

Fourth Five Year Plan Strategy

Because of certain developments during the Third Plan, the economic situation of the country was seriously affected (Indo-Chinese conflict of 1962; death of Prime Minister Jawaharlal Nehru, the main architect of planning in India, in 1964; Indo-Pak war in 1965; death of Prime Minister Lalbahadur Shastri in 1966; severe droughts; interruption in external assistance; breakdown of law and order in some pockets of the country; and erosion of political stability). The emergency was of a persistent character. Thus, to prepare a full five year plan for an uncertain situation was not possible and, hence, the Fourth Plan could not be launched as scheduled. Instead, three Annual Plans were made for 1966/67, 1967/68, and 1968/69. Like their predecessors, the Annual Plans laid emphasis on schemes that were continuing and those which could be completed in a short span.

The striking feature of the Annual Plans (1966 to 1969) of Himachal Pradesh was that a substantial addition in resources allocated for the water power development sector was noticed. After the transport and communication sector, which got 34 per cent share of the outlay of the Annual Plans, the second priority was attached to the water/power development sector which received 27.9 per cent of the outlay of Rs 397.8 million. Since industrialisation was coming into the picture, although on a small-scale, the power generation work had to be given a definite emphasis with focus on power generation for production purposes rather than simply for purposes of illumination. Moreover, it was recognised that generation of hydroelectricity for supply outside Himachal Pradesh, taking advantage of the natural facilities of this hilly territory with abounding hydel-resources, could well be one of the income-earning sources that might be tapped in an effort to bring the State closer to financial viability.

The Fourth Five Year Plan (1969-74) at the national level was not specific about objectives. In this, it made a departure from the previous Plans which laid down a list of important aims or objectives at the very outset. The Fourth Plan document defined the broad objectives of planning as '*rapid economic development accompanied by continuous progress towards equality and social justice*'. The Plan wanted acceleration of the tempo of development in conditions of stability and reduced uncertainties. This involved safeguards against the fluctuations in agricultural production as well as the uncertainties of foreign aid. But stability also implied price stability. Therefore, while independence from foreign aid demanded maximum mobilisation of internal resources, it was a condition of price stability that the resources would be raised in a non-inflationary way. All these tasks related to the tempo of development.

The Fourth Plan (1969-74) of Himachal Pradesh also did not spell out its underlying objectives following the approach of the National Plan. The core of the Fourth Plan was undoubtedly agriculture. Priority was naturally given to agriculture (allocating 24.1% of the total Plan outlay to it) because the whole development, including industrial development, is to a large extent dependent on what happens in the agricultural sphere. The Fourth Plan document described the role of agriculture as 'crucial'. The outlay on agricultural production, including research and education, increased from earlier plans and new schemes were introduced in the Fourth Plan. The new agricultural strategy hinged on, among other things:

- o the use of new varieties of high yielding seeds;
- o continued expansion of irrigation facilities;
- o increase in the supply of fertilizers; plant protection material, and farm machinery; and
- o provision for increased credit through nationalisation of commercial banks.

The Fourth Plan attached special importance to the problems of the weaker sections of the community, including the scheduled castes and tribes. The Plan also laid emphasis on removal of regional imbalances. There were differences in the rate of development between States, as also between regions in the same State. This was contrary to the principles of equality and equitable distribution of facilities.

In the field of agriculture, progress had been made over the past 20 years in terms of the abolition of intermediate tenures, reform of the tenancy system, ceiling on land ownership, and consolidation of land holdings. But there were many gaps between objectives and legislation and between the laws and their implementation. So the Fourth Plan proposed action mainly in the direction of filling some gaps in legislation and of much more effective implementation. One of the important tasks of the Fourth Plan was to try and ensure that land reforms became a reality in the village and the field. The nationalisation of banking, which occurred during the Fourth Plan period, was expected to lead to some major decisions made with a social purpose over the whole sphere of organised institutional credit.

The Fourth Plan of Himachal Pradesh gave due consideration to the water/power development sector and allocated 21.7 per cent share of the Plan outlay to this sector. The Transport and Communications' sector received a 29.1 per cent share of the Plan outlay. Hence, power and transport, two very vital sectors of infrastructure, continued to receive due consideration as before. Hence, power generation has constantly increased as a result of various measures taken to exploit the hydro-power potential. By the end of the Fourth Plan, the total power generation stood at 161,000,000 kwh and there were 13,243 km of all kinds of roads having a density of 23.8 km per area of 100 km².¹⁰

Social and community services (i.e. education, medical facilities, and public health) were allocated 18.0 per cent of the total Plan outlay. At the end of the Fourth Plan, there were as many as 113 primary schools per 100,000 of population and 76 per 1,000 km². The percentage of school going children in the age group 6-11 years to the total population in that age group was 90.7. As regards medical facilities, there were as many as 683 health institutions by the end of the Fourth Plan, on an average each health institution served about 80 km² and about 5,400 persons¹¹.

10. Fifth Plan: Mid-Term Appraisal Himachal Pradesh, p 2. Shimla: Plan Evaluation and Appraisal Cell, Planning Department, 1977.

11. Ibid. p.3.