

309.230954

Ag 81 F

A₉81 F

THE FIRST FIVE YEAR PLAN

By

DR. RAM CHARAN AGARWAL,

M.A., LL.B., D.PHIL.



Library IAS, Shimla



00045869

Printed at Law Printing Press

Allahabad.

309.230957
A781 F

Acc No. A5869

Date...../6.1.74

SHIMLA

DEDICATION

To

*Shri Lal Bahadur Shastri, a man of amazing
versatility and vitality, who prefers service
and sacrifice to ease and comfort and
poverty to plenty, whose services
in the field of administration
and social services are
manifold and conspicuous
and whose friendship
I count as one of the
blessings of my
life.*

This pamphlet is most respectfully dedicated.

P R E F A C E

In this small pamphlet I have tried to present to the common man the main objectives of the Five-Year Plan, its historical background and how our country stands to benefit by its successful implementation at the end of the five years' period. Care has been taken to present the criticisms and suggestions of various political parties, Economists and a few of the leading persons, who are interested in the all-round development of our country. I have also attempted to indicate the role of Uttar Pradesh in the Plan.

I have written this pamphlet with the earnest hope that it will succeed in presenting, though in a concise form, a true and complete picture of the Plan, even though tables, charts and graphs have been purposely avoided. The feeling that all those who will care to read this pamphlet will derive some benefit from it and that I have to render some service to them has constantly remained with me while I was writing it. The pamphlet does not pretend to be an exhaustive analysis of the First Five Year Plan. It only lays down the bare outline of the main objectives of the Plan. I am not conscious of its merits, it certainly has its demerits and is open to constructive criticism. But if this book-let succeeds in provoking thought, among its readers, regarding the necessity for Planning, usefulness of the Plan and the necessity for public co-operation for national development, my labours will have been amply rewarded.

Eari Kothi, Daraganj, Allahabad.

Ramcharan Agarwal.

November 14, 1953,

Nehru's birthday.

CONTENTS

1. Introduction	1
2. Revised Five Year Plan	8
3. Financial Structure of the Five Year Plan	39
4. Machinery for Implementation & Progress of the Five Year Plan	47
5. Public Opinion of the Five Year Plan	65
6. Planning in Uttar Pradesh	90
7. Conclusion	111

INTRODUCTION

It needs no emphasis that there has been much planning for planning in India, but, in fact, nothing could be done for the good of the public till 1947. No doubt our national Government with Pt. Jawaharlal Nehru at its helm has been trying its best to raise the standard of living of the masses and to establish an era of Economic freedom but at the sametime it should also be noted that planning is not a pill which can be swallowed without any difficulty. Instances are not lacking where nations had to pass through days of hardships and miseries to keep their planning in operation. The Russian people had to forego shaving of their beards with foreign blades only because they had no blade industry and they wanted to establish one. Russian peasants faced wholesale slaughter of their favourite animals and agricultural cattle to see the success of collectivised agricultural farming. In 1917, U. S. S. R. was a backward agricultural country as India was pre 1947. After an era of hardships and difficulties for a period of three decades, by virtue of successful operations of different five year plans to-day Russia stands as the second industrial nation and leading agricultural country in the world. Russia is the only nation where self-sufficiency, prevails, unemployment totally abolished, masses gay and happy, agriculturists prosperous, labourers secured, trade unions fully developed and Government well established at the shoulders of public support and co-operation.

During six years of national rule India has been able to do something substantial still we are only a drop in the ocean of planning in comparison to Russia and China who have broken all records of economic planning and stand on the top-most ladder of full economic development. Credit goes to the Prime Minister of our country who could do something in spite of great political, communal, economic and miscellaneous disturbances in the country since 1946. Planning is not a new venture in India. There has been a good deal of planning in the past. It has been rather a tradition of the state to set up a commission or a sub-committee when it did not want to do any thing. Britishers

in India had rigidly followed this rule.

The eminent Congress leaders in whom masses had great confidence and hope were very optimistic about the economic conditions in the country. No sooner they formed ministries in different provinces of India in 1937 a National Planning Committee was appointed by the Government of India with Pt. Jawaharlal Nehru as its Chairman and Professor K. T. Shah as Secretary. The Committee started its work and collected some data for planning but later on due to some political incidents during the 2nd World War, the Congress Ministry had to resign, and thus the planning work could not be continued. The National Planning Committee is not a solitary example in the field of economic planning. We had many other plans prepared for the post-war reconstruction but due to want of finance or the political and economic apathy of the British Government and indifferent attitude of the masses these plans could not be formulated but only provided a topic for discussion at the Ministers' tables. These plans were, for example, the Bombay Plan, the Gandhian Plan, the People Plan, the Industrialists Plan and various others. We need not be discouraged by the unavoidable circumstances which did not allow the state to execute these plans. Still the plans provided a good deal of statistics and turned the people plan-minded.

The political difficulties and hurdles in the way of Economic planning in the country were finally removed by the Indian Independence Act, 1947, passed by the British Parliament. Sterling dominancy was removed for ever. Indian Nationals in which we have full confidence and hope were given the administration of the country. Now India stood on her own feet, master of her own destiny. Equally powerful and strong as other nations, she tried to plan her economy on a sound footing. One thing contradictory from the very beginning which happened to come in the way was that planning had to be done under democracy. Democracy and planning are two opposites which cannot co-operate. Planning requires control and authority. Let us be clear that only control and rigorous control on the masses will not plan our economy. Cautions to the people to do or not to do certain acts will not help. "Something less rigid and more flexible

will have to be done if India wants to plan herself". The above saying will not mean absolute freedom, i.e. freedom to check freedom is no freedom. There will have to be formal control and guidance by the state as control means planning and not slavery. To quote Laski, "Perpetual vigilance is the payment for freedom".

India is a sovereign democratic secular state in which planning ought to have been a strange thing. Every body has a say in a democratic state but planning does not require it. Certainly great credit goes to the Planning Commission which could succeed in preparing a plan after thorough consultation with all concerned and great honour lies with the masses who offered their full co-operation in the execution of the plan and have willingly accepted the checks and controls imposed by the Five-Year Plan. It need be emphasised here that a plan will be a success only when it does not impose unnecessary restrictions and checks on the consumers. In a planned economy consumers may not be the determining authority regarding the commodities to be produced, still they are always right and certainly they must be, the sole judges of what they consume.

The need for a planning machinery was felt from the very date India achieved Independence but at last a Planning Commission was appointed by Dr. Rajendra Prasad, President of India, in March 1950. Pt. Jawaharlal Nehru was appointed its Chairman to make the report mandatory. In addition to the Chairman, the Commission consisted of the following members:—

Shri Gulzari Lal Nanda, Deputy Chairman

" N. R. Pillai, Secretary

" Tarlok Singh, Deputy Secretary

" V. T. Krishnamachari

" Chintamani Deshmukh

„ G. L. Mehta and

" R. K. Patil.

After its appointment, the Planning Commission got busy with the preparation of a six-year plan for the Colombo Plan. This plan involved an expenditure of Rs. 1840 Crores over six years of time. Greater emphasis was laid on items like expenses on the depreciation of Railway assets

over five years. The Colombo Plan was based on the detailed examination of the resources and the needs of the country. Just after the Colombo Plan, the Planning Commission prepared a draft five-year plan, which was published by the Government of India on July 7, 1951. The draft five-year plan was based on the model of the six-year plan prepared by the Commission for the Colombo Plan.

The draft five-year plan was divided into three parts (I) Approach to the Planning (II) Salient features of the five-year plan (III) Formulation of Policy. Other details of the Plan were also covered. The plan dealt in detail topics like Agriculture, Rural Development, Development of Natural Resources, Industry, Labour, Social services and Public Co-operation.

The draft Five-Year Plan covered a period of five years 1951-55-56. It was aimed for widest possible discussion and not for proper execution. The final report of the Planning Commission was out in January 1953 although it was complete by November 1952. In the preparation of the plan whole-sale revision was made in the duration as well as in outlay of expenses. All the interests in the country concerning the execution of the plan were consulted and convinced with the working of the plan. Even the private sector was not left to chance. Associations of merchants and traders and corporations of the public were also consulted to their full satisfaction.

So far the execution of the Five Year Plan concerned, due to want of finances the draft plan was divided into two parts involving a total outlay of Rs. 1793 crores. The first part for Rs. 1493 crores was to be executed at any cost from the internal resources of the country. The formulation of the second part of the draft plan depended on external aid to the extent of Rs. 300 crores for which our Prime Minister had to tour Europe and America with not much encouraging results. There existed very grave suspicion in the minds of the people regarding inflation in the country which could not be checked at any cost in the execution of the draft plan.

In the preparation of the Five Year Plan all the directive principles of our new Constitution were kept in view. The resolution of the Government of India which defined the task of the Planning Commission (appointed in 1950) was in

the following terms. ..

"The Constitution of India has guaranteed certain fundamental rights to the citizens of India and enunciated certain directive principles of state policy, in particular that the state shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social and economic and political, shall inform all the institutions of national life and shall direct its policy towards securing among other things :—

- (a) That a citizen, men and women equally, have the right to an adequate means of livelihood,
- (b) That the ownership and control of the material resources of the community are so distributed as best to subserve the common good; and
- (c) That the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment".

The Planning Commission has very carefully kept these directions into consideration in the preparation of draft plan. Close co-ordination has been maintained between the private and the public sector of the plan. Priorities have been assigned to rehabilitation of the displaced persons, to the increase in the production of food and industrial raw-materials. As will be revealed later on in the article, the Planning Commission has given undue emphasis to irrigation and other power projects. The irresponsible leaders have delivered too rosy speeches at different places that after the fulfilment of our targets in the Five-Year Plan the Government shall be able to provide every village with power to develop Cottage Industries on a wide scale, not only this much, but every village will be provided with radio sets for the recreation and information of our peasants and rural public. Will these leaders making such speeches answer us? "Shall we chew the frames of the radios and drink electric current". There may be wide scale industrialisation of an agricultural country but no nation can digest iron and drink smoke. Agricultural production will have to be increased, greater facilities for seeds, manures and reforms in tenure system will have to be provided to farmers and that is what

they want and not the radio sets and cinema houses with which they are not concerned at all.

The Planning Commission has written in its draft outline: "The Five Year Plan in its final forms will come to be regarded as the field of endeavour with in which every citizen can co-operate and offer his best for the common good." Certainly the success of the plan will be measured by the extent to which it shall be able to draw public attention and co-operation in its execution both in the private and in the public sectors.

In India, Capitalistic economy prevails in which the profit motive is the sole theme of production. The Planning Commission has not disturbed this order of the social organisation. The plan has simply defined the limits within which private enterprise shall have the liberty to function. As is the case at the present day, that will have to be changed. Profit shall not be the only guide of private enterprise, the spirit of service will have to be introduced. Some profit will have to be sacrificed in the general interest of the public. A new code of discipline will endure and justify the private enterprise as an agent to promote public good.

Industry will not have larger share in the estimated budget of the Five-Year Plan. There are many industries in which enough capital has been already invested and they are not working to the full plant capacity due to shortage in demands. For such industries demands will have to be created and they shall be given full opportunity for working to the full maximum plant capacity in order to increase the production of essential consumers' goods like saops, oils, cloth, perfumes, edibles etc. Agriculture has been given top priority. Enterprises under public ownership and control will also have chances for further development but to a limited extent.

The plan aims at a controlled and planned economy for the country, certainly an indispensable factor for the successful working of the plan. Unless suitable control is exercised, every body will have a say in the working of the plan and thus the plan shall never be finalized and executed. India is a vast country where numerous political parties exist and unless broad control measures are taken to increase or decrease production in different fields in the

desired ratio no planning can ever take place. Under the Five-Year Plan the State shall be the sole determining authority. It shall have power to control and direct the flow of capital into the desired channels of production. Foreign trade is to be under the direct control and regulation of the state. In case foreign trade, import and export, is left in the hands of industrialists and businessmen there can be no effective control and price policy, without which the desired increase in production cannot be had. Incentive and emphasis cannot be laid for the production of specific goods in the desired quantity and of desired quality. Flow of capital cannot be controlled. National industries cannot progress. Not only this much, but a certain standard will have to be fixed for the public in order to regulate production and fix targets for industries. Supply of essential consumption goods will have to be guaranteed to the public through the media of rationing and control (except edibles). Both private and public sectors will have to work in co-operation for the planned development of the Indian economy for the common good of the common man.

II. REVISED FIVE YEAR-PLAN

OBJECTIVES OF THE PLAN

The main objective of planning in India is to raise the standard of living of the masses and thus to provide every individual an opportunity to develop his or her physical and mental faculties irrespective of caste, creed, colour or any other consideration. The standard of living of the masses in general can be raised only when the production of the goods and services of the country is increased. Thus, in short, planning in India must aim at increasing production first and other advancements will follow subsequently. So far the increase in production is concerned, it must be given first priority at all costs. India is still a backward poor country both in quantity and quality of the production of goods and services. Our income *per capita* is the lowest in the world. Industrially we are on the last rung of the ladder. Agriculturally we are also not much advanced. In India nearly 70% of our population is engaged in agriculture still we suffer from food deficits and every year we have to import enough of food grains to feed the millions of people who have adopted agriculture as their mode of living. For the last two or three decades, industrially we have progressed a little but it should be noted that "to import machinery and start industries is no industrialization". Great roads and cities have sprung up. Villages are no more isolated from cities. The standard of living of the masses in general is not the same as it was 50 years ago. We have progressed and advanced much in comparison to what we were in the past. But when we see our sister countries, their population, wealth, standard of living of the masses we are but a drop in the ocean. We shall have to resort to great suffering and hard work, pain and sacrifice in order to bring ourselves and our country at least on par with other modern countries of the world.

The increased production of a country depends on the amount of capital which can be invested in industries and agriculture to increase the output. Taking all factors into consideration India is already suffering from inflation. Our

plants and machinery have already been over consumed, they need replacement. Furthermore in order to industrialise our country to produce the necessary consumption goods we need more of capital and machinery. Our sterling balances have also shortened and we have consumed enough of that. The Colombo Plan is of little importance to us. The quota fixed by the International Monetary Fund for India is also too meagre, considering the size and population of the country. Anyway, nothing can be done without capital formation. Whether we should starve and save capital for rapid industrial development or we should progress slowly is a choice before our masses. Now it is upto our masses to decide the fate of India. Increase in production is the panacea for all evils prevailing at present in our country and we shall have to face difficulties and hardships for the moral and material well-being of our nation. There exists no very great expectation of foreign assistance; upto now India could receive only Rs. 156 crores from foreign countries which is too small an amount considering the whole outlay of the Revised Five-Year Plan.

For increase in production under a specified period suggestions have been made that India possesses vast undeveloped resources which can easily be exploited by voluntary idle labour available in rural areas. Certainly a novel suggestion, but how can we consume to-day something which we expect to get to-morrow? We have not enough of food to keep our millions alive. If we take into account the quantity of nutritive diet which an individual requires, we have no edibles for more than one-fourth of our population. Even if we calculate the quantity required to keep our population alive we face a food deficit of about 7.5 million tons in all, the quantity of food grains which we have to import every year. India's population is increasing at a very fast rate. 13000 people are added to our population daily, and we have no surplus food even for one head. If we assume the increase in population at the rate of 1.25 per cent., the rate which has been calculated by the last population census, we shall require considerable increase in our food production to keep pace with the ever increasing population.

In an under-developed country like India a small amount of investment in capital equipment may produce

a considerable increase in output, but the increase in production is not always uniform. It varies from circumstances to circumstances depending upon the nature of investment. Taking figures from the revised Five-Year Plan, in Japan between 1890 and 1920 agricultural production increased by 77% mainly through improved facilities and larger capital outlay. Our plan has also given too much emphasis on agriculture and we may hope that during the planned period India shall be self-sufficient in regard to food supplies. As power and irrigation have also been given due consideration we expect substantial increase in the production of consumption goods thus relieving the masses from shortage of daily domestic necessities for which we now depend on foreign imports.

Only increase in production will not solve our problem. If we allow the increase in production to go on unchecked it will lead to concentration of wealth in fewer hands and thus the aim of the Constitution will be undermined and miseries of public will be enhanced. It is natural and scientific that production should be given top priority and every facility should be provided for that. Our plan aims increased production along with reduction of inequalities. Our present social structure may be defective but at the same time we cannot take the risk of abolishing it without having a better substitute. Capitalism has been criticised from various corners but still it persists and it will take time when we can get rid of it. India is not lagging behind in respect of establishing a socialistic era in which there shall be no very great inequalities. A lot has already been done in reducing inequality by the abolition of Zamindari in several states of India, thus establishing a new and sound system of land tenure and revenue collection. Inequalities in wealth can also be reduced by several other methods. The Estate Duty Bill passed by the Parliament will help in the reduction of inequalities. Several taxation measures may be adopted for that, but in India our peasants and farmers are already illfed, illclothed and illnourished, the capitalists have nothing left, they have paid enough during the war, taxes at the rate of 15.3¼ as. per rupee were not rare in India. Hence any increase in existing taxes or fixation of new taxes will certainly lead to new fiscal problems instead of solving any. Thus we see the responsibi-

lities of the State will increase in every sphere to solve the economic problems of the country but all this will not mean the wholesale Nationalization of the industries and other undertakings by the State to increase production and reduce inequalities. Capital will have to be saved but if the rate of interest is increased to give an allurements for saving of capital, the consuming power will decrease and thereby it will affect production, ultimately demands will decrease and unemployment will follow suit. But inequalities cannot be allowed to accumulate and the State will have to regulate them.

DETAILED ANALYSIS OF DEVELOPMENT PROGRAMMES

It has been the peculiar feature of our Revised Five-Year Plan that no field has been left untouched. The Plan has given due consideration to all problems prevailing in the country at present. As for example Food, Agriculture, Industries both cottage and large scale, Transport, Rehabilitation, Health, Social Security, Irrigation and Power, Education and various other fields are included in the planned development programmes.

Food and agriculture has been given top priority in the Revised Five-Year Plan. Out of the total outlay of Rs. 2069 crores for the whole plan, Rs. 361 crores are earmarked for Agricultural development. Out of these Rs. 361 crores the share of the Central Government is Rs. 186 crores, of Part 'A' States Rs. 127 crores, of Part 'B' Rs. 37 crores and of Part 'C' Rs. 9 crores. A specific amount has been allotted in the plan for the agricultural development of Jammu and Kashmir. The agricultural development of the country is aimed at through different major and minor schemes which include development of agriculture, veterinary and animal husbandry including dairying, development of forests, co-operation, fisheries, rural development and community projects. The total expenditure on agricultural development of the country comes to about 32% of the total outlay of the plan if we take irrigation projects also in our consideration.

The agricultural position of the country at present is very unsatisfactory. In spite of repeated efforts of the Government through Grow More Food Campaign and other measures adopted, natural calamities could not be con-

trolled. Nature has been rather unsympathetic towards our agricultural self-sufficiency and every year our deficit increased. The annual net import of food grains amounts to somewhere near Rs. 150|- crores and thus it eats away all our exchange balances which would have been available for imports of capital goods and machineries had there been no deficit of food grains in the country. The plan aims at raising the agricultural production by 7.5 million-tons and in case nature is favourable the Government will be able to increase the expected agricultural production during the planned period by increased irrigation facilities, major and minor river projects, land reclamation, better seeds, manures, fertilizers and improved mechanized farming.

The Government proposes to establish a National Extension Service which will cover the whole country within a decade. The organization will provide the cultivator with improved technology of cultivation and assist the development of co-operation and thus the cultivator will have additional facilities in increasing his produce.

In the matter of finance, the Reserve Bank of India will increase its activities in rural areas and provide liberal financial assistance to Rural Co-operative Societies. In addition the "Key Village Scheme" will also help a lot in the increasing agricultural production of the country within a period of five years. The three great river projects: the Damodar Valley Corporation, Hirakud and Bhakra Nangal Dam when completed will irrigate a total land area of 68,24,342 acres which will mean additional increase in food grains although it may take time.

In order to have a rough idea about the increase in production of food grains which the plan aims to achieve during the planned period the following figures give a rough information:—

AGRICULTURAL PRODUCTION IN INDIA UNDER FIVE-YEAR PLAN

Commodity	War-time production	Additional increase in the plan over present level of production.	Percentage of additional increased production.
(Million Tons)			
Food grains	48.5	7.6	14%
Oil Seeds	4.2	0.4	8%
Sugar cane	5.8	0.7	12%
Cotton	2.1 M. Bales	1.26 M. Bales	42%
Jute	2.7 "	2.09 "	63%

The usual increased facilities which will help increase in one direction will automatically help in other directions as well. Thus the agricultural programme aims increase not only in food grains but simultaneously it aims increase in commercial crops and other industrial raw materials as well.

INDUSTRIAL PLANNING AND DEVELOPMENT PROGRAMME

The expenditure on the Industrial Development programme in the public sector during the planned period is Rs. 173 crores out of the total development expenditure of the plan which is Rs. 2069 crores. Out of Rs. 173 crores in the public sector of Industrial development Rs. 140 crores are ear-marked for large-scale industries, Rs. 27 crores for small-scale and Cottage Industries and the balance of Rs. 6 crores is allocated for mineral development and industrial research. Some of the industrial development schemes are covered by Railway development programmes like Chittaranjan locomotives and All-Steel factory etc. Thus the estimated allocation of expenditure in the public sector of industrial development when totalled together taking all-round development into consideration will not be in-sufficient. Capital investment in manufacturing indus-

tries has been proposed by the revised plan to be Rs. 94 crores excluding lump-sum expenses on the development of basic industries and transport. The total cost for replacement and renewal during the period of the plan shall be Rs. 383 crores. Thus in all the total investment on the industrial development will be Rs. 477 crores.

In the public sector the expansion and development programmes provide for a new Iron and Steel project. Most of the industrial projects in hand are also to be completed during the period of the plan. The Sindri Fertilizer Factory, the Chittaranjan Locomotives, the Tata Engineering and Locomotive Factory are also the different aspects of industrial development during the planned period. The Five-Year Plan provides in the public sector the development and the installation of many new plants both in capital industry and producers' goods industry. The private sector is free to cater its own market. Certain controls will be imposed on them to see that the private enterprises work in conformity with the planned programme. New capital investments are not provided in the private sector. It is emphasised in the plan that consumers goods industries suffer from lack of demand and they will be given full opportunity to work upto their maximum capacity. The private enterprises are not expected to instal new plants as already surplus capital is invested in them and only proper utilization of their plants to the full maximum capacity will bring sufficient consumers goods in the market. The private sector is also left uncared for in the matter of finance although this sector has been over-consumed during the war to meet emergency demands and now it will require sufficient funds for replacement and renewal of over-worked plants. The Five-Year Plan could not provide funds for this development as the plan even in public sector is suffering shortage of funds.

Expansion of basic industries for the rapid industrialization of the country is mostly called for. We cannot neglect our basic industries for long and thus make ourselves dependent on other nations. The plan makes a lump sum provision of Rs. 50 crores for the development of basic industries and transport, part of which shall be available for installing a project for the manufacture of heavy electrical appliances.

The revised plan has made a detailed programme for the development of rural industries. Most of the industries covered by the plan are *Khadi*, Coir, Village Oil, Matches, Leather, Hand-made Paper, *Gur* and *Khandsari*, Palm *Gur*, Woollen Blankets and Bee-keeping. *Khadi* industry is to be financed by cess on mill production and village oil industry by cess on mill oil production. The revised plan recommended the establishment of a *Khadi* and Village Industries Development Board by the Central Government entrusted with very many functions and wide advisory powers. The handloom industry has been given a very important place in the plan and its production during the next five years is expected to be doubled.

Although in the Five-Year Plan much stress has been laid on the development of agriculture, irrigation and power and uplift of rural economic life and industry has rather been neglected, yet at the sametime it should be noted that there is not much difference in the development of Agriculture and Industries in a backward undeveloped country like India. As a matter of fact no desired target of agricultural development can be achieved unless the unnecessary burden of extra population is removed from agriculture and gainfully employed in other economic sectors. Hence it may be advocated with confidence that development of agriculture and industries is inter-related and one cannot be had by neglecting the other.

It will not be an exaggeration of facts to state that we are one of the most underdeveloped industrial nations of the world. Previous to the World War I India was simply a raw materials producing country for the parent nation of United Kingdom. Due to the emergency requirements of the First World War, a few consumer goods industries were established in India to cater war demands. Later on under the Discriminating Protectionist Policy of the Government of India some of our industries could develop but basic and heavy capital goods industries still lagged behind. While during the development programme for industries during the planned period the authors of the plan were guided by the Industrial Policy Statement of 1948 of the Government of India, under the policy of 1948 leaving few essential key and basic industries under the direct control and supervision of the State, the whole of the field is left open for

private enterprise. In order to have smooth execution of the Industrial Policy of Government of India (1948), the Industries Development and Control Bill was passed in 1951 to control and regulate the development of 37 important industries. To maintain the balanced relation between private and public sector the Government of India has set up Development Councils consisting of representatives of employees and employers, of consumers and persons having specialised knowledge of the industry concerned. These development councils are entrusted with very wide functions. For the financing of these organizations the Industries Development and Control Act 1951 provides for the levy of a cess on any scheduled industry to meet administrative expenses, expenses of development councils and also for the industrial and scientific research, for the development and promotion of the Industry concerned.

The authors of the plan have assigned an order of priority in the programme of industrial development taking into consideration the present and remote demands of the nation. The greatest emphasis has been laid on the fuller utilization of the existing capacity in producers goods industries and also in consumers goods industries of secondary importance like Radios, Bicycles etc. The next order of priority has been given to the expansion of capacity in producer and capital goods industries like Iron and Steel, Aluminium, Cement, Fertilizers, Heavy Chemicals, Machine tools etc.

There were several industrial units both in private and public sectors on which a part of capital expenditure was already incurred prior to the revision of the Five-Year Plan; the completion of such units comes 3rd in order of preference. The installation of new units in the industrial sector as those of manufacture of sulphur from gypsum, Chemical pulp from Rayon etc. has got the last priority.

Apart from public sector the sole responsibility of which lies on the Central Government, the total investment required for the development of industry in private sector is estimated at Rs. 233 crores for capital investment and Rs. 150 crores for the replacement and modernization of plant and machinery, 80% of which will be for capital goods industry like Iron and Steel, Petroleum, Cement, Aluminium, Fertilizers, Heavy Chemicals, Power alcohol and generation

of additional electric power. Fuller utilization of existing capacity is emphasised for consumers goods industries.

TRANSPORT AND COMMUNICATION

Considering the size and the population of the country the development so far made in the field of transport and communication is too inadequate in comparison with other countries. Whatever has been done in this respect in India, has been done not with the aim of economic development of the country but only for the prosperity of the mother country and for meeting war requirements of men, money, goods and services. The transportation of men and commodities both was very essential for the strength and defence of the British Empire in India.

After we achieved freedom in 1947 considerable progress has been made in this respect. Additional metalled roads were constructed, existing roads were repaired, still a planned development was awaited in the field. The authors of the Five-Year Plan have given due consideration to this important aspect of planning. Out of the total outlay of Rs. 2069 crores of the whole development expenditure of the plan no less than Rs. 497 crores are made available for the development of transport and communications of the country. We hope that after the Five-Year Plan is fully implemented there will be no dearth of metalled roads and villages will no more be isolated from cities as they were in pre-Congress regime.

A little more than half of the total development expenditures are earmarked for the development of Railways alone. This special sympathy for Railways was compelled by the huge arrear of renewal and replacement and depreciation expenditures which due to war emergency could not be met from the ordinary budgets of the Railways. Furthermore, Railways deserved such a huge expenditure on their development as with the all-round development to be achieved by the full implementation of the plan, the Railways will have to carry additional burden of load and traffic. More tracks will have to be laid, more locomotives will be required for which special units like Chittaranjan Locomotives and Tata Engineering and Locomotive Factory have been established.

During the period of the plan 438 locomotives are ex-

pected to be manufactured in India. A provision has also been made for the manufacture of coaching stock and wagons in India, still due to heavy demands caused by the worn-out stocks not yet replaced it is estimated that India will have to import 641 locomotives and 1294 coaching vehicles and 19143 goods wagons during the planned period. The expansion plan of the Railways will cost at least Rs. 80 crores per annum which totals to about 400 crores of rupees during the period of the plan. The bulk will be spent on rehabilitation, Rs. 20 crores are estimated for opening of new lines. Central aid for the expenses of Rs. 400 crores will be only Rs. 80 crores and the rest will be met by the Railways themselves. It is really gratifying to note that Rs. 15 crores have been earmarked for increased facilities of 3rd class passengers during the plan.

Apart from Railways the Road development programme of States and the Central Government amounts to Rs. 100 crores. The existing Road system falls much short of our requirements. The Nagpur Plan (1943) classified the Roads as:—

- (i) National Highways
- (ii) State Highways
- (iii) District and Village roads.

In the development programme Central Government is to be responsible for the development of 13400 miles of National Highways. The Five-Year Plan provides for the completion of 320 Miles of new Roads and the construction of 18 bridges already in hand and for the construction of 450 miles of new roads and 43 large bridges and a number of small bridges. It also provides improvements of various existing roads, Rs. 27 crores have been set apart in the Central Governments plan for maintenance and expansion of National Highways during the next 5 years. A separate provision of Rs. 4 crores for development of certain selected Roads has also been made for the Central Road Research Institute for researches regarding development programmes.

The state highways will be financed by the respective states subsidised by the Central Government. The length of the metalled roads during the Five-Year Plan will increase from 10007 miles to 12453 miles by 1955-56 in Part "A" states and from 7588 miles to 8129 miles in Part 'B' states. Part 'C' states will try to construct as many roads

as their finances will allow.' Voluntary labour and co-operation has been much stressed for the development of roads in the villages.

In India not only roads are insufficient but the difficult problem is that we lack vehicles as well. The investment on Public Road Transport Service estimated prior to the revision of the Five-Year Plan was Rs. 17.13 crores. Under the Five-Year Plan states are estimated to invest Rs. 8.97 crores more on purchase of 2000 transport vehicles and establishment of up-to-date workshops for maintenance and repair. In some states, Road Transport Corporations have already been established under Road Transport Corporation Act 1950 for necessary autonomy and scope of an efficient administration of State Services where they exist. The Five-Year Plan provides Rs. 12 crores for the construction of a new port at Kandla, Rs. 8 crores for the creation of new facilities for Oil Refineries and Rs. 12 crores loan to port authorities for the programme of rehabilitation and modernization of ports. The Development programme of shipping is so designed as to reserve most of the coastal trade to Indian vessels. Provision has also been made under the plan for the construction of an additional berth in the Visakhapatnam Shipyard which will provide added facilities to take overseas trade.

Civil aviation which has now become a nationalized affairs was previously a monopoly of private enterprise. Capital expenditure in this line of business amounts to about 10 crores of rupees. The amount provided in the Five-Year Plan for the development programme is Rs. 11.52 crores, Rs. 9.5 crores having been provided for payment of compensation to the air companies for acquisition of their assets by the national government.

The development programme of transport and communications will not be complete unless a description regarding the expansion and development of Posts, Telegraphs and Telephones is made. The communication system of India is solely owned by the Central Government. Rs. 50 crores have been provided for their development. It is also proposed to provide every village having at least 2000 population with one Post Office and increased telephonic facilities in larger cities.

HEALTH

The most neglected programme for development in the Five-Year Plan is for Health. For a proper implementation of the Plan and for the material prosperity of the nation, India will have to labour her best to reach upto the desired level. Hard working certainly needs efficient personnel to carry out the schemes. In order that our labour force may be efficient and hard working the Five-Year Plan ought to have provided for the necessary development of the Health of the masses when so much emphasis is laid on voluntary mobilization of available man-power. Pandit Govind Ballabh Pant, Chief Minister, Uttar Pradesh, once in his broadcast talk on U. P's Five-Year Plan said: "It is man and not money which creates wealth". Even our Planning Minister at the Centre once told in the House of the People during the course of debate on Five-Year Plan that "Conscription of labour has not been ruled out". When all this has been talked about, it is but essential for the defence and prosperity of the Nation that it must have efficient and healthy citizens. The authors of the Plan have taken rather an indifferent view of such an important problem. Provision of funds on health and ancillary development is too inadequate considering the size and the population of the country. Our Health Minister also does not seem to be satisfied with such meagre provision for such vital an issue. During the course of her address to Doctors at Calcutta on January 5, 1953, she expressed her disappointment but assured the physicians attending the meeting that "money has to be found some how for these essential services."

Not more than Rs. 100 crores have been provided for Health development programmes under the Five-Year Plan. India is lagging behind in comparison with other nations both in medical personnel and medical institutions. To increase efficiency of the masses, to reduce increase mortality and promote health and check diseases not less than 50% of the contemplated expenditure will be on hospitals and dispensaries and 40% on medical education and training. More hospitals will be started, particularly of specialised nature within the proper reach of the lower strata of the population. A number of training centres for medi-

cal education and training are proposed to be established during the next five years. The schemes for medical education and training include an All India Medical Institute, new medical colleges in Assam, Bombay Madhya Pradesh, West Bengal and Travancore-Cochin, expansion of existing medical institutions and provision for the training of medical personnel like doctors, nurses, midwives and compounders. The total increase in medical personnel and institutions due to implementation of the Five-Year Plan by 1956 is expected as follows:—

Medical targets under Five-Year Plan

Increase in the numbers of:—	During 1950-51	By 1955-56.	Percentage Increase.
Doctors	2504	2782	11.1%
Compounders	894	1621	81.3%
Nurses	2212	3000	35.6%
Mid-wives	1407	1932	37.3%
Vaids and Hakims	914	1117	22.2%
Hospitals	2014	2062	2.4%
Dispensaries (Rural and Urban)	6587	7535	36.4%
Beds in Hospitals	106478	117222	10.1%
Beds in Dispenseries	7079	7815	21.6%

Other Schemes relate to the opening of T. B. clinics, Sanatoria in all the states, leprosy clinics and hospitals for prevention and treatment of venereal diseases. The improved water supply, drainage and anti-malaria schemes account for the bulk of the contemplated expenditure under the Five-Year Plan.

The states' Five-Year Programmes provide for Rs. 23.49 crores for water supply and drainage. Out of Rs. 23.49 crores, Rs. 12.12 crores are to be spent on urban water supply and drainage and Rs. 11.37 crores on rural water supply. Under the Five-Year Plan, the Central Government have provided Rs. 30 crores for loans to local authorities for their improvement programmes.

Besides improved water supply, the Government will take up the malaria disease which takes a heavy toll of life,

on a nation-wide scale and the anti-malaria campaign which will give protection to about 200 million peoples. The construction of a D. D. T. plant has also been proposed. Proper measures are proposed to be taken for the prevention and treatment of T. B. Disease, the order of priority in the programme being as follows :—

1. B. C. G. Vaccination
2. Clinics and domiciliary services.
3. Training and demonstration centres.
4. Beds for isolation and treatment.
5. After-care.

The total estimated expenditure in respect of the T. B. prevention and treatment scheme will be Rs. 4.31 crores.

The Five-Year Plan also recommended the development of a School-feeding scheme on a wide scale. The Public Health Department has been entrusted with very great responsibilities in this field.

Provision has also been made for researches on indigenous and other systems of medicines under the Five-Year Plan, and the contemplated expenditure will be Rs. 37.5 crores. The professional training for the practice of such systems has received due consideration by the authors of the Plan. Last but not least, any development in health services is possible only when our population is well planned. The rapid increase in our population if allowed to go unchecked may upset our programmes. Our children are undernourished and mothers suffer from improper maternity care, all this is due to either shortage of finance and administration or shortage of requisite diets. Whatever may be the cause, the family will have to be planned. Widescale propaganda will have to be made for the use of contraceptives and artificial measures of prevention for increase in population. Two committees have already been formed by the Central Government on Family Planning to deal with the population policy and researches dealing with the limitation of families.

EDUCATION

The success of the Five-Year Plan in India depends to a very great extent upon the co-operation of the public. No plan can be executed successfully unless the people of the country fully understand the plan and lend their full

support. All this needs that the people of India should be made plan-minded. In India at present educational facilities are far from satisfactory. The existing facilities provide education to 40% of the children in the age group 6-11, 10% in the age group of 11-17 and hardly 1% in the age group of 17-23. The New Constitution of the Indian Union requires free and compulsory education to all the children upto the age of fourteen. The unbalanced emphasis on academic training has checked industrial progress. Our educational structure provides for the general education, hence most of the educated people become unemployed as the economic system is not so developed as to absorb all of them. Not only this much, but there is also lack of uniformity in the educational set-up of different states. Rural areas are mostly lacking in adequate educational facilities and female education is altogether neglected in India.

Several attempts have been made in this respect from the very beginning to reorganize our educational structure to suit our needs but we lack efficient personnel as well. Under the Five-Year Plan the total development and expansion expenditure on education is Rs. 156 crores; out of this Rs. 39 crores will be provided by the Central Government and Rs. 117 crores by the different state Governments. It may not be out of place to refer here that early in September 1953 a further sum of Rs. 14.7 crores has been sanctioned by the Central Government for the expansion of education in rural areas. Under this additional sanction about 84,000 teachers will be provided employment in rural areas. This grant of fund will be of two uses simultaneously. It will lead to expansion of education and will also solve the employment problem of the educated unemployed to a considerable extent.

The existing educational facilities need consolidation and improvement. Priority need be given to experiment and research. Better and increased facilities should be provided to post-graduate studies and research work. Facilities need also be provided for proper training of the teaching personnel. The targets of education under the Five-Year Plan are as follows which may be modified to suit local needs :—

1. Educational facilities to be provided for at least 60% of children in the age group of 6-11, to be extended to

the age group of 6-14 and the percentage of girls in the age group of 6-11 should be increased to 40 from 23.

2. 15% of children of relevant age group to be brought to secondary schools and the number of girls to go up by 10%.

3. The 20% of men and 10% of women to be brought to schools for social education.

The Education Development programmes are undertaken by the Central Government, State Governments and private agencies. The Constitution provides for the entire responsibility of the Central Government. In the present circumstances the help from the centre for the expansion and regulation of pre-University education can be only of a co-ordinating nature. An expert body is needed at the centre to guide and co-ordinate the basic, social and secondary education in the states.

Primary education has been given very great importance in recent years by our national government. Most of the states have made it compulsory. Local bodies have extended their full support in this regard. The great problem in the expansion of Free Compulsory Education, apart from finance is that of trained personnel. The training of large number of teachers in a short period of time is a colossal task. Mobile squads of experts have been set up in the states to hold camps at intervals and thus train the teachers. It is necessary that in arranging such short-time training programmes care should be taken both of the quality and the quantity of the training.

Public has also shown sympathy with the schemes and at most places public has contributed by men, money, material and building for the establishment of primary schools in their vicinity. It is hoped if the scheme continues, every village in India will be provided with one primary school and within a period of two decades illiteracy will be totally removed from the territory of the Indian Union.

For the reorganization of Secondary Education, a Commission has already been set up by the Central Government, the recommendations of which are still under consideration.

Reorganization of University Education suffers from the shortage of finance. Most of the Universities existing

in India are not fully equipped. They are understaffed. proper facilities do not exist for post-graduate and research studies. Library facilities are also inadequate. Universities also suffer from accommodation problems. Proper co-ordination of post-graduate studies and establishment of Central Universities will provide economy in expenses. The University Education Commission has recommended a new pattern of education through the establishment of Rural Universities to provide higher education in rural areas.

The Revised Five-Year Plan has also dealt at length the development programme for social and professional education and female education in the country. Problems like teachers' salaries, manual work and social services by students also received due consideration by the authors of the Plan.

The provision of Rs. 39 crores by the Central Government for education has been divided into two parts. Rs. 20 crores have been earmarked for pre-University education, i.e. basic and social education. Out of Rs. 20 crores Rs. 12 crores have been set apart for basic education and Rs. 8 crores for social education. Apart from Rs. 20 crores for basic and social education, Rs. 2.92 crores have been provided for university education, Rs. 11 crores for scientific and technical education and Rs. 1 crore for youth camp and labour services for students. The sum of Rs. 39 crores includes Rs. 4 crores for social welfare programmes. The contribution of state governments of Rs. 117 crores will be devoted to all sorts of schemes both for expansion and for improvement.

The implementation of Educational Development programmes is expected to achieve the following targets by the year 1955-56.

Type of Schools.	Additional increase in %.
Increase in Primary Schools	17%
Increase in number of pupils in Primary Schools	25%
Increase in Junior Basic Schools	22%
Increase in number of pupils in Junior Basic Schools	81%
Increase in number of Secondary Schools	18%

Type of Schools.	Additional increase in %.
Increase in number of pupils in Secondary Schools	32%
Increase in number of technical and vocational Schools ..	57%
Increase in number of trained students in these Schools ..	63%
Increase in number of teachers trained annually in Primary Schools ..	15%
Increase in number of teachers trained annually in Basic Schools ..	54%

LABOUR WELFARE

Chapter XXXIV of the Revised Five-Year Plan deals with the Labour Policy of the Government of India under the Plan. The basic needs of an industrial worker in India are food, clothing and shelter which must be satisfied at all costs. Improved health facilities, wider social security, impartial machinery for settlement of disputes and working conditions in factories need be so regulated as to increase the health and efficiency of the workers. In recent years a number of Labour legislations have been passed and factories have been subjected to very tight control both by the Central and State Governments. All these measures on the part of the states have much advanced the conditions of the workers and their relations with their employers. Still the field of Labour needs planned development. Most of the requirements of the industrial workers have been included in the directive principles of the Constitution of India and the government have already provided machinery in the shape of the Five-Year Plan for the fulfilment of these objectives.

The Five-Year Plan requires harmonious relations between Capital and Labour. The authors of the Plan have paid due regard to the dignity of Labour and its indispensable importance in the economic prosperity of the nation. All this will not mean that the Capital will have no role to play. The co-operation of both Labour and Capital is vitally essential for the industrial peace and economic development of our nation.

In the Private sector the workers' right to association,

organization and collective bargaining need be accepted as essential for mutual good relationships between capital and labour. Differences should be resolved by impartial investigation and arbitration with the object of bringing about a just and reasonable settlement of disputes. There must be definite standing orders of all the firms in order to avoid industrial unrest. Definite machinery need be provided by the state for the settlement of disputes and direct action on the part of any party should be made punishable under the law. Internal settlement of disputes should be preferred at all costs. Works committees and joint committees must be formed on a bipartite basis. The Plan has recommended for establishment of a Central Tribunal for the settlement of inter-state disputes.

Labour Policy in the Public Sector will have to be different from that in Private Sector. State enterprises will have no profit motive. Any profit made will be additional wealth of the nation. Workers will have no reason for dispute in the Public Sector. The working conditions and social security measures in state undertakings need serve as model for the private sector. Benefit of Labour Laws should be extended to the Public Sector and the Board of Directors should be consist of specialists. Throughout the Labour Policy of the Government of India it must be noted by those in authority that a satisfied labour force is the best asset for any concern. The targets of increased production in industry both in the Private and the Public Sector can only be achieved when the labourers are satisfied and they extend their co-operation to the development plan of the country. Certainly we cannot expect Class 'A' production with Class 'C' labour force. The labour force will have to be contented at all costs. Workers must be paid the Economic Minimum wages. The Plan provides for the establishment of permanent Wage Boards on tripartite basis at the Centre and in states to deal with wages, conduct enquiries, collect data and review the position from time to time for the purpose of wage adjustment.

The lack of social security measures prevents the building up of a stable labour force. The labourers in India are of migratory character, partly because of unsuitable living conditions in the factory towns and mostly due to lack of social security measures. Recently in the year

1948 the Employees' State Insurance Act has been passed. The Act was implemented on February 24, 1952 as pilot schemes in Kanpur and Delhi. A proper time table has been drawn up for the expansion of this scheme of social security throughout India. The Employees' State Insurance Act provides for medical care, sickness benefit, employment injury and dependents' pension. The Provident Fund Act 1952 is another measure in this respect. The working conditions of Indian factories also need improvement. The Factories Act, 1948, Plantation Labour Act, 1951 and various other Labour Legislations already passed by the India Government are sufficient for the purpose. The Factories Act, 1948, has made a great many improvements in the existing working conditions of our factories. Various Employment Exchanges have already been established in many industrial centres to recruit efficient labour force for industrial units and thus to discourage the age-long existing system of Contract Labour, the Sardari System and the Kangani System which are linked with corruption and malpractices.

HOUSING

The Housing Condition in India is very unsatisfactory. Out of 36 crores of population only 6 crores are said to have houses which may be called Pucca Houses and the rest have either mud houses or no house at all. In the construction of houses nothing has to be imported from foreign countries. India possesses all the necessary raw materials and skilled labour, only encouragement and enterprise is needed to solve the problem. The housing problem has received but not full attention of the authors of the Five-Year Plan. In private industrial sectors most of the industrial units do not provide any kind of housing. A survey of various industrial sectors like Ahatas of Kanpur, Chawls of Bombay, Cheris of Madras, Dhawras of Bihar and Bustees of Calcutta will clearly reveal the living conditions of industrial workers. In most places the living conditions are very much unsatisfactory. The unhealthy condition of houses in which our workers live not only deteriorates their health and efficiency but demoralises their characters and subjects them to various venereal diseases which the workers spread in villages when they return to their native places.

The housing situation has worsened slowly by the continuous increase in population. The second world war added a new trouble to the problem when additional labour force moved from villages to towns to seek employment in factories. The situation was further aggravated by the influx of refugees in 1947 who wanted to settle in urban areas for the security of their life and property. All this led to over-crowding in industrial centres.

Both the Central and State Governments have recognised the need of providing accommodation to the ever-increasing population in towns. In 1949, the Bombay Government set up a Housing Board to construct houses for industrial and low-income group workers. This Board could build 7000 tenements for industrial workers and about 9000 for displaced persons.

In the state of Uttar Pradesh a housing board is building houses for Sugar factory workers. Similar boards have been established in other states. Thus by the time of the revision of the draft Five-Year Plan about 16771 houses could be built by local bodies. Later on when the government were faced with the colossal problem of housing due to influx of refugees, colonies and township sprang up in various parts of the country and a great number of houses were built. War-time profits of industrialists also enabled them to improve the housing problem of their respective units. By 1950-51 the Industrial Committee of Plantations could build 25000 two-roomed houses which were sufficient for eight per cent. of their staff every year. Cooperative societies were also developed in the states of Madras and Bombay. Madras has a model town built on the co-operative society scheme.

The Planning Commission could assess the shortage of housing in the chief industrial centres. According to the Planning Commission's estimates out of 17,14,560 workers in large industrial centres no less than 4,54,000 are in urgent need of house accommodation. According to the census figures of 1951 if we assume that 5 persons occupy one house no less than 43 lakhs houses will be needed to accommodate the additional population. No definite policy regarding housing has been formulated in the constitution, still both the Central and State Governments have assumed considerable responsibility in this direction. The Planning Com-

mission has recommended a subsidy upto 50% of the total costs of construction to the state governments who will allocate it to the various housing boards. Private employers will be given 25% subsidy of the total cost including cost of the land. Loans will also be given to the States for housing boards and co-operative societies to be repaid in 25 years. Private employers may take loans upto 37% of the total costs direct from the Central Government to be repaid in 15 years.

The Planning Commission has paid due attention regarding suitable sites and also for proper pattern according to which the subsidised houses will be constructed. Proper standards have been fixed for industrial houses. Housing in rural areas has also received thorough consideration. Greater emphasis has been laid for cheap housing construction in rural areas to suit the pockets of the poor peasantry. The State Governments will concentrate their all out efforts on improved housing in rural areas. Research facilities also have been provided by the Plan in the housing materials and a Nation-Building Organization with manifold research functions has been given greater importance. Modification of the Land Acquisition Act of 1894 has also been suggested.

SOCIAL WELFARE

Among the few fundamental directives which the Constitution of India contains, Social Justice has been much emphasised. In fact a nation, to be richer and fuller in all respects needs something more than economic and material progress. The Five-Year Plan in industrial and agricultural sector will increase our productivity and will transform India into one of the leading industrial and agricultural nations of the world, but people cannot feel happy unless something has been done for social welfare. It is really gratifying that our Five-Year Plan has a development programme for social welfare as well and in this respect our Five-Year Plan is much superior to that of Five-Year Plan of U. S. S. R. Social welfare is not an easy task and furthermore, India is already lacking in accumulation of funds for economic needs. The only solution for providing social welfare will be the awakening of the masses to promote their own social and political welfare by voluntary support and co-operation. For the proper realisation of

targets of the Five-Year Plan the condition of the society will have to be improved. The principal Social Welfare Problems in India relate to women, children and youth, the family and under privileged groups.

Both the Central and State Government will try their best to improve social welfare in their respective jurisdictions within their financial resources. A provision of Rs. 4 crores has also been made in the revised Plan for strengthening, improving and expanding the nature and scope of social welfare activities. The authors of the Plan proposed to establish a Social Welfare Board consisting of experienced non-official members to administer this proposed fund.

In the proper execution of the development programme of social welfare a good deal of trained and efficient personnel will be a vital necessity. Most of the states have already established institutions and training centres and some of the states which have not, will do so in near future. The Plan also provides Rs. 50 lakhs for research and investigations relating to social, economic and administrative problems in this particular field. Rs. 4 crores are only a small amount and will not be sufficient. The resources at the disposal of the states are also limited. Hence in these circumstances the community itself will have to provide the necessary finance by voluntary contributions of labour and money.

A good deal of progress has already been made in the field of women welfare activities. The following are some of the major organizations which are doing their best to raise the social standard of women in this country:—

1. All-India Women's Conference with 37 branches and 300 sub-branches.
2. National Council of Women in India.
3. The National Y. W. C. A.
4. Girls' Guide Association.
5. The Association for Moral and Social Hygiene.
6. Trained Nurses Association of India.
7. The Kasturba Gandhi National Memorial Trust.

These associations run dispensaries, maternity centres and homes for women and destitute children.

Child welfare is lagging behind and nothing substantial could be done in this respect by voluntary organizations.

Whatever one may notice in the activities of child welfare, all have been initiated on the part of the state governments upto now. Under-nourishing and under-feeding and proper recreation and welfare facilities are some of the important problems which deserve special attention in this respect.

The Five-Year Plan has provided a sum of Rs. 1 crore for mobilising the services of youth for constructive nation-building activities. The Governments of Bombay and Madras have already established a few family welfare agencies. It is hoped that the programme for social welfare will expand beyond exception in the very early future as public has shown an encouraging response to such activities. Our community welfare programmes embody four fundamental ideas. In short they are:—

1. Self-help and mutual Service.
2. Maximum use and development of local resources through organized community life.
3. Economic betterment and cultural development through social participation in co-operative effort.
4. Achievement of community objectives with minimum assistance from the state.

WELFARE OF BACKWARD CLASSES

The welfare and development of backward classes covers 799 scheduled castes, scheduled tribes and criminal tribes and other backward classes.

A good deal has already been done for their education by the various states by providing free tuition and stipends upto University stage and also training in vocational and professional institutions. Rs. 14 crores have been provided by the State Governments and Central Government for the welfare of backward classes during the plan, the greater amount of which will be spent on education. The Constitution of India has already abolished untouchability. Rs. 26 crores have been provided in addition to Rs. 14 crores for the development and welfare of scheduled castes and tribal classes during the plan by the Central Government.

It has been observed that most of the backward and scheduled caste tribes live in isolation and proper development of road facilities may solve their problem. A sum of Rs. 2 crores has been provided for the purpose in the plan

for road developments in Harijan areas. Proper water supply has also been regarded important in the development programmes. Some states have started co-operative societies for these tribal areas and in spite of their illiteracy they are functioning quite well. Some of such organizations which have showed enough progress are Beej Kosh of Bombay and Grain Golas in Bihar. These organizations help in the supply of seeds, storage of crops and provide guidance in agricultural development.

Health programmes with mobile dispensaries and flying doctors' visits is a vital necessity and it will be able to prevent and treat most of the diseases prevalent among such tribes and castes in areas where there is no settled population and communication and transport are also a rare possibility. Vocational and technical training schools, residential Ashrams and hostels are some of the items of educational programmes which states have already taken in hand for their welfare. The Five-Year Plan has recommended for a well thoughtout scheme of education to the children of criminal tribes, which are about 190 in number, and they have upto now been unable to adjust themselves to the socio-economic structure of the country.

REHABILITATION OF DISPLACED PERSONS

Chapter XXXVIII of the Revised Five-Year Plan deals with the rehabilitation of displaced persons which has been caused due to transfer of population from Pakistan to India. The partition of the country in 1947 led to a large-scale exchange of population between India and Pakistan. Near about 50 million Hindus and Sikhs had to leave their homes in Pakistan. The influx of refugees from East and West Pakistan created a new problem in the economic situation of the Indian Union. These displaced persons were to be fed, employed and properly placed in various occupations and professions according to their ability and means and available resources of the country. Most of the displaced persons from East Pakistan concentrated near about Calcutta, other neighbouring districts and Bihar and those from West Pakistan in the states of Punjab, Pepsu, Rajasthan and U. P.

For the rehabilitation of displaced persons from West Pakistan three distinct schemes were followed by the gov-

ernment which were as follows:—

1. The policy of quasi-permanent allotment of evacuee agricultural land in the Punjab and Pepsu was the largest measure and has confined to refugees from West Pakistan. In all about 2.4 million standard acres were allotted to about one and a half million families.
2. Allotment of evacuee agricultural land on a temporary basis in other parts of India, e.g., in the states of Delhi and Rajasthan and
3. Allotment of cultivable waste land reclaimed by state or Central Governments were meant for rehabilitating non-Punjabi agriculturists from West Pakistan. Near about 57,500 families could settle under this scheme. Most of the families started their earnings in other trades or professions of life instead of settling on agricultural land.

By the end of 1951-52 about Rs. 8 crores were given as loans for agricultural equipment, etc., and Rs. 10 crores are expected to be spent on the settlement of 5000 families by 1952-53 and about 25000 families by 1953-54. It is really a great credit to the government that they succeeded in settling nearly all displaced persons from East Pakistan by 1953-54.

The problem of urban rehabilitation was of a serious nature due to changes in profession and mode of life to which they were accustomed. About 2.5 million displaced persons required accommodation in urban areas. The Government of India had to launch an extensive scheme for house building and it could succeed in the construction of 1,50,000 tenements at a cost of 38 crores of rupees by the end of 1952 and 50,000 more houses are proposed to be constructed at a cost of Rs. 21 crores by the end of next two years. 1.5 million immigrants could find accommodation in evacuee houses in urban areas.

The house building activities on private account were also promoted by grant of suitable sites and liberal financial assistance and in addition to that 10 township schemes have been planned and much progress has been made in their development. The new schemes are based on the principle of self-help on co-operative basis. About Rs. 4 crores will be needed to complete the housing development programmes already in hand. Most of the states laid much emphasis on

private initiatives and succeeded in completing their programmes on private account by advancing loans.

Apart from the accommodation problems, the displaced persons were to be given gainful employment. Loans were granted by the government to such people as wanted to settle in life on their own initiative. The Employment Exchanges could find employment for about 1,63,000 displaced persons by the middle of 1952 from West Pakistan and about 30,000 from East Pakistan. The Railway Ministry reserved about 15,000 vacancies for displaced persons. As all the displaced persons could not be absorbed in services a large number of them had to be trained for different trades and professions. By the end of March 1952 about 52,000 persons were trained for suitable vocations and 12,000 more are expected to be trained within a year or two. 8,000 displaced persons from East Pakistan were trained and 12,000 more were expected to be trained by 1952-53.

New schools and colleges were started and the capacities of the existing institutions were enlarged to provide education to the displaced persons. Freeship concessions were extended upto High School Classes. The education expenditure on displaced persons already spent and proposed to be spent in the coming years is as follows:—

Education Expenses in Crores of Rupees.

Displaced persons from :—	Upto the end of March 1952.	In 1952-53.	In 1953-54.
West Pakistan	7.39	2.55	1.9
East Pakistan	4.05	0.98	1.56

The Government also assisted displaced artisans and other professional men by advancing loans upto Rs. 5,000 to each and expenses incurred so far and proposed to be spent on advancement of loans are as follows:—

<i>Rupees in crores.</i>			
Displaced persons From :—	Upto March 1952.	1952-53	1953-54.
West Pakistan (1,58,000)	10.38	0.50	0.50
East Pakistan (44,000)	4.24	2.86	2.86

Loans were also advanced for large-scale industrial

establishments by the Rehabilitation Finance Administration. Upto March 1952 Rs. 8.25 crores were advanced to 9,621 persons out of which Rs. 4.17 crores were actually paid. It was proposed to advance Rs. 2.05 crores during 1952-53 and Rs. 3 crores during 1953-54.

Besides the above expenses maintenance allowances are also paid at the rate of Rs. 100/- p.m. to nearly 16,000 displaced persons, who depended on landed property in West Pakistan. Rs. 50 lakhs have been spent so far. A special Board has been established for the rehabilitation of displaced Harijans. Special homes are maintained for 74,000 displaced destitutes and orphans and unattended women. The Five-Year Plan in all made an allocation of Rs. 85 crores for the rehabilitation of displaced persons during the planned period.

EMPLOYMENT

India is a backward underdeveloped country and unemployment mostly arises due to shortage of land for cultivation, capital difficulties for starting new industries and above all proper means and technical knowledge to exploit our natural resources to the maximum possible extent. Our main problem of employment is thus of utilising surplus manpower and available productive resources for the production of increased goods and services and thus to raise the standard of living of the masses.

The unemployment problem in India is a recent one. The unemployment problem in urban areas is more acute than in rural areas as people in former areas mostly depend on services and there exists no other means of livelihood. In rural areas people are underemployed and employment problem is not very serious more because the mass of the population in rural areas mostly depends on agriculture which may not be a profitable profession still it serves as a mode of living.

Although the unemployment problem is of such a vital importance still no machinery has yet been established in the country to assess its magnitude. The only figures regarding the unemployed which are available, are the published figures of Employment Exchanges. These figures cannot be regarded as absolutely reliable as they mostly relate to educated unemployed and of only those who are within

the vicinity of Employment Exchanges. The rural public though mostly in search of jobs has yet not realised the benefits and advantages of Employment Exchanges which are rendering free and valuable services to the country since 1945.

The main object of the Five-Year Plan is to increase opportunities for employment and to raise the standard of living of the masses. Major and minor irrigation works started in villages are the chief measures taken to solve the problem of unemployment in rural areas. The extension of mixed farming and the undertaking of public works programmes are the other two measures meant to relieve rural masses from unemployment.

In cities most of the factories and establishments are already over-staffed due to cessation of great world hostilities and reduction in the emergency demands created by the World War II. People living in cities find it very difficult to search suitable employment for themselves. Extension of existing industries and starting of new industries are the only solution to solve the unemployment problem in urban areas. The Revised Five-Year Plan proposes to provide additional employment to about 51.5 Lakhs of people by an all-round development planned during the five years

PROBLEM OF EDUCATED UNEMPLOYED

The interval between two great wars has created a very serious problem among educated unemployed. Most of the educated people find it more difficult to search a job for themselves in comparison to manual labourers. The Second World War could relieve unemployment by providing additional employment in Army and industries serving defence requirements. The Employment Exchanges could not find jobs for educated unemployed on any substantial scale. Even the Five-Year Plan does not lay down any specific measure to provide employment to educated young men who are unemployed.

The Five-Year Plan is a long term measure which will provide ample employment after its proper implementation and fulfilment of targets laid down both in the industrial and agricultural sectors. Growing unemployment among the educated is also partly due to the defective system of education in India which needs re-organization. The Five-Year Plan

has suggested various short-term measures to provide immediate remedy to the problem. It may also be stated here that in order to provide employment to educated unemployed the Central Government has sanctioned a grant of Rs. 14.7 crores for expansion of education in rural areas and near about 84,000 teachers will get employment under the scheme. In the month of October 1953 some additional funds were sanctioned for the unemployment provision and the Five-Year Plan has accordingly been enhanced by that amount.

Speaking on the problem of unemployment Mr. A. K. Gopalan appealed to the Government of India in the House of People in the month of August 1953 to take speedy action to check growth of unemployment which was detrimental to the prosperity of the nation. Mr. Gopalan said that Five-Year Plan promised that during the course of implementation of the plan 52,54,000 persons will be provided with jobs under various schemes of the plan, but according to the figures published by the Employment Exchanges, the live registers showed increase in unemployment from 3,64,679 in October 1952 to 4,73,917 in June 1953 of which 2079 wanted better jobs. The total increase within 8 months was 1,09,238. Increase in unemployment in December 1951 was from 2,88,971 to 4,73,917 given a net rise of 1,84,746. Mr. Gopalan further added "This means that during the two and quarter years of the period of the working of the plan we have been presented with a gift of an addition of more than 50% on our live register of the unemployed seeking jobs without finding them. At the same time the total number of vacancies required to be filled have been falling and not merely because more unemployed have been applying for jobs."

According to Mr. Gopalan the number of persons applying for clerical jobs increased from 85,057 in December 1951 to 1,28,548 in May 1953. The number of teachers unemployed rose from 4825 to 10388. Number of clerks unemployed increased by 50% while the teachers by 200%.

III. FINANCIAL STRUCTURE OF THE FIVE YEAR PLAN

The revised Five-Year Plan has been designed to have a total outlay of Rs. 2069 crores for all-round development programmes. How this fund will be raised and on what items it will be spent is a matter of greater detail. In this present article, we have divided the financial structure into two parts—one dealing with the raising of funds or the sources of finance under the Five-Year Plan and the other dealing with the disbursement of funds on the different development programmes under the Five-Year Plan. Now we take one by one

Sources of Finance

According to the revised Five-Year Plan the scheme proposed for meeting the total outlay of Rs. 2069 crores in the Public sector of development programme, is as follows:—

1. Savings from the current revenues of the Central and State Governments (including Railways) after meeting non-development expenditure Rs. 738 crores.
2. Internal loans, small savings etc. to be raised by the Central and State Governments.....Rs. 520 crores.
3. Deficit financing against the release of sterling balances Rs. 290 crores.
4. External assistance received upto now Rs. 153 crores.
5. Further external assistance or in the alternative additional measures of internal taxation and of borrowings and larger deficit financing.....Rs. 365 crores.

Thus the total of 1. to 5. above come to Rs. 2069 crores.

So far as the first source of finance under the Five-Year Plan, i.e., saving from the current revenues of the central and State Governments including railways is concerned, it is purely a Government concern and we shall have not to worry much about that. Government possess lot of funds

at their disposal and even one per cent economy in their expenditure on various heads of expenditure which public will not mind may save more than the contemplated amount for the Five-Year Plan. Even if we analyse the savings on the past experience we come to a favourable conclusion. In 1950-51 savings on current resources was about Rs. 145 crores. It may just be possible that there might have been wind-fall receipt of revenues in that particular year and that there may exist doubt about the same level of savings in future years. Still if a little safety measure is employed by launching an economy drive through various state departments and by reduction in contingency grants for various office establishments and emergency reduction in the basic start of salaries for new temporary recruits in various offices or an emergency cut in dearness allowances will accumulate a lot of funds for the Government.

As regards the second source of finance, loans of State and the Central Governments and small savings are expected to yield much for the Five-Year Plan. In the year 1950-51 net receipt was of Rs. 77 crores. During the Five-Year Planned period the investment in Government securities from the provident funds of industrial workers will yield about Rs. 36 crores. According to the observation made in the revised Five-Year Plan the market for short and medium term loans is more favourable at present than it was in the past. There can be no ground for any doubt regarding the non-fulfilment of target in the matter of raising necessary loans by the Central and the State Governments during the Five-Year Plan, when 7 out of 10 State Government loans have already hit the target. It is really surprising to note that the loans floated by 10 states in the month of July 1953 were fully subscribed within 9 days period in which they were kept open. The amount of loans raised was Rs. 28 crores. The 7 states where loans were over-subscribed were:—

STATE	TARGET
West Bengal	Rs. 3 crores
Bombay	Rs. 5 crores
Saurashtra	Rs. 1 crore
Madras	Rs. 5 crores
Uttar Pradesh	Rs. 5 crores
Bihar	Rs. 1 crore
Travancore-Cochin	Rs. 3 crores
Total	Rs. 23 crores

The other 3 states where loans were not over-subscribed were Mysore Rs. 3 crores, Madhya Bharat Rs. 1 crore and Madhya Pradesh Rs. 1 crore. These loans were raised at four per cent. rate of interest maturing in the year 1963. They were raised by the State Governments to finance their various projects requiring capital expenditure.

There need be no pessimism in this direction of raising short-term loans and small savings by Central and the State Governments and let us tell the pessimist economists and critics that no such programme will ever be stopped due to shortage of finance. We have already received encouraging response in this direction. Considering the vast potential and co-operating population of India we can very easily get more than what is required in this direction by a single appeal to our rural masses. India possesses 36 crores of population and only Rs. 520 crores are to be raised during the period of five years. If we calculate the whole issue we come to the conclusion that 4 annas per month saving per capita during 5 years' time will over-subscribe Rs. 520 crores for which too many doubts have been raised for no use. Savings of 4 Annas for an individual no matter even if he is a beggar will matter very little and he can very easily afford this much of sacrifice for his country. Even if we exclude beggars from the burden of contribution there are thousands of millionaires who can contribute the share of lacs of beggars.

Now we come to the deficit financing of Rs. 290 crores released against the sterling balances. We have not to discuss much about this. These sterling balances were a sort of savings that we made during the time of war through

sacrifices for goods and services which we supplied to Britain and we were not paid for that at that time. This release of sterling balances will not affect our economy in the least. What shall be its reaction concerns very little with the monetary policy of the Government of India. In conclusion, we may say that we shall be getting goods, services, and machinery from Great Britain for our development programmes during the planned period without paying for them. Hence the sterling balances are certainly a gift which the authors of the plan have emphasised to obtain.

In the field of external resources we did not get enough encouragement upto now. We could get only Rs. 156 crores for our development programmes from various nations of the world. We hope as our plan progresses we shall be able to get more foreign aid as Mr. Chester Bowles once said that America should advance financial assistance to India without any "strings". Even if we do not receive much encouragement we shall progress with what we have, as the execution of our plan is not conditioned on the receipt of foreign assistance.

Foreign assistance for the development programmes so far received by India is of two kinds:—(1) Financial assistance, and (2) Technical assistance.

Details of foreign assistance are as follows :—

LOAN FROM INTERNATIONAL BANK

For Reconstruction and Development \$ 109.8 millions. Another loan of \$ (dollars) 8 millions for Industrial Finance Corporation is under negotiation. In addition, India received from United Nations and its specialised agencies 69 experts and training facilities for 61 Indians. The Government of Norway have agreed to advance Rs. 27 lakhs for implementing a Fisheries Community Development Scheme in Travancore-Cochin State. The total cost of this scheme will come to Rs. 37.6 lakhs. From the U. S. A., India received so far 71 experts under Point-4 Aid and training facilities for 82 Indians. In addition, India could receive financial aid of \$ 88.35 millions. Food loan from the U.S.A. amounts to \$ 1.90 millions for purchase of 2 million tons of food-grains from U. S. A. @ 2½% interest. Under the

Colombo Plan India received both technical and financial assistance from member countries like Australia, Rs. 6.1 crores, Canada Rs. 13.3 crores and New Zealand Rs. 0.9 crores. Total amounted to Rs. 203 crores. 36 experts have been received so far under Colombo Plan and training facilities for 235 Indians in member countries.

Now remains the balance of Rs. 365 crores which must come from somewhere to finance our development programmes. It has been proposed under the Five-Year Plan that in case India fails to receive external assistance she shall have to raise this fund through increased borrowing or taxations or the money will have to be created. Hence it may be noted that really speaking India shall have a deficit financing only for Rs. 365 crores which amount is not very large. Furthermore, inflation with increased production is not at all harmful to society. We need not be pessimistic about the execution of our Five-Year Plan and must not be afraid of deficit financing which is, in fact, "development" financing. We are sure we shall get foreign assistance as our relations with foreign nations are friendly and we have received co-operation for the Plan from different countries. Even if we do not get any assistance, the whole financing of the Five-Year Plan, i.e., the total outlay of Rs. 2069 crores will mean only a saving of Rupee 1 per capita per month.

*Allocation of the resources on different items under the
Five-Year Development Programmes*

Throughout the topic on development programme we have been talking about the allocation of funds by the Central and State Governments for different development programmes. Here we shall mention in brief the consolidated amounts on different heads of development. The whole outlay of expenditure will be to the tune of Rs. 2069 crores in the public sector which may be roughly distributed as follows:—

Agriculture and Community development	Rs. 361 crores
Irrigation	Rs. 168 crores
Multi-purposes Irrigation & Power Projects	Rs. 266 crores
Power	Rs. 127 crores
Transport & Communications	Rs. 497 crores

Industry	.. Rs. 173 crores
Social services	.. Rs. 340 crores
Rehabilitation	.. Rs. 85 crores
Miscellaneous	.. Rs. 52 crores
<hr/>	
Total	.. Rs. 2069 crores

Out of this Rs. 2069 crores the shares of the Central and the State Governments are as follows:—

Central Government including Railways..	Rs. 1,241 crores
Part 'A' States	.. Rs. 610 crores
Part 'B' States	.. Rs. 173 crores
Part 'C' States	.. Rs. 32 crores
Jammu & Kashmir	.. Rs. 13 crores
<hr/>	

Total .. Rs. 2,069 crores

From the above figures it can be very easily concluded that the share of the Central Government is Rs. 1,241 crores alone while all the states together contribute Rs. 828 crores. Here it may be emphasised without fear of contradiction from any corner that the Five-Year Plan is, in fact, a Central Government Plan. The states have no large burden to bear.

The expenditures on different states' development programmes during the period of the Five-Year Plan shall be as follows:—(Taken from the revised Five-Year Plan).

Part 'A'	Rs.	Part 'B'	Rs.	Part 'C'	Rs.
States.	(crores).	States.	(crores).	States.	(crores).
Assam	17.49	Hyderabad	41.55	Ajmer	1.57
Bihar	57.29	Madhya		Bilaspur	0.57
Bombay	146.44	Bharat	22.42	Bhopal	3.90
Madhya		Mysore	36.60	Delhi	7.48
Pradesh	43.08	Pepsu	8.14	Coorg	0.73
Madras	140.84	Rajasthan	16.82	Manipur	1.55
Orissa	17.84	Saurashtra	20.41	Himachal	
Punjab	20.21	Travancore-		Pradesh	4.55
Uttar		Cochin	27.32	Tripura	2.07
Pradesh	97.83			Kutch	3.05
West Bengal	69.10			Vindhya	
				Pradesh	6.39
<hr/>		<hr/>		<hr/>	
Total	610.12		173.26		31.86

Detailed Distribution of Expenditure (in crores of Rupees)

Head.	Total.	Central Govt.	States.	U. P.
1. Agricultural and Community Development	361	186	175	26
2. Irrigation and Power	561	265	296	33
3. Transport and Communications	497	409	86	6
4. Industry	173	146	27	6
5. Social services : Education, Health, Labour, Housing, Welfare of backward classes	339	106	233	27
6. Miscellaneous	138	129	11	..
Total	2069	1241	828	98

WHETHER OUR PLAN IS WELL-BALANCED

In brief it may be said that the Five-Year Plan is well-balanced and within the economic resources of the country. Those who criticise the plan for laying unnecessary emphasis on agricultural production fail to realise the importance of food in human life. In fact, industry has not been neglected when we examine the situation from a broader angle. If we lay too much emphasis on industrial production, still we shall need food for our daily consumption. Plants and machinery will not feed us. It matters very little how advanced a nation is in the industrial field, we cannot neglect our agriculture as "men cannot eat iron and drink smoke". If we look at U. S. A., the leading industrial nation of the world, we see that agriculture too has been advanced accordingly. U. S. A. produces more food than any other country. For a backward country like India there cannot be much discrimination in the development of agriculture and industry. Agriculture has been given the due priority it deserves. For the time being we can forego radios, motor cars, bicycles and several other mechanical devices but we cannot live without food, we cannot neglect agriculture. There cannot be

any industrial prosperity unless the masses get adequate food without any restriction. Industrial development of a nation depends to a very great extent on the agricultural prosperity of the country.

Some criticism has been raised for the expenditure on power projects and irrigation schemes. To such critics it may be told that all the additional power generated will not be consumed by agriculture alone; naturally industries will get cheap power, hence the expenses on power projects are multi-purpose in objective. They are related with industries. Industries alone have been provided with Rs. 173 crores for their development in the public sector and half of the expenses incurred on power projects will go to benefit the industries. In short, agriculture and industries have been given proportionate share. There is not much doubt and suspicion regarding the expenses on other heads. In conclusion of this chapter it may be strongly argued in favour of the Five-Year Plan that the plan is well-balanced in the allocation of resources on different heads of expenditure.

•

,

IV. MACHINERY FOR IMPLEMENTATION AND PROGRESS OF THE FIVE-YEAR PLAN

The formulation of the development programmes under the Five-Year Plan was necessarily a very big task before the country but the Planning Commission could very easily succeed in assessing the resources and the needs of the country and devising the proper means to achieve these targets through planned Economic Development. Something of bigger importance and greater complication in the proper implementation of the plan is that "It is easy to plan than to execute it". We have not the necessary resources and technique which may help us in the proper execution of the plan. The experience gained by other nations may be of little use to us as our economic sector differs widely in set-up from other nations. Planning under democracy is a new phase, upon which India is embarking.

The implementation of the Five-Year Plan will be the responsibility of various public officials who constitute the administration of the country and their relations with the public and among themselves. Certain decline in the standard of administration has been observed at different quarters mostly because the number of trained and experienced personnel has decreased and the duties of the administrative officials have considerably enhanced. The administration of the country is no more confined to the maintenance of law and order only. Officers no more remained the rulers of the public but they have become now public servants and they have to perform manifold responsibilities for the welfare of the public in addition to their official duties. For the all-round national development of the country both the high officials and ministers have to play a very vital role. They have to inspire public confidence and work with their co-operation and wholehearted support. The Five-Year Plan cannot be executed and targets achieved in isolation. Public opinion will have to be mobilised in favour of the plan at all costs. Proper publicity need be given to the Five-Year Plan. The administration of the country both in the states and at the centre

will have to be strengthened and improved. Two problems which draw considerable attention in this respect can be divided into two groups, 1stly, the problem concerning Public Administration regarding the achievement of high level efficiency, integrity and economy and equipping the government with adequate machinery for the proper discharge of its responsibilities and secondly the problem concerned with the administration of development programmes in the districts which are the sole basis of our national economy. Apart from the efforts of the government which it does for the execution of the plan, the success of the plan to a very great extent depends on the measure of co-operation which public will render in the achievement of targets laid down in the Five-Year Plan.

The Public Administration must be honest and efficient. Public must feel that administration is meant for their convenience and not for their botheration. The public can render support in the administration of the country when it comes to know that the authorities are friends and guides and not officers who only punish for wrongs. The British era has gone now, under democracy one cannot rule the other. Integrity, efficiency, economy and public co-operation are interrelated to each other and none of them can be had without the willing co-operation of all of them. Corruption has also been noticed in some of the public departments which undermines confidence of the public in administration and creates unnecessary hurdles in the way of prosperity and peace of the nation. Corruption will have to be rooted out from our administration. We cannot achieve what we want only by punishing the corrupt but we shall have to find out the root cause of corruption and to apply the proper remedy. Growing unemployment, backward economic development, unequal distribution of wealth, shortage in supply of essentials of life which have occurred from time to time have all lead to increase in corruption and mal-practices. The authors of the plan have suggested definite measures which, I am sure, if implemented will root out corruption from the public administration of the country. Necessary legislation by the Central and State Governments will be of much help in this respect. Prevention of Corruption Act, 1947 did good service to the country by detecting cases of corruption and proper action taken against the wrong doers.

Under the Prevention of Corruption Act referred to above, every public official is to annually account for movable assets acquired by him and his relations. While dealing with such cases proper care must be taken for the reputation of public servants. Proposals have also been made to provide the public servants with legal expenses for clearing their names in the law court when allegations against them appear in the newspapers by name. These servants will have to reimburse the amount to state funds if they loose the case and costs are to be the first charge if they are awarded damages for the allegation.

The most common fields of corruption according to the Planning Commission have been those in which businessmen had to apply for licenses or permits and insisting on high level of efficiency is found to be the main check on corruption in every branch of administration.

Lack of efficiency and delay in administrative machinery are also the main causes of corruption. An experienced observer described the present administrative efficiency in the following words (quoted from the Revised Five-Year Plan):

"The machine though sound in essentials and capable, after improvement, of undertaking arduous tasks is at the present moment run down. The work allotted to it has increased, the quality of its output has deteriorated. The parts removed from it have, in many instances, been replaced by those of inferior workmanship. The edge has been taken off through strain and, occasionally rough treatment, of many of those that remain. For reasons, some within and many beyond the machine's control, efficiency is undoubtedly impaired. All in all, there is considerable room for improvement."

The so called inefficiency in Central and States Governments is mostly due to increased responsibilities without subsequent increase in personnel on the part of public servants and officials. Complaints have been raised from different quarters about the inefficiency of government servants. The critics of the present political structure fail to realise that "Rome was not built in a day". In order to achieve something we must have to sacrifice the other one. Is it not really creditable on the part of our political leaders who were successful in establishing a new political and

economic era without any revolution or disturbance in the country? A little inefficiency in the present administration which is a temporary phase is too little a price for the change in social and economic structure of the country like India. It will take time to adjust the whole structure of the country suiting to the entire nation composed of different political parties believing in different ideologies. We must rest content with what we have, we cannot have the cake and eat it too. Uptil now the government were busy in different political and communal problems and now it is the time that the so called inefficiency should be properly enquired into and reasons assigned thereto. It should also be noted that due to different schemes in operation from time to time much of the clerical labour has increased but no additional staff has been provided for that. The Public Officials no longer rest in their office chairs throughout the day but they have to perform manifold public duties. More Officers and additional clerical staff will have to be engaged to bring the efficiency of our Public Administration at least on par with other nations.

With the expansion in the functions of government which is now supposed to be the economic guardian of the nation, efficient and trained personnel will be required to man the responsible posts both at the centre and in states at least in three main directions, which according to the Revised Five-Year Plan are as follows:—

1. For doing work which broadly concerns economic policy and administration.
2. For managing industrial enterprises belonging to the central and/or the state Governments.
3. For work connected with development, land reforms and food administration.

For the recruitment of trained and efficient administrative personnel, the Planning Commission has made specific recommendations. People with high academic qualifications and special experience in trade and commerce and other economic fields need be recruited for the job at enhanced age limits. Junior officers selected for administrative posts should be given suitable business training at the earlier stages, preferably in some reputed business concern. Responsible posts should be given only to those having

sufficient experience in that particular branch of administration.

The authors of the plan observed lack of contact between the recruiting Public Service Commission and the department concerned. Such isolation will have to be removed and greater uniformity will have to be introduced into the proper functioning of different Public Service Commissions recruiting administrative personnel in states. The Planning Commission observed at one place in course of its Revised Five-Year Plan that Establishment Officer of the Government of India who used to serve as Head of the Indian Administrative Service Training School, Delhi, in addition to his routine duties should not continue to discharge both functions. Time has come now that Director of this Institute should be a whole time Officer as the responsibilities have much increased since the achievement of Independence. There should also be Refresher Course for Officers at fixed intervals.

Certain other measures of efficiency are methods of supervision and inspection of offices by the Public Officials at different intervals which will keep the office staff alert and watchful towards their duties. Surprise visits may be of very great help in this direction. The Planning Commission has given three matters which have a greater bearing on the efficiency of administration. They are :—

- (a) the present system of financial control.
- (b) the present arrangements within the administration for promoting good work and discouraging bad work.
- (c) the need for careful assessment of results.

Extravagance leads to inefficiency. Financial controls are but essential for the execution of the Five-Year Plan. At present due to reasons beyond description every department is capable of observing economy in its administration. Proper budgeting of expenses and an eye of watch on wasteful expenses will bring the desired financial control. Incentives are lacking partly due to uncertainty of service to the temporary staff and partly due to joint responsibility for a certain task to the clerical staff. Where there is a responsibility for every body, people think that it is no body's responsibility. Temporary services need be converted into quasi-permanent services. There should be team work;

among the members of the staff. Officers should no more remain aloof from the clerks. Co-operation and comradeship will increase the efficiency of administration. Proper conduct sheet of every individual officer and clerk must be maintained and rewards be paid in shape of promotion, early confirmation, increase in rank and pay for good and efficient work but at the same time bad work should be discouraged by fines, reversion and other measures. Considering efficiency as the chief measure for promotion seniority should never be overlooked.

DISTRICT DEVELOPMENT PROGRAMMES

In the British regime districts were the main units of administration. The district officer was the chief representative of the Government in the district for administration of the district and maintenance of law and order and for collection of revenues. That phase has now vanished, the district will no longer remain the only unit of administration, the officer posted in the district concerned will have to function much more in addition to his official duties. He will be deemed to be a link between the public and the government. The officer in the district will be for the convenience of the public and not for their botheration. District authorities shall be held responsible for the proper and systemic execution of the Plan during the scheduled interval of time.

For the successful execution of the Five-Year Plan the authors of the plan in their revised plan have emphasised the following :—

1. Strengthening and improving the machinery of general administration.
2. Establishment of an appropriate agency for development at village level;
3. Integration of activities of various development departments in the district and the provision of a common extension organization;
4. Linking up, in relation to all development work, of local self-governing institutions with the administrative agencies of the state government and;
5. Regional co-ordination and supervision of district development programmes.

In addition to reorganization of the district administration, certain improvements will have to be introduced in it. The quality of the administration has a great bearing on the minds of the people. In case the residents of the district are dissatisfied, it will be next to impossible for the government to obtain their co-operation. In view of the all-round development programme, undoubtedly the work of the district officers will increase, they will have to be provided with additional staff and more intensive training will have to be given to them as to how to keep patience and courage in the days of emergency. New recruits should not be posted on an independent responsible post.

For ease in administration, a district is subdivided into many talukas each with a sub-divisional officer. Size of districts will have to be refixed considering the nature and speed of development programmes and the willing co-operation of the public. At places where due to technical difficulties it may not be possible to reorganize the district, more talukas will have to be formed in order to have a smooth running of the development machinery.

Village shall be the primary unit of administration in the district. The voluntary sector of the Five-Year Plan will be financed and targets to be achieved therein will be the main responsibility of the people living there in. Circumstances and social atmosphere prevailing there will have to be over-hauled. Conditions will have to be created to gain the co-operation and confidence of the rural public. 90% of our population lives in villages, without their willing co-operation and whole hearted support it may be difficult for the government or any official or non-official administrative machinery to work out its programme of development in their vicinity. Police administration need be tightened. Guarantee must be given to every individual resident of the village for the safety of his life and property. Thefts and robberies shall have to be abolished at all costs, which due to slackness on the part of authorities have become a routine in rural areas. *Panchayats* will play a more important part in rural planning. *Gaon Sabhapati* if impartially elected gains the confidence and support of the majority in his area and he can very easily carry out the manifold functions assigned to the village *panchayat* for the reformation of the villages and establishment of *Ram Rajya*

through *Panchayats* in rural areas. Various departments of the state which extend their area of operation to villages, approach them individually and the ignorant farmer finds himself in great difficulty. Sometimes he gets confused as to how to tackle all of them. These departments if really interested in rural reform shall have to co-ordinate their activities and then to approach the village man through one common agency for multipurpose activities, this will be given an encouraging response from him.

The local self-government and various government and semi-government bodies which are entrusted with local administration also have to play their due part in the development programme of the country. To quote from the revised Five-Year Plan "Programme for local development may be best conceived as joint enterprise to be carried out in close co-operation by the agencies of the state government and the representatives of the people elected to local self-governing institutions". For the proper and speedy implementation of the local development programmes, certain non-official persons, irrespective of their party affiliation will have to be taken into confidence and entrusted with the task of supervision and working of the programme. State M. L. A's. and M. P's. though not connected with local administration will have to lend their support to local programmes of their constituency and they need keep an eye of watch on its proper functioning. Certain non-official organizations will have to be encouraged for the purpose.

PLACE OF PUBLIC CO-OPERATION IN THE FIVE YEAR PLAN

The importance of public co-operation cannot be exaggerated in the execution of the Five-Year Plan. Our plan which claims to be a national one cannot be implemented in isolation. So long the people are indifferent towards it no target can be realised even in five centuries. The problem which confronts us most is how to obtain public co-operation? Are the people not willing to co-operate? Are the people indifferent towards our Five-Year Plan? Or they are willing to lend their whole-hearted support to make the plan a great success but they lack opportunity and organization to do that.

Rightly and that too, to a very great extent, people of

India are thoroughly satisfied by the Five Year Planned development programmes as has been automatically proved by the last General Elections of 1951. Hence the problem of non-co-operation never arises. We have co-operation at our disposal, only technique is required to obtain and mobilise that. Most of the rural population yet does not know anything about Five-Year Plan. Considerable publicity is required for the successful execution of the plan. It was very recently that Government of India became serious about the publicity of the Five-Year Plan and few lakhs of rupees were sanctioned for the purpose. As regards the technique of obtaining public co-operation, once Sri Raghupir Sahai, M. P. wrote in his article "The Five-Year Plan : Our Duty" in "Leader," that a big task like that of Five Year Plan for a vast country like India cannot be successfully carried out without the willing and cheerful co-operation of the millions inhabiting this land. And co-operation can only be obtained when the scheme is brought home to every one, living in the remotest corner of the country and they are thoroughly convinced that it is in their own interest". It was only due to lack of co-operation that many schemes of British period failed in villages as the people were approached as individuals and not as community. Our Government are not sitting idle in this respect, they have done and are doing their utmost but some times due to circumstances beyond their control like natural catastrophy, etc., they fail to reach every individual of the village and seek his co-operation. Government have fostered many official and non-official organizations by financial assistance and otherwise. The following are some of the agencies of public co-operation which are doing their best to make the plan a great success, still the irresponsible critics fail to realise that planning is always a long process, and social and economic structure cannot be altered by peaceful means overnight. Let us have patience and try our best to get the desired success.

Local self-governing bodies like Municipal Boards, District Boards and others which are formed by elected representatives of the public function through committees. Such committees for different functions should co-operate among themselves for the planned development programmes of their specified areas. In this manner if every

individual organization helps in the development programmes of its jurisdiction, the Five-Year Plan which is but a consolidated programme of different areas will automatically achieve the desired success in the schedule time.

Apart from local self-bodies there exist different associations of professionals like teachers, lawyers, doctors, officers and other technicians. These associations contain the best brains of the country and they must emphasise on them need for the speedy economic development of the country. These are the people with broader social outlook who can very easily mobilise the public opinion in favour of the Five-Year Plan if they really wish the plan to be a success and there should be no reason why one should not like the development of his country.

Universities and other institutions of the like nature can also help the government in obtaining public co-operation. The government have in any case to choose their future personnel from the products of the Universities. and these are Universities and institutions with vast potentialities of Research and Post-graduate studies which should be held responsible for the quality of technical and administrative personnel which they supply for the future of the country. Students are a very great source for the publicity of the Five-Year Plan. If they can organize strikes and other demonstrations to get their demands, right or wrong, achieved, can they not arrange demonstrations for the success of the plan by their voluntary labour and willing co-operation. Students and teachers can do everything for the country but they need proper leadership and guidance.

In addition to the various agencies of public co-operation cited above, voluntary organizations of non-official character can help a lot in enlarging the scope of Five-Year Plan, by their own co-operation and spirit for the service of the nation. The Five-Year Plan has investigated the potentialities of the voluntary organizations and has provided a sum of Rs. 4 crores for their assistance by the Central Government and Rs. 1 crore for Youth Camps and Labour service for students.

No discussion on Public Co-operation shall ever be complete unless a few words are written about the Bharat Sewak Samaj. The Government of India constituted in August

1952 the great and noble organization of Bharat Sewak Samaj and National Advisory Committee for securing public co-operation on a nation-wide basis. The Advisory Committee is to take notice of the progress of public co-operation in the fulfilment of the National Plan and to make recommendations to the Central Board of the Bharat Sewak Samaj.

The Bharat Sewak Samaj although initiated by the government is an organization of non-political and non-official character. Every individual no matter to what party he belongs or in which ideology he believes, is free to join the Samaj if he has an honest and earnest mind to serve the nation without any prejudice. One thing more, Bharat Sewak Samaj is an organization for work and not a platform for discussions and debates. It provides a common platform for all those who are willing to serve and to help in the development of the Nation. The Bharat Sewak Samaj has the following primary objects:—

1. To find and develop avenues of voluntary service for the citizens of India to :
 - (a) promote national self-sufficiency and build up the economic strength of the country.
 - (b) to promote the social wellbeing of the community and to mitigate the privations and hardships of its less favoured sections, and,
2. to draw out the available unused time, energy and other resources of the people and direct them into various fields of social and economic activity.

Another object of not less importance of this Samaj is to help and assist the voluntary organizations functioning in the country for the welfare of the nation in general and people of the locality in particular

THE ROLE OF CONGRESS IN THE FIVE-YEAR PLAN

The Congress workers have a very important role to play in the success of the plan. The Congress not as a political organization but as a social organization can do much service to the nation. It is really a matter of pride for the organization that public understood its programmes and policies and returned it to power unopposed. The last general elections show that in spite of all oppositions and criticisms

about it, from irresponsible quarters, the Congress still has the confidence of the public and enjoys absolute majority in the country. The Congress need not confine its activities only to the political welfare of the nation. The game for the independence of India is now over, and another game of greater importance has begun with Pt. Jawaharlal as its captain for relieving the masses of India from poverty and misery. It is really sad, that in spite of five years of national rule in India, public still wants spoon-feeding. For every grievance of ours we depend on the support of the Government. Whatever has been done in this country in any field of welfare is solely due to the initiative of the government. Various political parties and social organizations have done very little in this field. The Congress need not feel shy to come forward with the fixity of mind to serve the nation in spite of serious criticisms and oppositions from different quarters. Every good work is discouraged in its beginning but after some time when its fruits come before the public they realise its importance. The Congress should take the Five-Year Plan as a war against misery and struggle for economic independence of the nation and let itself be thrown into the service of the nation once again and win the game of Economic Independence for those who want spoon feeding every time. "SERVICE" should be the motto of the CONGRESS. "*Plan or Perish*" should become the slogan of the day.

FIELD FOR PUBLIC SUPPORT AND CO-OPERATION

The plan has mentioned the Public sector and the Private sector in the planned economic development of the country. The development and financing of the public sector is the sole responsibility of the government and the public has nothing to do with that. The other sector is the private sector, its development and financing is the also responsibility of businessmen, industrialists and other private individuals. The question which then naturally arises is as to where the co-operation and support is need in the planned development of the country if both the public and the private sectors are specially taken by the government and by private individuals, businessmen and the industrialists. For public co-operation and support there is a third sector inherent in the Five-Year Plan and that is easily called the Voluntary

Sector, which indicates the field where people can actively and directly help. Public co-operation is the panacea of all social ills and the *sin qua non* of successful planning of any nation ever known. The following are some of the specific fields for Public Co-operation and active support:—

NATIONAL EXTENSION SERVICE AND COMMUNITY PROJECTS

The extension service and community projects are contemplated to cover 12,000 villages constituted into 1200 blocks and comprise about 25% of the rural population of India. 300 villages are to be extensively developed and 500 to be covered under the extension programme. In most of the villages community projects are already in hand since October 1952 and public has given a very encouraging response. Really speaking, the success of this programme will depend on the favourable reaction of the people. People in many areas have constituted development committees for the implementation of the plan. Roads have been constructed voluntarily by the village labourers on their own accord. On the Community Development Programme our Prime Minister once observed: "The schemes were important not only in the material achievement that they would bring about much more so, because they seek to build up the community and the individual and to make the latter a builder not only of his own village centre but in the larger sense of the community." The National Extension Service Schemes not only mobilise the voluntary labour force or the un-used man-power for the cause of the nation but also provide avenues for the employment of the masses. The Extension Service Schemes propose to provide at least 83,000 persons additional employment in the development programmes of our nation, thus killing two birds with one stone, serving the Nation and providing livelihood simultaneously (credit and gain).

The next sphere of Public Co-operation other than community projects is the Local Works Programme for the development of a particular area, where people can participate and lend their co-operation. Rs. 15 crores have been provided for Local Development Programmes in the Five-Year Plan. These local programmes are only to be partially financed by the government and partly they will be financed by the people of the area either in cash or in

labour. The share of contribution shall be as follows:— 50% contribution by local people and half of the total cost will be contributed by the State Government and the local bodies in equal proportion. The Central Government will not be a silent spectator in this field, they will also contribute but not much. The maximum financial assistance which the Central Government are expected to render for each work is fixed at Rs. 10,000. The total cost of any local works development programme shall be as follows:—

Contributeries.	Percentage of the total costs.
Central Government	25 %
State Government	12½%
Local Bodies	12½%
Public Contribution	50 %

Rs. 1 crore has been earmarked by the planners for the labour services of the students for their participation in the development programme. Contribution of the students has not lagged behind. Students numbering thousands visited the villages in the summer vacations of the years gone by, to help in the community project works either in the capacity of cadets of the N. C. C. or in different organized groups of colleges and other educational institutions. Participation of girls students was also enthusiastic.

Women are not left behind, they have also their role to play in the implementation of the Five-Year Plan. There is a cry of shortage of finance for the execution of the plan in every corner of the country. Deficit financing has become a headache for the nation. Foreign assistance has not been very encouraging. In all these circumstances women have been assigned a very important part to play in the successful implementation of the plan and they should develop the habit of saving in their domestic field and thus help the planning of the nation by investing their savings in National Savings Certificates or any other scheme launched by the government. Many unofficial organizations of ladies are also working in the field. It has been proposed to launch a country wide *Women's Saving Campaign* to collect savings in different areas for the financing of the Five-Year Plan.

PROGRESS OF THE FIVE YEAR PLAN DURING THE FIRST TWO YEARS OF ITS WORKING

(Review of the progress presented by Hon'ble G. L. Nanda, Minister for Planning, Govt. of India to the Parliament on May 15, 1953).

As most of the schemes under Five-Year Plan are long-term schemes, the physical development achieved so far in two years cannot indicate the tempo of the development of the whole plan, specially in agriculture and multipurpose projects. Due to Korean war boom which lead in sudden fall of price the internal economy had to be adjusted to suit world conditions and Five-Year Plan could not function on the lines predetermined.

Total expenditure during first two years amounted to Rs. 585 crores amounting to 30% of the total outlay. 70% of the funds are still available for development in next three years when most of the targets in different sectors are already reaching completion like sugar, jute and coal. Central assistance to state governments amounted to 71.7 crores.

HIGH LIGHTS OF THE PHYSICAL PROGRESS

Additional Area irrigated by major projects 1.42 m. acres.

New Power generated 315,000 Kwt.

Increase in production of Agricultural Crops since 1952

Jute 140 lakhs bales.

Cotton 3.9 lakhs bales.

Sugar 0.3 M. Tons.

Food grains 1.15 M. Tons.

Additional increase in cultivation 6 m. acres.

Locomotives manufactured by Chittaranjan Locomotive Works 58.

In January 1953, 70% of the component parts of locomotives were produced in India as follows:—

Railway coaches manufactured in 1951-52 numbered 643 and Railway wagons between April 1951 to December 1952, 8000.

Additional Coastal Shipping tonnage acquired 77,000 Tons. Ships built at Vizag Shipyard were SIX (6).

National Highways built 380 Miles.

Improvement of existing Roads	1050 Miles.
Large Bridges newly constructed	7

Apart from the above progress, many new industrial units were installed and went into production during these two years. These units were as follows:—

1. Sindri Fertilizer Factory.
2. Chittaranjan Locomotive Factory.
3. Indian Telephone Factory.
4. Indian Rare Earth Factory Ltd.
5. New Mint at Alipur.
6. The Machine Tool Prototype Factory.
7. Ambarnath Defence Industry Factory.

In addition, Cotton Textile, Cement, Iron and Steel, Paper, Paper Board, Sewing Machine, Bicycles, Rayon and Jute goods industries recorded increase in production.

Community Projects and National Extension Service covered 120,000 villages.

Increase in food production under the Grow More Food Campaign was in 1951-52, 8.8 lakh tons of which 2.07 lakh tons were on account of increased irrigation to 8 lakh acres by major projects. During the two years the production of Cotton, Jute and Sugar has increased by 1.63,000 bales, 13.80,000 bales and 3.80,000 Tons respectively.

A large number of minor irrigation projects, tube wells, masonry wells, canals were also constructed. Reclamation by Central Tractor Organization was nearly 4.14 M. acres.

Increase in production area in 1952-53 in Kharief Crops was 6 Million Acres or about 5½% of total area under cereal production. Substantial increase in production of jute, cotton and sugarcane was recorded as stated above.

IRRIGATION AND POWER PROJECTS

Satisfactory progress has been made in different works undertaken during the period like the Kosi project which has already reached its completion and will start functioning in a short time. The estimated target of expenditure during the first two years was Rs. 206 crores but the actual expenditure incurred during the year 1952-53 was only Rs. 190 crores. The additional area irrigated by the major projects during the specified period is 1.42 M. Acres. Targets estimated to be achieved in power generation has actually exceeded. The actual power generated during the

period was 3,15,000 Kwt. against the target figure of 2,39,000 Kwt; of this as much as 50,000 Kwt. power was generated by Bokaro Power Station of Damodar Valley Corporation.

The Central multi-purpose projects irrigated additional land area of 1,06,000 acres and produced 54,000 Kwt. of power. Projects of the State Governments irrigated 13,10,000 acres of additional land and generated 2,61,000 Kwt. of power.

INDUSTRY

In the public sector of industrial development programmes considerable progress has been made both in output and installation of new units. Certain industrial units which were under construction have been completed and have started production. In the state of Uttar Pradesh, the State's Precision Instrument Factory has begun manufacturing of water meters and microscopes. Mirzapur Cement Factory is also expected to be completed by 1954. Apart from the above progress, several industrial units of the central government went under production as stated above.

In the Private sector of industrial development several units which were under construction in 1951 have gone into production. Increased production capacity has been recorded in the manufacture of Cement, Heavy Chemicals, Fertilizers, Pharmaceuticals, Cotton Textiles, Engineering, Iron and Steel, Paper and Paper Board, Sewing Machines, Bicycles, Rayon and Jute goods and Ball and Roller Bearings as the figures shown below:—

New bicycle factories which went into production	3,
Increase in the production of bicycles is estimated from	1,20,000 to 4,17,000
	Per annum
Total number of bicycles produced in 1952	1,96,856
Tyres produced in India in 1952	41, 37, 8000
Cement produced in India during 1st half of 1952	16,80,560 Tons.
Coal Production increased in 1952 by about over 1951 figures.	2 M. Tons.

During April 1952 to December 1952 a fall has also been recorded in the production of certain industries in the private sector due to lack of incentives. These industries which were weaker to keep pace with the working of the Five Year Plan were :—

Aluminium, Pumps, Diesel Engines, Machine Tools, Looms, Hurricane Lanterns and Dry and Storage batteries. In some cases fall was due to accumulation of stocks consequent on the large imports which were permitted shortly after the break of Korean War.

SOCIAL SERVICES

The Social Services include Health, Education, development of backward classes, Labour, Housing and Rehabilitation. Progress has been made to a considerable extent. Various measures were taken by the Central and State Governments to achieve the desired progress. Abolition of intermediaries and special land tenures and grant of enhanced rights for tenants are some of the special features of such measures. Various other measures were taken by the Central government to ensure public co-operation. Such steps are the organization of Bharat Sewak Samaj, Voluntary Welfare Programme, Local Works Programme, participation of women in the Small Savings Campaign and people's participation in Community Projects and Extension Service.

V. PUBLIC OPINION OF THE FIVE YEAR PLAN.

In this brief essay, here we shall take into account the opinions which different people hold about the National Plan. After the publication of the draft outline, the Five-Year Plan was given very wide publicity and opinions and suggestions were invited by the members of the Planning Commission. The reasonable suggestions were incorporated in the revised Five Year Plan. In this discussion we shall see that a few people criticised the plan only for the sake of criticism. Leftists criticise the plan because it was prepared by the Congress Government and they had but to criticise it. It should be noted that their destructive economy is not suited to our democratic social structure. We cannot leave what we possess unless we get a better substitute. Persons other than leftists criticise the plan either because they do not understand it or because they cannot judge it impartially. We shall take an impartial decision about the suitability of our Five Year Plan to Indian Economic Structure after balancing the criticisms and appreciations of the plan from different quarters.

In order to make it clear before every individual, what people say about the plan, we have tried to give extracts of the speeches which were made by eminent citizens of India on various occasions. The order in which criticisms and appreciations have been given is as follows :—

1. Congress workers and leaders.
2. Workers and leaders of different political parties other than Congress.
3. Educationists and Economists.
4. Industrialists and Businessmen.
4. Silent Observers of the Five-Year Plan.

CONGRESS WORKERS AND LEADERS

It may not be convincing for many people to hear any appreciation or criticism of the plan from Congress quarters. The foremost reason advanced for such an attitude may be that Congress is prejudiced in its favour and will not speak any thing against it. Here it should be considered

that our Plan is not a party plan but it takes into account the resources and needs of the whole nation and Congress workers and leaders have given their free and impartial opinion about the plan. Even if they are prejudiced we shall have to take their views into account as they are the citizens of the Indian Nation and enjoy voting rights just as others. Moreover whether right or not right the views of the majority cannot be over ruled altogether. Opinions of some of the eminent Congressmen are as follows :—

PT. JAWAHARLAL NEHRU

Our Prime Minister seems to be too optimistic regarding the economic betterment of our country. Speaking on one occasion he said: "By our sweat and toil and if necessary, even by our blood, we have to create a new and happier India, in which the present miseries of millions will melt away."

It is baseless to criticise the Prime Minister for his individual interest in the planning of India. Pt Nehru no doubt was the chairman of the Planning Commission but he was not the last word on the development programmes of the nation. In this connection he himself told once that "planning is a dynamic process and it is open to government to look into things and where ever necessary vary them also."

Speaking in Parliament on December 15, 1952 Pt. Nehru said that when he thought what the plan meant to the future of this land, he saw before him 'the mighty scene of a nation building itself, remaking, all of us working together to make a new India'. Pt. Nehru prefers a classless society for India and for that he said that the goal of the planners was not merely to produce more but at the same time reduction in inequality of wealth was also essential. The present Plan was based on cautious guess work and as India develops experience, the Second Plan would be much more effective and far-reaching in character. It is really a very novel thing that India is the first democratic country to adopt the idea of planning under democracy. The first country to plan was U. S. S. R. but her economic and political set-up was quite different.

Pt. Nehru expressed his confidence in saying that "a democratic system properly worked should permit of any

thing that was desired to be done." He further said: "If we build the foundation of our Five Year Plan well, the second Five Year Plan would proceed at a faster pace than the rate of progress indicated."

Regarding emphasis on agriculture he said: "if we do not have our agricultural front strong than the industry we seek to build would not be on a strong basis. If the food front cracks up then everything cracks up. If our agricultural front becomes stronger then it becomes relatively easy to go faster on industrial front."

Justifying the foreign aid he said: "After all, almost every country had gone ahead with the help in various ways from other countries. I see no reason why we should prefer not to take it even when that does not influence our policy or activities in the slightest. It is hoped that we may be able perhaps, to find more resources; we may get some help from outside. I really do not see why we should be afraid, provided we are strong enough ourselves of taking this type of aid from other countries which obviously help us to go more rapidly ahead."

In the field of Industry he spoke: "I have no doubt that without development of either industry (big or small) in this country we cannot raise our level of existence. We have to increase our small-scale industries in a big way. Also remember that in trying to develop industry, big or small, we do not forget the human factor."

Pt. Nehru was of opinion that planning must be within the democratic set-up and the plan must be in accordance to the objectives of the Constitution but he never meant that India should check her future progress only because the Constitution did not provide for certain particular act. The Constitution may be amended for the betterment of the masses for which it stands. He thought Social Welfare to be more important than economic prosperity and said: "we are not out, I hope, merely to get more money, ultimately we want better human beings in this country with greater opportunities not only economic and the rest but at other levels also."

Economic Evolution seemed much better to our Prime Minister than Economic Revolution to which many other countries resorted to for their economic betterment. Pt. Nehru said: "In India we have achieved many things by the

way of peace and there is no particular reason why we should give that up and go in for violent methods."

At a later date Pt. Nehru in his broadcast talk on Five-Year Plan on January 1, 1953 spoke: "It is a dynamic plan for a dynamic Nation, determined to go ahead and stand on its own feet and to bring about a new social order free from exploitation and poverty and unemployment and social injustice." He continued: "It is a step towards the establishment of a society which gives security to the individual employment and scope and encouragement for creative activity and adventure. Properly appreciated and acted upon, it will be a great liberating force for the energies of the Nation."

HON'BLE SRI GULZARI LAL NANDA, UNION

MINISTER FOR PLANNING

The first thing Sri Nanda spoke about the Plan was, that the programme for the states laid down was the minimum and not the maximum. Sri Nanda further observed: "It should be possible for any state to enlarge the size of the plan, if it is in a position to find the additional resources, provided that implementation is assured of all that is included in the plan". It was a forward looking plan, he said, "a plan for change, for Economic change and for Social change, a radical plan which seeks abolition of privileged and unearned income. It aims at raising social and economic equalities. It seems also to provide security for the people and raise their standard of living. Although all the objectives may not be realized within the planned period still he told "I can state with confidence that we are laying the foundation for a really good, stable and strong super structure."

"I do not agree with those friends whose conception is that there is no quick change unless things start toppling down around them and there are upsets although it may take years thereafter to repair the damage. I do not consider that speed really fast if we go forward two steps and come backward four steps."

Mr. G. L. Nanda advocated that private enterprise will have to be retained unless a alternative is found. Regarding employment Sri Nanda opined that it was not possible to provide employment for all in the next three

years.

HON'BLE PT. GOVIND BALLABH PANT, CHIEF MINISTER,
UTTAR PRADESH

In his broadcast talk on Five Year Plan of U. P. on January 17, 1953, Hon'able Sri Pant said: "The task before us is colossal but our people who have now regained their freedom can now make full use of their opportunity to build a happy and prosperous new India by their unflinching zeal, sustained labour, and organized team work. Not money but man is the creator of wealth and prosperity. So let every citizen make his or her maximum contribution so that our ancient land may rise to her full height and stature and every man and woman may lead a good, full, clean and happy life". Pt. Pant stressed much importance on voluntary labour and co-operation.

SRI K. M. MUNSHI RAJYAPAL, UTTAR PRADESH

In his address at the U. P. Merchants' Chamber of Commerce, Kanpur, Sri K. M. Munshi said: "The success of the Five-Year Plan depends as much on the enterprise and resourcefulness shown by private enterprise as on the initiative of public sector itself". He continued: "Planning for development means sustained effort, but once its fruits begin to come, they will come cumulatives, thus creating an economic climate in which incomes and employment increase progressively and provide the basis for more accelerated development."

HON'BLE SRI RAVI SHANKAR SHUKLA, CHIEF MINISTER,
MADHYA PRADESH

In course of his speech at Nagpur in August 1953 Hon'ble Sri Shukla said: "If the Plan is to succeed we must learn to take a broad and state-wide view." Sri Shukla said that his state's plan was worked out without any reference to linguistic, political or other considerations. At his press conference Pt. Shukla strongly advocated that the Plan was essentially a peoples' plan inasmuch as the people of the villages themselves should be taken up for development. He asked the people to look at the plan from a broader point of view.

MRS. DURGABAI DESHMUKH, MEMBER PLANNING COMMISSION

Mrs. Deshmukh on the occasion of laying the foundation stone of Children's Recreation Home at Bhopal at the end of August 1953, said that Five-Year Plan was the peoples' plan in which participation of the people was inequitable at every stage. She continued to say that it was neither a Government Plan nor any Party Plan but a plan which belonged to the whole nation. She refuted all charges against the Five-Year Plan and said that the plan was being implemented at a very rapid speed. Public response was also very optimistic. Hundreds of projects were being carried out throughout the country. People were contributing their best. The main difficulty regarding the proper execution of the plan was that enough publicity regarding planning was lacking in the country.

HON'BLE SRI MISHRILAL GANGWAL, CHIEF MINISTER, MADHYA BHARAT

The Hon'ble Chief Minister said that his government was very grateful to the Planning Commission for the inclusion of Chambal Project in the Five-Year Plan. In his opinion the Five-Year Plan was really a democratic, well-balanced and truly national plan for India.

HON'BLE SRI TIKA RAM PALIWAL, EX-MINISTER FOR PLANNING, RAJASTHAN

Sri Paliwal was a bit disappointed by the inadequate financial assistance of Rs. 16.8 crores which was allocated for the development programmes of his state. Mr. Paliwal said, vast potentialities of Rajasthan could not be exploited without substantial grant from the centre. He felt jealous of Part 'A' states which although well developed were provided with enough monetary assistance for their programmes.

HON'BLE SRI R. K. PATIL, DEVELOPMENT MINISTER, MADHYA PRADESH

In course of his speech delivered at Nagpur, some time in December 1952, Hon'ble Sri Patil said that voluntary co-operation envisaged by the planners could easily transform the Rs. 2069 crores plan into one of over Rs. 3000 crores.

In his address at College of Science, Nagpur, Sri Patil suggested that necessary funds could be raised by proper approach to people and through administrative machinery's co-operation to emphasise that the plan would help them. Though cautious in his speech Sri Patil said that the dimension of the plan with voluntary co-operation of the people could well exceed Rs. 3000 crores.

SR. N. V. GADGIL, M. P.

Mr. Gadgil during the debates on Five-Year Plan in Parliament said: "It was unfortunate that the plan lacked material and moral incentives. Economic service should be developed to man the expanding public sector of the country's economy." Another member from Bihar told that savings were possible through banks, insurance companies and major industries which the Planning Commission did not investigate. Mr. Deshmukh replied that in a country where people were living from hand to mouth much saving could not be expected.

HON'BLE C. DESHMUKH, FINANCE MINISTER, GOVERNMENT OF INDIA

The hon'ble Minister said about the Five Year Plan: "The broad objective of our policy to implement the Five Year Plan and to raise the standard of living of our people should enable us to play our part in the expansion of world trade on the lines agreed to at the Commonwealth Economic Conference. Thus by helping ourselves by the execution of this plan, we shall also be helping the Commonwealth and the rest of the world in their approach towards a wider expansion of world production and trade and towards a more stable and broad based international solvency. We have put the best that we know into this plan. According to our judgment it is a very good plan, and those decide not to co-operate with it will do so at their own peril."

PROFESSOR S. N. AGARWALA, GENERAL SECRETARY, ALL-INDIA CONGRESS COMMITTEE

Professor Agarwala wanted fixation of more definite targets for food self-sufficiency.

RAJKUMARI AMRIT KAUR, UNION MINISTER FOR HEALTH

While addressing a meeting of Physicians at Calcutta on January 5, 1953, the Hon'ble Minister complained that: "so little has been allocated to health". She further continued: "More production is admitted to be the solution of our economic ills, but the workers' health is the important factor for an increase in our production." Later she added: "Our Finance Minister Mr. Deshmukh tells me that he wants to give me more money for health services, but he is sorry because he has not enough to give me." She continued: "But money has to be found somehow for these essential services."

HON'BLE C. RAJGOPALACHARI, CHIEF MINISTER, MADRAS

In his broadcast talk on Five Year Plan on January 8, 1953, the hon'ble Chief Minister said that the Five Year Plan is based on two assumptions that the government can and would take all measures firmly to hold the price line and that all men would sincerely put forth labour in the nation's interests. He further observed: "We can succeed only if we make men feel that it is dishonourable and unpatriotic and bad policy for each one of us even from the most selfish point of view, to fall below standards in work. It is unstrinted honest work on the part of the bulk of the people that makes national progress whatever the constitution may be".

SHRI KALKA SINGH M. L. A.

While speaking on the Five-Year Plan of U. P. the hon'ble member said that para 9 of the introduction of the revised plan states "In three other directions important additions have been made. In order to avoid adverse effects in the implementation of the plan in states on account of seasonal failures which occur from time to time in different parts of the country, a provision of Rs. 15 crores for assistance to scarcity affected areas has been made in the Central Government plan".

Mr. Singh emphasised that seasonal failure of crops are not exceptional in backward areas only, it may be assumed that the final Five-Year Plan also has omitted the backward areas altogether from its perview.

The Planning Commission of India has failed to note vast tracts of backward areas in U. P. requiring special attention, otherwise the allocation of expenditure would not have been less than Rs. 150 crores for this state.

SRI T. T. KRISHNAMACHARI

In his speech at Delhi, Sri Krishnamachari appreciated the Five-Year Plan as well balanced and suited to the Indian economy. He told his audience that the Industrial sector has been given the due proportionate consideration according to the needs of the country. The Planning Commission visualised 40 industries in South India for development. Industries suitable for development under the plan were:—

Aluminium, Automobile paints, Cement, Cotton Textile, Cycle, Cycle parts, Dry cells, Electric lamps, Electrical Machinery and equipment, Heavy Chemicals, Iron and Steel, Machine tools, Monazite processing, Micamite needles, Paints, Paper, Petroleum refinery, Power alcohol, Power-driven pumps, Silk, Telephones, Vanaspati and Wood Screws. The Commission has set apart Rs. 60 lakhs for the development of coir industry on the West coast.

HON'BLE HARI NATH MISRA, SUPPLY MINISTER, GOVERNMENT OF BIHAR

Sri Misra in his speech at Patna said: "Apart from other merits of the plan which will change the face of India, Bihar is particularly grateful to Prime Minister for the inclusion of Rs. 66 crores Kosi Project for taming Bihar's River of Sorrow".

BABU PURUSHOTTAM DAS TANDON, M. P., EX-PRESIDENT., A-I. CONGRESS

Addressing a gathering of Bhoodan Yagna workers at a refresher course at Banaras on May 31, 1953, Sri Tandon regretted that there was no provision in the Five-Year Plan for giving land to landless. He further said that "redistribution of land included in a wider programme of rural development should have been the basis of the plan. He thought that stress on big construction had bartered the country's future into the hands of engineers and contrac-

tors which was not good for the country. The plan ought to have been based on the principle of "high thinking and simple living" and not on any Western model set by America and Russia.

LEADERS AND WORKERS OF DIFFERENT POLITICAL PARTIES OTHER THAN CONGRESS PARTY

Here we have tried to take into account the views held by the workers of different political parties. It should be noted in this connection while balancing the appreciations and criticisms and then concluding the general idea about the Five-Year Plan, that some of the leaders criticised the plan just for fun and others did not try to understand its implications. Such views and opinions should be given no at all as the era of unnecessary discussions is now over and every member of the country male or female has to put in his or her best for the economic and social betterment of the nation. Those who believe in destructive economy should have no place in democracy.

SRI ASHOKA MEHTA, LEADER, P. S. P.

In his speech at Nagpur in November 1952 Sri Mehta emphasised on the co-operation in the implementation of the plan. He stressed that every party must be consulted in the formulation of the plan. He further said the plan lacked "courage and vision" and failed to attack the fundamental problem of unemployment.

Sri Mehta speaking at another public meeting in May 1956 at Coimbatore said that his party has suggested nationalization of banks, insurance companies and mines and foreign trade as a way to find additional finance for the implementation of the plan without putting extra burden on consumers. "Unfortunately the Prime Minister did not think it worth to accept or implement our suggestion". Sri Mehta did not prefer a cut in the targets set by the Five-Year Plan and warned that cutting down of targets set by the Five-Year Plan for want of funds would mean more suffering, hunger and unemployment to people.

Sri Mehta told the public at Bombay that the Five-Year Plan suffered from various limitations and was unlikely to make a significant impact on our 50 million unemployed and under-employed. While the plan gave much

attention to production, very little attention was paid to employment and removal of inequalities. The only measures recommended in the plan being Estate Duty Bill and redistribution of lands. Shri Mehta criticised leaving of industrial development to private enterprise and said: "As bulk of Rs. 1000 crores planned to be invested in private sector will be got through ploughing back of profits, the hold of the present banners of our industry on our economy will be wider and tighter in 1956".

He added that the important relationship between large and small-scale industries was not maintained. The rate of economic development in the plan which was 1% per annum was very slow and "such progress cannot enthuse the people". The rate is slow because our greater economy is left for profit motive in the private sector. The plan deserved welcome to the extent that it was the first attempt to survey the country's economic resources as a whole and to plan them with some co-ordination.

MRS. SUCHETA KRIPALANI, M. P. (P. S. P.)

In her inaugural address to the workers' training camp of P. S. P. at Allahabad some time in December 1952, Mrs. Kripalani criticised the plan and said it took one year and eight months to prepare the plan but in the discussion in Parliament not even few days were given to it. It made the people only planning conscious. As the plan itself was defective she could not understand how it would bring Economic Revolution in the country. She said the plan was as an election game of the Congress Party. The plan has nothing original but a manifestation of the British bureaucratic system by which Britishers wanted to control inflation after the war. She said the national income after the fulfilment of the plan will improve by 1% only. The success of the plan depended on finance and public co-operation but unfortunately the Five-Year Plan lacked both. She continued it was not a national plan as non-Congress workers had nothing to do with it. She told after analysing the plan that it failed to increase production and to create an equalitarian social order. Very little progress has been done under the plan in agriculture. Rs. 15 crores for cottage industries was too meagre a sum which could not achieve the desired results. Instruments for implementation of the

plan were also defective, she disclosed.

DR. RAM MANOHAR LOHIA, LEADER, P. S. P.

Dr. Lohia described the Five-Year Plan as a propaganda of the Congress party. He told that burden of taxation will fall heavily on the poor in the form of development levies, multiple taxes and the like. In view of the futile uses to which such revenues would be put the poor will not find it possible to bear the further poverty. The Plan is based on European model of reconstruction and increase in employment will be negligible. Later Dr. Lohia told the Provincial Conference of his party at Gorakhpur that the Five-Year Plan has done nothing for 22 crores of people who belong to the lower strata. Nothing for unemployment has been done. Balance between large-scale industries and small and cottage industries has not been maintained. Much emphasis is laid on large-scale industries and only Rs. 15 crores have been provided for cottage industries.

SETH DAMODAR SWARUP, LEADER, P. S. P.

Addressing a public meeting at Gorakhpur on January 25, 1953, Mr. Seth attacked the Five-Year Plan and enquired how could any party which was not associated in its framing lend its support to a scheme of such National importance. Nothing has been done in the plan to relieve *Kisan* from his worries and miseries. Additional taxes were being levied every day. Food problem could not be solved.

SRI JAI PRAKASH NARAIN, LEADER, P. S. P.

Addressing the members of the Satish Chandra College, Ballia, on February 11, 1953, Sri Narain said that the plan was not national because it did not receive the support of all parties. The Commission did not incorporate suggestions of other parties. It is a one-party plan which is in power. It has been forced upon the people and they do not feel enthusiastic about it. In the plan there is no provision for distribution of wealth. Death Duty Bill will not remove disparities. No substantial increase is visible to the lay man in two years. Mr. Narain further said that the community project is a cheap imitation of America and they will prove failure because villagers have no hand in its implementation.

DR. LANKA SUNDAM, LEADER COMMUNIST PARTY OF INDIA
(C. P. I.)

Expressing his opinion on the Five Year Plan Dr. Sundram said that if a little money would have been sanctioned for minor irrigation projects, our food problem would have been solved over night.

PROFESSOR HIREN MUKERJI, LEADER C. P. I., M. P.

Professor Mukerji criticised the Five Year Plan very vehemently and while expressing his opinion on the Five Year Plan he said that the Plan was most disappointing both in regard to agriculture and industry. He charged the leadership with 'betrayal of all patriotic hopes and aspirations of the people.' Professor Mukerji did not finish his opinion by saying this much but he further said that the plan displayed bankruptcy of leadership and said that "we are slaves to the American Mutual Security Programme" that is why our plan contemplates industrialization only to the extent that is permitted by the big wigs of American capitalists who are leading international reaction". Professor Mukerji further said that the Planning Commission could offer only 13½ ounces of cereals per capita after 1956-57 and government cannot tackle the food problem which can be solved by land redistribution alone. The Commission had attempted to 'beat down' the idea of agricultural indebtedness. The whole approach of the Commission was 'absolutely' callous and cynical "There is an unashamed indifference towards the interests of the people".

MISS ANNIE MASCARENE OF THE NATIONAL DEMOCRATIC GROUP
(T. COCHIN)

Speaking on the foreign financial assistance Miss Mascarene told that American aid was not without string. In her bid for world leadership America was trying to bring India into the American fold.

MRS. RENU CHAKARAVARTY (C. P. I. WEST BENGAL)

In course of the debate on Five Year Plan in Parliament Mrs. Chakarvarty told that without reducing the burden of rent and taxation on the peasantry and without wiping out rural indebtedness it would not be possible to release the

energy needed for the implementation of the plan nor promote capital formation.

MR. BHUPESH GUPTA (C. P. I. WEST BENGAL)

Mr. Gupta observed the plan "An unsurpassable compilation of platitudes, false pretences and bureaucratic projects".

MR. S. S. MORE (PEASANTS AND WORKERS PARTY, BOMBAY)

Mr. More described the plan as a "Standing monument to the criminal wastage of paper, ink and printing material".

LATE DR. S. P. MUKERJI, M. P., PRESIDENT ALL INDIA JAN SANGH

In course of the debate in Parliament on the Five-Year Plan late Dr. Mukerji told the house that if the government were prepared to work out a plan which would offer something concrete to the people of this country in the next few years there would be no opposition from any quarter. Dr. Mukerji further told "We are anxious to give our co-operation, we are not enemies sitting face to face with each other. We are here to help the government".

He continued to say that the plan was too ambitious trying to tackle all problems awaiting solution but they had not enough resources. Better approach would have been to concentrate on certain matters and tackle them vigorously. Planning Commission had not paid sufficient attention to housing, education, health integration of large scale and cottage industries, establishment of basic industries and rehabilitation of refugees from East Bengal. River Valley Projects were magnificent work undertaken he added.

ECONOMISTS

The following are the views of some of the eminent economists of India:

MR. VISVESVARAYYA

In his Presidential address at Annual Conference of the All India Manufacturers Conference Nagpur in March 1953- Mr. Visvesvarayya said that the Five-Year Plan did not give industries the importance and priorities needed to pro-

mote the economic strength of the country. Some of the heavy and key industries have been left to the back ground he observed.

PROF. N. G. RANGA

Prof. Ranga told that the Five-Year Plan was only a party plan and intended only for the betterment of urban areas. Prof. Ranga suggested coalition government in states and at the Centre for proper implementation of the plan. Further he said that the plan sought to finance the expenditure by taxing further "the overburdened peasantry and the industrial proletariat" leaving untouched the profits of businessmen.

DR. H. N. KUNZRU, M. P.

In the Parliamentary debate on Five Year Plan Dr. Kunzru was doubtful whether imposition of taxes to the extent envisaged in the plan in case foreign loans were not available would be possible despite the optimistic forecasts with regard to the increase in the national income that the plan might lead to. Dr. Kunzru wanted district officers to be given a free hand in the implementation of the plan.

Later Dr. Kunzru incourse of debate on the general Budget in the council of states on March 3, 1953 criticised the Finance Minister for not giving an appreciation of the achievements of the Five Year Plan. He felt that states were not extending co-operation in meeting their share of burden.

DR. VK. R. V. RAO, DIRECTOR DELHI SCHOOL OF ECONOMIC

Speaking in a symposium at Commerce College, Nagpur on December 15, 1952, Dr. Rao said that the plan envisaged to double the National *per capita* income by 1977, which would mean every home an income of Rs. 175/- p.m., but the price which had to be paid for this was "indeed great" Rate of savings had to be increased 5 fold. 50% of the new income created every year should be invested. "this is a fantastic figure and you can find a parallel only in Russia" Dr. Rao added.

At a later date Dr. Rao while addressing the All India Commerce Conference in Delhi on December 30, 1952 told the gathering that the Five-Year Plan was not intended to

bring about an increase in consumption standard as much as to increase productive capacity and productivity. He continued that plan was not an end but a beginning.

Dr. Rao further said that in order to double the national income by 1977 the rate of saving as a proportion to National Income will have to go up from 5% in the base year 1950-51 to 6½% in 1955-56 to 11% by 1960-61 and 20% by the 1967-68 after which it will stay stable at 20% of National Income till 1977-78 when *per capita* income will double. The savings will have to be increased by more than 10 times its absolute amount in 1950-51.

Dr. Rao said "Economic development involves not only toil and sweat but also tears and abstinence for a period very nearly two decades from the commencement of planning and even after that, though average consumption standards rise significantly nevertheless the rate of saving required is one which had been reached in few economies out side the Soviet Union. The problem therefore is one of how to achieve this rate of saving and investment especially when this has to be done in the context of a political democracy functioning on the Anglo-Saxon model, with a multiparty system and opposition groups operating in full democratic freedom to discredit the party in power."

Dr. Rao further emphasised that the Capital formation during the plan should be through National Savings in the public and the private sectors by loans, borrowings and taxation. Sources need be tapped very carefully.

PROF. C. N. VAKIL, DIRECTOR BOMBAY SCHOOL OF
ECONOMICS AND SOCIOLOGY

Prof. Vakil in his speech at Ahmedabad said that if we accept planning "we must accept controlled economy as its corollary".

Later while speaking on the implications of the Five Year Plan at Gujrat University Prof. Vakil said "An influential group lead by Mr. C. Rajagopalachari had punctured the policy of control bit by bit."

"not that decontrol was only preached but it had also been put into practice. As a result of this a sort of decontrol psychology was created in the country. This in turn had exposed a contradiction in our body politic and econo-

mics created by powerful group believing in control and decontrol". Unless this contradiction is removed we are in distress.

Prof. Vakil emphasised the need for controls and said "If you do not want controls better say good bye to the plan". In fact the real trouble was with the administration of controls.

Regarding deficit financing Prof. Vakil said "Printing of more currency notes that once you resorted to deficit financing it goes beyond your control." Deficit financing feeds itself and aggravates the problems rather than solves them. He appealed to government and people to take the plan as "War against Poverty".

DR. MEGHNAD SAHA

Expressing his opinion on the Five-Year Plan, Dr. Saha said the "Plan would lead the country to economic extinction and politican NIRVAN". The plan ignored the need of industrialization and left basic industries in private sectors. He wanted nationalization of banks and insurance companies and ban on import of luxury goods and state control over foreign trade for capital formation.

DR. K. K. SHARMA, MEERUT COLLEGE, MEERUT

In his address in the 2nd series of Agra University Extension Lecture series, Dr. Sharma said that for successful planning, the needs and resources of the country must be properly assessed. Co-operation of the public must be secured. Deficit financing and indirect taxation might worsen the position of middle classes which must be kept under check by various control measures. He favoured controlled economic structure of the country during the period of the plan. Increase in capital formation will counteract deficit financing. Dr. Sharma suggested encouragement of private savings by increased banking facilities and development of new technique for state borrowings. Dr. Sharma advocated the lowering of salaries and emoluments of highly paid public servants and austerity in the living standards of ministers, civil servants and other public workers, effective economy in public expenditure and removal of wide disparity in income.

DR. B. N. GANGULI, PROFESSOR, UNIVERSITY OF DELHI

Speaking in a symposium on the Five Year Plan at Meerut, Prof. Ganguli told his audience that pessimism about the plan was due to not understanding the plan. He said the plan was really novel and it aimed to build a sound economic structure for the country. There will be capital formation in the country during the planned period.

PRINCIPAL MADAN MOHAN, MEERUT COLLEGE, MEERUT

Expressing his opinion about the Five Year Plan, the learned Principal told that the plan was hotch poch. On its reading layman was surrounded with disappointment, frustration and pessimism, for the essentials laid down in the plan were lacking in the country. There was no agreement among the people regarding policy. There was vast difference between what was preached by leaders and what was practiced by them. Austerity measures were practiced in breach rather than in observance. The plan was unrealistic and the monetary basis illusory. Principal Mohan wondered how external aid could be had without causing damage to our national economy.

DR. J. C. KUMARAPPA, GANDHIAN ECONOMIST

Addressing the Rotarians in Meerut in February 1953, Dr. Kumarappa said that the Five-Year Plan was beyond the resources of the nation. According to him there was neither consistency nor co-ordination in the plan but a list of schemes put together by vested interests in power.

Dr. Kumarappa said that the plan has been misconceived in the field of agriculture. It was most inconsistent. It could not balance all factors carefully. Dr. Kumarappa opposed mechanical methods of cultivation as ill suited to Indian conditions. He said mere copy of methods employed in other countries would not be helpful to India. He was of opinion that minor schemes should be given priority although he did not oppose major irrigation schemes of the Plan.

MR. MAHESH CHAND, ALLAHABAD UNIVERSITY

In his article on Five-Year plan in the "Leader" Sri Mahesh Chand wrote "Important emphasis in the plan is on

greater employment. About one crore people are expected to find employment as a result of the plan. There is no analysis available of the employment on the basis of living standard, occupation and education. Since, however, there is a preponderance of agriculture, power projects and rural transport, it can be understood that the rural, poor and the uneducated classes are most likely to get benefit".

Mr. Mahesh Chand emphasised the need for a special organization which would provide the impartial service-minded intelligentsia an opportunity to lead the people and to act as a necessary link between the masses and the government. He appreciated Bharat Sewak Samaj as one which could provide such platform.

MR. A. N. AGARWALA, UNIVERSITY OF ALLAHABAD

Expressing his opinion on the Five-Year Plan in a talk with a press reporter (Leader, January 31, 1953) Mr. Agarwala said "the Five-Year Plan as finally drawn up is realistic and practicable".

Mr. Agarwala said: "The plan does not hitch over wagon to the star nor does it promise us in true Utopian style, rivers of honey and milk within a quinquenium. It gives greater importance to agriculture than to industries. It makes appropriate use of the Nasik Printing (i.e. deficit finance) for our economic development. In other technical regards also, the plan is satisfactory".

Mr. Agarwala suggested the tightening of Economic administratives which clearly show favour for controlled economy. He was of opinion that the plan should be divided into annual sub-plans and annual targets need be fixed. Such a procedure would improve efficiency and will provide proper check on deficiencies.

Mr. Agarwala continued: "Contents of our plan are good and satisfactory. But its execution should be considered even more important." Mr. Agarwala disagreed with the general impression that agriculture has been given too much importance and in this connection he said: "Of the total investment, 28% has been allocated to agriculture, 27% to power and irrigation and 8% to industries. Power will be used mostly in industries hence we can regard half of this investment as belonging to industries. Therefore investment in agriculture and industries would be 32% and 21% respec-

tively. Apart from this, industries will receive further investments from private sources operating outside the plan. The investment in industries, therefore, compares very favourably with that in agriculture and is justified because in any under-developed economy higher returns can be secured than in industries. After sometimes the process is reversed. This is an economic truth for which there is absolutely no room for doubt."

Later Mr. Agarwala speaking in a symposium on the Five-Year Plan at Allahabad University said "the government have, perhaps, been too hasty in their decision to implement the plan. They have been too hasty in some other economic decisions as well. Will they have to beat a retreat in the case of the Five-Year Plan also. This is a question which worries me. As it is, I might end with the note that if after the five years the plan succeeds I would say "good luck". And if it fails, I would say "It was only to be expected."

PROFESSOR J. K. MEHTA, UNIVERSITY OF ALLAHABAD

While speaking in a symposium on the Five-Year Plan at Allahabad University, Prof. Mehta said: "I would like to say one word here against the plan. The execution of the plan will involve the use of money by government officials. Our machinery is said to be corrupt. Perhaps there is such truth in what the public says and there is distrust of the government machinery is not altogether baseless. Before we plan to produce, we must plan to root out corruption. If that is not done and corruption continues our investment will not produce the expected results. There is great danger in giving our money to those who always think of their own pockets. Before offering our prayers to God we take bath and purify ourselves. Similarly, before we execute our plan, we should purify our machinery. The plan is good; but we must ensure that a good plan is honestly executed."

MR. P. C. JAIN, UNIVERSITY OF ALLAHABAD

Mr. Jain speaking in symposium on the Five-Year Plan at Allahabad University said: "Another defect in the Five-Year Plan is about the level of deficit financing. Most of the sources on which they (Govt.) have banked, shall not yield the expected revenue. Particularly the states and the

Railway budgets and hence they shall have to resort to the deficit finance if the plan is to be carried out successfully".

PROFESSOR K. L. GOVIL, UNIVERSITY OF ALLAHABAD

Prof. K. L. Govil concluding symposium on the Five-Year Plan at Allahabad University said: "I must confess that I have my own misgivings and fears about the success of the plan within the specified period. They are based on the grounds of finance and personnel. I feel the government may not be able to raise the requisite revenues."

DR. ZAKIR HUSAIN, VICE-CHANCELLOR, ALIGARH UNIVERSITY

In his broadcaste on "Future of Education" referring to the Five-Year Plan Mr. Husain said: "From what I have been able to gather about the progress of the educational schemes my guess is that we are likely to be behind the schedule. Even the meagre provision for Education in the First Five-Year Plan, just about (7%) seven per cent. of the total development expenditure will, I guess, not have been used up within the prescribed time, if money is not just allowed to be thrown away on half-baked schemes simply because it is available."

Industrialists and Businessmen

It will be clear from the views of different businessmen and industrialists regarding Five-Year Plan as the appear below that business community in India has lent it full co-operation and whole-hearted support by bearing the burden of increased taxation, high cost of production, increased wages to labour and ultimately smaller returns to capital.

PADAMPAT SINGHANIA

In his Presidential address at Merchants' Chamber of Commerce, U. P., in January 1953, Sri Singhania pointed out the short-comings of the plan. He criticised the increased burden of taxation on industry. He was of opinion that success of the plan would depend on the capacity of industry for increased production. If he costs were pushed and turnover dwindled, naturally the production will go down and the plan will remain inoperative. He was opposed to control in democratic planning, at least of strict control.

**SHRI D. C. KOTHARI, PRESIDENT, HINDUSTAN CHAMBER OF
COMMERCE, MADRAS**

Shri Kothari expressing his opinion on the Five-Year Plan said that our national income will double in Five-Year Plan in 25 years is a realistic outlook of the plan. Industry would welcome the slightly higher allocation of Rs. 173 crores as against Rs. 100 crores in the draft plan.

**SHRI B. P. SINGH ROY, PRESIDENT, INDIAN CHAMBER OF
COMMERCE, CALCUTTA**

While discussing the implementation of Five-Year Plan, Shri Roy assured the government of the whole-hearted support of business community for implementation of the plan and attainment of targets. Mr. Roy said though all-round progress was visible, the industries in private sector were finding it difficult to secure funds to finance their programme for expansion. The depreciation allowance was too insufficient for replacement. He said if industries fail to raise funds it will be difficult to attain the targets in the private sector. The government should help the industries in this respect.

Later in his presidential address at the quarterly general meeting of the Indian Chamber of Commerce, Calcutta, Mr. Roy rightly observed: "It will be difficult for the country to achieve an increase of 30% in the volume of its exports as estimated by the Planning Commission by 1955-56 unless Govt. followed a helpful policy by lightening the burden of duties, cesses and taxes on our exports and providing tax relief, draw-backs, rebate of import duties, etc.". Mr. Roy favoured reintroduction of prohibition taxes and salt duties which will tend to increase state resources.

SHRI B. M. BIRLA

Speaking at the Federation of Indian Chamber of Commerce and Industry, New Delhi, on March 8, 1953, Mr. Birla said: "I am glad to say that by and large the plan meets the objectives and I hope when the projects are completed there will be no appreciable shortage of food in India."

He further added: "As far as housing is concerned I am

sorry to say that practically nothing has been suggested. A few lakhs of houses are supposed to be built in the next five years. But I ask, is that going to be sufficient. We have a population of 36 crores of whom one can say that about six crores have some sort of housing which could be called pucca houses, the remaining 30 crores have only mud houses".

"Now in the case of housing we do not want to import things from abroad. Clay or sand is available, lime stone is available also in plenty and coal is there to burn the bricks. I wonder what prevents us from going for this aminity in a bolder way than what we have thought of." "I do not want to say how soon it can be done but investigation in this direction is desirable."

FOREIGNERS IN INDIA. (THE SILENT OBSERVERS.)

MR. CHESTER BOWLES

Mr. Bowles, former American Ambassador in India, in his address to a village level working centre said that the Indian Five-Year Plan compared with the American Plan which aimed at bringing under irrigation six million acres by 1960. The Five-Year Plan when implemented will eliminate the need of India for depending on foreign countries for food and cotton requirements. The development envisaged in the plan was typical of India's talent to bring revolution without violence as done in the achievement of Freedom. He said that the plan could be implemented in the best manner by co-operation of the public. Through determination and sustained effort of the people it will be possible to extend the scheme of community projects to all villages in India.

Mr. Bowles added, American aid was a fraction of the total outlay invested. "India had to develop herself with her own resources and enterprise". He further said that America was interested in the prosperity of India because India, if prosperous, would be a source of help to the whole world.

SIR GEORGE SCHUSTER EX-FINANCE MINISTER, GOVERNMENT OF INDIA

During his visit to India in January 1953, Sir George Schuster praised the Five-Year Plan and urged people to work on a war level. He emphasised the importance of de-

development projects and advised the people to keep an eye of watch on its successful development. According to him for bringing the plan into action the normal tempo of ordinary life would not do. All must engage themselves in a special effort just as a nation does in war.

In the development of industrial sector, he said that considering the resources of the Government it ought to have been left to the private sector. He wanted freedom of private enterprise under the plan.

On his return to U. K. in his second talk of a series on India's Five-Year Plan to Indian students, Sir George said: "It is an extremely able document, no country which has drafted a development programme has ever done it in so able a way. There are men of first class ability on the Planning Commission who set out successfully to assess the country's resources. Much of the plan is exactly on the right balance. We must regard it, however, as the first chapter in a very long story."

JAPANESE VERDICT ON THE FIVE-YEAR PLAN

Mr. Naokichi Kitazawa, economic adviser to the Japanese Ministry of Foreign Affairs, said in Calcutta in September 1953, that India should balance her Five-Year Plan to get the expected results. Regarding his personal impression about the plan he said: "You have put too much emphasis on heavy industries in the plan. There must be a balance between heavy and cottage industries and agriculture, otherwise it will be a lopsided development." He further said: "You must find out ways to utilize the educated unemployed to the best advantage."

OPINION OF THE "LEADER", A PROMINENT DAILY OF UTTAR PRADESH

"One defect of the Plan is that while leaving the development of industries to private enterprise it has not provided sufficient resources to private enterprise to carry out its obligations."

After having considered all sorts of criticisms against the Five-Year Plan we are reminded of a Painters' Story where in the painter in order to judge the merit of his art painted a drawing "A bunch of grapes" and pasted the board on a Public crossway. The board so painted contain-

ed instruction to the public to mark out the defects. In the evening whole of the drawing was coloured with defects. Next day another painting of the same artist was pasted with the instruction to correct the defects. No body touched the caryons and the painting remained as it was. Similar is the case with our Five Year Plan in India. We are fully confident that those who criticise the plan will not be able to prepare a better one. Now it is the time that we should execute the plan rather than discuss it.

VI. PLANNING IN UTTAR PRADESH

Uttar Pradesh is one of the 10 part 'A' states of India which has a well balanced development programme for the next five years. The Five-Year Plan involves a total outlay of Rs. 2069 crores. Out of this sum, U. P. has been provided with Rs. 97.82 crores for her development in the planned period. Before we proceed to take stock of the all round development during the period of the plan and allocation of funds on different heads of expenditure, it becomes necessary for us to see whether the Planning Commission has done justice to such an important state of India as Uttar Pradesh which was in the vanguard in the struggle for Independence and which, we are sure, will not be even one step behind in waging a war against poverty, misery and backwardness and thus will achieve the 'Economic Independence' for her millions.

The State Plan has been fitted into our National Plan which is based on the views of our Prime Minister who said in his broadcast talk that Government was to leave no stone unturned in the task of achieving self-sufficiency so as to be able to stop all imports of food grains. In the State of Uttar Pradesh, the planning for five years is well-balanced and top priority has been given to agricultural development, irrigation and power projects and much emphasis has been laid on small-scale and cottage industries in addition to the development of large-scale industries which have been given their due share.

In spite of the fact that the State of Uttar Pradesh has been allotted Rs. 97.82 crores as her share under the Five-Year Plan for her development programmes, masses are generally not very much satisfied with the Planning Commission. All quarters in Uttar Pradesh are dissatisfied with such a meagre amount for the development programmes when they consider the importance, size and the population of the state. It may be noted in this connection that prior to the allotment of funds from the Central Government, Uttar Pradesh had planned for Rs. 120 crores development programmes and started work already on the assumption that the necessary finances would be provided by the Central Government. This cut of Rs. 22 crores in the allotment of funds has become an eyesore for U. P. and

has disturbed the peaceful planning of the state and the masses will have to undergo hardships and privations to a considerable extent to achieve the targets already fixed in the plan. Suggestions were received from some quarters to revise the state plan and make it within the resources of the country but people in Uttar Pradesh were prepared to suffer hardships and miseries for an emergency period of five years rather than to see a downward modification of targets in their state development programmes. Happiness can be sacrificed for the economic development of the country. The people of Uttar Pradesh are much enlightened in this direction. Another notable feature of the revised Five-Year Plan has been that targets in the revised plan for the state of Uttar Pradesh have been considerably increased but grants of funds have been static, increasing thereby austerity and privations of the people.

Uttar Pradesh specially feels jealous of Madras and Bombay where targets are not much greater than those in U. P. but they have been allotted greater funds as their share under the Five-Year Development Programmes. Eyes of Uttar Pradesh will remain fixed on the states of Bombay and Madras so long the corresponding increased funds are not sanctioned to the development programmes of Uttar Pradesh. The following table which gives the target figures in different development programmes clearly shows that Uttar Pradesh has been given a 'Raw Deal' in the allotment of funds under the Five-Year Plan.

TARGETS

Commodity	Bombay	Madras	Uttar Pradesh.
	(Thousand Tons)		
Food grains	370.6	890	983
Sugar Cane	87.0	80	400
Oil Seeds	10.0	100	61
Total	467.6	1070	1444
	(Thousand Bales)		
Cotton	275	180	40
Jute		250
Total	275	180	290

Allocation of funds for the Development Programmes are as under.

Allotment of funds in crores of rupees.

Uttar Pradesh	Rs. 97.82 Crores.
Bombay	Rs. 146.44 "
Madras.	Rs. 140.84 "

When we compare the above targets we see that in the production of food grains, oil seeds and sugar cane the targets fixed for Uttar Pradesh are far in excess to those fixed for Bombay and Madras and in the production of Textile fibers also Uttar Pradesh tops the list of targets fixed for Bombay, Madras and Uttar Pradesh. In short they are:—

Comparative Targets.

States.	Food grains. (000 Tons)	Textile fibers. (000 Bales)
Uttar Pradesh	1444	290
Madras	970	180
Bombay	467	275

In every respect Uttar Pradesh deserves special treatment but it is yet not clear what particular circumstances compelled the Planning Commission to show special favour towards the states of Bombay and Madras. It is rather ridiculous but seems to be a fact to narrate that perhaps the Planning Commission has been moulded with regard to allocation of funds for states by the high intellegentia which Bombay and Madras could produce but even in that respect Uttar Pradesh did not remain behind, we had the Chairman who belonged to the state of Uttar Pradesh.

As the time for agitation and discussion is now over and we have to work for the Nation, the masses in Uttar Pradesh though very roughly treated in the allocation of funds by the Central Government, will try their best to achieve the target fixed for the development programmes with the available resources at their disposal.

The details of some of the development programmes of the state of Uttar Pradesh are as under:—

AGRICULTURE

Due to rapid increase in our population and certain natural factors the gap between the demand and supply of food in the state has widened. Every year we have to import enough of food from other states and/or from abroad. By a resolution passed by the Food Production Conference 1942 the "Grow More Food Campaign" was launched to increase food production. The said campaign did but not enough service to the country. Irrigation under the said scheme was altogether neglected. It was in 1947 that a number of minor irrigation schemes were launched and considerable relief was given to the farmers and the following results were obtained by the end of 1952.

Masonry Wells constructed	.. 33500
Masonry Wells Bored.	.. 13904
Persian Wheels.	.. 14225
Derelict Weels Renovated.	.. 2055
Land reclaimed by Tractors.	.. 256431 Acres.
" " by improved drainage	.. 136000 "

Under the Five-Year Plan it has been proposed to continue the effort to increase the production and thus make the state self-sufficient in the matter of food production. The further targets under the plan to be achieved by the end of 1956 are as follows:—

Land to be reclaimed.	7.00 Lakh Acres.
Bundhis to be constructed to protect the land of	40000 Acres.
Area to be saturated by better seeds of 'A' class	Entire State.
Additional Production to be raised over 1950-51	11.5 L. Tons.
Area to be cultivated by Jute Crops. (this will make the state self-sufficient in jute.)	165500 Acres.

Schemes have also been prepared for the development of better quality canes. At present about 9 lakh acres are reserved in the state for factory canes.

In addition to the above aimed developments, considerable provision has been made for the betterment of cattle

and other livestock. Mechanised farming no doubt will increase our agricultural production but due to certain social customs, India shall never be able to dispense with cattle in agriculture. There can be no balanced agricultural development without proper attention to rural livestock as they form the backbone of Indian agriculture. According to a state publication on Five-Year Plan in U. P. the main objectives for livestock improvement must be:—

- (a) Mass scale immunisation of animals against all known contagious diseases and investigation into the causes and methods of control of hitherto obscure infections.
- (b) Adoption of scientific breeding methods with progressively improved sires, with a view to raising the economic utility of all classes of live stock.
- (c) Evolving of methods for providing adequate nutrition to our economic stocks so as to enable it to exhibit its maximum possible potentiality.

We shall also need a large number of good quality bulls, rams, and poultry which has already been realised by the state and the work of this nature will be taken in 12 mechanised state farms. U. P. has also initiated a "Key Village Programme" which will help a lot in this direction.

The main forestry schemes of U. P. Government are:—

1. The land management of waste land.
2. Management and preparation of working plans for private forests and forests in enclaves of the merged states transferred to U. P.
3. Raising plantation of trees of industrial importance.

In connection with improvement of forests about 65,000 acres of waste land has been acquired and this is sufficient for the requirement of the state.

Co-operative development is inter-connected with agricultural development and no state can neglect such a problem of vital importance when co-operation has become the *sin qua non* of planning. Not only this much, but also upon the development of co-operative marketing, the whole prosperity of the farmers depends, directly or indirectly. The features of the plan under co-operation are :—

1. Establishment of more seeds stores, more milk supply unions and expansion of co-operative farming in the state. The U. P. Co-operative Development and Marketing Federation is of notable importance for its functioning since 1946 and its important features are.

	1946.	1950-51.
Paid up share capital	00.35 Lakhs Rs.	02.3 Lakhs Rs.
Working Capital	33.86 „	445.3 „
Business handled	439.91 „	684.85 „

The detailed allocation of funds for the development programmes of agriculture in U. P. are as follows :—

Agriculture	Rs. 2095.6 Lakhs.
Animal Husbandry	Rs. 134.1 „
Dairying and Milk Supply	Rs. 20.6 „
Forests	Rs. 165.2 „
Co-operation	Rs. 130.7 „
Fisheries	Rs. 6.2 „
Total	Rs. 2252.7 „

IRRIGATION AND POWER

Next to Agriculture comes Irrigation and Power programme. The state has been allocated a sum of Rs. 3323 lakhs for this purpose out of which Rs. 1912 lakhs are earmarked for irrigation projects and Rs. 1411 lakhs for power projects.

In this connection it may be noticed that irrigation facilities were very rough and crude prior to 1946. It was only after the achievement of Independence that greater attention was paid towards this problem and several irrigation works were constructed in the eastern districts of the state. Six new irrigation schemes were taken in hand in addition to a number of minor schemes which were already working side by side. All these schemes considerably increased the irrigation facilities of the state but the task is not yet over. We have still a vast area left where no facility exists for irrigation and agriculture is left to the mercy of nature. Such areas will not remain neglected for long and improve-

ments will have to be made in such areas as well. The total cultivated area in the state at present is about 370.7 lakh acres out of which irrigation facilities exist for 111.2 lakh acres only, which constitutes nearly 42% of the total area cultivated. The remaining 58% of cultivable area cannot be neglected altogether.

The following rate of increase is proposed during the next five years ending March 1956.

Irrigation Targets.

	March 1952.	March 1956.
Milage of irrigation channels running	19525	22800
Tube Wells energised and brought into operation	2393	5020
Irrigable area from all state irrigation works in acres	8085000	10210000
Cost of irrigation works constructed in crores of Rs.	40.92	69.65

All this increase in irrigation facilities will be entirely out of the state's purse and increase of about 1 million acres will result from minor irrigation works.

POWER

The generation of electricity though started from considerably early times was left exclusively in the hands of private enterprise which lacked spirit of service and profit motive was its sole guide. The State became aware of its duties and responsibilities towards industrial sector and took a interest in the generation and supply of cheap power on her own initiative since 1928. The total installed capacity of state owned power works was 37.9 thousand kw. to which further additions were made by increasing additional power stations as democracy progressed and functions of the state widened considerably in the economic sphere.

Apart from Sarda and Pathri Power Projects which shall give power by the end of 1956, a number of thermal power projects have been sanctioned for the eastern districts. Provision has also been made for the supply of electricity to hilly districts from natural falls. All these

works together will increase the existing power capacity by more than 100% on 1952 figures. In the next five years, according to the U. P. Government publication, Government are very anxious to proceed with the construction of the Rihand Dam which is estimated to generate 2,40,000 Kwts. and has been considered to be a thoroughly sound project from technical and economic points of view. Although the proposed construction will cost a very huge amount and it will not be possible to undertake such a development programme unless the Central Government extends its full financial co-operation still the state of Uttar Pradesh with the whole-hearted support of its people will like to see the Dam constructed during the scheduled time.

INDUSTRIAL SECTOR

The industrial sector of the development programmes in Uttar Pradesh includes both development of industries and the welfare of the labourers.

In Uttar Pradesh which is primarily an agricultural state, small-scale industries which provide a side income to the farmers have been given greater importance under the Five-Year Plan. This does not mean that large-scale industries have been neglected altogether. Out of a total expenditure of Rs. 582.2 lakhs to be spent on industries during the Five-Years in Uttar Pradesh no less than Rs. 280.7 lakhs are proposed to be spent on industries other than cottage industries, while cottage industries have been allocated a sum of Rs. 301.5 lakhs. This clearly shows that the proposed development programme of cottage industries and other industries is well balanced.

Large-scale industries in Uttar Pradesh, for their development programmes have been left mostly in the hands of private enterprenures with the exception of two large-scale industrial units to be installed at state expense. These industrial units are the Cement Factory at Mirzapur and the Precision Instrument Factory at Lucknow. The construction of the Cement Factory at Mirzapur has already been started since 1950 and its completion is expected by the end of 1954 and by 1956 it will go in operation and will produce 700 tons of cement per day. The Cement Factory when constructed will relieve the state from much burden of cement import from different cement units situated in

other states. The other industrial unit, the Precision Instrument Factory which was on an experimental stage till 1950-51 and has now started production of water meters. By 1956, the factory is expected to produce 7,500 water meters per annum and 300 microscopes.

In the field of small-scale industries much emphasis has been laid on Handloom industry which alone employs more men than all the textile mills in the state. For the marketing of cottage production and their wide publicity the Government of Uttar Pradesh has established an organization known as the U. P. Handicrafts. Its sales have considerably increased as the following figures show.

Year.	Sales Volume in Lakhs of Rupees.
1946	10.89
1951-52	13.39
1956 (by March)	15.00 (Estimate)

Other industries which deserve mention in this connection are the Pottery Industry, Lock Industry, Wool Industry, Chikan Embroidery, Khadi Development Industry, Cutlery Industry. To introduce uniformity in cottage production, a Quality Marking Scheme has been introduced since 1952 in several districts. It is proposed to extend the scheme to many other new districts by 1956. The total value of goods marked under the scheme were as follows :—

Till March 1952	Rs. 46.33 Lakhs.
Till March 1956	Rs. 60.00 Lakhs (Estimate)

Weavers' Co-operative Societies have been formed in various districts to help the members in the purchase of raw materials and other requirements and in the marketing of finished products. The number of such societies by March 1952 was 745 with a working capital of Rs. 51.32 lakhs and membership volume of 1 lakh. By March 1956 it is expected the number of such societies will increase to 1000 and their membership to 1,25,000.

LABOUR WELFARE

All the development programmes in the Industrial sector, both small-scale and large-scale, will depend on the the willing co-operation of the workers. Capital alone will not achieve the desired targets. Labour has a very im-

portant role to play in the economic betterment of the country. To obtain the willing co-operation of labour suitable conditions will have to be created for that. Half fed, ill-clothed, extra-temporary, weak and frustrated worker living in man-made slums will not be of any great help to our industrial development. More attention need be paid towards him. Labour must be assured of a reasonable standard of living. They should get a living wage and the relation between labour and management must remain healthy for increased production.

The Constitution of India has guaranteed most of the rights to workers. Conciliation machinery for internal settlement of disputes has considerably widened. Works Committees have been formed in almost all the concerns employing more than 200 workers. Proper hygienic facilities, rest rooms, canteens are required to be provided by every employer. The Minimum wages Act has been made applicable to all exploited industries. A trade union Inspector has also been appointed to advise trade unions on different problems arising out of the organization of trade unions. There are 40 Labour Welfare Centres in the state divided into A. B. and C Classes. Kanpur has one T. B. Clinic for labourers. Employees' State Insurance Act which is really a landmark in the history of Social Security to Labourers, has been made applicable to Kanpur. Although the scheme is under trial, it covers 96000 factory workers. The scheme has 11 offices and 13 dispensaries including 2 mobile dispensaries for emergency requirements of the workers. It is expected that labour welfare facilities will be extended to a considerable extent during the period of Five-Year Plan.

TRANSPORT AND COMMUNICATION

Importance of Transport needs no emphasis in the present day economic structure of the country. We have at present 9277 miles of metalled Roads and 23684 miles of unmetalled roads in the whole of the state of Uttar Pradesh. Considering the size of the state and its population we have to stand at the end in the line of progress in comparison to other countries and their road mileage per 100 thousands of population. In the Five-Years development programme, the state of Uttar Pradesh will spend Rs. 642.4

lakhs on Transport and Communication. Out of the allotted funds of Rs. 642.4 lakhs, Rs. 522.4 lakhs will be spent on the construction of new roads and repair and reconstruction of the existing roads. Rs. 120 lakhs of the total amount are earmarked for the development of road transport. The road construction plan of Uttar Pradesh is based on the decision of the Chief Engineers' Conference held at Nagpur in 1943 which devised a 20 years plan for road development and extension in India. The 5-year plan of road construction in the state also includes the incomplete work in hand at the beginning of the plan. The targets fixed in the plan to be completed by the end of 1955-56 will be as follows :—

1. State All-Weather Roads	9713 Miles.
2. District Board Metalled Roads	1761 „
3. Unmetalled Roads with P. W. D.	3320 „
4. Unmetalled Roads with District Boards	23000 „

In short after the end of the planned five years we shall have 11474 miles of metalled roads and 26320 miles of unmetalled roads in Uttar Pradesh.

TRANSPORT

Due to increased difficulties in road transport the Government of Uttar Pradesh decided to have their own road transport in 1947, in order to provide better facilities to travelling people. Originally the government decided to have a joint corporation with state patronage and business experience to achieve the maximum results, but the response from industrialists and the public was very discouraging and at last the government had to sponsor the whole road transport scheme only on their initiative and had to take the risk of failure or success of the new enterprise.

By the end of 1952, the Government Road-Ways were operating on 242 routes covering a distance of 4660 miles. Governments owned 1300 buses with a capital investment of Rs. 319 lakhs by the end of 1951. The government will require 2300 buses if the road mileage of 10,000 is to be covered, which will require additional capital investment of Rs. 8 crores. But due to stringency of finances it is expected that a limited expansion will be undertaken with an additional investment of Rs. 120 lakhs only. The total number of

buses which is expected to be in operation by that time will by 1550. With the expansion of Nationalised Road Transport it is necessary that Government must own a maintenance depot under the transport scheme and maintain workshops fully equipped with up-to-date instruments and engineers.

MEDICAL AND PUBLIC HEALTH

In every welfare state considerable attention has to be paid towards public health and medical care, they are the men, who create the wealth. Co-operation and mobilization of voluntary man-power have been assigned very high place in the successful execution of the Five-Year Plan. People can extend their co-operation and whole-hearted support only when they are physically capable of rendering their voluntary support. The Uttar Pradesh Five-Year Plan provides Rs. 349.8 lakhs for the extension and development of medical care in the state. The share of Public Health under the Plan comes to Rs. 246.1 lakhs.

Due to limitation of financial resources of the country no ambitious plan could be prepared for health development of the citizens. Physically fit and healthy citizens are the best asset of a Nation. No nation can afford to play with the health of its inhabitants. Our Health development plan due to certain circumstances beyond control is a very modest one. It is hoped that as soon as finances are available a more ambitious plan shall be prepared for this purpose. Only those facilities are expected to be provided under the plan which are of great importance and could not be avoided. The existing medical facilities of the state are too inadequate for our needs. Most of the villages are situated at a considerable distance from hospitals and dispensaries. India has but few drug and chemical manufacturing concerns. Hospitals are not sufficient in number. The beds available in hospitals do not suffice the current requirements. In addition to buildings and drugs, our hospitals suffer from trained, efficient and experienced personnel. Under the Five-Year Plan of the state has been proposed to make additions and extensions to hospitals. The districts, which will be benefitted are Gonda, Barabanki and Rai Bareli. The proposed expenditure on this item will be Rs. 163.3 lakhs.

Two-hundred and six (206) dispensaries are expected to be opened by the end of 1955-56 in rural areas at a total cost of Rs. 58.8 lakhs. Apart from rural dispensaries and specialised hospitals, units will be established for 15 maternity and child welfare centres and 10 for Kala Azar. Mass vaccination of children against T. B. will be carried on throughout the state. A T. B. Sanatorium will be established in the district of Dehra Dun which will benefit the whole district and will cost Rs. 13.0 lakhs during the 5 years time. A state pharmacy of Ayurvedic and Unani medicines will be started at Lucknow at a total cost of Rs. 20.8 lakhs.

In respect of Public Health, the government have decided after due consideration to start two very comprehensive schemes for improving public health and efficiency of the people. These schemes are:—

1. *An Extensive anti-Malaria Drive*:—Initially the scheme was started in 24 most affected districts of the state, but it is expected that when the scheme will be fully functioning it will benefit 75 lakhs of people directly and more than 2 crores indirectly.

2. *Maternity and Child Welfare Scheme*:—The scheme is to be started very soon with foreign financial and technical assistance. Under the programme of the scheme 200 maternity and child welfare centres will be started in rural areas as follows:—

Year	Number of units to be started.
1953-54	66
1954-55	67

These centres will be visited and supervised by medical officers and health visitors at specified intervals. Fifty (50) Health visitors are to be trained during the next two years to superwise maternity and child welfare centres. The following staff is to be trained for the purpose during the period of the Five-Year Plan:—

Training Centres for midwifery training	4
Daies to be trained per annum	1000-1500

Two Children's Hospitals are expected to be opened for periodical training of nurses and post-graduate training in nursing service. In addition to the above programme specifically laid down, it has been proposed to train *gaon sabha*-

patis and primary school teachers and other influential residents of the rural area, in Public Health measures for the prevention of epidemic diseases. The anti-malaria scheme will cost Rs. 79.5 lakhs and maternity and child welfare centres will cost Rs. 35.6 lakhs during the period of the plan.

EDUCATION

Education is one of the directive principles of our Constitution. The Constitution of India requires that every individual must be made literate during the period of a decade. The Government of India is based on democratic principles for which education is of very vital importance. Education is essential for the healthy growth of a sound democracy. At present the percentage of our literate masses is very meagre. Considering the size of the population of a country like India 12% literacy stands no where in comparison with other democratic nations. Further in these days of dynamic economic structure when India is to plan herself for fuller and richer life in a very short period, masses will have to be educated in favour of that, and unless every individual is approached personally for his support no plan can ever be a success.

With a view to provide a plan for mass education it will cause considerable strain on the financial resources of the country even if an Education Expansion programme is launched for 15 years. The state expenditure on education has already increased considerably in recent years as the figures below show:—

Year	Amount (Rs. in lakhs)
1945-46	257
1952-53	737

During the next five years' education development programme the state has proposed to spend a sum of Rs. 1603.8 lakhs. The state education programme includes opening of new primary, secondary and higher schools, reconstruction and reorganization of existing schools, introduction of more practical subjects in various schools suiting to the economic needs of the country. Further more considerable attention has been paid for the research and training facilities of the teachers. Adult education and social education have also been given their due place in the develop-

ment programme.

Primary schools are the basis of our entire educational system. Recently the Congress Government decided to provide every village with one primary school. A number of Primary schools were started in different districts and their number has considerably increased as the following figures clearly show:—

Year.	Number of Primary Schools.
1946	18000
1952	32000
1956 (target)	45000

As our Constitution requires compulsory primary education, it is desired to enforce the scheme of compulsory primary education in Municipal Moard Schools. The Compulsory scheme for boys has already been enforced in 86 Municipal Boards and now it has to be enforced in 24 more municipalities. Compulsory education for girls remained neglected so far. All the 110 municipalities will have to introduce the scheme of compulsory primary education for girls during the planned period of five years. At present the different kinds of schools in the State are as under :—

Kinds of schools.	Present No. of schools.
Primary schools	32100
Junior High Schools for boys and girls	2193
Junior sections in H. Secondary schools	650
Higher Secondary schools ..	873
including Govt. H. Secondary schools ..	80

The progress in Education in the state during 1947 and 1952 can be judged from the following table:—

Number of students in	Year 1947	Year 1952.
Primary schools ..	1737816	2839634
Secondary schools	512361	852490
Degree colleges ..	12787	15279
Universities ..	15782	20070

Increase in Schools.

Normal Schools	8	51
Training Colleges	9	26

Increase in schools.	Year 1947	Year 1952.
Normal schools	8	51
Training colleges	9	26

The equipment condition of the existing schools is not very satisfactory. Most of the schools suffer from lack of building, shortage of furniture, trained staff and inadequate finance. The government are taking necessary steps in this direction and it has been proposed to equip all the schools with modern facilities of education. The total cost for the recognition of secondary schools shall be Rs. 2 crores. The existing facilities for scientific research will be considerably increased at a total cost of Rs. 4 lakhs specially earmarked for that. Social Service Training has been introduced so far in Higher Secondary Schools of 10 districts only but its importance has now been realised by the state and it has been proposed to extend this type of education during the five-year period. The total cost on social education during the period shall be Rs. 59.5 lakhs, of this amount only Rs. 50 lakhs will be spent during the planned period.

The responsibility for military education was undertaken by the State Government in 1948. The National Cadet Corps which has two divisions, the senior division in University education and the junior division in schools and colleges are the main agencies of military education in educational institutions. The scheme has already been introduced in 17 districts and it has been proposed to cover the rest of the districts at the rate of three districts per year. There are 45 troops of the junior division and 19 companies of the senior division. The total cost of the scheme by the end of 1955-56 shall be Rs. 52 lakhs.

TECHNICAL AND VOCATIONAL EDUCATION

Apart from general education which is provided by various state, semi state and private bodies, the state needs technical institutes for training her youngmen in various walks of life in order to exploit her natural resources to the fullest possible extent for the economic betterment of the Nation. The existing situation of technical schools in the state is as follows:—

Total Technical institutes	31
Institutes for training in textiles	7
Weaving Centre	1 at Banaras.
Model weaving schools	5
Technical institutes in mechanical and Engineering training	3
Occupational Schools	3
Poly technics	4
Leather work and training schools	3
Schools for art and crafts	1
Schools for training in metal work	2

These above mentioned schools are designed to train cottage workers and other artisans in improved methods and help in the improvement of techniques. Since these institutions are either too old fashioned or do not serve our needs properly, it has been proposed that they should be properly reorganized to suit our economy. Due to shortage of finance the question of starting new schools will not arise yet the All-India Council of Technical Education proposes to open the Northern India Higher Technical Institute at Kanpur with greater and improved facilities. This institute will be fully equipped and provide up-to-date training to our youngmen. It is also proposed to introduce certain new subjects for instruction in technical institutes.

AMELIORATION OF BACKWARD CLASSES

In the British period, facilities for backward classes were confined to education only in the form of scholarships, grants for text books and free tuition etc. and also non-recurring grants for payment of examination fees etc. Since the achievement of Independence in India, backward classes have been shown special favour and every possible effort is being made to raise these castes and tribes upto the general level of advancement. These tribes are provided with free hostel accommodation, free training facilities and reservation of seats for various state and Central services. The U. P. Removal of Social Disabilities Act of 1947 is a land mark in the development of backward classes in U. P. The number of *Harijans* and backward students availing of such facilities are as follows (figures are based on the scholarships awarded)

Primary Education	16,429
Secondary Education	6,248
University Education	327

The total expenditure to be incurred on the development programmes of backward classes is Rs. 236.2 lakhs during the planned period of five years. In addition to educational facilities various health measures have been taken to improve their health and physical efficiency. Model *Harijan Bustees* have been constructed at different places with up-to-date Hygienic and sanitary facilities. *Harijans* whose houses are destroyed by natural calamities like fire, water and floods etc. are also given relief grants. Many sided expansion has been proposed by the state government for the economic and social betterment of *Harijans* and other backward classes in Uttar Pradesh. The seriousness of the government in this direction may be easily viewed from increased expenditure in progressing years as shown below:—

Year	Amount in lakhs of Rs.
1946-47	6.97
1948-49	16.79
1950-51	23.50
1952-53	49.62

HOUSING

As already indicated in the housing development programmes of the Revised Five-Year Plan that there exists great shortage of houses both in urban and in rural areas. The situation has worsened due to lack of initiative for construction of new houses on the part of private individuals and more so due to the influx of refugees from East and West Pakistan. Due to large-scale exchange of population government had to step into the problem and many township schemes were taken in hand and executed for the benefit of refugees in a very short time. Government liberal grants and subsidies were also given to individuals for the construction of houses with specified construction programmes. A fund was created out of the sales proceeds of molasses for construction of 1500 houses for 61 sugar factories by the enacting of the U. P. Sugar and Power Alcohol Industries

Labour Welfare fund Act 1951.

In all, nearly 4000 houses will be constructed in the state during the period of planned development which will include houses for sugar factory workers as well. The other industries which will benefit by the scheme belong to the districts of Kanpur, Lucknow, Agra, Hathras and Firozabad. The total cost on housing during the plan shall be Rs. 145.2 lakhs out of which Rs. 40.8 lakhs will be spent on the housing of sugar factories. The Central Government has sanctioned a loan subsidy of Rs. 75 lakhs (60 lakhs for Lucknow and 15 lakhs for Kanpur). It has also been proposed to give financial assistance to co-operative Building societies for the construction of houses for the use of persons belonging to low income groups. Liberal provisions have also been made for the improvement of housing conditions in the *Harijan Bustees* of the State.

COMMUNITY PROJECTS AND TRAINING FOR SERVICE

It has been discussed in much greater detail in earlier chapters as to what these community projects are and what part they will play in the smooth and timely execution of the Five-Year Plan. Here we shall discuss in brief some of the important features of the scheme of community projects which are peculiar to this state. Democracy stands on co-operation of individuals and it is a folly to depend for every thing on the state. People should become self supporting. The objectives of the Five-Year Plan are something more than the economic development of the country and that is social and moral reorganization of the country.

The best social reforms which can be introduced in any community can be done by local individuals having the confidence and co-operation of the people behind them. Social democratic units based on co-operation can very easily plan for the recreation, education and physical betterment of the people without any substantial financial burden on the state. With this end in view, to improve the condition in rural areas, rural development boards for social welfare were established in each district recently. Due to inadequacy of staff and experience much headway could not be made in this direction and the government had to take serious view of that.

The government of the state started as an experimental

measure, Pilot Development Projects at Etawah, Gorakhpur and Deoria with the object of helping the people for self help. These Community projects were based on two factors, human and physical, to improve the land through improving the people and to improve the people by improving the land. These projects worked very satisfactorily and their success was praised even in foreign countries. Later on, the Government of India proposed to extend the scheme and six of such projects have been specially earmarked for the state of Uttar Pradesh. Each project is divided into 3 blocks of 100 villages each. Hence 1800 villages are to be covered and improved by this scheme. The work has already been started in 9 districts which due to some special economic and social considerations have been selected in the eastern part of the province. Their programme for development, in addition to social recognition, includes agricultural developments including horticulture, communication and transport, social education and library facilities and health provisions for mothers and children. In addition to social welfare, housing facilities and provision for rural crafts and industries along with local training facilities are also part of the development programmes. It is expected that U. P. will make every village of the state a model village for other states. Every block is to be provided with a seed store, godown, dispensary with health development programmes, rural workshop, crafts and cottage industries centre and a nursery with a technical staff. Thus, in short, in due course of time every block will become self-sufficient in itself.

Apart from the above development programmes the district planning committees which have been established in every district will prepare programmes for their local development to be fitted into the community development programme. In order to have an all-round development programme through community projects, trained and efficient personnel is very necessary. We cannot expect from our rural masses to handle the programme properly unless we provide them with necessary training. A Training-cum-extension project has been set up at *Bakshi ka Talab* with the help of Ford Foundation with a view to providing necessary training to the workers and volunteers

drawn in batches from different areas. At present the training part of this project is to last for three years and the extension project will last for five years. Two more training centres have also been proposed to be started one at Chirgaon (Jhansi) and the other at Hawalbagh in Almora district. In addition to the above training centres, it has also been proposed to give training to young boys in workshop practices and in proper maintenance and servicing of agricultural equipment in the field. These training centres, it is expected, will be of much service to our rural masses who were upto now in isolation from all sorts of facilities. These facilities will also bring to them what is called "ARTHIK SWARAJYA".

PUBLIC CO-OPERATION

The State Plan to a very great extent depends for its execution on the mobilization of voluntary manpower and wholehearted and willing co-operation of the masses. The best way to obtain public co-operation which our state government have thought fit and that too very timely, is to let every individual of the state know that he is a partner in the plan and he has also to play an important role in the development of his country. Considerable publicity of the plan is needed in this direction to achieve the desired co-operation of the masses who are ready with their soul and body to make the plan a great success.

A lot of development programme in rural areas is awaiting the effective support of the masses. The villagers themselves are to do their own work by voluntary labour. It is not an exaggeration that hundreds of miles of *Kachha* Roads have been constructed, tanks renovated, wells dugged and what not done by rural public in the state of Uttar Pradesh. It is only a little amount of courage with the guidance of trained and experienced leader that they are willing to do every thing. In short it may be stated that the plan prepared for the development of U. P. is well balanced and although beyond the resources of the state, it enjoys public co-operation and support in its execution and fulfilment. It may just be possible that the targets may be achieved before the scheduled time.

VII CONCLUSION

The Five-Year Plan has entered the 3rd years of its successful working. Masses have given their whole-hearted co-operation to the execution of the plan. Targets of voluntary labour have been surpassed in many respects. Both the people and the Government are trying their best to achieve Economic Independence for the country. Before concluding our discussions on the Five -Year Plan, we shall like to write a few sentences regarding the modification of the plan which took place recently.

Owing to growing unemployment and natural calamities over which no political structure could exert any control, the smooth working of the plan had to be revised. In the new revised Five-Year Plan certain additional development programmes have been included and additional provision of funds have been made for growing unemployment. The decision to scrutinise the Five-Year Plan was taken at a sitting of the National Development Council which took place on October 6, 1953 at New Delhi. Pt. Nehru who is the Chairman of the National Development Council told that it may not be possible yet to provide full employment "but we must have to progressively aim at further employment". According to the trend of the time the test of any economic system now a days is its ability to provide adequate employment. It was also revealed at the sitting of the said Council that expenses which the government incurred on the development programmes during the past two years were below the estimated figure. Hence it was now possible to increase the monetary expenses in the desired direction during the rest of the planned period. Various Chief Ministers seemed to be quite satisfied by the working of the Five-Year Plan in their respective states and were optimistic about the inclusion of several new schemes.

The new scheme of the Government provides an additional grant of Rs. 150 to 175 crores to be included in the plan for providing additional employment. Now the Five-Year Plan will cost a total outlay of between Rs. 2219 to Rs. 2244 crores.

This additional increase of funds for providing more employment has given a new life to our Five-Year Plan, which has now become self-sufficient in itself. The provision for employment by additional funds is expected to create further employment among the masses and will attract their enthusiasm and courage in the implementation of the plan.

It is really encouraging to note that the new scheme has been accurately fitted into the existing plan and will produce the desired results during the period of the plan. This additional grant will provide more employment and additional facilities to train more personnel for the implementation of the Five-Year Plan. Thus the shortage of mechanics and overseers which has been experienced so far will be removed.

It has been emphasised from the very beginning that criticisms have been received from different corners that finances for the Five-Year Plan are beyond the means of the country, and there already exists a gap of Rs. 655 crores. Now from where the additional amount of money will come to finance the new scheme of employment. All external assistance has already been taken into account. Masses are too poor to pay additional taxes. Due to high costs of living it is beyond the power of an average man to save a single penny.

Mr. Krishnamachari who also attended the sitting of the National Development Council detailed the scheme of extension as follows:—

1. Extension of the programme of rehabilitation to be continued during the whole period of the working of the Five-Year Plan.
2. Establishment of Industrial Development Corporations and Industrial Finance Corporations by the state governments.
3. Assistance to states for scarcity affected areas.
4. Provision of additional technical training.

Apart from the scheme of extension, Mr. Krishnamachari suggested suitable means of raising the additional fund. He was of opinion that a Betterment Levy should be charged from agriculturists and farmers who will benefit by increased production. It is very reliably hoped that no farmer will deny to pay additional taxes when the im-

proved facilities are to increase his production. Mr. Krishnamachari further observed: "It is as important to train rural people in the habit of saving as it is to tell them to produce more". He also suggested that non-development expenses of the Government should be curtailed as far as possible and new schemes beyond the Five-Year Plan to be undertaken only when no other alternative is available and the finances available will suffice for the scheme.

The above suggestions made by the hon'ble Mr. Krishnamachari are novel beyond doubt but they are not the 'be all and end all' of the technique of financing the Five Year Plan. The "Leader", a prominent daily of Uttar Pradesh seems to be very critical on this point. It may just be possible that additional amount of funds of a few hundred crores now to be provided in the total outlay of Five Year Plan may increase some employment but it will be only a temporary phase and will not solve our problem permanently. The question which arises at this stage is how long shall we continue to provide more employment by giving additional finances. It is just to give money to an unemployed individual for meeting his essential requirements rather than to create a venue for his employment. India wants schemes which will permanently increase the employment potentialities of the country. It is only industrial development of the country which gives a proper solution of the problem. The industry can provide employment to an ever increasing population only when the demands for its produce will increase. The present taxation policy of the government which will certainly increase the cost of production will discourage the further expansion of the industry. The cost of production decreases the demand and leads to the contraction of industry which will ultimately result in closing down of factories and increase in unemployment. The taxation policy of the government is also responsible for the direct contraction in demands for goods and services. Masses in India are generally poor and when they are required to pay more taxes from their income they are left with lesser amount of money for essential consumers' goods.

It seems that government have not yet realised that taxes beyond the maximum limit reduce production instead of increasing it. It should also be clear to the

government that people are already over burdened with too many taxes which they had not to pay previously and due to difficult times their cost of living has already increased and further levy of taxes may lead to further privation and hardships which the average man may not be prepared to bear. The Five-Year Plan needs further revision towards reduction in taxes and not towards increasing them.

Since employment has to be provided to masses, certain development programmes must be undertaken. We cannot depend for long on the assistance of foreign nations. India must stand on her own feet. It is correct that every backward country has to take foreign financial and technical assistance for its development programmes and India cannot be an exception to that. Here we fail to realise that our circumstances are totally different and we in no case should resort to foreign aid. Uptill now we have received foreign technical and financial assistance of Rs. 156 crores for which we must thank our past and would be masters but we in order to avoid the latter must check the inflow of foreign capital as it is not suited to our economic structure and if allowed, foreign capital may lead to political dominancy of other nations which not a single national of India is prepared to tolerate. The leaders of our Political Independence have no right to play with the fortune of future generations which are yet to come. Encouragement to private enterprise is the only remedy for the ever growing unemployment. Our motto for further planning should be "Reduced taxation, Encouragement to Private Enterprise, Development of Agriculture at the cost of hardships and privations of the poor masses but never with the aid of foreign capital".

With the CAUTION OF HAULT TO FOREIGN CAPITAL we conclude.

Tamam Shud.



Library

IIAS, Shimla



00045869