Strategies for Backward-area Development:  
A Systems Approach

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India has a number of backward regions, and economic development of these regions requires special strategies. Development problems are multi-disciplinary and complex, and are ideally suited to a systems approach. The present paper outlines a methodology of such an approach, and discusses its application in relation to two backward districts in India.

Key words: backward areas, developing economies, systems approach

INTRODUCTION

Development has been defined in different ways by different authors and experts. We shall not enter into the controversy of such a definitional issue in this paper. For our purpose we should like to define development as a process that ensures utilization of the resources of a country, including manpower resources, to increase the economic growth and advancement of the welfare of the community as a whole. In our view, an essential condition of this process is a fair and equitable distribution of gain from economic growth. Thus defined, development will include both growth and distributive justice as essential elements constituting the total process. This definition of development has received widespread acceptance in the literature.¹⁻⁵

Development has therefore to be conceived as a multi-faceted process, and has to be understood as a total systems problem. Since the developmental problems are multidisciplinary, messy and complex, they are ideally suited for the systems approach. It is found, however, that applications of operational research/systems analysis (OR/SA) to the specific problems of development are conspicuously absent.

The present paper attempts to describe the application of such a (systemic) approach to the issue of backward-area development.

The paper is presented in five distinct parts. The first part examines the application of the above concept of development, particularly in relation to the backward regions in developing countries. Experiences of some other developing countries are summarized in the second part. The third part summarizes the strategies followed at present in India, and evaluates the relevance of such strategies. In part four, an attempt is made to evaluate the various experiences and to outline the requirements for an alternative strategy. In the fifth part, the paper outlines a methodology of stagewise action programmes based on the approach in relation to two backward districts in India.

DEVELOPMENT AND BACKWARD REGIONS

Various strategies have been used in the developing countries for the purpose of development of backward areas. The macro strategies followed are: balanced growth, growth pole/growth centre theory, import substitution industrialization, export-led growth and nucleus industries.⁴ The basic hypothesis of these strategies is that development ultimately 'trickles down' to the hierarchically lower-level centres from some 'induced' or 'spontaneous' growth centres. The strategies are outward-looking and industrial in nature.

More recently, alternative approaches to development strategies have been suggested. 'Basic needs' and 'redistribution with growth' are examples of such strategies. Further advocates of 'dependence theory' and 'another development' are critical of present strategies but have not been

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able to give a design for an alternative strategic framework. Most of these approaches (though novel and bold) lack the necessary integrative systemic approach required to tackle the overall development of a self-sustaining type in the regions.5–9

In the case of development strategies of depressed (backward) areas, the existing studies do not provide any conclusive evidence that high growth-rate and rapid industrialization did solve the problem of either absolute or relative backwardness of the people in the target area.10

BACKWARD-AREA DEVELOPMENT: STRATEGIES AND EXPERIENCES

Apart from the theoretical and conceptual literature, there is a vast number of empirical studies available in the literature, dealing with strategies of development of backward areas adopted in various developing economies throughout the world.

Studies of regional development processes of those developing economies whose economic growth-rates have shown improvement suggest that not always are such growth rates followed by removal of spatial or inter-sectoral disparities. In fact, in many situations there have been increases in spatial and intersectoral disparities.11,12

We have specifically studied the experiences of various countries in Asia, Africa and Latin America. Lessons from such experiences are then evaluated. The countries selected are Brazil, Mexico, Nigeria, Tanzania, China, Sri Lanka and India.

The Latin American case studies reveal spatial and interpersonal disparities on a large scale, particularly in the backward areas of the Brazilian North-East. Although the Latin American countries have experienced a very high rate of growth over extended periods of time, regional disparities are widening in all sectors.13,14

The African countries also show increasing rural poverty and disparity. In Nigeria, the disparity is increasing more rapidly than in Tanzania, but the growth rate of Tanzania is very small as compared to that of Nigeria.15

The Asian case studies reveal that there were increases in regional as well as interpersonal disparities. There has been impoverishment over time, particularly of rural people, in both relative and absolute terms.16 However, the relative inequality in China is comparatively less than in other countries.17,18 Moreover, China has experienced a long-term growth-rate which is higher than other developing countries in Asia.

In other countries in Asia, despite high growth, the condition of rural poverty has deteriorated and interpersonal disparities have increased. Rapid increase in industrialization did not create sufficient jobs to absorb an increased labour force. Only China, through its rural industrialization programme, has succeeded to some extent in providing employment for a large number of its rural population in the backward areas.

On the basis of our study of various projects and programmes of development (in developing countries other than India), we could broadly identify three main components of the conventional development strategies.19 These are as follows:

(i) The technology that is mobilized (for industrial development and transport) is based on energy-intensive materials and processes, with non-renewable energy as its main components.

(ii) Similarly for agricultural development, the technology is based on (a) intensive use of irrigation water, (b) agriculture based on shallow root crops, and (c) intensive use of fertilizers, pesticides and other material inputs and equipment which are finally based on the technology as in (i) above.

(iii) The outputs of the system have to be exchanged through an extensive market system and commercial arrangements, which in their turn require the support of a well-organized financial sector.

Most of the backward areas are agrarian in character. The conventional strategies which presuppose favourable endowments in terms of the components (i), (ii) and (iii) are unlikely to initiate a self-sustaining development process in these areas.

The following are the prerequisites for such self-sustainable development:

(i) The output level can be maintained over a long period.

(ii) The process of output generation can be accomplished with minimal dependence on inputs from external sources.

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