

INTRODUCTION

Concept of Economic Development and Entrepreneur

Entrepreneurship is considered as an engine of economic development in both developed and developing countries. Economic development requires the generation of forces of economic change. Besides, the level of economic development highly depends on the availability of natural resources, physical resources, human resources, capital accumulation, technological progress, etc. Since entrepreneurs co-ordinate all the factors of production, entrepreneurs are important agents for economic development.¹

Economic development is defined as a process of sustained increase in real national income over a long period of time. There are three major components of economic development. They are: (a) Process (b) Real National Income and (c) Long Period². These three components are discussed below:

a) Process: As a process, it implies the series of changes in social, technological and economic forces that are useful in accelerating the pace of development. Process also implies the operation of certain forces which causes continuous changes in the economic system specifically optimum use of capital, modern technique of production, technical development, institutional reform, demographic and social

¹Rao, V. Laksmana (2000), 'Entrepreneurship and Economic Development,' in J. V. Prabhakara Rao, (ed.) *Entrepreneurship and Economic Development*, (Kanishka Publication: New Delhi), pp. 6-10.

²Meier and Baldwin (2005), cited by R. K. Lekhi, *The Economics of Development and Planning* (Kalyani Publishers: Ludhiana), p. 6.

frame work. Therefore, it is a process consisting of a long chain of inter-connected changes in fundamental leading to an increase in a real national income over a long period of time. It also includes the progressive action to be taken by the government for moulding the society to the changed environment of economic development through its monetary and fiscal policies.

b) Real National Income: It refers to the total output of final goods and services express in real terms but not in money terms. Therefore, it must be viewed as Gross National Product (GNP) or Net National Product (NNP). However, the best criterion is the Net National Product which consist only final consumer goods and services plus only the net additions to the capital goods, thus, making allowance for capital replacement such as wastage of machinery, etc. during the process of production.

c) Long Period: It implies that the real national income should not only rise in the short period but it must also show upward trend in the long period to sustain the process of economic development. Hence, the continuous increase in the real national income over a long period has become an indispensable condition for accelerating the pace of economic development.

According to Berger and Herrick cited by Lekhi (2005), while defining economic development it should include improvements in material welfare, specially for person with the lowest income, the eradication of mass poverty with its co-relation with illiteracy, disease and early deaths, changes in the composition of inputs and outputs that generally include shifts in the underlying structure of production away from agricultural activities towards industrial activities, the organization of the economy in such a way that productive employment is general among the age population, rather than the situation of a privileged minority; and the correspondingly

greater participation of broadly based groups in decision making about the directions, economic and otherwise, in which they should move to improve their welfare.”³

From the above discussions, it is clear that the entrepreneurs can play an important role in the economic development of a country. The term ‘entrepreneur’ is defined in varied ways. Sociologists, Psychologists and Economists have all attempted to give a clear definition of entrepreneur. Sociologists analyse the characteristic of entrepreneurs in terms of caste, family, social value and migration. Psychologists on the other hand attempt to isolate entrepreneurs from general population on various personality trials such as need for achievement, creativity, propensity to take risk, independence leadership, etc. Whereas, economists attempt to define based on situational characteristics such as occupational backgrounds access to capital business and technological experience, and managerial skills with economic gains considered as characteristic of entrepreneur.

According to Rao & Rao (2000), entrepreneurs are a special group of persons who enjoy a distinct status and play a crucial role in the success of any business and trade. These are the people having initiative enterprising ability, zeal and imaginative to break through the traditional barriers of commerce and industry who can translate any business proposal into prospective reality.⁴ It is widely believed that the word entrepreneur is derived from the French word “entreprendre” which means to undertake, to attempt or adventure. It was Richard Cantillion, who first introduces the

³ Berger and Herrick (2005), cited by R. K. Lekhi, *opcit*, pp. 7-8.

⁴ Rao, J.V. Prabhakara & Rao, V.K. Bhaskara (2000), ‘Role of Entrepreneurship in Economic Development’ in J.V. Prabhakara Rao, (ed.), *opcit*, pp.143-146.

term entrepreneur in the early eighteenth century and defines an entrepreneur as a rational decision maker who assumes the risk and provides management for the firms.

According to Schumpeter (1911), an entrepreneur is a person who introduces innovative changes and he or she is an integral part of economic growth. Many scholars have described entrepreneurs in different ways: According to Frank H. Knight (1921) and Peter Drucker (1970), he/she is the person who bears risk and meets uncertainties; likewise, Mc Clelland (1961) considers an entrepreneur as a person who has high degree of need for achievement motivation.⁵ To Jean-Baptiste Say, an entrepreneur is a person who shifts resources from an area of low productivity to high productivity.⁶

For Schumpeter, the entrepreneur is the innovator par excellence and he makes a clear cut distinction between inventions and innovations. As innovator, the entrepreneur destroys the existing equilibrium state. While the entrepreneur cannot play a big role, he considers the role of entrepreneurs as a significant force in the economy. He develops an idea of recognising entrepreneur as a swash buckling business tycoon, and/or as someone who clearly contributes to human betterment by introducing a new product, or a new way of doing things that expands options and lower costs. The imagination behind Schumpeter's entrepreneur is of a man who introduces striking changes into everyday economic activities.⁷ Further, entrepreneurs are not necessarily motivated by profit but regard it as a standard for measuring achievement or success. Schumpeter discovers that they are greatly value

⁵ Chanu, Ayekpam Ibemcha & Terangpi, Monalisha (2010), 'Women Entrepreneurship: An Effective Means for Women Empowerment', *DGCCS's Journal of Commerce*, Vol.7 No.1, pp. 98-99.

⁶ Retrieved from www.bizcovering.com > small business [Accessed on 21/9/2012]

⁷ Chanu, Ayekpam Ibemcha & Terangpi, Monalisha (2010), *ibid*, p. 99.

self-reliance, strive for distinction through excellence, are highly optimistic, and always favour challenges of medium risk (Schumpeter, 1883-1950)⁸. According to Gottlieb (2015), an entrepreneur is someone who can take any idea, whether it be a product and, or service, and have the skill set, will and courage to take extreme risk to do whatever it takes to turn that concept into reality and not only bring it to market, but make it a viable product and, or service that people want or need.⁹

From Schumpeter till today, there are a number of definitions, which show characteristics and activities about entrepreneurs. However, a common characteristic of entrepreneur which is found is that entrepreneur is that they are the key players in the process of economic development (Chanu, Terangpi, 2010).¹⁰

For the purpose of the present study, an entrepreneur is defined as the person who is adventurous in creating a better tomorrow by providing new ideas, producing products, services and employment opportunities to the people. The concept of women entrepreneur which has been developed based on this definition is presented below.

Concept of Women Entrepreneur

As mentioned, an entrepreneur is someone who exercises initiative by organizing a venture(s) to take benefit of an opportunity and as the decision maker, decides what, how, and how much of a good or service will be produced.

⁸ *What is an Entrepreneur? Definition and Meaning* retrieved from www.businessdictionary.com/definition/entrepreneur.html [Accessed on 27/6/, 2015]

⁹ Chad Brooks, *What is Entrepreneurship?* Retrieved from www.businessnewsdaily.com/2642-entrepreneurship.html [Accessed on 27/6/ 2015].

¹⁰ Chanu, Ayekpam Ibemcha &Terangpi, Monalisha, *opcit*, p. 101.

Based on the above discussion, women entrepreneur is defined as *the women who start and operate enterprises, take risk, produce products, and bear uncertainty*. According to Sudha (2007), women entrepreneurs are those women who generate business ideas, identify profitable business opportunities, assemble the necessary resources, combine the factors of production, undertake risks and use their business skills to operate the enterprise for the purpose of generating profit, income and growth.¹¹ To Khanka (2008), women entrepreneurs are those women or a group of women who think of a business enterprise, start the enterprise, organize and combine the factors of production, operate the enterprise, undertake the risk and are capable of facing economic uncertainty while running a business enterprise.¹² The government of India has also defined women entrepreneurs based on their participation in equity of a business enterprises. Accordingly, an enterprise to be is owned and controlled by women having a minimum financial interest of more than 51 percent of the capital and giving at least more than 51 percent of the employment generated in the enterprise to women. In sum, it may be said that women entrepreneurs are those who start an enterprise, who own enterprise (s), combine the factors of productions, lead the business and provide employment opportunity to others.¹³

Women entrepreneur has to perform all the functions involve in establishing an enterprise. These include idea generation and screening, determination of objectives, project preparation, product analysis, determination of forms of business organisations, completion of promotional formalities, raising funds, procuring men,

¹¹ Sudha, G. S (2000), *Dynamics of Business Entrepreneurship*, (RBSA Publishers: Jaipur), p. 419.

¹² Khanka, S. (1999), *Entrepreneurial Development*, (Sultan Chand & Sons: New Delhi), pp.19-20.

¹³ Sudha, G. S. *ibid*, p. 419.

machine and materials and operation of business.¹⁴ Frederick Harbison (1956) has specified five functions of a woman entrepreneur:

1. Exploration of the prospects of starting a new business enterprise
2. Undertaking of risk and the handling of economic uncertainties involve in business
3. Introduction of innovations or imitation of innovations
4. Coordination, administration and control
5. Supervision and leadership.¹⁵

In India, women entry into business is very new (Khanka 2008); according to him, women's entry into business is traced out as an extension of their kitchen activities mainly from 3ps, which means pickles, powder and *papad*. He further observes that women in India plunged into business for both pull and push factors. Pull factors imply the factors, which encourage women to start an occupation or venture with an urge to do something independently. Whereas push factors refers to those factors, which compel women to take up their own business to tide over their difficulties and responsibilities with growing awareness about business and spread of education among women. Women have started shifting from 3ps to 3 modern Es, which means Engineer, Electronics and Energy¹⁶. The factors which plunged women of Karbi Anglong to join entrepreneurial activities are clearly mentioned in chapters 3.

¹⁴ Khanka, S. (1999), *opcit*, p.19.

¹⁵ Harbison, Frederick (1956), cited from S. Khanka, *Entrepreneurial Development, opcit*, p.19.

¹⁶ Khanka, S. (1999), *opcit*, p. 20.

From the above discussions, it is clearly revealed that women entrepreneurs can play an important role in economic development of a country. Hence, it is vital to look into details of this relationship between women entrepreneurs and economic development.

1.3. Women Entrepreneurs and Economic Development

Entrepreneurship is an essential element for economic progress as it manifests its fundamental importance in different ways like identifying assessing and exploiting business opportunities, creating new firms and, or running existing ones by making them more dynamic and driving the economy forward through innovation, competence, job creation and by generally improving the well being of the society.¹⁷ It is also a purposeful activity indulged in initiating and maintaining economic activities for the production and distribution of wealth. It has been recognized as an essential ingredient of economic development and an integral part of socio-economic transformation. Hence, entrepreneurial promotion and growth among women can be considered as one of the key components of economic development strategy. There is an important role of human resources in the economic development; it includes many aspects like educational level, productive skills acquired by the labour force as well as social responsibility towards economic change on the part of the labour force. In the progress of entrepreneurship, financial, physical and infrastructural facilities are also important inputs. Entrepreneurs would enable all the resources of economy to be used to the maximum extent resulting in significant development. It has also been

¹⁷ Cuervo, Alvaro; Ribeiro, Domiyó; Roig, Salvador Y. *Entrepreneurship: Concepts, Theory and Perspective*. Retrieved from www.uv.es/bcjauveg/docs/LibroCuervoRibeiroRoigintroduction.pdf [Accessed on 27/06/2015].

recognised that the entrepreneurial talents will accelerate the pace of India's development.¹⁸

The level of economic development of a country can also be related with the abundance or scarcity of the entrepreneurship in any society. Entrepreneurship comprises all the productive functions that are not thought to be rewarded by wages, rent or interest. In other words, entrepreneurship may mean the function of seeking investment and production opportunity, organizing an enterprise to undertake a new productive process, raising capital, hiring labour, arranging selection of top managers for day to day operations of the enterprise and so on. Entrepreneurship, in brief, calls for "enterprise" which is defined as an undertaking, task or adventure of a bold or different nature and as the ability to think and start a new scheme.¹⁹

In a developing country like India, promotion of entrepreneurship and women entrepreneurship in particular implies an acceptance of ideas of equalization, balanced development and elimination of disparities. Hence, entrepreneurship can be considered as a vehicle to mobilize the scarce resources from different sectors to provide utility to them to create value and bring balance regional development. In the present context, one of the important developments of entrepreneurship in India is the emergence of large number of women entrepreneurs.²⁰ For the women section, such development may be seen as an employment possibility near their homes which provide autonomy, independence and means to increase social support as

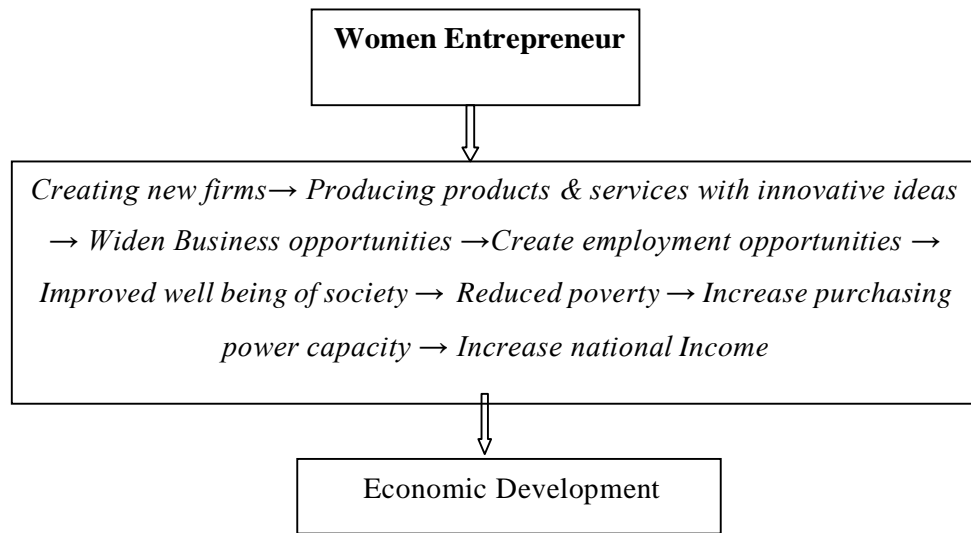
¹⁸ Rao, J.V Prabhakara & Rao, V.K.Bhaskara (2000), *opcit*, pp.143-146.

¹⁹ Palamichamy, P (2000), 'Impact of Entrepreneurship on Economic Growth in Pondicherry,' in J.V. Prabhakara Rao, (ed.), *opcit*, p.70.

²⁰ Rajani, S. (2000), 'Role of Women Entrepreneurship in Economic Development,' in J.V. Prabhakara Rao (ed.), *opcit*, pp.192-194.

entrepreneurship stands as a vehicle to improve the quality of life for individuals, families and communities, and makes a healthy economy and environment. The development of women entrepreneurship may also be linked with different provision of women’s avenues like employment generation, increase self-confidence, which may lead to alleviating poverty and economic freedom, business venturing and creation of various small enterprises for women. Hence, entrepreneurship promotion and growth among women is one of the key components of economic development strategy.²¹ The following diagram shows the role of women entrepreneurs in economic development.

Figure # 1.1: *Role of women entrepreneurs in economic development*



Source: Compiled by the researcher

Entrepreneurship development among women has been recognised and accepted as one of the important tools for poverty alleviation. Many studies also show

²¹ Chanu, Ayekpam Ibemcha & Terangpi, Monalisha (2012)), “Women Entrepreneurship Development in Tribal Areas of Assam – An Alternative Approach Towards Poverty Alleviation,” *Utkal Business Review*, Vol. 26, No. p. 272.

that in India, there are a number of women entrepreneurs who have been playing an important role in development of various sectors including agriculture, banking, dairy, housing, which leads to poverty alleviation, food security and employment generation.²² Therefore, recognition of women's services in this sector is highly required in order to bring a change in the society. As women entrepreneurship by nature is focusing on women who establish enterprises and bring a positive change in women's life, such developments may help both urban and rural population in creating jobs and mitigate poverty; however, it is a big challenge for developing countries like India.

In the present study, the researcher has taken Karbi Anglong (Undivided) district of Assam as the study area because it is one of the most economically underdeveloped districts of Assam. Here, it is assumed that women entrepreneurship development in tribal areas like Karbi Anglong is an alternative means for employment generation. The profile of Karbi Anglong is presented below.

Profile of Karbi Anglong District of Assam

The Karbi Hills (formerly Mikir Hills), politically known as Karbi Anglong, is one of the two hill districts of Assam²³. In 1951, the present Karbi Anglong was a sub-division, namely 'Mikir Hills' and it was further upgraded and renamed into 'Mikir Hills District' with a full-fledged District Council provided by the Sixth Schedule of the Constitution of India in 1971. In 1976, the name of the district was

²² Chanu, Ayekpam Ibemcha & Terangpi, Monalisha, *opcit*, p. 271.

²³ There are two hill districts of Assam. They are Karbi Anglong and Dima Hasao.

changed to Karbi Anglong.²⁴ In 1995, the district council was upgraded to Karbi Anglong Autonomous Council (KAAC).

Geographical Boundary: The district is located in the isolated mountainous block, which fills the triangle between the mighty Brahmaputra on the north, the Dhansiri valley on the east, and the Kopili and the Jamuna valleys on the west and the south respectively. To the east is the Nambor forest, a dense area of high trees occupying the Dhansiri valley from Dimapur, Nagaland to within ten miles of Golaghat district. To the south-west is the valley of Jamuna, a region of tall grass and sparse forests. To the west, the land rises again in the northern skirts of the Khasi and Jaintia Hills of Meghalaya. In terms of inter-district boundary, Karbi Anglong is bounded by Golaghat district in the north, Nagaon district in the west and Marigaon district in the south.

²⁴ Bhatt, S. C. (1997), "Karbi Anglong," *The Encyclopaedias of District Gazetteers of India North-eastern Zone* Vol. 10 (Gyan Publishing House: New Delhi), p. 289.

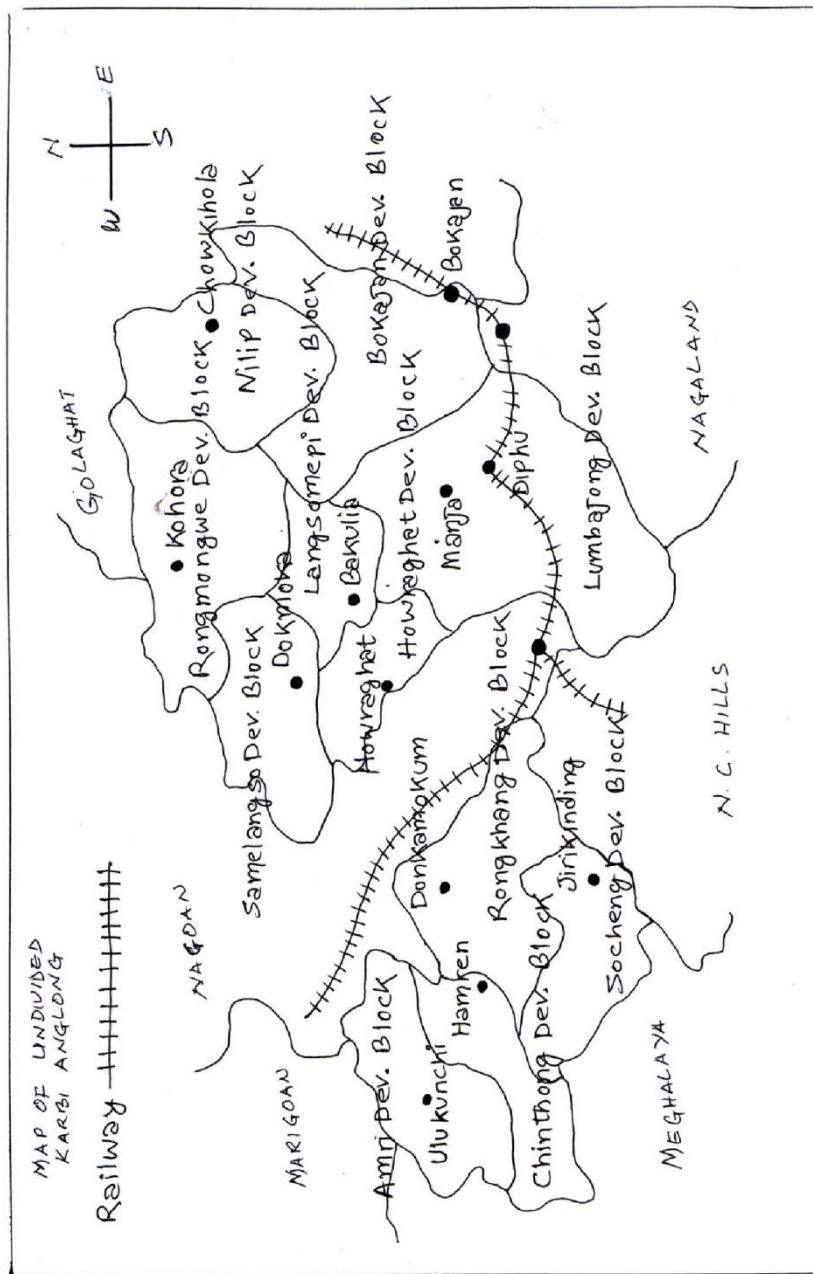


Figure 1.2

Geographically, Karbi Anglong is the largest district in Assam, covering an area of 10, 434 square kilometres. The District accounts for about 13.35 percent of the State's total area. It is about 4,000 feet above sea level and bears similar characteristics of the Meghalaya plateau; it also bears certain degree of similarity with the hills of Manipur and Nagaland. The two hill Districts, that is, Karbi Anglong and North Cachar Hills are blended with hills and plains. Karbi Anglong District consists of two hilly lobes of unequal size and they genetically belong to the Shillong Plateau. The two lobes are separated by the Kopili Valley. Its altitude of Eastern lobe varies from 192 meters to 1, 341 meters above sea level. The highest peak Singhasan is located here. The western lobe slopes from south-west to north-east. The peak located at the extreme western border of the lobe is Umlapher, which is 1, 219 meters. The altitude of the adjoining area of the Umlapher peak varies from 762 meters to 10, 66 meters above sea level. Again the Kopili, Jamuna and Dhansiri valley region between Luming, Hojai and Diphu may be referred to as undulating plain with an altitude ranging from 75 meters to 250 meters above sea level.

The important rivers of the district are the Kopili and Dhansiri. Some tributaries of the Kopili river are the Barapani, Umium, Kolong, Jamuna etc; while, the tributaries of Dhansiri river are the Kaliani, Nambor, Deopani, Doigrung etc. Kheroni, Amreng and Dhansiri areas of Karbi Anglong District are located in the rain shadow zone.²⁵ Due to topographical variations, this hill district experiences different climate in different parts of the district in different times of the year. Temperature ranges from 6⁰ to 12⁰ Celsius during winter and from 23⁰ to 35⁰ Celsius during summer, and the average rainfall is about 2, 416 millimetres. In greater parts of Karbi Anglong hot climate prevails, whereas those in higher altitudes like Hamren and other

²⁵ Retrieved from <http://www.karbianglong.nic.in> (Accessed on 21/9/ 2014)

areas experience a cool and pleasant weather conditions, with occasional frosts during cold winter.²⁶

1.3.2 Demographic Profile of the District:

The population of the district is predominantly tribal communities. The major tribal groups of this district are Karbi, Bodo, Dimasa, Hmar, Garo, Rengma Naga, Tiwa, Man (Tai speaking), etc. Besides, a large number of non-tribals also reside in this hills district. The Scheduled Caste and Scheduled Tribes Amendment Act 1976, specifies 14 tribes in the two hills district of Karbi Anglong and Dima Haso district. They are: Karbi, Dimasa, Kachari, Garo Bodo, Hajong, Hmar, Khasi, Jaintia, Kuki, Mizo, Chakma, Rengma, Zeme.²⁷ The total population of the district as per 2011 census is 9,56,313 as against 8,13,311 in 2001.²⁸ The table 1.1 highlights some important features of the population of Assam and Karbi Anglong.

Literacy

The Census Reports of 2001 shows the literacy rate of the district as 57.70 percent; out of which male constitutes 67.22 percent and female 47.30 percent. Whereas in 2011, it has increased to 69.25 percent; out of which male literacy rate is 76.14 percent and for female, it is 62.00 percent.²⁹ Looking at these statistical data, one can observe that in the past ten years, the literacy rate of the district has increased considerably.

²⁶ Retrieved from <http://www.karbianglong.nic.in> [Accessed on 11/7/2011].

²⁷ Retrieved from <http://www.karbianglong.nic.in> [Accessed on 21/9/2014]

²⁸ Statistical Handbook of Assam, 2014

²⁹ Retrieved from <http://www.census2011.co.in/karbianglong> [Accessed on 17/9/2016].

Table 1.1: Population of Assam and Karbi Anglong district (2001 and 2011)

| Head | Unit | 2001 Census | | 2011 Census | |
|------------------|-----------------------|-------------|---------------|-------------|---------------|
| | | Assam | Karbi Anglong | Assam | Karbi Anglong |
| Population | Persons | 26655528 | 813311 | 31205576 | 956313 |
| Decadal growth | Percent | 18.92 | 22.72 | 17.07 | 17.58 |
| Density | Per square kilometres | 340 | 78 | 398 | 92 |
| Sex ratio | Female per 1000 males | 935 | 926 | 958 | 951 |
| Literacy | Percent | 63.25 | 57.70 | 72.19 | 69.25 |
| Urban population | Percent | 12.90 | 11.30 | 14.10 | 11.81 |
| Rural population | Percent | 87.10 | 88.70 | 85.90 | 88.19 |
| SC population | Percent | 7.40 | 3.63 | 7.15 | 5.70 |
| ST population | Percent | 12.83 | 55.69 | 12.45 | 56.33 |

Source: Census of India 2011

District Administration:

The Karbi Anglong District is one of the Autonomous Hill Districts of Assam constituted under the provision of Sixth Schedule of the Constitution of India. Hence, the pattern of administration is different from that of the plain Districts of Assam. There is an Autonomous Council in the district constituted under the provision of the said schedule, namely, Karbi Anglong Autonomous Council (KAAC) and almost all development departments are under the administrative council of the KAAC.

The powers and functions of the Karbi Anglong Autonomous Council are broadly classified into four heads: Legislative, Executive, Financial and Judicial. The Council has tenure of five years. The Council's budget consists of two sectors – Council sector and State sector. The Council sector budget is entirely dependent upon the revenue collected through the Taxation Department of the Council while the State sector is financed jointly by the Centre and Government of Assam.

The Karbi Anglong district is divided into three Sub-divisions namely Diphu, Hamren and Bokajan with district headquarters at Diphu. Moreover, Karbi Anglong district has 11 developmental blocks. The names and headquarters of each block are given in the following table:

Table 1.2: Name of Sub-Division, Development Blocks with Headquarters of Karbi Anglong

| Sl. No. | Name of Sub-Division | Sl. No. | Name of Block | Headquarters |
|----------------|-----------------------------|----------------|-----------------------|---------------------|
| 01 | Diphu Sadar Sub-division | 01 | Lumbajong Dev. Block | Manja |
| | | 02 | Howraghat Dev. Block | Howraghat |
| | | 03 | Samelangso Dev. Block | Dokmoka |
| | | 04 | Langsomepi Dev. Block | Bakulia |
| 02 | Bokajan Civil Sub-division | 01 | Bokajan Dev. Block | Bokajan |
| | | 02 | Nilip Dev. Block | Chowkihol |
| | | 03 | Rongmongve Dev. Block | Kath Teron |
| 03 | Hamren Civil Sub-division | 01 | Rongkhang Dev. Block | Dongkamukam |
| | | 02 | Socheng Dev. Block | Zirikendeng |
| | | 03 | Chinthong Dev. Block | Hamren |
| | | 04 | Amri Dev. Block | Ulukunchi |

Source: www.karbianglong.nic.in [Accessed on 21/9/ 2014]

Road and Communication:

The district is well connected by roads with other districts through various routes. There are two National Highways – NH-37 and NH-39, which pass through the district. It is also well connected by Indian Railways. There is no airport in the district. The nearest airport is in Dimapur in Nagaland State, which is 54 Kilometres away from Diphu, the Headquarters of Karbi Anglong.

The Economy

The economy of Karbi Anglong is primarily based on agriculture, which provides means of livelihood to about 90 percent of the population. Handloom Industry which is mostly owned by women in the district is next to agriculture and plays an important role in the development of socio-economy of the rural people. There is not a single heavy and large industry, which provides employment opportunities to the people of the district. Hence, there is a need to encourage more and more women to take up entrepreneurial activities in Karbi Anglong district.

Agriculture

The need for the study of the economy of Karbi Anglong arises because of the fact that economy is underdeveloped in comparison with other districts of Assam. The district is lacking behind in the field of agriculture, irrigation, industry, power, transport and communication, education, banking, health and medical services, etc. which are important ingredients of economic growth.³⁰

³⁰Gogoi, P. K. (1978), *The Economy of Karbi Anglong* (Bichitra Narayan Printing Press: Guwahati), p. 9.

As mentioned, agriculture plays a predominant role in the economy of Karbi Anglong; nearly, 84 percent of the work force of the district is involved in agriculture either as cultivator or as agricultural labourers. This hill district with topography of hills, plains and valleys has its own peculiarities in the system of cultivation. Roughly 30 percent of the total area of the district falls either in the plains or valleys. The system of agriculture in plain areas of the district is similar to the system that is practiced in other plain districts of the state.

The people living in the hills mostly practice shifting cultivation, which is popularly known as *Jhum*. With the increase of population in the district, the pressure on land is going up rapidly and as a result the total production is decreasing. The shifting or jhum cultivation is one of the causes of lesser production; because, *jhuming* is uneconomic from the point of production. At present, the *jhum* cycle is also very short, which in turn results in lesser production.

Natural Resources

Karbi Anglong district is very rich in natural resources and is well known for its forest area with diverse flora and fauna. The district can be divided into two physiographic units – as plains and hills. About 85 percent of the district is covered by hills and about 34 percent of the total geographical area of the hill district is covered by forest. The forest area of the district is full of giant trees, rare and endangered species of medicinal plants and animals.

Some of the mineral resources which are found in the district are Coal, lime stones, copper, sand, clay and granite stones. Sizable varieties of valuable timber are found in the forest of Karbi Anglong like sal, teak, bansum, gamari, etc. Besides, bamboo, cane, thatch, etc. are also found. The forest of Karbi Anglong is also rich in

medicinal plants like neem, chalmugra, chandan (sandal), agaru, tulsi, amla, etc. Different types of animals like elephants, tigers, buffaloes, wild bear, deer, varieties of reptiles, monkeys, wild ducks, green pigeons, peacock, etc are found in the district. The one-horned rhino is also found here.

Statement of the Problem

There is a perception that some culture or social groups are more conducive to entrepreneurial behaviours than others. According to this, the factors that contribute to the supply of entrepreneurs are an inheritance of entrepreneurial tradition, family position, social status, educational background, etc. In a country like India and in an underdeveloped region like North-eastern part of India, the government has to take up special steps to encourage women entrepreneur in order to create opportunities for involving them in economic activities and making them economically independent. There should be schemes and programmes at regional, national and international level to promote women entrepreneurs. Banks, non-banking financial institutions, etc are the primary institutions that finance the enterprises. It is widely accepted that the market forces are never static, rather always in the process of change. The entrepreneurs should try to adjust and cope with the changing situation.

One of the major problems of women entrepreneurs is marketing. Marketing involves not only the entrepreneurial skill but also mobility with flexible timing, self-confidence and positive attitude, etc. Rural women may encounter many constraints when trying to take part in the transformational process. Rural areas tend to be more traditional concerning the gender issue. In rural areas, the gender issue is usually a much stronger hindering factor to potential women entrepreneurs than it is in urban areas; their self-esteem and managerial skills is lower when compared to urban

women and access to external financial resources are more difficult than in urban areas. Therefore, special programmes of assistance (like technical and financial) to overcome these constraints should be developed and designed to meet the needs of rural women, in order to facilitate them to take an active part in entrepreneurial restructuring of their communities. The underdeveloped economy creates many problems; it is also one of the root causes of growing anti-social elements in the society. By creating employment generation and improving living standard as well as utilizing untapped local resources, an entrepreneur can help in the process of economic development. For this reason, women with potential and innovative ideas need to be encouraged and supported for skills development, either in rural or urban. As such, creation of entrepreneurial environment is very important. In this context, some of the incessant questions that may be raised are: what are the factors that motivate women of Karbi Anglong to become an entrepreneur; is the government of India really framing suitable policies to promote women entrepreneurship in backward districts like Karbi Anglong; and, whether the financial institutions provide timely support to these women entrepreneurs or not; or whether the women entrepreneurs of Karbi Anglong can cope up with the changes in the market or not.

Many believe that open economy gives an opportunity to the entrepreneur. Is it true in case of women entrepreneurs of the Karbi Anglong district? Has the Karbi Anglong district been made environment conducive for entrepreneurial growth? Why do women often hesitate to approach government agencies? Are there any perceptual differences between women entrepreneurs and women entrepreneurship promoting agencies in Karbi Anglong district? Thus, in the study there are few issues which the researcher is going to study in the present researches.

Objectives of the Study

The study focuses on the following five objectives:

1. To investigate whether the socio-economic condition of women helps to pursue and continue entrepreneurship in Karbi Anglong district.
2. To find out women entrepreneurship promoting agencies in Karbi Anglong and to assess their nature of support system.
3. To analyse the extent of contribution of women entrepreneurs for the economic development upon their respective family.
4. To investigate the perceptual differences, if any, of women entrepreneurs and government agencies regarding problems and prospects of entrepreneurial growth in Karbi Anglong district.
5. To suggest measures to improve the condition of women entrepreneurs of Karbi Anglong.

Hypothesis of the study

The working Hypotheses considered for the purpose of this study are:

1. Socio-economic conditions of women do not help to pursue and continue entrepreneurship in Karbi Anglong district.
2. The women entrepreneurship promoting agencies in Karbi Anglong district are not providing adequate support to women for pursuing and continuing entrepreneurship.

3. Contribution of women entrepreneurs of Karbi Anglong district for the economic development of their respective families (measured in terms of income generated and contributed to the corpus of the total family income) is very less.

4. There exist perceptual differences between the women entrepreneurs and government agencies regarding problems and prospects of entrepreneurial growth in Karbi Anglong district.

Research Methodology

Research Design: For the purpose of the study, both descriptive and analytical research design has been applied.

Data Requirement and Collection Design: In this study, both primary and secondary data has been used.

(a) The primary data has been collected through schedule. Schedule has specially designed for eliciting information relevant to the study. Schedule has been translated into the local language for the convenience of the respondent. A pilot study has been conducted in order to collect the required information and schedule has reframed accordingly. The respondents of the study are women entrepreneurs, designated officials of the various government agencies operating, and those involved in the promotion and development of women entrepreneurs in Karbi Anglong district.

(b) The secondary data has been collected from various related books, newspapers, periodicals, journals, websites, published and unpublished reports of District Industries Commerce Centre (DICC), Diphu, Karbi Anglong Autonomous Council (KAAC), etc.

Population and Sampling Design:

For the study, stratified random sampling method has been applied. The first level of stratification was the administrative geographical locations. The administrative geographical locations of Karbi Anglong district are (a) Eastern Karbi Anglong and (b) Western Karbi Anglong.

In the second level of stratification, 20 percent of blocks have been selected randomly from each of these administrative geographical locations. There are 11 blocks in Karbi Anglong district comprising 7 blocks in East Karbi Anglong and 4 blocks in West Karbi Anglong. However, for the study, two blocks in East Karbi Anglong and one block in West Karbi Anglong have been considered.

According to the data compiled by the DICCC, Diphu, there are 560 registered women entrepreneurs in Karbi Anglong district (as on 31st March, 2012). Since, the Lumbajong Block and Bokajan Block of East Karbi Anglong and Rongkhang Block of West Karbi Anglong showed the highest number of registered women entrepreneurs in the district, for the study, registered women entrepreneurs have been selected from each of the 3 blocks. The plan of sampling design is shown in fig.1.3

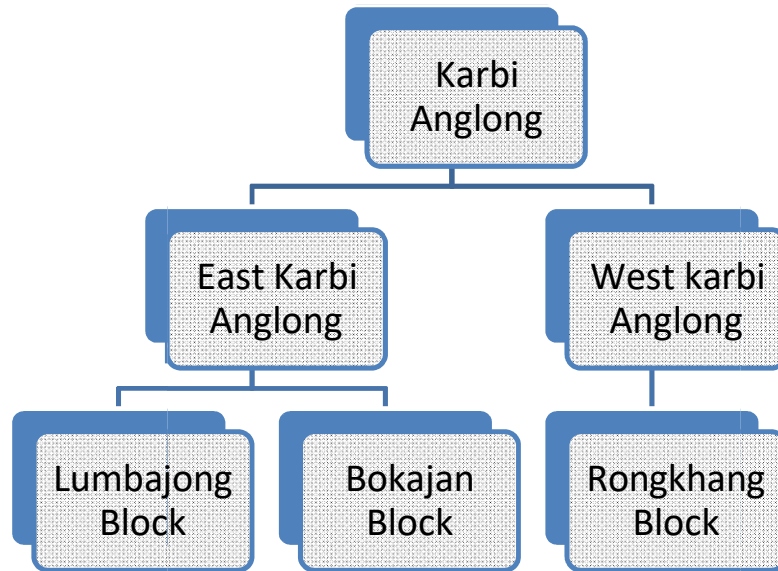


Fig 1.3 Sampling Design

There are 204 registered women entrepreneurs in Lumbajong development block, 115 in Bokajan development block and 27 in Rongkhang development block. Hence, N= 346

Sample size: 181 (based on K & M Model of sample size determination)³¹

The block-wise sample size is determined by following proportionate distribution. It is shown in Table 1.3.

Table 1.3 Block-wise Sample size determination

| Name of the Blocks | Distribution of Sample | Results |
|---------------------------|-------------------------------|----------------|
| Lumbajong | $204/346 \times 181$ | 107 |
| Bokajan | $115/346 \times 181$ | 60 |
| Rongkhang | $27/346 \times 181$ | 14 |
| Total | | 181 |

³¹ Sample size determination using Krejcie and Morgan table. Retrieved from www.kenpro.org [Accessed on 15/05/2015]

According to K & M model, the sample size has to be 181, however, in the present study, 165 women entrepreneurs has been taken for analyses and interpretation; this is due to various reasons like closing down of enterprises, shifting of villages, death of entrepreneurs, etc.

Table 1.4 Block-wise samples for the present study

| Name of the Blocks | Distribution of Sample |
|---------------------------|-------------------------------|
| Lumbajong | 97 |
| Bokajan | 55 |
| Rongkhang | 13 |
| Total | 165 |

Analysis Design: Data analysis has been done by using descriptive statistical tools like mean, tabulation, charts, percentage, etc.

Variables Considered in the present study: Age, community, religion, marital status, educational qualification, family type, family income, reason for becoming an entrepreneur, category of the entrepreneur, location of the enterprise, types of enterprise, source of finance, support of family members and society have been considered as variables to investigate whether the socio-economic conditions of women motivate to take up entrepreneurship in Karbi Anglong district.

The four variables which are form of financial assistance including soft loan, power concession, marketing assistance, training and schemes to encourage and help women entrepreneurs have been used to assess the nature of support system of women entrepreneurship promoting agencies in Karbi Anglong.

To analyse the extent of women entrepreneurs for the economic development of their respective families, the variables used are income of women before and after becoming an entrepreneur, contribution of women to the family in terms of money to the corpus of the total family income before and after becoming an entrepreneur, working status of women before becoming an entrepreneur, number of employment provided in the family after becoming an entrepreneur, investment and savings before and after becoming an entrepreneur.

To investigate the perceptual differences of women entrepreneurs and government agencies regarding problems and prospects of entrepreneurial growth in Karbi Anglong, the variables used are perceptions of women entrepreneurs and government agencies regarding social problems, economic problems, financial problems, production problems, marketing problems, problems in pertaining government assistance including attitude and behaviour, organisational culture and policies.

Scope of the study

The study is confined to the women entrepreneurs of Karbi Anglong district of Assam who engaged in manufacturing and services, which are micro and small enterprises in nature. The study provides the details about the socio-economic conditions of women entrepreneurs, factors motivating women to become entrepreneurs, nature of support from the government agencies, contribution of women entrepreneurs in economic development to their families, perceptual differences regarding the problem and prospects of entrepreneurial growth between women entrepreneurs and government agencies in Karbi Anglong district of Assam.

Significance of the study

Women play an important role in the society. When women are empowered, it enhances both the economic and social status of the country. Taking up an entrepreneurial activity is a way to become economic independent and raise the living standard of the women. In this study, the researcher finds out the factors motivating to become women entrepreneurs in Karbi Anglong district of Assam so that more women may be encouraged to take up entrepreneurial activities in the future. Karbi Anglong district is considered as the most backward district in Assam, though the district is famous for its natural resources. The study unearthed the nature of support from the government agencies, which promote women entrepreneurship. The researcher brought out the perceptual differences between the promoting agencies and women entrepreneurs, and the contribution of women entrepreneurs to their families.

Subsequently, the findings of the study will give information to both the government agencies, which promote women entrepreneurship development in tribal areas like Karbi Anglong and women entrepreneurs about the problems and prospects of women entrepreneurial development in Karbi Anglong. Since the study will analyse the women entrepreneurs' contribution in economic development of their respective family, the findings of the study can be useful for not only the policy formulators or government in formulating policies and programmes for women entrepreneurial development in other districts which have the similar characteristics of Karbi Anglong district. The findings can also encourage various promoting agencies to create conducive environment in the nature and support system of women entrepreneurs, and to bridge the gap between the women entrepreneur and the various

government officials of the district. In view of the fact that there are hardly any studies on women entrepreneurs, their contribution towards economic development in backward and tribal areas, the study will fill up the existing gap, and it will contribute a space in the existing literature of women entrepreneurship development.

Limitations of the study

At present, there are 33 districts in Assam; however, this study covers only Karbi Anglong district. Therefore, the findings of the study may not be applicable to all. The study is also based on the perceptions of women entrepreneurs, government officials who are working in the government agencies to promote women entrepreneurs in Karbi Anglong. Their attribute may change with the change of times. Hence, the responses showed their contemporary views on the present situation.

Chapter plan

For the purpose of this study, the chapter is planned under the following heads:

Chapter 1: Introduction. Here, it provides the background of the study, statement of the problem, objectives of the study, hypothesis of the study, significance of the study, analytical tools, and scope and limitation of the study.

Chapter 2: Review of Literature: This chapter provides a detailed review of literature and the existing research gaps.

Chapter 3: Socio-Economic Condition of Women Entrepreneurs of Karbi

Anglong: In this chapter, the background of the women entrepreneurs of the study area, socio-economic factors that motivate to become an entrepreneur are examined.

Chapter 4: Role of Promoting Agencies for Women Entrepreneurial

Development in Karbi Anglong district: This chapter throws lights on whether the government agencies provide adequate supports to women for pursuing and continuing women entrepreneurship.

Chapter 5: Economic Contribution of Women Entrepreneurs in the Family:

This chapter highlights the contribution of women entrepreneurs in economic development of their respective families and shows picture on savings and investments of women entrepreneurs of Karbi Anglong district.

Chapter 6: Perceptual Differences between Women Entrepreneurs and Promoting Agencies towards Women Entrepreneurship Development in Karbi

Anglong: This chapter shows the perception of both women entrepreneurs and government agencies regarding the problems and prospects of entrepreneurial growth of Karbi Anglong district.

Chapter 7: Summary and Conclusions:

In this chapter, major findings, limitations, further scope for study and policy suggestions that emerged from the study are presented.

1.13. Conclusion

As discussed, women play an important role in the process of economic development of the country. Former Prime Minister of India Pt. Jawaharlal Nehru rightly mentioned that when women move, the country moves. It clearly indicates the

importance of women in a nation. Hence, women are to be educated and empowered in the present globalised world. Women entrepreneurship development is also considered as an important tool for women empowerment. When women are empowered, it enhances the economic and social status of the country. Hence, women entrepreneurship development is an important area of policy makers. In the following chapter, the review of literature is presented to build a strong groundwork of the present study and to find out the research gap.