CHAPTER I
CHAPTER I

PERSPECTIVES ON PLANNED DEVELOPMENT IN INDIA

Development is an elusive and as a concept it defies definition. Development is closely related to growth and quantitative attributes:

"...gradual advance or growth through progressive changes.....the whole process at growth and differentiation by which the potentialities of a Zygote, spore, or embryo are realised......" or as "...a step or stage in growth, advancement, etc".

A combination of definitions offered by Social Scientists might provide a balanced view of the meaning of development. It is apparent that development means different things to different people. Caiden comments:

"Nobody realey knows what the word development realey stands for any more. Economists identify it with economic productivity; Sociologists with social change or social differentiation; Political Scientists with democratisation, political capacity, or expanded government; administrators with bureaucratisation,
optimum efficiency, performance, or capacity to assume all burdens."

The whole idea of development as a process of change from a less desirable to a more desirable state of affairs underlines the whole field of development oriented studies.

The basic question of development is concerned not only with the process but also with the desired (implicit or explicit) objectives or values of a social system which that framework developmental course of action operates, these objectives and values are very much guided by socio-economic and political factors of a particular region which determines the real intention of development process and desired goal whether implicit or explicit.

Therefore it seems that the concept of Development is related in contexts. And there are so many dimensions of development that has to be seen in a rational manner, and supposed to be addressed in a respective direction and field e.g. economic development, social development, cultural development, spiritual development, physical development etc. But when one simply says development it means all factors has to be clubbed together in a particular course of action which heads to the progressive upward change. In this context normative (subjective) as well as empirical (objective) values has to be taken in to account, otherwise avoidance of basic normative values universally sought by social systems can create further confusion about the goal-
oriented nature of development.

The further insight which has been developed by scholar like Colm and Geiger regarding development concept goes as under:

"The term 'development' is not used synonymously with 'growth'. In the underdeveloped countries of Asia, Africa, and Latin America, development requires social and cultural change as well as economic growth; that is, qualitative transformation must occur concurrently with quantitative increases. There is, in fact, a reciprocal relation between the two, and neither process is likely to continue for long or go very far without the other. Hence development means change plus growth".

Then by and large, development has become an "umbrella" concept that signifies the whole process of change towards desired goals.Basically, development means both the achievement of modernity and those changes in a society's economic, social, political, and cultural spheres which tend to move the society closer to modernity. Thus development seems to be both a goal and a process by analyzing from a social system perspective and there can be any consensus as to what it really means.
Development also can be viewed as essentially a directed or guided change with a heavy emphasis on achievement of programmatic goals. These objectives can be used to promote language, education, culture and economic development oriented activities. All these are organically linked. No amount of argument in favour of the primacy of economics can remedy the lopsided development. It is equally important to understand the term 'development' in philosophical context. Development has all too often been perceived as modernisation patterned often a particular dominant design, while in fact, there is a need for a multicultural and pluralistic conception in which different ways of living, different belief systems, and values are accommodated to reach the ultimate goals of various communities. Modernisation does not mean the mechanical imitation of a particular way of life.

The concept of development has to be redefined in these terms. In fact it would be necessary also to emphasise the linkage of the development elements to cultural elements, including local relevance, to geographical and environmental factors, historical traditions, traditional knowledge and skills, etc. The importance of the aesthetic and artistic dimension of life should also be fully recognised...the motivation of the people who are the beneficiaries and participants in the development process is of almost importance in successful design and implementation of programmes. Cultural factors play an important role in energising the motivation calling forth requisite partici-
pation and are thus crucial to development in which new concepts and ideas are absorbed in a permanent manner.

Economists tend to balance values and prices, they are fond of saying that there is no free lunch; everything must be paid its value so that price and value always balance out. The economist Nicholas Georgescu-Roegen has written;

"The entropy law teaches us that mankind lives under a harsher commandment: in entropy terms, the cost of a lunch is greater than, its price".

The development model which takes into account the cultural factor in the process of course of action distinguishes values from prices and covers the totality of means and ends in the ceaseless quest for the betterment of Human beings in society. Planners in the developing countries in general and India in particular have failed to take note of the rapid degeneration in the relationship between man and his environment. They also not given due attention to the socio technological constraints obtaining in their societies.

The geography of the world alone should convince any planner that a uniform strategy of development cannot be employed for diverse socio-physiographic regions in which the diverse phenomenon like languages, religion, ethnicities and cultures should have made these planners
aware of the non-economic inputs as necessary conditions of economic development. But this is not the case the rich and the powerful have always tried to build the world in their own image and consequently even different paths to the same goal are not conceded by them.

The world in which we live, is full of contradictions. There are democracies, but strong armies protect these. There is plenty, but surrounded by poverty. We are prosperous, but haunted by perpetual dissatisfaction. This has not happened all of a sudden, but is the outcome of the progress of our materialistic civilization, a civilization which has identified development with economic growth. This has encouraged consumerism. A society which consumes more and of course, creates more waste is regarded as a civilized society. This civilization has its roots in the industrial Revolution of Europe. The industrial Revolution has brought about two basic changes in human thinking. Firstly, that nature is a commodity, every thing in nature, which has economic value, can be marketed. Thus the gifts of nature which all beings freely enjoyed and which enabled them to lead a life of self-sufficiency from their surroundings, became marketable and came either under the control of individuals or institutions, who had authority, wealth or arms. Second, that society consists only of human beings. This concept gave human beings mastery over nature and was misused to exploit it. Exploitation of nature went to the extent of butchery.
The concept of economic growth was glorified by American president Harry Truman, when after the conclusion of second World War in his inauguration speech before the U.S. congress on 20 January 1949, he defined the larger part of the world as "underdeveloped area". A new and a convenient world view was thus announced, all the peoples of the earth were to move along the same track and aspire to only one goal—development. And the road to "development" was clearly defined:

"Greater production is the key to prosperity and Peace"

Infact the first and the second world were caught up in strange contradictions. In spite of the strong indictment of economic determinism by Engels, both the worlds have considered economics as supreme and all the other factors subservient to it. The so-called free world, swearing allegiance to a free market economy, has divided the world in such a way that the third world has 72 percent of the population and 14 percent of the world's wealth; and 10 percent of the world population enjoys 90 percent of the world's energy and 90 percent of radio frequency. Thus it has resulted in saturation of economic development for a few and deprivation for many. The communist world had created an economic system where the satellite countries
were considered as dependencies and their resources were exploited in the interest of the "father land". As in the eastwhile Soviet Union, a book written in a non-Russian language could not be translated into another non-Russian language without going through Russian. Similarly none of the satellite countries could directly make economic arrangements with another without clearance from the Soviet Union, it is not at all surprising that this phenomenon have resulted in the collapse of system.

The free world and the socialist world viewed with one another in creating different economic orders. When it came to the third world, each has wanted to build their economies in its own image without conceding to them the right to develop in their own way. In the west, poverty is sprinkled in an ocean of affluence. In the socialist countries, a political elite, elected by a party which had between 1 to 2.5 percent membership of the population of the country, managed the state and the economy. The third world countries have a variety of systems of Government. However, they are all multilingual, multi-ethnic, multireligious and multicultural, these factors make the context of development different. But they are under constant internal pressure to choose an outside model and to conform to the one or the other world. The developing countries are not only handicapped by the imposition of monoculture but also by the unidirectional bombardment of information where there is greater noise and less of relevant information. One of the reasons of this noise is as P.B. Stone puts;
"Development people now are in a state of profound self-doubt. Ten years ago there were several schools of thought that had confident prescriptions of development. Today not one of those school advances its prescriptions with one tenth the confidence it had ten years ago."

Hence there are so many models, which ill-fit the multilingual and Pluricultural third world. By defining westernisation as synonymous with modernisation they have created a limited elite in the third world societies which is national by birth, western in education and culture and accepts a unilinear model of development akin to that of the west. This development naturally is to the best advantage of the developed countries. In spite of millions of dollars received by way of loan, aid and gift, the fact that 60 percent of the population in a country like India could be below the poverty-line is the best commentary on its development. The fact that there is one doctor for every 17,000 population in India and Indian doctors man the health department of the U.K. and U.S.A. indicates the beneficiaries of development.

The other factors which also determines the direction and success of development plans are attitudes inhibiting and institutional approach. Because loose hold on these factors can lead to the glaring discrepancy in the
living standards of people which will again create confusion to choose the wrong course of action as Johnston and Clark points out:

"One of the most discouraging features of the contemporary development debate is its failure to make cumulative progress in the content of its arguments... a further indication of the development field's immaturity is its insistence on fighting the same battles over and over again, changing only (and not always) the place and time of the fight".

The rational institutional understanding regarding particular policy matter also gives a tremendous support to implement the required model as well planners to revise the model according to situational objective prevailing conditions as Harold D. Lasswell has viewed;

"...A comprehensive theory of value accumulation and institutional development (that) can provide an inclusive frame of reference for the decision makers and choosers involved in giving or receiving assistance, or in directing self-sustaining and integrated growth".
In this case integrated growth means all round progress in, socially upward mobility, educational improvement cultural and economic development as well as democratization of political process and decision making mechanism. All these phenomenon should go side by side and the end result would be the real social improvement in which economic development plays historical role, it promotes the other variants to flourish, not to dominate the other factors; Rather to say integrate the multilingual and cultural society as a composite culture. This type of model can be considered as an ideal course of action to develop the third world countries in their indigenous way of development as Paul Streeten says;

To be useful, models will have to be, at least initially, much more specific to individual cases and much less general or theoretical. In particular the distinction between parameters and variables should not run along the line drawn between 'economic' and non-economic factors operating in a situation. Thus social and political reform should neither 'precede' nor 'follow' economic development: social reform must accompany development, reinforce it, create the conditions necessary for it, but in itself be promoted and determined by development. The process is one of continual mutual causation.

Thus this is very clear that the phenomenon of development carries a multi dimensional message and it is also very much related in space and temporal context. But
even then there are certain parameters they should be there because these are considered as basics of the development by social scientists:

- First, a social ingredient measured as well-being in health, education, housing, and employment;
- Second a cultural dimension in recognition of the fact that cultures identify and self-worth to people;
- Third, an economic component dealing with the creation of wealth and improved material conditions of life,
- Fourth, a political dimension embodying values such as human rights, political freedom, enfranchisement, and some form of democracy;
- Last but not least called the 'full-life paradigm', which refers to the ultimate meanings of life and history as expressed in symbols and belief system.

Therefore, every model of development has to be tested on these five dimensions and if it is viable, than it can be applied without hesitation because in this case the question of development for what doesn't arise at all while generally it has been neglected in the past as John Hallowell observed;

"It is ironic that this most obvious problem to be dealt with in social life is rarely treated in the literature on development."
Infact the concept of development is lopesided in which the ancient philosophical question such as what is the relation between the fullness of good and the abundance of goods; what are the foundation of justice in and among societies, what criteria govern the posture of societies towards the forces of nature and technology all these questions remained unanswered till today. And it is not necessary that a nation with a high per capita income is truly developed. What renders these ancient moral question specifically development and the old answers given to them obsolete is the unique cluster of modern questions. There is the vast scale of most human activities—the size of our cities, bureaucracies, and factories, the sheer volume of images and fantasies which assault the senses. There is also the technical complexity and the specialized division of labour ensuring there from, so that no single set of skills—manual, intellectual, or artistic—is adequate of cope with the needs of unity, integration, and openness to change. In a technically complex world it becomes nearly impossible to answer such simple questions as, 'what is the good life', and the relation between goods and the good. The another feature of modern life, the web of interdependence, transforms local happening in to global events and causes international conflict of impinge on local destinies. Last but not the least most dramatic, there is the ever-shortening time lag between changes proposed to human communities and the deadline they face for reacting to them
in ways which protect their integrity. Mass media, modern medicine, and technology constantly affect the consciousness, values, and destinies of people, leaving them scant time to take counsel with their traditions or their images of the future so as to shape a wise response.

The moral questions all societies faced in the past have become contemporary developmental questions. By and large, however, these normative questions have been ignored or poorly attempted by development experts. It is not an easy task to reply these complexities because the very language of development conceals two ambiguities. An identical term designates both the goal of change processes e.g. some vision of a better life—and those very processes themselves seen as means to reach the goal. Moreover, the term ‘development’ can be used either descriptively or normatively. One speaks descriptively when listing a country’s GNP growth rates, trade balance, or rate of savings and investment. But one may shift to normative language and condemn these very accomplishment by branding them modernisation without development or by decrying the failure of quantitative growth to produce human development. These twin ambiguities are unavoidable, for what is as well as pointer to what ought to be. But the objectives of goal and means has to be seen in a broader perspective to choose appropriate strategy for a particular area considering objective prevailing conditions in which natural resources has to be rationally utilised to sustain the man-nature relationship in long term. While applying a particular
model of development, we have to be very pragmatic regarding the outcome of the same as well as the intention of the very model. As Goulet has proposed;

"Development objectives can be viewed analytically on two levels, that of ultimate meanings and that of practical choices".

While it is illusory to expect agreement on the former, it is possible to deal with the latter through action. Although goals inevitably conflict, it is assumed that universal goals can ameliorate the human condition. The basic question that must be answered is,

"Do any values exist which are universal requisites of the good life, irrespective of the precise delineation given to the latter by specific societies "

Goulet seems to find at least three such values;

To provide more and better life-sustaining goods to members of societies.

To create or improve material conditions of life in some ways related to a perceived need for esteem. To free men from servitudes (to nature, to ignorance, to other men, to institutions, to belief system etc.) Considered
oppressive, so as to release them for positive self-actualisation. Development must be considered within an ethnic framework; for development is both eufunctional and dysfunctional, but never neutral. To reiterate, therefore, development should be perceived through a quantitative-qualitative balance, i.e; through an ecological "ideology of development".

Having established development as a relative phenomenon, its desirability should be perceived only with reference to a particular situation. Otherwise, one would be equating the process with the adjectives, as Riggs put it in this way:

"The goals of development are multiple. It is concerned not only with raising levels of economic production and consumption, but with freedom, justice, security, and the basic integrity of man as a human being. In this sense, the study for development is unavoidably value-oriented. But it does not necessarily assign priorities among these values".

Some dysfunctional aspect of development include these factors as well:

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First of all, the very abundance potentially connected with compel technology carries its own perils. Development in itself is likely to enhance economic inequalities, unless strenuous efforts are made to counteract these tendencies....

The alienation of men from one another, even at the very time they became more and more interdependent economically, make for difficult communication and hence increases the obstacles to community.

The imperatives of technology which help to shape what human beings become make it easy, psychologically to forget that machines should be mere tools and not ends....

As men become more and more dependent on one another economically, they are likely to reflect a desire to subordinate themselves to those who control their livelihoods. The last one, great acquisition of knowledge is a two-edged sword, as we have seen. Knowledge can be used to wipe out the very civilisation which produced it and the more complex the civilisation, on the whole, the greater are the potentialities for destruction. These dysfunction can take on variety of forms: anomie trends, revolutions, violence, disruptions, upheavals, etc. lading in the final analysis to a reversal of the process of social system development, and consequently to the disintegration of the social system itself. These days functional aspects has to be checked at appropriate time by a systematic analysis and investigation of ecological dimension of
developmental strategies of a particular model.

The primary mission of development is to keep hope alive, render decisions and action human. Otherwise stated, it is to assure that the painful changes launched under the banner of development and progress do not result in anti-development, which destroys nature, human cultures, and individuals and exact undue sacrifices - all in the name of profit, some obsolutized ideology, or a supposed efficiency imperative. A comprehensive development which incorporates environmental wisdom is the conceptual cement which binds together multiple diagnoses of problems to their policy implications through an explicit phenomenological studies.

Thus to summarise the development phenomenon one could establish that development means the optimum utilisation of minimum resources. But the facts reveals that the dominant ideology of development, which guides development activities almost exclusively, has been classically concerned only with the use of natural resources for commodity production and capital accumulation. It ignores the resource processes that have been regenerating natural resources outside the realm of human existence. It also undermines the vast resource requirements of the majority of people whose needs are not being satisfied through the market mechanisms. The neglect of these two vital economies of natural resources, the economy of natural processes and the survival economy has been the reason why ecological destruction and threat to
The concept of economic growth or development has no universally acceptable definition of the term. Different economists have used the term 'economic growth' to convey different meanings. In some cases the concepts differ in essence. Whereas in others only in emphasis. Some other economists are of the view that the term 'economic growth' is very much obvious and there is no need for framing a precise definition of it. These experts seem to believe that economic growth can be conveniently measured in terms of national income targets. Others feel that clear and unambiguous definitions are a prerequisite to any precise analysis. Underlying the difficulties which most social scientists face in the absence of precise definitions,.....what? Ronald A. Shearer stated;

"The literature of social sciences is a testimony to the errors; unnecessary confusions and prolonged debates which can result from an ambiguity on the level of basic conceptualisation".

There is certainly weight in Shearer's observation. It is better to avoid ambiguity and identify economic growth in terms of some measurable criteria.

The economic growth may be defined as a rate of expansion that can move an underdeveloped country from a near subsistence mode of living to substantially higher
levels in a comparatively short period of time, i.e. in decades rather than centuries. For nations already advanced economically, it will mean a continuation of existing rate of growth. The rapid economic growth has been accompanied by greater industrialisation. But more accurately the process of economic growth can be described in terms of greater commercialisation of economic activities. Though this concept of economic growth is correct in essence, it lacks precision and makes its measurement difficult. The economic growth can be measured through these variables i.e. Gross National Product, rise in economic welfare, higher per-capita products, equal distribution of income and wealth, rise in consumption level etc.

Till 1960s the term 'economic development' was often used as a synonym of economic growth. But now economists prefer to treat economic development as a distinct concept and defined to include improvement in material welfare, especially for persons with the lowest incomes, the eradication of mass poverty with its correlates of illiteracy, disease and early death, changes in the composition of inputs and outputs that generally include shifts in the underlying structure of production away from agricultural towards industrial activities, the organisation of the economy in such a way that productive employment is general among the working age population rather than the situation of a privileged minority; and the correspondingly greater participation of broadly based groups in making
decisions about the directions, economic and other wise, in which they should move to improve their welfare. It implies progressive changes in the socio-economic structure of a country. Viewed in this way, economic development involves a steady decline in agriculture's share in gross national product and a corresponding increase in the share of industries, trade, banking, construction and services. This transformation in economic structure is invariably accompanied by a shift in the occupational structure of the labour force and an improvement in its skill and productivity.

Historically speaking, the process of development in India has witnessed fluctuations time and again in different transitional phase. The socio-economic and technological levels of that particular transitional period projects the real development aspects of region, state etc. At the initial stage, man-nature relationship was very cordial, he was involved in taking ripened fruits from trees, water from running streams, hunting activities etc. But as soon as man started agricultural activities, the seeds of conflict with nature has been sown on this very day. Forests were cut down for cultivation and settlement, Animals were captured for ploughing and milch, purpose etc. Then came the feudal mode of production in which much progress was not possible. The tiller of the soil was tied up with the land and its owner. He subsisted on sub-standard living conditions and the surplus was appropriated by the landlord who generally squandered it away on wasteful
conspicuous consumption. Products of artisans did come to the market, but organised marked economy never developed. In such a socio-economic milieu growth on a sufficient scale was not possible. Despite that during this period certain commercial centres developed as a trade business nodal points especially during the Maurya and Gupta period. The north west frontier region of our country provided appropriate way to the invaders to takeout the precious wealth of this land. Although this type of exploitative invaders were few, and returned back with gold, silver etc., while others finally settled down here and become the citizens of this country, contributed a lot to the art, culture and trade etc. Nature of development in this period was very scattered inform, uneven, spurious, communication gap, lack of transportation network etc.

The feudal social system was replaced by the capitalist mode of production because the growth required organisation of production under the factory system for which there was virtually no scope in a feudal economic system. Since the whole working population was tied up with land in the west under feudalism, no one was available for employment in factories as wage-labour. Hence the overthrow of feudal mode of production was necessary for capitalist development. This actually happened in Europe where feudal mode of production was overthrown. In other countries, including Japan and Mexico, land reforms were carried out so as to remove obstacles to capitalist development. But
this strategy has not been adopted in India to pave the way for capitalism. Broadly speaking, two paths of transition from feudalism to capitalism have been observed. The first path of development is the now which Britain and France have followed. In both of these countries free independent peasants and the class of small and middle scale commodity producers set up factories and carried out production with the help of wage labour. In Japan, Russia, (Pre-Revolution), Germany and Italy, Feudalism was not wiped out structurally. Agrarian reforms which were carried out in these countries retained parasitic land proprietorship of semi-feudal character with insecure tenancies.

The class of merchant capitalists which had taken upon itself the task of industrial development was inept in completing the process of transition from Feudalism to capitalism. Hence, in all these countries energetic and open hand support on the part of the state to the rising capitalist class became necessary. Such an impetus was provided by the capitalist mode of production created by Industrial Revolution in entire Europa in general and Britain in particular, Bolshevik revolution in Russia, Meiji Revolution in Japan and Chinese Revolution in China etc. By all these historical events the feudal mode of production was overthrown, and replaced by different mode of production e.g. Russia and China adopted socialist mode of production, and Japan & Britain the capitalist system.

It is very interesting that in India the feudal system remained the almost same in different period of the
development process. Because this very issue has been not even thought of seriously. Although land survey and revenue revise has been emphasised time and again by efficient administrator and emperors like Todarmal Shersah Soor Akbar, and later the British also. But feudal mode of production exists even today after almost fifty years of independence, by adopting mixed economy policy for development. But facts remains that entire agriculture sector has left in the hands of private entrepreneurs. 79 percent population of our country involved in agricultural activities, does still practice traditional farming. Keeping these things into mind Gandhiji and Nehru had a philosophical difference on the very issue of development strategies after independence;

"Gandhi's vision of free India Centred on village renewal; Nehru's vision, just as firmly, on rapid industrial development. The older man preferred stability to change; the restless Nehru, change to stability".

Thus according to development strategies different plan period witnessed various ups and downs in the every sector of economy. Some time main emphasis had laid down on agriculture, industry and tertiary sector. But what is more interesting that so-called mixed economy concept is not applied at all to the primary sector. In our country that
is why feudal mode of production still continues in our
economy and capitalism is also not developed in its true
spirit. It seems that in the Indian case W.W. Rostow's
theory of the stages of growth can be proved in such a
manner that preconditions for takeoff stage has to be
created. This preconditioning embraces the building up of
adequate transport system, a certain minimum quantum of
technically trained personnel in the working force, ade-
quate quantum of energy resources, and other over head
capital. In addition, for growth process to begin success-
fully, basis must be laid for generating a surplus of
agricultural products that would be required for meeting
the increasing demands of the Urban population. The take-
off stage is so important in economy because in this period
the investment rate may rise from 5 percent or less to over
10 percent of national income. Secondly, one or more sub-
stantial manufacturing sectors with high rate of growth may
develop with in course of time, Induce development in some
other industrial sectors. Thirdly, this phase of growth is
characterised by the;

"existence or quick emergence of a polit-
ical, social and institutional framework
which exploits the impulses to expansion
in the modern sector and the potential
external economy effects of the take-off
and gives to growth an ongoing
character".

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To sum up, the process of development in India has been analysed in the light of historical perspective in which, ancient period has witnessed certain commercial nodal centres especially in Mourya and Gupta phase. While in the medieval period the feudal mode of production remained the almost same but in certain areas changed their mechanism of means to utilise the natural resources to get more commercial values. Last but not least in the British phase, modern period, They have developed their own strategy to get more and more raw material from three peripheral areas such as Bengal, Maharastra, and Madras, for their finished products in Britain.

After independence for the first time strategically planned development process was initiated under the name of so called mixed economy. While the two sectors e.g Industry and tertiary has been officially covered by this economic approach but primary sector, that is, agriculture has been totally neglected. Officially there has been always implementation of land ceilings, land reforms etc. But pragmatically speaking this issue, except in certain state governments, has not been even seriously thought of to sort out the problem of Land redistribution in India. Now in the light of present fast changing world economic and political scenario, GATT, Dunkel agreement etc, Agriculture sector of Indian economy needs special emphasis to deal with this under estimated sector in which more than seventy percent population involved, therefore all three
sectors of economy should be treated equally for harmonious, sustainable, economic development process to get the maximum benefits by utilising minimum resources.

The emerging irreversible threat to survival arising from the development process allows a re-evaluation not just of some individual projects and programmes which have been shown to be ecologically destructive, but of the very conception and paradigm of development that generates such projects. The environmental conflicts are revealing now the resource intensive demands of current development have ecological destruction and economic deprivation built into them. They are also stressing that the issue is not merely of a trade off of costs and benefits because the cost of destruction of the conditions of life and well-being is not merely a matter of money, it is a matter of life itself. The most prominent feature of these ecological conflicts is that they are redefining the concepts of development and economic values, of technological efficiency, of scientific rationality— they are creating new economics for a new world order.

The classical economists had interpreted development or underdevelopment of particular regions in terms of availability of natural resources. And resources are generally defined as all those things present in man's physical environment on which he depends for the satisfaction of some want or the other. Therefore in this broad sense, resources would include the surface of land, which man uses
not only for habitation but also for farming and many other economic activities. While, in the underdeveloped economies where agriculture remains the predominant occupation of the people, the only natural resources that is extensively utilised is land. Animals, fisheries and forests are some other resources which, have been in use for thousands of years. But natural resources under the surface i.e. mineral ores, coal, petroleum, gas and uranium, for a long time man had no knowledge of them. It was in the process of man's learning, when his interaction with nature increased, he discovered the importance of these resources for fulfilment of his never ending desires this was, in fact, a turning point in the history of man. The discovery of modern sources of energy marked the beginning of industrial revolution.

The technological innovation led to the further ruthless exploitation of natural resources, guided by the classical economists who had assigned a particular meaning to the law of diminishing returns, which implied that eventually scarcity of natural resources will assert and thus economic progress would be arrested. Among modern economists there are not many who attribute a dominant role to natural resources as it the case in classical dynamics, but one can certainly find so. Top economists who even now feel concerned about land and other natural resources as a limitational factor in economic growth. As this is proposed by W.A. Lewis in especial reference to third world countries, when he says that;
"the level and pattern of development of a country is often limited by its natural resources".

While this has been viewed by most of western economists, those who have undermined the factor of developmental strategy which itself proved in the historical process that, it is the perception and strategy that matters of lot in the levels and pattern of development of a region, state or a country, not natural resources alone. Japan can be cited example in this regard. She is not so much resourceful in natural context but even than it is developed due to their sincere efforts, technological efficiency and long term strategy. Therefore here comes the issue of proper developmental strategies and approach. During colonial period the developmental process, was determined by the Britisher's own business interests which not even thought about the Indian peoples interest because after all they were alien and came here to exploit natural resources of this country for their own market. And of course they had very good planning and strategy but for East India company not for Indian people.

When India got independence in 1947, not only was its economy in a stagnant condition, it was also confronted with a number of other socio-political problems which called for an urgent solution. Obviously for solving these problems the country could not rely on market mechanism
alone. It was even viewed at that time that the economy of this country could even break the low level equilibrium trap to end the long spell of stagnation. Taken into account all these problems, the nationalist leaders of India extended their whole hearted support to economic planning. They have realised that the development of infrastructure and basic industries, initiative on the part of the state was necessary and as a concomitant of it, planning as an instrument of economic development that had to be adopted. The long term objectives of economic planning have been spelt out in different plan documents. But major objectives are, economic growth (approximately at an annual rate of 5 percent annum) self reliance, better employment opportunities, to sort out the problems of inequalities, elimination of poverty, to minimise regional disparities, and social justice etc.

The first step towards planning was taken in 1950 when the Government of India appointed a Planning Commission. The planning process itself was initiated in April 1951 when the first five year was launched. Since then seven five year plans have been completed and the Eighth plan has just begun two years before. The first plan covered the period 1951-52 to 1955-56, second plan 1956-57 to 1960-61. Third plan 1961-62 to 1965-66, fourth plan 1969-70 to 1973-74, fifth plan 1974-75 to 1977-78, sixth plan 1980-81 to 1984-85, seventh plan 1985-86 89,90 and eighth plan 1991-92 to 96,97. While in plan holidays, though annual plans were prepared, but there was no overall five year
frame work. The plan holidays were forced on the economy by the Indo-Pak conflict in 1965 and subsequent suspension of foreign aid, devaluation of the rupee and two successive droughts in 1965, 66 and 1966 - 67. The fifth plan which had the terminal year 1978-79 initially was terminated one year earlier by the Janata Government and the sixth plan was initiated in 1978-79. However, before the plan could get a real start, the Government at the centre changed again. The new Government kept 1980-85 as the period for the new sixth plan.

The theoretical basis of all five year plans during the last four decades has undergone a considerable change. However, the actual planning process does not seem to have been influenced much by this theoretical reasoning. The politician plays the all important role of deciding the amount and pattern of investment. Hence economic models succeed rather than priced investment decisions and are presented as justifications of the decisions already made. Although first plan had no where specified on what model it was based. However, when we examine the estimates of savings, capital cut put Ratio, investment and the long term objectives alongwith the short-term national income projections, it becomes clear that the underlying model was the Harrod Domar model in which the emphasis was laid down on the rate of investment, marginal propensity to save and the potential social average productivity of investment.

The modification made in the Harrod-Domar model in
the first plan was that whereas the original model assumed that the average and marginal rate of saving were equal, the first plan model assumed that the marginal rate of saving was greater than the average rate of saving. The implication of this modification was that with rise in national income, saving rate would increase. Thus with the progress of each plan, the rate of growth would also increase. The main drawback of this model was that it did not pay proper attention to the structural problems of the economy and considered the development process to be a result of the rate of capital formation. The very basis of second and third five year plan was based on Prof. P.C. Mahalanobis model, in which he concluded that for achieving a reasonably high rate of growth, it would be sufficient if the rate of net investment was stepped up to 10-11 percent of the national income. It was also deemed necessary to continuously increase the role of public sector in the national economy. For the first time the strategy of industrialization taken to be the basic elements of planning process. Therefore the industrialisation under public sector felt almost importance and initiated as C.T. Kurien put it;

"it is the high time to increase the scope and importance of the public sector so that this sector comes to control the commanding heights of Indian economy".
At the beginning of 1970s a distinct change in the strategy of planning was clearly discernible because of the pioneering study of V.M. Dandekar and N. Rath on 'poverty in India' in 1971 and the follow-up discussion in which a number of economists participated, the conviction grew strong that poverty and misery are widespread in our country and there is an urgent need to take serious note of this problem in planning strategy. The study has revealed that more than 40 percent of the population was unable to achieve even the minimum necessary level of subsistence for a drastic revision of plan priorities and programmes. Thus for the first time in planning history, the approach paper to the fifth five year plan talked of a redistributive scheme aiming at bringing down the per capita consumption level of the richest 30 percent of the population so that the lowest 30 percent of the population could be guaranteed a minimum level of subsistence.

The main problem with Indian economy is the mixed nature i.e. private sector and public sector operating simultaneously in which private capital get ample incentives and few controls. There is no compulsion or inevitability in any work though there might be some regulation and regimentation of economic activities. As against the private sector, it is indeed more essential to accomplish the largest laid down for the public sector. Although there is no compulsion as such this shows that Indian planning is
indicative to economic planning or planning by inducement only. The sectorwise analysis shows that the primary sector, for instance, practically the whole agricultural activities are in private hands. While secondary sector, industries are in the real mixed form managed by individual entrepreneurs and Government but under public sector industries, majority of them are sick while private industries are performing well. Same is the true with tertiary sector, efficiency of Government machinery shows the pathetic condition of affairs while corporate world is far ahead in their course of action. Indian planning is not pure economic in its nature but it is social planning too. Because of this factor its economic character has become distorted. The impact of all those factor's that affect political environment has been very much visible on planning process as well. As for as the political environment is concerned, the impact of the capitalist class, the big Jamindars and the prosperous large farmers is very much in evidence. The government policies have been formulated keeping the interests of these classes in view. How else can one account for the failure of land reforms, increase in the concentration of wealth and economic power, expansion in the activities of large business houses, etc.

The initial out line of Mahalanobis strategy for the second plan was quite progressive. Much was said on the expansion of the public sector role of industrialisation, lower ceilings on land holdings, inculcating a spirit of
cooperation etc. However, because of the political influence of the above mentioned classes, all these were considerably watered down in actual practice. The planning process was initiated in the form of a 'fixed' five years plan of time in which a fixed targets are laid down for the plan as a whole and attempts are made to accomplish these targets within the stipulated period. As against this, the concept of 'rolling plans' was introduced by the Janata party government. This was in some respect very different from the earlier 'rolling plans'. The Janata government proposed to take every annual plan as the starting point for the plan which was to cover that and the next four years. In a rolling plan though provision of medium-term and long-term planning is made and long-term targets are also specified yet provision for periodic appraisal of the progress is made. The imbalances emerging in different sectors of the economy are examined and the impact of various forces emanating in the country are thoroughly analysed in this light, modifications and refinements in the plan are introduced, if necessary.

Every year, the Planning Commission indulged in a big exercise able sufficiently ahead of time on the formulation of the annual plan. There is also a provision for a 'mid-term review' of the plan. Taken together, these can be taken as exercises in rolling plans. However, the planners never called our plans as rolling plans officially. The significance of a rolling plan is useful in those circumstances when the economy is faced with large uncertainly
with reference to certain natural (e.g. weather) or economic (e.g. oil price) factors which make it difficult to take a long-term or medium-term perspective regarding the future course of events. In such circumstances the advantage of adopting a rolling plan strategy is that it offers the flexibility of adjusting to the changing exogenous factors from time to time. The intricacies of rolling plans has been analysed in these words by Suresh D. Tendulkar, as the switch over to rollover planning from fixed planning:

"is a very complex process that requires adequate technical and administrative preparation along with an appropriate institutional structure for its successful implementation".

Therefore, partly, because of these requirements were not fulfilled by the Indian economy and partly on account of political unstability, the concept of rolling plans was abandoned by the Congress (I) government when it assumed power in January 1980.
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<tr>
<td>Agriculture</td>
<td>290 (14.8%)</td>
<td>549 (11.7%)</td>
<td>1089 (12.7%)</td>
<td>2320 (14.7%)</td>
<td>4865 (12.3%)</td>
<td>12539 (12.9%)</td>
<td>13327 (7.4%)</td>
<td>148800 (18.65%)</td>
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<td>and allied sector</td>
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<tr>
<td>Irrigation</td>
<td>343 (22.2%)</td>
<td>430 (9.2%)</td>
<td>665 (7.8%)</td>
<td>1354 (8.6%)</td>
<td>3877 (9.8%)</td>
<td>12160 (12.5%)</td>
<td>16979 (9.4%)</td>
<td>228000 (28.57%)</td>
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<td>and flood control</td>
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<tr>
<td>Power</td>
<td>149 (7.6%)</td>
<td>452 (9.7%)</td>
<td>1252 (14.6%)</td>
<td>2932 (18.6%)</td>
<td>7400 (19.8%)</td>
<td>19265 (30.6%)</td>
<td>55129 (12.8%)</td>
<td>102120 (12.80%)</td>
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<td>Village and small scale industries</td>
<td>42 (2.1%)</td>
<td>187 (4.0%)</td>
<td>241 (2.8%)</td>
<td>243 (1.5%)</td>
<td>592 (1.8%)</td>
<td>1780 (5.0%)</td>
<td>8906 (5.0%)</td>
<td>22108 (20.57%)</td>
</tr>
<tr>
<td>Industry and minerals</td>
<td>55 (2.8%)</td>
<td>938 (20.1%)</td>
<td>1726 (20.1%)</td>
<td>2864 (18.2%)</td>
<td>8989 (22.8%)</td>
<td>20507 (21.0%)</td>
<td>22108 (12.3%)</td>
<td>20540 (2.57%)</td>
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<td>Construction</td>
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<td>20540 (2.57%)</td>
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<tr>
<td>Transport and communications</td>
<td>181 (26.4%)</td>
<td>1261 (27.0%)</td>
<td>2112 (24.6%)</td>
<td>3080 (19.5%)</td>
<td>6670 (17.4%)</td>
<td>15546 (15.9)</td>
<td>27119 (15.1)</td>
<td>113910 (14.28)</td>
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<td>Services</td>
<td>472 (27.1%)</td>
<td>855 (18.3%)</td>
<td>1492 (17.4%)</td>
<td>2986 (18.9%)</td>
<td>6710 (17.4%)</td>
<td>15703 (16.1)</td>
<td>36432 (20.22%)</td>
<td>184630 (23.13%)</td>
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<td>Total</td>
<td>1950 (100%)</td>
<td>4672 (100%)</td>
<td>8577 (100%)</td>
<td>15779 (100%)</td>
<td>39426 (100%)</td>
<td>97500 (100%)</td>
<td>180000 (100%)</td>
<td>798000 (100%)</td>
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Notes: (1) Figures in percentage shows % of the total
(2) Plan holidays
I 1966-69 - due to Indopak war 1965, suspension of foreign aid, devaluation of rupee, droughts etc.
II 1979-80 - due to change of Government at Centre i.e. 1978 Jantaparty, 1989-91-Janta Dal, and

Sources: (1) Planning Commission, Sixth Five Year Plan 1980-85, Annexure 4.3 p. 57-58
(2) Government of India, Economic Survey 1983-84, Table 2.4 p. 118.
The Table 1. page 37 gives the expenditure under different heads of development in various five year plans. It shows that every five year plan have considerably increased in size. The actual expenditure under the first plan was Rs. 1,190 crores which rose to Rs. 4,672 crores in the second plan, Rs. 8,577 crores in the third plan and to Rs. 15,779 crores in the fourth plan. The fifth plan kept the total outlay at Rs. 39,426 crores which has been increased to Rs. 97,500 crores in the sixth plan representing an increase of more than 148 percent over the fifth plan. While in the seventh plan total outlay was Rs. 180,000 crores and eighth five year plan expenditure would be Rs. 798,000 crores. Thus this is the total outlay of planning process in last four decades, clubbing all together comes around Rs. 1145914 crores. Figures in brackets indicate the percentage share of different sectors. While only 2.8 percent of total plan expenditure in first plan was devoted to industry, adoption of the heavy goods investment strategy (as advocated by Prof. Mahalanobis) remarkably increased the share of this sector to 20.1 percent in the second plan. The predominance of this sector has remained ever since. The sector that claimed maximum resources in the first, second, third and fourth plans was the sector of transport and communications. Village and small scale industries could claim only 2.1 percent of resources in the first plan, 4.0 percent in the second plan, 2.8 percent in the third plan, 1.9 percent in the
three Annual plans, 1.5 percent in the fourth plan, 1.3 percent in the fifth plan, 1.8 percent in the sixth plan, 5 percent in the seventh plan. The eighth plan has altogether (village and small Industry and minerals) proposed 28.57 percent of share to spend on this sector. This is the highest priority sector followed by the services sector (23.13) including education health etc.

The expenditure on Agriculture and allied sector in various five year plans goes as under 14.8 percent in first plan, 11.7 percent in second and 12.7 percent in the third plan. While in the fourth plan 14.7 percent share of total out lay was upended on agriculture, 12.3 in fifth plan, 12.9 percent in the sixth plan, and 7.4 percent in the seventh plan. It is infact very interesting that the expenditure in seventh plan on agriculture is lowest in all the planning history right from the first to seventh. While in the eighth plan this sector would be getting 18.65 percent combinedly with Irrigation and flood control. The power sector has got its 7.6 percent share in first plan, 9.7 percent in second, 14.6 percent in third plan, 18.6 percent in the sixth plan and 30.6 percent (highest so far) in the seventh plan. Only 12.80 percent in the eighth five year plan. The transport and communication sector combinedly got its share, 26.4 percent in the first five year plan, 27 percent (highest so far) in second plan, 24.6 percent in third plan, 19.5 in fourth, 17.4 in fifth, 15.9 in sixth, 15.1 in seventh and 14.28 percent in the eighth plan.
Now, last but not the least, service sector, education, health, etc. has got this so far priorities in different plans. 27.1 percent (highest so far) in first plan, the second plan sanctioned 18.3 percent of its share to the services sector, 17.4 percent in the third, 18.9 percent in the fourth plan, 17.4 in the fifth, 16.1 percent in the sixth, 20.2 percent in seventh plan and 23.13 percent in the eighth plan. Thus this is the horizontal analysis of the table 2, first to eighth five year plans outlays.

In the light of vertical analysis of entire planning history of last forty years, this table 2 reveals that in the first five year plan the highest priority was given to agriculture, irrigation and flood control together because 37 percent of its expenditure spent on this sector lowest was on small scale industries and village 2.1 percent. The highest priority in the second plan was on transport and communication 27.2 percent followed by industrial sector (20.1 percent). The neglected sector in this plan was again village and small scale industries (4. percent). While in the entire third plan project again it was transport and communication sector which was in the highest priority list by getting 24.6 percent or Rs. 21.12 crores out of total outlay Rs. 8577 crores, as its share. Again it was village and small scale industries least ignored (2.8 percent).

The fourth plan strategy concentrated more on again Transport and communication by spending 9.5 percent
or Rs. 3080 crores out of Rs. 15779 crores of money followed by 18.9 percent on the service sector. The badly neglected heads of development was again village and small scale industries by managing to get 1.5 percent only. The fifth plan emphasised on industry by putting its 22.8 percent of all out lay or Rs. 8989 crores out of Rs. 32426 crores. Again it was rural sector and small scale industries which was treated very partially by giving only 1.3 percent to total outlay. The sixth plan again put its maximum efforts of industrial sector by spending 21 percent or Rs. 20507 crores out of Rs. 97500 crores total out lay again it was village and small scale industries, very badly treated by getting only 1.8 percent of its share in the entire out lay of plan period.

The priorities were also changed in seventh five year plan where 30.6 percent of share of the total out lay was speeded on power sector 55129 crores out of Rs. 180,000 crores of total plan expenditure. The country side and small scale industry sector has became victim time and again including the seventh plan. This is the only sector which has witnessed partial treatment in every plan period. Although it has got relatively fair position in every plan compared to this sector itself i.e. it has got only 2.1 percent share (Rs. 42 crores out of Rs. 472 crores), in the first plan and 5 percent (Rs. 8906 crores out of Rs. 80,00 crores) in the seventh plan. But when one compare this sector with other sector then analysis reveals that this is
really treated very partialy and badly. Because the rural development issue should be in the strategy of our planning process, nearly 75 percent population stays in the countryside many areas in the backward states e.g. Orissa, Bihar, Eastern Uttar Pradesh, Madha Pradesh, Rajashtahan and Andhra Pradesh still don't have the basic amenities like drinking water, shelter and medical facilities transport and communication network. The eight five year plan has set its first priority to emphasis on rural development and Industrial sector combinedly by putting Rs. 228000 crores or 28.57 percent out of Rs. 798,000 crores total out lay followed by service sector spending 23.13 percent of its share clubbing together health, and education.

The targets and achievements of entire planning process shows that almost all were well below the expectations. The first plan aimed at increasing the national income at the rate of 2.1 percent per annum and per capita income at the rate of 0.9 percent per annum. Thus the first five year plan put up overall a good show. The second plan aimed at increasing the national income at the compound annual rate of 4.5 percent and per capita income at 3.3 percent. However, annual growth rate was 4.0 percent in the former case and 2.0 percent in the latter. The third plan kept the target for increase in national income at 5.6 percent per annum and for per capita income at 3.2 percent per annum. As against this, national income rose by only 2.2 percent per annum while per capita income did not rise at all. The fourth plan kept the target for increase in
national income at 5.7 percent per annum while actual achievement was merely 3.4 percent.

The Draft fifth five year plan proposed a rate of growth of 5.5 percent for annum (later on revised to 4.37 percent per annum) while actual rate of growth was approximately 5.2 percent per annum. The unsatisfactory performance of the economy is evident from the fact that the index number of per capita net national product, which was 100.0 in 1950-51 (at 1970.71 prices), could increase only to 135.8 in 1970-71 (i.e. after two decades of planning) and to only 160.6 in 1983-84 (i.e. after three decades of planning).

The above analysis shows that excepting the first plan, the (actual) annual rate of growth of national income has always been less than the targeted rate of growth. This has been the result of consistent failure to achieve targets in different sectors of the economy. For example, the target rate of annual growth of output in the large-scale manufacturing sector was 7 percent in the first plan, 10.5 percent in the second plan, 10.75 percent in the third plan, and 8.10 percent in the fourth plan. As against this, the achievements were 6 percent in the first plan, 7.25 percent in the second plan, 8 percent in the third plan and merely 3.9 percent in the fourth plan. The draft fifth plan kept a target of 8.21 percent but actual rate of growth turned out to be in the range 5 to 6 percent.

The compound (annual) growth rate of industrial
output was quite impressive during the first three plans. In fact, it rose from 5.7 percent in the first plan to 7.2 percent in the second plan and further to 9.0 percent in the third plan. After this, the performance of the industrial sector deteriorated considerably.

"During the eleven-year period (1966-1976), the annual growth rate falls to an even lower level of 3.7 percent"  

Shetty notes that the share of the 'secondary sector' in net domestic product (at 1960-61 prices), which had continuously risen and reached the peak of 23.3 percent in 1965-66 and 23.4 percent in 1966-76 failed to increase thereafter and stood at 22.8 percent in 1975-76 (the share of registered manufacturing which was 6.3 percent in 1950-51 showed a continuous increase till 1965-66 when it touched the peak level of 10.4 percent. Thereafter, if tended to stagnate and stood at 10.4 percent even after a decade, (i.e. in 1975-76) while the share of the tertiary sector continued to increase. Thus the economy faced what Shetty calls 'the phenomenon of structural retrogression' since the midsixties. The position does not seem to have improved even after 1975-76 as the annual rate of industrial growth during the seven year period (1976-77 to 1983-84) remained as low as 4.4 percent.

The overview of agricultural sector for last four decades shows that the performance of the first plan on this front was satisfactory. The target of additional production of foodgrains (7.6 million tonnes) was exceeded
by 4.2 percent, the actual increase being 10.8 million tonnes. Production of foodgrains, as a whole rose from 54 million tonnes in 1950-51 to 64.8 million tonnes in 1955-56 against the target of 61.6 million tonnes. Achievement was well above target in the case of oil seeds and was marginally less than target in the case of cotton. However, it was considerably below target in the case of Jute and Sugarcane. Target for foodgrain production was kept at 75 million tonnes in the second plan, while achievement was 76 million tonnes. Achievement was greater than target for oil seeds and Sugarcane while it was less than largest for jute. Target of foodgrains production for the terminal year (1965-66) in the third plan was kept at 100 million tonnes, but actual production was merely 72.0 million tonnes because of the fact that 1965-66 happened to be a drought year. Production in 1964-65 was 89 million tonnes. The performance of the third plan on the agricultural front can be considered quite unsatisfactory keeping in view the fact that achievements were below targets for most of the crops.

The fourth plan kept the target of 129 million tonnes for foodgrains production in 1973-74 while actual production was merely 104.66 million tonnes. Achievements were below targets in most of the commercial crops, like Jute, Sugarcane, cotton oil seeds, etc. Taking agricultural production as a whole, the rate of growth was only 2.8 percent per annum in the fourth plan period, against the target of 5 percent per annum. The Draft fifth five year
plan kept the target of 140.0 million tonnes for foodgrains production (for the terminal year 1978-79). Target for sugarcane was kept 170 million tonnes and for cotton at 80 lakh bales. However, the actual production of foodgrains in 1978-79 was 131.90 million tonnes and of sugarcane and cotton was 151.7 million tonnes and 79.6 lakh tonnes respectively. During the sixth plan period actual production of foodgrains has risen to the target, level of 154 million tonnes, particularly due to exceptionally good crops in 1983-84.

While due to the rapid increase in population, the increase in foodgrains production were inadequate to meet the demand for foodgrains for a considerable period of planning and India had to go in for large-scale imports. Thus net imports of foodgrains which were 1.39 million tonnes in 1956 rose to 3.49 million tonnes in 1961 and 4.72 tonnes in 1965 imports stood at 10.34 million tonnes in 1966 and 8.66 million tonnes in 1967. Naturally these large-scale imports of foodgrains put considerable pressure on the balance of payments which was already in a bad shape. Right from the beginning of the first five year plan to 1978-79 (excepting 1972-13 and 1976-77) when there were small surpluses of Rs. 103.4 crores and Rs. 68.9 crores respectively), the balance of trade has always been against India. For the most part of the planning period net-income from invisibles has been positive but it has been to meagre to outweigh the deficit in balance of trade. Therefore balance of payments has also been against India and the gap
has had to be filled up through foreign aid.

The deficit in balance of payments which was only Rs. 42.3 crores during the first five year plan, rose to Rs. 1,724.6 crores during the second plan, to Rs. 1,951.2 crores during the third plan and further to Rs. 2,015 crores during the three annual plans. The fourth plan placed the target for exports at Rs. 1,900 crores in 1973.74 against Rs. 1,360 crores in 1968-69 implying a compound annual rate of growth of 7 percent per annum. This target was over fulfilled because of a spectacular increase in export earnings in the last two years of the plan. Exports earnings which were Rs. 1,413.3 crores in 1968-70, rose to Rs 1,970.8 crores in 1972-73 and further to Rs. 2,523.4 crores in 1973-74. The rate of growth was 28 percent in 1973-74 over 1972-73 and was 13.6 percent per annum taking the period of the fourth as a whole. But because of a sharp increase in the price of petroleum and its products there has been a sharp increase in import expenditure also. As a consequence, fourth plan faced a deficit of Rs. 1,564 crores in balance of trade and Rs. 2,234.1 crores in balance of payments. In the fifth plan exports were projected to grow at an annual rate of 8.5 percent in constant prices. The performance in 1977-78 and 1978-79 was poor and the exports rose by only 9.5 percent and 2.2 percent respectively. And there was an overall trade deficit of Rs. 1,950 crores in these two years. Achievements remained more or less same in the sixth and seventh five year plan peri-
The main objectives of the eighth five year plan would be:

(a) An annual growth rate in GDP of at least 6%
(b) A sharper regional focus to reduce disparities and to ensure more dispersed growth.
(c) International competitiveness in an expanding range of manufacturing excellence in select sectors
(d) Self-reliance in technology, food security and resources for investment; Greater resilience of the economy to adapt to and take advantage of the changing international equation.

The performance of the eighth plan is obviously not open to question, therefore let us hope for the better.

Thus this is the basic scenario of planning processes in our country for last four years putting sincere efforts, to solve the problem of regional disparities, poverty, illiteracy, develop the transport and communication network etc. But the political philosophy of planning strategy in India has been patently wrong. (by operating public as well private sector simultaneously) The supposition that in course of time public sector would grow sufficiently large and would constitute the core of the planned economy has no basis. The role of public sector was to be determined entirely by the classes (castes) which had control over the state power. In any class (caste) divided society no instrument of economic planning should be expected to completely transform the social relations.

The concept of development is relational in time,
space, circumstances, and context that is why it has been defined entirely in different ways by the various social scientists all over the world. For sociologist, political scientists, geographer, historian, biologist, and economic planner it has got different meanings to different branch of knowledge to deal with the problems of the society. But here it has been deal various with in economic development context but it doesn't stand only for economic growth while it has to accommodate progress with long term perspective that can lead to a egalitarian social system in which economic growth plus over all changes in every sphere of life can be witnessed. This sort of development framework is needed in India. Regional disparities have been the legacy of our physio-graphic setup and socio-political system in which it has been strengthened first by nature itself, second a result of conscious efforts of human beings especially, Britishers, because deliberately they have developed, Bombay, Madras, Calcutta regions to meet their raw material requirements, leaving other areas in sheer neglect and ignorance. After independence although serious attempts were made through planning processes to minimise the gap between various geographically, and economically diverse regions of our country. Despite that disparities among regions between states and districts in levels of income, consumption and availability of basic services have continued to characterise the development process in the country. Recent evidence suggests, however,
that some backward states have stepped up their growth rate. Yet the fact remains that alleviation of poverty has tended to be sluggish in chronically poorer areas. Low agricultural productivity, undeveloped infrastructure, industrial backwardness, low profile on social indicators like health, education and status of women, all tend to coincide in such deprived areas. A more effective strategy aimed at faster overall development which at the same time ensures that the gulf between regions narrowed is important at the present stage in our development endeavour.

To sum up, whereas the planning process has been able to create social and economic infrastructure provide an industrial base by fostering the development of heavy and basic industries and enlarge educational opportunities. It failed to provide employment to every able-bodied person, eliminate poverty and bring about institutional reforms leading to reduction in concentration of income and wealth moreover, the benefits from the economic infrastructure have accrued largely to the relatively affluent and those in urban areas. These fundamental failures of planning processes emphasize the need for a re-appraisal of the development strategy. We must accept the fact that the most important objectives of planning have not been achieved, the most cherished goals seems to be almost as distant today as when we set out on the road to planned development. These aims-implicit in all our plans more explicitly stated in the formulation of our development strategy—are universally accepted by the Indian
people: they are the achievement of full employment, the eradication of poverty and the creation of more equal society.
REFERENCES


