

# Indian Economy (reference to BIHAR)

## PAPER 2

### B.A PART2

#### Economy

Agriculture engages nearly three-fourths of Bihar's population, and Bihar is one of India's top producers of vegetables and fruits. Despite significant gains in mining and manufacturing in the late 20th century, the state has continued to lag behind other Indian states in per capita income; by government standards, a large segment of the population remains below poverty level. At the turn of the 21st century the creation of the state of Jharkhand from Bihar's southern region further strained Bihar's struggling economy.

#### Agriculture

About half of Bihar is under cultivation, but population pressure has pushed cultivation to the furthest limits, and little remains to be developed. The transitional nature of the climatic zone is reflected in the cropping pattern, which shows a mixture of wet and dry crops. Rice is everywhere the dominant crop, but wheat, corn (maize), barley, and pulses (legumes) are important supplementary crops. Sugarcane is grown in a fairly well-defined belt in the northwest. Jute, a crop of the hot, moist lowlands, is found only in the easternmost plain districts. There are three harvests in a year: *bhadai*, dominated by corn that is sown from May to June and gathered in August and September; *aghani*, consisting primarily of rice sown in mid-June and gathered in December; and *rabi*, made up largely of wheat that ripens in the plains in the spring (March to May).

Fruits and vegetables are grown extensively. [Muzaffarpur](#) and [Darbhanga](#) are particularly noted for mangoes, bananas, and litchi fruits. Vegetables are important in the vicinity of large towns. The potato-growing area near [Bihar Sharif](#), in [Patna](#) district, produces the best variety of seed potato in India. Chilies and tobacco are important cash crops on the banks of the [Ganges](#).

### Resources and power

Bihar's mineral wealth was virtually depleted when the mineral-rich Chota Nagpur plateau became part of Jharkhand. Still, there are a few pockets in the state where minerals are found. Bauxite is found in [Munger](#). The Rohtas district has dolomite, glass sand, cement mortar, and other minerals. Mica deposits are found in [Gaya](#), Nawada, and Munger. Gaya and Munger also produce salt, as does Muzaffarpur.

Bihar's energy is provided by a small number of thermal and [hydroelectric power](#) stations, but these do not meet the needs of the entire state. Several power stations were lost with the partitioning of Jharkhand. In the early 21st century less than half of the state's villages had regular electricity.

### Manufacturing

Bihar has been slow to develop industry. A number of agencies have been set up by the state government to boost the pace of development. Most workers in the manufacturing sector are employed in household industries; the rest are employed in steel and other metal-based and food-processing industries.

The larger industries are mainly in Dalmianagar (paper, cement, chemicals), [Baruni](#) (petrochemicals), and Patna (light manufacturing).

Among the agriculturally based industries are sugar refining, tobacco processing, silk production, and jute milling. Traditional cottage industries are popular in Bihar; they most notably include sericulture (raising of silkworms and raw silk production), [lac](#) (resin used to produce shellac) and glasswork, handloom products, brassware, and pottery. Paintings of mythological stories produced on cloth in and around the town of [Madhubani](#) have become a foreign-exchange item.

## Transportation

The waterways, once important, are now of little significance. Although all-weather roads reach just over one-third of Bihar's villages, several national highways pass through the state, including the venerable Grand Trunk Road, which is one of India's oldest roadways. Road service is best around Patna, where [Allied](#) operations during [World War II](#) brought many improvements. The rail line between [Kolkata](#) (Calcutta) and [Delhi](#), which crosses Bihar, opened in 1864. Because of the dense population, the railways carry a heavy load of traffic. They generally run parallel to the rivers because of the difficulty of constructing bridges. Consequently, travel between important towns is often long and tedious. Regularly scheduled airlines serve Patna.