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## INDIAN POLITICS OF PLANNED DEVELOPMENT

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### Abstract:

*In This research critically analyzes the political dimensions of planned development in India, tracing its trajectory from the post-independence era to the present. It investigates how political ideologies, power dynamics, and electoral imperatives have shaped India's development strategies, focusing on the evolution from the Nehruvian model of centralized planning to the contemporary paradigm embodied by NITI Aayog. The study examines the political influences on the Five-Year Plans, the socio-economic and political implications of the Green Revolution, the transformative impact of the 1991 liberalization, and the rationale behind the Planning Commission's transition to NITI Aayog. By employing a qualitative approach, drawing upon historical documents, policy analyses, and scholarly literature, this research seeks to illuminate the intricate interplay between politics and development in India. It addresses key questions: How did political ideologies shape the initial phase of planned development? How did political shifts influence the objectives and outcomes of the Five-Year Plans? What were the political consequences of the Green Revolution and the 1991 liberalization? How does the transition to NITI Aayog reflect evolving political priorities? This study contributes to a nuanced understanding of India's developmental journey, offering valuable insights for future policy formulation and highlighting the enduring significance of political factors in shaping socio-economic outcomes.*

**Keywords:** like Planning Commission, Five-Year Plans, Nehruvian socialism, liberalization, mixed economy, etc.

### INTRODUCTION:

India's journey of planned development began in the context of post-colonial reconstruction. After nearly two centuries of British colonialism, the country inherited an agrarian economy, widespread poverty, low literacy rates, and an absence of modern infrastructure. Development was not merely an economic goal—it was a political mission aimed at nation-building, eradicating inequality, and fostering national unity. The idea of development was strongly tied to the legitimacy of the new democratic state. Political leaders, especially Jawaharlal Nehru, emphasized a model of planned development to ensure rapid modernization and social transformation within a democratic

framework.

Planning in India was not technocratic alone—it was a political process shaped by ideological debates (socialism vs capitalism), federal dynamics (Centre vs states), class conflicts (land reforms, labor rights), and electoral compulsions (poverty alleviation slogans). This article explores how India's political structure shaped, and was shaped by, the pursuit of planned development.

### **Historical Background of Planned Development in India:**

Planning did not originate in independent India. The concept found early roots during the colonial period, particularly in the 1930s and 1940s, when Indian economists and political leaders began formulating their visions for a post-colonial economy.

- **Visvesvaraya Plan (1934):** M. Visvesvaraya, a prominent engineer and administrator, advocated for rapid industrialization and modern capitalist development. His vision was inspired by Western industrial models and proposed a 10-year plan to double national income.
- **FICCI and Bombay Plan (1944):** A group of Indian capitalists, including J.R.D. Tata and G.D. Birla, proposed a blueprint for economic development that surprisingly supported strong state control and public sector investment—despite being authored by private industrialists.
- **People's Plan (1944):** M.N. Roy's radical alternative favored Marxist planning, advocating nationalization of land and key industries, cooperative farming, and central control.

These ideas gained political momentum during the Indian freedom struggle. Leaders of the Indian National Congress, influenced by socialist thinkers and global experiences (like Soviet planning), favored state-led planning as the foundation for the new republic. By 1938, under Subhas Chandra Bose's presidency, the Congress established the **National Planning Committee**, chaired by Nehru. Though its work was interrupted by World War II, it laid the ideological groundwork for the future Planning Commission.

### **Planning Commission: Formation and Role:**

After independence, the **Planning Commission** was established on **15 March 1950**, by a resolution of the Government of India. It was designed as a **non-constitutional, extra-parliamentary** body reporting directly to the Prime Minister.

### **Objectives and Functions:**

- Formulate Five-Year and Annual Plans for national development.
- Allocate resources to various sectors and states.
- Monitor progress and suggest policy adjustments.
- Coordinate development across different ministries and governments.

The Commission was heavily influenced by Nehru's belief in rational, scientific planning. It included economists, statisticians, and bureaucrats, and had a centralized role in setting the economic

agenda. The Planning Commission thus became a critical institution where political decisions were made under the guise of technical policy-making.

### Criticism:

- It lacked accountability to Parliament.
- State governments had little say in plan formulation.
- The concentration of power in Delhi often ignored local needs.
- It promoted a "one-size-fits-all" development model.

Despite this, for over six decades, the Planning Commission remained a powerful symbol of India's development-oriented state.

### Five-Year Plans: Concept and Implementation:

The Planning Commission implemented national development through **Five-Year Plans (FYPs)**. These plans were inspired by the Soviet model but adapted to Indian democratic and economic contexts.

### Key Plans and Their Political Significance:

- **First Five-Year Plan (1951–56):** Focused on agriculture, irrigation, and community development. It was modest but successful, especially due to good monsoons. It aimed to stabilize the post-partition economy.
- **Second Plan (1956–61):** Introduced the Mahalanobis model focusing on heavy industry and public sector growth. This plan institutionalized the "Nehruvian consensus"—a belief in the state as the primary engine of growth.
- **Third Plan (1961–66):** Aimed for self-reliance and price stability, but was disrupted by wars (China in 1962, Pakistan in 1965) and droughts. It revealed the vulnerabilities of centralized planning.
- **Plan Holidays (1966–69):** Due to economic crisis, the government introduced three Annual Plans instead. This period marked growing dissatisfaction with the planning process.
- **Fourth to Seventh Plans (1969–90):** Included Indira Gandhi's populist interventions (like "Garibi Hatao"), attempts at rural employment schemes, and environmental considerations.
- **Eighth to Twelfth Plans (1992–2017):** Post-liberalization plans tried to combine growth with equity, focused on privatization, decentralization, and global competitiveness.

The Five-Year Plans not only guided policy but also became political tools, often aligned with party manifestos and electoral promises.

### Nehruvian Socialism and Its Impact:

**Nehruvian socialism** was not radical socialism but a form of democratic socialism grounded in planning, secularism, and state control of the economy. Nehru's vision was inspired by Fabian socialism, Soviet planning, and Indian traditions of collective living.



**Key Features:**

- State control over key industries ("commanding heights").
- Focus on industrialization before agriculture.
- Public investment in heavy industries, transport, and power.
- Land reforms and the abolition of zamindari.

Nehru's socialism aimed to create a just and equitable society. The objective was not only economic growth but also **social transformation**—empowering marginalized communities, reducing caste and class divisions, and promoting gender equality.

**Outcomes:**

- Developed core industrial infrastructure.
- Expanded educational institutions and research.
- Created a large public sector.

**Limitations:**

- Slow growth, called the "Hindu rate of growth."
- Overregulation led to inefficiency.
- Underperformance in rural health, education, and nutrition.

Despite limitations, Nehruvian socialism shaped India's early development and political culture for decades.

**Mixed Economy Model: Features and Challenges-**

India's **mixed economy** attempted to balance the roles of the public and private sectors.

**Features:**

- **Public Sector:** Controlled railways, steel, power, mining, and defense.
- **Private Sector:** Operated under licenses and quotas in consumer goods and agriculture.
- **Planning:** State directed investment through Five-Year Plans.
- **Regulation:** License-permit-quota regime dictated what and how much could be produced.

**Political Goals:**

- Achieve balanced regional development.
- Prevent concentration of wealth.
- Encourage indigenous industrial capacity.

**Challenges:**

- Bureaucratic delays and corruption.
- Crony capitalism—business houses benefitting through political links.
- Public sector losses and inefficiency.
- Lack of competitiveness in global markets.

The model protected domestic industries but discouraged innovation. By the 1980s, many

economists and politicians began questioning the sustainability of the mixed economy.

### Role of Regional Politics in Planned Development:

Though planning was centralized, **regional politics** increasingly shaped developmental outcomes.

### Key Trends:

- States lobbied for greater share in plan funds.
- Regional disparities (e.g., Punjab vs Bihar) led to political tensions.
- Rise of **regional parties** (e.g., DMK, TDP, AGP) demanded more federal autonomy.
- States like Gujarat, Tamil Nadu, and Maharashtra innovated development strategies independent of central plans.

### Political Impact:

- Weakening of the Congress dominance in the states.
- Coalitions at the Centre (post-1989) forced more cooperative federalism.
- Special category status and backward region grants became tools of political negotiation.

Regional politics increasingly influenced national planning priorities, revealing the complex interplay between planning and federalism.

### Green Revolution: A Case Study of Planned Development

The **Green Revolution** of the 1960s was a landmark in India's planned development.

### Objectives:

- Reduce dependence on food imports.
- Increase productivity using technology and inputs.

### Components:

- HYV (High-Yielding Variety) seeds.
- Chemical fertilizers and pesticides.
- Mechanization and irrigation.

### Outcomes:

- India achieved food self-sufficiency.
- Punjab, Haryana, and Western UP became agriculturally prosperous.
- Politically empowered rural elites (Jat, Sikh farmers).

### Drawbacks:

- Environmental degradation—soil salinity, water depletion.
- Exclusion of eastern and tribal regions.
- Increased rural inequality.

Politically, it created new interest groups that influenced electoral politics and agricultural policies for decades.

## Liberalization and the Shift from Central Planning:

The **economic crisis of 1991** forced India to abandon its centrally planned model in favor of liberalization.

### Causes:

- Fiscal deficit and balance of payments crisis.
- Fall of the USSR and global shift to markets.
- Pressures from IMF and World Bank.

### Reforms:

- De-licensing of industries.
- Privatization of public enterprises.
- Reduction of import tariffs and exchange rate adjustments.

### Political Shift:

- Rise of technocratic leadership (e.g., Manmohan Singh).
- Increased role of the private sector and foreign investment.
- Decline in the authority of the Planning Commission.

India moved towards **indicative planning**, where the state provided direction but not detailed control. This marked a shift in the political economy towards neoliberalism.

## NITI Aayog: The New Institutional Framework

In 2015, the Modi government replaced the Planning Commission with **NITI Aayog**.

### Rationale:

- The old model was too centralized and rigid.
- Need for real-time, evidence-based, and region-specific planning.

### Key Features:

- Acts as a think tank, not a fund allocator.
- Promotes **cooperative federalism**—greater state participation.
- Emphasizes innovation, data-driven policy, and SDG goals.

### Programs:

- Atal Innovation Mission.
- Aspirational Districts Program.
- Health Index and Ease of Doing Business rankings.

NITI Aayog reflects a shift in governance from central command to decentralized facilitation and policy guidance.

## Criticisms of the Politics of Planned Development-

Despite its achievements, India's planned development has faced significant criticisms:

- **Elite bias:** Plans often favored urban elites and industrialists.

- **Environmental neglect:** Industrial growth prioritized over sustainability.
- **Inequality:** Rich-poor and regional divides widened.
- **Exclusion of stakeholders:** Tribal's, women, and minorities were rarely consulted.
- **Bureaucratic inefficiency:** Plans were poorly implemented on the ground.

Political pressures often led to short-term populism overriding long-term development goals.

### Conclusion:

India's politics of planned development reflects a dynamic evolution—from centralized socialist planning to decentralized, market-oriented reforms. While early planning laid the foundation for industrial and agricultural transformation, its shortcomings prompted significant policy rethinking. The emergence of regional politics, globalization, and participatory governance has transformed the development model.

Today, the challenge is not merely growth, but **inclusive, sustainable, and equitable development**. As India moves ahead, lessons from its planning past remain crucial in navigating the politics of its development future.

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