

## An Economic Dynamics of Economic Planning in Haryana

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In the present age, economic planning is necessary for every economy. Economic planning is a method under which the central planning authority formulates the policies, programs and procedures and implements these in order to attain the goals. Economic Planning is performed by the planning commission in the form of five year plans. 12 five years plan have been completed from the period 1951 to 2017 and thirteen five year is in operation from April

1<sup>st</sup> 2017. In Haryana, The function of economic planning was started in the year 1966 in the form of one year plan.

Since its inception, the economy of Haryana has experienced many changes which have carried a deep impact on its economy. Economic scenario is much influenced by the demographic features. They can be depicted in the following Table 1:

**Table 1**

Trends of Population of Haryana

Demographic Features	1971	1981	1991	2001	2011
1.Population	1,00,36,431	1,29,22,119	1,64,63,648	2,11,44,564	2,53,51,462
2.Decadal Growth	32.22	28.75	27.41	28.43	19.90
3.Price Rate	42.1	N.A.	33.1	26.8	21.8
4.Death Rate	9.9	N.A.	8.2	7.6	6.5
5.Polulation Density	227	292	372	478	573
6. Sex Ratio	867	870	865	861	879

Source: Census Reports, Director of census Operation, Haryana

As Per the table, The Population of Haryana of the year 1971 was 1,00,36,431, which become almost double, I.e.2, 53,51,462 as per census of the year 2011.

Birth Rate also came down from 42.1 to 21.8 and Death rate also fell from 9.9 to 6.5 in the year 2011, as a result of an increase in medical facility.

## Hypothesis of the Paper

1. Economic Planning plays an important role in the development of agriculture and allied areas of Haryana.
2. Economic planning encourages the industries of Haryana.
3. Service sector also develops due to economic planning in Haryana.
4. State GDP increases with planning and the goal of rapid economic growth may be attained.

## Relevance of the Paper

Economic planning plays an important role in the economic, social and political development of a country. It is a dynamic process and changes over time. In Haryana, both short-term and long-term programs are included under the economic planning. This paper would be beneficial to Haryana Planning Commission or Haryana State Board which was established in the year 1966. This commission formulates five year plans under the chairmanship of chief minister in accordance with those of Central Government. The scope of planning in Haryana is very broad.

## Target Growth Rates in Haryana

A large part of the population of Haryana is dependent on agriculture. The target growth rate for agriculture sector was 5.3percent in the 11<sup>th</sup> plan and 3.43percent in the 12<sup>th</sup> plan. It was 4.0 percent for industrial sector in the 11<sup>th</sup> plan and 9.92percent in the 12<sup>th</sup> plan. For service sector, it was 12percent and 10.29percent in the 11<sup>th</sup> and 12<sup>th</sup> plan respectively.

The target growth rates are shown in the table 2:

**Table 2.**

Targets of Eleventh and Twelfth Plan in Haryana

Sector	Target growth rate in 11th plan	Target growth rate in 12th plan
Agriculture and Related sector	5.3	3.43
Industrial sector	14.0	9.92
Service sector	12.0	10.29
Total State GDP	11.0	9.31

Source: Plan Documents of Haryana.

The outlay spent by the public sector in the 11<sup>th</sup> five year plan was Rs.43,280.82 crores. 50 percent of the total outlay was allocated for social services like education, health, urban development, drinking water, sanitation, etc. The social services also include widow pension, allowances to differently disable persons, old age pensions, etc. Thus, a special attention was paid in the 11<sup>th</sup> plan to economic and social sectors for the attainment of the main objective of inclusive development. While in 12<sup>th</sup> plan, the outlay to be spent was Rs.90,000.00 crores, out of which 54.97% of the total plan outlay has been allocated to social services i.e. urban development, education, sanitation, clean drinking water, etc.

The growth in gross state value added at constant price may be seen in the following Table3:

**Table 3**

Growth in gross state Value added at constant price

Sector	2012-13	2013-14	2014-15	2015-16	2016-17
Agriculture and Allied Areas	0.7	2.8	-1.9	2.9	4.1
Industrial Areas	4.5	7.4	2.2	7.9	5.2
Service Sector	9.8	9.9	10.3	10.9	8.8
State GDP	6.5	8.2	5.7	9.0	7.1

Source: Economic Survey of Haryana 2016-17.

As per the table, the growth in agriculture in the year 2012-13, 2013-14, 2015-16 and 2016-17 have remained 0.7%, 2.8%, -1.9%, 2.9% and 4.1% respectively, while the target growth rate was 3.43%. This is unsatisfactory.

The target growth rate in industrial sector was 9.92% per annum. But the actual growth rate achieved in 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 was 4.5%, 7.4%, 2.2%, 7.9% and 5.2% respectively, which is being considered as unsatisfactory. In service sector, a target of 10.29% growth rate has been fixed in twelfth plan. While it remained 9.8%, 9.9%, 10.3%, 10.9% and 8.8% respectively.

For the attainment of the target of twelfth plan, a target of 9.31% growth rate in the gross domestic product has been determined. But only 7.1% could achieve.

## Conclusions and Suggestions

This target growth is higher as compared to the 8% target growth rate of all India. This growth rate is challenging but it is not impossible to attain it. The reason is: Haryana has attained 9.1% growth rate in the eleventh plan.

For the proper development of agriculture, agricultural technology agencies should be established at district as well as village level. A special attention should be paid to the improvement in the education sector (to the

farmers) i.e., of rural people, to make them aware of modern technology and to improve the quality of educational institutions. To develop industrial sector, appropriate steps like technical human skill, favorable investment policy, proper law and order condition should be taken in order to make the industries sound, so that domestic as well as foreign investors will get attracted for investment in the industries of Haryana. Much attention is to be paid to the improvement of health. More funds should be transferred by the government for providing special financial assistance to BPL people. The government can increase the employment opportunities by undertaking development programs for different sectors. Labor intensive development project and job oriented program can also be undertaken to provide relief for the problem of unemployment.

## References

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### **Abstract**

In the present age, economic planning is necessary for every economy. Economic planning is a method under which the central planning authority formulates the policies, programs and procedures and implements these in order to attain the goals. Since its inception, the economy of Haryana has experienced many changes which have carried a deep impact on its economy.

A large part of the population of Haryana is dependent on agriculture. The target growth rate for agriculture sector was 5.3percent in the 11th plan and 3.43percent in the 12th plan. It was 4.0 percent for industrial sector in the 11th plan and 9.92percent in the 12th plan. For service sector, it was 12percent and 10.29percent in the 11th and 12th plan respectively. This target growth is higher as compared to the 8% target growth rate of all India. This growth rate is challenging but it is not impossible to attain it. The reason is: Haryana has attained 9.1% growth rate in the eleventh plan.