

CHALLENGES AND PROSPECTS OF HUMAN DEVELOPMENT IN BIHAR

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ABSTRACT

Bihar is in the midst of tremendous change. In recent years, there has been progress on multiple fronts, be it law and order, expansion of infrastructure, or the spread of primary education to the masses. Today, Bihar is one of the fastest growing states in the country and the Government of Bihar is committed to sustain this momentum. The true picture of Bihar is quite the reverse. The state's impressive growth can be attributed partly to the low base of the stagnating decade and partly the positive effect of a fairly rapid period of global growth (2003 to 2012).

KEYWORDS: *Health Indicators, Expansion of Infrastructure, Impressive Economic Growth.*

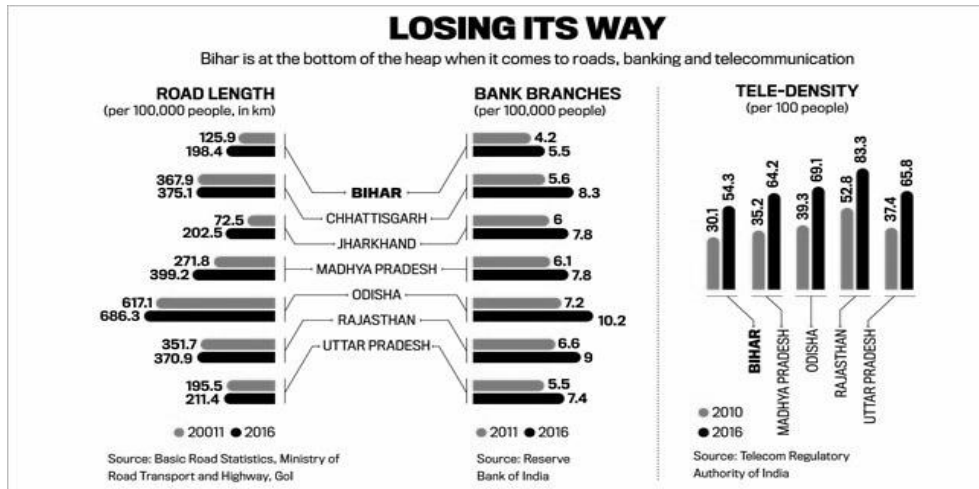
Introduction

India has experienced impressive economic growth since the 1990s. Its growth patterns, however, are uneven. While some states like Maharashtra, Punjab, Haryana and Gujarat are growing by 7–10%, others, particularly Bihar and Uttar Pradesh (UP), have lagged behind. Bihar and UP are the least developed states in India. With economies that are still mainly agricultural, both are categorized as low economic performers or BIMARU ('sick' in Hindi) states, though recently Bihar's economy has made a remarkable improvement which will be discussed below. Industry and service sectors are still nascent in these states. Per capita state domestic product is very low at Rs5465 in Bihar and Rs8298 in UP (rupees), much less than the national average of Rs11 936. Bihar's per capita state domestic product is less than one-third of Maharashtra's. One out of three of India's 400 million poor live in Bihar and UP. The levels of human development e.g. literacy, malnutrition, life expectancy, etc. are also much lower than the national average in these two states.

The Ups and Downs of the State

Though Bihar today remains near the bottom of the Indian development table, the state was once the seat of the mighty Mauryan and Gupta empires. It was not only one of the most prosperous regions during the ancient and early medieval periods but also an important cultural and educational centre. But the region subsequently went into decline, and more so during the British period. Bihar, which was part of the Bengal Presidency, remained backward in relation to Bengal proper, where the centre of colonial power was located. The zamindari system under the Permanent Settlement of 1793 led to an extremely exploitative agrarian structure, which not only inflicted extreme suffering on a large proportion of peasants, but also contributed to overall economic stagnation. Under the Permanent Settlement, rental income from land became much more lucrative for the richer classes than productive investment and consequently there was hardly any scope for the growth of industry and trade. Under colonial rule, the textile industry declined and with it the riverine transport of cotton, which had earlier contributed to the relative prosperity of several towns in Bihar along the Ganges. The systematic destruction of small industries, along with very low investment in both the public and private sectors, constituted the most important factors responsible for the economic stagnation and widespread poverty prevalent in Bihar during the two centuries of colonial rule.

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At Independence, like most other parts of India, Bihar inherited a largely agrarian, backward economy. The abolition of the zamindari system immediately after Independence was fiercely resisted by local elites but eventually liberated a large number of peasants from the most glaring forms of exploitation, although it also led to mass eviction of peasants. The nature of land relations changed to some extent but a “semi-feudal” system, in which share lease land markets were interlocked with labour and credit markets, continued to prevail to a large extent. The rural landowning class, consisting largely of upper castes, along with a small section of Muslims and middle castes, controlled social, economic and political power in the state. This system was not only exploitative, but an impediment to agrarian transformation.

Health Challenges

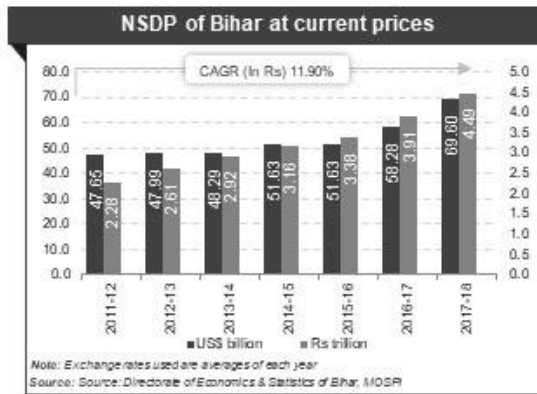
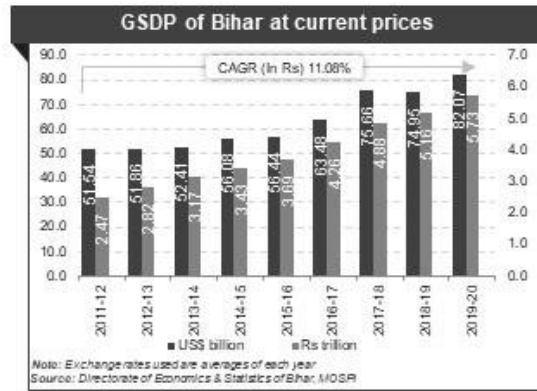
Bihar has several health challenges. We begin by looking at the health status because health status reflects socio-economic development. Health status is shaped by a variety of factors, that is, level of income and standard of living, housing, sanitation, water supply, education, employment, health consciousness and personal hygiene. Also the coverage, availability, accessibility, acceptability and affordability of health services play a vital role in improving health status.

CHECK THE MEDICAL BILL		
Category	Bihar	India (average)
Spent on health per person per year	Rs 348	Rs 724
Proportion of private in-patient cases	44.6%	56.6%
Proportion of private out-patient cases	91.5%	74.5%
Population covered by health insurance	6.2%	15.2%
Households with catastrophic health expenditure	11%	13%

Source: Brookings India analysis of Union statistics and programme implementation ministry's National Sample Survey Office data

The state of health in India is not adequate and satisfactory even after six decades of independence. Public expenditure on health has only marginally increased. Even in recent years the same trend continues from less than 1 per cent of GDP in 2006–07 to an estimated 1.4 per cent of GDP by the end of the Eleventh Five year Plan (2007–12) (Prime Minister of India 2012). The National Commission on Microeconomics and Health (2005) reported that out of the total expenditure on health, households undertook nearly three-fourths of all the health spending in the country.

Bihar: Agriculture, Industries, Economy Growth, Geography

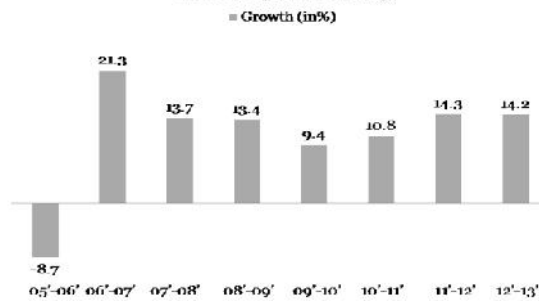


Food processing, dairy, sugar, manufacturing and healthcare are some of the fast growing industries in the state. The state has planned initiatives for the development of other sectors such as education and tourism and also provides incentives for information technology and renewable energy.

Growth and Structure of the Economy

In the early 1960s, the per capita income of Bihar was 60 per cent of the all-India average, but this figure came down to 40 per cent in the mid 1990s, hovering around one-third of the Indian average between the mid 1990s and 2005. The recent spurt in the growth rate has improved this figure to around 40 per cent. In 2011-12, the state had a per capita Net State Domestic Product of Rs. 15,268, which was the lowest among all the states of India and less than a quarter that of Maharashtra. The average annual real growth rate of Bihar's Gross State Domestic Product (GSDP) between the years 2004-2005 and 2011-12 was 11.4 per cent, as compared to the national average of 8.2 per cent.

Growth in Trades, Hotels and Restaurants Sector, 2006-2013



This growth has, however, been marked by high annual fluctuations, which reflect the extent to which natural factors impact the state economy. These factors mainly affect agriculture, which is declining in importance, but also have some impact on other sectors. The improvement in economic growth can primarily be attributed to the considerable rise in the growth rates of sectors such as transport and communication, trade and construction. The construction sector has, in fact, played the most significant role, reaching an annual growth rate of almost 20 per cent (at constant prices) during the period 2004-05 to 2010-11 as against only 12 per cent during the period 1999-2000 to 2004-05. There has also been substantial growth in the services sector, especially in transport and trade, and hotels. However, in contrast to the impressive performance of the tertiary sector, the primary sector has virtually stagnated. The secondary sector has grown, but this is due exclusively to construction. Manufacturing industry has shown very little growth.

Conclusion

This is the fact that Bihar constitutes nearly 10 per cent of the national population and with higher population growth as compared with other states; this percentage would be going up in successive census. Hence, the case of Bihar is a very significant one as its poor performance on most of the socio-economic indicators would eventually keep on affecting the national developmental indicators. Though India is likely to be more numerous, better educated, healthier and more prosperous than at any time in history, a vibrant India with comparable regional development will be only possible when a poor performing state like Bihar gets its share of adequate opportunity, investment and innovation. When high population growth would not mean burden on resources, rather it will open up new vistas for trained human resources who will further contribute to the developmental process of the State and the nation. As Amartya Sen (1999) says that development in real sense should mean expansion of opportunity to every citizen in education, food security, health, sanitation, water and other services with equity and justice irrespective of gender, caste, religion or language. To achieve the desired health status in Bihar, it is necessary that a multi-faceted approach of development is adopted. It includes developing physical infrastructure for providing health services as per rising population and growing demand for quality services. Physical infrastructure has two components, one is the opening up new health facilities and reviving and maintaining the dilapidated ones, another is providing adequate equipment, laboratory facilities and other support services especially at the first level of referral hospitals and 24x7 PHCs.

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