

Planning And Development

MCQ

1. In India, who presents the bill for the formation of the new state to the President?

- (a) Prime Minister
- (b) Chief Ministers of the state
- (c) Legislative
- (d) Cabinet

2. To whom does the President refer the bill after his review?

- (a) Parliament
- (b) State Assembly
- (c) Prime Minister
- (d) None of these

3. "The legislation constituting a new State from any region of a State should originate from the legislature of the State concerned." This proposal was put forth by whom in 1948?

- (a) Dr. Bhimrao Ambedkar
- (b) Prof. KT Shah
- (c) Pt. Jawahar Lal Nehru
- (d) Sardar Patel

4. Where did the Andhra's get resolution from?

- (a) Supreme Court
- (b) Madras Legislature
- (c) Madras High Court
- (d) Delhi

5. Which of these statements about the Bombay Plan is incorrect?

- (a) It was a blueprint for India's economic future.
- (b) It supported state-ownership of industry.
- (c) It was made by some leading industrialists.
- (d) It supported strongly the idea of planning.

6. The idea of planning in India was drawn from

- (i) the Bombay Plan
 - (ii) experiences of the Soviet block countries
 - (iii) Gandhian vision of society
 - (iv) Demand by peasant organisations
- (a) (ii) and (iv) only
 - (b) (iii) and (iv) only
 - (c) (i) and (ii) only
 - (d) All of the above

Ans. (D)

7. _____ Act as a think tank of the Union Government.

- (a) NITI Aayog
- (b) Yojana Aayog
- (c) Election Commission of India
- (d) Ministry of External Affairs

8. _____ Policy has been adopted by NITI Aayog.

- (a) Make in India
- (b) Come on India
- (c) Start-up India
- (d) Swachh Bharat

9. _____ was also associated with the ideas of growth, material progress and scientific rationality.

- (a) Democracy

- (b) Secularism
- (c) Globalization
- (d) Modernization

10. Identify the stages of modernization:

- (a) Agrarian society
- (b) Drive to maturity
- (c) Age of high consumption
- (d) All of the Above

11. Which factor was responsible for discouraging research and development in the manufacturing sector?

- (a) Goods manufactured by local industries
- (b) Poor import and export policy
- (c) Export restrictions on goods manufactured in India
- (d) All of the above

12. The principle of land reforms failed across the country:

- (a) due to the government policies
- (b) due to recession all over the country
- (c) because nobody was capable of buying the land
- (d) due to political influence and corruption in the society

13. When were the restrictions on private industries imposed?

- (a) 1960s
- (b) 1970s
- (c) 1990s
- (d) 1950s

14. _____ play an important role in the economy of developing countries like India.

- (a) Private sectors

- (b) Public sectors
- (c) Union ministers
- (d) State government

15. Why were the tribes hostile to the development of Odisha?

- (a) They feared loss of their employment as well as lodgings
- (b) They were illiterate
- (c) They never liked intrusion of outsiders
- (d) All of the above

16. On which model was The Planning Commission of India setup?

- (a) Calcutta model
- (b) Bombay Plan
- (c) National Development Model
- (d) None of the above

17. Which Apex body is responsible for decision making and deliberation on the government matters in India?

- (a) Finance ministry
- (b) Niti Aayog
- (c) The National Development Council
- (d) None of the above

18. When the NDC was setup?

- (a) 6 August 1952
- (b) 6 December 1952
- (c) 7 August 1952
- (d) 10 June 1952

19. In 1946 who was chairman of the Planning advisory board?

- (a) K C Niyogi
- (b) Sardar Patel

(c) Doctor Ambedkar

(d) None of the above

20. Niti Aayog was set up _____

(a) to bring more accuracy in the development

(b) because people had expectations for growth and development in the administration through their participation

(c) so that departments could be included in planning Commission

(d) All the above

Answer

1. (d)

2. (b)

3. (b)

4. (b)

5. (a)

6. (d)

7. (a)

It can only recommend long Term, policy changes but cannot influence or see their progress on the ground. NITI Aayog is supposed to be a think tank. This implies that while generating new ideas, it maintains a respectable intellectual distance from the government of the day.

8. (a)

On 1st January 2015, Niti Aayog India policy to enhance skill development and protect intellectual property.

9. (d)

10. (d)

11. (c)

12. (d)

13. (a)

14. (b)

15. (a)

16. (b)

Private investors seek an open economy without any state control in the flow of capital. Therefore, a section of the big industrialists got together in 1944 and drafted a joint proposal for setting up a planned economy in the country.

It was called the Bombay Plan, in which they wanted the state to take major initiatives in industrial and other economic investments. Thus, from left to right, forming a planning commission for the development of a country was the most obvious choice.

17. (c)

The National Development Council (NDC) for Rashtriya Vikas Parishad is the Apex body for decision making and deliberation on development matters in India presided over by the Prime Minister.

18. (a)

19. (a)

20. (b)

The Government of India constituted NITI Aayog to replace the Planning Commission, which had been instituted in 1950. This step was taken to better serve the needs and aspirations of the people.

Assertion-Reason Based

Code

Both (A) and (R) are true, but (R) is the correct explanation of (A).

Both (A) and (R) are true, but (R) is not the correct explanation of (A).

(A) is true, but (R) is false.

(A) is false, but (R) is true.

1. Assertion The example of Orissa shows us that it is not enough to say that everyone wants development.

Reason For 'development' has the same or similar meanings for different sections of the people.

2. Assertion 'Development' was about becoming more 'modern' and modern was about becoming more like the industrialized countries of the West.

Reason It was believed that every country would go through the process of modernization as in the West, which involved the breakdown of traditional social structures and the rise of capitalism and liberalism.

3. Assertion: The nationalist leaders were clear that the economic concerns of the government of free India would have to be different from the narrowly defined commercial functions of the colonial government.

Reason It was further clear that the eradication of the poverty was not the responsibility of the government, but the people.

4. Assertion Development could not be left to private actors, that there was the need for the government to develop a design or plan for development.

Reason The Bombay Plan wanted the state to take major initiatives in industrial and other economic investments.

5. Assertion Excitement With planning reached its peak with the launching of the Second Year Plan in 1956 and continued somewhat till the Third Five Year plan in 1961.

Reason Many criticisms emerged both about the process and the priorities of these plans, the foundation of India's economic development was firmly in place by then.

6. Assertion The First Five Year Plan (1951—1956) sought to get the country's economy out of the cycle of poverty.

Reason K. N. Raj, a young economist involved in drafting the plan, argued that India should 'hasten slowly' for the first two decades as a fast rate of development might endanger democracy.

7. Assertion Huge allocations were made for large scale projects like the Bhakhra Nangal Dam.

Reason Agricultural sector was hit hardest by Partition and needed urgent attention.

8. Assertion The Second Five Year Plan stressed on heavy industries. It was drafted by a team of economists and planners under the leadership of P. C. Mahalanobis.

Reason However, the Second Five Year Plan was responsible for the ruin of agriculture as it did not have enough funding to support it.

9. Assertion The draft of the First Five Year Plan and then the actual Plan Document, released in December 1951, generated a lot of excitement in the country.

Reason This draft failed to meet the expectations of the country as it did not have anything for common men.

10. Assertion India did not follow any of the two known paths to development — it did not accept the capitalist model of development in which development was left entirely to the private sector, nor did it follow the socialist model in which private property was abolished and all the production was controlled by the state.

Reason It was India's one of the biggest mistakes that India did not adopt any one of the two models suggested above.

Answer

1. (3)

Development has different meanings for different sections of the people. People do not have the same notion of development. This is because people have different occupations and different lifestyles. Since people have a different quality of life, notions of development are not similar to each other.

2. (1)

3. (3)

The task of poverty alleviation and social and economic redistribution was being seen primarily as the responsibility of the government because for some people industrialisation was priority while for others, the development of agriculture and alleviation of rural poverty was the priority.

4. (2)

Development could not be left to private actors because the idea of planning as a of rebuilding economy earned a good deal of public support.

5. (1)

6. (2)

The First Five Year Plan addressed the agrarian sector including investment in dams and irrigation. The Plan identified the pattern of land distribution in the country as the principal obstacle in the way of agricultural growth. It focused on land reforms as the key to the country's development.

7. (1)

8. (3)

During the plan, annual plans were made and equal priority was given to agriculture, its allied sectors and the industry sector. Agriculture was never left out of the plan at all.

9. (3)

The first year plan was the Harrod Domar model of development economics. The Five Year Plan had a target of 2.1% PA growth in national income. Top priority was given to the development of the agricultural sector. The idea was agricultural development would lead to a higher rate of economic growth.

10. (2)

Elements of both these models (capitalist and socialist) were taken and mixed together in India and hence, it did not accept the capitalist model of development

In which development was left entirely to the private sector, nor did it follow the socialist model in which private property was abolished and all the production was controlled by central authority.

Case-Study Based

1. Observe the figure below and answer accordingly.



(i) Who in the picture is balancing between the public and private sectors?

- (a) Nehru
- (b) Sardar Patel
- (c) K. Kamraj
- (d) None of the above

(ii) Why has a big tilt towards the public sector been shown in the cartoon?

- (a) The numbers of the public sector meant to be increased.
- (b) Over emphasis given to the public sector.
- (c) The ruling parties in India believe in the importance of the public sector.
- (d) All of the above

(iii) Which type of economic model was adopted by India?

- (a) Capitalist
- (b) Socialist
- (c) Liberal socialist
- (d) Mixed economic principle

(iv) How did the public sector affect the private sector?

- (a) The prices in India remained in control
- (b) The wealth of public was growing
- (c) Public sector paid more tax to government
- (d) Private sector was adversely affected

2. Read the following passage and answer accordingly.

On the eve of Independence, India had before it, two models of modern development: the liberalcapitalist model as in much of Europe and the US and the socialist model as in the USSR.

There were many in India then who were deeply impressed by the Soviet model of development.

These included not just the leaders of the Communist Party of India, but also those of the Socialist Party and leaders like Nehru within the Congress.

There were very few supporters of the American style capitalist development. As in the USSR, the Planning Commission of India opted for Five Year Plans (FYP).

The idea is very simple: The Government of India prepares a document that has a plan for all its income and expenditure for the next five years.

Accordingly, the budget of the Central and all the State governments is divided into two parts: 'non-plan' budget that is spent on routine items on a yearly basis and 'plan' budget that is spent on a five-year basis as per the priorities fixed by the plan.

A five-year plan has the advantage of permitting the government to focus on the larger picture and make long-term intervention in the economy.

The draft of the First Five Year Plan and then the actual Plan Document, released in December 1951, generated a lot of excitement in the country.

(i) Which two models of modern development did India follow?

- (a) Liberal-capitalist and Socialist
- (b) Liberal and Capitalist
- (c) Socialist and Communist
- (d) None of the above

(ii) Which model had the least supporters in India?

- (a) USSR
- (b) Liberal
- (c) Capitalist
- (d) Socialist

(iii) The Budget is divided into which two parts?

- (a) Planned and semi planned budget
- (b) Planned and non-planned budget
- (c) Planned and reserved budget
- (d) None of the above

(iv) When was the draft of the first five-year plan released?

- (a) November 1950
- (b) December 1950
- (c) October 1951
- (d) December 1951

3. Read the following paragraph and answer according.

NITI Aayog or National Institution for Transforming India Aayog is basically a policy think tank of Government of India and State Governments that replaces the 65-year old Planning Commission.

The Union Government of India had announced formation of NITI Aayog on 1st January, 2015. The body is composed of a CEO and a Vice Chairperson, to be appointed by the Prime Minister, in addition to some full-time members and two part-time members, while four Union Ministers would serve as ex-officio members.

Besides, there would be specific regional councils, while experts and specialists from various fields would be called as special invitees nominated by the Prime Ministers.

NITI Aayog will serve as a “think tank” of the government as a “directional and policy dynamo” and would provide both to the governments at the centre and in the states with strategic and technical advice on key policy matters including economic issues of national and international importance.

NITI Aayog will have regional councils to focus on developmental activities on specific areas and is patterned on the National Reforms Development Commission of China.

(i) When was NITI Aayog formed?

- (a) 3rd January, 2015
- (b) 1st January,
- (c) 1st January, 2016
- (d) 1st December, 2016

(ii) The CFO and Vice Chairperson of NITI Aayog is appointed by

- (a) President of India
- (b) Members of Parliament
- (c) Prime Minister of India
- (d) Home minister of India

(iii) How will NITI Aayog serve India?

- (a) Back Bone

- (b) Think Tank
- (c) Planning Commission
- (d) None of the above

(iv) Which councils NITI Aayog will have to focus on developmental activities on specific areas and is patterned on the National Reforms Development Commission of China?

- (a) National Councils
- (b) International Councils
- (c) Regional Councils
- (d) All the above

4. Read the following passage carefully and answer accordingly.

The Second Five Year Plan stressed on heavy industries. It was drafted by a team of economists and planners under the leadership of P.C. Mahalanobis.

If the first plan had preached patience, the second wanted to bring about quick structural transformation by making changes simultaneously in all possible directions.

Before this plan was finalized, the Congress party at its session held at Avadi near the then Madras city, passed an important resolution. It declared that 'Socialist pattern of society' was its goal.

This was reflected in the Second Plan. The government imposed substantial tariffs on imports in order to protect domestic industries. Such a protected environment helped both public and private sector industries to grow.

As savings and investment were growing in this period, a bulk of these industries like electricity, railways, steel, machineries and communication could be developed in the public sector. Indeed, such a push for industrialisation marked a turning point in India's development.

(i) Who drafted the Second Five Year Plan?

- (a) Dr. Bhimrao Ambedkar
- (b) C. Mahalanobis
- (c) Morarji Desai

(d) Pt. Jawaharlal Nehru

(ii) What was anticipated from Second Five Year Plan?

(a) Structural transformation

(b) Economic transformation

(c) Infrastructural development

(d) Eradication of poverty

(iii) What goal was declared by the Congress Party at the session held at Avadi?

(a) Religious pattern society

(b) Capitalist pattern society

(c) Socialist pattern society

(d) None of the above

(iv) Why did the government impose substantial tariffs on imports?

(a) To increase the income from imports

(b) To create employment in import-export sector

(c) To restrict foreign goods

(d) To protect domestic industries

Answer

1. (i)(a) (ii)(c) (iii)(d) (iv)(d)

2. (i)(a) (ii)(c) (iii)(b) (iv)(d)

3. (i)(b) (ii)(a) (iii)(b) (iv)(c)

4. (i)(b) (ii)(a) (iii)(c) (iv)(d)