

APPENDICES
Summaries of Development Programmes

THE DEVELOPMENT PROGRAMME OF INDIA

Population: 350,000,000

Occupational distribution: 70% of the working population of India are engaged on the land, 10% in large-scale industry (including iron and steel, cotton textiles, sugar, cement and matches), 10% in medium and small scale industry, and the remaining 10% in services and the distributive trades.

Post-war Problems: The war led to serious shortages of consumer goods and a six-fold increase in the supply of money. This resulted in serious inflation. The wholesale price index stood at 400 in 1950 (1939-- 100) and the cost of living index reached 320.

The partition of the sub-continent into the two sovereign states of India and Pakistan gave rise to other problems. Whereas previously cotton, jute and food grains were an internal product of British India, the new India had to import them, in part, in order to meet her full requirements. There was further heavy expenditure on the rehabilitation of refugees.

Basis and Objectives of the Programme:

The scheme of development proposed for India is designed to improve the standard of living, to provide a minimum of social services and to supply sufficient capital and consumer goods to restrain inflation. To achieve these objectives it is proposed:-

- (a) To undertake certain basic public development, such as irrigation and rural electrification, in order to increase agricultural production.
- (b) To increase the supply of fertilizers, agricultural implements and building materials, at a reasonable cost, in order to raise the yield of land under cultivation.
- (c) To develop and improve transport facilities.
- (d) To promote the full use of existing industrial equipment and capacity, and to extend the production of iron and steel.
- (e) To encourage industry in the villages in order to provide work for the under-employed and unemployed rural population.

Description of Programme

In framing the programme a list of projects in progress or ready for execution, with a total cost of £2,414 million was investigated. From this a careful selection was made of the most