Chapter -1

Introduction
INTRODUCTION

Economic planning in its widest sense is deliberate direction by persons in charge of large resources of economic activity towards their end.\(^1\) Planning implies the conscious and deliberate choice of economic priorities by same public authority.\(^2\)

Economic planning is the making of major economic decision by the conscious oblivion of an exterminate authority on basis of a comprehensive survey of the economic system as a whole.\(^3\)

Planning is essentially a way of organizing and utilizing resources to the maximum advantage in terms of obliged social ends. Planning is not a once for all experience for a five year period, it requires a continual watch on current or incipient trends, systematic observation of technical, economic and social data and adjustments of programmes in the light of new requirements.\(^4\)

The First Plan was launched with two-fold objectives, viz., to correct the disequilibrium in the economy and to simultaneously a

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process of all around balanced development which would ensure a rising national income and a steady improvement in living standards.

The nature of this research work is to trace the genesis of Five Year Plans and to examine the achievements of the plans in India with special reference to Madras State during 1951-67.

Agriculture, including irrigation and power was given the topmost priority in the plan because without a substantial increase in the production of food and basic raw materials for industry, it could be impossible to sustain a higher tempo of industrial development.

Accordingly, out of a total outlay of Rs.1,960 crores, Rs.290 crores were earmarked for agricultural and community development and Rs. 260 crores for power development. The Second Plan was drawn to meet the increasing demand for food and raw materials on account of growing population and expanding industries.

The target of food grains production was put at 15.5 million tons that is an increase of 24 per cent over the estimated production of oilseeds, sugarcane, cotton and jute was expected to go up by 38, 35, 36,
and 58 per cent respectively, while agricultural production as a whole represented an overall increase of 27 per cent.6

A more scientific method was followed for preparing the Second Plan. The idea was to transform the process of planning from an exercise by export to such adjustments backwards and forwards as the democratic process necessarily involves. There was a great deal of subjective judgement implicit in the plan-frame; but there was also a serious attempt to bring out the felt needs of different localities in the country.

The Second draft plan was a much more democratic document than the plan-frame in as much as it reflected or at least took account of the views of the representatives of people belonging to different walks of life. There was a great deal of backward and forward consultation, but by the time the Second Plan was finally formulated, the very manner of its processing was the source both of its strength and weakness.

It was a more consistent document, intellectually more satisfying, bold in approach in certain directions. But it was essentially the product of a series of compromises. And it tended to err on the side of moderation rather than bold experimentation.

6. Ibid.,
The Third Plan provided for an outlay on agricultural programmes including large and small irrigation schemes, soil conservation and cooperatives of Rs.1,281 crores, comparable outlay in the Second Plan being of the order of Rs.667 crores. These programmes aimed at nearly doubling the rate of growth of agricultural production. The plan set two specific priority goals to be reached viz., (i) to produce enough foodgrains to be self-sufficient; and (ii) to produce enough commercial crops to meet the needs of exports and industry.

Objectives:

This study has the following objectives:

1. To describe the genesis of the Five-Year Plans in India with special reference to Madras State.
2. To explain the nature of the first three Five-Year Plans, and
3. To examine the results of the first three Five-Year Plans in agricultural sector.

Sources:

Both the Primary and Secondary sources are consulted for this study. The Administration Reports of the Madras State, Season Crop Report of the Madras State, Government Orders, Census Reports, Reports of the Public Works Commission,

Proceedings of Planning Commission, Reports of Food and Agriculture Department, Debates in the Madras Legislative Assembly, Abstracts of Statistical Reports of Tamil Nadu and Gazetteers are the important primary sources.


**Review of Literature:**

B. Natarajan’s *Food and Agriculture in Madras State*, 1951, explains the food position on the eve of World War II, deficiency in productive foods, recent events such as cyclone, flood and drought. He had written with a view to reverting the attention on an integrated solution of the long and short term and all the facts related to the entire Indian Agricultural situation. Then it explained population census from

S.Y.Krishnaswamy's *Rural Planning in Madras*, 1947, with the object to survey the facts of rural life in the Province of Madras focuses of agriculture. Indian Economy had to be viewed at five levels, Cottage Economy, Urban Economy, Regional Economy, National Economy and International Economy were his views. This book estimated the requirements of self-sufficiency in food and clothing and certain basic materials for industries, like steel and a policy of good neighbourliness in regard to articles, nations giving and taking them according to their capacities and needs. This research study explains on the gradual development in the Madras State during the plan period.

C.W.B.Zacharias's *Agricultural Planning for Madras*, 1953, this book states on the principles and methods of planning and executing a programme of expansion. Then he observed the Intensive Measures and Planning Machinery on 1953. This research work is on the agrarian development in the Madras State between 1951 and 1967.
Chapterization:

This research work is divided into ten chapters.

- The first chapter is introduction, in which the nature, objectives and sources are stated.

- The geographical features of the Madras State are described in the second chapter.

- The agrarian structure is explained in the third chapter.

- The fourth chapter gives an information on irrigation facilities.

- The production of the food and commercial crops is elaborated in the fifth chapter.

- The sixth chapter traces the genesis of the Five-Year Plans.

- The First Five-Year Plan’s execution is given in the seventh chapter.

- The eighth chapter illustrates the growth of agriculture in Madras State under the Second Five-Year Plan.

- The ninth chapter examines the results of the Third Five-Year Plan in the agricultural sector.

- The tenth chapter is conclusion.