

GOVERNMENT OF INDIA  
PLANNING COMMISSION



THE FIVE YEAR PLAN  
AND RURAL INDIA

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## THE FIVE YEAR PLAN AND RURAL INDIA\*

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THE FIVE Year Plan should not be thought of as a series of projects or programmes for the different sectors of the economy with specific financial allocations and targets. In the words of the Prime Minister, it is "much vaster"—"the mighty scene of a nation building itself, remaking itself: all of us working together to make a new India, not abstractly for a nation, but for the 360 million people".

Over 70 per cent. of these millions live in the villages. At one time we talked of the "placid, pathetic contentment of the masses". This is no longer true. The depression of the thirties, the second World War, the achievement of Independence and the general elections on the basis of adult suffrage have brought about a "dynamic live situation, ever changing". There are everywhere new hopes and aspirations and a longing for a new order of things. Does the Plan offer for the countryside a pattern of life and standards of advance for which there will be enthusiasm and which will enlist the active support of millions of men and women in constructive efforts for raising their own level of life?

The Plan draws attention to the basic problem of rural India—unemployment and underemployment. There are 50 to 60 million families engaged in agriculture, most of them on small and scattered holdings. Owing to dependence on the monsoon, agriculture is possible for only three to four months in the year over four-fifths of the cultivated area and in the one-fifth which possesses irrigation facilities, for nearly double this period. And, as there are few supplementary occupations, large numbers continue on land who are not needed on it. Along with this, there is the fact that every year, about 2½ to 3 millions are added to this rural population. The magnitude of the evil so

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deep-seated in our economy is apparent. It is not merely the economic waste; there is the waste in terms of human values.

### THE REMEDY

The remedy is to be found in the following directions: Firstly, there should be the widest possible application of science to agriculture and the evolution of a diversified economy, making the best use of the land. Secondly, the water resources should be utilised to the best advantage. This is connected with the first but is mentioned separately as provision of irrigation facilities is of vital importance in the conditions of India. It affords the readiest means of lengthening the period of employment in agriculture and of increasing production. Thirdly, additional employment should be provided by assisting in the establishment of cottage and small-scale industries; decentralised processes of large-scale industries and tertiary occupations.

The Commission points out that all aspects of rural life are inter-related and that the raising of the level of life of about 70 per cent. of the population can be achieved only if India speedily transforms itself into a welfare State as the Constitution directs. This means a change in spirit and outlook as well as in structure. The Commission puts forward definite proposals under which the administration of a State, including the district organisation, will become the agency for rural improvement—an 'extension' or national rural welfare agency for conveying to the 50 to 60 million families of agriculturists the lessons of research and to research workers the difficulties of agriculturists; teaching the agriculturists the latest techniques of farming and rural living; assisting in the provision of supplies and services and finances needed by them for adopting the improvements suggested, and mobilising unused manpower for the benefit of the community.

Alongside the administrative organisation, suggestions are made for enlisting the co-operation of the best non-official leadership at all levels. In essence, the organisation is to be both official and non-official. Plans for improvements should be made after the

widest possible discussion with agriculturists and should command the largest measure of support, and at the lowest level, there should be a village level worker who will be the link between the agriculturist and the development departments, and act as his friend and guide. It should be again emphasised that the main effort should be to harness the vast unused energy for constructive work: only so can the movement for village development gain the requisite momentum.

### CO-OPERATIVES

It is also necessary to ensure that the co-operative principle in its infinitely varying forms is applied for finding a solution to all problems of rural life—providing finance; joint ownership of agricultural machinery and pumps for lifting water; joint ownership of storage accommodation, joint farming, co-operative marketing etc. What the Commission recommends is in effect the universal application of the principles underlying the 'extension' movement in countries like the U.S.A.; these ideas are identical with those on which the community projects are organised. Under the Plan, nearly one-third of the settled villages in the country—about 120,000—are to be brought under this system by 1955-56, as part of a wider scheme for bringing the whole country under it in 8 to 10 years. The G.M.F. Enquiry Committee found that improved methods had been adopted in 2 to 4 per cent. of the cultivated area—i.e., 5 to 10 million acres—as the result of the efforts made hitherto. The cultivated area covered by the programme embodied in the Plan will be about 80 million acres by 1955-56. For the first time, the Government of India have undertaken to give half-grants to States for the additional expenditure on extension staffs. For the financial credits that would be required for improvements on the scale envisaged, the Government of India have also agreed to provide Rs. 100 crores as short-term credit through the co-operative organisation and other agencies; medium term credit of Rs. 25 crores; and long-term credit of Rs. 5 crores.

In addition, the Plan sets apart Rs. 15 crores for local works—drinking water supplies, village roads etc., the intention being to stimulate and assist local efforts. Rs. 15 crores have also been provided for famine relief

to supplement State allotments under this head. Thus, in the five-year period, intensive development covering all aspects of rural life is to be organised over an area eight to ten times that covered in all the previous years and definite grants and financial credits needed have been provided.

#### IRRIGATION

In irrigation and power, the advance is no less impressive. For multipurpose and large irrigation projects, the provision is Rs. 561 crores: for purposes of comparison, it is worth mentioning that the book value of all irrigation works in India at partition was Rs. 110 crores, which would be say, Rs. 400 crores in present values. Besides this, Rs. 110 crores are provided for minor irrigation works. Tube-wells are included among these. There were 2,500 tube-wells in India when the Plan commenced. In the Plan years, 5,000 will be added, which will irrigate 1.5 million acres. All the irrigation schemes will add 17 million acres to the irrigated area and produce 1.46 million Kws of electrical power. When the projects included in the Plan and now under execution are completed (this excludes works newly added in the Final Plan) another 8½ million acres will come under irrigation: i.e., 25½ millions in all.

In regard to cottage and small-scale industries, the Plan introduces far-reaching changes of policy. Firstly, the levy of a cess on the corresponding large-scale industries to assist cottage industries is accepted in principle. Secondly, such industries are to be afforded a temporary measure of protection—by reservation of spheres and in other ways—until, by carefully devised measures for improvement of techniques and of organisation, they are enabled to withstand competition. Separate boards with large powers of initiative are to be set up to promote such industries and Rs. 15 crores are allotted for the purpose, in addition to Rs. 2 crores a year for khadi. These will co-ordinate State programmes, organise research and in other ways stimulate progress.

A programme of such a magnitude cannot arouse enthusiasts unless it is accompanied by land reform, as a means of ensuring social justice. The Plan

recommends that zemindari and jagirdari abolition should be completed in the country within the five-year period. It also recommends tenancy legislation containing guarantees of fair rents and security of tenure with right to make improvements. Ceilings are recommended on the size of holdings and existing large holdings can continue only in so far as they conform to standards of efficient cultivation and thus serve a public purpose. Two crores of rupees are set apart to supplement the efforts of States for the welfare of agricultural labour and Rs. 50 lakhs for encouraging co-operative cultivation.

#### PEOPLE'S CHOICE

The above sets out in broad outline the proposals embodied in the Plan for the millions of people in rural India. Self-help is the basic principle, the people working for their own improvement and being assisted in their efforts to build up a new life. The goals are very high: a much larger advance is postulated in the Plan period than was achieved in the decades preceding. The methods are democratic. The people themselves decide what the programmes should be and combine voluntarily in co-operative organisations for achieving their objectives. Scientific agriculture is to be practised on the largest scale possible and additional employment is to be found in cottage and small-scale industries, decentralised processes of large-scale industries, and tertiary occupations. This is the pattern that is set before the country. There are instances of communities organising themselves on this pattern but nowhere in the past has such an experiment been tried for a vast population of over 250 millions and in an under-developed economy like India's. We are here undertaking the solution of a human problem, the most difficult that ever faced a nation in the history.

To implement the Plan successfully two things are needed more than others.

The first condition for success is that the administrative machinery should be improved in efficiency. It is not realised as clearly as it should be "that the new conception of the State requires a new conception of a public

service"—that a welfare State demands not merely a change in spirit and outlook in the public services but also that the main services should be expanded to take in men possessing the knowledge and experience needed for the new functions developing on them. On many aspects of the complicated questions arising in regard to administration, the Commission makes proposals which it is hoped will be given effect to speedily.

The Plan also devotes special attention to the organisational and other problems connected with the execution of the multipurpose projects. The main emphasis should be on economy and speed in execution and avoidance of waste. Problems like these are under study constantly in the Ministries and the Commission. The process is a continuous one: and efficient implementation will depend on the rapidity with which the structural and other changes needed are carried out.

### THE FOUNDATIONS

The success of the Plan will depend, to an equal or even greater extent, on the measure of public co-operation that it evokes. The Plan was prepared after the widest possible consultation, not only with the State Governments but also with public bodies representing all shades of opinion in the country. In the words of the Prime Minister: "It is a joint effort in which a large part of the nation has taken part and it builds on the foundation of the individual". It is based on the dignity and worth of the individual and seeks to raise his level of life. It is in no sense a final one; it should be modified from time to time to meet changed conditions. It seeks to lay the foundations on which future progress can be made much more rapidly: and the targets for the five-year period are very impressive and such as will, when achieved, transform the economy radically. There is every reason therefore to hope that nation-wide efforts will be made for its implementation. At the end of the first world war, an American philosopher said:—"What we now need to discover in the social realm is the moral equivalent of war,—something heroic that will speak to men as universally as war does and

yet will be as compatible with their spiritual selves as war has proved itself incompatible". The answer to this in India is found in this Plan. It is now for the millions in the country to accept it as their own and bend all their energies to the great task of creating a new India. Success in this is vital in every sense. For, if the welfare State fails, the nation cannot go back to democracy. Failure will mean the destruction of all the values we have cherished in our long history and of our national heritage.