

CHAPTER-9

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BASIC AND NON-BASIC ACTIVITIES

1. BASIC AND NON-BASIC CONCEPT

Urban areas are economically, socially, culturally and administratively interlocked with the surrounding regions and the sphere of influence over the region varies from city to city according to the degree of functions. City's internal performance of economic, socio-cultural and political aspects are largely the concern of urban geography. But since 1930s ^{are shown} greater interest[^] imposed upon spatial relationship between urban area and region,

The greater the contribution to the region rather than to itself, the larger the importance of the city.

To measure the strength of a town in relation to functional aspects, there is the concept of "the urban economic base".

Alexander (1954) mentioned four notions regarding the applicability of this concept :

1. The concept provides a view of economic ties which bind a city to other areas.
2. It permits the most satisfactory classification of cities in terms of regional function. Cities are more accurately distinguished by their basic economy than by their total economy. The basics express a city's service to its region.
3. The basic-non basic concept provides a new ratio ("B/N"

ratio) which may have significance in differentiating the types.

4. Provision of the B/N ratio also enables a new classification for individual economic endeavours."

2. MEASUREMENT TECHNIQUES OF B/N RATIO

Different writers have indicated different terminology for the discussion of the concept of a city's economic dichotomy as 'primary', 'urban growth', 'external', 'supporting' for "basic" and secondary, 'service, internal for "non basic." (Alexander, 1954)

Efforts have been made to formulate the method of measuring urban economic base in many ways. Here some pioneer workers' observation and suggestion may be stated.'

Alexander (1954) in his study has made differentiation of the so called "basic" activities^{as} that producing goods or services for export purpose beyond the urban area, and "non basic" activities whose outcome goods and services are consumed within the city itself.

To find out urban economic base, Ratcliff (1949 : 43) states that the primary or 'city building' activities should be identified as to mention the activities which bring into the community purchasing power from outside.

Aurousseau (1921) was the first person to express the idea in his writing that primary occupations are directly concerned with the functions of the town and the secondary occupations are

involved in the maintenance of the well-being of the people engaged in that of primary activities.

To measure the 'economic base' methodologically Hartshorne (1936) was the pioneer taking a single type of endeavour-manufacturing.

A third advance in methodology^{was} reflected in the work of Weimer and Hoyt (1939) who outline 6-steps for measuring basic activity and suggest new terminology: "urban growth " for "basic" and "urban service" for "non basic".

The following 6-steps put forward by Weimer and Hoyt (1939) may be given due consideration for the measurement of "B"/"N" ratio.

(a) From census reports, or from local sources, statistics of employees in different sectors or organizations may be taken.

(b) Determining employees engaged in manufacturing, excluding those firms whose production is intended predominantly for the local market.

(c) Determining the number employed in extractive industry serving for non local market.

(d) Determining number engaged in non-local government , transportation or communication services, amusement sectors etc.

(e) From published sources, determining the percentage of the national income that is earned by the city and then apply this percentage to the total number of persons engaged in trading, financing, professional and related activities in the country, thus finding out proportion of employment as to

represent "urban growth" employment.

(f) The figures of paras 2 to 5 stated above are totalled and percentage represented of each type of "urban growth" employment is computed.

These percentages will indicate the relative importance of manufacturing, extractive industry, trading and the other types of activities in the economic development of the city.

Alexandersson (1956) proposed an (alternative) method for studying the urban economic base finding out the basic non-basic ratio or the proportion of employment in a city producing goods and services for export purpose compared with that in a city producing for internal consumption. For example, schools, small bakeries, neighbourhood retail stores etc. may be city serving; on the other hand, industries producing goods for out side areas bringing money to the city may be termed as 'city forming industries.'

3 BASIC-NON BASIC ASPECTS OF BOGRA TOWN

In the light of the above discussion we have dealt with 'basic-non, basic' ratio for Bogra in a simple way. Bogra's development in various fields of which industry is prominent has been considered in the previous chapters, It's external economy is largely supported by industry and also commerce. The importance not only pertains to export products but also to numerous items locally produced for local demands. In this respect Dickinson (1947:24) views that "analysis of cities could be based on the approach that what is needed is a much more

careful analysis of the urban community, not only as a seat of specialised industry and service serving a wide market, but also as a seat of industry and service for the "regional market" over and above "local" needs of the urban community itself."

This study is based on two distinct fields :

(a) Manufacturing :

As Bogra town is noted for its industrial function, the basic non basic economy as well as employment concerning manufacturing, is taken up separately (Table 9.1).

(b) Service Sectors :

Number of employees engaged in all the services including industrial workers that are taken as 'town serving' and 'town farming' i.e. basic-non basic employment (Table 9.2).

Sources of Data and Analysis.

(1) Industry :

Data on industrial groups has been collected from BSCIC Report (1987) in which item-wise employment figures and value of production are given. Some export oriented industries give employment figures and value of products that come directly under 'basic' (e.g. Textiles, Metal products). Data on certain products and their supply was collected from number of firms of all categories.

(2) (i) Educational and Training Institutes :

Figures of students and teachers were obtained from

Zila Statistics (1986) and other institution by personal contact Practically, teachers serving in the pre-primary and primary schools, high schools etc. are non-basic in nature. Institutions serving the region besides the town gave the information on the basic services of the teachers.

(ii) Trade and Commerce Including Financial Institutions :

Apart from statistics obtained from Zila statistics (1986), Municipal office etc., information was collected from different shops and establishments regarding their sale and services for the town and region.

(iii) Transport and Communication :

Information was collected from concerning offices and associations which was helpful in obtaining basic and non-basic ratio. For example, persons engaged in motorised transport, postal service are completely ⁱⁿ 'basic' employment.

(d) Office Staff :

Data on number of employees collected from different offices were classified under 'basic - non basic'. Employees of municipality may be regarded as 'non-basic' but those of District Agricultural office are classed under 'basic'.

3.FINDINGS :

Industry :

Table no. 9.1 shows the industries under different categories in terms of employees and value of production of Bogra district, and Bogra town with its periphery (IBP). In terms of

Table 9.1. : Basic Non-basic Economy, Employment Ratio.

Industrial Sectors	Value of Production (in Lakh Taka)			
	No. of Employees.			
	Bogra Dist.	IBP	Basic	Non-basic
1.Engineering	3475.08 4202	2879.19 3720	2196.75 2638	682.44 882
2.Food & Allied	38204.26 8451	6960.73 3374	4960.06 2405	2000.67 969
3.Chemicals	2329.24 1254	2328.24 1245	1800.19 962	528.05 283
4.Textiles	1972.06 2428	1798.46 2208	1718.89 2110	79.57 98
5.Forest Products	1525.39 1210	986.37 680	260.37 180	726.00 500
6.Printing & Packaging	882.90 1245	872.60 1190	401.60 548	471.00 642
7.Leather Products	169.40 330	169.40 330	150.00 292	19.00 38
8.Glass-ceramic Brick-kilns	515.00 2110	251.00 1090	89.00 387	162.00 703
9.Others	830.70 117	830.70 117	521.00 73	309.70 44
Total	49904.03 21347	17076.69 13954	12097.86 9795	4978.43 4159

Source : BSCIC Report 1987, and Field work.

Note : IBP refers to industries in Bogra town and Periphery.

money total value of production runs to Tk.17076.69 lakh of which Tk.12097.86 (71%)^{is} calculated as basic and Tk. 4978.43 (29%) as non-basic.

From Table 9.1b strong basic economy is found in leather (100:13) and Textile (100:05); moderately high in engineering (100:31), chemicals (100:29) and moderate in Miscellaneous (100:60). On the otherhand ceramic & glass sector mainly comprising brick kilns contribute largely towards construction work in the town and other places also. Highly 'non-basic' sector is forest products which is largely for local consumption. Printing and Packaging works also follow this line.

It is observed from Table 9.1 that out of 13954 employees 70% i.e. 9795, are in basic sector whereas 4159 (30%) are in non-basic sector and thus it gives a clear picture of total basic/non-basic employment in which B/N ratio is 100:43.

From this discussion, it is observed that all the important industries play vital role over the economy of the town by their export oriented products.

General :

Table 9.2 shows the contrasting results regarding 'basic' employment vs. 'non-basic' employment in relation to total employment from all fields.

Fig.9.1 a and b exhibit separately sectorwise employment distribution for IBP. Again it is evident from Fig.9.1b & Table 9.2

ECONOMIC STRUCTURE : BASIC /NON - BASIC

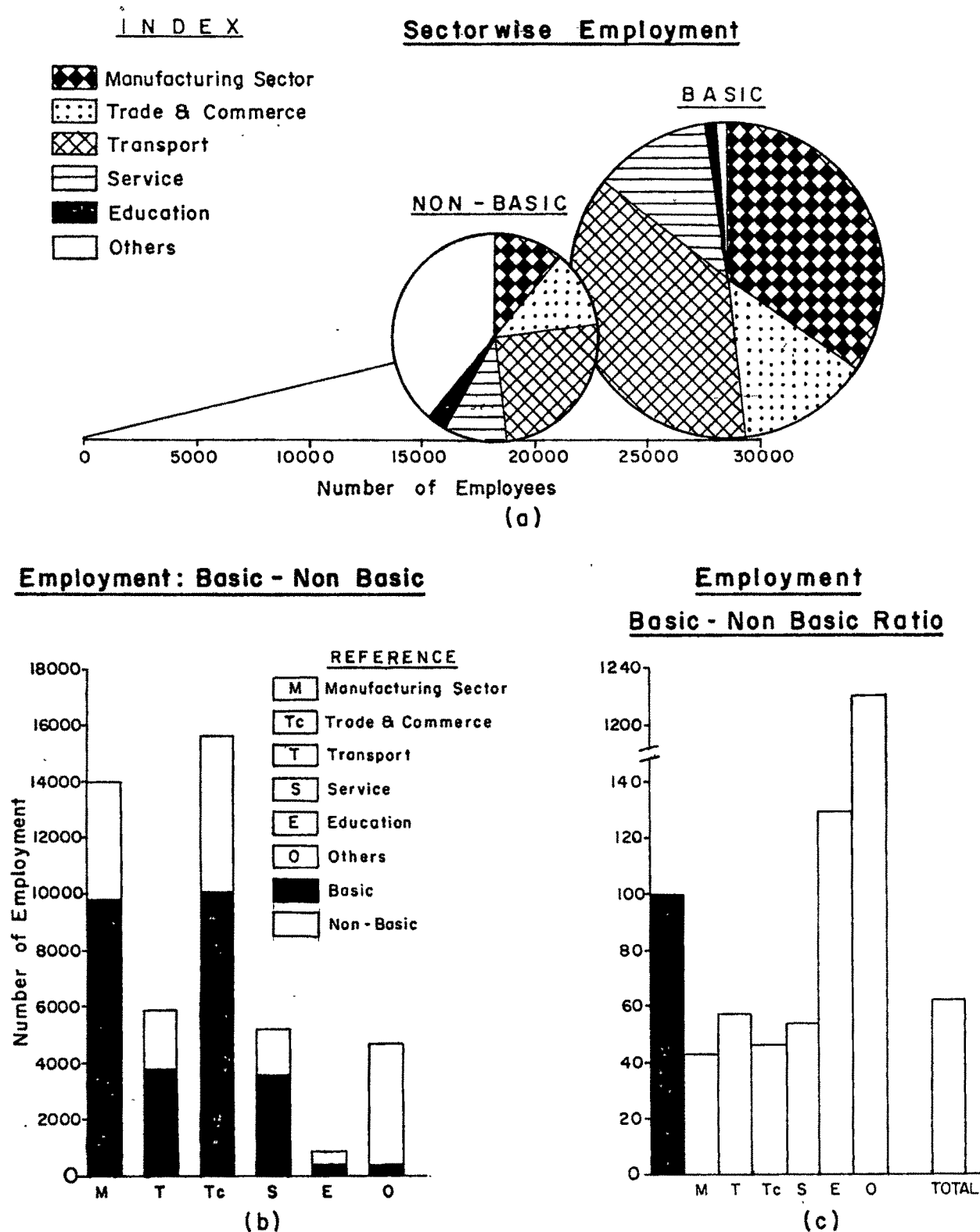


Fig. 9-1

that out of total 'basic' employment transport sector constitutes the highest number (37.67%) followed by manufacturing (34.34), trading (13.82%) and office sector (12.02%). Other significant sectors education (1.42%) and 'others' (1.23%) are in the lowest level. On the other hand the most important sectors i.e. manufacturing and transport are outstanding.

Table 9.2 : Statement of Basic/Non-basic Employment and "B/N" Ratio.

Sectors	Basic Empl.	% of total Basic Empl.	B/N Empl.	% of total Non- Basic Empl.	Total Empl.	B/N ratio
Manufacturing	9795	34.34	4159	23.23	13954	100:43
Transport	10747	37.67	4900	27.36	15647	100:46
Govt. & Non-govt. organisation	3429	12.02	1850	10.33	5279	100:54
Trade & commerce	3800	13.82	2150	12.01	5950	100:57
Educational & Training Inst.	404	1.42	519	2.90	923	100:129
Others (Marginal)	352	1.23	4330	24.18	4682	100:1230

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Data compiled and computed.

Source : Field work, BSCIC Report, 1987 ; and Municipal office, Bogra.

Again out of total 'non-basic' employment (Fig. 9.1 a) transport sector (27.36%) holds first position. Next comes marginal and other sector (24.18%) followed by manufacturing (23.23%). Here also like 'basic' employment in trading and office sector, they are in the third and fourth position. The non-basic employment in education sector is the lowest. A synoptic view of basic and non-basic economy of Bogra is obtained from the Fig.

9.1 b.

Fig 9.1 c. shows 28,527 (61.43%) in basic and 17,908 (38.57%) in non-basic employment out of the total of 46,435. As per the data, the most significant figure is that of services (others/marginal workers) which is 100:1230 quite natural for a town with large population.

In a nutshell, it is understood that there is a strong tie between the town and region which gives rise to the economic bond. Therefore, the economic life of the town is inextricably interwoven with the economic life of its region. A greater portion of economic and social life of the town is supported by non-local demands. But as per the need of local people for local services, a second urban function looks after the need of local inhabitants.