

PLANNED ECONOMY FOR INDIA

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PREFACE.

IN this volume an attempt is made to present a brief but comprehensive view of the Indian situation in its economic aspects and to urge, in respect of the problems before the country, the adoption of certain courageous solutions based on recent world experience. ✓

A larger aim is to suggest the creation of opportunities and a course of action calculated to so strengthen the Indian in the business sphere that he may, within the shortest period possible, become, man for man, as capable a citizen, as strong a national and as broad-minded an international, as his compeer in America, Europe or Japan.

The first step in this process is self-examination, that is, a survey and analysis of local conditions in India and a comparative study of the same with those of her prosperous contemporaries. I have preferred an objective treatment of the Indian problem in this manner because it seemed to me the best way to impress the need for immediate action. The Statistical Tables, given at the end of the book, have been specially prepared for this purpose. A periodical self-examination like this is always beneficial to the moral health of any nation, and it will be particularly so, in the case of India in her present low economic position.

The prolonged delay in constitution-framing and the absence of any move to grapple with the unemployment problem and other accumulated ills have intensified public anxiety in regard to the country's future. A cursory glance at the Tables is enough to convince the reader that the existing economic organization has

failed us badly and that a modern and appropriate organization, modelled after the Economic Councils operating in European countries, is urgently needed.

There have been no reasoned policies, no plan, no programme in the past to improve the income and wealth of the people. A Ten-Year Plan is, therefore, suggested to cope with the situation and to carry out speedily many long-delayed reforms and developments.

Both the organization and plan recommended are based on recent experience and they can be put in hand at once with a feeling of certainty that, under any reformed constitution, that may come into existence later, they will be pushed forward with accelerated speed.

The country is in a position to-day—as it never was before—to advance to the front at a bound. The people have most of the facilities required for a big step forward. Enormous numbers of trained men and huge masses of uneducated population are waiting by the roadside to be picked up, drilled and put to work to increase production and service.

An immediate beginning on the lines of the plan and organization will be most helpful to deal with the unemployment and other urgent problems and to relieve distress. Since the Government of India appear to be thinking actively in the same direction for some time now, though they have not been able to reach any practical decisions yet, it is hoped prompt action will be taken to set the Government machinery in motion and put in hand the first year's work of the Ten-Year Plan.

There should be no hesitation to proceed with the plan on the score of lack of funds. Where a nation's prosperity is so closely concerned, money should be found somehow—by borrowing if necessary. The credit of the

Government of India, which is also the credit of the people, is sufficiently high and the country is entitled to use all its potential resources for carrying out such a Plan. No leading modern nation has reached its present prosperous position without being in debt during all the time it was building up its assets or wealth.

It is hoped Government will co-operate with the people and, between them both, provide all the cash and credit and man-power and machine-power needed for *reconstruction* and *recovery*. If, however, they show no inclination to ~~make a~~ start, it is up to the leaders and representatives of the people to concentrate attention on such of the measures recommended as may be immediately practicable, and take vigorous action to influence government policies on the one side and stimulate private effort on the other.

A public statement by recognized leaders either of approval of the proposals urged in this book, or of any alternative recommendations, will go a long way to stop the conflict of views and waste of effort now going on in so many fields of economic endeavour. In the former case, the way to practical action will be clear. But in the latter, the action to follow may be determined at a conference of acknowledged leaders convened for the purpose.

The book is based on information and ideas gathered during repeated visits to Europe, America and Japan, undertaken mainly with the object of studying how best the interests of a backward country like India could be furthered under the complex conditions of present-day civilization.

In preparing portions of the book, I have kept in view the requirements of the general reader, the political-thinker and the business man, who may care to use it for purposes of reference. The figures in the Tables and

the text have been checked and re-checked so as to run no risk of overstating the case.

I have had the advantage of exchanging views on the problems dealt with in the book with a large number of representative men in the front rank of business and politics. The views expressed in my own speeches and publications within the past two or three years have been freely drawn upon and I also wish to place on record my deep appreciation of the kindness of friends who read the manuscript as it was being sent to the press.

M. V.

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