the process. In the socialistic planning, the public sector also has to come forward where private sector is shy; and a long-term plan at the State-level with special attention to this backward district appear to be the only solution. It should also be stressed here that development plans for industry cannot be framed in isolation; they must, therefore, be integrated with plans for the development of infrastructural facilities which are in a bad shape in the district.

Fourthly, it is the infrastructure which demands immediate attention from the Government. Unless the district is provided with a railway line in addition to the existing hill section, a network of roadways linking the periphery of the district, constructed and banking facilities extended in the rural areas, and power generated within the district, the economy of the district will not look up.
Fifthly, the problem of unemployment in the district which has already taken an alarming shape is likely to aggravate in the context of proposed mechanised agriculture and the delay on the part of the Government in implementing industrial schemes. To counteract such a serious situation in the employment front, revitalisation of cottage and small-scale industries seems to be the only remedy which will also add to the income of the farmers and lessen the disguised unemployment in the rural areas. Moreover, training facilities should be extended in the district to bring forth skilled hands in large number. In this context, it may be proposed that a comprehensive man-power utilisation scheme be drawn up for simultaneous solution of burning problems like unemployment and sluggish economic growth.

Finally, in the democratic planning, as adopted in our country, the highest rate of economic growth should be combined with maximisation of social welfare; and, as such, in the agriculture-dominated economy of the district of Cachar, which is a replica of the Indian economy, right emphasis should be given to the rural development programme; and a compromise between maximum economic development and welfare as well as well-being of the people must be struck.

Thus, the whole of the study of the Economic Development of Cachar during 1951-1974 may be concluded in the words of Professor Gyan Chand, "Our development and production potential depends more upon structural changes, institutional re-organisation and social momentum of the people than capital
accumulation, foreign aid, technical assistance and adoption of new techniques in agriculture and industries, important as these undoubtedly are for rapid and adequate development of our economy." \(^1\)

---

\(^1\) Chand, G. in his paper on *Social Premises of Planning* published in *A Decade of Economic Development*, quoted in *Theory and Practice of Economic Planning* - Seth, W.L., New Delhi, 1971, p. 472