

Politics of Planned Development

FACTS THAT MATTER

1. Due to rising Global Demand for Iron, the reserved Iron-resource of Orissa has been an important investment destination to be signed a memorandum of understanding (MoU) to bring in capital investment and employment opportunities. Some conflicts arose in Orissa like tribal population feared to be displaced from home and environmentalists became worried about environmental pollution.
2. 'Development' refers to process of living standard and attaining an economic level of industrial production. Immediately after independence, the Indian government took up the tasks of poverty attenuation, social and economic redistribution and development of agriculture.
3. Planning is a systematic regulation of purposeful activity to achieve national goals. India was inspired by USSR for planning to provide basic necessities of life i.e. advanced education, medical care and technological skills. 'Bombay Plan' was drafted in 1944 to make the states to take major initiatives in industrial and other economic investments.
4. The Planning Commission of India was set up in 1950 as an 'Extra-constitutional body' alongwith Prime Minister as its chairman, ministers incharge and some other members to be advisory in nature. It helps to reduce the wastage of time and increase the per capita income.
5. Before independence, the need for planning was felt to set up National Planning Committee in 1930s to collect data and setting aims as well as opted for five year plans and annual budget.
6. The first five year plan, commenced in 1951, drafted by economist K.N. Roy aiming at investment in dams and irrigation, land reforms and to raise the level of National Income. It differed from second five year plans



which stressed on heavy industries by bringing about quick structural transformation. 1

7. India did not only follow capitalist or socialist economy but adopted mixed economy to co-exist private and public sector also, to attain rapid economic development aiming at social welfare and private owned means of production to be regulated by the state.

8. Second five-year plan emphasised on heavy industrialisation even in rural areas, being criticised for the creation of prosperity in urban and industrial sections at the cost of rural welfare. It was argued also on the ground to be a failure not that of policy but of its non-implementation of politics of land owning classes.

9. During the planning period, the Agrarian sector witnessed a serious attempt at land reforms to abolish Zamindari system, consolidate the lands. These were not much successful due to some drawbacks i.e. people violated laws under considerable political influence and some laws remained only on papers.

10. Between 1965 and 1967, severe droughts occurred in many parts of country and it was in Bihar to feel a famine situation. On the other hand food prices also hit a high in Bihar and due to government's policy of zoning, trade of food across states was prohibited, which reduced the availability of food in Bihar.

11. The Green Revolution emphasised on new strategies of agricultural practice to be offered by government i.e. high yielding variety of seeds, fertilizers, pesticide better irrigation at highly subsidised prices. Green Revolution produced favourable conditions for poor peasants and made the 'Middle Peasant Sections' politically influential. Green Revolution had some negative effects also i.e. it created a gap between landlords and poor and it delivered only a moderate agricultural growth.

12. The 'White Revolution' in Gujarat was started by Varghese Kurien known as the Milkman of India'. He launched Gujarat Cooperative Milk and Marketing Federation Ltd., which further launched 'Amul'. The Amul pattern became a uniquely appropriate model for rural development and poverty alleviation which came to

be known as white revolution.

13. The Kerala model was based on 'Decentralised Planning' to focus on education, health, land reforms, effective food distribution and poverty alleviations taken initiative to involve people in making plans at panchayat, block and district level.

WORDS THAT MATTER

1. Planning: A systematic regulation to optimum use of resources and to reduce wastage of time.

2. Capitalist Economy: The economy in which private sectors are prioritised in place of social welfare.

3. Socialist Economy: It aims at the public sector and planning with the aim to establish egalitarian society.

4. Bombay Plan: It was a joint proposal of a section of big industrialists for setting up a planned economy in the country to be drafted in 1944.

5. Planning Commission: It is an 'extra-constitutional body' to make plans for the country to set up in March 1950 with the Prime Minister as its Chairman.

6. Plan Budget: It is the amount that is spent on a five-year basis as per the priorities fixed by the plan.

7. Mixed Economy: The economy in which the private and the public sector both co-exist.