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Class : B.A. III (Public Administration) Semester : 6
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Lesson No.

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- 1.2 : Developed and Developing Countries - Their Features
- 1.3 : Comparative Public Administration-Meaning, Nature and Scope
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LESSON NO. 1.1

DEVELOPMENT ADMINISTRATION**Structure**

- 1.1.0 Objectives
- 1.1.1 Introduction
- 1.1.2 Meaning and concept of Development
- 1.1.3 Nature
- 1.1.4 Dimensions
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- 1.1.7 Scope
- 1.1.8 Significance
- 1.1.9 Conclusion
- 1.1.10 Suggested Readings

1.1.0 OBJECTIVE

After studying this lesson, you shall be able to :

- * define the concept and nature of development;
- * analyse the significance of the development administration.

1.1.1 INTRODUCTION

In present times, many countries of the world mainly of Asia, Africa and Latin America emerged as independent entities after long rule of European countries. These countries, which are commonly called Third World Countries have adopted the model of welfare state where government is looked upon to perform all activities for its citizens right from the cradle to the grave. As most of these countries were under the colonial rule, so are facing numerous problem like poverty, illiteracy, poor quality of life, unemployment etc. Earlier these countries were termed as poor countries but now, as they are moving towards modernization and trying to develop themselves, so they are often termed as developing nations. Developing nations are such countries which are in the transitional stage i.e. they are neither absolutely agrarian economies nor have become industrial economies but are moving towards industrialization. In lesson number two, you will be told about features or characteristics of developed and developing nations. In the present lesson, an attempt has been made to describe and analyse the concept and meaning of development and development administration and discuss its various dimensions i.e. its nature and scope.

1.1.2 MEANING

The term 'Development' has been defined differently by various thinkers.

Some view it as a planned change i.e. moving from traditional society towards modernization and industrialization through deliberate efforts. It is also a process of socio-economic change.

Weidner defines it as a state of mind, a tendency.

According to United nations, "It is the process of allowing and encouraging people to meet their own aspirations."

According to Hahn Been Lee, "Development is a process of acquiring a sustained growth of a system's capability to cope with new, continuous changes towards the achievement of progressive political, economic and social objectives."

Development is both change plus growth. Without change, there can't be any growth and without any apparent growth, society can't be termed as changed society.

In the words of Fred Riggs, "Development means rise in levels of autonomy or discretion (of social system) in the sense of ability to choose alternatives, not of course in the sense of caution or moderation."

Gehard Colm and Geiger maintains that 'development' is not just growth, Referring to third world countries of Asia, Africa and Latin America, they say 'development requires social and cultural changes as well as economics growth, that is, "qualitative transformations must occur concurrently with quantitative increases." There is according to them, a reciprocal relation between the two, and neither process is likely to continue for long or go very far without the other. Hence development means change plus growth."

1.1.3 NATURE

Development is never static. It is a dynamic process. It must bring continuous change in various aspects of people's life so as to make their life better. Various aspects of life means not only economic but political, social, cultural and spiritual. It is a complicated, slow, expensive, continuous and difficult process. Development involves change and growth. But any change can't be termed as growth. Because if a change contributes negatively, it can't be termed as growth but is can be called growth, only if it is a positive change.

For example : If any country's level of production is very high, then it can be termed as developed but still it is not true reflection of growth because it may be producing defence equipments-arms and ammunition instead of consumer and environment friendly goods.

So development is only that change which is positive for the society i.e. which contributes to the longevity and sustainability.

Earlier, development was taken to be in the field of economy only. Slowly it was recognised that all-round development is more important.

Now not only all-round development i.e. socio-politico-economic development but sustainable development is emphasised.

1.1.4 Dimensions

On the basis of its nature, various dimensions or scope of development can be analysed. It is a multi-dimensional phenomenon.

1. Economic Development : Growth of economy is indicated by increase in Gross national product, consumption level, level of industrialization, technology. But it must lead to growth of other dimensions like political, social, cultural, administrative etc.

2) Social Development : It means providing better education facilities and infrastructure, better living standards, better social relations, public health and hygiene, environment protection etc. Govt. of India has recently made right to education as fundamental right for the children of 6 to 14 age through its 93rd amendment, 2001. Polio drops drive, computer literacy day etc. are few of the steps taken by the government to bring about social development in the country.

3) Political Development: It means bringing changes in our political arena, strengthening our political institutions, bringing honest and learned people to the politics, discouraging criminals and corrupts from abusing the political power, enhancing people's participation bringing reforms in the electoral process to make polls free, fair and transparent.

4) Administrative Development-It has been viewed that in order to have true socio-economic development and nation building, administrative set-up of the nation must be strengthened. It means improving the capability and skills of administrators through training, better, simpler and easier processes and procedures, improved techniques and tools of administration. Now-a-days, Indian government is concentrating on single-window system in administration which means computerization of all the departments, internet use, e-mail, providing all information on computers, video-conferencing etc.

True development takes place only if it is sustainable - the benefits enjoyed by this generation should also be enjoyed by future generations and that is possible only in a society relying more and more on renewable resources.

Development should be ethical i.e. whatever is useful to one should not harm other beings. The present system is based on the nature's depletion which is leading to extinction of species & variety of plants and is also causing biological disequilibrium.

The concept of sustainable development emerged as an important theme in 1987. The Brundtland Commission on Environment and Development in its report, 'Our common Future' called for application of sustainability as a criteria for all development activities. "In order for development to be sustainable, it must meet the needs of the present without compromising the ability of future generations

to meet their own needs." Sustainable Development aims at fulfilling :-

- 1) Basic needs i.e. food, health, shelter, education etc.
- 2) Development process should be such that tries to maintain ecological balance and preserve environment purity.

Sustainable development demands a change attitude towards nature.

1.1.5 Reasons for Slow or Negative Development

1) Weak Political Structure, Ignorant leaders lacking spirit of leadership, dedication; rigid bureaucratic attitude makes development process slow through cumbersome policies, rules and regulations.

2) Lack of people's active participation in these activities.

3) Planning is highly centralised. Plans are formulated at the central level whereas these are to be implemented at the state level. State governments often lack co-ordination, will and finances to implement the same.

Modern civilization is encouraging urbanization where virtues like personal initiative and responsibility, concern for others etc. is fast diminishing.

Improved technology increases alienation, centralisation, migration etc. It also tends to destroy local traditions, culture and values attached to it.

Thus sustainable development is a wider term which aims at developing and adopting environment friendly technology, change in our attitude towards nature and also involves political, social and ethical changes. It is not only the task of the government and companies alone. It requires people's active participation. It is a process which has to be initiated at the each level of human efforts and life. It must involve families, individuals, communities, non-governmental organisation, nations as such. Decision-making power and authority should truly be decentralised and democratised.

1.1.6 NATURE OF DEVELOPMENT ADMINISTRATION*

Development administration is that branch of public administration which is concerned with the development of a country's economy and the socio-political system pre-vailing in a country. The socio-political system of developed countries is quite different from the socio-political system of underdeveloped countries. The socio-political system of a country depends on various factors. The most important of these is the basic objective for which a society stands. The system also depends on whether a country has adopted the capitalist system of a economy or the communist system.

1. Development administration is distinguished from administration of development. The former refers to the public administration in the developing countries, and the part of administrations in these countries, which carries out development programmes and projects.

2. It represents special efforts devoted to development oriented

objectives.

3. It is that wing of public administration which develops the activity of government in economic, political and social fields. On the other hand, administration of development :-

- (i) refers to the administration aspects of development plan programmes and projects designed to achieve the objectives of national planning and social change.
- (ii) Administration of development specifically means the administration which carries out development goals and tasks.
- (iii) besides the planning bodies at the Centre and in the State the administration of development includes public organisations like (a) public utility corporations, (b) public sector industrial undertakings, (c) their managerial boards and agencies, (d) government department (e) nationalised banks (f) community development blocks and (g) other regulatory agencies and (h) adhoc organisms.

A great many students of politics of new states have identified that primary need in these states is acquiring the capacity to marshal men and resources for the development tasks by all means at their disposal. Only thus can nations achieve higher economic growth rates, rapid industrialisation and modernization, accompanied by expansion of the capabilities of the state apparatus too 'reshape' the human environment.

Public administration is no longer limited to the maintenance of law and order, the provision of some limited public services, and the collection of taxes; rather it is specifically in the mobilization of resources and their allocation to great variety of development activities on a massive scale. Flowing from the greatly increased scope of activity are the widespread functional and structural differentiation of government and the consequent emergence of many interdependent, highly specialised activities which require a high degree of co-ordination.

4. Development administration refers not only to government's efforts to carry out programmes designed to reshape its physical, human and cultural environment, but also to the struggle to enlarge a government's capacity to engage in such programmes.

John Montgomery says "Development administration is one which carries out planned change in the (a) economy, (b) in agriculture (c) industry, or the (d) capital infrastructure supporting either of these and, (e) to a lesser extent in the social services of the state, (f) especially education and (g) public health."

According to *Inayatullah*.

5. Development administration is a complex of organisational arrangements of the achievement of action through public authority in pursuance of (i) socio-economic goals and (ii) nation-building."

6. It presupposes policies, plans and programmes with a distinct development bias as well as a bureaucracy, which consciously and continuously seeks to modernize itself to meet the demands of planned change.

Edward weidner rightly expects development administration to accelerate the process of planned or intended change in the direction of modernity of nation-building and socio-economic change.

7. Development administration is thus essentially public administration, designed to 'maintain' and 'expand' the general activity of the government as a going concern. As the expansion 'development administration' lays emphasis on that role of public administration which aims to 'develop' the activity of the government, especially in the economic, political and social fields.

Thus the Development Role of Public Administration implies three different functions, *viz.*

1. A role of institution - building for sustaining and promoting an industrial revolution such as co-operative societies, limited companies, public corporations, departmental organisations for carrying on industrial, business and other public utility services for the people, and for the regulation and equitable distribution of essential commodities, trade unions and other interest groups, political and other organisations based on national as against racial or regional loyalties.

2. A role of manpower planning and development which requires the cultivation of technical, professional and managerial skill for running the new industries and public administrative organisations. This involves establishing institutes of technology, science, trades and other commercial and industrial arts.

3. The role of human development which would involve changes in the very attitudes and temperament of technological civilisation.

The usual problems which development administrations face and have to solve are :

- (i) staff shortage;
- (ii) procedural delays;
- (iii) lack of sufficient discipline and commitment to plan implementation;
- (iv) excessive dependence on high level expertise, man-power, under-qualified staff in the planning units;

- (v) lack of serious research officers in the parent ministers;
- (vi) excessively short-term view of planning;
- (vii) poor co-ordination and relationship with the Ministry of Finance and allied bodies;
- (viii) poor personal practices;
- (ix) archaic finance and accounting procedures;
- (x) preoccupation with politics;
- (xi) misuse and mishandling of local government revenues, inability of the government to compete successfully for professional talent;
- (xii) inter-agency rivalry;
- (xiii) piecemeal-decision-making at the highest executive levels; and
- (xiv) lack of clear-cut individual responsibilities on the part of administration.

It would be disastrous if the importance of public administration were not recognised by those responsible for national development or if public administrators were not fully developed and made to contribute their utmost to the development of the developing countries.

Improvements in the effectiveness of person in development administration who man it and in the social and political environment which liberates their energies are, therefore, absolutely necessary.

Effective operation of any modern government requires an approximate balance of power between three major sets of government institutions - political bosses, development administrators and bureaucracy.

Development Administration distinguished from General Administration

The administrative system in the country is its overall administration covering both developmental and general aspects. Broad lines of distinction between development and general administration can be stated by referring to the relative place given to planning and implementation in a country's administration.

While administration pertaining to the development programmes and projects offers a great deal of scope for the use of advanced techniques of analysis, it is important to oversee its entire area in its relationship to general administration. The character of the prevailing structure of general administration has a decisive influence on the strength and weakness of development administration. This is because of the links which subsist between general development administration. They have a common source of authority within the structure of government - for instance, a functionaries combine both general and developmental functions, such as Chief Minister of a State, the

Commissioner of division or the Collector of district, Thirdly, the citizen sees and judges the acts of the administration as a whole, drawing no fine distinctions between general and development administration.

In emphasizing these links between general and development administration it is important to underline the following distinctive features of development administration :-

(i) For resources which are specially made available for development by way of Central loans and grants, the Centre has a certain role in the administration of development which is more continuing and more detailed than its interest in problems of general administration in the States.

(ii) The financing of development and the administrative implications which follow has three distinctions between general and development administration :-

First, in all branches of administration, there is an elements of hierarchy and levels of responsibility. But if the lines of authority for their operations in revenue administration or police administration were to prevail in the field of development, it would be, extremely difficult to draw the potential knowledge and creative capacities of individuals working at different levels into the general scheme of development. In other words, the very process of development demands a system of open exchange and communication between various levels, so that in a real sense the gaps caused by hierarchy may be overcome. This is not easy to achieve because many public servants are not too well trained in taking along those functions at lower levels of responsibility as colleagues and partners in a common enterprise.

Second, when there is so much to be done, the development embraces a very wide range of activities, the only way work can get done is to divide it between a number of agencies. Therefore, ways have to be found for achieving co-ordination between many agencies engaged in allied and complementary tasks. That is why it becomes difficult to escape from boards and committees and essential to undertake pre-planning, so as to have in view a clear scheme for enmeshing diverse activities into a common design and to define responsibilities with great care. Thus we face the basic approach of a plan of action and of eliminating the stage of planning as much of guess-work as may be possible.

Thirdly, in development many agencies and institutions which do not belong to the structure of the administration have a vital role to fill. Examples of this are the co-operative movement, voluntary organization, institutions for research and teaching, and trade unions. These represent an aspect of administration where

only the first steps have yet been taken, but there is little doubt that the entire scheme of development would fan out and strike deeper root if there were in a real life an organic and continuous role to key points for institutions and groups outside the government. Hence the emphasis on targets other than merely physical for the investment undertaken. Development in fact implies a process of change at the level of the community in skills and practices and even in ways of thinking.

1.1.7 Scope of Development Administration

The field of study and action represented by development administration may be conveniently divided into the following area, though other classifications may also be thought of :

- (i) Extension and community services
- (ii) Programme management
- (iii) Project management
- (iv) Area development
- (v) Urban and rural administration
- (vi) Personal development and administration

This is by no means a complete list and leaves out, for instance, areas like the role of administration in guiding and regulating private activity, labour administration, financial administration and others.

(i) Extension and community services are best seen as a form of a partnership between the government agencies which provide technical, institutional or financial services and the people. The significance comes from the fact that they are a substitute for a system based on government action alone and are rooted in the belief that it is the community at the local level which receives the services, responds to them and in a process itself grows in initiative and responsibility. They imply community organizations of one kind or another at the base. The most difficult problem met within extension is that, within the limits of the resources available, benefits do not easily reach out to sections of the population who are in a situation of weakness, unable to contribute their own share or to claim what is due to them. Therefore, there is need both for first hand investigation of social situations, for better devices and instruments for dealing with social disabilities, psychological handicaps and other bottlenecks and for more comprehensive social and economic politicise.

(ii) Problems of programme management run right through the entire range of development in various sectors of the economy. They include questions of organization, personnel, delegation and attitudes in administration, but if one issue should be identified more sharply than any others, it is the critical role in programme management of planning for supplies and inputs. Invariable, through facts asserts themselves in due course, plans err in a accepting

commitments and targets in excess of supplies and inputs and others material resources which are in fact likely to be available. This failure in planning, itself a cause of much failure in implementation, may occur partly for lack of measurement and systematic estimation, partly because pressures have a way persuading and planners may be tempted to leave difficult choice to others.

(iii) Project management, more specially the management of public enterprises, have become an altogether crucial area, because major projects account for a high proportion of new investment and make demands on resources in men, materials and organization which are frequently under estimated. They call for decisions and procedures at the level of policy which would facilitate their preparation and execution and, at the same time, there must be efficiency, initiative and compactness in the organization responsible for them. They are undoubtedly a major challenge to administrative and technical capacity to achieve development.

(iv) Area development is an extremely difficult field of administration and one for which most of the developing countries do not yet sufficient experience. It is, generally assumed that the problems which arise at the area level would be adequately dealt with by mean and institutions on the spot. It is, however, not realized that area development requires a clear frame of delegations and procedures with in which, both at the state level and in districts and blocks, each agency could act on its own, as well as in identification of the points at which it activities should be complementary to those of other agencies. Again, at the district level, in India for example, there are three sets of institutions which have to work together - Panchayati Raj Institutions in the rural areas, district officials functioning with the Collector outside the scheme of Panchayati Raj, and local self-governing institutions in towns and cities. The role of co-operative organization and voluntary agencies at the area level should also be noted. Before development administration can make a success of area development, far more knowledge and understanding has to be brought to bear on problems at the local level. Local problems are best regarded as facets of difficult national problems, looked at in terms of given areas and communities. They demand no less expertise and knowledge from higher levels of administrations and from universities and research institutions than problems at the state and national levels.

(v) Municipal institutions in the urban areas first came into existence in the eighties of the last century, but they have not yet become effective means for involving urban communities in the solution of their own problems or for the efficient administration of social services. To secure their effective working in relation to civic life and development, there is need for a changed outlook toward urban problems and allocation of large resources as for more intensive and

systematic training.

1.1.8 Significance

Over the past decade, training facilities for administration have expanded at a rapid pace. To a large extent the problems of numbers has been taken care of in India but not that of quality and motivation. There are still important areas requiring attention, specially where links between different sectors of activity and system planning are involved. The organization of training programmes, availability of personnel and adoption of improved methods of planning and management should form a composite scheme of development. In such a scheme, equally with technical skills, it would be necessary to impart to each individual a wider understanding of the objectives for which he is working, a greater commitment towards them, a capacity to co-operate and to lead, and the courage to work for what may be right and to dissociate from what may be wrong. In other words, in all personnel development, what has to be achieved is a combination of skills, characters and motivation.

When we pass from individual aspects of development administration to the theme as whole, three issues call our special attention - the place of appraisal and evaluation, the contribution of pilot projects action research and relations between citizens and the administration. Appraisal and reporting are being undertaken with in the system of administration and evaluation is being carried out by an agency which is not itself responsible for implements a programme or a project. Evaluation has to be selective and can only be done at intervals. On the other hand, appraisal has to be built into the very mode of operation and, therefore, links up with the complete scheme of planning and action against which progress has to be continuously reported.

One of the main features of development administration is that there must be a great deal of experimentation, of testing, of exploration. Often big ideas are lauched without working out their implications in practical terms and ascertaining the difficulties to be watched and overcome. Therefore, as an attitude of mind, everyone engaged in development should be encouraged to experiment. There is need also for institutions which are specially equipped to undertake and guide field studies, pilot projects and action research. To feel our way with new ideas on a small scale enormous sums of money, bring assured results and avoid frustration.

Development has become a major focus of administration activity in the country today. There has been an increasing recognition in recent years in Parliament, in the Press, in academic quarters and among the articulate interest groups of the need for gearing the administration machinery to the new development tasks and responsibilities. The mounting failure in the implement of schemes, plans and programmes, the growing dissatisfaction of the citizens

with the administration, the slowing down of the rate of economic growth, the soaring prices, frequent droughts and similar other disquieting developments in more recent times have lent a new urgency to the problem of administration reorganization and reform. The Government has become more alive to the necessity of re-orienting and adapting the administration organization and procedures to promote effective and fuller realization of developmental goals, policies and programmes. At the Centre, this is evidenced by the appointment of a plethora of working groups on problems of programme administrations, enquires of a functional aspects of administration, the creation of special research units and agencies, establishments of organization and methods units, the Administrative Reform Department, and the setting up of the Administrative Reforms Commission in 1966 which completed its work in March 1970. A similar effort, though on lesser scale, has also been made in most of the States. As a result a number of studies and investigations have been carried out on some of the basic problems of development administrations.

Linking of Government and non-governmental sectors : The area of activities covered by development administration in a country like India is not confined to the Government sector; it also covers certain functions and activities concerning the promotion of development by non-governmental agencies and the citizens at large. Conceives in such a broader perspective, it is the object of the development administration not only to realize the development goals and programme; it is equally its function to create 'general conditions of development' in the society for advancing the pace of all round development. In wider terms, development administration is concerned with the will to develop, the mobilization of existing and new resources and the cultivation of appropriate skills to achieve the development goals.

Functions of Development Administration

1. Development is a continuing process of formulating, reformulating and implementing a set of related goals, plans, programmes, activities and tasks for realizing the stated goals in a prescribed time sequence.

2. Development administration is the name often given to the way a country's government acts of fulfill its role in achieving development.

3. For purpose of broad analysis the function of development administration may be divided into the following six categories:-

- (i) Formulation of development goals and policies.
- (ii) Programme formulation and programme/project management.
- (iii) Reorganization of administrative structures and procedures.
- (iv) Evaluation of results.
- (v) Ensuring people's participation in the development efforts.

- (vi) Promoting growth of social and political infrastructure.

Economic development during the Five Year Plans has thrown up innumerable administrative problems for Indian administration and a good many of these have been highlighted in the successive Plan documents and Plan appraisal reports. While each Plan has called for some administrative changes, it has also demanded change in emphases in dealing with problems of administrative reorganization created by the development process in general.

SELF-CHECK EXERCISE - I

Note : Observe word limit. Compare your answers with those given at the end of the lesson.

1. Write in about 500 words the meaning nature and scope of development.
2. Explain the development administration. Also mention its nature and scope.

1.1.9 Conclusion

Development, particularly from the point of view of third world countries, does not merely mean possessing material goods or aping the west but its means imbibing a way of life which is based on values and also provides dignity and is concerned for the entire humanity regardless of distinction of race, religion or region. Development must be based on long-term view of life, providing equal opportunity for full growth of all individuals in a balanced, just and integrated society. Environment sustainability must be emphasised and preserved.

1.1.10

SUGGESTED READINGS

1. Sahib Singh Swinder Singh : Development Administration
2. S.P. Verma, S.K. Sharma : Development Administration
3. S.K. Chatterjee : Development Administration
4. Indian Journal of
Public Administration : 1993, No. 3

ANSWERS TO CHECK YOUR PROGRESS EXERCISE

1. In your answer, you can write any one quotation or definition or you can express your own views or opinions regarding the term development in not more than five lines. You must start your long answer with introduction of the topic i.e. development. In about five lines, you should write the introduction, then give two definitions. You write nature and scope of development. Scope can also be called dimensions which means economic, social, political, administrative, sustainable development. You must conclude your answer as well.
2. In your answer, you should start with 4-5 introductory lines, then 2-3 definitions and then mentions in detail the nature as well as scope of development administration. Give conclusion also.

DEVELOPED AND DEVELOPING COUNTRIES - THEIR FEATURES**Structure**

- 1.2.0 Objectives
- 1.2.1 Introduction
- 1.2.2 Political Features
- 1.2.3 Social Features
- 1.2.4 Administrative Features
- 1.2.5 Economic Features
- 1.2.6 Conclusion
- 1.2.7 Additional Readings
- 1.2.8 Answers to check your progress exercise

1.2.0 OBJECTIVES

After studying this lesson, you shall be able to :

- define developing and developed countries or nations,
- describe their political, social administrative and economic features.

1.2.1 INTRODUCTION

In the present day world, there are two kinds of countries known as Developed and Developing countries. Developing countries are those which are poor, backward and underdeveloped. According to the United Nations Experts, "An underdeveloped country is one in which on the whole, production is carried on with a relatively small amount of real capital per head and relatively backward technique in the broadest sense of the term."

The first five year Plan of Indian defined underdeveloped country as, "One which is characterised by coexistence, in greater or lesser degree, of unutilised or underutilised man power on the one hand and unexploited natural resources on the other."

In the words of Jacob Viner, "An underdeveloped country is that which has good potential prospects for using more capital or more labour or more available natural resources, or all of these, to support its present population on a higher level of living or maintaining an existing high level per capital income for an increased population."

Some scholars have categorised all the countries as :

- (i) High income countries ;
- (i) Middle income countries ; and
- (i) Low income countries.

This classification leads us to conclude that there are not only wide difference in the rate of economic growth of these countries but also in certain other aspects such as political, administrative, social and cultural etc. Now we shall discuss these features of Developed and Developing countries in detail.

1.2.2 POLITICAL FEATURES OF DEVELOPED AND DEVELOPING COUNTRIES

1) Political Stability

Most of the developing countries of the world suffer from instability because political institutions do not provide adequate representation to all the communities. The feelings of discrimination among the members of inverse groups of tribal, linguistic or ethnic have taken strong roots. All this leads to political instability in a country.

But on the other hand, there is political stability in the developed countries of the world. The unique feature of these countries is that they want to keep their country politically stable at every cost. Political parties also play an important role in the national integration of their country.

2) Range of Political Activity

The masses in the developing countries lack consciousness and as such their range of political activity is restricted. Since the power is not legitimate in these countries, the people have little interest in the political field.

On the other hand, the volume and range of political extends to every field because of its welfare nature. This has resulted in the tremendous increased of functions of the political administrative systems in these countries.

3) Commitment to development amongst political elites

In the developing countries, there is lack of commitment among political elites. Instead of greater interest for the nation, they merely care for their personal ends. Their aim is to remain in power by hook or by crook. It is interesting to note that bad element of society like smugglers, murders and terrorists and not banned to participate in the political process and that is why they try to snatch power at gun point and ultimately they succeed in it.

In the developed countries, the situation is altogether different. There is widely shared commitment to development among the political elites. The commitment in the developed countries often taken on ideological trapping.....common goals are to increase agricultural or industrial production; living standards; improved programmes for public health, education and individual pensions, changes in the traditional roles of women or the lower castes; and the changes of one's loyalties from a tribe to the newly conceived nation."

4) Interest and involvement of the people in political system

In the developing countries people lack interest and hence do not involve themselves in the political system. Most of the people do not understand important

of political activity because of illiteracy. This is, however, not true in such countries. For example in India, people have started taking keen interest in the political system of their country.

On the other hand, people in the developed countries take active interest in the political system of their country. The people in such countries are well organised politically and have effective pressure groups and they also play important role in the policy making of the government.

5) Political Features and Development

In the developing countries there is imbalance in the development of various political features. The former colonies within the underdeveloped world still try to retain some features of the legislative, executive and administrative forms of the former colonist power resulting in wide gap between the formal procedures and actual practices. The weak legislatures and ineffective chief executives have often lured the army chiefs to take over the reigns of the country. Such state of political uncertainty is a serious impediment to development.

On the other hand, such situation does not exist in the developed countries. These countries have opted their own system of governance in accordance with the wishes and requirements of the people and as such no imbalance exists in these countries.

6) Political Parties

It is true that no political system of government whether developed or underdeveloped country, can succeed without the existence of political parties. But it is rather unfortunate that the political parties in the developing countries have not delivered the goods to make the country politically stable. For example, in a country like India we have failed to develop strong party system for providing clear alternative to the people because of their multiparty character. Large number of parties based on language religion and caste exist in our country.

However, such a situation does not exist in the developed countries of the world. The political parties have clear cut programmes and the world 'defection' does not find place in any developed country of the world. These political parties also provide clear alternative to the people. National interests are always paramount over other considerations.

1.2.3 SOCIAL FEATURES OF DEVELOPED AND DEVELOPING COUNTRIES

1) Caste System

In the developing countries, the rigid caste system is prevalent in the society. For example, in India, High Class Hindus would not marry with the low caste Hindus. Similarly intercaste marriage are not allowed to take place.

But on the other hand, in developed countries like USA there are no rigid classes in the society. Hence the qualifications and position of individuals is given due recognition.

2) Allocation of Roles

In development countries, the allocation of roles is by ascription or birth rather than by achievement. No doubt, there are strata of classes and castes both in developed and developing countries but the difference between the two is that in developing countries, the allocation of status is mainly attributed by ascription or birth, whereas in developed countries the status is mainly determined by his achievements. In developing countries there is less social mobility whereas there is greater amount of social mobility in the developed countries.

3) Social Conflicts

In the developing countries social conflicts take place in everyday life which leads to communal riots. For instance in India following the assassination of Mrs. Indra Gandhi, Prime Minister of India in 1984, the Sikhs in New Delhi and many parts of the country were killed on a massive scale. Similarly burning alive the members of scheduled castes and scheduled tribes and Muslims in Bihar and U.P. and Gujarat are some of the ugly incidents witnessed in the Indian society.

But on the other hand, the magnitude of social conflicts in the developed countries is prevalent at a lesser degree. In these countries propagation of myths like racial superiority colour distinctions and absolute nationalism etc. have resulted in communal riots, strikes threat to peace law and order etc. But the situations never received alarming proportion in these countries.

1.2.4 ADMINISTRATIVE FEATURES OF DEVELOPED AND DEVELOPING COUNTRIES**1) Degree of task specialization**

The important feature of administrative system of the developing countries is that there is less of task specialization.

But on the other hand all developed countries have organised their administrative system on the principle of task specialization. High degree of division of labour in the administrative system of developed country has been greatly emphasized.

2) Level of Bureaucracy

The important feature of the developing countries is that the level of bureaucracy is very low. There is shortage of trained administrators. Now a days the skills of management have been developed and as such there is a dire need of specialists in financial management, personnel management, inventory management and so on.

Such a situation on the other hand does not prevail in the developed countries. The administrative system in these countries considered to be professional. Thus professionalization is a sign of specialization among the bureaucrats.

3) Interests of Bureaucracy

In the developing countries the interest of bureaucracy is not the fulfilment of organisational objectives but to look after their personal interests. For instance, in India and other developing countries, the high officials are generally corrupt. In other words, the officials do not hesitate to sacrifice public interest for their personal gain. Thus, bureaucracy suffers from the evils of nepotism and favourism.

However, it does not mean that the bureaucracy in developed countries do not have any such desire. But at the same time they also give top priority for the attainment of organisational objectives.

4) Position of Bureaucracy

The position of bureaucracy in developing countries is very powerful. Colonism was essentially the rule of bureaucracy and this system still persists even after the independence of these countries. As a result of weak democratic masters, the bureaucracy comes to occupy the powerful position in having control over policy making matters.

However, such a situation does not prevail in the developed countries of the world. It is because of well organised political parties, political institution and capability of political system that bureaucracy in these countries tend to serve the society rather than striving for more powers and prestige. Their professional expertise is given due recognition by the political elites and they do not try to interfere in the day to day administration.

5) Administrative Coherence

Another important feature of developing countries is that the administrative system suffers from administrative coherence. In a federal countries like India administrative coherence is essential for the smooth functioning of the state. The fact is that policies and their implementation cannot be achieved without coordination.

But on the other hand, in developed countries there is no lack of coherent relations between numerous services and regulatory agencies. These countries like USA have been able too achieve its objectives with the help of executive chiefs at all levels of hierarch. Similarly all field units and agencies perform activities and function in the same tone.

6) Gap between theory and practice

In the developing countries there is wide gap between theory and practice. Riggs calls this phenomenon formalism. The things are made to look more real

as they ought to be rather than what they really are. For instance in educational institution when the head of the district or any other officer goes on an inspection tour, the institution is set in order with a view to present a rosy picture.

On the other hand, the difference between theory and practice does not exist in the developed countries. Formalism does not find place in the administrative system. All administrative decisions are taken on rational and secular considerations which is a healthy sign of development.

7) Overlapping

In the developing countries, the element of overlapping persists in the administrative system. The traditional society is not a position to differentiate economic, political, social and administrative systems. Since there is combination of political and administrative functions, so the overlapping takes place. However, such a situation does not exist in the developed countries, Social, economic, political and administrative functions which differ clearly are performed not by single individual, but by the experts in the respective fields.

1.2.5 ECONOMIC FEATURES OF DEVELOPED AND DEVELOPING COUNTRIES

Although the economic condition prevailing in all developing countries is not the same, yet their common economic features are discussed below :

1) Poverty

The first characteristic of developing countries is the poverty which is prevalent in all countries. It means a country is regarded as under developed or poor when it has a very low per capita income and low standard of living as compared to developed countries like USA, the UK and Australia etc. In comparison to developed countries of the world, the poverty is so acute in the underdeveloped world that the gap in per capita income is quite visible. According to the world Bank Survey (1981) the per capita income in developed countries like Switzerland is 12180 \$, in USA 9590\$, in West Germany 9580\$ whereas in developing countries like Pakistan and India it is just 230\$ and 180\$ respectively.

2) Primary Produce

One of the basic features of developing countries is that the structure of production is dominated by foodstuffs and raw materials. For example in a country like India, more than 70 percent of the population is dependent on agriculture for their livelihood.

But on the other hand, very less percentage of population in the developed countries dependent on agriculture. For example, USA and UK only 4 percent and 3 Percent of the population depends on agriculture respectively. The level of output per acre is very high in these countries as compared to the developing

countries. For example, the production of rice in Japan is more three times than in India.

3) Natural Resources

Another important feature of the developing countries is that the natural resources are not fully exploited because of the lack of technical know how. It is because of this fact it is rightly said that India is rich but the Indians are poor. On the whole it can be said that the developing countries are deficient in land, water, minerals, forests, power, natural resources etc. but these are not fully utilised to meet the needs of the people.

But on the other hand the developed countries fully utilise their natural resources. For example, 60 available water resources are utilised in Europe.

4) Level of Technology

In the developing countries, technological level is very low as compared to developed countries. In agricultural and manufacturing sectors, these countries use backward and primitive techniques. In fact, the technology which becomes outdated in the developed countries is borrowed by the developing countries.

But on the other hand, the developed countries of the world use modern techniques for productive activities. That is way there is more production of commodities in these countries.

5) Employment opportunities

Another important feature is that there is lack of employment opportunities in the developing countries and this forces the people to engage in agriculture. But on the other hand, the developed nations do not have an acute unemployment problems.

6) Population Pressure

Another significant feature of the developing countries is the pressure of population. For example, in India, population has grown at the rate of 2.5 percent per annum. Thus population pressure in these countries is attributed to two factors viz. high birth rates and declining death rates.

But on the other hand, the developed nations have not this problems of population. The birth rate in these countries is very low.

7) Human Resources

This is true that the human resources play an important role in the economy of the country. However, these human resources are not available in plenty in the developing countries. Infact people in these countries are illiterate and also possess conservative outlook. That is why, they are not ashamed of poverty and believe in the 'Karma Theory'.

But this situation does not exist in developed nations of the world because

of the high level of education. People are determined to work day and night for their material gains and at the same time to raise their standard of living.

1.2.6 CONCLUSION

From the above discussion it becomes clear that the political system, economic structure and the system of public administration in developing countries is characterised by many features distinct from the developed countries of the world. "As might be expected, more differences in their systems are observed among the less developed nations than among the relatively few societies that qualify as more developed."

CHECK YOUR PROGRESS I

Note : Compare your answers with answers given at the end of the lesson.

1. Discuss the features of Developed and Developing Countries.
2. Discuss the Economic factors of Developed and Developing Countries.
3. Discuss the Political and Administrative features of the Developed and Developing Countries.

1.2.7 ADDITIONAL READINGS

1. Fred W. Riggs (Ed.) : Frontiers of Development Administration.
2. Development Administration by S.P. Verma and S.K. Sharma.
3. Development Administration in India by Sahib Singh, Swinder Singh.
4. Development of Administration in India by K.K. Puri & G.S. Brara.

1.2.8 ANSWER TO CHECK YOUR PROGRESS EXERCISE I

1. Your answer should start with definition of developed and developing countries. Two to three such definitions are sufficient. After defining, you should compare both under various heads like political, social, economic and administrative (as given in lesson).
2. You must define developed and developing countries before writing economic features or factors. For details refer to relevant portion in the lesson.
3. First of all, definition regarding developed and developing countries or nations should be given then political and administrative features should be mentioned in detail (refer to lesson).

**COMPARATIVE PUBLIC ADMINISTRATION-
MEANING, NATURE AND SCOPE****Structure**

- 1.3.0 Introduction
- 1.3.1 Objectives
- 1.3.2 Meaning and Definitions
- 1.3.3 Evolution of Comparative Public Administration
- 1.3.4 Nature and Significance
- 1.3.5 Models in Comparative Public Administration
- 1.3.6 Scope and Limitations
- 1.3.7 Summary
- 1.3.8 References and Suggested Readings
- 1.3.9 Key Words
- 1.3.10 Answer to Self-Check Exercise

1.3.0 INTRODUCTION

The discipline of Public Administration has passed through various phases of development. The pioneering article by Woodrow Wilson in 1887, "The study of Administration", is considered to be the symbolic beginning of an independent study of Public Administration as distinct from Political Science. Among the other developments in the discipline of Public Administration, Comparative Public Administration is considered as an important milestone. The different cultural settings in which the public administration of different countries has to operate and the spreading of administrative principles and tools to be adopted by various developing countries particularly after the Second World War, made the comparative approach to study administrative systems an interesting and significant field. The vast pouring of books, monographs, research articles etc. since the World War II became the base as well as strength of this sub-discipline of comparative Public Administration. As may have been noted in the earlier lesson, Comparative Public Administration is closely associated with Development Administration. In this lesson, we have examined the meaning of the term, origin and development of Comparative Public Administration, its nature and scope, the use of models in comparative studies and its limitations and decline.

1.3.1 OBJECTIVES

After going through the lesson you shall be able to

- describe the concept of comparative public administration.
- trace the origin and growth of comparative public administration.

- describe the nature and significance of comparative public administration
- understand the scope of CPA and list the basic limitations in its way

1.3.2 MEANING AND DEFINITIONS

In order to understand the meaning of Comparative Public Administration, we need to look for the explanation of the terms `comparative` and `public administration`. The term `comparison` has got a special significance both in theory and methodology in social science. In social sciences comparison is a technique of conceptualization - a means of scientific enquiry and a tool of analyzing and understanding any new phenomenon. Comparisons are necessary to make in order to understand the similarities and differences. By comparing we come across new ideas, innovations and new areas of other systems and try to find answers to various problems. The other term `public administration` is not new to the students of Public Administration. To refresh your memories we may define public administration as the sum total of administrative activities and structures dealing with government having for their purpose the fulfillment of public policy. To some authors, public administration like political science is fundamentally comparative in nature. Prof. James Coleman aptly remarked that "you cannot be scientific if you are not comparing." Administrative systems of countries are not unique; they are comparable with other countries. Our comparison may focus on different administrative organizations or administrative systems within different regions.

Like public administration, comparative Public Administration is both a field of academic study as well as an ongoing governmental activity. Its meaning thus includes, on the one hand, use of the comparative method to study administration across and within governments around the world; and on the other hand it means a process of identifying various administrative realities around the world whose existence is critical to billions of people regardless of whether the activity is studied or understood. N.Raphaeli defines comparative Public Administration as a study of public administration on comparative basis. However, this definition is too simplistic and does not explain the concept fully. Another definition given by the Comparative Administrative Group regards it as "the theory of public administration as applied to diverse cultures and national settings" and "the body of factual data, by which it can be expanded and tested." Robert Jackson defines CPA as "that facet of the study of public administration which is concerned with making rigorous cross-cultural comparisons of the structures and processes involved in the activity of administering public affairs." Comparative public administration is thus an inevitable outcome of the need to know basic elements of an administrative system and to learn the similarities or differences between `developed` administrative systems and `developing` ones. In other words Comparative Public Administration (CPA) deals with administrative organization or systems pertaining to different cultures and settings whose similar or dissimilar features or characteristics are studied and compared in order to find out:- causes for effective or efficient performance of the administrators;

reasons for poor performance or to find out the solutions to various other problems of administration.

1.3.3 EVOLUTION OF COMPARATIVE PUBLIC ADMINISTRATION

As noted earlier, the systematic study of public administration is said to have begun with the contribution by Woodrow Wilson in 1887 which is considered as a symbolic beginning. In his article Wilson stressed the need for comparative studies of administration which gave a boost to comparative studies beside the other studies. F.W.Taylor, L.D. White, Willoughby and later on human relationists and behaviorists contributed to the subject of Public administration but most of the literature produced was not comparative in nature.

During and after World War II, challenges to administrative theory came from at least two major directions. First, scholars such as Edwin Stene, Herbert Simon, and Dwight Waldo stressed the need for more "scientific" explanations in the literature, and second, some writers called for rigorous cross-cultural analysis in public administration. Robert Dahl, for example, asserted that the study of public administration sound rather hollow and we cannot afford to ignore the relationship between public administration and its social setting.

The turn of events *during* and after *World War II* changed the state of comparative literature drastically. Comparative public administration gained a respectable academic and professional status and a very large number of publications are the proof of it. This was due to various factors such as:-

- a) American package of traditional political science and public administration lost much utility to solve governmental problems and the scholars working in different cultural contexts became conscious of the multifunctionality of structures. This awareness led to a great interest in systematic comparative studies.
- b) After World War II, the Marshall Plan for the economic recovery of Europe and later, the Point Four Programme for developing countries had increased United States political and economic commitment abroad. Also, the United Nations' technical assistance teams, joined by American scholars, were in operation. And it became like an international reform campaign. However, comparative public administration developed somewhat slowly in the initial stages of the technical assistance programme.
- c) Stress was laid on the development of under-developed countries with the aid of developed countries. 'Development' was recognized as a universal goal. Since the emergent nations range quite widely with regard to their historical background; geographical conditions; population distribution; social, cultural and economic conditions, so the creation of the conceptual constructs became important. The result was that important strides were made in the evolution of the study of comparative public administration.
- d) Another important concern of the students of public administration in

the post-World War II period was to move away from the legal-formal approach to the study of public administration and to concentrate on the actual behavior of human beings in an administrative organization. This concern was part of the so-called "behavioral movement" in social sciences.

Further signs of breakthrough came with Riggs' *'Agraria and Industria'* (1957), and what would be generally accepted as the key work in the new comparative politics, Almond and Coleman's *The Politics of the Developing Areas* (1960). During this period, although the subject was not construed consistently, there is ample evidence of the interest in Comparative Public Administration in the form of bibliographies, conferences, new courses, and a wide range of scholarly articles and books. Even the American Political Science Review, which in the past has been slow to respond to new thinking in Public Administration, recognized this movement by inaugurating in March 1963, a bibliographical section entitled Comparative Public Administration.

Comparative Administration Group (CAG)

Comparative Administration Group was set up in 1963 as a committee of the American Society for Public Administration (ASPA). Fred Riggs was its chairman from its inception to the end of 1970. The CAG developed a three-fold programme design to encourage research, teaching, and more effective public-policy formulation in the area of development administration. It was organized into 11 committees on Asia, Europe, Latin America, Africa, national planning, comparative urban administration, comparative legislative studies, comparative educational administration and systems theory. It has organized numerous seminars and research projects held at American universities and in far-flung places such as Korea, Brazil and Italy. It also brought out a periodical newsletter, which served as a vehicle of communication among the Group's members.

1.3.4 NATURE AND SIGNIFICANCE OF CPA

The basic contribution of comparative studies has been that these have helped to eliminate the narrowness of provincialism and regionalism. The comparative methodology has broadened the field of social research which was earlier confined to cultural limitations. Besides bringing about scientific outlook it has encouraged the process of broadening the field of social analysis. The scholars of comparative public administration have given special attention to the influence of local conditions on the chances for administrative success. Concern for local conditions grew out of experience with technical assistance programmes in Asia, Africa and Latin America. In the 1950's onward a need was felt for better training in comparative administration to meet practical problems in the public administration of developed and developing nations. As noted earlier the comparative Administrative Group of young administrative scholars was constituted on the lines of comparative politics in the United States. Comparative public administration like in comparative politics took the shape of a movement.

In comparative public administration movement the essential elements needed and defined are:

- The concepts to be used to understand administrative systems;
- The comparative variables;
- The use of reliable tools, techniques and methodologies towards investigations and inquiries.

1.3.4.1 BROAD TRENDS IN CPA

In an essay published in 1962, Riggs discerned three trends in comparative public administration which seem to have been generally accepted as important and relevant. The first of these is a shift from normative toward more empirical approaches- a movement away from efforts to prescribe ideal or better patterns of administration toward "a growing interest in descriptive and analytic information for its own sake."

The second trend is the movement from what Riggs calls ideographic toward nomothetic approaches. Essentially, this is a distinction between studies "which concentrate on the unique case" and those seeking "generalizations, 'laws', hypotheses that assert regularities of behaviour, co-relations between variables....."Model-building, particularly of the general system type, shows this nomothetic inclination.

The shift is from an individual country or case study, such as the studies concerned with British administration, or French administration, or Swiss administration (the idiographic approach) to the more theoretical, general concern with similarities and uniformities common to many governmental systems (the nomothetic approach). The nomothetic approach is generic and law-seeking, although it is not necessarily concerned with any inviolable patterns.

The third trend is a shift from a predominantly non-ecological to an ecological basis for comparative study.

1.3.4.2 CONTRIBUTION OF FERREL HEADY

Ferrel Heady made a distinguished contribution to CPA. According to him, the literature on comparative public administration can be divided into four categories on the basis of subject matter: (i) modified traditional, (ii) development oriented; (iii) general system model building; and (iv) middle range theory formulation.

- (i) Modified, traditional literature can further be divided into studies made from a comparative perspective of standard administrative sub-topics and those of entire system. Topics in the first sub-division include administrative organization, personnel management, fiscal administration, headquarter field relations, administration of public enterprises, regulatory administration, administrative responsibility, control and field programmes such as health, education, welfare and agriculture.
- (ii) The development orientation is concerned essentially with the problems of public administration in the context of rapid socio-economic and political change. Its emphasis is on the capabilities of administrative systems to direct socio-economic change in a society. The creation of new states in

Asia and Africa and their concomitant entrance into the world concert of nations as underdeveloped or developing countries have engendered an unprecedented focus on development.

- (iii) The general system model building is concerned with the study of administrative systems in the overall context of their social environment. Thus, its focus is generally on the whole society. The word "model" is used here by Waldo, to mean `simply the conscious attempt to develop and define concepts or cluster of related concepts, useful in classifying data, describing reality and (or) hypothesizing about it.`
- (iv) Middle range theory formulation is more specific in its subject of focus and it concentrates on certain particular components or characteristics of an administrative system. Rober Presthus says, "Middle range theory attempts to explain a restricted set of relationships, as opposed to theory.. which attempts to comprehend and to explain an entire social system. For example, the "bureaucratic" theory of Max Weber based upon the ideal type/ model of bureaucracy, is a middle range theory.

The nature of CPA can be briefed as per the following points:

- Impact of Political Science (Comparative Politics).
- Participation of young scholars.
- Attempt on Theory/Model Building.
- Identification with Behaviouralism.
- Wide acceptance since 1950`s.
- Development Orientation.
- Consideration of local and cross cultural conditions.

Check Your Progress-I

1. Try to list any three points of significance of comparative studies.

Ans.

2. List the types of literature/research emerged during CPA movement as given by Heady.

Ans.

1.3.5 MODELS IN COMPARATIVE PUBLIC ADMINISTRATION

As noted earlier one of the prominent features of the comparative public administration movement has been to develop new theories. In this process a number of models were also developed and tried. Some of those are briefly discussed here. These are:

- Bureaucratic Model.
- Structural Functional Model
- Riggs Prismatic Model.
- General System Model (Input-Output model)
- Information Energy Model.
- The Development Model.

Bureaucracy being the central concern in public administration, comparative public administration has been equated largely with comparative bureaucracies. The bureaucratic orientation rooted in the *Sociology* of Maxweber was introduced into Public Administration after the Second World War and has grown gradually in favour until it occupied a prominent place not only in comparative public administration but also through the contemporary organization theory of Talcott Parsons who among others effectively used the bureaucratic model. The bureaucracy is considered as a political actor, a consumer and producer of societal product, a system stabilizer, a change agent and so on.

The *structural functional model* by Talcott Parsons made a significant influence on political science and public administration. Parson involved the 'social system' concept which to him is a collection of parts or roles or variables. It is a system of processes of interaction between actors. The two main/important aspects of a system are the interdependence of a number of parts and the tendency to maintain an equilibrium in their relationships. This forms the basis of comparison of societies and systems. Institutions may be referred to as 'structures' which are required to perform certain functions. A function may be discharged by a single structure in one culture, by a complex of structures in another. This proved as a powerful conceptual tool in comparative studies.

The *Prismatic Model* given by Riggs is considered as the most discussed and analysed model in the CPA. Fred Riggs' commitment and devotion to comparative administration has been widely recognized. In 1950's Riggs gave *Agraria-Industria Model* but later on he developed an improved set of models, particularly the prismatic model. He divided the societies (countries) into three categories: fused, prismatic and diffracted. These three categories of societies are constructed on the basis of the

extent to which roles in various organizations are exclusive or overlap. The fused society has little role differentiation and performs limited functions, while the diffracted society is characterized by a high degree of structural differentiation (means clearly defined functions and roles) and performs a larger number of functions. The Prismatic society carries the features of both the fused and diffracted societies, typical of a developing society.

Riggs also gave *Sala Model* which is an administrative sub-system of a prismatic society. To him, prismatic society is characterized by various economic, social, political and administrative sub-systems. Sala is a Spanish word having a variety of meaning, such as government office, religious conference, a room, a pavilion, etc. In a diffracted society its counterpart is called "Bureau" or "office" and in a fused society it is termed "chamber". In a prismatic society family welfare, nepotism and favoritism play a very important role in the appointment to various administrative positions and in performing administrative functions. The sale officer gives priority to personal aggrandizement than to social welfare.

The ideal models of Riggs such as fused, prismatic and diffracted are the hypothetical assumptions which aim at analyzing the very backward, developing and developed societies.

Riggs adopted 'ecological' approach to the administration. To him, administration and its environment (ecology) influence each other and the understanding of the dynamics of this process is necessary to understand the administration.

The *general system model* to which the name of David Easton is primarily associated is used as a primary tool in various comparative and analytical studies. 'Inputs' in the form of demands and supports are converted by the system into outputs which have consequences both for the larger environment and for the political system itself.

The *information energy model* by John T. Dorsey Jr. is based on a synthesis of concepts of the general system theory, of communication, and of energy and energy conversion. Here using the input-output model, high level of 'information input', storage, and processing permit high 'energy output'. An administrative system produces output in various forms, e.g., regulation of services for other sub-systems and systems forming part of its environment. Dorsey observes that the administrative problems of developing countries are due to the non-availability of surplus information and energy. His basic hypothesis is that a society's degree of development is a measure of its information and energy surplus. Because of the scarcity of information input, storage and processing, there is the presence of ineffective administrative process, ritualistic procedures, conservatism and lack of rationality in the administrative systems of developing countries.

Development model seeks to concentrate on the problems of developing countries which are caught up in the process of socio-economic development and are facing the challenges thrown by the developed countries. Weidner is of the view that other models of comparison are limited in their usefulness because they do not concentrate

on the socio-economic transformation, are unduly comprehensive and fail to take account of the differences in administration that may help the developing countries to achieve their goals. Since the `development` of the underdeveloped societies was recognized as a universal goal, the comparative public administration scholars started seeking ways and means to improve administrative performance and strengthen the planning and execution of development programmes. The wealthier nations were called upon to aid the poorer nations, so that they could transform their colonial bureaucracies into more responsible instruments of their all round development.

Among the other elements, development model or development administration focuses on new agencies such as planning agencies, development corporations; reorientation of established agencies, emphasis on training and improvement of administrative capabilities to take up developmental tasks more effectively.

1.3.6 SCOPE AND LIMITATIONS

1.3.6.1 Scope of CPA

The scope of comparative public administration is quite wide or broad but it seems to have generated a considerable debate. CPA includes various kinds of studies such as:

- (i) Comparative studies in one nation or cultural setting.
- (ii) Cross cultural or cross national comparison.
- (iii) Temporal comparison of events.
- (iv) Cross cultural and temporal comparison.

Comparative public administration deals with the comparison of administrative process in relation to democratic governments including developed and developing countries and also of communist countries. The comparison is of structures, organization, functions, and methods of all types of public authority engaged in administration, whether national, regional or local, and whether executive or advisory. These include not only the central departments and the local authorities, but also the non-ministerial organizations, public boards and corporations. It also deals with the comparison of the functions of administrative authorities including executive, legislative and judicial functions.

A comparative study of various forms of control over administration. Parliamentary control; state control of local governments; ministerial control of public corporations; financial control; judicial control by the courts and the administrative tribunals.

Comparative study of personnel administration and its problems (like recruitment, grading, promotion, retirement, training) relating to the civil service, local government service, problems relating to planning, information and public relations services and the exercise of administrative discretion in various countries.

In the words of Dwight Waldo the comparative studies should focus on similarities as well as differences and it may be focused on two ends: (1) to discover, define and differentiate the staff (administration) wherever in the world it is; and (2)

to develop criteria of differentiation that are useful in ordering and analyzing the 'staff' once it has been identified.

The scope of CPA is in fact not limited but is quite broad and dynamic. It can be inter-culture, intra-culture, intra-national or cross-temporal. It is shifting its horizons and the comparative emphasis is shifting from structures and institutions to functions and processes.

1.3.6.2 Limitations

Although comparative public administration has contributed significantly towards the growth of discipline of public administration it has also suffered from various problems. A number of authors who even contributed towards the CPA movement have repeatedly expressed their disappointment. The CPA movement suffered the following major limitations

- Doubtful applicability of models adopted under CPA.
- Misleading and half-baked theories.
- Insufficient availability of comprehensive literature.
- Problem of bias in studies and problem of comparability.
- Decline in the initial interest shown by the scholars of public administration.
- Problem of sufficient information needed for genuine comparisons.
- Lack of general consensus among the scholars.

1.3.7 LET US SUM UP

Administrative systems operate within diverse cultures. The cultural settings or the environment within which the administrative system of a country operates makes significant impact on the nature and working of public administration. The concern of comparative public administration has been to study the administrative system of diverse societies, compare their working in terms of structures and functions, to analyse the significant features of successful systems, to identify the problems and to find the solutions in terms of theories and models. Under the CPA movement, the focus has been to make the comparative studies within one nation, cross national comparisons, making comparisons on the basis of temporal events and so on. The comparative study of administration has grown up with comparative study of political systems. The work of comparative study of administrative systems which started particularly after the World War II has made a significant impact on the discipline of Public Administration. In this lesson, besides looking into the meaning, nature and scope of CPA, we have discussed the trends and models in UPA. A few limitations in the way of comparative public administration have also been listed.

CHECK YOUR PROGRESS-II

1. Name any three models used in CPA.

Ans.

2. List any three major limitations in the way of CPA.

Ans.

1.3.8 REFERENCES AND FURTHER READINGS

- | | |
|--------------------------|--|
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1.3.9 KEY WORDS

- | | |
|-----------------|---|
| Aggrandizement | : Elaboration; exaggeration, enhancement |
| Agraria | : Studies peculiar to backward agricultural societies; relating to primitive societies. |
| Behaviourism | : Relating to human behaviour-studies based on it. |
| Conceptual Tool | : Based on concepts/notions helpful in analysis/understanding. |
| Diffraction | : Clearly separable; clearly defined roles. |
| Ecology | : Environment; surroundings- socio, economic, political etc. |
| Empirical | : Studies based on actual observation/experimentation. |
| Fused | : Primitive; backward-in which various roles are not clearly separable. |
| Ideographic | : One nation, one institution studies. |

Industria	:	Peculiar to industrially developed societies such as USA, Germany etc.
Nomothetic	:	Studies based on cross cultural analysis.
Normative	:	Relating to standard patterns/norms/rules.
Synthesis	:	The process of building up separate elements/ideas into connected whole.
System	:	A complex whole; a set of different connected parts; network; setup.
Temporal	:	Relating to time; Based on different time periods.

CHECK YOUR PROGRESS-III

1. Define the concept of comparative Public Administration. Discuss its nature and scope.

Ans.

2. Describe the significance of CPA. Discuss the trends in CPA and limitations in its way.

Ans.

1.3.10 ANSWERS TO SELF-CHECK EXERCISE

You should read the relevant text thoroughly and then try to memorize it and write your answer.

SOCIO-ECONOMIC OBJECTIVES OF PLANNING IN INDIA

Indian economy remained stagnant during the British rule. The Britishers used Indian resources for the betterment of their own country. They were instrumental in keeping it in a state of backwardness. When India got freedom, it was realized that political freedom is of no use if it is not accompanied by economic freedom. The country, therefore, set before itself the goal of economic growth with stability. To achieve that goal the national government decided to launch programme of planned development. We now study the rationale of planning for an under-developed country like India.

Need for Planning

Planning is required to solve following problems :

Firstly, to increase rate of capital formation : To increase the rate of capital formation, we have to step up the rate of domestic savings. Majority of the population of under-developed countries falls into the category of poor peasants and labourers whose capacity to save is extremely low due to low levels of income and high propensity to consume. The savings of middle classes are insignificant and moreover whatever they save they save for specific social occasions and spend it on them. The rich class is a very small group and even amongst them most of them are feudal landlords who indulge in conspicuous consumption and hardly save in the form of cash that can be used for productive purpose. The only class that tries to save is the profit earning class which is very small. The domestic savings in these countries are therefore, very low leading to low capital formation and low levels of income which is popularly known as the vicious circle of poverty. The vicious circle has to be broken by the government by stepping up the rate of domestic savings. For this the government can either use fiscal policy and increase savings by forced means or it can provide incentives to various classes to save more. In both the cases, we are looking up to a central body rather than the market forces and, therefore, the need for planning in these countries. The third alternative of importing capital from outside equally speaks of the need for a planning authority.

Secondly, to make up for the deficiency of the entrepreneurial ability: Because of the structural organisation of under-developed country, the market mechanism may not throw correct signals as far as economic development is concerned and it may perpetuate stagnation. But even if we assume that market

mechanism throws correct signals they may not be taken by the private entrepreneurial class because for various reasons the private initiative in under-developed countries is very poor. In such a situation government has to play the leading role and start some industries in the public sector when private entrepreneurs are not likely to come up and give encouragement in those sectors where the private entrepreneur is reluctant. For all this we need planning and a central planning authority.

Thirdly, to create gainful employment : Because of the uncontrolled increase of population, most under-developed countries of today, widespread unemployment and disguised *unemployment* exists in these countries. Left to free market forces, it will keep on increasing and become a big hurdle in the process of economic development. It is only the central planning authority that can, on the one hand adopt measures to check the rate of growth of population and on the other, provide gainful employment opportunities to this unemployed labour force. Even the countries which are under-populated need a central planning authority to encourage the population to concentrate in some areas, develop those areas and move out only if the numbers increase.

Fourthly, to correct regional disparities : In any country and more so in an under developed country, as the development process gathers momentum, the *regional disparities* increase. Myrdal calls them back wash effects. Generally private firms left to themselves will tend to cluster round one center of activity and acceleration of activity in one sector will be accompanied by retardation of activity in others. An under-developed country cannot afford to overlook this and to reduce these regional disparities, some sort of planning is must.

Any country while formulating its development strategy has to choose between various alternatives available, that is, whether to have balanced or unbalanced growth, whether to give emphasis to the development of agriculture or industry, and if industry, whether to emphasise on heavy industries or light consumer industries. We will consider these questions one by one in the context of Indian development strategy.

The above arguments are as relevant to India as to any other country wanting to achieve rapid economic development. Though there are a few people in the private business and some other walks of life who advocate extreme laissez-faire policy but the majority Indians are in favour of the policy of development through planning.

The set up that India has chosen is terms as democratic socialism or socialistic pattern of society. The planning process and techniques chosen are in conformity with the social and political objectives. Indian planning is a mixture of planning by inducement and planning by direction. Both the private

and public sector play their own roles. However views differ regarding their comparative share in economic development. It has been rightly remarked that India's planning is democratic both constitutionally and in substance for some sort of controls and state intervention is essential for lifting the economy out of the morass and the welfare of the masses. It is, however, felt that Indian planning in its democratic set up should be indicative rather than imperative as has been the experience of France.

Strategy of Indian Planning

After having established the need for planning in India, we now consider the question of basic strategy of planning in India. A development-strategy is mainly concerned with : (a) Size of plan to be adopted (b) The pattern of investment (c) Sectoral allocation of investment (d) Techniques of resource mobilisation (e) Adoption of suitable monetary and fiscal policy etc. All this has to be decided keeping in mind the objectives that an economy has set before itself. According to lady Ursula Hicks : "The term strategy is a long-run concept. It is not immediately operational in the sense that strategy must look forward for 15 to 20 years. We cannot precisely foretell what will happen in India or the world at large. So the strategy must be flexible, although it would have certain elements which, no doubt would run through in any case." A development strategy, therefore, indicates the general pattern that the plans are going to follow. While framing a suitable development strategy for an under-developed country two things must be kept in mind:

First, the economy should be required to make the minimum effort necessary to achieve a maximum rate of growth. Second, the process of transformation should take a very long period of time.

Basic outlines of Indian development strategy are well established and from plan to plan, providing a continuity to the whole process. This, however, does not mean that the policy is inflexible and incapable of the entire planning process. This long-term design is governed by the goal of raising real national income in such a fashion that continuing growth becomes self sustaining and eventually the country can be self-supporting in the international market. Prof. J.P. Lewis had observed that the Indian development strategy is mainly addressed to three operational goals :

First, the strategy undertakes in any plan period, to promote a stated minimum increase in pre-capita real income. This per capita real income and output target is the number around which the whole quantitative design of the plan rotates. Investment is one of the means of achieving this aim and is seen in that light.

Second, keeping in view the target of continued self sustaining expansion

of output and therefore, of the net investment, technical skills and managerial and other input flows, a fraction of the maximum possible output gains, in the real terms must be sacrificed in order to reinforce the advance later on.

Thirdly, India should become self-supporting in the international market. Imports and exports have to be brought into balance.

A secondary goal of the strategy is the provision of social equality between various classes of society including the traditional under-privileged groups achieving greater equality of economic opportunity and reducing the inequalities of income distribution, solving the problem of massive unemployment and under employment (that demoralizes the economy and comes in the way of implementation of any development plan) and also the reduction of regional inequalities. These goals, though considered secondary, have never been lost sight of by the planners.

India's development strategy consists mainly in removing some critical scarcities. First, is removing the scarcity of foreign exchange, which is a crucial factor. Economic development of an under-developed country, cannot indefinitely rely on foreign aid. India realized this when it faced foreign exchange crisis in 1956-57. Export promotion has, therefore, become an integral part of country's development process. Side by side export promotion and import substitution has also to be encouraged. Secondly, to have the growth without inflation the scarcity of consumer goods has to be summoned. Since heavy industry increases the money supply which is not matched by the corresponding increase in output. It creates inflationary pressure and becomes an obstacle to the process of development. Again since the population is growing there is more need for consumer goods. To avoid the anticipated scarcity of consumer goods, small scale and cottage industries were encouraged to produce them. It was estimated that since small scale industries have a negligible gestation period and low cost of production because of the possibility of using local resources, they will be able to meet the challenge. Thirdly, removing the scarcity of domestic savings is another implication of India's development strategy. Rapid industrialisation is not possible without capital formation because we need it for agriculture, we need it for infrastructure and above all we need it for heavy industries. Since for various political and economic factors, we cannot attract enough foreign capital and we do not have enough domestic savings. To step up the rate of domestic savings, it is, therefore, essential for rapid industrialisation. It is a check on prices. Stepping up the rate of investment is also essential for gradually doing away with foreign aid. Fourthly public sector has to play a significant role in the process of economic growth. Strategy industrialisation through the development of heavy industry calls forth a

dominant public sector.

India has followed a strategy of balanced development and comprehensive planning. Second Plan stated, "The central objective of public and national endeavour in India has been the promotion of rapid and balanced economic development." It also stated, "Continuous growth of national income and employment require simultaneous development all over the economy". The experience of two decades of planning in India reinforces the need for balanced development and comprehensive planning. The shift of emphasis from one sector to another does not change the general pattern followed. In fact, whenever one sector has been given excessive importance, the imbalances in the economy forces the planners to correct their priorities and achieve balance between the sectors. For instance, in the first plan priority was given to agriculture. The second plan was weighted in favour of basic and heavy industries. The created inconsistency in the form of rising prices and shortage of foreign exchange which led the Third Plan strategy to try and create a balance between the two sectors. Similarly, when it was realized that unemployment is becoming a serious problem the emphasis was laid all over the economy to the employment oriented schemes. Thus enough to some extent development through imbalances has been true of certain sections the overall pattern is that of the balanced growth and the approach was as valid in 1980's or it was in 1950's.

Implications of India's Development Strategy

Let us now consider the question, whether the development of industry or that of agriculture should have formed the core of India's development effort ? Mahalanobis, chief designer of India's development strategy as brought out by the Second Year Plan, states that since the objectives of our development efforts is to improve the economic lot of the poor, to create sufficient employment opportunities. We cannot do it without rapid industrialisation through development of basic industries, like iron and steel, heavy electric equipment and machine tools. As India has plenty of iron-ore, bauxite etc., it is not impossible to develop these industries. Once such industries are there, products can be gradually manufactured within the country largely with the domestic resources. As more and more machinery become available, more and more employment and output can be created. Also in a planned development it is essential for government to have strong hold at various crucial points in the economy. Since heavy industry will be largely started by the government, it will help in achieving this aim.

Till the heavy industries can provide machinery, power, *etc.* the idle manpower and the local resources can be used to produce the consumer goods for themselves as well as for those working in the large scale industries

producing steel, machinery, power *etc.* and the scare foreign exchange will not be wasted in importing non-essential consumer goods. Extension of small scale and village industries is therefore, considered essential by the designer of Indian strategy.

Mahalanobis recognizes that agricultural and industrial development are compatible with each other. They are competitive only to the extent of the use of foreign exchange. Industrial development is not possible without a continuous supply of food grains and raw materials. On the other hand, in India, owing to scarcity of land, improvements in agriculture can be brought about only through the use of more fertilizers, more irrigation and better methods of cultivation, all of which will have to depend on large scale industrial development. Another reason why we say that agriculture and industry are not competitive is that in the initial stages of development, unless we want a complete mechanisation of agriculture, the improvements in agriculture mainly consist of organizational improvements and therefore, it does not complete the scare capital resources.

Majority of the economists appreciate the balance of agriculture and industry in the Indian planning strategy but there are conflicting opinions as regards the choice between light industries producing consumer goods and heavy industry producing basic machines and basic metals. The chosen strategy gives priority to basic industries following the Russian model of planning, was based on the following considerations: Firstly, heavy industry lays the foundation for a strong and self-reliant economy helping the expansion of all other sectors by providing them basic inputs and eliminating the dependence of the country on imports in the long run. Expansion of the heavy industry also fulfills the requirements of having a strong defence. Second, keeping in view the target of high growth rate of consumption goods in long-run, the investment in heavy industry helps the Indian economy to build up a large volume of capital stock and at rate of course, the emphasis on light consumer goods industries can increase the volume of consumption goods in the short run and can combat more consumption goods as well capital goods in the long run but less consumption goods in the short-run.

It must, however be realized that the strategy that emphasis heavy industry, is not necessarily ignoring light industries. The second plan did emphasis the role of labour-intensive small-scale and cottage industries to make up the deficiency of consumer goods and employment in the short-run. Heavy industry will provide infrastructure for light industries and thereby helping in the expansion of large scale consumer good industries, which will also provide employment opportunities in the long-run. Hence the Indian development strategy is that of overall balance, the balance between various sectors of the

economy, the balance between agriculture and industry and the balance between heavy industry, light industry and the cottage industry.

The experience and the knowledge gained during the first and second plans and particularly the second Plan helped the planners a great deal in formulating the strategy for the Third Five Year Plan. Third Five Year Plan strategy was based on more internal consistency. The output targets for consumption and investment goods sectors were based on circulations from final demand models though no explicitly mention was made of it. Also by the time some more technical data was collected and could be used in formulating an internally consistent programme.

After the experience of the Second Plan there were no two conflicting views about the size of Third Plan. One group wanted a bold plan to complete the industrial process already set in motion whereas the other wanted a conservative plan to avoid falling into the pitfalls experienced in the Second Plan. Planning Commission realized that the development of agriculture based on the utilization of manpower resources of the countryside and the maximum use of local resources, holds a key to the rapid development of the country by providing feed and agricultural, raw material to the expanding industrial sector. To achieve this, emphasis was laid on providing adequate irrigation facilities, supplies of fertilizers, improved seeds, implementation of machines, improved cropping pattern and land reclamation and soil conservation schemes, diversification of agriculture by expansion of non-agricultural subsidiary activities like poultry farming keeping, cultivation of fish and animal husbandry etc.

To achieve self-sustained growth the process of development of heavy industry already set in motion could also not be slowed down. Special emphasis was laid on industries like coal, oil, steel, electric power, machine building and engineering. This was to avoid emergency of critical scarcities. Considering the scarcity of foreign exchange in the second plan, special emphasis was laid to development of exports. In the expansion programme for exports, it was planned to develop a solid base and increase productivity and reduce the dependence on external assistance.

Tertiary sector, the development of which is necessary for the development of agriculture and industry, was also not ignored. The percentage expenditure on transport and communication was 24.6 percent of the total the corresponding percentage in the Second Plan was 28. Plan stressed the development of ports, shipping and air transport, besides the development of railways and roadways.

The imbalances, inconsistencies and shortfalls experienced in the Third Plan, besides being a result of certain serious external factors were also because

of deficiencies in the planning strategy. The planning machinery was in a state of collapse by the end of the third plan and compelled the people in power to declare a plan holiday called the period of three annual plans. The strategy of the annual plans was to continue the efforts already begun and to consolidate the gains already achieved. To achieve that, the emphasis was to be laid on fuller utilization of infrastructure and installed capacity and filling the gaps in the economic structure so that the economy could grow in future without creating inflationary pressures. The allocation of public sector outlay was made keeping in view these aims. Agriculture and irrigation got 24 percent of total share. 17.5 percent was spent on power schemes, 18.3 percent on the development of transport and communications, 23.3 percent on organised industry, 5.5 percent on education of scientific research. This distribution of expenditure was in accordance with the strategy which required increase in agricultural production, strengthening of industrial base, removing the bottlenecks of inadequate means of transport and communication and improving the efficiency of labour etc.

The strategy, though eminently sound could not be followed by faithful handling of the economy by administration. This coupled with some other factors resulted in a chaos in the economy. Deficit financing increased, prices rose and the economy lost its equilibrium and India became the victim instead of master of economic circumstances.

Since the strategy of the annual plans was considered sound, the basic strategy of the Fourth Plan was in continuation of the same things which is clear from two principal objectives that is :

(a) Growth and stability; and

(b) Progressive achievement of self-reliance. The strategy was keeping in with the general strategy of planning in India. Fourth Plan strategy is called Gadgill strategy. The most important feature is the new agricultural strategy. Detailed implications on the Fourth Plan Strategy were spelt out as follows :

First : National Income was to grow at 5.5 percent per annum.

Second : To achieve growth with economic stability in the economy, it was aimed to stabilise foodgrains prices and general price level. For this it was planned to have food production by intensive development of agriculture, building up a sizeable buffer stock of foodgrains, control over crop patterns, and mobilisation of internal resources in manner that will not give rise to inflationary pressure ;

Third : It was aimed to increase self-reliance by achieving 7 percent per annum increase in exports and to minimise the imports. The measures to be adopted to increase exports were (a) generation of export surplus (b) improving

the competitive capacity of exports and (c) Removing some of the handicaps from which exports suffer.

The measures to be adopted to minimise imports were (a) elimination of non-essential inputs but ensuring the supply of those essential items that are indigenously produced by are essential for growth and development and for the maintenance of already established industry and (b) extension of import-substitution programme. It was aimed to do away with PL 480 import of : foodgrains and foreign aid net of debt charges and interest payment was to be reduced to about half by the end of the fourth plan, realizing that public sector has not yielded the expected results. It was realized that efficiency and profitability of the public sector must be urgently increased.

Fourth : To attain the aim of reduction of disparities of income and living standards. It was realized that fiscal measures were not enough. It was, therefore, intended to attain it through more rapid growth of the economy greater diffusion of enterprise and of the ownership of means of production, increasing production of the weaker units and widening opportunities of productive work and employment to the common man particularly the less privileged section of society. In this connection the new Industrial policy stated in the Fourth Plan, "while large corporate enterprises would have scope for taking up new ventures in technologically challenging fields deliberate encouragement will be given to wide dispersal of entrepreneurship." It also attempted to reconsider the policy of foreign collaboration which though on the one hand encourages economic growth on the other hand increase concentration of economic power. The social control of banking was also expected to help and contribute towards diffusion of enterprise.

To solve the problem of idle manpower resource, efforts are to be made to increase urban employment which largely depends upon the development of manufacturing industry and to increase rural employment through labour intensive schemes such as irrigation, soil-conservation, special area development and houses building. The quantitative index of achievement was, however, not indicated, Besides increasing the level of employment, it was planned to increase the income of the very poor to certain national minimum, which was also specified in concrete terms.

In the field of manpower planning, the strategy was to relate educational programmes to special and economic objectives. This required the coordination of development programmes in the other sectors and the drawing up of a perspective plan on the basis of manpower needs, social demand, and like availability of financial material and human resources.

It was for the first time that planners evolved a sound and realistic

strategy which spelt out in details the techniques to be followed for achieving the objectives of the plan.

The development strategy of the Fourth Plan revolved around decentralised decision making with social purpose. In the rural sector this was to be achieved by the Panchayati Raj institution and the extension of cooperative activity. In the industrial sector, the emphasis was to be on the decentralised decision making on the part of both small and large private sector units. Steps towards this were, to be taken by the state in two ways : (a) By providing assistance and incentive for decentralisation of industry (b) By imposing disincentives in large cities adopting measures for decongestion of metropolitan areas.

The two strategic objectives of the Fifth plan were (a) The removal of poverty and (b) Attainment of self-reliance.

As visualised by the Planning Commission, the basic causes of poverty are the under-development resulting in low national income and because of large sizes of population still lower, per capita income and hence aggregate consumption and secondly, the inequality in the distribution of income. For this, rising rate of growth of domestic product should be accompanied by falling rate of growth of the population.

Self-reliance, one of the pillars of development strategy was emphasised. It was postulated that external assistance should be done away with, within a period of 10 to 12 years.

Keeping in view these twin objectives the strategy of the Fifth Plan had following main features :

First : Growth of gross domestic product 5.5 percent, because the poverty cannot be reduced without increasing the level of income.

Secondly : It was realized that besides increasing overall income level if we do not ensure a minimum level of consumption for everyone, the poverty cannot be removed. To achieve that 'National Programme of Minimum Needs' was introduced. This included (a) the provision of facilities for elementary education for children up to the age of 14 at the nearest possible place to their homes ; (b) ensuring in all areas a Minimum uniform availability of public health facilities, which would include preventive medicine, family planning, nutrition and adequate arrangements for referring serious cases to an appropriate higher echelon (c) supplying drinking water to villages suffering from chronic scarcity or having unsafe sources of water (d) provision of all weather roads to all villages having population of 1500 persons or more, this minimum limit being conceived of far a cluster of villages, in case of hilly tribal and coastal areas; (e) provision of developed home sites for landless labour in rural areas; (f) carrying out

environment and improvement of slumps; and (g) ensuring the spread of electrification to cover approximately 30-40 percent of rural population.

Thirdly, the Planning Commission visualised that employment is the surest way to enable the vast numbers living below the poverty level, to rise above that. Therefore, according to the Draft Five Year Plan, substantial additional employment opportunities were sought to be created in the non-agricultural sector. Besides that productive self-employment in agriculture, cottage-industry, road transport and service was also anticipated.

Fourthly, to raise the minimum level of living various programmes of social welfare were to be extended.

Fifthly, the emphasis was also to be laid on agriculture and key and basic industries producing goods for mass consumption. The strategy of agricultural production in the Fifth Plan sought to correct certain deficiencies of the Fourth Plan based on the exploitation of high-yielding varieties of cereals and multi-cropping programme. It emphasised the modification of the approach to the small and marginal farmers involvement in agriculture. The dry farming techniques were proposed to be applied on a large scale. The small and marginal farmers schemes was proposed to be unified and enlarged. The Fifth Plan sought to extend the high yielding varieties which were revolved the tried during the earlier plans. Other important aspects to the Plan strategy included jhum (shifting cultivation), prevention and proper land utilisation of the jhum land, reclaiming and developing ravines the pilot of schemes; amelioration of alkaline and saline soils and improving agriculture thereon; rehabilitation of desert land; and developing organic sources of manure and setting up biogas plants.

Sixthly, to ensure the supply of essential goods at reasonable prices, an adequate public procurement and distribution system was to be established. Severnly, the strategy envisaged vigorous export promotion and import substitution. Eightly, rigorous constraints on inessential consumption were supposed to be placed. Ninethly an equitable price-wage-income balance was to be achieved, and lastly, institutional fiscal and other measures for reduction of social, economic and regional inequalities were to be adopted.

Considering the acute shortfall in power generation in the Fourth Plan, Fifth Five Year Plan Strategy envisaged stabilisation of power supply, implementation of power generation programmes at a faster pace, ensuring power supply to priority industries like steel, fertilizers, coal etc. This strategy was aimed to keeping a continuity in the Fifth and Sixty Plans. It was also aimed to improve the operation and maintenance of existing system, construction of adequate inter connections within states, and inter-states lines in each region strengthening the existing transmission and distribution systems, reducing the

effects of droughts on power generation by providing larger thermal capacity, and making rural electrification programme equal to the needs of agricultural production and people living in backward area. In the industrial sector, the strategy was to encourage the production of cement, paper, pharmaceuticals and textiles to provide goods for mass consumption. Larger houses and foreign concerns were eligible to participate in core industries is not already reserved for small scale sector. They were also allowed to enter the export-sector. Import agreement were to allow full use of Indian available resources. Import of technology in complete package was not considered desirable. Foreign capital participation was permitted where technological gaps could not be filled in the indigenous technology and normally not exceeding 40 percent.

Village and small industries had an important role in the Fifth Plan in eradicating poverty and inequality. The broad strategy of the programmes was: (i) to develop and promote entrepreneurship and provide a package of consultancy services so as to generate maximum opportunities for employment, particularly self-employment; (ii) to facilitate fuller utilisation of the existing skills and equipment; (iii) to improve the production techniques and to make them viable; and (iv) to promote small industries in selected growth centres in semi-urban and rural areas including backward 'areas.

The Sixth Plan for the period of 1978-83 was started under Janta regime but on resumption of power, Congress Government terminated that plan and formulated a new Sixth Five Year Plan for the period 1980-85 under the Deputy Chairmanship of N.D. Tiwari Planning Commission describing the grim situation in the country at that time, mentioned in the document of Sixth Five Year Plan, "It must be recognised that Sixth Five Year Plan is being launched under difficult conditions. The acute inflationary pressure which has prevailed since March, 1979, the progressive deterioration in the past three years in the functioning of such critical sectors as power, coal, railways and steel and the steep rise in the prices of petroleum products an inevitable product of the rise in import costs have adversely affected the overall growth prospects of the economy as well as the scope of mobilising additional resources for sustained development. In the wake of the sharp increase in import costs of petroleum and other imports and the rather uncertain prospects for our exports so the back ground of prevailing necessary conditions in the world economy, India's balance of payments prospects have deteriorated significantly and at present reckoning the country may be faced once again with a very difficult foreign exchange situation." It has been realized that to steer the country out of situation, a determined effort is required.

Strategy of planning as given in the Plan document is like this : "The

strategy adopted for the Sixth Plan consists of strengthening the infrastructure for both agriculture and industry so as to create condition for an accelerated growth in investment, output and exports, and providing through special programmes designed for the purpose, increased opportunities for employment especially in the rural areas and the unorganised sector and meeting the minimum basic needs of the people. The attack on the problem of poverty is effective only in the conditions of an expanding economy. Since growth by itself may not however, suffice, other programmes and policies will need to be adopted with the specific aim of improving the living conditions of the masses and to bring about a reduction in inequalities of income and wealth."

Realising the need for the growth of the economy and eradicate poverty, it has been aimed to increase domestic product by 5.2 percent a year and per capita income by 3.3 percent a year. This growth rate has to be achieved with the constraint on investment strategy of limited possibility of altering the pattern of investment. Most of the funds had to be directed towards on going schemes. Still there is scope for a particular investment strategy.

It was realised that employment opportunities created by the effect of the growth of economy will not be adequate in the prevailing unemployment situation. Therefore, the Plan needed a suitable employment strategy: (a) to adopt an employment intensive sectoral planning; (b) to regulate technological change to protect and increase employment; and (c) to promote area planning for full employment. Expansion of infrastructure and social service like road construction, water supply rural schools and health schemes etc. and also the production of mass consumption goods with labour intensive techniques will generate employment in the economy. Employment will also be generated by expanding occupations subsidiary to agriculture. The reservation of certain field of production for household and small scale sector and differential excise protection would also reduce unemployment and underemployment.

Another important feature of Sixth Plan strategy was raising the minimum standard of living in the country and therefore the Minimum needs Programme strated in the Fifth Plan was continued. It has been revived. The salient features of this programme were as follows :

- (i) Elementary and adult education, aiming to increase elementary education from 69 percent to 90 percent and to achieve the figure of 66 percent in adult education.
- (ii) *Rural Health* : For every 1,000 of the population, a community health worker and a trained midwife will be provided. There will be one primary health centre per block and 38,000 new sub-centres. In addition, 400 primary health centres will be upgraded into 30 bed

hospitals.

- (iii) *Drinking Water* : One lakh villages lacking in safe drinking water supply would be provided this facility by the end of the Plan.
- (iv) *Rural Roads* : All villages with a population of over 1,500 and above and half the villages with population of 1,000 to 1,500 would be linked by roads.
- (v) *Rural Electrification* : Besides strengthening the existing rural electrification system 40,000 villages will be electrified by the end of the Plan as a part of the phased programme to cover at least 50 percent of the villages in every State and Union Territory.
- (vi) *Housing and Urban Development* : About 8 million landless workers would be provided developed plots along with drinking water supply. For providing this service, all the manual work will be contributed by the beneficiaries. The programme of slum improvement in urban housing will benefit about 13 million slum dwellers. The emphasis in the smaller towns will be given to housing for the economically weaker sections. The urban development strategy was to develop strategy so as to develop the smaller towns and to decongest the larger cities.
- (vii) *Nutrition* : The mid-day meals scheme for undernourished children and the supplementary nutrition programme for mothers and infants will be preferably extended to blocks which have a high proportion of scheduled castes and scheduled tribes in the population. The estimated numbers of additional beneficiaries would be 2.6 millions children under the nutrition scheme and 4 million children under the mid-day meals scheme.

Since the Sixth Plan strategy aimed to have growth without inflationary pressure, the policy framework speaks of developing a package of inflationary policies consisting of fiscal and monetary measures to check affective growth of money supply, curbing growth of conspicuous consumption, preventing diversion of investable resources into low priority areas, promotion of the growth of investments in critical sectors like power and increasing utilisation of existing capacity. In the mobilisation of the financial resources for the Plan the policy aims at tapping those resources more which do not have less potentially of increasing the inflationary pressure. The deficit financing has been restricted to Rs. 5000 crores though there are very few chances that planners will be able to stick to that. Tax incomes were planned to be increased from the agriculture sector, as otherwise the general taxes were already quite high-to increase productivity and avoid inflationary pressure. The rate of return on capital

employed in public enterprises was also intended to be increased.

As discussed above removal of poverty was one of the basic aims of Sixth Plan. Poverty line was defined as the mid point of the monthly per capita expenditure class having a daily calorie of 2100, in rural areas and 2400, in urban areas. On the basis of 1979-80 prices these mid-points are Rs. 76/- rural areas and Rs. 88/- in urban areas. During the Plan period, the number of people below the poverty line is expected to be reduced from about 50 percent to about 30 percent. This will be achieved partially by the growth process itself and partially by the redistributive policies. The Sixth Plan document, outlining its strategy in this connection states. "It will not be realistic to rely solely on the growth process to find a solution to this problem. Specific policy measures will be needed not only to influence the position of output in favour of mass consumption goods but also to ensure a more, even regional and class distribution of output, paying special attention to stimulation growth in the more backward regions-Labour intensive and small industries will need adequate encouragement to grow. Institutional reform designed to import a greater redistributive bias to public policies in favour of the poorest sections will have to be pursued with greatest effectiveness.

The Sixth Plan strategy also introduced Integrated Rural Development Programme to alleviate rural poverty. The operation of strategy of IRDP intends to follow the 'household approach' rather than individual approach. Poorest household will be identified and the economic upliftment of these households will be sought through a packages of activities involving all working members, with particular attention being given to women.

Balance of payments difficulties formed another basic of the Sixth Plan strategy. Balance of trade deficit was expected to further increase. In this connection, Sixth Plan strategy was plan to provide incentives to increase remittance from abroad by the Indian nationals working there. Investment in India by such nationals has to be encouraged. Secondly, the policy aimed at encouraging import-substitution. For this the Plan strategy aimed to increase the competitive ability of the export-sector by bringing about a reorientation in the economy from producing for the domestic as well as the international market, thus earning foreign exchange for the country and at the same time benefitting the domestic economy through reduction to costs and improvement of equality.

7th Plan (1985-90) aimed at increase in food grains production, generating employment opportunities and increasing industrial production. Main aims were :

- (1) Generating Productive employment.
- (2) Poverty Alleviation.
- (3) Self-employment schemes be encouraged and financed by financial

institutions.

- (4) Stability in prices of particularly daily usage commodities.
- (5) Measures to check exploitation of human resources.

Development, modernization, self-reliance and social justice were the broad objectives. Rural and agricultural development was also emphasized.

8th Plan (1992-97) : There was a clear shift from the earlier aims of the plans. Indian economy adopted the concept of globalization, privatisation and liberalisation. Through these policies, India tried to reduce its existing problems but somehow poverty, unemployment, prices etc. are on the increase. Sincere efforts towards decentralisation are required to strengthen PRI (Panchayati Raj Institutions). Indian economy during this plan period became an open economy from a closed economy.

9th Plan along with the objectives of previous that is 8th plan aimed at Growth with Social Justice and Equity. Aims of this plan :

- (a) agricultural and rural development - adequate employment generation poverty alleviation schemes.
- (b) growth rate of economy was fixed at 7% along with stable prices. After sometime, rate was shifted/lowered to 6.5%.
- (c) emphasis on seven identified Basic Minimum Services with additional Central Assistance for the poor.
- (d) pursuing a policy of fiscal consolidation, revenue deficit reduction in government/PSU sector.
- (e) decentralisation of planning and implementation through PRI'
- (f) containing growth rate of population i) empowerment of women and socially disadvantaged groups like SC's, ST's/BC's.
- (g) strengthening efforts to build self-reliance.

Achievements : Net National Product increased 8.3 times from 1, 32, 367 Cr. to 11,01,065 Cr - (4.2% p.a.) Per Capita Income increased 2.9 times from Rs. 3687 to Rs. 10,618 (2.1% increase).

Tenth Plan (2002-2007) aims at :

- (i) growth rate of Gross Domestic Product to 8% p.a. over the plan period.
- (ii) fixing up specific monitorable targets covering economic, social, environmental dimensions of development, poverty reduction, literacy rates increasing and generation of employment opportunities etc.
- (iii) agricultural development.
- (iv) rapid growth in sectors with high employment opportunities.
- (v) strengthening PRI's so as to make them responsible for delivery mechanism for alleviation schemes.

Though individual plans have followed their own development strategy considering the economic situation at that time and also the lessons learnt from the previous experience but the same common thread runs through the development strategy of these individual plans and this is governed by the basic objective of growth with stability and justice. The degree of freedom with the planners regarding the variation in strategy is limited.

10th Plan aimed at redefining the role of the Government particularly in the social sector and where private sector fails to play constructive role. Greater flexibility in fiscal and monetary policies. It also aimed at improving the progress rate of the states, bringing equity and social justice.

11th Plan (2007 to 2012) emphasises faster and more inclusive growth, poverty reduction, increasing access to essential services, ensuring social justice and empowerment, environmental sustainability, gender equity, making governance transparent and accountable.

But it can be seen that shortage of capital is the major obstacle to development in this country. Indian Economy for the past ten years or more has started neglecting the concept of social justice and human development and creating situation where there are too many jobless people with dark future ahead. It is likely to create income inequalities, suppression of labour rights, social injustice and environment degradation.

During 12th plan (2012 to 2017), almost similar position with regard to deficit was continuing with Govt. of India attempting to minimise the budgetary deficit.

**PLANNING MACHINERY AT THE UNION LEVEL :
NITI AAYOG AND NATIONAL DEVELOPMENT COUNCIL**

STRUCTURE :

0. Objectives
1. Introduction
2. Planning
 - 2.1 Meaning
 - 2.2 Kinds
 - 2.3 Objectives
3. Techniques for Economic Planning
4. Historical Background
5. National Development Council
 - 5.1 Objective and Functions
 - 5.2 Composition
 - 5.3 Working and its Analysis
 - 5.4 Formulation of a Plan
6. Critical Evaluation
7. Conclusion
8. Key Words
9. References and Further Readings
10. Answer to Check your Progress Exercises

0. Objectives

After studying this lesson, you shall be able to :

- explain the meaning, kinds, objectives of planning.
- define functions, composition and organisation of Niti Aayog;
- describe objectives, functions, composition and working of national development council;
- critically analyze the working of planning machinery at the union level.

1. Introduction

We are living in the age of planning. Man from times immemorial, as a rational animal has always planned, but with the advancement of technology and science, he is being guided by planning in all aspects of life. In a modern state, planning has become not only the convention but also the fashion of the

day. There is hardly any country in the world which has not adopted planning. Planning infact, is a boon for the under developed countries. It will not be wrong to say that under-developed countries can prosper in social and economic fields by way of planning. Planning is not a development in itself but only makes a way to development and the rest is left to administration to achieve the targets in view. Planning, however best it may be, will be useless if public administration fails to carry it out efficiency. In India, at the central level, planning commission and national development council performs the function of plan formulation and evaluation. In the present lesson, working of central planning machinery will be critically analyzed.

2. Planning

2.1 Meaning : Planning, in simple words, means to act after proper thinking and cool deliberation. Planning means to determine what is to be done and how it is to be done. In fact, there is no single definition of planning which can cover the entire meaning of the concept. In the words of Barbara Wooton "Planning is the conscious and deliberate choice of economic priorities by some authority". G.D.H. Cole called it a plan for securing a right distribution of the available resources of production."

According to Urwick "Planning is fundamental and intellectual process, a mental pre-disposition to do things in an orderly way, to think before acting, and to act in the light of facts rather than of guesses. It is the anti-thesis of the gambling, the speculative tendency". Seckler-Hudson defines it as "the process of devising a basis for a course of future action."

"Planning" observes John D. Miller "is the process of determining the objectives of administrative effort and of devising the means calculated to achieve them".

From the above definition administrative planning has three elements viz.

- (a) The clear and well defined goals to be achieved and the way of system to be followed to achieve them.
- (b) To visualize the available resources i.e. physical and other.
- (c) Looking to the future for the assessment of the results set forth and to make an improvement in the techniques so as to achieve the desired objectives in views.

2.2 Kinds of Planning : Broadly speaking planning is of three kinds. First is total or over all planning, the second limited planning and, the third is 'Administrative planning'. Total planning may also be called Socio-economic planning. In other words it is the planning of all the resources, objectives and activities of the society. In case of such planning, Public Administration becomes the sole instrument of social action, whereas the individual initiative

is minimized. This type of planning is obviously possible in a totalitarian state. It was for the first time, introduced in Soviet Union, Russia in 1928 by Stalin and since then it has been operating there. The other communist countries of the world like China, Hungary etc. are also making the use of the total planning. However, this kind of planning is neither possible nor feasible in a democratic country, because it curbs individual liberty and initiative.

The second category of planning is known as limited planning. Under this system of planning all the socio-economic activities of the society are not centralised at one place but the state selects the main objectives to achieve in a best possible way. To achieve the end in view democratic means are employed ensuring the maximum liberty subject to minimum impositions put forth for common good.

The third type of planning is called 'Administrative Planning'. This is planning which is mainly concerned with the Administrative programme of the country. It has nothing to do with the socio-economic programme. According to L.D. White, "Planning as a term used in the context to Public Administration is not equivalent to making decision on basic policy. Planning in the context of administration begins where general policy stops ; it is concerned with the means by which end can be brought to fruition."

2.3 Objectives : Planning has wide and varied objectives to achieve. In democratic countries planning is a means to an end, the end naturally varying with the state of the country. The problem of development is one of utilizing more effectively the potential resources available to the community. Planning implies the readiness on the part of community to view the social process as one whole and to take action designed to shape this process.

Various problems like un-employment, economic growth, production etc. are tackled through planning. Planning is also required to make provision for the masses to lead a good life which includes better living standards, a more congenial social atmosphere and regard for individual personality. In short, the chief objectives of planning are increased production, more employment, and reduction in inequalities and granting of equal opportunities.

3. Techniques for Economic Planning

Need of Economic Planning : To promote economic development is one of the major functions of a modern Government. In a developed society a government is actively involved in the fight against poverty. Economic development is upper-most on the agenda of government activities of the developing countries. One of the methods of achieving economic development and social justice is the centralised system of economic planning. Planning for economic development implies external direction or regulation of economic

activity by the planning authority which in most cases is identified with the government of the State. The decision of plan does not by itself increase the total physical resources available to the community. Planners seek to bring about a rationalization, and if possible and necessary, some reduction of consumption, to evolve and adopt a long-term plan of appropriate investment of capital resources with progressively improvement techniques, a programme of training and education through which the competence of labour to make use of capital resources is increased, and a better distribution of the national product so as to attain social security and peace. Initially, the planning effort starts with available resources-natural, human and in terms of capital equipment. But with the progress of planning it is expected that natural resources will be progressively better conserved and utilized, human resources better trained and better distributed and capital resources continuously augmented and made more efficient. The main components of a programme of planned development, namely rationalization of and restraint on consumption, the training and appropriated disposition of human resources, increasing capital resources and the adoption of improved techniques, are the characteristics which have to be manifest at all stages throughout the period of planning, though the emphasis on one or the other may vary from stage to stage.

NITI AAYOG

4 Historical Background : In India, the first person to stress for social planning was Dr. Visveshwariya who published ten yearly plan documents in 1934. This plan aimed at doubling the national income. He pointed out in 1936 that for rapid industrialization, planning is a must. This remained only as a suggestion as nothing was done to implement it.

After few years, a resolution was passed in the conference of provisional ministers presided by the then Congress President Mr. Subhash Chander Bose. This resolution pointed out that in order to remove poverty and unemployment and to enhance national security and economic rehabilitation, industrialization is a must. In order to achieve this aim, plans should be formulated at the national level. A commission 'All India National Planning Commission' should be established comprising of representatives of provisional and princely states, 'Federation of Indian Chambers of Commerce [FOICC] and 'All India Village industries Association'. They also suggested for establishment of Planning Committee.

In 1938, National Planning Committee was formed by Pt. Jawahar Lal Nehru. The committee discussed various aspects of planning and suggested that government should undertake all those activities like railways, air ports, ship transport, basic and heavy industries etc. in its own hands for successful

and efficient economic development of the country. About twenty nine sub committees were formed to discuss, study and prepare detailed report on various economic problems being faced by the country at that time. Due to 2nd World War, the working of the committee was stopped but still it has made a tremendous contribution towards generating mass interest towards planning. There are three more plans which were remained only on paper as they were never implemented. First is known as Bombay Plan given by industrialists then there was Gandhian Plan given by Sriman Narayan and the third one was People Plan formulated by Mr. M.N. Roy.

The preparation of the plan and the task of translating the various objective of the plan into a general plan is the work of planning experts and for that a Planning Commission is appointed by the government. There is no provision in the constitution of India for a body like the Planning Commission. It was established by a Resolution of the Government of India. The Neogy Committee in 1946 and recommended that the very nature of the task of economic planning required that a "single authorities organization" directly responsible to the cabinet should be set up at the centre to devote itself continuously to the entire field of economic reconstruction of India. "One 15th March, 1950 the central cabinet emphasized that the need for comprehensive planning based on a careful appraisal of resources and on an objective analysis of all the relevant economic factors has become imperative". Accordingly it was resolved by the cabinet that a Planning Commission to formulate and secure the execution of plans for the "most effective and balanced utilization of the country's resources" be set up. As per the Cabinet's resolution the Planning Commission was constituted and commenced its work on 28th March, 1950.

Niti Aayog

Niti Aayog also institution for transforming India, policy think tank of Government of India, established with the aim to achieve sustainable development goals and to enhance cooperative federalism by fostering involvement to State Government of India in the economic policy making process using a bottom up approach. Its initiatives include "Is year road map" 7-years vision, strategy and action plan, digital India, performance in health, education and water management, sub-group of chief ministers on rationalization of centrally sponsored schemes, sub group of chief ministers on Swachh Bharat Abhiyan and elimination of poverty and transforming India. It was established in 2015, by the NDA Government to replace the planning commission which followed the top down model. Prime minister is the ex-officer chairman, permanent members of the governing council are all State chief ministers, chief ministers of Delhi and producherry,

lieutenant Governor of Andaman and Nicobar and vice chairman nominated by the prime minister in addition, temporary members selected from the leading Universities and research institutions include a chief executive officer, four-official member and two part time members.

Functions

1. To evolve a shared vision of national development priorities sectors and strategies with the active involvement of States in the light of national objectives.
2. To foster cooperative federalism through structured support initiatives and mechanisms with the States on continuous basis, recognizing that strong States make a strong nation.
3. To develop mechanism to formulate credible plans at the village level and aggregate these progressively at higher levels of Government.
4. To pay special attention to the sections of our society that may be at risk of not benefiting adequately from economic progress.
5. To provide advice and encourage partnerships between key stakeholders and national and international like-minded think tanks, as well as educational and policy research institutions.
6. to focus on technology upgradation and capacity building for implementation of programmes and initiatives.

5. National Development Council

5.1 Objectives and Functions : To secure co-ordination in matters of planning between the Centre and the State, an important organization was established, i.e. National Development Council. Its main functions are :

- (a) to review the working of the national plan from time to time.
- (b) to consider important questions of social and economic policy affecting national development, and
- (c) to recommend measures for the achievement of the aims and targets set up in the National plan, including measures to secure the active participation and co-operation of the people, improve the efficiency of the administrative service, ensure the fullest development of the less-advanced regions and sections of the community.

Like the Planning Commission, the National Development Council has no constitutional or statutory authority. But its recommendations are treated with great respect by the Central and State Governments. Its purpose is to give the plan a national character and to co-ordinate all the activities of the states. The inclusion of the Chief Ministers of the states in the National Development Council gives a kind of sanction to the schemes of the states in the plan.

5.2 Composition

- Prime Minister as its Chairman

- Chief Ministers of all States
- Members of Planning Commission
- Secretary of Commission is Council's Secretary also.
- Related Union and State Ministers are also invited to participate in its deliberations.
- Officers and outside experts may also be invited.

5.3 Working and its Analysis

(i) Working : It meets at least twice a year and number of meetings increase when plan formulation is in process. A number of its members is quite large thus it works through various standing as well as adhoc committees. The meeting starts with Prime Minister's address. Secretary prepares and get the agenda circulated among the members. The agenda consists of items suggested by Planning Commission, central ministers or state governments.

(ii) Analysis : It is not a statutory body still it's very important as its approval is must before the plan is presented to the Parliament. Its membership provides truly national character to the plan. It means that it enables formulation of realistic and feasible plans. It promotes the method of debates and discussions and team spirit, sense of co-operation and co-ordination among the members particularly of all states. Despite the above mentioned positive facts, it has been criticised regarding its working. It has been many times labeled as super cabinet as rubber stamp which means presence of prominent governmental functionaries leads to imposition of decisions as none can dare ignore or question these.

Administrative Reforms Commission suggested that

- It should guide in formulation of national plans and also consider them after the formation is over.
- It should assess the resources required for its implementation or suggest ways and means to argue the same.
- Should consider important socio-economic policy related questions affecting national development.
- And review the working of the plan from time to time and make suggestions to improve the plans thus enabling it in achievement of goals and targets.

5.4 Formulation of Plan

The formulation of plans for the whole country is the responsibility of the Planning Commission. The implementation of the Plan is the main responsibility of the administrative ministers of the central government and of the State governments. At present, the Planning Commission formulates the Plan, lays down the policies, targets, financial, resources, main, projects etc. The procedure of plan formulation is like thus :- The Planning Commission

prepares a short memorandum of the Five-Year Plan which it places before both the Central Government and the National Development Council. After the two bodies have approved of the short memorandum a 'draft' outline enunciating objectives of the Plan, main Targets, etc. is prepared. The Draft is discussed in the Press, by the public and in Parliament. The Planning Commission arranges detailed discussions with the states. The States prepare their own Plans keeping in mind the broad targets of the Draft. The Plans are prepared modified and final shape is given to them by the Planning Commission. The result is that, to a great extent, the work of formulation is centralized with the Planning Commission. The advent of planning and assumption of development taken by the government has led to the creation of planning cells within executive departments and ministers, full fledged planning departments and planning advisory bodies. The Planning Commission of India has so far formulated nine Five Year Plans. It has also prepared tenth draft plan. Though in many respects the Five-Year Plan have not achieved the desired targets, but undoubtedly they have gone a long way in building a healthy economy of country are acceleration the pace of development work in India.

6. A Critical Evaluation of the Working and Role

The Indian Planning Commission, though, has worked very well, yet its structure and functioning have been subjected to severe criticism. It is said that it does not function as an independent and advisory body, so the Cabinet Ministers devoid of expertise have to be among its members. It is a convention that whenever the Planning Commission consider any matter which directly concerns one or ore ministers, representatives of those ministries are closely associated with its work. All this lend a political coloring to the functioning of the Planning Commission.

Since its inception, objection was raised that many of the members of Commission were not technical persons. It is important to note that retired politicians should not find a place on the commission, because they do not have vision to provide ideas for day-to-day operations of the particular divisions for which they are normally responsible. The presence of politicians and ministers on the Commission has, to a considerable extent an intimidating influence on the other members. They overshadow the independent members. Besides almost all subjects like agriculture, power, transport etc. fall within the jurisdiction of the state governments and to increase the number of members of the Commission by including the ministers of the Central Government is to increase the weightage of the centre. The Commission can do much better work of evaluation of the plan progress as well as of making and taking decisions on various questions. It is body wholly independent of the Central Government.

After the plan has been formulated, its implementation assumes great importance. The best possible plan may fail to deliver the goods in the absence of an effective implementation machinery. Every Five-Year-Plan has been a challenge to the capacity of India's administrators. Every Five Year Plan document stresses the need for streamlining the Indian administration to cope with the challenges thrown by the plan but there has, as a whole, been dissatisfaction with regard to the implementation of the plan. Administrative slowness, inefficiency and defective procedure have been suggested as some of the reasons for the difficulties faced at the time of plan implementation. Following defects are mainly pointed out :- (a) slow pace of execution (b) increase in cost and non schedules (c) absence of trained personnel with the requisite calibre and experience (d) widespread support and co-operation from the community as a whole. To overcome these defects in administration new procedures and methods of work are to be devised that administration is able to face the new challenges of economic planning.

Centralized Planning and establishment of the Planning Commission have given rise to certain problems in Union-States Financial Relations. One is the overlapping of functions of the Planning Commission and the Finance Commission. The Finance Commission decides the principles for the devolution of tax resources and fiscal needs of grant to states. The Planning Commission advises the Central Government on grants to be made to the States. These are grants geared towards the achievement of certain centrally planned targets. Often the two bodies have been supplied with different sets of figures of estimates by the states. Since the Financial Commission, in its recommendations for devolution of centrally levied taxes and fiscal-need grants, seek to compensate the 'revenue gap' the States tend to present it with figures which under-estimate their resources. While on the other hand, they over-estimate their resources to the Planning Commission in the hope that they will get more funds. This is evident in some of the States' own Third Plan Reports. This is not a good trend because often it leads to imbalanced fiscal divisions. The Planning Commission has many opportunities to correctly gauge the actual resource-potentialities of the States because the State contributions are reassessed annually. But the Finance Commission which functions for a limited duration after the gap of five years does not do so because once the devolution has been made it is revised on the basis of the next commission's report. This overlapping of the functions of the Planning Commission and the Finance Commission is a defective phenomena and it should be remedied.

6.1 Recommendations of Administrative Reforms Commission : The Administrative Reforms Commission examined the working of the planning machinery in India and made the following recommendation in March 1968 in

connection with internal organisation and staffing of the Planning Commission. Some of its recommendations are as under :

1. The Planning Commission should be responsible only for formulating the objectives, laying down priorities, indicating broad sectoral outlays, fixing the basic targets and approving the main programmes.
2. The Commission should not ordinarily undertake itself much of field research work, but should make use of other official as well as non-official agencies concerned with it.
3. The Commission should not deal with individual references on plan programmes and schemes unless they pertain to major deviation from the plan.
4. Officers of the commission should not participate in the committees set up for the implementation of plan policies.
5. The Commission should give up all such work as is not germane to its functions.
6. The Commission should take immediate steps to reduce its personnel and expenditure, in keeping with the redefined scope of its functions and reduction in work as suggested by them.
7. The work of the Commission should be organised in three wings, one dealing with plan formulation, the second with evaluation and the third with establishment matters. There should be only three functional levels in the Commission below the Members in the Plan Formulation Wing. These should comprise advisers, subject specialists and analysis.
8. Selection for appointment to senior positions in the Commission should be made from a wide field covering the civil services, public and private sector undertakings and other walks of life. They should be made by a special committee consisting of the (i) Chairman, Union Public Service Commission (ii) Chairman, University Grants Commission and (iii) Deputy Chairman, Planning Commission. The President of the Federation of the Indian Chamber of Commerce and Industry should also be associated with selection of persons from the industrial and commercial fields. Where necessary an eminent expert may also be co-opted to advice the committee.
9. All top appointments should be made on a contract or tenure basis for a fixed period.
10. The emoluments payable to non-officials should be high enough to attract the best qualified persons and not necessarily be based

on the normal standards of remuneration in Government.

11. Outstanding work done by the Government servant in the Planning Commission should entitle him to special consideration in the matter of selection for higher appointments.
12. It is necessary to make suitable arrangements for training personnel engaged in planning work, in statistical and economic analysis and in techniques of planning.

7. **Conclusion :** A changed view of composition of the Planning Commission will be necessary to bring about the reorientation. Prof. D.R. Gadgil has suggested that the Prime Minister and the Finance Minister should cease to be members of the Commission. No minister of the Cabinet should be a member of the Commission except the Minister of Planning, if such a post is continued in the cabinet, then he should be the chairman of the commission. The Deputy Chairman of the Commission should be by preference an administrator having wide experience. This is necessary as the Planning Commission operates essentially through contacts with ministries and government and their senior officers, and somebody acquainted with their ways should be the administrative head of the organisation. For the rest the members should be experts all of whom however, having some experience of handling the practical problems. Mainly scientists, technicians, social scientists, statisticians and economists. The total membership need not be, or rather should not be large, because after all the main expertise will be furnished by the superior staff of the Commission together with advisory bodies such as panels. There is at present great and urgent need of complete rethinking in relation to the functioning and composition of the National Planning Commission. The extremely difficult times through which we are passing make it necessary that a revitalized and properly oriented organization be at the apex of our planning efforts.

SELF CHECK EXERCISE 1

- Note : 1 Your answer should be in the prescribed limits. (800-1000 words)
2. You can compare your answer with the answers given at the end of the lesson.
- Q.1. Discuss the composition, functions and organisation of Niti Aayog.

OR

Critically evaluate working of Indian Planning Machinery.

- Q.2. Critically explain the working of National Development council.

8. Key Words

- Germane – a fit for or appropriate to the situation or occasion.
- Super Cabinet – means a cabinet above cabinet. Means a body which seems more powerful than cabinet which is extra constitutional but a very powerful body.

Rubber Stamp – position of a body i.e. a body which has not much say of its own but has to say yes to whatever has been already decided.

Augment – to increase or enlarge the size, degree or quantity.

9. Books for Additional Readings

1. The Planning Commission by H.K. Paranjape.
2. Planning machinery in India by S.R. Sen.
3. India-1999.
4. The Union and the States-Edited by S.C. Kashyap and others.
5. Planning and Economic Policy by Prof. D.R. Gadgil.
6. Sahib Singh, Swinder Singh : Development Administration
7. R.K. Arora : Indian Administration

10. Guidelines to check your progress exercise

Self-Check Exercise 1

Q.1 Your answer should include :

- Historical Background.
- Composition.
- Functions and their Organisation.
- Critical Evaluation given at the end of the lesson.

If question on Planning Machinery at Centre then working of National Development Council i.e. NDC should also be mentioned in brief i.e. not more than one page.

Q.2. Your answer should include :

- The data of its establishment, its objectives, functions.
- Composition and analysis of the working.

PLANNING MACHINERY AT STATE LEVEL**Structure**

- 1.6.0 Introduction
- 1.6.1 Objectives
- 1.6.2 Features of State Planning
- 1.6.3 State Planning Machinery
- 1.6.4 State Planning: A critical Evaluation
- 1.6.5 Summary
- 1.6.6 References and Further Readings
- 1.6.7 Key Words

1.6.0 INTRODUCTION

Development planning is a difficult process. It is concerned with long term socio-economic development. In its largest application it is usually an effort to raise the standard of living and of social competence and well-being by a total and coordinated use of all physical and human resources. India, after attaining independence, had to march towards the achievement of development goals. It adopted the Five Year Plan model along with annual and perspective planning. The constitution of India includes the subject of 'social and economic planning' in the concurrent list. This means both the union and the state governments have the responsibility towards development planning. At the centre, the planning commission was established by a cabinet resolution of 1950. The National Development Council (NDC) was later constituted in 1952. In addition to the national plans produced by the Planning Commission, separate plans are also prepared for the States of the Indian Union. These are formulated simultaneously with the national plans and by very similar methods. The state plans which are primarily prepared by the state planning units have to be in line with the national plan. It is one of the major tasks of the Commission to ensure that all these plans are mutually consistent, compatible with the total estimated investments and goals. The states generally have Planning Boards and planning departments as their basic planning machinery. India has also adopted a system of multi-level planning system. This means the planning process must be there at the bottom level too i.e., district and below. Of late there has been an increased emphasis on planning from below. In this unit the main focus is on the planning machinery at state and district levels and an evaluation of the same.

1.6.1 OBJECTIVES

After going through this unit you will be able to:

- identify the peculiar features of state level planning.
- describe the set up for planning at the state level.
- appreciate the significance of planning at state and district levels.
- describe the machinery and process of local level planning.

1.6.2 FEATURES OF STATE LEVEL PLANNING

The state plans account for about one half outlay of the Government under the Five Year Plans. As noted above, the subject of planning is included in the concurrent list of the constitution which means that both the centre and the states can make plans in their own sphere. Each state has its own planning set up. There are certain peculiar features of state level planning in India. These are:

- Each state has its own problems and its own stage of development. Therefore no plan can be imposed from above for all the states.
- Each state has to produce its own draft plan for submission both to the Planning Commission and to its own legislation.
- The final state plan, inevitably the product of a compromise between the state and the centre, is worked out through discussions and exchange of information.
- The state planning is the grass root planning. The planner's task is not merely to formulate schemes but also to implement effectively with people's involvement.
- There is a lack of comprehensive planning machinery at the state level.
- Plan formulation and implementation are closer at state and lower levels as compared to national planning.

1.6.3 STATE PLANNING MACHINERY

In almost all the States, the main institution responsible for the preparation of a state plan is the State Planning Department which generally works under the Chief Minister of the State. The Planning Development is responsible for liaison between the Planning Commission and the state government departments, coordination of their programmes for development and formulation of the development plan for the state as a whole. Also on the pattern of Planning Commission most of the states have also set up the Planning Boards in order to bring about effective

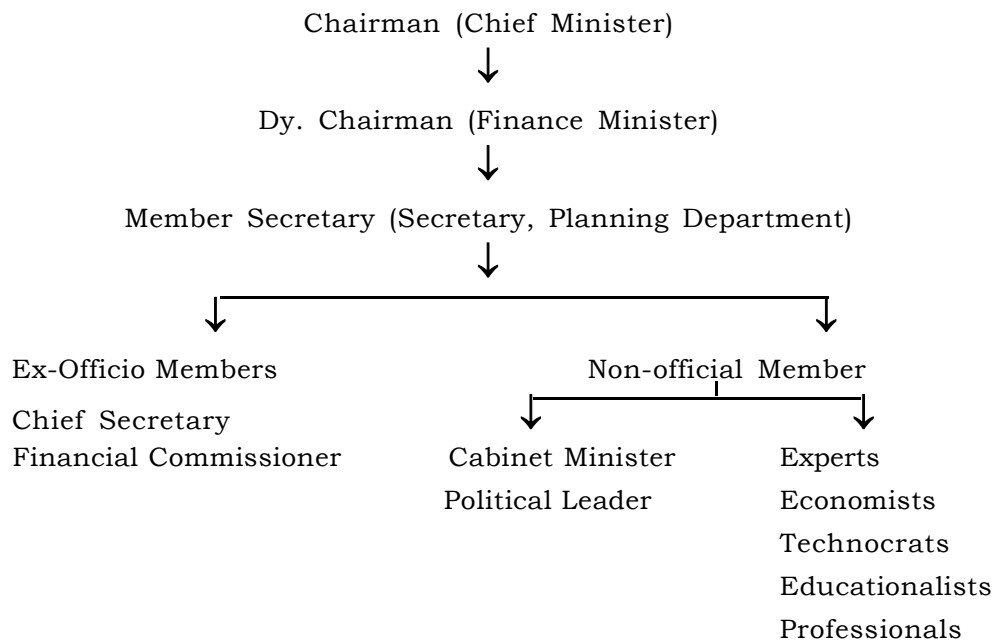
coordination, rigorous thinking and making the process meticulous.

1.6.3.1 State Planning Board

As noted above almost all the states have their own planning machinery which is mainly the planning department along with a few specialized agencies. But to make the planning system more effective it was suggested that the states too must have a body similar to Planning Commission. It was in 1962 that the Planning Commission suggested to set up Planning Boards in all the states. The Commission was of the opinion that Boards would be able to carry out the task of planning in a more comprehensive manner than the individual departments which should be mainly concerned with the implementation of plans. Again in 1966, the Administrative Reforms Commission (ARC) recommended the constitution of such Boards to formulate the five year plans and to evaluate the performance. The study team of the ARC recommended a three-tier planning machinery - a state agency, sectoral (departmental) planning agencies and regional and district planning agencies. Most of the states sooner or later accepted the recommendations and established the State Planning Boards.

Composition of Boards

The State Planning Boards are composed of a Chairman, a Vice-Chairman and some members. Like the Prime Minister at the centre the Chief Minister is generally the Chairman. The number of members varies from state to state. A few years back the number of members ranged from 2 or 3 in Nagaland and Assam to 36 in Maharashtra. These members include full time and part time members, experts, ex-official experts, economists, technocrats, educationists, other professionals. The Secretary in charge of Planning Department generally acts as a member secretary to the Planning Board.

Planning Machinery in a State**STATE PLANNING BOARD****SECRETARIAT**

- Secretary to Government (State) Planning
- Additional Secretary/Joint Secretary and the rest of hierarchy (Planning Deptt.)
- Planning Officers
- Research Officers

DIVISIONS

Plan Formulation Division	Working Groups
Implementation Division	Expert Groups
Monitoring and Evaluation Division	Research Cells
Project Appraisal Division	
Manpower Division	Data Processing Units
Regional/Local Planning Division	

Functions of the Planning Boards

The basic functions of the Planning Boards at the state level are more or less in line with those of the Planning Commission. These functions, which were also recommended by the ARC, are as follows:

- i) To make an assessment of the State resources and formulate plans for the most effective and balanced utilization of those resources;
- ii) To determine plan priorities of the State within the framework of the priorities of the National Plan;
- iii) To assist the district authorities in formulating their development plans within the spheres in which such planning is considered to be useful and feasible and to co-ordinate these plans with the state plan;
- iv) To identify factors which tend to retard the economic and social development of the State and to determine the set of conditions for the successful execution of the plans; and
- v) To review the progress of the implementation of the plan programmes and recommend such adjustments in policies and measures as the review may indicate.

Other functions of a State Planning Board may include:

- To assess the level of socio-economic development in the state and to determine the plan priorities.
- To assist the state government towards formulation and review of plans.
- To review the progress on various projects/programmes.
- To review the overall economic situation and the role of public sector.
- To help towards perspective planning.
- To assess the manpower availability and assist in manpower planning.

1.6.3.2 State Planning Department

The State Planning Department acts as the secretariat to the State Planning Boards. In the states where there is no planning board like organization, the Planning Department performs the functions relating to total planning process. In the states having a full emphasis on planning process, have a full fledged or comprehensive secretariat organization for planning. There include: Assam, Rajsthan, Punjab, Maharashtra, Tamil Nadu etc.

The Secretary to Government heads the Planning Department. The political head of this department is generally the Chief Minister or in very few cases the Planning Minister. An Additional Secretary, Joint Secretaries, Deputy Secretaries

and a large number of technical and office staff assist the Secretary. There are also a few research officers and specialists associated with the planning department. For the purpose of formulation, implementation, and evaluation and to cover all other aspects, there are specialized divisions. These may be: The Plan formulation division; Implementation and coordination division; Evaluation and Monitoring division; manpower and employment division; project appraisal division; and so on.

In Punjab, till a few years back, there were three divisions namely:

- i) Perspective Planning Division;
- ii) Plan Monitoring and Information Division;
- iii) Manpower Planning Division.

While the perspective Planning Division was headed by a Director, the other two divisions were headed by Deputy Directors. In Punjab there are also eight working Groups, which are concerned with:

- i) Financial Resources;
- ii) Agriculture, Minor Irrigation and Soil Conservation;
- iii) Power and Rural Electrification;
- iv) Industries;
- v) Employment and Manpower Planning;
- vi) Area Planning and Development of Backward Areas;
- vii) Irrigation and Flood Control; and
- viii) Science and Technology.

There are also a few committees constituted from time to time and are responsible for helping the vital tasks related to the planning process.

In a number of States, the Planning boards are advisory bodies whereas the Planning Departments are executive agencies to carry out actual formulation, implementation, monitoring and evaluation.

CHECK YOUR PROGRESS-I

1. Try to outline the structure of a state Planning Board.

Ans.

2. Give any three features of state level planning.

Ans.

1.6.4 STATE PLANNING- A CRITICAL EVALUATION

Immediately after the initiation of national planning it was realized that besides the planning from the center for the whole of India, there must be plans separately for each states. The Planning Commission and later on the ARC recommended for the setting up of planning machinery in each state for the formulation, implementation and evaluation of their plans. These plans, are however, to be in consistence with the national planning in some terms. Most of the States have now the State Planning Boards and State Planning Departments. However, the experience in most of the States in regard to State level planning has not been encouraging. As compared to national planning by the Planning Commission of India, planning at state and local levels has a number of shortcomings, such as:

- Ineffective planning machinery at state level.
- Insufficient research and other organizational support.
- Problems of coordination between Planning Department and other departments.
- Poor monitoring system.
- Problem of center-state planning relations.
- Window-dressing and misleading pictures presented by the states to the center.
- Excessive dependence of states on central grants.
- Poor data base and lack of scientific research and capability.
- Too much of political considerations and interference.
- Problem of coordination at District level.

1.6.5 LET US SUM UP

Due to large area, big population and diversities, the planning only from the center for the whole of India is not fully beneficial. Therefore India slowly adopted the system of multilevel planning. During the 1960s most of the States constituted the State Planning Boards along with the existing planning departments. The set up

and working of planning machinery at the state level is similar to the one at the center. However, the effectiveness of state planning machinery is much below the expectation in most of the cases.

1.6.6 REFERENCES AND FURTHER READINGS

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1.6.7 KEY WORDS

Compatible	:	Befitting, Able to Work together
Liaison	:	Contact, relate, communication
Meticulous	:	Perfect, scientific, carefully made
Monitor	:	Supervise, Watching the progress
Outlay	:	Amount of Money sanctioned for same programme/ project
Perspective Planning	:	Long-term planning (10 to 15 years or more)
Window Dressing	:	Projecting rosy picture, showing attractive things

Self-Check Exercise

- Q. Critically examine the organization, functions and set up of State Planning machinery.

Type Setting :

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