

CHAPTER 10

COMPARATIVE DEVELOPMENT EXPERIENCES OF INDIA AND ITS NEIGHBOURS

❖ **Regional and Economic Groupings**

The general consensus among all the nations to understand various development strategies and to strengthen their respective economies, motivated different nations of the world to form regional and global economic groups such as, SAARC, European Union, ASEAN, etc.

❖ **Liberty Indicator**

- It is defined as the measure of the extent of demographic participation in social and political decision making.
- It measures the participation of people in taking decisions.
- **For example-** Measures of the extent of the Constitutional Protection Rights given to the citizens and the extent of the Constitutional Protection of the independence of the Judiciary and Rule of Law.

❖ India and Pakistan became independent nations in 1947 while People's Republic of China was established in 1949.

❖ China, Pakistan and India initiated its reforms in the year 1978, 1988, and 1991 respectively.

❖ **Features of The Great Leap Forward (GLF)- China**

- China initiated a campaign named The Great Leap Forward (GLF) in 1958.
- It aimed at large scale industrialisation both in rural as well as in the urban areas.
- The people in the urban areas were motivated to set up industries in their backyards.
- In the rural areas, Commune System (collective farming) was implemented.

❖ **Features of Commune System**

- The system of collective farming known as Commune System was implemented.
- Under this system, small plots of land were allocated to the individual households.
- These households were allowed to keep the remaining income from land after paying taxes to the government.

❖ **Great Proletarian Cultural Revolution- China**

- Due to the failure of GLF together with the conflict between China and Russia, Mao introduced the **Great Proletarian Cultural Revolution** in 1966-76.
- This revolution aimed at enforcing socialism and eradicating capitalism and cultural elements in China.
- Students and professionals were forced to work with and learn from the countryside.

❖ **Stages of China's Industrialisation**

The rapid industrial growth in China is the outcome of the introduction of the reforms in phases.

- In the initial phase, reforms were introduced in the agricultural sector, foreign trade and investment sectors.
- In the later phase, **industrial sector reforms**- the private firms, village and township enterprises were allowed to produce goods and services

- Implementation of Dual Pricing Policy led farmers and the industrial units to buy and sell a fixed quantity of inputs and outputs at the fixed price (by government) and the remaining quantities were traded at the market price.
- Later, **Special Economic Zones (SEZs)** were set up to attract foreign investors and to encourage exports.

❖ Development Strategies of Pakistan

Pakistan adopted the path of the **mixed economy** with the existence of both private and public sector.

- Introduced a variety of regulated policy framework during 1950s and 1960s
- Restricted trade policy was followed- high tariff barriers and direct import controls
- Green Revolution infused mechanisation of agriculture, thereby increasing the production of food grains.
- Enforced nationalisation of capital goods industries in 1970s
- In the late 1970s and early 1980s, resorted to denationalisation and encouraged private sector participation in the economic development.
- Finally, in 1988, economic reforms were initiated in Pakistan.

❖ Similar Developmental Strategies of India and Pakistan

- Started their planned developmental programmes after independence in 1947.
- Relied on the public sector for initiating the process of growth and development.
- Followed the path of mixed economy involving the participation of both the state and the private sector.
- Both introduced economic reforms at the same time to strengthen their economies.
- Unlike China (that brought all critical areas of production under state ownership), India and Pakistan initiated **mixed economy**.

❖ Comparative Study of Sectoral Share in GDP

Sectors	Contribution to GDP (in %) (2003)		
	India	China	Pakistan
Primary (Agriculture)	23	15	23
Secondary (Industry)	26	53	23
Tertiary (Service)	51	32	54

Source: NCERT Page- 188

❖ Comparative Study of Occupation Structure

Sectors	Distribution of Workforce (in %)		
	India (2000)	China (1997)	Pakistan (2000)
Primary (Agriculture)	60	54	49
Secondary (Industry)	16	27	18
Tertiary (Service)	24	19	37

❖ Demographic Parameters

- China has the **lowest density of population** due to the large geographical area.
- The **fertility rate** is also very **low** which acts as a check on the growth rate of population in China, as compared to India and Pakistan.
- China having a marginally **higher sex ratio** than India and Pakistan.
- China is comparatively **more urbanised** than India and Pakistan.
- The annual growth rate of China's population is just 1% p.a.

Demographic Indicators, 2000-01

Country	Estimated Population (in millions)	Annual Growth Rate of Population (1990-2003)	Density (per sq. km)	Sex Ratio	Fertility Rate	Urbanisation
India	1103.6	1.7	358	933	3.0	27.8
China	1303.7	1.0	138	937 (*)	1.8	36.1
Pakistan	162.4	2.5	193	922	5.1	33.4

Note: (*) data excludes population of Hong Kong, Macao and Taiwan Provinces.

Source: NCERT Page- 185

❖ Comparative Study of Human Development Indicators

Indicators of Human Development, 2003

Indicators	India	China	Pakistan
HDI (value)	0.602	0.755	0.527
Rank	127	85	135
Life Expectancy at Birth (years)	63.3	71.6	63
Adult Literacy Rate (% aged 15 and above)	61	90.9	48.7
Per Capita GDP (PPP US\$)	2,892	5,003	2,097
Percentage of Population below Poverty Line (in %)	34.7	16.6	13.4
Infant Mortality Rate (Per 1000 live births)	63	30	81

Source: Human Development Report, 2005

- Life expectancy, Adult literacy rate, Infant mortality rate, Percentage of the population below poverty line, GDP per capita, Percentage of the population having access to improved sanitation, Percentage of the population having access to improved water sources are the various **indicators of human development**.
- China **ranks higher in HDI**, followed by India and then by Pakistan.
- China has the highest literacy rate among the three.
- Also, the per capita GDP is higher in China than in India and Pakistan.
- Infant Mortality Rate is lower in China.