

THE EXPERIENCE OF GROWTH AND DEVELOPMENT, PLANNING IN INDIA

Since 1947

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WHAT DOES DEVELOPMENT MEAN

- In pure economic terms, development has traditionally meant a sustained annual increase in gross national product (GNP)
- The term economic development and economic growth were used interchangeably for some time.

ECONOMIC GROWTH AND ECONOMIC DEVELOPMENT

According to Kindleberger, “whereas economic growth merely refers to a rise in output ,economic development implies changes in technological and institutional organisation of production as well as distributive pattern of income.”

FEATURES OF A DEVELOPING NATION

- Lower levels of living and productivity
- Lower levels of Human Capital
- High rate of population growth and dependency burden.
- Higher levels of inequality and poverty.
- Greater social fractionalisation
- Dependence on agriculture
- Underdeveloped financial and other markets.

EVOLUTION OF PLANNING IN INDIA

After independence the government of India set up the planning commission to assess the resources available and to formulate an effective plan for its effective utilisation.

The First Five Year Plan states that Planning involves “acceptance of a clearly defined set of objectives in terms of which to frame overall policies...., formulation of a strategy for promoting the realisation of the ends defined...,and working out a rational solution to problems-an attempt to coordinate means and ends.”

PLANNING IN INDIA

The emphasis was on:

- Securing to all citizens the right to an adequate means of livelihood.
- Securing ownership and control for common goods
- Prevention of concentration of wealth
- Protecting children from exploitation on account of economic necessity

EARLY EXPERIENCES AND THE CHANGING SCENARIO

According to Kaushik Basu the actual policy regime that India followed after independence was a mixture of contradictory visions .A planning system without monopoly or state control and capitalism with a large bureaucracy.

The atmosphere of planning in India changed drastically after mid sixties .

NEW PERSPECTIVE

Jean Dreze and Amartya Sen (1995) pointed out “four decades of allegedly ‘interventionist’ planning did little to make the country literate, provide a wide-based health service, achieve comprehensive land reforms, or end the rampant social inequalities that blight the material prospects of the underprivileged.”

Thus questions were being asked about the future of planning.

NITI AYOOG :FUTURE OF PLANNING

The role of planning in India has diminished .The blend of private and public investment has tilted in favour of the private sector.

The need for an organization for formulating ideas on how to shape the economy over a certain time frame will be helpful.

The NITI aayog will have a tremendous responsibility of carving a niche ,setting the pace , and steering the transformation (Rao, 2015).

THANK YOU.