

Welcome Address by Shri K.C. Pant, Deputy Chairman, Planning Commission at the 50th Meeting of the National Development Council (NDC) at Vigyan Bhavan, New Delhi on 21 December 2002

It gives me great pleasure to welcome you all to the 50th meeting of the National Development Council, which is the highest decision-making authority in the country on development matters. We can draw strength from the effectiveness of the NDC, which is an affirmation of the democratic and federal ideals that are enshrined in this unique institution. Fifty times we have met, and fifty times we have shown to the world that, whatever our differences, we are united in our efforts to build the best possible future for our people.

Today we have the opportunity of placing our country on a course of development which should culminate in a significant improvement in the living standards of our people over the next decade. As you are aware, the draft of the Tenth Five Year Plan, covering the period 2002 to 2007, has been approved both by the Full Planning Commission under the chairmanship of the Prime Minister and by the Union Cabinet. It is now before you for your consideration and adoption.

It was a little over a year ago, in September 2001, that we met to discuss and approve the Approach Paper to the Tenth Plan and to give broad directions for formulation of the Plan. At that time we had collectively decided that it was time for us to stretch beyond our immediate capabilities and set targets which would be in consonance with our needs and the evident aspirations of our people. We had no illusions about the magnitude of the effort that would have to be made by each one of us. The Approach Paper had clearly laid out a preliminary assessment of the conditions under which these targets could be met and the measures that we would have to adopt. Accepting this challenge, the NDC directed the Planning Commission to prepare the Tenth Five Year Plan with a target growth rate of 8 per cent per annum along with significant improvements in social and environmental indicators.

Over the past one year, the Planning Commission has worked long and hard to flesh out the skeleton presented in the Approach Paper on the basis of the directions given by the NDC. Having taken into account the recent economic developments, both positive and negative, the detailed analysis undertaken reveals that these targets continue to be feasible. There is, therefore, no need for us to waver at this stage.

However, this is not to say that the task at hand will be easy or will not require considerable effort. The Tenth Plan document lays down in detail the measures that will have to be taken both on the policy front and in our programmes. It is a substantial agenda, which will have to be completed within a well-defined time frame. It will call for a strong and coordinated effort by all Central Ministries and by every State so that we can get the best out of the potential that we possess.

The process of Plan preparation reflects our democratic tradition. The degree of involvement of and range of consultations with various constituents of our society that have gone into the making of the Plan is probably unparalleled in the world. We have involved central ministries and state governments fully in this process. Academics, subject experts, civil society organisations, trade unions and industrialists, have been involved at various stages of preparing the Plan in order to take full advantage of their expertise and ideas.

The most pressing issue facing us today is the rapid growth in the labour force that we are likely to experience over the next decade. At current rates of growth, and with the current labour intensity in production, we face the possibility of rising unemployment, which could lead to social unrest. Our studies have brought out that the composition of the 8 per cent growth target mandated by the NDC would have to favour certain key labour intensive sectors in order to reduce the back-log of unemployment in the country.

We have also been conscious of the fact that national targets do not necessarily translate into balanced regional development. The potentials and constraints that exist at the state-level vary significantly. Therefore, for the first time, we have broken down the national targets to the state-level in consultation with state governments. The Tenth Plan contains a separate volume on States as a reflection of the importance we place on the role of the States in our development process.

We hope that this will enable the states to better focus their own development plans by more careful consideration of the sectoral pattern of growth and its regional dispersion within the State. In order to facilitate this process, the Planning Commission is preparing a series of State Development Reports, which will take stock of the capabilities of each state and develop appropriate strategies.

Finally, in addition to the focus on sectoral investments and on schemes and programmes, the Tenth Plan lays out the policy and institutional reforms that are required for each sector, both at the Centre and in the States. In particular, we

believe that improvement in the quality of governance forms the essential ingredient for success. We have, therefore, prepared a separate chapter on the issues of governance and implementation. We have also recently brought out a compendium of State government initiatives in this regard, entitled – **“Successful Governance Initiatives and Best Practices – Experiences from Indian States”** – a copy of which is being made available to all Chief Ministers.

India is in the midst of transforming an agrarian economy into a modern multi-dimensional economic power-house and a traditional stratified society into an egalitarian society through consultative politics. It is inevitable that such rapid social, economic, technological and political development of one billion people would generate turbulence. Yet it is essential that this turbulence be managed and confined within limits that preserve the social fabric and permit the nation’s transformation to continue apace. Our Five Year Plans are a central component of this process in that they lay out a vision which we can all share and work towards in a spirit of cooperation and purpose.

Let me once again extend a hearty welcome to all of you. I would now request the Chairman of the National Development Council, Prime Minister Shri Atal Bihari Vajpayee, to address this 50th meeting of the Council.