

**WHAT IS DEVELOPMENT: -**

Development is the primary ideology of the modern era. Generally, the term 'development' means 'to increase' or 'to expand'. Therefore, the meaning of the word development is to increase or expand the entire resources of the country. Development is the gradual growth or expansion of something, it is the result or process of making a basic structure gradually better and more advanced. So development is a process which is bound by time. Earlier, the important yardstick for evaluating development was natural income, but at present development is evaluation on basis of common welfare.

Development and democracy are completely related with each other because development has a great contribution in democracy. Development means expansion of every field of life, and, it is a yardstick to measure the success or failure of democracy.

**PURPOSE OF DEVELOPMENT: -**

In order to determine the purpose of development, it is essential to keep the problem of poor people in focus. These purposes can be explained below in detail;

- i. **Minimum living standard:** - The first objective of development is to achieve minimum living standard for the poor people so that they can fulfill their basic needs of life. They must be given normal conditions to show their talents and ensure their efficiency.
- ii. **Developing the last man:** - The importance of development cannot be estimated on basis of now the poor people are getting benefits of development plans. So, the purpose of development should be upliftment of the last man of the society. In absence of this purpose, the society may progress but it will be limited to rich class only, and, the participation of last man cannot be ensured in the process of development.
- iii. **Problem of unemployment:** - Poverty and unemployment are closely related. Unemployment gives impetus to poverty and in course of time, unemployment in poverty situation becomes such a curse that man cannot easily get rid of it. This dreadful situation is not only unfortunate but also not auspicious for the country's administrative set up. Unemployment makes man frustrated, he loses his self-confidence and revolts against society. In such a pitiable condition, the only option is democracy, which develops talents, creates self-confidence and established coordination between interest of both individual and society.
- iv. **Development through democratic method:** - The economic growth does not mean growth in the per capita income of the individual, but it means the growth in the life of human being. The great ideals of contemporary democracy such as social justice and human rights are compatible with economic growth. Democracy and economic growth are compatible with each other. The economic growth with other social ideals of democracy in public policies would be the only possible solution. Democracy need to be handled properly otherwise, would lead to chaos and the failure of the political system.

Even after having many flaws in it, right now. There is no other option left than Democracy.

- v. **Basis of development should be milking and not exploitation of the nature:** - It is generally believed that all resources of the nature should be exploited for attaining material happiness for mankind. The people of the western world forget that there is balance between man and natural objects. This mentality has resulted in the imbalances of nature. People today are suffering from various calamities like draught, global warming climate change, environmental degradation etc. So, development should be based on milking and not exploitation of the nature.

#### **MODELS OF DEVELOPMENT: -**

We have several models of development in world and among them most prominent are models of social development, capitalist model of development and model of mixed development. The model of development depends upon a country, place, population, circumstances, demand of resources etc. Some of the states are developed and others are developing, and, both the types of nations have different types of development plans. Some important models of development are:

- a) Model of Market Economy.
- b) Model of Welfare State.
- c) Socialist Model of Development.
- d) Gandhian Model of Development.

#### **A) MODEL OF MARKET ECONOMY: -**

Since last decade of 20<sup>th</sup> Century market economy or global economy has been considered the best model of development. It implies that the economy should be left under the general procedure of competition, policy of non-intervention and demand supply chain. Since national boundaries are obstacles for the growth of science and technology, there should be free environment. This market economy includes the following four elements.

1. **FREE ENTERPRISES:** - Market economy is based on free enterprises in which the industrialists are free to start industry, make growth, invest capital etc. They do not need licenses for these works. The government keeps certain enterprises only and takes help from private enterprises.
2. **FREE TRADE:** - Market Economy is also based on free trade. According to it, the world is treated as a market in which all countries have the liberty to trade without any hurdle. Generally, the government of different nations collects duties on export and import trade in order to protect domestic industry and increase revenues. But, the market economy considers these taxes against liberalization because such policies hampers free flow of demand and supply.

3. **FOREIGN INVESTMENT:** - Foreign direct investment is investment of foreign assets into domestic structure, equipment and organization. It does not include foreign investment in the stock markets. Foreign Direct investment provides opportunities to Indian industry for technology up gradation, gaining access to global managerial skills and practices. It is also highly conducive for optimum utilization of human and natural resources and competing globally with higher efficiency.
4. **Foreign technology:** - Developing countries import foreign technology to promote domestic industries in different fields. They make attempts to increase economic growth according to social needs by importing foreign technology.
5. **Modernisation:** - The basis of market economy is modernisation. A developing country cannot transform its economy into a market economy until it enforces elements of modernization. The developing countries can be modernized by following free trade and international competition. Modernisation includes urbanization, literacy, mobility, trade, commerce, good means of public relation etc.

**MERITS OF MARKET ECONOMY: -**

- i. Market economy is fully democratic and each businessman and industrialist gets opportunities to develop without any hurdle.
- ii. In market economy a producer wants to produce good quality of products in comparison to other producers so that the demand of his product could increase.
- iii. The balanced prices are the most important quality of this arrangement. No producer can claim monopoly over prices. So, prices are fixed on the basis of other goods available in the market.
- iv. The market economy prefers the choice of consumers or customers. So, a customer can get his choicest goods in balanced prices.
- v. In order to increase the quality of goods and production on large scale new technologies are invented.
- vi. Talents and means available in the private sector are used in a better way under this system.
- vii. The government gets more income from the growth of trade and industry. This income is used in social security schemes by the government.

**DEMERITS: -**

- i. The central idea of market economy is personal benefit. Industrialists keep interest in producing such goods which are benefits to them. They will not produce such good which are less beneficial but useful for the weaker section of the society.
- ii. Market economy is based on the policy of liberalisation. Foreign multinational companies through their immense source come in developing nations for getting

maximum profits. So, liberalization promotes interest of developing nations only and industries of developing nations do not withstand multinational institutions.

- iii. In market economy, there is no import of technologies from developed to developing nations.
- iv. Developing nations do not get benefit of foreign capital.
- v. No employment is provided to people of developing countries in multi-national institutions.
- vi. Big companies to earn maximum benefits take resort to corruption and give bribe to government officers for favourable policies.

#### B) MODEL OF WELFARE STATE: -

**Welfare state:** - A welfare state is a state that provides for its citizens a wide range of social-service, the primary purpose is to give the citizens security. The ability, capability, means and wisdom of an individual determines his limits of development. If the state helps some people, promotes ways and means to liberate from exploitation and perform the role of welfare state, then it hinders the way of developmental individual. The function of the state is to protect the negative liberty alone. That is, the state should not put hurdle on the way of individual who has the freedom of determining his way on the basis of his ability and wisdom, alone comes within the jurisdiction of the state. (T. W. Kent)

- Pt. Jawahar Lal Nehru defines welfare state as a state, which provides equal opportunities to all to wipe out the discrepancy between the rich and poor, and raising the standard of living of people.
- G. D.H Cole says, "The welfare state is a society in which an assured minimum standard of living and opportunity becomes possession of every citizen".

Thus, a welfare state is that which provides opportunities to all the individuals with a view of removing economic, social and political inequalities. It does not provide privileges to any particular class but works for development of all.

#### SPHERE OF ACTIVITY OF MODERN WELFARE STATE: -

Liberalists have described the sphere of activity of Modern welfare state. Positive liberalists lay down that state has to perform a definite and influential role. Gilchrist has described the following activities of a welfare state.

- i. Defence against enemies.
- ii. Defence of individuals from each other.
- iii. Protection of Property.
- iv. Defence of individuals from false agreements.

- v. Protection of weaker sections.
- vi. Protection of persons from epidemics.

Garner has divided the work of state into two parts:

- i. Essential works, like internal peace, law and order, and, protection from enemies.
- ii. Natural works, like making of roads, bridges, irrigational projects, post and telegraph etc

The state fulfils the following needs:

- i. **DEFENCE AGAINST ENEMIES:** - Without proper defence a country cannot hope for development. Individuals are not able to defend themselves from external aggression, so primary duty of state is to give protection to its citizens from enemies.
- ii. **PUBLIC LAW AND ORDER:** - In absence of law and order in the society, its development is not possible. The important function of the state is to control through such coercive laws, those people who disturb public law and order. The state should create such an atmosphere in which all people perform their functions dutifully.
- iii. **JUSTICE:** - In absence of Justice in the state only the will of the strong shall prevail and strong shall subject the weak and oppress them. The aim of state is to protect the weak on the basis of justice, makes laws for protection of life, liberty and property, implement them on basis of equality and punishes those who violate laws.
- iv. **PUBLIC WELFARE:** - State is meant for public welfare, as state is only place where people can live a happy life. Every individual should have the right according to his ability and the state should guarantee to fulfill at least the minimum essential necessities.
- v. **SOCIAL WELFARE:** - The purpose of state is not merely to make laws and establish law and order, but also to promote social welfare. For social welfare, state needs to remove social evils like early marriage, child labour, dowry system, untouchability etc. Education is such an instrument, which strikes these roots of evils, and, will be helpful in removing them.
- vi. **ECONOMIC WELFARE:** - Economic welfare is another important job of a welfare state, as welfare of human beings depends upon economic welfare.
- vii. **POLITICAL WELFARE:** - State promotes many fundamental and political rights to its citizens in order to provide political welfare. These fundamental and political rights on one side, help people in all round development and on other side help people in participating in governmental system.

#### C) SOCIALIST MODEL OF DEVELOPMENT:

**MEANING;** The word socialism has been derived from the word Socius, which means Society. Thus, socialism is basically concerned with society and is endeavoring for the establishment of a just society. In fact, it is reaction against the injustice and exploitations of the labourers in a

capitalist society. It is a resolution against the exploitation of the poor by the capitalists. As capitalism, is only for interest of capitalist society, result in exploitation of workers. Capitalism society consists of haves and have nots. Socialism is a movement against exploitation of workers. It lays down that means of production should be controlled by society as whole and industries should be for welfare of all and not a particular section. Socialism aims at nationalization of industries and regulation of private sectors. Socialism tries to establish a kind of democracy that will establish equality in the political and economic sphere.

### DEFINITION

According to Emile, "Socialism means the organization of workers for the conquest of political power, for the purpose of transforming capitalist property into social property". In Oxford Dictionary, "Socialism is defined as a political and economic theory of social organization which advocates state ownership and control of means of production, distribution and exchange.

### EVOLUTIONARY SOCIALISM:

The term is relevant because it is not sought to be established through violent means. This is evolved, amended and adapted through democratic means. Gradually, the workers succeed in forming their government through general elections. These brands of socialism are known as syndicalism, guild socialism, collectivism, state socialism, democratic socialism and parliamentary socialism.

**a) SYNDICALISM:** - Syndicalism or socialism of the workers appeared, in France. Syndicalism is derived from "Syndicate" which means "Workers Union". It is an economic movement to free the worker from all bondages. It believes in revolution in society through class struggle. It wants the end of state and government, and likes society to be governed by workers union or syndicates donot believe in party politics and parliamentary government. But at the same time, syndicalism has no faith in communist system or dictatorship of workers. The system of government that syndicalist seek to establish is nearer to the communist system but with tinchof political liberalism.

**b) GUILD SOCIALISM:** - Guild socialism appeared in England. It seeks to establish a socialist system centering round the Guild or the class. Every industry will have its own Guild. Guild socialists want not only social control over the means of production, but also favour the worker's control in management, trade and industry. This will enable a worker to realize his freedom in his field and be responsible for profit and loss on account of his labour. One class of individuals will not exploit other group. According to the guild Socialists, the central Guild organization should be supreme in the economic field, as the state is supreme in the political field. Guild socialist want representation on functional basis, so that different trades can be represented. Guild socialism is believed to be established by peaceful means.

**c) COLLECTIVISM, STATE SOCIALISM AND DEMOCRATIC SOCIALISM:** - This is another modified form of socialism. This view opposes capitalism and imperialism. It does not want to abolish state, but wants to reform it. To the collectivists, state is not a necessary evil, but state is good and can be utilized for the welfare of the people. They want to end capitalism through revolution and to bring change in society through parliamentary method.

**d) FABIANISM:** - Fabianism originated with the founding of Fabian society in England in 1884. Fabians agree with Karl Marx that there should be collective control over the means of production. They favour the end of private ownership of property or capital. It should be controlled by the state and national income should be utilized for welfare of all and not for the working class alone. Fabians want to achieve their ideals by means of discussions, explanation, preaching and publications, and, they support democracy.

**e) PARLIAMENTARY SOCIALISM:** - Parliamentary socialism is the brain child of labour party of England. It wants to adopt parliamentary method to establish socialism. It wants to fulfill the demands of workers and weaker sections through parliamentary method and wants socialist reconstruction of this society by this means. It believes in human fraternity instead of Marxist class struggle.

**D) Gandhian Model of Development: -**

Gandhi believed that political independence is of no avail, unless the social evils are eradicated. Hence, he devoted the whole of his life in eradicating the evils from Indian society, and, took many steps to eradicate untouchability.

**GANDHIJI'S VIEW ON ECONOMIC SYSTEM:**

Economic system of Gandhiji can be explained as;

**a) DECENTRALIZATION OF ECONOMIC POWERS:** - Gandhiji was in favour of decentralized economy. He wanted economic resources to be distributed among the central, state and local administration according to their needs. He was against large scale production with the help of machines because it concentrates the economic power in a few hands. Gandhiji considered the concentration of economic powers in state hands as undemocratic because concentration of political and economic power in state's hands creates dictatorial tendencies.

**b) EQUITABLE DISTRIBUTION OF WEALTH:** - The economy supported by Gandhiji had its origin in equitable distribution of wealth. Gandhiji wanted the common man also to get sufficient resources so that he may lead his life in a free atmosphere. Self employment conditions should be created and proper atmosphere should be created by the state for its success.

**c) ECONOMIC SYSTEM BASED ON AGRICULTURE:** - Gandhiji wanted agricultural economy for India because India is an agricultural country. There should not be only development in agriculture, but agriculture based on rural industries also should be developed. Agricultural

products to every part of the country and peasants should be made free with self – respect. There should be no restrictions imposed by the government on the peasants.

**d) EMPHASIS ON COTTAGE AND SMALL SCALE INDUSTRIES:** - Economy envisaged by Gandhiji gave a significant place to the rural cottage and small industries. Gandhiji thought that cottage industries will abolish unemployment from rural and urban areas in over populated countries like India.

**e) OPPOSED LARGE SCALE PRODUCTION THROUGH MACHINES:** - Gandhiji believed that the production by big machines would harm the nation. It will create concentration of wealth on one hand, and large scale unemployment on the other.

**f) RESPECT FOR LABOUR:** - Gandhiji had a great regard for labour and wanted that everyone should work. Those who have no normal work in their routine should have some normal work of their choice. By spinning with charkha he created an example for those who did not put their hands to work.

#### **HOW TO BALANCE THE CLAIMS OF PRESENT GENERATION WITH FUTURE GENERATION:**

The model that creates a balance between claims of present generation with claims of future generation is called as the sustainable development model. A specific concern is that those who enjoy the fruit of economic development today may be making future generation worse off by excessively degrading the earth's resources and polluting the earth's environment. The only option is sustainable development so that there can be a balance between claims of present Generation and future generation. For sustainable development following things are necessary.

- i. **PROTECTION OF ENVIRONMENT:** - Man's association with his natural environment is a conglomerate kind. While men are exposed to assured natural check and events, they act as commanding power in many of the Earth's physical and biological system. Man has now become capable of altering his physical environment to suit himself, and has resulted in long term problems. But to maintain development and to get human demands fulfilled, it is necessary to protect environment, so that our future generation also gets benefitted.
- ii. **ECO-FRIENDLY ECONOMY:** - Meeting the needs of the poor in these generations is an essential aspect of sustainability, meeting the needs of subsequent generations. Both environment as well as development should be designed to improve welfare.
- iii. **USE OF ENERGY RESOURCES:** - Social, economic and scientific developments are directly linked to the development of energy resources. However, the present stock of energy



resources of the world is limited and can last only for a few decades. Moreover, most conventional energy sources are non-renewable. Hence, mankind is searching new sources of energy and the development of renewable sources of energy along with the rational use of existing non-renewable energy and their conservation.

- iv. **CHANGE IN MINDSET:** - Successful development will inevitably involve some amount of land clearing, oil drilling, river damming and swamp draining. Some have argued that natural capital should be preserved in some aggregate sense, with losses in one era replenished elsewhere. This approach has helpfully focused attention on the need to estimate the value of environmental resources and on the importance of protecting essential ecological system.

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