CHAPTER I.

"THE POLITICS OF PLANNING"
I N T R O D U C T I O N

The concept of Planning has taken large strides during the last fifty years or so. It is still the staple of discussion in different countries. It is being used as a means of political, social and economic improvement in many a country. Planning normally falls within an economic category. It is thus supposed to envisage the entire national economy of a country. The present thesis aims at propounding that the concept of planning is not entirely economic, but it is also political. Indeed, the political background of planning takes precedence over its economic implications. Lenin once said: "Politics is the concentrated expression of economics". According to Karl Marx and Engels, the class-struggle in society takes place for political domination. The privileged class in society is found to fight for the preservation of the existing social system. The oppressed classes also struggle for political domination. They want to change the existing social order and system. They adapt it to the conditions of their own development and welfare. G. Sorokin remarks in this connection: "Yet the fact that planning (politics) is secondary and objective economic laws (the economy) primary does not mean that politics are a silent partner in this Union. But since we are investigating
investigating the economic aspect of human activity, which in Socialist Society is organised to achieve desired ends, and this activity is guided by the requirements of economic laws, politics in this sense, carry more weight than the economy, for they arm and organise the practical activities of the people in Socialist Society. "Politics", Lenin said, "must take precedence over economics. To argue otherwise is to forget the ABC of Marxism. Without a correct political approach to the matter, the given class will be unable to stay on top, and consequently, will be incapable of solving its production problem either."

"Lenin taught that politics are a concentrated expression of economics, and of class relations. This means that the policy being conducted by the ruling class most vividly reflects the posture of that class, and shows what functions in the existing system of production it strives to consolidate, using to that end all and every means, including the State apparatus." This is, of course, a broad generalisation, and it has, therefore, all the limitations of such generalisations. It, nevertheless, contains a significant truth which we can afford to ignore only at the risk of distorting realities.

Economic planning came into vogue particularly in the thirties of this century, and it has remained ever since a potent theoretical and practical category with manifold implications.

2. Ibid, p.28, quoted by Sorokin. (1967)
3. Ibid, p.28.
An analysis of the political background and foundation of planning deserves initial attention. In this connection it should be remembered that Soviet Russia gave a distinct lead in economic planning. We should not, however, forget that planning endeavours have acquired prominence in many other countries as well. In Britain and America there was a tremendous impetus to planning during the Second World War. This impetus did not exhaust itself completely even after the conclusion of the Second World War. Planning itself appears to be a matter of economics but the driving force behind it is largely political.

Why did Russia, for instance, take to the path of planning with extraordinary enthusiasm in the twenties and the thirties? The fundamental consideration that weighed with the Russian authorities was that Soviet Russia was the only Socialist country involved in a capitalist encirclement. Indeed, a life and death problem confronted Soviet Russia. The political-economic system that she had set up stood in perpetual danger of complete extinction at the hands of the powerful democratic (capitalist) countries of Britain, America, France and perhaps also Germany. For Russia, the basic question was one of political survival in the teeth of opposition by formidable political opponents. W. Arthur Lewis remarks: "Its (U.S.S.R) rulers had ambitious ideas. The superiority of communism to capitalism was to be proved"
proved. Russia must advance faster than any other country had ever done before. She certainly needed rapid advance, as the standard of living of her peoples was among the lowest in the world. And if communism was to be defended from further foreign intervention, the country must become strong industrially that industrialisation was the one certain way to increase the standard of living. And so the First Five Year Plan was born. The Russian political system was undoubtedly an anathema to advanced democracies. The question basically was not one of Democracy vs. Dictatorship. (Dictatorship had already been established in Italy under Mussolini and in Turkey under Kamal Pasha. But these countries were not, in the contemporary circumstances, much too hostile to the democracies). Russia's case was very special. She adopted a politico-economic system which ran counter to the very foundation of the politico-economic order in democratic countries. Russia was also well aware of the disfavour she had to face by repudiating the debts the Czars had incurred from the Western countries. In short, Russia felt herself to be in a condition of political isolation. In this predicament she had to fortify herself in every way against the possible or rather probable onslaughts from various countries.

The changing political policies in Russia may be listed in this connection. In the first place, Soviet Russia, immediately after the revolution of 1917, made

a strenuous effort to convert herself into a communist country. The initial phase of the dictatorship of its proletariat was to liquidate the capitalist class, lock, stock and barrel.

In this context we are to remember certain essentials of the Marxist Theory. Mark had said in his "Communist Manifesto": "We must win the battle of democracy .........". What he meant was not the introduction of a parliamentary or presidential system of democracy. What he had in mind was the inauguration of dictatorship of the proletariat. To Marx, the State was an instrument of class domination. In the period of the capitalist hegemony, the State was a mere tool in the hands of capitalists. The class conflict between the bourgeoisie and the proletariat was bound to result in the crushing defeat of capitalism and the establishment of dictatorship of the proletariat. This dictatorship was to continue for sometime, but exactly how long it was not clearly indicated. In the phase of dictatorship of the proletariat, the capitalist class was to be ruthlessly liquidated and the rulership of the working class was to be securely installed.

After the revolution of 1917, a precipitate attempt was made to do away with the capitalists and establish what was called "War-Communism". But this experiment to inaugurate communism overnight proved to be a costly failure. Thereafter a change was made in Lenin's "New Economic Policy" which signified a fair measure
measure of restoration of the capitalist system. At the
same time Lenin embarked upon a plan of large scale elec-
trification in Soviet Russia which covered the rural areas
also. Apart from this limited measure of planning, no
effort was made at large scale national planning for about
five years or so.

In 1924, the death of Lenin was followed by a
crisis of leadership. Two main antagonists in the
field were Stalin and Trotsky. The bone of contention
between them was an outstanding political issue. Was
communism to be consolidated at first in Soviet Russia
or was Soviet Russia to plunge at once into a world
revolution aimed at the establishment of international
communism? The latter view was championed by Trotsky.
He closely followed the principles of Marxism - Leninism
and emphatically maintained that communism could succeed
only on an international scale. If confined within the
frontiers of a single country, it was sure to fail. Stalin
who favoured the former view was a man of sober realism.
It was clear to him as daylight that any attempt on the
part of Soviet Russia to undertake precipitately the
responsibilities and burdens of initiating a world revo-
lution would prove too much for Soviet Russia; further,
it would at once evoke the opposition of the combined
and formidable enemies of Soviet Russia. This would
ultimately result in the extinguishment of Russian
communism indeed of the cause of communism in the world
at large. Stalin triumphed over Trotsky who was driven
out of the country and later on killed. Stalin proceeded
with
with his plans to strengthen the foundations of communism in Soviet Russia.

Stalin was guided by political considerations in giving shape to his Five Year Plans. For instance, an analysis of his First Five Year Plan shows that Stalin did not attach sufficient importance to economic factors infusing the plan. The first Plan was inaugurated in 1928-29. In it the main emphasis was laid on the development of the defence industries and the production of armaments. The country's urgent need at that time was, however, the production of agricultural goods and particularly food. The people of the country were almost on the verge of starvation, but Stalin paid no heed to it. The result was that when the plan was half-way through the country was involved in a famine which took a heavy toll of lives. Stalin was adamant. He continued to put in pressure upon agriculture to produce surplus in agriculture. The surplus in agriculture was partly used for the benefit of the industrial workers and partly for the export of agricultural goods wherewith Russia could earn foreign exchange.

In fact the Russian economy was very hard-pressed, and it was passing through a severe crisis. What was the cause of it? The cause was essentially political. Stalin realised in his heart of hearts that Russia was in a precarious position, surrounded as it was by capitalist countries. Stalin knew full well that the capitalist countries would at any time seek to wipe Russia out of existence if favourable opportunity for the same afforded
afforded itself. In this situation Stalin threw himself heart and soul into the task of building up industries, particularly military industries so that if any invasion came from any quarter Russia could have a fighting chance with the help of her war-materials. Industrial development was, therefore, placed in the forefront of the plan. When a crisis occurred in agriculture in Russia, Stalin adopted a ruthless policy of liquidation of Kulaks (rich peasants). He initiated a policy of collectivisation of agriculture under the auspices of the State. By assuming full control over agriculture, Russia was able to generate a surplus of production in agriculture at the cost of great privation to the agriculturist. The Russian policy of liquidation of Kulaks and the collectivisation of agriculture had received severe criticism from even a writer like G.D.H. Cole who is a great admirer of Russia. A look, however, at the matter from the political point of view, will easily show that Stalin had no other alternative. He fully realised that Russia was in the midst of a great danger, and to get out of the danger it was necessary for her to give a somewhat distorted shape to her national economy. Agriculture justly claimed a fair share of the attention of the Government, but this attention was not given to it. Stalin viewed the whole matter as a question of national survival. Hitler was gradually assuming a dominant position in Europe. He spoke to even countries like Britain and France in a highly provocative and challenging tone. Mr. Chamberlain was the then Prime Minister of Great Britain. In collaboration with his French counterpart, he
he pursued a policy of appeasement of Hitler. Germany was allowed to store arms herself. She was also suffered to reoccupy the demilitarised zone of Rhine land. Soon Austria, too, was occupied by Germany. Czechoslovakia which had a fine army and whose people were inspired with a lofty patriotism was not allowed even a small chance to face Hitler with her arm might. Czechoslovakia was sacrificed to Germany. The Czechoslovakian army did not get any chance to take any step. The German military forces entered into Czechoslovakia, invaded the Universities, and drove the Czechoslovak youths to public parks where they were clubbed to death. The girl students were publicly raped in the streets of Czechoslovakia.

What was the political policy that Russia was following during the period? Russia entered the League of Nations in 1933. Russia's representative in the League of Nations was Litvinov. He was an exceptionally capable man. He made repeated efforts to rouse the conscience of England and France and urged them to take a firm stand against Hitler. But all his appeals and utterances were in vain. When Czechoslovakia was mercilessly surrendered to Germany, Litvinov in anger and distrust left the League and returned to his country. The whole situation in Europe was then highly explosive. Hitler was repeatedly warning all countries in a thunderous manner. He would become the master of Europe. No power on earth could prevent him from realising his ambition. To Russia it became clear that the war she had dreaded was now on the point of breaking out at any moment. Russia had a clear sighted view of the European situation.
She felt that she was the ultimate target of Hitler's military onslaught. In this critical situation Stalin decided to buy some how a certain amount of time so that he might push her frontier as far as possible towards the West in order that her own frontier could be safe-guarded to a degree. This background information explains the conclusion of a pact between Hitler and Stalin just before the outbreak of the Second World War. This pact was immediately followed by a simultaneous invasion of Poland by Germany and Russia. Both Hitler and Russia pushed up to the middle line of Poland. Hitler's attack on Poland provoked at once a declaration of war by Britain against Germany. England could not, however, really give any help to Poland. In a matter of days Poland was completely crushed. It was divided up between Russia and Germany.

Was Russia to blame for the pact with Hitler? Certainly not. For nearly five or six years Litvinov on behalf of Russia tried to negotiate a pact with Britain and France against Germany. His efforts proved completely abortive. Russia, thus, felt compelled to come to terms with Germany at least for the time-being. Hitler completely vanquished France and every night bombed Britain heavily. The people of London could not sleep peacefully even for a night. America, of course, had already come to the assistance of Britain. Then there was a change of tactics by Hitler. His forces were hurled against Soviet Russia. Suddenly the bombing of London was stopped. Britain got complete relief. Churchill declared that it was the duty of Britain and America to come to the rescue of Russia against
against Germany. But the question that arose in both American mind and the British mind was how long would Russia be able to stand up against the overwhelming military might of Germany. People in America and Great Britain gave Russia three to four weeks' time. In other words, the feeling was that Germany would be able to crush the Soviet people within a month's time. But Russia did not break down so quickly. No effective help was forthcoming from Britain and America for months, may, for years, and yet Russia fought stubbornly, single-handed, against the gigantic military machine of Germany. The above amply testify that Russia had developed her inner strength enormously. Her Five Year Plans (there were two full Five Year Plans and the third plan was only half-way through when the war broke out between Germany and Russia) had not only increased her military equipments considerably, but the production of such equipments was pushed deep within the inner regions of the country. It was hard for Germany to reach these regions which were far-flung all over the country. The German invasion of Russia was ipso facto a great military blunder.

From the political viewpoint, the over-emphasis in the Five Year Plans on the production of military hardware and the dispersion of the centres of production in far-flung areas of the country considerably helped Russia in withstanding the powerful German attack. Of course, military resources were supplied to Russia by America after a year or so, and a second front against Germany.
Germany was opened in 1944. All these were belated attempts to help Russia. Had Russia not shaped her plans according to political considerations, she would not have been able to withstand Germany for the long period during which no substantial help was available from the allied countries. The same is the case with India. India has taken recourse to the plan method. The purpose here is also political. India want to check the onward march of communism by developing the country politically, socially and economically. In this way India want to fortify and strengthen the basis or foundation of democracy. Planning method is adopted everywhere mainly on political grounds. Therefore, Friedmann remarks: "........ it is beyond doubt that in our own time direction of economic policy is becoming more and more subservient to political power. In a completely Socialist State like Soviet Russia this is obvious. The whole trend of production, the share allotted to consumers, the volume and direction of foreign trade, are all controlled by the master minds who plan the nation's economy in accordance with the general policy of the State .....................

"In the democracies, too, the primacy of politics is becoming more and more evident. Political and military State policies increasingly control the developments of technical research and industrial production, international loan policies and other foreign ventures".

S. W. Friedmann: An Introduction to World Politics (5th Edition) (Reprinted 1968) pp. 5-6
It is worth noting that the aim of Marshall Aid has been political. Therefore, Friedmann argues: "United States aid to Europe through the Marshall Plan brought some support to American shipping, to cotton and tobacco growers. But the predominant purpose of Marshall Aid has been political - the consolidation of Western European nations against communism and Soviet expansion."6

T.S. Bottomore, a great political scientist and sociologist, also thinks: "...... But in a broader historical perspective, while recognizing the important influence of economic structure upon the social institutions, we must also admit the relative autonomy of politics".7

In the case of India as well the autonomy of politics in case of social and economic development is apparent. Planning in India is democratic because India pursues the policy of democracy. Indian politics is governed by the ideals of democracy. Therefore, regarding the future of India, Prof. Bottomore observes: "...... and perhaps its future will lie in emphasizing the ethical basis of ordinary politics rather than proposing a solution of social problems 'beyond politics'".8

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