REGIONAL AND DISTRICT PLANNING:
CONCEPTS, EXPERIENCES AND APPROACHES
(A REVIEW OF LITERATURE)

A DISSERTATION
SUBMITTED TO THE
UNIVERSITY OF POONA
IN PARTIAL FULFILMENT
OF THE REQUIREMENT
FOR THE DEGREE OF
MASTER OF PHILOSOPHY
(IN ECONOMICS)

BY
B. R. ADIK

GOKHALE INSTITUTE OF POLITICS AND ECONOMICS
PUNE - 411 004
AUGUST 1987
ACKNOWLEDGEMENTS

I deem it a great opportunity to express my heartfelt thanks to many individuals and institutions who have extended their utmost cooperation at various stages of this study.

I thank the U.G.C. for awarding me the Teacher-Fellowship and the Rayat Shikshan Sanstha, Satara, for sanctioning me study leave of one year. I can never forget the encouragement provided by Prin. P.A. alias Appasaheb Panwal.

The authorities of Gokhale Institute, Pune, allowed me the opportunity, as well as the continuous use of its various facilities, to carry out this work. I am grateful to Prof. K. Sivaswamy Srikantan, ex-Offg. Director, Prof. P. Venkatramaiah, ex-Offg. Joint Director, Prof. V.S. Chitre, Director, and Dr. Sulabha Brahme, ex-Offg. Registrar, for this. I have extremely benefited from the teaching and discussions I had with the Staff Members of the Institute in my M.A. and M.Phil. days. I owe my thanks to all of them.

I am extremely indebted to Dr. Sulabha Brahme for her effective guidance at every stage of the study, despite her pre-occupations in the academic and social pursuits. Her deep insight into the problem of rural and regional development was of great help in determining the final shape of this study. I am grateful to her for the guidance, advice and support.

(1)
The staff of Servants of India Society's Library have extended their cooperation in every way for which I thank them.

I have to thank my friends Ramakant, Bhagwan, Parshuram, Pradeep, Dr. Jondhale, Mr. Nanalal Shah and Mrs. Amruta Shah; and my colleagues Shri S.B. Zaware, U.K. Hundekar, I.B. Jadhav, D.S. Gadkari and V.K. Gavali for their help.

I am indebted to my parents, wife Chitra, and children Deepak and Shashikant, who have bestowed on me strength and sustenance to accomplish this study.

Finally, I am grateful to Mr. V.N. Inamdar for typing this dissertation promptly and efficiently.

Gokhale Institute of Politics and Economics, Pune

August 1987

B. R. Adik
## CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DUALISTIC DEVELOPMENT AND REGIONAL PLANNING</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>REGIONAL PLANNING IN DEVELOPED CAPITALIST COUNTRIES</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>2.1 Rationale for Regional Planning</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>2.2 Regional Planning in Developed countries</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>2.3 Evaluation of the Regional Planning Experience in Developed Countries</td>
<td>34</td>
</tr>
<tr>
<td>3</td>
<td>REGIONAL PLANNING IN THE THIRD WORLD</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>3.1 Regional Planning Experience in Latin America</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>3.2 Regional Planning Experience in African and Asian Countries</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>3.3 Regional Planning Experience in Africa (Case Studies)</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td>3.4 Regional Planning Experience in Asia (Case Studies)</td>
<td>59</td>
</tr>
<tr>
<td>4</td>
<td>REGIONAL PLANNING EXPERIENCE IN THE SOCIALIST COUNTRIES</td>
<td>65</td>
</tr>
<tr>
<td></td>
<td>4.1 The Case of U.S.S.R.</td>
<td>68</td>
</tr>
<tr>
<td></td>
<td>4.2 The Concept of National-Economic Complexes in U.S.S.R.</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td>4.3 The Case of Poland</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td>4.4 Conclusion</td>
<td>81</td>
</tr>
</tbody>
</table>
(iv)

<table>
<thead>
<tr>
<th>Chapter</th>
<th>REGIONAL PLANNING IN INDIA</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>5.1 Evolution of Regional Planning</td>
<td>88</td>
</tr>
<tr>
<td></td>
<td>5.2 The Needed Redirections in Regional Planning</td>
<td>103</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter</th>
<th>DISTRICT PLANNING: AN APPROACH TO REGIONAL DEVELOPMENT</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>6.1.1 The Need for District Planning</td>
<td>112</td>
</tr>
<tr>
<td></td>
<td>6.1.2 Planning Commission Guidelines of 1969</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>6.2 District Planning: A Review of the State-of-the-Art</td>
<td>129</td>
</tr>
<tr>
<td></td>
<td>6.3 District Planning in Maharashtra</td>
<td>136</td>
</tr>
<tr>
<td></td>
<td>6.4 Critical Evaluation of District Planning in India (With Special Reference to Maharashtra)</td>
<td>150</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter</th>
<th>APPROACHES TO DISTRICT PLANNING</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>7.1.1 V.K.R.V. Rao's Approach on District Planning</td>
<td>163</td>
</tr>
<tr>
<td></td>
<td>7.1.2 D.R. Gadgil's Concept of Mandi Areas and District Planning</td>
<td>166</td>
</tr>
<tr>
<td></td>
<td>7.2 Brief Review of Some of the District Plans</td>
<td>174</td>
</tr>
<tr>
<td></td>
<td>7.3 Conclusion</td>
<td>190</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter</th>
<th>CONCLUSION AND SUGGESTIONS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>8.1 Regional Planning</td>
<td>195</td>
</tr>
<tr>
<td></td>
<td>8.2 District Planning</td>
<td>213</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter</th>
<th>BIBLIOGRAPHY</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>220</td>
</tr>
</tbody>
</table>
## LIST OF TABLES

<table>
<thead>
<tr>
<th>Table No.</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Statement Showing the Formula for Disaggregation of Plan Funds to the District Level</td>
<td>133</td>
</tr>
<tr>
<td>6.2</td>
<td>Formula for Allocation of Funds to Districts in Maharashtra</td>
<td>147</td>
</tr>
<tr>
<td>6.3</td>
<td>Expenditures Incurred Through DPDCs</td>
<td>148</td>
</tr>
</tbody>
</table>
INTRODUCTION

PURPOSE

The existence of regional imbalances in economic development is a problem facing many countries at present. Growing concern with regional inequalities and the consequent search for alternative theories to explain this phenomenon, have resulted in a vast amount of literature since the late 1950s. It was Myrdal in 1957 and Hirschman in 1958, who initially questioned the validity of traditional trickle down, spread effects and convergence hypotheses to show that an exclusive reliance on market mechanism for redressing disparities can only worsen these disparities by draining the resources of peripheral regions in the vicinity of the more developed regions.

The concept of regional planning was mainly developed to tackle such problems of regional imbalances in development. The developed countries of the West were early starters in this field. Regional planning in these countries was, initially, used for curing the problems of depressed and congested regions. But soon it was realized that for effective national planning, regional approach is indispensable.

The countries of the Third World are late starters in this field. The origin and the nature of the socio-economic spatial structure and hence the regional problems, in these
countries, have been influenced by the external colonial domination. But these countries pay little attention to such qualitative differences and blindly adopt the regional planning concepts and strategies developed in the Western countries. There has been a rather slow realization that these strategies are mostly irrelevant to the completely different socio-economic conditions of the Third World. The Third World countries should build indigenous strategies that would suit their peculiar socio-economic conditions.

The Socialist Countries, like U.S.S.R. and Poland, adopt a very comprehensive approach to regional planning. The Third World Countries can fruitfully learn from the regional planning methods and their scientific and theoretical foundations developed in these countries. Regional planning without science and theory would be a blind venture. Hence international exchange of experiences can be highly useful for developing regional planning methods and techniques.

Elimination of regional imbalances in development continues to be one of the principal objectives of economic planning in India right from the beginning. But, the problem of imbalances in development still exists. Such imbalances in development lead to disparities in income, wealth/employment opportunities among the inhabitants of different States or different districts of a particular State. Discontent that arises out of these reasons often gets reflected in social tensions and agitations, which may pose a threat to national progress and integrity. A nation that is very much bent upon
creating a socialistic pattern of society cannot allow these imbalances to persist for long. India has been trying to develop its vast backward areas through various policy measures and recently the idea of regional, district and block level planning has been accepted for the same reason.

This dissertation is a modest attempt to review the regional planning experiences in some of the developed capitalist countries, socialist countries and the developing countries. An effort is made to understand how this international experience in regional planning (both the success and failures), can be helpful for India.

ORGANIZATION

Chapter 1 starts with a review of the theories explaining dualistic development.

Chapter 2 briefly deals with the rationale for regional planning and the experience of some of the developed capitalist countries in this field. Likewise the experience of the Third World countries of Latin America, Africa and Asia is dealt with in Chapter 3. Similarly Chapter 4 deals with the experience of the Socialist Countries.

Chapter 5 discusses the evolution and the present state of regional planning in India. The needed re-directions in the policy are also stated.

Chapter 6 reviews the progress of district planning in India and particularly in Maharashtra. After discussing
the present state of district planning it seemed necessary to give a brief account of the approaches to district planning. This is done in Chapter 7.

Finally in Chapter 8, concluding remarks are presented.
BIBLIOGRAPHY

Books


Compton, Paul A. and Marton Pecsi (ed.) (1976). Regional


Problems, Strategies. Centre for Asian Studies, University of Western Australia.


Articles


Monographs


Reports

All India Manufacturers' Organization (1974-75). 'Planning for Economic Growth With Stability'. A.I.M.O.


Government of India, Planning Commission. 'Five Year Plan Documents'.

