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**Pulin B. Nayak, *Economic Development of India*,
Routledge, 2015, 1086 pp. \$1400 Hardcover.**

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Abstract. The paradigm shift in economic policy in the 1990s elicited a tremendous interest in the pace and pattern of economic development of India. Indian economic policies as also the process of her development is being closely monitored and written about by academics, global institutions, think tanks, media, political analysts and civil society within and outside the country. The development issues of erstwhile British colonies did not attract adequate academic attention for the most part of the twentieth century. A four volume compendium of 75 papers giving a comprehensive account of the development process of the Indian economy by Pulin Nayak is a timely and valuable contribution to the pool of studies being carried out on India in different parts of the globe. Introduction to the four volume book reflects the scholarship of the author, which will be of immense academic value to anyone who is interested in the historical backdrop of the development path chosen by the Indian leaders after Independence of the country in 1947. It builds on the discourse of development economics for low income countries.

Keywords. Economic Development, Indian economy.

JEL. F60, F63, I15, I25, N01, O00, O10.

Book review

The paradigm shift in economic policy in the 1990s elicited a tremendous interest in the pace and pattern of economic development of India. Indian economic policies as also the process of her development is being closely monitored and written about by academics, global institutions, think tanks, media, political analysts and civil society within and outside the country. The development issues of erstwhile British colonies did not attract adequate academic attention for the most part of the twentieth century. A four volume compendium of 75 papers giving a comprehensive account of the development process of the Indian economy by Pulin Nayak is a timely and valuable contribution to the pool of studies being carried out on India in different parts of the globe. Introduction to the four volume book reflects the scholarship of the author, which will be of immense academic value to anyone who is interested in the historical backdrop of the development path chosen by the Indian leaders after Independence of the country in 1947. It builds on the discourse of development economics for low income countries.

The nature of the Indian society is not monolithic in terms of ethnic groups and comprises different religious sects, social and economic classes, tribal groups and consequently multiple political thoughts. The geographic terrain also differs immensely across the country. Therefore, it is not easy to prepare an anthology which is exhaustive as there are different shades of opinion on policy matters. The

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canvas of topics covered by the author is immense and the humongous task of covering all aspects related to the issues of Indian economic development has been successfully accomplished. Any work of this scale will not be able to cover all aspects of the Indian development story in its entirety. To be fair to the author, he has captured some classic works of Mahatma Gandhi, Babasaheb Ambedkar, Pt. Jawaharlal Nehru, etc. which give an insight into why India adopted the path of planned economic development and a mixed economy model. The classic writings of the eminent economists like Gunnar Myrdal, Sukhmoy Chakravarty, Amartya Sen, Jagdish Bhagwati and many more provide a theoretical as well as contextual backdrop to the adoption of planning and economic policy of India prior to 1991. This will help analytical thinking on Indian economic issues. The paper by A.K. Dasgupta on A framework of planning for India could have been put together with other similar papers in Volume I part 2.

The book facilitates the teaching of Indian Economic problems to a great extent as it provides a theoretical backdrop to the economic policies adopted in India from time to time. This kind of exposure is critical for the young economists of the 21st century who have been born in an era of abundance and free market economy and wonder why was the public sector “to attain commanding heights of the economy” or why there were controls, regulations, restrictions and reservations in the manufacturing/business/external sector.

As the Indian political scenario is moving away from a single dominant party towards coalition politics, the economic policies are getting increasingly intertwined with politics. This aspect of the growth process has been captured very well by Pulin Nayak in three articles included under “Political Concerns” in Part 3 of Volume 2. The work of Poonam Gupta and Arvind Panagariya on Economic reforms and election outcomes is a very thoughtful inclusion in this anthology which is rarely found in the books on Indian economic policy issues. However this paper could have been clubbed under ‘Political Concerns’.

Indian leaders and economic planners focused on eradicating poverty by "growing the pie rather than slicing it," and fueled the country's growth with market-based policies, write economists Jagdish Bhagwati and Arvind Panagariya in *Why Growth Matters: How Economic Growth in India Reduced Poverty and the Lessons for Other Developing Countries*, a new Council on Foreign Relations (CFR) book. This is an issue which is much debated and written about in policy papers, text books, working papers by think tanks, academics and political analysts. Nayak has included a good number of different perspectives on poverty and inequality in India. The papers cover different time periods and views of eminent economists and policy practioners including the powerhouse of knowledge on the subject, i.e., Amartya Sen followed by Deaton and Dreze, Ahluwalia, Ravallion and Dutt, all of whom have written on this all important aspect of economic growth and development of India from time to time. The paper on Economic Reforms and Poverty Alleviation by Deepak Lal could have been grouped in Part 3 of Volume 1 with other papers on the theme.

The extensive task of putting together the works of eminent economic thinkers taken up by Pulin Nayak speaks volumes of his scholarship and his sagacity on the treatise of Indian economic development. However, he has not provided adequate insight into the financial sector reforms as this sector has occupied a centre stage in policy discourse in the recent past. The Centre-State Financial relations and the role of the Finance Commission is very important to understand the debate on development process of the Indian economy. An insight into the roles of the Planning Commission and the Finance Commission in policy implementation and resource allocation could go a long way in understanding certain larger issues of development. The evolution of thought and conflict between the national and

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subnational governments would further strengthen the discussion on inter-regional inequalities.

Another important area of concern in Indian economy is the widening inter-personal income inequalities and concentration of economic power in a few hands, but it does not find any mention in the book except the article by Deaton and Dreze which touches on several aspects of inequality including the rising income disparities within the urban sector, thus corroborating the work of Banerjee and Piketty, yet a reading on nature and extent of widening inter personal income inequalities would have been more than welcome as there is huge gap on this aspect of income differentials amongst the Indians. The students and teachers are often at a loss for such information not only in the recent past but over the entire development path of the Indian economy. This gap, if addressed in a four volume work, could have been a valuable contribution.

There are certain papers in the compendium which are academically rewarding but do not fit into the overall framework of analysis. Some social issues have been discussed in papers on gender, dowry and son preference, which merit academic discussion, but could have been left for some future work. Similarly the papers in Parts 4, 5 and 6 of Volume IV are of utmost important in understanding the development pattern of an economy but appear to be out of sync with the overall focus of the collection of papers. Also the three papers on sub-national economies, i.e., Bihar, Kerala and healthcare model of Andhra Pradesh and the only study on Poverty in Palanpur could easily have been omitted as the common thread in the entire four volumes runs about the Indian economy as a whole. In fact there is a felt need for compiling studies on several aspects of sub national economies that could supplement the present anthology in which a lot of expertise has gone.

Despite a few gaps, the author must be complemented for bringing about a compendium of articles at a time when such a vast treatment of public policy issues has not been attempted for a long time, possibly, after three decades of the book on “Development Process of the Indian Economy” by Brahmanand and Panchmukhi, published by Himalaya Publishing House in 1987. In fact, Pulin Nayak has supplemented their work and combines tremendous scholarship with deep insights and his book is bound to have a great impact on thinking about India globally.

Students and researchers could gain immensely from the work of this proportion for their competitive examinations, group discussions and interviews but for the price constraint. Even the purchase of this invaluable work in a library of a public university is not easy. The publishers and the author must consider a cheaper paperback student edition for the knowledge to be widely disseminated and not remain within the reach of a few educated “elite”. It must find a place on the shelves of every library. The book is not merely meant for economists but all social scientists as well as the citizens of India, who are largely ignorant about her economic journey. In the twenty first century, when the developed world is closely watching the economic development process of India, this book is a welcome addition to economic policy discourse on India.



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