ANANTAM IAS · OPTIONAL NOTES

History Optional
Economic Development and Political Change after 1947

Paper 2 · Unit 15

Planning, land reform, the green revolution and 1991: 30 marks in four years, asked on land reform and on developmental strategy.

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UPSC SYLLABUS

Economic development and political change: land reform; the politics of planned development; the green revolution; industrial development and the private sector; the rise of new agrarian classes.

Land reform

Asked in 2024 on why land reform never became a national political agenda after 1947. The answer is about the composition of the Congress rather than about economics.

- Land reform had **four components**: abolition of intermediaries, tenancy regulation, ceilings on holdings, and consolidation of fragmented plots.
- **Zamindari abolition** succeeded, removing roughly twenty million intermediaries between the state and the cultivator across the 1950s, and it is the one component that worked broadly.
- It succeeded because the intermediaries were a **politically narrow class** already discredited by nationalist argument, and abolishing them served the interests of the substantial peasantry that dominated Congress.
- **Tenancy reform** largely failed, since landlords evicted tenants in advance, recorded them as labourers, or used the personal cultivation exemption, and West Bengal's Operation Barga after 1978 and Kerala's reforms are the exceptions.
- **Ceiling legislation** failed almost completely, undermined by generous exemptions, benami transfers and the definition of the family unit, and the land actually redistributed was a small fraction of holdings.
- For the 2024 question, the answer is that the **Congress rested on the dominant peasant castes** who had gained from zamindari abolition and had nothing to gain from ceilings, and land is a state subject implemented by state governments those groups controlled.
- **Consequence** was the emergence of a substantial class of middle peasants rather than a redistribution to the landless, which is the material basis of later agrarian politics.
- **Bhoodan and Gramdan** under **Vinoba Bhave** from 1951 sought voluntary donation of land, collected several million acres on paper, and delivered comparatively little usable land to the landless, which illustrates the limits of moral persuasion against property.
- **Comparison** with East Asia is the strongest analytical move, since thorough redistribution in Japan, Korea and Taiwan preceded their growth, and India's incomplete reform is a standard explanation for slower rural transformation.

Planned development

Named in the syllabus as the politics of planned development, so treat the political choices rather than only the plan documents.

- **Planning Commission** was set up in 1950 by executive resolution rather than by statute, and the **National Development Council** in 1952 gave the states a voice.
- **First Plan** from 1951 followed the Harrod-Domar model and prioritised agriculture and irrigation, and it met its targets largely because of good monsoons.
- **Second Plan** from 1956 adopted the **Mahalanobis model**, prioritising heavy industry and capital goods on the argument that a capital goods sector is the precondition of self-sustaining growth.

- **Industrial Policy Resolution of 1956** reserved seventeen industries for the state, created the mixed economy formally, and established the licensing system that became the licence raj.
- **Achievements** were real, comprising a capital goods and heavy industry base, public sector steel, power and infrastructure, the IITs and national laboratories, and an increase in the savings and investment rate.
- **Failures** were equally real, comprising the **Hindu rate of growth** of about 3.5 per cent, capital-intensive industry that generated few jobs, protected inefficiency, and rent-seeking around licences.
- **Neglect of primary education and health** is the criticism with the longest consequences, since literacy at independence was around sixteen per cent and progress was slow for decades.
- **Politics** shaped all of it, and the Bombay Plan of 1944 shows that Indian big business itself wanted state-led industrialisation, so planning was not imposed against capital but negotiated with it.

The green revolution

Named in the syllabus and the most consequential single policy of the period.

- **Context** was the crisis of the mid 1960s, with successive droughts in 1965 and 1966, dependence on American PL-480 food aid, and the political humiliation that dependence entailed.
- **Technology** was high-yielding varieties of wheat and later rice, developed from Norman Borlaug's Mexican wheat, combined with assured irrigation, chemical fertiliser and pesticides.
- **M. S. Swaminathan** led the Indian adaptation, and the package was concentrated in **Punjab, Haryana and western Uttar Pradesh** where irrigation already existed.
- **Results** were dramatic, with wheat output roughly tripling between the mid 1960s and the 1980s, and India moving from food imports to self-sufficiency and eventually to buffer stocks.
- **Regional inequality** followed, since the eastern and rainfed regions with poor irrigation were largely excluded, which widened the gap between Punjab and Bihar.
- **Class inequality** followed too, since the package required capital for tubewells, fertiliser and machinery, so larger farmers benefited disproportionately.
- **Ecological costs** became apparent later, including water table depletion, soil degradation, loss of crop diversity and fertiliser runoff, and Punjab is the clearest case.
- **Political consequence** is the most examinable, since the prosperous farmers created by the green revolution became the **new agrarian classes** named in the syllabus and a powerful political force from the 1970s.

The rise of new agrarian classes

Named explicitly in the syllabus and the political outcome of both land reform and the green revolution.

- **Dominant peasant castes**, including Jats, Yadavs, Kurmis, Patidars, Marathas, Vokkaligas, Lingayats and Kammas, gained from zamindari abolition and then from the green revolution.
- **Bullock capitalists** is **Rudolph and Rudolph's** term for these middle and large farmers who were neither landlords nor labourers and who became decisive in electoral politics.
- **Charan Singh** was their principal spokesman, arguing for terms of trade favouring agriculture against industry, and his politics is the clearest expression of the new agrarian interest.

- **Farmers' movements** from the late 1970s, under **Mahendra Singh Tikait** in western Uttar Pradesh and **Sharad Joshi's** Shetkari Sanghatana in Maharashtra, demanded remunerative prices and lower input costs.
- **Bharat versus India** was Sharad Joshi's framing, presenting the conflict as rural against urban rather than as class conflict within the countryside, which is why it united rich and middle farmers.
- **Mandal Commission** implementation in 1990 and the rise of backward-caste parties drew directly on this constituency, so agrarian change produced the caste politics of the 1990s.
- **Agricultural labourers and marginal farmers** gained least, and the persistence of rural poverty alongside agricultural growth is the standing criticism of the whole strategy.
- The link to state: subsidies on fertiliser, power and irrigation, and minimum support prices, became politically untouchable because of exactly this constituency, and the fiscal consequences persist.

Liberalisation and after

The syllabus stops at economic development and political change, so carry the story to 1991 and stop there.

- **Crisis of 1991** combined the Gulf War oil shock, the collapse of Soviet trade, a fiscal deficit built through the 1980s and foreign exchange reserves sufficient for about two weeks of imports.
- **Reforms** under Narasimha Rao and Manmohan Singh comprised devaluation, the abolition of industrial licensing for most sectors, trade liberalisation, and opening to foreign investment.
- **Growth** accelerated substantially thereafter, and poverty declined, so the reforms are generally judged successful on their own terms.
- **Inequality** widened between states, between urban and rural, and within both, which is the standing criticism and the substance of the 2026 globalisation question.
- **Agriculture** was largely left out of the reform, and the sector's slow growth and continuing distress are the clearest gap in the record.
- **Public sector** enterprises were retained rather than privatised wholesale, and the debate over disinvestment has run continuously since, which shows how durable the institutional legacy of the planning era proved.
- **Employment** did not grow proportionately, since services led the expansion, and India did not follow the East Asian path of labour-intensive manufacturing.
- **Political change** accompanied economic change throughout, since the Congress system of one-party dominance rested on the same rural coalitions that planning and land reform created, and its breakdown after 1967 followed from their assertion.
- The historical judgement to offer: planning built a base that liberalisation could exploit, and the failures of each phase were largely the failures the other might have corrected.

Last-mile revision

- Four components: intermediary abolition succeeded, tenancy reform and ceilings largely failed; Operation Barga 1978 and Kerala as exceptions.
- Planning Commission 1950, NDC 1952; First Plan Harrod-Domar; Second Plan 1956 Mahalanobis; IPR 1956 and the licence raj; Bombay Plan 1944.

- Green revolution from the mid 1960s: Borlaug and Swaminathan, HYV wheat, Punjab Haryana western UP, wheat output roughly triples.
- New agrarian classes: Rudolph and Rudolph's bullock capitalists, Charan Singh, Tikait and Sharad Joshi, Bharat versus India, Mandal 1990.
- 1991: Gulf oil shock, Soviet trade collapse, reserves for about two weeks; Rao and Manmohan Singh; licensing abolished.

Common errors to avoid

- Saying land reform failed entirely. Zamindari abolition succeeded broadly; tenancy reform and ceilings did not.
- Explaining the failure of ceilings economically. It was political, since the Congress rested on the peasant castes who would have lost.
- Presenting the green revolution as an unqualified success. It was regionally and socially selective and carried real ecological costs.
- Treating planning as imposed on unwilling business. The Bombay Plan of 1944 shows Indian capital wanted state-led industrialisation.
- Crediting all post-1991 growth to liberalisation without noting that the base it exploited was built by planning.

Mains Practice

How did the introduction of the Community Development Programme and the Panchayati Raj Programme promote the welfare of rural India? Explain.

10 marks · 150 words · 2026

Why did the demand for land reform never become an agenda in national politics after 1947?

10 marks · 150 words · 2024

India's developmental strategy after independence was influenced by economic imperatives, not ideological considerations. Comment.

10 marks · 150 words · 2024