

Unprecedented Investment Opportunities and Formidable Protests : The Case of Coastal Karnataka

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The developments that have already made themselves sufficiently manifest in Coastal Karnataka consisting of Dakshina Kannada, Udupi and Uttara Kannada districts -dramatic to a substantial extent as they are - may remind us of what Rosenstein Rodan, the author of the theory of big push, wrote. The logic of this theory, which like the Pigovian Welfare Economics or Say's Law of Market or Pareto's Optimality or Fisher's Equation of Exchange or Rostow's concept of Take Off has an appeal of its own, is that a programme of 'bit by bit' investment will fail to have much of an impact on the process of economic growth and will merely lead to a dissipation of resources¹. Rosenstein Rodan emphasizes the need for generating external economies by making heavy initial investment in social overhead capital comprising investment in all those basic industries like power, transport and communications. The concept of 'big push' may be used in a broad sense to imply that development is the outcome of numerous big investment opportunities generated in different sectors at the same time.

There are of course serious criticisms of the 'big push' from Gudin, Myint and Celso Furtado. Gudin finds lack of realism in the approach, for shortage of capital is a serious bottleneck in poor countries which makes large scale investment in social overhead capital almost impossible. H. Myint states that the governments of the underdeveloped countries are likely to encounter difficulties in the execution of various projects according to planned schedules and in keeping the different departments and agencies continually informed about progress in carrying out these

schedules². Celso Furtado is not ready to accept the viewpoint that indivisibility in the production function, indivisibility of demand and indivisibility in the supply of savings are of paramount significance. Social reforms in poor countries are more important than these indivisibilities as such³. The environmentalists in Coastal Karnataka would point out that the major limitation of the big push approach to development is that it fails to recognize the adverse impact on environment and ecology that the programme of rapid and comprehensive industrialization would make. This paper attempts to show how unprecedented investment opportunities in Coastal Karnataka and formidable protests from environmentalists are to be perceived in the context of the development of this region.

Though Development Economics is an important branch stemming from the trunk of the science of Economics, there is no universal Development Economics. This branch of Economics acquires importance because it has to become region specific. Development Economics is a field that is on the crest of a newly breaking wave, with new theories and new data emerging. With the emergence of new technologies which can benefit many sectors, development in many parts of the world has become a possibility. In other words, growth potential in these sectors can be easily realized by applying new technologies. At the same time there are some acute problems of development as evidenced by the studies completed with the support of the United Nations. These studies brought out as to how the growth divergence between the rich and the poor has widened

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even within the nations. Some concepts of deficit are acquiring importance in the policy-making circles particularly due to the development process and infrastructure deficit is one such concept. The dilemmas and paradoxes of development have come to the fore in the 21st century in which second generation reforms are being implemented and third generation reforms are in the offing. The relation between corruption and economic development has more often than not dragged the attention of both individual scholars and institutions. During December 1997 this issue reached the zenith of its glory as it were, for it formed the theme of the Annual Conference of the World Bank on Development Economics. No less a scholar than Susan Rose Ackerman, Professor of Law and Political Science at Yale University delivered keynote address at the Conference. Professor ably proved that the corruption of some officials can encourage others to accept bribes until all become corrupt. In 2007 a South Asian Reprint of the book *Cultivating Development* by David Mosse from the University of London saw the light of the day. Strongly argued, vividly illustrated and fluently written, this book compels us to examine afresh the politics and ethics of engaging with development. This paper attempts to show that all these issues have become relevant in Coastal Karnataka now. Here development process is on the crest of a new wave. With the possibility of application of new technologies in almost all sectors, new vistas and possibilities of development are being opened in Coastal Karnataka. There are some burning dilemmas and paradoxes of development in Coastal Karnataka having ecologically sensitive zones. To add to the complexity of the situation, the governance issues covering corruption, terrorism and ethics and politics of development are engaging the attention of all including the present and

potential political leaders. This region was once known for freedom struggles. What follows here would show that now it is experiencing almost relentless development struggles with evidences rooted in its history⁴.

Economy of Coastal Karnataka: A Historical View

Dakshina Kannada, also called south Kanara, with Mangalore as its headquarters, is the southern coastal district of Karnataka (see Annexure). The total geographical area of the district is 4,771 sq.k.ms and the total population of the district, according to the 2001 Census, was 18.97 lakhs. The density of population in 2001 was 416 per sq.k.m.

Udupi district with an area of 3,575 sq.k.ms and total population of 11.09 lakhs was formed in 1997 by separating it from the erstwhile undivided Dakshina Kannada district. It is well-known as Temple Town. The density of population in 2001 was 286 per sq.k.m.

Uttara Kannada has an area of 10,291 sq.k.ms. In 2001 its total population was 13,53 lakhs. The density of population was just 132 per sq.k.m.

The year 1799 is very significant in the history of coastal Karnataka for on 22 June 1799 the British could overthrow Tippu's power and acquire the big Canara district which then consisted of Uttara Kannada, present Udupi and Dakshina Kannada districts and also a large part of Kasaragod district. Thus began the era of colonial rule in Coastal Karnataka. The acquisition of Canara gave the British a large tract of coastal territory between Madras and Bombay. Madras has become Chennai now. Bombay has become Mumbai now. Kasaragod is included in Kerala State now. The rest of the region called Coastal Karnataka has become an area of development, development struggles and formidable protests. From the point of view of trade the acquisition of South

Kanara gave the British an important advantage, which they had been coveting for a long time. The significance of the popular slogan of the classical economists that "Trade is an engine of growth" was felt by the British in 1799. But for the obvious reason trade became an engine of growth for England and not for Coastal Karnataka.

The first collector of Canara Sir Thomas Munro known for his foresight, statesmanship and shrewdness addressed two letters to the Madras Board of Revenue in 1800⁵. In one of his letters he exhibited the typical colonial outlook by stating that Canara would never be a manufacturing country. Here one can do no better than quote Munro:

"Canara will probably never be a manufacturing country, because it produces none of the raw materials necessary to render it such-and because of the heavy rains which last so great a part of the year are an insurmountable obstacle to all operations which require to be carried on under a clear sky and the open air."

Munro was extraordinarily reluctant to visualize the possibility of industrial development in the Canara district. But he readily acknowledged the problems in this regard. However he did not forget to add that the same factors preventing the growth of industry would facilitate progress of agriculture in this region. J. Sturrock, in the first volume of the Madras District Manuals for South Kanara published in 1894 strongly defended the colonial policy of suppressing industrialization in Kanara⁶. By 1970-71 there were two contrasting pictures in Coastal Karnataka. The undivided Dakshina Kannada district had a fairly diversified industrial structure. The Planning Department, Government of Karnataka, analyzed the development that took place between 1960-61 to 1970-71 in all districts on the basis of certain indicators

like agriculture, industry and infrastructural development⁷. According to the classification made by the Department, D. K. was an industrially developed district like Mysore, though it was not highly developed like Bangalore and Dharwad. The Planning Department also reported that Dakshina Kannada was an agriculturally backward district. By now this district exposed the hollowness of Munro's prediction. The same Planning Department highlighted that Uttara Kannada was an agriculturally developed district while it remained backward industrially. Uttara Kannada thus proved that Munro was not entirely wrong. Even today there are contrasting scenarios within Coastal Karnataka with promising investment opportunities and uncertain employment prospects for locals. It is necessary to add here that the combined D.K district remained all along a land of strong banks, vibrant banking and dynamic bankers⁸. The efforts put in by these dynamic bankers also acted as a 'big push' for its development.

The report of the Lead Bank Survey (1973) took a slightly different stand that industrially Dakshina Kannada had no much to exhibit. But it struck a clearly optimistic note by stating that D.K. District was on the threshold of a major industrial change. A more realistic view was expressed by the Survey, when it stated that there could be the rapid development of the small scale and ancillary units⁹.

An empirical study covering two decades of development in Karnataka (1971-72 to 1991-92) ranked the different districts in the State on the basis of the General Index of Development. In this period Dakshina Kannada was one of the highly developed districts next only to the Bangalore urban district. The different indicators included in the General Index of Development in this study were industry, power, transport, irrigation, education, health and banking¹⁰.

A study with reference to 1979-80 by Gladys Sumitra placed D.K.district, along with Bangalore district, in the 'Highly Developed Category'. It also said that taking the manufacturing sector as a whole, Bangalore district accounted for about 33 percent or 1/3rd of the State's income from this sector in 1970-71 with a share of 10.8 percent. It maintained the same second place in 1979-80 also with a share of 9.1 percent. Sreekantaradhya's observations were also instrumental in revealing that D.K.district was on a comparatively fast track of industrialization when compared to other districts in Karnataka¹¹.

The year 2002 was a landmark year in Karnataka, for the High Power Committee for Redressal of Regional Imbalances (popularly known as Nanjundappa Committee) submitted its report. The Committee classified the taluks into different categories in Karnataka by applying the conceptual framework of Comprehensive Composite of Development Index (CCDI). There were four categories of taluks: 1. Relatively developed taluks, 2. Backward taluks, 3. More backward taluks, 4. The most backward taluks. Accordingly, Mangalore, Puttur, Belthangady, Sullia and Bantwal taluks of Dakshina Kannada district, Udupi Karkal and Kundapur taluks of Udupi district and Karwar, Yellapur, Kumta, Sirsi, Mundgod and Haliyal taluks of Uttar Kannada district were comparatively developed taluks. The Ankola and Siddapur taluks were backward taluks and Bhatkal and Supa (Joida) belonged to the category of more backward taluks. According to Nanjundappa Committee Report there was no any most backward taluk in Coastal Karnataka¹².

The observations of the Nanjundappa Committee Report can be better understood based on the social infrastructure index. The Mangalore, Sullia, Puttur and Belthangady taluks of Dakshina Kannada district were

comparatively developed taluks. Bantwal was a backward taluk. There was no any backward taluk in Dakshina Kannada district, taking into account the availability of social infrastructure facilities. Since Karkal, Udupi and Kundapur taluks of Udupi district had adequate social infrastructure facilities, they were classified as comparatively developed taluks. It may be noted here that the Karwar, Supa (Joida), Ankola, Kumta, Mundgod, Siddapur, Yellapur, Haliyal, Honavar and Sirsi taluks of Uttar Kannada were classified as comparatively developed taluks. Bhatkal was considered to be more backward taluk..

Notwithstanding its authenticity, the Nanjundappa Committee report was not destined to be the final word on the state of coastal economy of Karnataka. There is a need for undertaking research studies on the possibilities of development in different taluks of Coastal Karnataka which would be useful to the State Government. Besides the Nanjundappa Committee itself has plainly admitted that many taluks in Coastal Karnataka are either backward or more backward or most backward in respect of drinking water facility. The report provides data regarding the non-availability of electricity in many hamlets in Coastal Karnataka. It does not fail to bring out the need for developing irrigation facilities in many coastal villages. With the execution of additional developmental projects the problem of shortage of infrastructure facilities will be acute. This fact with necessary data has been frequently highlighted in the memoranda submitted by the Kanara Chamber of Commerce and Industry, Mangalore to the Government from time to time. The State Government as well as Local Governments have to make provision for developing basic infrastructure facilities in their annual budgets. Many more investment opportunities are quite likely to arise as a result of forward and backward linkages

accompanying the implementation of projects.

It needs to be stressed here that the Nanjundappa Committee Report takes note of investment opportunities to be generated in the tourism sector in coastal districts. Tourism is an industry in this part of the state promising better living conditions for the locals, high employment output ratio, huge tax revenue and income generation. This was subsequently confirmed by the Coastal Agenda Task Force (CATF) which submitted its report to the Government of Karnataka in 2006¹³. The Task Force observed:

"With beautiful beaches, verdant Western Ghats, many religious and spiritual centres, Coastal Karnataka needs to be promoted as a sought destination, lying in between Goa and Kerala. This would boost economic growth in the region. Promotion of tourism along Coastal Karnataka is a long term high benefit investment. Proper coordination in planning investment in infrastructure, developing civic amenities, creating a tourism friendly public and exploiting nature's bounty in the region would definitely yield rich dividends in a short span of time".

The scope for developing eco-tourism in Coastal Karnataka is now catching attention in the Government circle though concrete steps are yet to be taken to promote it. During the second week of September 1994, John M. Snyder and John A Vail, both famous eco-tourism architects travelled extensively in the Western Ghats and in the coastal belt of Karnataka. They observed that Coastal Karnataka has got ample scope and potential to develop eco-tourism and virtually every third hour step on the stretch of Western Ghat-coastal belt can be turned into a tourism resort. Apart from Himalayan foothills the coastal belt of Karnataka has more tourist potential and a great deal may be achieved if the project of eco-tourism here

was given due publicity not only at the national level but also at the international level¹⁴. During the last one decade or so the Government of Karnataka has made frequent policy announcements involving eco-tourism also. On 22nd of January 2008 in a Workshop held at Malpe the Secretary for Tourism, Government of Karnataka announced that tourism would be developed in Coastal Karnataka involving the local people. *The Hindu* of November 3, 2002 published an interesting article under the title *The Eco-Tourism Juggernaut*. The article argued that eco-tourism should not be regarded as a passing fad or a gimmick, but rather as one of the trump cards of tourism in general. It is crucial to the problem of developing a balanced, sustainable and responsible tourism sector. The author of that article Pankaj Sekhsaria, quoting the observation of the then National Wild Life Action Plan (NWLAP) argued that eco-tourism must primarily involve and benefit local communities. Attempts can be successfully made to enable local communities to build capacities to take responsibilities in eco-tourism¹⁵. The tourism policy to be announced by the Government of Karnataka in future should take heed of this need while developing eco-tourism in Coastal Karnataka where also investments would benefit the local people.

Winds of Change and Upsurge of Investment Opportunities

The transformation of the coastal Karnataka from a traditionally agrarian zone into a region of industrial development could be better appreciated based on the statements on investment possibilities in coastal districts in 1980's and 1990's. The Chief Secretary of the Government of Karnataka on 25th April 1988 justified the Konkan Railway Project. Speaking on this subject in the Vidhana Soudha, he explained that there could be quantum jump in investments in the coastal

districts. He wanted publicity for the emerging investment possibilities in other parts of the country. Later, on 18th of November 1993, addressing a seminar organized by the Time Research Foundation, the then Chief Minister of Karnataka explained the possibilities of attracting more than Rs. 25,000 crore investments in coastal Karnataka. He opined that Coastal Karnataka could emerge as the second commercial capital of India next only to Mumbai with the development of the sectors like industry, transport, fisheries and horticulture. The people of coastal Karnataka were not positively responding to the emerging developing possibilities, the Chief Minister added¹⁶.

Over the years there have been many different estimates of possible investments in Coastal Karnataka. From a special report that appeared in Deccan Herald on January 1, 2008 it appeared as though a really Happy New Year began for the people of Dakshina Kannada and Udupi districts. The report stated that over Rs.50,000 crore investments were planned in these districts in the foreseeable future. These districts were expected to experience rapid growth with which the common man might not be able to keep pace. The resumption of much awaited Bangalore-Train service was hailed. The increase in the number of domestic and international flights was taken as a major plus point. Four laning work between Surathkal and B.C. Road and construction of seven fly over bridges was admittedly good. Increase in the number of high-rise buildings and boom in the real estate made many persons optimistic. Autonomy taken by five colleges ready to start new courses was expected to auger well for the future. The setting up of two private radio stations would also be one of the desirable developments. All these events were going a long way in indicating that Coastal Karnataka was by now a region of 'big push'.

There is a diversified small-scale sector with

agro-based, forest-based, mineral-based, engineering-based, textile-based, animal husbandry based, and other industries in coastal districts. Mention is made of major industries and mammoth projects executed in Uttara Kannada, Udupi and Dakshina Kannada Districts some of which may experience rapid expansion. Meanwhile, the work on Mangalore Special Economic Zone (MESZ) has begun though it has not failed to generate controversy. There is a popular expression in the United States for Bangaloring something. If an American IT Company which is being Bangalored. A day may come where many IT Companies may be Mangalored as Bangalore is overcrowded, thanks to easy connectivity and huge human resources in the Dakshina Kannada district. A huge building of IT major Infosys is coming up near Konaje. B.A. Technology Park is coming up at Thumbe. MRPL is growing fast. The Mangalore port is reaching new height producing spread effects in and around Mangalore. The Karwar port being one of the best natural harbours, is being upgraded under Port Development Project. The report of the Lead Bank for 2007-08 informed that during the preceding one and half years, the Karwar port saw large scale export of Manganese ore to China, which increased its revenue. The development of this port into modern minor port will no doubt give further impetus to the development of the Uttara Kannada district. With all difficulties the Nagarjuna Thermal Plant may kick off though it is often being kicked at present by some self-styled leaders. The news on issues related to development or problems likely to arise on account of development in coastal districts are appearing in English and Kannada dailies almost everyday.

There is need for undertaking in-depth studies on the development possibilities of Coastal Karnataka. Unfortunately, there are no centers of excellence which can throw light on the benefits and costs of different

projects that can be started here. In fact the statements being made about the implications of coastal development initiatives which are not based on scientific evaluation of the projects make the common man scared of the projects. There is no any study center in Coastal Karnataka which can provide forum for discussions on the role and relevance of the private and public sector partnerships in various sectors. The establishment of such a centre is a prime requirement of the day.

One major feature of the large part of the Coastal Karnataka is the spread of urban influence on rural life. In effect it means that there is urbanization on an extensive scale in the sense in which the term was understood by the late Professor M.N.Srinivas, a renowned sociologist. The report of the 1961 Census stated that there had been a continuous drift in population from villages to the towns in D.K district. It also established the fact that the urban life had become more complex over the years¹⁷. The Gazetteer for South Kanara published by the Government of Karnataka in 1973 extended support for the findings of the 1961 census. The 1981 Census after citing necessary data pointedly showed that there were rural to urban migrations in Dakshina Kannada which was getting more and more urbanized with the passage of each decade¹⁸. In the matter of urbanization therefore a sustained and above average trend was noticeable. Norbert Lobo's study brought out the impact of migration and the contribution made by migrants to the development of the district.

We can notice some degree of resemblance between the socio-economic scenarios found in Kerala and those obtainable in the large part of Coastal Karnataka. An interesting study was completed by the Centre for Development Studies at Thiruvananthapuram in 2000¹⁹. It found that nearly a

million married women in Kerala lived away from their husband. They were burdened with loneliness and family responsibilities as their husbands had migrated to the Gulf. Therefore they were considered as Gulf Wives in the study. The study found that at the end of the day, most Gulf Wives came out of gloom with flying colours. They enjoyed status, independence and autonomy. In the long run the transformation of these women would have contributed more to the development of Kerala than all the temporary euphoria created by the remittances and modern gadgetry. The study also stresses the need for providing education to potential migrants keeping the skills required in the world job market in view. The findings of this study are indeed very relevant in Coastal Karnataka now. We can reasonably argue that over the years the number of Gulf Wives has increased in Coastal Karnataka too. It is time to know the similarities and dissimilarities between the Gulf Wives in Coastal Karnataka and their counterparts in Kerala. It may be useful to know whether the migrants and the potential migrants in Coastal Karnataka must upgrade skills to find placements in the world job market. Indeed the Coastal Karnataka today provides tremendous scope for making community wise, region wise and reason wise migration studies. The social scientists can seize the opportunities of making such studies on interdisciplinary basis. Such studies may help to highlight the possibilities as well as the problems of socio-economic development in the region. A Centre for Development Studies to undertake such interdisciplinary studies is very much needed in Coastal Karnataka.

Agricultural Crisis and Need for Research

In all the three coastal districts agriculture which was a supporting pillar about two decades back is in disarray. Beset with non-viability of holdings,

unchecked soil erosion, labour shortage and declining profitability, agriculture is practically on the verge of ruin. One of the recent publications in Kannada informs that the biggest problem is "failure" of the Government machinery to hold a mirror to the crisis is in the form of statistics²⁰. It says that during 2004-07, 6,000 hectares of agricultural land was used for non-agricultural purposes in Puttur taluk of Dakshina Kannada. In 1990s, about 2,000 hectares of agricultural land in Dakshina Kannada had met the same fate. But the Government not only failed to record this, but presented a wrong picture.

Government statistics on diminishing forest cover, which impacts monsoons, have been misleading. In Uttara Kannada district, official statistics put the forest cover at 80 percent, whereas in reality it may be only half that²¹. Data regarding land utilization, net sown area, cropping pattern and irrigation facilities is hardly reliable with the result that there is enough scope and need for agricultural research at the micro level to reveal ground realities.

In all the three coastal districts the Karnataka Land Reforms Act of 1974 made visible impact as there was large scale transfer of ownership of land, due to the protracted struggles of poor peasants and the demand for reforms. To put it differently, the equity impact of the Act was admitted both in the academic and administrative circles. But due to the operation of various constraints, another goal of the Act of raising productivity was not realized. The Coastal Karnataka presents a unique picture in that the equity impact is now almost totally forgotten as agriculture has turned out to be a losing proposition. Further research is now required to bring to light the need for amending the Karnataka Land Reforms Act for facilitating effective utilization of land resources. The whole region is characterized by paradox of development because

agricultural lands here are important because they can be profitably used for non - agricultural purposes!

The major constraint that dwarfs others is the numerical preponderance of small and fragmented holdings in Coastal Karnataka. This constraint has a long history. Munro reported as early as 1800 to the Madras Board of Revenue that the land here was parceled out amongst prodigious number of landlords who paid fixed revenue to the Government. Highlighting that the small and fragmented holdings were a major obstacle, the Syndicate Bank which is the Lead Bank in Uttara Kannada, in its report (1974) observed:

*"A large number of uneconomically small holdings constitute a major obstacle in the efforts to increase productivity. Further high fragmentation of holdings frustrates the efforts of the farmers to expand the agricultural base."*²²

Needless to say, this problem now confronts the agricultural sector in the entire coastal region of Karnataka. Systematic studies are needed to indicate to what extent Gram Panchayats and non-governmental organizations should help in afforestation, soil protection, flood prevention, common fencing and effective use of irrigation facilities and agricultural implements. There is no disputing the fact that the agricultural sector in Coastal Karnataka needs and deserves a 'big push'.

Some Pressing Needs:

The pressing needs of the towns and cities in Coastal Karnataka such as underground drainage facilities, proper storm water drains, paved footpaths, adequate drinking water supply, and solid waste management programme need to be prioritized. Practically all these towns and cities are in need of land use planning. A study conducted by the Mangalore City Corporation in 2001 found that the problem of poor quality of water will probably be compounded by

a lack of availability of river water during the dry months, when surface water is over-exploited and saline waters ingress upstream and threaten fresh water resources. Mangalore is now a city of artificial floods, owing to the lack of land use planning. Many coastal towns are more or less in similar predicament. The people of Coastal Karnataka, intelligent as they are, may have to remember Schumacher's friendly warning:

*"Among material resources, the greatest, unquestionably, is the land. Study how a society uses its land, and you can come to pretty reliable conclusions as to what its future will be"*²³.

Thingalaya has recently identified some of the urgent needs of Coastal Karnataka. Though the Coastal Karnataka has all natural resources required for its development, efforts were not made to utilize it properly. He urged government to give emphasis for the development of port cities of Mangalore and Karwar, which were known as the doors of Karnataka²⁴. Though the railway line to Mangalore was introduced way back in 1907, it took nearly 90 years for the introduction of Konkan Railway. It was a sheer negligence by the Railway Authorities that Mangalore – Bangalore railway line was constructed in meter gauge even though the Ministry had taken a decision to convert all existing meter gauge tracks into broad gauge. Thingalaya added that passengers were again deprived of the service when railways converted meter gauge into broad gauge. Talking about National Highways, he said that the 658 kms long NH 13, which connects Mangalore and Sholapur, has great significance as far as the coastal economy is concerned. However, no attention was paid by the government for the development of the road. We can reasonably hope that with the development of NH 13, more investment opportunities will be generated

subsequently pushing up the rate and level of development of a large part of Coastal Karnataka.

It is important to know that the major part of the coastal region is assuming a new socio-economic profile so far as income generation is concerned. Which is the largest revenue earning sector in Dakshina Kannada? Certainly it is not agriculture because its nerves and spirits have become weak. The interrelationship between agriculture and industry is a thing of the past and therefore farming is not deemed as a revenue earning activity at all. The industries with all their facets of diversification are not the largest revenue, for 25 to 30% of small industries are still sick and the small here is no longer allowed to remain beautiful. The fishing industry cannot be treated as a significant revenue earner as the introduction of big mechanized fishing boats and fish famine were the main reasons for reduced fish catch during the last three years. Considering high NPAs under fisheries banks are following a very cautious approach in lending to fishermen. Some of the fishermen are like fish out of water and some of their leaders are fishing in the troubled waters. A PH.D thesis titled "An Economic Analysis of Fisheries Development Programmes in Coastal Karnataka: A Case Study of Dakshina Kannada District submitted to Mysore University in 2006 analysed the impact of Government support, subsidies, incentives and welfare programs on the efficiency of fish production both at micro and macro levels²⁵. The study found that mechanized boats cannot produce the optimal impact unless the efficiency of fishermen is raised considerably. As things stand today, the fishing occupation is facing by a number of problems and the possibility of its development is to be assessed in terms of several requirements including infrastructure. It is not surprising if the fisheries sector is not the biggest revenue earner in Coastal Karnataka.

For the obvious reason though Dakshina Kannada is considered as the cradle of banking, banking cannot be a large revenue earner. Neither hotel industry nor trade nor commerce is on the economic map of D. K. District as the largest revenue earner as such. The issue of *Mangalore Today*, for May 2007 tells us that the region assumes a new socio-economic profile with the district's thriving education sector replacing traditional industries as the largest revenue earner and economic stimulator²⁶. Along with this has emerged a new species of profession- *The Edupreneur*, an entrepreneur in the field of education. He has mobilized investment worth hundreds of crores, created thousands of jobs and attracted a large number of rich students to the region. Planning for diversification of courses in institutions providing general or conventional higher education is a requirement calling for concerted efforts because the Kanara Chamber of Commerce and Industry has frequently complained that there is critical shortage of workers with skills hampering the growth of many small and medium enterprises in D.K. district.

The Karnataka Human Development Report for 2005 happily states that the Human Development Index or HDI is high in the coastal districts, and very low in the Hyderabad Karnataka and Bombay Karnataka regions of the state. The HDI for the state increased from 0.541 (revised) in 1991 to 0.650 in 2001, showing a 20 percent improvement. Districts where the decadal percentage improvement in the HDI was higher than the state average were Bangalore Rural, Gadag, Gulbarga, Hassan, Haveri, Koppal, Mysore and Raichur. What was truly significant was the fact that the backward district of Koppal performed best and that 3 out of 5 districts of the Hyderabad Karnataka region made remarkable progress. The latest human development report provides a piece of information

which is by no means pleasing. It informs that the only two districts, namely, Dakshina Kannada (9.23 per cent) and Udupi (8.35 percent) registered an increase in the HDI that which was less than 10 percent between 1991 and 2001. This is a cause for concern because these districts have the capacity to match the HDI status of Kerala and any setback here needs to be monitored carefully²⁷. This situation will not be conducive to the goal of realizing the development potential in Coastal Karnataka as it shows that the level of productivity of the people may not be matching the requirement or challenge of development.

Formidable Protests

The same Coastal Karnataka that is offering numerous opportunities for investment is marked by widespread and formidable protests under the garb of environmentalism. Protests from environmental enthusiasts culminated in the formation of the Mangalore City Environmentalists' Federation, Mangalore Rural Environmental Awareness Federation and Dakshina Kannada District Environmentalists' Federation. In Uttara Kannada all the hydel projects have faced a stiff opposition from environmentalists who constitute the Green Lobby. The Kaiga Nuclear Plant was started amidst the uproar of the environmentalists who actually raised anti - Kaiga Movement. The thermal plants at Nandikoor, Thadadi and Hankona have met with severe protests sometimes leading to violence. All these protests have created an atmosphere in which many opportunities of investment are almost halted or thwarted. There is hardly any realization amongst environmentalists in Coastal Karnataka that a society which doesn't utilize the opportunities of investment and development would not be able to protect the environment at the later stage. The opportunities delayed would be opportunities denied! In a seminar organized on

September 4, 2006 at Mangalore, Ananthakrishna, the then Chairman of Karnataka Bank made some pertinent observations.: 1) Coastal Karnataka has done extremely well in banking, education and hotel industry. Twenty two banks have taken birth here of which the four nationalized banks and one private sector bank have grown at the global level. The region has facilities for air transport, water transport, road transport and rail transport. He opined that through proper documentation and publicity all these facts must be highlighted: 2) Private investments must be encouraged as these can contribute to the overall development of Coastal Karnataka: and 3) It is not proper on the part of the environmentalists to oppose industrialists even though they are prepared to take anti-pollution measures²⁸. Instead of creating hurdles for all development initiatives, the environmentalists must cooperate with development projects.

One of the major demands of the well meaning persons in Coastal Karnataka is the establishment of Centre for Developmental Studies²⁹. This Centre can undertake studies for evaluating the costs and benefits of various development projects to allay the fears of the environmentalists in the coastal region. This Center can maintain a data bank for researchers in social sciences and also in other disciplines like Commerce and Business Administration. It can guide the State Government and the local bodies. The Centre can provide useful information to social workers and activists really interested in the upliftment of Coastal Karnataka. It can facilitate studies for assessing the carrying capacity of the region as and when required. The Coastal Agenda Task Force has suggested that there should a forum for reviewing the implementation of development projects to bring in a sense of collectivism. The Centre for Development Studies in Coastal Karnataka would serve as a forum for holding

rewarding discussions and deliberations on all vital issues of development. To lose sight of various avenues of investment and development would be detrimental to the interests of the entire Karnataka State, nay the entire country. We may now remember the thrilling words of Alfred Tennyson indicating the significance of the vision of future: "For I dip into the future, far as human eye could see, Say the Vision of the world, and all the wonder that would be". The people of Coastal Karnataka are now required to think about the possibility of 'all the wonder that would be'.

Notes and References:

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**Annexure
Coastal Karnataka at a Glance**

| | Dakshina Kannada | Udupi | Uttara Kannada |
|---------------------------------------|----------------------|----------------------|----------------------|
| Area | 4,771 Sq KM | 3,575 Sq KM | 10,291 Sq KM |
| Population | 18,97,730 | 11,12,243 | 13,53,644 |
| Males | 9,38,434 (49.45%) | 5,22,231 (46.95%) | 6,86,876 (50.74%) |
| Females | 9,59,296 (50.55%) | 5,90,012 (53.05%) | 6,66,768 (49.26%) |
| Literacy | 83.4% | 79.90% | 76.6% |
| Density of Population | 416 | 286 | 132 |
| Sex Ratio | 1022 | 1130 | 971 |
| Urban Population | 38.43% | 18.55% | 28.65% |
| Rural Population | 61.57% | 81.45% | 71.35% |
| HDI Rank | 2 | 3 | 7 |
| Health Rank | 3 | 1 | 22 |
| Education Rank | 4 | 2 | 5 |
| Gender Related Index | 2 | 3 | 7 |
| GDP Rank | 2 | 5 | 11 |
| Per capita GDP at 1993-94 prices (Rs) | 20,682 | 15,471 | 12,043 |

Note: Data is for the year 2001. Source: The Directorate of Statistics and Economics Government of Karnataka, Bangalore