Post-Independence Planning and Development in India

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1. Introduction

Developing and underdeveloped countries need much more planning than developed countries. In a limited resources and a minimal time if the nation wants to maximize the potential then use of planning processes and development practices can work like a panacea over the existing or on the upcoming problems of future. In case of India, it is 2nd most populous country which will soon reach the status of most populous tag with its largest democratic features; needs much more holistic and comprehensive planning with unique development processes. To the Indian state one can see it from the angel of developing or underdeveloped country. It is a country comprising of few most reach and more poor people in largest population ratio with unique caste-class structure and their wealth accumulation pattern from the ancient period. It is a country with full of diversities and differences encompassing variations and uniqueness in geography, history, society; cultural and regional differences along with religion, caste, class, race, languages etc.

Lots of studies have been done on Indian state for both the period before the independence and after the independence. Various studies made efforts to give their precious contribution and focus on various sectors, areas, regions and so on. This study in short endeavors to find out the loopholes in post-independent planning processes and development practices. On why India at a contemporary times lagging behind the comparative countries while the position of it at the inception of independence time was much stronger than those. Why the dreams of freedom fighters and social reformers have not been succeeded even up to the certain level. So with focus on planning and development feature study tries to analyze post-independence period in a comparative manner.

2. Methodology and Objective

The methodology used to understand the historical and contemporary developmental concerns in context of planning and development; existing literature has been surveyed through a multi method. The objective of this paper is to understand theoretically the concepts, role and impacts of planning and development for further enquiry of planning processes and development outcomes specifically for the period after independence on the Indian state and its citizen.

3. A Brief History of Planning in India

At the Karachi Session of the Indian National Congress, it was resolved that the state shall own and control key industries and services; railways, mineral resources, waterways, shipping and other means of public transport. There was greater support for economic planning after independence. As Sir George Schuster (finance member of the Viceroy's Executive Council, the Government of India) in 1932 suggested to "Devise something like a five year economic plan even if it led to no practical result, it would be good for the country that the attempt should be made".

On 1st April 1934, in the Annual Session of the Federation of Indian Chambers of Commerce and Industry (FICCI) G.D. Birla stressed the importance of economic planning and urged the adoption of plans in India. In 1938, Congress set up a National Planning Committee with Jawaharlal Nehru as chairman. Members were from provincial governments encompassing Congress and non-Congress, native princely states (Hyderabad, Mysore, Baroda, Travancore and Bhopal), Government of India. In this committee many industrialists were also present; encompassing all these members produced
the BOMBAY PLAN in 1942-44. This was a small and brief document of a plan comprising thoughts of economic development in India. It charted that government intervention and regulation is most important along with protection to indigenous industries moving from agrarian to industrialist society and the establishment of Public Sector Undertakings. It was criticized on many points such as for the focus on establishment of heavy industries, overestimation of the economy to generate capital, lacking in socialist agenda, representation, participation etc.

4. United Nations and Indian Constitution on Planning & Development

“Development is a comprehensive economic, social, cultural and political process which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation in development and in the fair distribution of benefits resulting there from”. (United Nations)

Out of the 10 articles of the UN Declaration, some emphasizes on the state role for ensuring the right to development. It also enables people to remind their governments on the commitments made in approving this Declaration, especially when those governments sign letters of intention imposed on them by the International Monetary Fund and World Trade Organization agreements. After concerns in world forums the inter-dependency for the acceptance of peace, development & human rights are needs to work further. This enshrined in Indian Constitution, ensures planning for human rights and affirmative actions for inclusive development. In the Indian constitution preamble we can see the doctrine of Social Justice as well as in the Fundamental Rights, Directive Principles of State Policies (DPSPs) and in Fundamental Duties. Economic betterment would facilitate to the upliftment in social terms; social disabilities would get resolved once the weaker sections developed economically; into some extent.

5. Role of State in Planning & Development

“The role of the state is most significant in planning and development process. It is not only a choice of laissez-faire and state intervention but state intervention is must for economic management and control with appropriate degree, nature and quality”. (Chowdhury and Kirkpatrick, 2005)

The state has played a vital role in planning and directing the economic growth and development of the newly industrializing economies. What distinguishes planning in South Korea and Taiwan from that in India is the way in which the planning was market-enhancing rather than market-supplanting. Investment was directed into areas such as heavy industrialization, big dam projects etc. Which were judged to have long-term growth potential and the policy was aimed at increasing private sector involvement in targeted areas of production. Earlier planning and development of the 1950s and 1960s largely identified incompleteness of the market mechanism as the major cause of economic backwardness in developing countries. Government intervention was given importance as a means to correct these inadequacies. Third World market failure showed a prima-facie case for the significance of government intervention. According to one prominent economists of that time; the problems of market failure were particularly severe in the areas of infrastructure and industrialization. Because of this reason, government policies that were adopted by most developing countries involved direct public sector investment. This required the government to raise the level of savings to ensure the control of investments and surpluses.

After moving from the dirigisme of the 1950s and early 1960s to the neoclassicism of the 1970s and 1980s; the contemporary situation is inclining to a middle-ground position on the role of development planning. Failures were seen as the result of unambiguous and unrealistic expectations. This was the period when the vast adoption of the development planning approach in policy formulation paved the way to the production of national development plan which had specific set of quantitative targets to be achieved in a given period of time. As the techniques of planning and development have been evolved with time, many of these limitations can be overcome. Input-output techniques can be allowed in planning to consider inter-sectoral resource allocations. The process of planning is to test on socio-economic variables which are related to one another in a very intricate and complex manner. Most of the time planning had been done without a holistic understanding of the country’s needs. In short, planning is most important for holistic and overall development of the last beneficiary because it forces the planners, policy makers and others involved in the planning process to set out the structure of the economy for the country’s growth and overall development.

6. Planning & Development as a Solution

“Development is not just the growth of income but also the spread of education, health, and social and human development”. (Smith Adam, 1776)

Planning is an exercise in instrumental rationality. Increasing awareness today that planning has to be responsive to the emerging problems of society at various territorial levels. Planning gives a vision to looking at issues prior to implementation comprehensively as a concrete whole. It also ensures the thinking of the issue at hand and the debate of equality and justice to ensure that the segments of society are integrated and not neglected from the development processes. Though numerous problems exist; the possibilities to resolve these also exist. Planned development in India has not made its positive impact in many sectors and areas. But in the future we can hope for an equitable, inclusive, prosperous and just a better India through better planning & development practices.

“In the context of Indian planning we can think in terms of the following context: The nation, Interstate macro regions, state, Inter-district meso regions, district/ metropolitan regions. block/taluka/city regions and village level”. (RaoHemlata, 1984)

Planning is a technique of the development process. Hence how this technique is being followed in development processes matters the most. In the Indian context how limitations of planning techniques became evident? First, there was a focus on physical investment as the single determinant of growth by ignoring other factors like human capital and
productivity growth. Then, the models of closed economy and the consideration of exports by focusing entirely on internal policies were considered. A narrow range of objectives were decided with specified targets such as aggregate income or employment growth; excluded consideration of poverty alleviation or the income redistribution scenario.

India is declining its status in the world ranking and is lower in some developmental norms and in growth perspectives. The Indian state did not perform well in the country’s economic governance to implement and achieve certain achievable goals also in compare with its comparable countries status from post-independence period. Considering the loop holes of the Indian state from the history and more prominently from post-independence planning and the development paradigm; it needs to emphasize on better developmental outcomes. The Indian state has to restructure its political and administrative system to overcome problems such as politics of favors and corruption. It has need to initiate accountability and transparency for better developmental outcomes; integrated and inclusive growth for all-round development. It has needed to plan according to the regions with addition of local visions for better planning and management by incorporating representations of all groups.

The Indian state is in urgent need to remove its illiteracy, vast unemployment, reduction in poverty and healthcare crisis. Forcefully, the Indian state has to think of the growth and development with comparable countries especially for human development concerns. The Indian state needs to seek social support and public rationality of peoples with government and private sector efforts for resolving some diverse and complex issues. With hope and full of spirit the Indian state has to focus on filling the developmental gaps. The Indian state has desperately needed ultimate inspiration to change and to take the initiative for hard core policies and reforms through focused and proper planning and implementation to possible transformations and changes that will contribute to the overall development of the Indian state. Comprehensive and integrating macroeconomic, industrial, trade, environmental and social policies should be undertaken in India so as to realize inclusive and overall development.

Globalization turned out to be a bonanza for many consumers but grave for Indian producers and vice versa according to the market conditions. The country must carefully choose a combination of policies that best enables it to take the opportunity while avoiding the pitfalls. Encompassing the uneven development of sector, space and scale is ambitious but there must be future opportunities to explore systematic unevenness in spheres as diverse as the production and destruction of the environment, social reproduction, and human domination along lines of caste, class, gender etc. The possible implications of uneven development should be removed through better planning and development practices. Indian state must have to endeavor better by transformation in planning politics and society for inclusive and all-round development of the nation.

7. Conclusion

In a rapid transformation of economies toward more private and globalization; the role of state is most significant for inclusive and all-round development of nation and its citizen. Although at the inception of independence, the Indian state had not been able to take a concrete decision and failed in appropriate planning. But it can be taken today for all-round holistic development of the nation. The Indian state should make an effort through best planning and development practices to lessen the internal havoc and unrest with burning political will and immense administrative desires. The Indian state has to work with the participation and proper representation of its citizens by better inclusionary practices for the eradication of poverty and inequalities along with political and social democracy as dreamed in the Indian constitution.

For filling the gaps of growth and backwardness the state has to overcome various impediments to set itself up as a developed and progressive nation.

Although Indian state has lots of issues to resolve out; it could achieve goals through ultimate inspiration to change and pursue an initiative of hard core policies and reforms through focused and appropriate planning with best representative and participatory practices. Agriculture is still the backbone of India; it should be restructured according to space and situations through the implementation of best agricultural practices. The Indian state should work for the holistic development of rural areas which will lessen rural developmental problems and forced migration. The Indian state will have to recognize and work on skill development programs with contemporary solutions specifically for its youngest population. Nation can work for the best use of its youth force resource in the world which can be helpful to move not only as a powerful but a peaceful and prosperous country as well. The role of better planning and development practices from the macro to micro level in a vast diverse nation like India is most necessary in which the urgent need of its burning political desire and choice of social transformation matters a lot for real inclusion and all-round development unto the last. This will also serve as a catalyst in world politics and will work like a charismatic example of largest democracy to set peace and prosperity in the world at large.

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