

The Ethiraj College Silver Jubilee Pandit Jawaharlal
Nehru Endowment Lectures 1979-80

**NEHRU — THE STATESMAN AND MASS
LEADER**



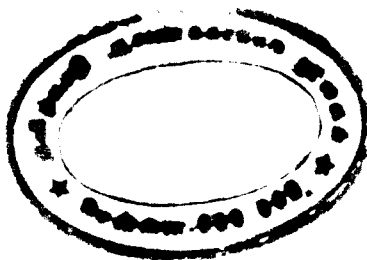
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By

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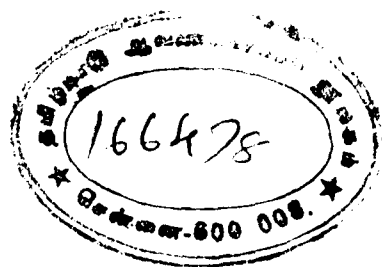
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LECTURE I

Leadership is a crucial variable for political development. The mass leadership influences to a considerable extent the direction in which the societal activities would maximise the output. Political development is accelerated by the processes of modernisation and effective leadership ensures the productivity of all casual agents — change in economic structure, values, formal political institutions, education and political technology. The role of a mass leader is mainly to transform the traditional behaviour patterns into their modern counterparts. When the mass leader is a statesman — the leader who shapes the future of a nation with improved political technology and ethical fervour eschewing expediency and personal gains — he becomes the *nostrum* of modernity. The presence of the statesman is a major element of modernisation and egalitarianism that guarantees the automatic emergence of other elements. Absence of this element will necessarily provide *fenians* to *suppurate* the total socio-economic and political system. The statesman, of course, has to steer his wheel within the societal framework, the level of technology, the social order, the existing ideological and value beliefs, interest groups, international situations, etc. An analysis of leadership must include these elements. Leaders cannot exist without followers because the power of the former is generated by consensus and legitimacy. The socio-political culture produces the typical leadership, elite groups, and the values and the norms which shape

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the goals of the leadership. People in India are sharply differentiated from one another by dress, customs, aspirations and political participation. The structural rigidity in these spheres is most bemoaning because it produces vast differences of power and activism among the various classes.

Middle class politics have ensnared the Indian polity long before the industrialisation and urbanisation of the post-independence generation. Even the emergence of the radical parties and the socialists has always drawn their leaders from middle and upper elements of the society. Their membership has also increasingly come from the growing middle class. The social origins of the leaders and their populist politics led to the enlarging and empowering of middle class. The political myth of the Indian society ramifies in the romantic belief that stability and growth occur automatically with the presence of the middle class. If there is little stability and spasmodic growth, the political myth leads to the assertion that the middle class is powerless or weakened. The reality explodes the malignancy of the middle class fostering character.

Power is defined as the ability of an individual or of a group to make others do what it wants them to do. Naturally, there are many subtleties surrounding this concept. For example, how does one estimate potential power? The consent of the governed is not merely empty phraseology; the refusal to accede to the wishes of others even at the cost of death is, of course, to destroy the power of others over oneself.

Another facet of power analysis concerns the means of its application. It is a truism of politics that the greater the reliance on overt sanction for the enforcement of law, the more *brittle* the political structure; the more institutional legitimacy is expressed in the acceptance of law as the temporarily absolute arbiter of social interaction, the greater the strength of the political community. Since the class and caste factors define the nature of the community, when caste lines locate qualitatively different kinds of human beings within the same political boundaries, then by definition there does not exist a single uniform rule of law applicable to everyone. On the

basis of class differences, if the distance between class groups is extremely wide, then a sufficiently broad community of interests cannot be found for the purposes of the adjustment to change, law, and articulated interests demanded by the high degree of differentiation inherent in industrial society. Thus, the nature of a given social structure sets the limits for possible power and leadership-followership relations. But the type and quality of those interactions depend upon ideological and value factors. Notwithstanding the nature of the social structure, empirically it is found that leaders both create and group power, they employ that power towards their desired ends, particularly extend differing benefits to the various groups and individuals in the society. The leaders of any nation can be evaluated on the basis of their use of power and the ends they achieve.

Nehru, His Values, Orientations

To understand the role of a leader, we must consider the value orientations of his elite group. The value orientations are the primary defining characteristic of the political cultures. Jawaharlal Nehru as a statesman was the most prominent "western-modern". He was described to have modern values as rationalist, relativist and pragmatist. As a rationalist in public affairs, he involved himself in experimentalism seeking for economy of means towards end permitting an enlargement of the area of rational choice in the future. Rationalism carries with it the necessary correlate of relativism. Pragmatism involves making choices in terms of the less bad against the bad, the better against the not so good — and not exclusive choices involving utopian statements of the best or the worst. The individual effect of rational relativism and its accent on process is to lead to a dynamic, to the ability of individuals and groups to adjust themselves to change easily after it occurs, and hopefully to anticipate changes and to adjust beforehand.

Nehru was anti-traditionalist. The traditionalists — the non-modern persons — hold the values of ritualism, absolutism and *statis*. The traditionalist does not justify his actions by pragmatic reasoning, but rather in conformity with the dictates of custom and rite. He does not test his action against their relative validity, but judges them according to absolute standards legitimised in beliefs concerning the

supernatural. According to the traditionalist, the change is abhorrent because it disturbs the existing order which, because it is 'natural', is necessarily morally sanctioned. Nehru was a western-modern. As such he accepted and promoted the institutional structure appropriate for the modernising processes. A modern institutional structure is differentiated in order to permit the adjustment of limited means to limited ends. Mediating institutions exist to settle differences arising in the complex, differentiated, generalised situations. These institutions, particularly the government, must be contained or limited in power in order to permit the sustained interplay of tempered decision, validation, and decentralisation. The state under Nehruism was designed to be the ultimate arbiter of secular conflict, with procedures built into the system to change those ultimate decisions as society itself changes. Nehru was reluctant to accept the institutional structures of the traditional society that strive to contain pluralism within hierarchical form, so that a single line of authority connects each individual and group with higher social institutions and eventually with the instruments of divine sanction and fatalism. Nehruism threw open to the individual the mixing across class lines, sharing equally in some functions with all members of the society, aspiring to upward mobility.

Nehruism - A Personalistic Overtone

In its broadest political sense, Nehruism is an expression of highly personalistic regime whose party mechanism, administrative procedures, and legislative functions are subject to the intimate and immediate control of a charismatic leader and his cadre of mediating snubs. Very often his regime encouraged particular types of social change, especially through economic channels.

Nehruism and Social Darwinism

Under Nehruism emerged a new society composed of small upper groups divided according to rural or urban occupation, with the remainder of the population far outside the national continuum except for nascent middle groups involved in service, undertakings and other professions. The government could be little else but oligarchical in the narrow sense of the term. The oligarchies, however, split into leftists and democrats throughout Indian polity.

Although the division is often attributed merely to a clash between the privileged and the under-privileged, each with their own ideological veneer, reality is more complex. The democratic approach was more than a cloak for naked interest. Their clashes and splits, involved more than mere changing of the guard, despite their co-existence within the one social class. Yet, Nehruism has paved the way for the accession of the middle class to power by his firm belief in the rule of law and the extension of democratic process. The middle class politicians and professionals enjoyed the hey-day under Nehruism. The growth in complexity of the Indian political life has given rise almost everywhere to stable, professional party organisation, most commonly based in middle class elements. The leadership always represents the interests only of elite groups. More commonly the leaders are supported by a coalition of certain upper and middle elements. Under such system, Nehru's followers seek to possess the all-embracing political control — not as a means to cure the multiple wounds, but as a spring-board for self-upliftment. They do not build the checks and balances of rational decision-making into the political process. The political culture that developed under Nehruism is characterised by the following.

Political Culture Under Nehruism

Indian polity distinguishes itself in assuming an oligopolistic stance even though the caretakers of its freedom like Nehru were trained and experienced in the British duopolistic political culture. Under duopoly, there are two dominant political forces at work — two independent groups of policy makers without any collusion existing between them. Whereas under the oligopolistic political culture, the polity is infected with multipower-seeking groups in which the policies are almost homogeneous and differentiated norms are of minimal nature. It is a competition among the few, and the elections are the devices by which political groups reduce the masses with illusion of power and influence. The oligopolistic polity has an innate tendency to extreme and over-growing inequality. The number of power-seekers in India is so large that no single power-seeker group is able to have exclusive direct impact on any other group for an adequate span of time. The polity that evolved during Nehru's period stands as the base of the Indian polity even today.

Political Culture Components

1. *Self-love*: It is the political orientation of the individual participant. It is internalised by racialism, religion, casteism, communalism, parochialism and omniscient stance. The leaders and their followers have attitudes toward the role of the self that provides a patterned subjective realm of politics. The social culture and political culture under the self-love culture are not properly integrated in the individual's personality.

2. *Material Culture*: It is the most important aspect of the political culture in India. The political actors are prone to evaluate things in material and monetary terms. Nehru was a great apostle of material culture.

3. *Social Darwinism*: It is the handmaid of material culture. The group organised for power equate their sinister interests with the interests of the majority. Survival of the fittest theory operates in the polity. Hence oligarchical polity emerges in India.

4. *Segmentation*: It is the expression of excessive autonomy. Segmentation as a political culture threatens the system and leads towards disintegration. Apathy to norms, parochialism, regionalism, communalism, linguistic patriotism, etc., are the multi-dimensional expression of segmented political culture.

5. *Traditionalism*: True to the social culture, India's political culture is saturated with traditionalism. Its characteristics are: (1) predominance of ascriptive values, (2) diffused roles, (3) limited spatial mobility, (4) differential stratification system, and (5) conservatism and commitment.

6. *Success*: It is a dominant value of the oligopolistic political culture. Its traits include the exaggerated faith in the self, aggressiveness, violence, speculation, cost-benefit calculus. Adversitement and illusion-creation are the arms of *success* as the political culture.

7. *Distrust*: The citizen's perception of political efficacy is blurred because of the general distrust. An element of tension, frustration, corruption and deviance enter into the citizen's political orientation as an expression of distrust. The politicians also are the

On the size of the plan, Nehru referred to some people who said "why such a big plan?" and replied, "there are certain minimum

Wanted Big Size of the Plan

Nehru was aware of the query — Where has the huge quantity of money gone? He could not be satisfied with the direction of the benefits, but held the view that "We have to avoid and prevent too much accumulation of wealth. If after all this additional income, only 5 per cent or 10 per cent of the population have benefited by it, and 90 per cent have not, that is not a good result."

Plan Money Went to Ten Per cent of People

The objectives of the Third Five Year plan which he enunciated in 1964 before his death in 1964 clearly depicted his line of thinking on the goals after which they were running. He explained to Lok Sabha briefly the objectives as — "a rise in the national income of over five per cent per annum; achievement of self-sufficiency in food grains, and increased agricultural production for industry and export, expansion of basic industries like steel, fuel, power and machine building, utilisation of the man power resources of the country and expansion of employment opportunities; reduction of inequalities in income and wealth and a more even distribution of economic power. The plan is a picture of a vast nation advancing forward in certain pre-determined directions to pre-determined goals.

Standard Objectives Outlines

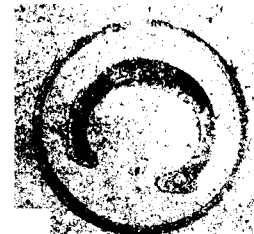
The thinking of Nehru on the planning technique can be discerned from his address to Lok Sabha on August 22, 1960 on the objectives of the Five Year plans. He said, "If we want India to progress, if we want India to be prosperous and if we want to raise the standards of India, we want a socialist society in India. There is no lack of firmness about that. But we do not aim at any rigid or doctrinaire form of Socialism."

Wanted Socialist Society

economics which are in many ways out of date even though they throw a considerable light on economic processes. We have thus to do our own thinking, forfeiting the examples of others, but essentially trying to find a path for ourselves suited to our own conditions."

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the freedom movement legal profession was the major source of political recruitment. The ruling party under Nehru from 1947-64 had the advantage of providing lawyers government assignments which were invisible sources of exploiting the treasury regardless of their productive abilities. Thus, the political recruitment culture shaped during Nehru era favoured the elites to float in the electoral waves centring round personalities or groups. Generally, the image of Nehru's bullocks attracted the voters and the results favoured his nominees who could get his boon to enter into various political offices. The Election studies show that electors held their views which were not those of Nehru and still voted for Nehru's recruits. Thus, we may appreciate the charisma of even the Nehru-elites with the following rituals:

And thus, whichever way they vote,
They got into the same old boat,
And their Mr. Gray and their Mr. Bray
Are rowing it in the same old way.

The present picture is an elongated shadow of the above culture.

The scholars have observed that the political recruitment culture in India since Nehru has taken the oligarchic garb. The intra-party oligarchy monopolises the entire process of the political recruitment. One definite conclusion we can make is that Nehru's political recruits were unrepresentative of the general population and their occupations. The pattern of political recruitment as measured by the occupational variable during Nehru's crest period in power (1952-1962) confirms the above conclusion. The following table illustrates the position.

TABLE No. 1

Occupational backgrounds of Indian M.Ps in Per centage.

Occupational Group	1st Lok Sabha	2nd Lok Sabha
1. Lawyers	35.6	30.3
2. Farmers	22.4	29.1
3. Business	12.0	10.2
4. Professional service	18.5	18.8
5. Journalists and others	10.5	10.2
6. Princes	1.0	1.4
	100.0	100.0

Non-Producers	77.6 and 70.9%
Producers	22.4 and 29.1%

Source: *Second Lok Sabha — A Survey*, Lok Sabha Secretariat, New Delhi, 1962, p. 9.

The above table proves that the political recruits at central level form oligarchy unrepresentative of the common mass. They rule, legislate and determine the destiny of the mass. The mass leader recruits only those who could carry the mass even though they do not represent the mass. That is the picture of the ruling oligarchy under the democratic processes during Nehru era and after. Nehru's homo-politicus became only homo-economicus.

Nehru and Political Participation in India

The process of political socialisation provides the individual with a perceptual screen through which he receives political stimuli. Scholars endeavour to examine the effects of these stimuli as they are seen in the process of political participation the extent to which the individuals are involved at various levels in the political system during Nehru era. Since Nehru assumed office, political participation seemed to have been expanded as reflected in the following hierarchy:

- (a) Holding political office.
- (b) Seeking political office.
- (c) Active membership of political parties.
- (d) Supporting indirectly the political parties.
- (e) Active membership in various political or trade unions/groups.
- (f) Participation in public meetings, demonstrations, agitations, etc.
- (g) Joining negotiation, delegation and memorandum-writing, etc.
- (h) Expressing opinions in formal and informal discussions.
- (i) Exhibiting general interest in the political events.
- (j) Following leaders or their agents.
- (k) Voting at different levels.

Thus, the above eleven point hierarchy had free play during Nehru period. The successive general elections during 1952-62 provide ample evidence of actual political participation with voting turnouts ranging from 39 to 51 per cent. The massive list of candidates, political parties, dissidents, defectors, the long queue for ministerial offices, party tickets, rush for membership in the ruling party, the circulation of elites within the party, the frequency of party splits, mudslinging and the supersonic speed of indiscipline at all levels of political life, demonstrate the depth of political participation in India during Nehru's life time and after. One basic form of alienation in the political life that emerged during Nehru's stewardship was the imprisonment of moral values. Violence became the language of bargain and it took the deep root in the wake of the soft democracy ending in excessive appeasement to organised groups — students, workers, employees, newspaper men and all those who flouted the socio-political norms and discipline.

Nehru and Political Development in India

Under Nehru, Indian society has made a perceptible journey from traditional to transitional stages, and foundations for modernisation were laid strong. Rostow speaks of "take off" into self-sustained growth. Learner of the 'autonomous historical logic' of modernisation, Deutsch of socio-economic indicators as having thresholds of criticality which are all borne on the eyebrows of Indian society. Nehruism promoted the heavy doses of modernisation which was engineered under his regime of state planning and dominant party rule. Nehru was a great moderniser and his era has demonstrated the new values and political patterns associated with modernity. To what extent Nehru could contribute to the political development, can be discerned from the touchstone of the indicators of development.

The indicators are: 1. shift from agricultural to urban occupations, 2. the growth of urbanisation, 3. the spread of education, 4. increase in the number of newspapers and political communication agencies, 5. revolutions in rising expectations, 6. breakdown of traditional stagnation, 7. rate of social mobilisation, 8. socio-economic growth, 9. days of peace in office, industries and places of work, 10. growth and speed of justice, 11. number and stability

of political organisations and unions, 12. voting turnouts and frequency and nature of participation dimension, 13. succession to political office, 14. crime and violence, and 15. growth of non-governmental agencies of conflict resolution. Each one of these measuring rods can be applied to test the extent of political development during the Nehru era.

Nehru — The Prophet of Optimism

Nehru added fragrance to the existing socio-political order by his conception of democratic socialism with the joint proprietorship between the public and private sectors. He was aware of the horror of capitalism, recorded his deep sympathy for the suffering workers, was against the revolutionary changes in the framework of the existing capitalistic structure of economics and portrayed the faith in the myth created by the bourgeois thinkers that existing British system was good, rational and everlasting. This faith arrested his conviction on socialism. Yet his ideas served and still continue to serve as a moving force behind spectacular social change in our country. Nehru was no utopian indulging in a stupid reverie. He never idly reflected on what the nation should be. But he discarded the influence of the invisible hands and introduced centralised planning to inject into the economy a heavy dose of mechanical materialism. He never believed in the autonomy of politics which to him was a product of economic and relationships of the society. As a moderniser he relied on the inevitability of the success of the mechanical materialism that is — put more machines which can be put to action only by the application of external force and which does not work by virtue of motion inherent in itself. Here lies the optimism of Nehru. His scientific temper and zeal for democratic fortification transformed his socialistic stance into mechanical materialism. He was an optimist with his band of homo-economicus. He was too much optimistic with the elite elements in every field believing them doing the principal creative work or performing with the greatest skill. He was optimistic in his search for the cultural foundations of the successful industrial and democratic society. His optimism manifested in his endeavour to achieve major and lasting change through economic innovations and reshufflings of the political order. Thus, he was a prophet of optimism.

Only elaborate cybernetics — the internalised and self adjusting mechanisms — with more extensive and effective means of non-coercive cultural control can shape the prophet's optimism into its magnificent fruitions. Nehruism can survive only if the edifice of attitude formation and change is strengthened through planned 1. socialisation, 2. education, 3. internalisation of ideologies, 4. modernisation of the social and moral base, and 5. accountability of the elites or the ruling oligarchy. Otherwise, Nehruism like any other 'ism' would rest in the archives of the posterity as an extinct cultural totem.

LECTURE II

NEHRU — THE ENGINEER OF PEACE

The fluid international spectrum with the rise of new states, the liquidation of colonialism, the increasing super power rivalry to entrap the developing nations and the development of the new weapons created the need for a continuous search for a more effective crisis management system and enduring peace. The daunting display of inflexibility in the minds of the super powers stonewalled all hopes of wrangling over the world crisis. The super powers produced a bipolar world. In the West, the United States is the major nation with a political, economic and military resource base adequate to weld together a bloc of nations within the framework of economic and military alliances. Similarly, the Soviet Union helps create the institutions of bipolarity. The members of the respective blocs are expected to subordinate their policies to the needs of the bloc leaders, and the United Nations was being used as an instrument of bipolarity in the pursuance of bloc policy. Security affairs, politics, and economics are seen as part of an invisible package.

The history of post-world war II reveals that at the close of the second world war, the United States was an unwounded giant. its military power straddled the world and its economic might produced the defeat of powerful military forces that were superior in leadership. This giant was to undergo a rapid demobilisation that would reduce its immediate fighting potential to a pale shadow of an effective force. Nonetheless, it retained the possession of nuclear weapons and has demonstrated its ability to gear up its military machine from its earlier insignificant levels to the world's greatest force. On the other side, Russia, although gravely wounded by German belligerency, emerged from the war as a gigantic power that was in military possession of so much of Europe that the remainder lacked the space required for effective defence. Although England had been unoccupied, the costs

of war had reduced it to the status of a third rate power — a denouement. Most of the occupied countries had very large communist parties within their borders. The nations of Western Europe suffered from severe economic travail and political uncertainty. In such circumstances, Russia sat on a restive Eastern Europe. Yet, devastated and politically unstable as Europe was, the continent was central to world politics. Both the United States and USSR had grounds for fear. The probability that both sides over-interpreted the measures of the other existed in the form that was feared. And, for a period of time the measures that both sides took did increase the objective threat to the other, regardless of their intentions. The very measures that the United States and the Soviet Union took to reduce the potential threat of the other helped both to reduce those dangers and to remove opportunities that either side might have been encouraged to exploit. The balance of power, and the maintenance of ideological solidarity are the ends which the bi-polar leaders have pursued by their policy of intervention. Where states weak and strong co-exist, great powers intervene in the domestic realm of other states by their sheer existence. Thus, in the post-war world, the policies of the giants were of continuous and anxious interest to the small and new ones. In addition, the rapid stride of decolonisation helped to intensify the search for an escape from the hold of the monolithic bipolar leadership, the menace of cold war.

Nehru's Peace-engineering Typology

In the words of Nehru, many new nations were "being buffeted by the icy winds of the cold war." India got independence when the thick cold blasts engulfed the international community with the memory of the thunder and fury of the second world war's carnage. Fresh from these horrors, the minds of the leaders of the new nations turned to thoughts of peace, and there was a passionate desire to put an end to war itself. In an address to the United Nations, Nehru said: "Unfortunately we live in a split world which is constantly coming up against the basic assumptions of a civilised life...My mind is naturally filled with problems of my own country and our passionate desire to develop and to put an end to the poverty and low standards of living which have been a curse to hundreds of millions of our people. To that end we are labouring, as indeed other under-

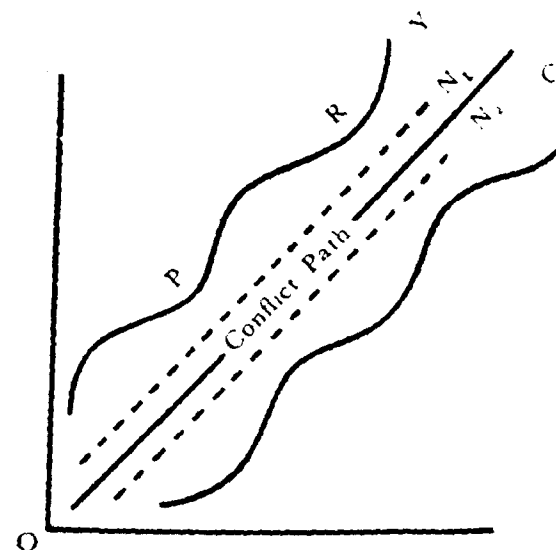
developed countries are doing. Even so, there is something else which we consider is of greater importance. That is peace. Without peace all our dreams vanish and are reduced to ashes. The charter of the United Nations declares our determination to save succeeding generations from the scourge of war and to reaffirm faith in fundamental human rights, and for these ends to practise tolerance and live together in peace with one another as good neighbours...In the preamble of the constitution of UNESCO it is stated that war begins in the minds of men...Apart from the moral imperative of peace, every practical consideration leads us to that conclusion. For, as everyone knows, the choice today in this nuclear age is one of utter annihilation and destruction of civilisation or of some way to have peaceful coexistence between nations. In order to achieve peace, we have to develop a climate of peace and tolerance and to avoid speech and action which tend to increase fear and hatred...In the context of things as they are today, the great nations, the USA and the Soviet Union, hold the key to war and peace...I do believe that the vast majority of the people in every country want us to labour for peace and to succeed." (Speeches in the UN General Assembly, New York, October 3, 1960). Thus spoke the engineer of peace to the guardians of peace. The peace movement which embraced all leaders of the new nations assumed new dimensions as a necessary arm of all foreign policy formulations. In fact, peace was the vital factor that modulated international politics and occupied the most significant place in the objectives of the foreign policies of the developed and the developing nations. International politics faced the cross roads — which way to trade — peace or national interest. The concern for peace put a serious check on the national governments in their freedom of behaviour in international relationships. It was Nehru's untiring efforts which created the common concern how to avoid war and ensure peace. The world public opinion was managed to eschew the traditional belief that the foreign policy should concern itself more with the political requirement of success than with moral laws that govern the globe. The National interest theory or the concept of political realism maintaining the autonomy of the political sphere in the international plane contrary to the legalistic-moralistic approach was seriously eroded by the new international political culture.

Nehru's Conflict Resolution Model

Nehru's peace movement led to the growth of the three effective instruments of peace: 1. Institutional instrument — World public opinion through the new non-alignment club. 2. Deliberative instrument — International morality through word duels in the UN floor, and 3. Responsive instrument—Normative international behaviour to prompt world response. Morgenthau's national interest theory envisaged the relative permanency of the necessary element of national interest which is to be protected, the political environment in which interest is pursued and the norms of the variable interests (short range objectives). These variable elements of national interest are related to concrete situations which nations reach in accordance with the demands of the basic interest of security and survival. Yet Nehru's three peace instruments provided the most realistic model for conflict dynamics.

Institutional instrument was the best contribution to the conflict resolutions in the international crises. Richard's "top dog - under-dog" conflicts are generally diffused by the institution of Non-aligned club. The "top dogs" with large arsenal are forced to wriggle out of the conflict with the "under-dogs" when the Non-aligned club unites and brings world opinion in support of the weaker. The peace between top dog and under dog is established by *variable - sum methods* where all visible variables are channelised to peace-tables by the Non-aligned club. The variable sum is arrived at by the intervention of the Non-aligned club in the early stages of the conflict before hardening of hostile perceptions brought about by fighting, and escalation. The following is the new model of conflict resolution as seen in the real life conflict situations.

The following model projects the situation where the two hostile groups X and Y are separated by the soft N_1 , N_2 lines at the neck area P and R. Nehru's peace-moves are represented by the dotted lines. The dotted lines express the efforts voicing the principles that "all conflicts had to be settled through the due process of law, through arbitration, or through civilised conferences." This model has never proved sterile since 1955.

*Nehru's Peace-engineering Adaptive Model*

Nehru's peace-engineering seems to have been based upon the adaptive model. James N. Rosenan developed this conceptual framework where adaption refers to the behaviour by which national societies try to cope with external and internal changes and demands in order to keep the resulting fluctuations in society's economic, social, political and physical structures within acceptable limits. Such adaptive model involved the nature of the balance achieved between conflicting internal and external needs. This concept readily lent itself to cross - systems analysis at the levels of aggregation — the sub-national level at which internal demands arose, the international level from which external demands emanated, and the national level at which the demands were or were not reconciled. The four structures—economic, social, political and physical—were all affected in their performance by changes in the external environment. Since the performance of each structure is a precondition for the survival of the national society and since the foreign policy decision makers are motivated by the self-preservation of the society, they act in order to keep the structures performing above the level at which their existence is at stake. Nehru sought to follow such linkage theory in his peace-engineering design.

Categories of Peace-engineering

According to the Adaptive theory, the foreign policy behaviour can be classified in to one of the four logically possible categories depending upon whether or not decision makers choose to be responsive to changes in the environment and/or in their essential structures.

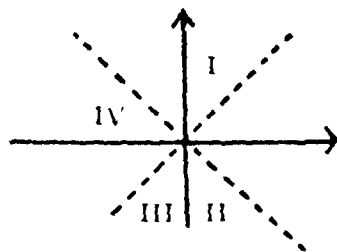
1. *Preservative Engineering.* When the peace engineering is responsive to changes in both environment and structures, it is called preservative peace-engineering.

2. *Promotive Peace Engineering.* When the decision makers are responsive to neither, such peace engineering is said to be promotive.

3. *Acquiescent Peace Engineering.* When the policy makers are responsive only to the external environment, such peace-engineering is characterised as acquiescent.

4. *Intransigent Peace-Engineering.* When the responsiveness of the peace-engineers is limited to internal factors, it is labelled as Intransigent.

Nehru fell under the category of *Acquiescent* peace-engineer. The paradigm given below explains the Acquiescent's behavioural trend.



Nehru as the peace engineer had both the means and the incentives to exert himself in his external environment. His peace-engineering was *other directed* and sensitised to the expectations and preference of others. This can be amplified by the objective indicators like GNP, Foreign Trade ratio of GNP, foreign affairs cost ratio to total non-developmental outlay, the loss in terms of domestic price level and output, etc. Yet Nehru sought to utilise the opportunities for influencing the environment with the help of the enlarged non-aligned community.

Nehru's Bureaucratic Model

Nehru's peace engineering was expressed in his foreign policy dynamics which were influenced by both bureaucratic inertia and reciprocity. In the words of Halperin, "most of the actions taken by bureaucracies involve doing again or continuing to do, what was done in the past. In the absence of some reason to change their behaviour, organisations keep doing what they have been doing." Such bureaucratic inertia, central to the performance of foreign policy organisations, leads to two hypotheses.

1. A national's behaviour toward a specific object is a function of its previous behaviour towards that object.

Mathematically, this can be expressed, in a linear equation.

$$YA_{B,k,t} = YA_{B,k,t-1} + GA_{B,K}$$

where $YA_{B,k,t}$ is the behaviour of nation, A directed toward nation B on dimension K at time t and t-1 is a time period one duration earlier. $GA_{B,K}$ is the projection, on dimension K, of the *General level of Activity* which A holds towards B regardless of B's initiative. This equation follows McClelland's interaction analysis between two antagonists.

2. The second hypothesis says: A given nation's behaviour toward a specific object is a function of its past behaviour toward that object and of the behaviour from that object; more simply, behaviour is a function of inertia and reciprocity.

The Kashmir issue was taken to the United Nations under the bureaucratic calculations. Since the ability of those experts to deal with their assigned tasks depended upon their understanding of the intent underlying the patterns of behaviour which were emitted by object nations in response to India's behaviour, the decision was influenced to follow the White Hall's inertia of going the *western way* (taking the issues to the UN where they would manipulate the outcomes).

The bureaucratic model implies that the foreign policy is shaped on the inter-bureaucratic perceptions of an object. In the process of decision making, as *Nehru* claims, the policy is the result of the bargaining that goes on amongst the bureaucratic players and poli-

tical personalities who collectively comprise its working apparatus with three concentric circles — Inner (Top echelons), middle (other departmental policy brokers) and the outer (Parliament, Press, Interest group and the attentive public). In Sino-Indian crisis, the inner circle proved the India's discomfitures.

Nehru's Peace-engineering and Black Box Model

Rational Actor Model is also called Black Box Model. It assumes that the state is the basic unit and the state as the sole actor has a continuity in foreign policy with rational continuum regardless of the different motives, preferences and intellectual and moral qualities of successive statesmen. The model emphasises that each action of the state is in response to some action from outside. It does not take notice of the domestic structure of the state. It is not concerned with any internal variance within a state. In other words, this model assumes that whatever happens inside the *box* will not affect the behaviour of the actor. Hence it is called *Black box* model. In the words of McClelland, "the international system is an expanding version of the nation of two actors in interaction systems. The national systems, themselves, are black boxed." The state as an actor formulates certain broad goals and objectives for its external behaviour and black boxes the domestic systemic behaviour. While siding with USSR on all fronts, non-alignment policy brought severe deprivation for the domestic system. Rejection of foreign military offers and creating a self-reliant arsenal policy brought disaster in 1962 during Sino-Indian conflict—the conflict co-operation dimension or affective dimension as against the participatory dimension (bilateral negotiation). The Chinese went for black-boxing the neighbours with affecting dimension under *prismic model* where the products of ideology, tradition, legacy and personalities served as lens through which elite perceptions or images of the operational environments were filtered.

If one studies the parameters of Nehru's foreign policy, it will reveal that external environmental clusters, global (actors), regional pact agencies, ideological clusters dominant friend or sub-superpower, neighbourhood deterrants were keeping him tight and the Black box (the internal parameters military capability, economic health, political matrix, interest groups and competing elites) was left closed. He attached greater weight to the external environment than to these internal variables.

Conclusion

Nehru believed that India's participation in world politics did not necessarily mean the abandonment of action according to the principle of non-intervention. Indeed, in the post-independence period of cold war politics, his energy was spent in attempts to build a new international politics of co-operation on the basis of the non-alignment and the United Nations, a vision which eschewed the old order of spheres of influence, balance of power, and exclusive alliances.

nations were being drawn irresistibly into the orbit of the United States. He could clearly realise that in the post-war fifties, the west-European powers had become obsequious followers and the United States, instead of Great Britain, had ascended to the position of the undisputed financial centre of the world and the leader of democracy. Gradually the United States emerged as the cultural home of the intellectuals and the developing nations were being seduced by the materialism of the United States. This was something that Nehru distrusted, resented and even despised. As a founder of the non-alignment club, Nehru explained: "we propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which have led in the past to world wars and which may again lead to disasters on an even vaster scale. We believe that peace and freedom are indivisible and the denial of freedom anywhere must endanger freedom elsewhere and lead to conflict and war." His contribution to save the developing nations had the greatest force that cemented the non-aligned countries in their desire for self-reliance. It served as an umbrella organisation within whose folds all kinds of political milieu find expression. The underlying uniform principle was the creation of a new world order based on democratic, just and equitable inter-state relation.

10. Destruction of the landed aristocracy was yet another cap in the Nehru leadership. Zamindars were abolished and in course of time *Nehruism* eliminated all forms of intermediaries, feudal elements and absentee landlordism. It was the logical derivative of secularising and modernising processes. It shifted the nation from feudal agrarianism towards urban industrial life. One major consequence of this transformation was a political revolution that greatly strengthened the new urban middle class entrepreneurs, managers, professional men, and bureaucrats at the expense of the traditional landholding elites. Since the landed oligarchs could retain their charisma and influence over their dependent common people, the political spokesmen of the above new urban middle class were driven to seek out electoral support among those who were emerging from the lower classes — labourers, workers of all descriptions and other organised interest group, and who were pampered at the cost of national economy and discipline. This reliance on organised exploiters in the garb of industrial or urban proletariats determined the capitalist's political

LECTURE III

NEHRU'S PLANNING STRATEGY

Nehru's Philosophy of Planning

In a speech at Bombay (February 3, 1958) Nehru enunciated the philosophy of planning. He said, "The person who is poor cannot, because he is poor, work hard and efficiently and, therefore, his capacity to work becomes less and less. Poverty pulls him back and he does not make progress. On the other hand, the person who enjoys good health, good education, and good surroundings increases his capacity for work and produces more and more. The result is that so far as the normal economic forces at work are concerned, they tend constantly to widen the gap between the well to do and those who are not well to do. The blind forces of the market are always widening the gap, whether they operate internationally or nationally or regionally."

Remove Morass of Poverty

It is necessary to get out of the morass of poverty, and to reach the stage of what is called "the take off", into sustained economic growth. The barrier of poverty must be crossed and the stage must be reached where growth becomes relatively spontaneous. There are certain cumulative processes at work which, in an under-developed country, pull the growth back all the time.

Planning to Create New Cumulative Forces

Planning is essentially a process whereby one stops those cumulative forces at work which make the poor poorer, and start a new series of cumulative forces which make them get over that difficulty. Planning is to stop richer and start new cumulative forces which enable the poor to get over the barrier of poverty without infringing individual freedom. Nehru said, "We are of course being helped by

The principle of patronage was looming large everywhere from Lok Sabha to Gram Sabha and from Central cabinets to local candidates. He was the central person in the entire process of political recruitment. A look at the socio-economic background of his political recruits would reveal that most recruitments were made out of the legal and journalistic profession where the adjustment of their professional careers to the demands of political activity was easy and opportunity cost was greatly over-balanced. In fact, even during

Recruitments to various political offices through election, nomination, appointment, rotation or co-option, etc., were controlled by him. His words were law and his smiles were fortunes for many. His political edifice was his own making.

Recruitment is the key to the efficient personnel administration in any system. A good recruitment policy necessarily produces good administrative and decision making agencies. It determines the calibre of the government policy makers. A wrong or faulty recruitment may inflict strong dose of recalcitrance on the system and cause permanent damage to the morale of the personnel transforming the administration a haven for the dull, incompetent and manipulators. No training or post-entry drilling could cure the wound of the defective political recruitment system. To get some one to the political office is political recruitment. Political processes determine the manner and extent of such recruitment. The political recruitment culture includes the following traits — 1. character, 2. efficiency, 3. conformity to ethical norms, 4. sacrificing nature, 5. willingness to quit office for non-performance or error, 6. discipline and 7. pellucid honesty. The political recruits are mostly the decision makers and policy designers. Whether they are in administration or in opposition, the political recruits to various political offices including party offices determine the output of the power game. The mechanics of the political recruitment are regulated by the statesmen in power or in opposition. Nehru was central to all political recruitments since 1946.

Nehru and His Political Recruitment Culture

tactics and the kinds of policies they pursue but also the character of the political recruitment culture they favoured.

other countries. We have received help from the US, from Germany and the Soviet Union. And we are grateful. Help from other countries of the world is useful, and in their own time all the great countries of the world have been helped..... But the point I wish to make is that we should not develop a mentality of relying on outside help all the time." Since the resources are limited they must be applied to the right things. Planning, therefore, should be for primary articles — the machines that would industrialise the country. That is how iron and steel and power become basic.

Planning is essential because otherwise we waste our resources which are very limited. Planning does not mean a collection of projects or schemes but a thought-out approach of how to strengthen the base and pace of progress so that the community advances on all fronts.

Pleaded for Mixed Economy

Nehru wanted a flexible approach — mixed economy on the ground that "a national plan need not and indeed should not have rigidity. It need not be based on any dogma but should rather take the existing facts into consideration. It may, and I think in present day India, it should encourage private enterprise in many fields though even that private enterprise must necessarily fit in with the national plan and have such controls as are considered necessary."

Wanted Perspective Plan

While delineating on the nature of the plans, Nehru said, "A national plan has thus both a short-term objective and a long term objective. The long term objective gives a true perspective. Without it short term planning is of little avail and will lead us into blind and will be hard in view of the physical achievements for which we strive. In other words, it has to be physical planning, though it is obviously limited and conditioned by financial resources and economic conditions."

Neither Western nor Communist Model

On the models — Western or Soviet models — Nehru wanted a via-media. He said, "Western economics, though helpful, have little bearing on our present day problems. So also have Marxist

prisoners of mutual distrust, and in the process, political culture sustains very little allegiance. During Nehru era, distrust developed as the product of low key of social norms, fluidity of allegiance, reward-ing corruption, ascendance of success as the indicator of power.

Nehru's Style of Leadership

1. He was a born aristocratic liberal.

2. He was an intellectual and as such he was a signal for the technological progress.

3. He was embodiment of the culture of the capital city. His approach and philosophy were based on Western culture.

4. He attracted mass with his charisma but the mass was not represented in his way of life.

5. He combined the power with the Western value system. His personality was ever green with a hyper-sensitivity to international currents of thought. Though he was rooted in the Indian soil, he was an internationalist.

6. Extensive foreign travel swept his feet away from Indian villages and kept him a static importer and adapter of ideas from abroad.

7. He was a moderniser with avowed attitudes for industrialism and urbanisation.

8. The most important single phenomenon in the leadership of Nehru is the fire of nationalism. His national ferment reflects his passionate efforts to create something for India and to attain greater status in the world. Strong linguistic barriers propelled disintegration and struggled to nationalise the parochial and provincial loyalties. Regardless of class, language or ethnic origin, the loyalties of the mass could be advanced towards national honour and integration. He ensured and kept the linguistic enmities at such a low level that they could not be used to exploit prejudice or to gain personal or group advantages. His aristocratic nationalism provided elaborate safeguards for individualism as we find in the Part III of the Constitution.

9. As an anti-imperialistic engineer, Nehru designed non-alignment when he saw that intellectuals and elites in the developing

objectives that we have to reach. There is no escape from them. As a matter of fact, there used to be some people who criticised our planning on the ground that it was ambitious. Hardly anybody says it now. The realisation has gradually come about that, by compulsion of events and circumstances and our own needs, we must plan in a relatively big way. It is proposed that almost the least that we should have is an advance in the national income of 5 to 6 per cent per annum. It should not go below. And the rate of investment should be stepped up from 11 to 14 per cent. All this requires social development.

Disfavoured Urban and Income Ceiling

The charge was often made: "You talk about Socialism and yet you permit grave inequalities of income; you want to put a ceiling on land holdings and yet you oppose ceiling on urban or other incomes." He replied "There is that contradiction, I admit. But if we try to remove that type of contradiction, we put a stop in many ways to the type of progress we are aiming at. If you are not prepared to change completely the whole basis of society, you have to leave enough *incentive for people to work*. You can, by taxation, etc., reduce disparities. But enforcing ceilings on urban incomes may well result in a slowing down of the process of development and it is of the utmost importance that this process of development and production should not come down." (Lok Sabha speech, III Plan, August 22, 1960)

Private Sector not to be Eliminated

In regard to the private sector and the public sector dichotomy, Nehru explained his position, "Take the much talked of private sector and public sector. Obviously, most persons who believe in a socialist pattern must believe in the public sector growing all the time. But it does not necessarily mean that the private sector is eliminated even at a much later stage." He further felt the perpetual inevitability of private sector by providing some intellectual jargons, and said "I think the criteria should be basically two. One is to have as much production as possible through all the means at our disposal, and the second is prevention of accumulation of wealth and economic power in individual hands. If we have only the first one, it may

lead subsequently to unsocial, undesirable and harmful consequences. To draw the line may be sometimes difficult. If, by any step that we take, production goes down, then we are cutting at the root of our advance and progress. If, on the other hand, private monopolies are built up, then we are encouraging a process which will come in our way badly and be harmful now and later..... In other words, we must encourage production, and at the same time, the social motive. Incentives are necessary, I agree. But there are many types of incentives, some incentives that are good to society, and some that are bad to society. A society in which the main incentive is acquisitiveness is getting out of date everywhere. I do not want to encourage acquisitiveness in India beyond a certain measure." Such a plan approach according to Nehru was effected as "we are committed to a policy aiming at a socialist pattern and Socialism." (Lok Sabha speech, III Plan, August 22, 1960)

Performance Targets

Nehru outlined the perspective picture and said, "We have kept in view two social objectives during this period: (1) We are to build up, by democratic means, a rapidly expanding and technologically progressive economy; and (2) we are to establish a social order based on social justice and offering equal opportunity to every citizen.

National Income Perspective

.....We calculated the national income at the end of 1960-61 to be Rs. 14,500 crores. In 1965-66 it will be Rs. 19,000 crores; in 1970-71, Rs. 25,000 crores; in 1975-76, Rs. 33,34,000 crores.

Per capita Income Perspectives

The per capita income in 1960-61 was Rs. 330. In 1965-66 it will be Rs. 385; in 1970-71 Rs. 450; in 1975-76, Rs. 530-00.

Investment Perspectives

The rate of investment as a proportion of national income will grow from 11 per cent to 20 per cent, and the rate of domestic saving in proportion to national income will grow from 8.5 per cent now to 18 - 19 per cent in 1975-76. The investment during the First Plan was Rs. 3,300 crores; in the Second Plan Rs. 8,750 crores; in the Third

Plan, Rs. 10,500 crores, in the Fourth Plan, presumably it will be Rs. 17,000 crores; in the Fifth Plan Rs. 25,000 crores.

Physical Targets Perspectives

Perspective plan will have the targets of capacity to serve as a basis for the end of the Fourth Plan, 1970-71: Steel ingots 18-19 million tons; pig iron 3-4 million tons; aluminium 230 - 250,000 tons; electric power 21-23 million K. W.; coal 170-180 million tons; oil refining 18-20 million tons; nitrogenous fertilizers 2 - 2.2 million tons; cement 24-26 million tons; machine building output Rs. 1,600 crores; food grains 125 million tons; and exports Rs. 1,300 - 1,400 crores." These were the expectations of Nehru. (Lok Sabha speech, III Plan, August 21, 1961).

Touchstone of Reality

Nehru's planning techniques may be judged on the touchstone of reality. What he envisaged has been indicated earlier using his own words. What actually came out as a result of his planning deserves scrutiny.

Per capita Income

If one looks into the growth of per capita income of Ceylon and India and compare it with the rate of growth in other countries, the India's case would attract pity if not despair.

Per capita Income in Selected Countries in Dollars

Country	1952-54	1968
USA	1,870	3,578
West Germany	510	1,682
United Kingdom	780	1,451
Japan	190	1,122
Denmark	750	1,960
France	740	1,927
Ceylon	110	132
India	60	72

Source: *UN Statistical Year Book*, 1969. (This indicates the health of the economy by the time Nehru went for his heavenly abode.)

Capital-deficiency

Professor Colin Clark has estimated that in order to maintain the same level of living, a country requires an additional investment of 4 per cent per annum. In a country like India where the rate of population growth is 2.5 per cent (during 1961-71), about 10 per cent of investment is needed to effect the additional burdens imposed by a rising population. But actually when Pakistan's Gross Domestic Capital Formation percentage rose from 13 to 16, the corresponding figure for India was the decline from 13 to 11 in 1966 and 1968 respectively. The growth of capital formation is indicated below.

Gross Domestic Capital Formation as percentage of GNP

Countries	1950	1966	1968
Japan	24	34	39
U.S A.	21	18	18
United Kingdom	11	18	19
Australia	29	28	30
Pakistan	—	13	16
India	5	13	11

Source: *India, Pocket Book of Economic Information*, 1970.

The projection of the Planning Commission could not be materialised. It said: "The level of production and the material well being of a community can attain depends, in the main, on the stock of capital at its disposal, i.e., on the amount of land per capita and of productivity equipment in the shape of machinery, buildings, tools and implements, factories, locomotives, engines, irrigation facilities, power installations and communications. The larger the stock of capital, the greater tends to be the productivity of labour and therefore the volume of commodities and services that can be turned at with same effort." (First Plan, p. 13)

Experience of development in other countries suggests that a high rate of capital formation was achieved to trigger rapid economic growth. In Japan, investment rate before the war was 16 to 20 per cent and the First Plan rate of investment in the USSR was 25 to 33 per cent of the national income, and continued to be 20 per cent of

the national income. In Poland and Czechoslovakia the rate was between 20 to 25 per cent. Thus, empirical evidence in other countries requires that at least 20 per cent of the national income should be invested in India.

National Income at (1948-49) Prices

Year	Rs. in crores	Index	Per capita-Income	Index.
1948-49	8,650	100	249.6	100
1950-51	8,500	98	247.5	99
1955-56	10,480	121	267.8	107
1960-61	12,730	147	293.3	117
1965-66	14,640	167	301.4	121
1967-68	16,250	191	324.4	130

Source: Central Statistical Organisation, 1969-70.

If we look at the share of the government sector in national income, it is 7.5 per cent to 12.7 per cent in 1950-51 and 1966-67 respectively.

Poverty Line

If expenditure of Rs. 50 is taken as poverty line, then nearly 20 per cent of the households in rural areas and 13 per cent in urban areas live in poverty line. Figures are available about the percentage of population living below the poverty line (assuming an expenditure of Rs. 50/- per month per family as poverty line) in different states.

Statewise Break-up of Population Below Poverty Line

1957-58

State	Percent of population	State	Percent of population
1. Orissa	35.4	9. U P.	17.5
2. Madras	31.7	10. Rajasthan	16.0
3. Andhra Pradesh	23.2	11. Mysore	14.9
4. Kerala	20.0	12. West Bengal	14.5
5. M.P.	19.4	13. Punjab	7.4
6. Gujarat	19.0	14. J & K	6.6
7. Bihar	19.0	15. Assam	3.4
8. Maharashtra	19.0	16. All India	19.0

These figures reveal that Orissa is the poorest state of India, where about one third of the population live below the poverty line after the First Plan (Source: National Sample Survey, 13th round 1957-58). Planning has benefited only a very few persons. The combination of the public sector with the private sector has produced imbalance in the ownership of wealth. The following Table would indicate the position.

Aggregate capital outlay distribution, sector-wise

Sector	1949-50	PC	1960-61	PC
1. Private	16,379	95.9	30,363	94.4
2. Public	707	4.1	1,801	5.6

Source: *Committee on Distribution of Income and Levels of Living.*

Distribution of ownership of wealth

Categories	1949-50 in PC	1960-62 in PC
Household and individuals		
Private sector	83	75
Government sector	17	25

Source: *Eco. and Pol. Weekly*, July 15, 1967.

Thus, the industrial policy of public, joint and private sectors has created a situation where, according to Dr. V. K. R. V. Rao, "the private sector sets the mood and tone. The country suffers from a mixture of institutional motive forces with one tending to stifle the other." In fact the public sector enterprises were running under loss even during the hey-day of Nehru's rule.

The following table would explain the position:

Year	Profit (+) and Loss (—)	PC of the total
1960-61	+ 7.37	+ 1.3
1961-62	— 11.01	— 1.7
1962	— 9.41	— 1.2

Source: *Eco. and Scientific Research Foundation.*

Such figures indicate that the rate of loss is high in the public sector during 1961-63 period and the economists have given the figures to show that as a result of accumulated losses, nearly 10.5 per cent of the investment has been wiped out and the burden on Government budget is severe indeed. (R.M Bhandari. *Lok Udyog*, Dec. 1969)

Over-capitalisation of Public Enterprises and Other Shortcomings

The study team on public sector undertakings (1967) explained that "the causes leading to over-capitalisation can be traced to inadequate planning, delays and avoidable expenditure during construction, surplus machine capacity, tied aid resulting in the compulsion to purchase imported equipment on a non-competition basis, expensive turn-key contracts, bad location of projects and the provision of housing and other amenities on a liberal scale."

Other Shortcomings

Other shortcomings of the public sector may be ascribed to delays in completion and increase in cost of construction, ad hoc and piecemeal price policy, large over-head expenditure, lack of fixation of precise targets of production and lack of proper assessment and utilisation of the capacities of the projects, use of manpower resources in excess of actual requirements, etc. The managerial and operational efficiency were lowest because of political consideration of the recruitment to technical and non-technical jobs, overfeeding the Trade Union leaders and soft-state luxuries of popularity and vote-orientation strategies.

The Review of Nehru's Planning Techniques

India's planning was a fair weather baby. During good weather, the First Plan was credited to have exceeded the targets, and the Second Plan was formulated in a buoyant mood marked by all round higher production and falling price level due to fair weather. But bad weather during the Second Plan punctured the balloon. According to John P. Lewis, the plan was based on bad procedural model. (*Quiet Crisis in India*, 1962)

National Income did not increase as per target

Second Plan sought to secure an increase in national income by about 25 per cent, but national income increased only by 19.5 per cent. The capital output ratio was fixed to be 2 : 1 but it was

turned to be 3.81 : 1. This was the result of unscientific allocation pattern which underplayed the relative importance of the labour intensive projects and laid emphasis on capital intensive projects with long gestation period. Even Third Plan target of 19,000 crores ended in 16,050 crores.

The production of steel plants was very much behind the schedule. Agricultural products and industrial outputs in other sectors suffered set-backs. The rush for spending the money in the name of utilisation of plan outlays without achieving targets was the greatest malady of our planning.

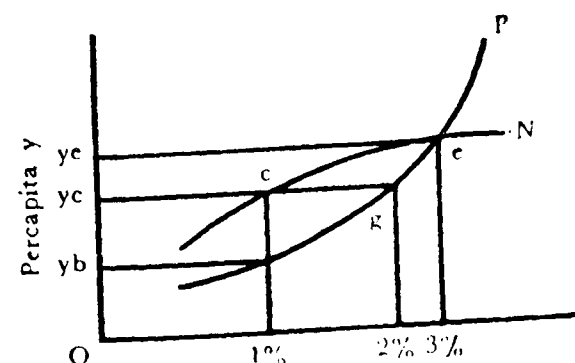
Instead of required 20 per cent of investment according to 1 to 4 ratio (Population to National income), the First Plan had investment of only 18.7 and Second Plan only 11.5 per cent out of the National income. Even the Third Plan aimed at only 14% of the national income for investment. The average gestation period of investment was assumed to be three years, i.e., increased output will materialise in the third year from the date of investment, but the period was 7 to 8 years causing regressive burden on the national resources. Food production which touched 82 million tonnes in 1960-61 came down to 78.5 million tonnes in 1962-63 and fell further to 72 million tonnes in 1965-66. The expected target rate of six per cent per annum was not achieved and only two per cent of increase was effected. If we take the overall rate of increase, it was 2.6 per cent only during 1950-51 to 1960-61 period. Industrial production during the 5 years period grew only at the rate of 5.7 per cent as against the targeted rate of 14 per cent per annum. Unemployment at the end of Second Plan was estimated at about 7 million and by the end of the Third Plan it reached the figure 17 million. The prices of food articles rose by 48.4 per cent. Thus, the plan started with buoyance and produced only annoyance in all fronts. Yet planning has taken deep roots. The failure of the plan may be a warning against complacency and ambitious outcries. Lewis says that these plans lacked in internally consistent programming and had the look of piecemeal agency programme.

Use of Defective Models

The eagerness to attain Rostow's take off stage led the planners to utilise big push theory of Professor Paul N. Rosenstein-Rodan.

According to this model, large comprehensive programme is needed in the form of high minimum amount of investment to overcome the obstacles to development in an under-developed economy. "Launching a country into self-sustaining growth is a little like an airplane of the ground. There is a critical ground speed which must be passed before the craft can become airborne." Thus, the Second Plan made a big push with airborne realities. The planners were so confident with the borrowed wisdom of big push model of investment that their plan was pushed to the air by the big-push of the population growth.

Even the other model — Leibenstein's Critical Minimum Effort thesis — was used to raise per capita income to a level at which sustained development could be maintained. The magnitude of the stimulants was maximum possible but the Social capillarity thesis of *Dunnont* (that with the increase in per capita income, the desire to have more children to supplement parental incomes declines) was proved imaginary in India.

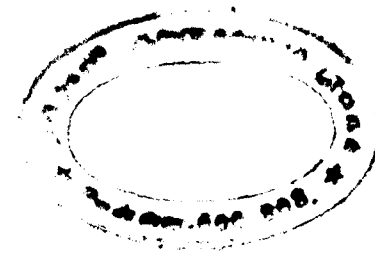
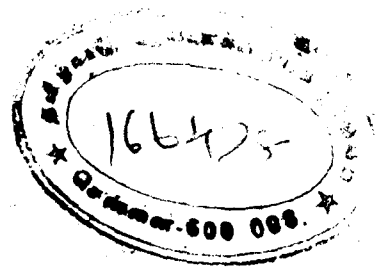


But in India, the law of gravitation does not apply to population corruption curve. Hence Leibenstein's model lacked potency to activate its growth, agent-entrepreneur investor, saver and the innovator. Thus, India was caught in Nelson's *low level equilibrium trap* as the increase in per capita income could not induce the decline of population growth and notwithstanding an increase in the rate of saving and investment, the high rate of population growth which pushes back the per capita income to its stable equilibrium level namely the subsistence level.

Rosenstein-Rodan's doctrine of Balance Growth was equally ignored in India's plan by its mixed economy and dichotomy of sectoral emphasis. Rosenstein-Rodan held that "SMP (Social Marginal Product) of an investment is different from its PMP (Private Marginal Product) and that when a group of industries are planned together in accordance with their SMPs, the rate of growth of the economy is greater than it would have been otherwise." This is because, an individual entrepreneur is interested only in the PMP of investment and is not likely to have an accurate assessment of its SMP. It is true that SMP is greater than PMP. The complementarity of different industries alone can lead to the most profitable investment in the social interest.

Conclusion

In short, Hirschman's chain of disequilibria was kept alive without proper adequate SOC (Social Overhand Capitals) and with haphazard DPA (Directly Productive Activities) that has raised the production cost to uneconomic proportion. The lack of investment in human capital, one of the components of SOC, has caused all round decline of productivity in a way that brings Nehru's original strategy to content stress. The new planners, it is hoped, would make capital out of the experience of failures that loom large in all sectors of socio-economic and political life in the Post-Nehru India.



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