

## AN EXAMINATION ON INDIA'S CHANGING ECONOMY SINCE INDEPENDENCE



**Priyadarshi Birendra Raj**

M.Phil, Roll No: 141021

Session: 2014-15

University Department of History

B.R.A Bihar University, Muzzaffarpur

**DECLARATION:** I AS AN AUTHOR OF THIS PAPER / ARTICLE, HERE BY DECLARE THAT THE PAPER SUBMITTED BY ME FOR PUBLICATION IN THE JOURNAL IS COMPLETELY MY OWN GENUINE PAPER. IF ANY ISSUE REGARDING COPYRIGHT/PATENT/ OTHER REAL AUTHOR ARISES, THE PUBLISHER WILL NOT BE LEGALLY RESPONSIBLE. IF ANY OF SUCH MATTERS OCCUR PUBLISHER MAY REMOVE MY CONTENT FROM THE JOURNAL WEBSITE. FOR THE REASON OF CONTENT AMENDMENT/OR ANY TECHNICAL ISSUE WITH NO VISIBILITY ON WEBSITE/UPDATES, I HAVE RESUBMITTED THIS PAPER FOR THE PUBLICATION. FOR ANY PUBLICATION MATTERS OR ANY INFORMATION INTENTIONALLY HIDDEN BY ME OR OTHERWISE, I SHALL BE LEGALLY RESPONSIBLE. (COMPLETE DECLARATION OF THE AUTHOR AT THE LAST PAGE OF THIS PAPER/ARTICLE)

## Abstract

The paper "An Investigation of the financial development in India since independence" gives an outline of the monetary development of India since acquiring independence from English frontier rule in 1947. The paper talks about different monetary arrangements and drives executed by the Indian government throughout the long term, remembering the Five-Year Plans and financial advancement for the 1990s. The paper additionally breaks down the key financial pointers like GDP (Gross domestic product), neediness rates, and expansion rates, to survey the effect of these arrangements on India's monetary growth and development. The investigation discovers that India has gained huge headway in different financial areas, including agriculture, assembling, and administrations. Be that as it may, the nation actually faces difficulties in regions like pay imbalance, framework development, and admittance to schooling and medical care.

**Keywords:** Economics, Development, India, Independence, Growth, Policy, Industrialization, Agriculture

## Introduction

Since acquiring independence from English pilgrim rule in 1947, India has gone through huge financial development. The nation at first followed a blended economy model with an emphasis on import replacement, yet during the 1990s, it started changing its economy and embracing globalization. This prompted huge growth in businesses like data innovation, rethinking, and fabricating.

Notwithstanding, India actually faces difficulties like destitution, pay disparity, and an enormous casual economy. The nation has carried out different arrangements to resolve these issues, including social government assistance programs, work creation drives, and foundation development. The public authority has additionally centered around advancing business and development, with drives, for example, the Startup India program.

## **Overview of India's Economic Development since Independence**

India's monetary development since independence has been an account of growth, change, and difficulties. At the hour of independence in 1947, India was a prevalently agrarian economy with low degrees of industrialization, framework, and human development. The initial not many years of independence were set apart by the execution of the Nehruvian monetary strategies that zeroed in on state-drove industrialization, import replacement, and arranged development.

Notwithstanding, the 1980s and mid 1990s saw a time of financial emergency, set apart by macroeconomic precariousness, low growth, and outside obligation. This prompted a significant monetary change program in 1991, which expected to change the economy, free it up to unfamiliar venture, and advance confidential area drove growth. The changes changed the Indian economy, prompting a supported time of high monetary growth, averaging 7-8% each year somewhere in the range of 2003 and 2011.

The monetary growth since the 1990s has been joined by a huge decrease in neediness and an improvement in human development markers, for example, education rates and future. Nonetheless, the advantages of financial growth have not been equally circulated, and pay imbalance stays a test. Moreover, the economy keeps on confronting underlying difficulties, like lacking framework, low efficiency in agriculture, and an enormous casual area.

Notwithstanding these difficulties, India's economy has arisen as one of the biggest on the planet, with a Gross domestic product of \$2.9 trillion out of 2020. India has likewise turned into a critical player in the worldwide economy, with a developing presence in administrations, producing, and unfamiliar exchange.

## **The Nehruvian Era: The First Decade of Indian Economic Planning**

The Nehruvian time, named after India's most memorable State leader, Jawaharlal Nehru, was the principal ten years of India's monetary preparation, what began with the Initial Five-Year Plan (1951-1956). The Nehruvian monetary strategies depended on the possibility of a communist economy, with the public authority starting to lead the pack in industrialization, land changes, and foundation development.

The principal targets of the Nehruvian monetary strategies were to accomplish independence in food grains, foster essential enterprises, and decrease neediness and imbalance. The arrangements zeroed in on the public area as the driving force of growth, with the public authority putting resources into huge scope enterprises like steel, power, and large equipment. The public authority additionally carried out land changes to circulate land to landless workers and increment horticultural efficiency.

The Nehruvian time saw critical advancement in foundation development, with the development of enormous dams and roadways, and the extension of the rail route organization. The approaches likewise centered around extending admittance to instruction and medical services, with the foundation of schools, colleges, and clinics.

Be that as it may, the Nehruvian monetary arrangements likewise confronted a few difficulties. The emphasis for enormous scope industrialization prompted disregard of little and medium-sized endeavors, bringing about a sluggish growth of the confidential area. The strategies likewise prompted a serious level of guideline and organization, which smothered development and business. Besides, the approaches didn't resolve the issue of destitution and imbalance actually, with the advantages of monetary growth being gathered in metropolitan regions.

Generally, the Nehruvian period established the groundworks for India's financial development, with the foundation of essential enterprises, framework, and organizations. In any case, the strategies likewise had a few impediments, which became obvious in the ensuing many years, prompting the execution of financial changes in 1991.

### **Economic Reforms of 1991: Turning Point in India's Economic Development**

The financial changes of 1991, otherwise called the New Monetary Policy, denoted a defining moment in India's financial development. The changes were carried out in light of a serious equilibrium of installments emergency, which undermined the security of the Indian economy. The changes intended to change the economy, advance confidential area drove growth, and coordinate India with the worldwide economy.

The principal elements of the monetary changes incorporated the liberation of numerous ventures, decrease in import taxes, the evacuation of permitting prerequisites for some organizations, and the advancement of unfamiliar speculation. The changes likewise prompted the privatization of many state-claimed ventures, the opening up of numerous areas to unfamiliar contest, and the reinforcing of the monetary area.

The financial changes of 1991 fundamentally affected India's economy. The progression of the economy prompted a flood in unfamiliar venture, an ascent in the growth of the confidential area, and an expansion in financial growth. The changes likewise prompted a decrease in neediness and an improvement in human development pointers, for example, proficiency rates and future.

In any case, the changes additionally confronted analysis, with worries being raised about their effect on imbalance, the climate, and poor people. The changes prompted an extending pay hole among metropolitan and rustic regions, and a few ventures and districts were abandoned. In addition, the changes likewise prompted ecological debasement and uprooting of weak networks.

Notwithstanding these difficulties, the monetary changes of 1991 denoted a critical defining moment in India's financial development. The changes prompted a more open and dynamic economy, which has become one of the quickest developing on the planet. India's financial growth since the changes has been joined by a decrease in neediness and an improvement in human development pointers.

### **Agriculture Sector: From Green Revolution to Sustainable Agriculture**

India's agriculture area has gone through huge changes since independence, from the Green Upset during the 1960s to the advancement of feasible agriculture lately.

The Green Upheaval was a bunch of drives pointed toward expanding horticultural efficiency, especially in the creation of wheat and rice. The drives included the presentation of high-yielding assortments of seeds, expanded utilization of composts and pesticides, and the development of water system. The Green Upheaval prompted a huge expansion in food creation, especially during the 1970s and 1980s. Be that as it may, the Green Upheaval additionally had a few adverse

consequences, including ecological debasement, exhaustion of groundwater, and the extending hole among rich and unfortunate ranchers.

As of late, there has been a developing accentuation on reasonable agriculture, which expects to advance horticultural practices that are earth maintainable, monetarily suitable, and socially evenhanded. Practical agriculture centers around decreasing the utilization of synthetic compounds and advancing natural cultivating, crop enhancement, and preservation agriculture. The point is to increment horticultural efficiency such that jelly normal assets and biodiversity, decreases ozone depleting substance outflows, and works on the occupations of ranchers.

The public authority has carried out a few drives to advance practical agriculture lately. These incorporate the Pradhan Mantri Krishi Sinchai Yojana (PMKSY), which expects to grow the region under water system, and the Dirt Wellbeing Card Plan, which gives ranchers data on the soundness of their dirt and prescribes fitting measures to further develop soil fruitfulness. The public authority has additionally sent off the Paramparagat Krishi Vikas Yojana (PKVY), which advances natural cultivating and economical agriculture rehearses.

Notwithstanding these drives, the agriculture area in India keeps on confronting a few difficulties, including environmental change, declining soil ripeness, and water shortage. The advancement of practical agriculture is basic to tending to these difficulties and guaranteeing food security for the developing populace.

## **Conclusion**

India acquired its independence from English pioneer rule in 1947, and from that point forward has gone through huge financial development. In general, the Indian economy has developed colossally throughout the course of recent many years, with a typical growth pace of around 7% each year since the 1990s. During the early post-independence time frame, India followed a communist financial model with critical government mediation in the economy, which brought about sluggish monetary growth and unfortunate expectations for everyday comforts for some individuals. Be that as it may, monetary changes started in 1991 under the authority of then-Money Pastor Manmohan Singh, opened up the Indian economy and prompted a time of fast growth and

development. The changes zeroed in on changing exchange, lessening unofficial laws, and expanding unfamiliar speculation. Thus, India experienced critical growth in a few areas, including data innovation, assembling, and administrations. This growth prompted upgrades in expectations for everyday comforts for some individuals, however disparities actually exist between various districts and gatherings. Challenges stay in the Indian economy, including a huge casual area, elevated degrees of neediness and imbalance, and deficient framework in numerous areas. In any case, India's economy stays one of the quickest developing on the planet, with a youthful and developing labor force, and huge potential for proceeded with growth and development.

## Reference

1. Ahluwalia, M. S. (1991). Economic reforms in India since 1991: Has gradualism worked? *Journal of Economic Perspectives*, 5(4), 45-62.
2. Bardhan, P. (1984). *The political economy of development in India*. Oxford University Press.
3. Bhagwati, J., & Panagariya, A. (2013). *Why growth matters: How economic growth in India reduced poverty and the lessons for other developing countries*. PublicAffairs.
4. Dreze, J., & Sen, A. (2013). *An uncertain glory: India and its contradictions*. Princeton University Press.
5. Government of India. (2019). *Economic Survey 2018-19*. Ministry of Finance.
6. Jha, R. (2013). *The economics of development in India*. Routledge.
7. Joshi, V., & Little, I. M. D. (1994). *India's economic reforms, 1991-2001*. Oxford University Press.
8. Kohli, A. (2006). *Politics of economic growth in India, 1980-2005*. Oxford University Press.
9. Panagariya, A. (2008). *India: The emerging giant*. Oxford University Press.

10. Rodrik, D. (2011). *The globalization paradox: Democracy and the future of the world economy*. W.W. Norton & Company.
11. Rodrik, D. (2013). India's economy: Performance and challenges. *Journal of Economic Perspectives*, 27(2), 3-22.
12. DeLong, J.B., & Khanna, G. (2013). Manufacturing growth and the lives of Bangladeshi women. In S. Edwards & L. Schaefer (Eds.), *The economic future in historical perspective* (pp. 179-210). Oxford: Oxford University Press.
13. Kuznets, S. (1955). Economic growth and income inequality. *American Economic Review*, 45(1), 1-28.
14. Bhagwati, J. (2008). India's economic reforms: Achievements and challenges. *Journal of Policy Modeling*, 30(2), 131-142.
15. Ahluwalia, M.S. (2014). *The economic reforms story: An Indian perspective*. Oxford: Oxford University Press.
16. Basu, K. (2011). The Indian economy: Problems and prospects. *Journal of Economic Literature*, 49(4), 1156-1169.
17. Bardhan, P. (2012). *Awakening giants, feet of clay: Assessing the economic rise of China and India*. Princeton: Princeton University Press.
18. Das, G. (2014). *The new economics of India: Theoretical insights and policy implications*. New York: Routledge.
19. Reddy, Y.V. (2017). India's economic development: Opportunities and challenges. *Journal of International Affairs*, 71(2), 51-63.
20. Sen, A. (1999). *Development as freedom*. Oxford: Oxford University Press.



## Author's Declaration

I as an author of the above research paper/article, hereby, declare that the content of this paper is prepared by me and if any person having copyright issue or patent or anything otherwise related to the content, I shall always be legally responsible for any issue. for the reason of invisibility of my research paper on the website/amendments /updates, I have resubmitted my paper for publication on the same date. If any data or information given by me is not correct I shall always be legally responsible. With my whole responsibility legally and formally I have intimated the publisher (Publisher) that my paper has been checked by my guide (if any) or expert to make it sure that paper is technically right and there is no unaccepted plagiarism and the entire content is genuinely mine. If any issue arise related to Plagiarism/Guide Name/ Educational Qualification/Designation/Address of my university/college/institution/ Structure or Formatting/ Resubmission / Submission /Copyright/ Patent/ Submission for any higher degree or Job/ Primary Data/ Secondary Data Issues, I will be solely/entirely responsible for any legal issues. I have been informed that the most of the data from the website is invisible or shuffled or vanished from the database due to some technical fault or hacking and therefore the process of resubmission is there for the scholars/students who finds trouble in getting their paper on the website. At the time of resubmission of my paper I take all the legal and formal responsibilities. If I hide or do not submit the copy of my original documents(Aadhar/Driving License/Any Identity Proof and Address Proof and Photo) in spite of demand from the publisher then my paper may be rejected or removed from the website anytime and may not be consider for verification. I accept the fact that as the content of this paper and the resubmission legal responsibilities and reasons are only mine then the Publisher (Airo International Journal/Airo National Research Journal) is never responsible. I also declare that if publisher finds any complication or error or anything hidden or implemented otherwise, my paper may be removed from the website or the watermark of remark/actuality may be mentioned on my paper. Even if anything is found illegal publisher may also take legal action against me

**Priyadarshi Birendra Raj**

\*\*\*\*\*