

*Economic Perspectives*

CHARAN SINGH: *Economic Nightmare of India: Its Cause and Cure*. National Publishing House, New Delhi, 1981, xii, 564 p., Rs. 175.

THE "nightmare" to which Charan Singh, Lok Dal leader and briefly Prime Minister in 1979, refers in the title of his book is the orientation that Jawaharlal Nehru gave to the post-independence economic development of India. The gravamen of his charge is that Nehru reversed the Gandhian, village-centred approach to economic development and made the Congress adopt instead what has come to be known in the theory of economic development as the "trickle-down mode." "(Nehru) wanted to build India from the top downwards, that is, from the industrialists, managers and technicians, and hence followed the centrality of the town. (He) lived to regret his decision but it was at the fag end of his life, when little time was left for him to reverse the gear even if he would." (p.vi) Nehru died half-way through the Third Plan period. Rethinking on plan priorities and some preliminary ideas on systematising changes in them in the Fourth Plan were by then already underway. As Chairman of the Planning Commission Nehru was party to these, and there is no reason to think that he would have resisted even basic changes if they were demonstrably called for.

But "reversal" is another matter. The author's assumption that a "reversal of gear" in Indian planning was what was needed is not well-founded. After five hundred pages of writing on agriculture, industry and the Gandhian approach, he is apologetic and on the defensive. He says: "So that, as the reader must have already noticed, when the writer lays emphasis on development of agriculture, he should not be taken to mean or believe that India should 'stay agricultural,' instead of developing. Nor does he share the belief that industrialisation ultimately degrades. The argument that neither the carrying capacity of land, nor the market for farm production, is such as to permit the masses in India and, for the matter of that, in other poor countries to reach a high level of living without a major shift to non-farming activities, is conclusive." (p.529).

It is true that by "non-farming activities" the author has medium and small-scale industries in mind. But since he also wants "development," it is impossible for such industries to produce all the requirements of development which include machinery of every description and high technology products. These are required for developing communications and various means of transport, for building dams to impound waters for agriculture, for manufacturing fertilisers and pesticides and drugs and chemicals to keep farmers in a physical condition for farming operations, to name only a few industrial pre-requisites of agricultural development. The alternative to their domestic production is import. The author impliedly admits in the passage quoted above that Indian agriculture may or may not produce sufficient surpluses for export. How then do we pay for the import, especially since

he looks upon foreign aid as demeaning ? (p.317) He does not appreciate that India's rural regeneration based on agriculture is not practicable without an expanding industrial structure that meets both the domestic need for capital goods and industrial products for export. Without them Charan Singh's reversal of gear may indeed stall all development, including agriculture. His idyllic vision of the village community (p. 529) will be chimerical.

Further Charan Singh says that upon attaining independence India needed a "firm and clear-headed leader" and not a "political philosopher with no capacity for administration, and in whose opinion the world had arrived at a stage when national frontiers were no longer relevant." (p. 547) The latter is an obvious reference to Nehru. His administrative capacity may be a matter of opinion; so is the author's. But competent leadership and political philosophy are not antithetical. After all the author himself swears by the Gandhian philosophy of a decentralised economic development and draws copiously on Western authors to buttress his critique of the Nehruvian philosophy of development. Presidents Jefferson and Wilson were political philosophers. So was Lenin. The vision of their administration was enriched thereby, not weakened. As for a world that transcends national frontiers, it was a greater reality in 1979 than in 1947. It is a pity that Charan Singh was not Prime Minister long enough to realise it. He would have realised, moreover, that for a large part of the Indian developmental programme the question of "reversing" does not arise: It is irreversible. His model has been overtaken by history.

To the extent that problems of developing countries like India are "nightmares," there is no once-for-all cure for them. They have to be met and resolved as the country goes along its developmental path. This is not to say that Charan Singh's analysis and arguments are invalid or irrelevant. Much of it has been advanced before even by Nehruvians and is undeniably of much substance. They are based on painstaking research and reference, albeit on secondary and published sources. Above all, the author's views are honestly and sincerely held, however one may disagree with them. His book has a place in the literature on post-independence Indian economy.

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ASHOK MITRA : *The Share of Wages in National Income*. Oxford University Press, 1980, vi, 152 p., Rs. 75.

**T**HE problem of the distribution of national income is inextricably linked with the process of economic development. The debate on the subject started about two centuries ago and continues even now without abatement of the enthusiasm that marked the initial years. In fact, recent years have witnessed further intensification of interest in income distribution especially in view of the accentuated inequalities confronting the contem-