PAPERS

RELATING TO THE FORMULATION OF THE SECOND FIVE YEAR PLAN

PANEL OF ECONOMISTS

GOVERNMENT OF INDIA
PLANNING COMMISSION

1955
PAPERS

RELATING TO THE FORMULATION OF THE SECOND FIVE YEAR PLAN

GOVERNMENT OF INDIA
PLANNING COMMISSION
FOREWORD

The Panel of Economists was set up by the Planning Commission in January, 1955 to advise the Commission on problems connected with the preparation of the Second Five Year Plan. The constitution of the Panel is as follows:

1. Dr. A. K. Das Gupta, Professor of Economics, Banaras University.
2. Shri M. L. Dantwala, Member-Secretary, Research Programmes Committee, Planning Commission.
4. Prof. D. R. Gadgil, Director, Gokhale School of Economics and Politics.
5. Dr. B. N. Ganguli, Delhi School of Economics.
6. Prof. L. C. Jain, Professor of Economics, Saugor University.
7. Shri J. V. Joshi, Executive Director, Reserve Bank of India. (Resigned in July 1955.)
8. Dr. R. Balakrishna, Professor of Economics, University of Madras.
9. Prof. D. G. Karve, Director, Programme Evaluation Organisation, Planning Commission; later Chairman, Village and Small-scale Industries Committee.
10. Dr. D. T. Lakdawala, Professor of Economics, University of Bombay.
11. Dr. B. K. Madan, Economic Adviser, Reserve Bank of India.
12. Dr. S. K. Muranjani, Principal, Sydenham College of Commerce, Bombay; now Member, Tariff Commission.
13. Prof. J. P. Niyogi, Professor of Economics, University of Calcutta.
14. Prof. V. R. Pillai, Professor of Economics, University of Travancore.
15. Dr. K. N. Raj, Professor of Monetary Economics, Delhi School of Economics.
16. Dr. V. K. R. V. Rao, Director, Delhi School of Economics.
17. Shri D. S. Savkar, Director of Banking Research, Reserve Bank of India.
18. Dr. S. R. Sen, Economic and Statistical Adviser, Ministry of Food and Agriculture, Government of India.
19. Prof. B. R. Shenoy, Professor of Economics, University of Gujarat.
20. Prof. C. N. Vakil, Director, School of Economics and Sociology, University of Bombay.
21. Shri J. J. Anjaria, Chief, Economic Division, Planning Commission; Secretary of the Panel.

The first meeting of the Panel was held on January 28 and 29, 1955 at which various basic issues relating to the preparation of the Second Plan were considered. Econometric studies* prepared at the Indian Statistical Institute were also reviewed broadly at this meeting. Following these discussions, a Standing Committee was constituted. This Committee decided at its meeting in early March that members of the Panel undertake certain studies urgently with a view to assisting the Planning Commission in the preparation of the Plan Frame to be issued in April 1955. In view of the time schedule of the Planning Commission, these papers had

*Thése are being published by the Institute in a separate volume.
to be sent in by the end of March. In pursuance of this decision, members of the Panel and economists in Government and at the Reserve Bank prepared a number of papers. These are reproduced in Sections III to VIII in this volume.

3. Section I of this volume gives the Memorandum prepared by the Panel at its meetings on April 8, 9 and 10, 1955 and the Note of Dissent sent in by Prof. B. R. Shenoy. The Memorandum sets out, in the light of the papers placed before the Panel, the conclusions reached on issues relating to (i) the size of the Five Year Plan, (ii) structure and content of the Plan, and (iii) policy and institutional aspects of the Second Five Year Plan. The two papers given in Section II constitute a 'frame' for the Second Five Year Plan. These were placed before the Panel at the meetings mentioned above and the Memorandum represents the broad reactions of the members of the Panel to the proposals contained in these two documents. Sections III to VIII reproduce, as mentioned earlier, the various papers, suitably grouped together, which the Panel considered. It needs to be stated that the papers published here were prepared within a very short time—about four weeks—and were submitted for use as a basis for discussion on the respective subjects rather than as finished studies.

4. It may also be mentioned that the Economists' Memorandum is an attempt to express in brief compass the consensus of views among a group, whose individual members cannot be assumed necessarily to subscribe unreservedly to every single statement made in it. It will also be understood that the statements or views, explicit or implicit, contained in individual papers do not in any way commit or carry the approval of the institution, official or non-official, to which the writer or group of writers belongs.

5. It is regretted that the publication of these papers has been delayed on account of the pressure of other—no less urgent—work with the Press.

C. D. DESHMUKH,
Chairman,
Panel of Economists,
Planning Commission.

New Delhi,
21st October, 1955.
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