



Very Short Answer Type Questions [2 Marks]

1. Differentiate between the main objectives of the First and Second Five Year Plans.

Answer:

1. Objectives of First Five Year Plan:

- (a) It focused on land reforms for the development in rural areas.
- (b) It aimed to increase level of National Income.

2. The First Five Year Plan differed from the Second Five Year Plan:

- (a) The second five year plan stressed on heavy industrialisation.
- (b) Second five year plan wanted to bring quick structural transformations in all possible directions in place of slow and steady growth like first five year plan.

2. Differentiate between the capitalist and socialist models of development.

Answer: The capitalist model of development refers to the strategies in which the private sectors are prioritised in place of social welfare whereas socialist model of development aims at public sector and planning to establish egalitarian society.

3. What is meant by decentralized planning?

Answer: Decentralized planning is designed to involve the peoples through voluntary citizens organisation in making plans at the panchayats, blocs and districts level. Its example is the 'Kerala Model'.

4. Highlight the two areas on which the First Five Year Plan focused.

Answer: The first five year plan was commenced in 1951 to be drafted by young economist K.N. Raj with the emphasis on poverty alleviation. Its main thrusts were as follows:

- 1. To invest in dams and irrigation to improve agricultural sector with the urgent attention.
- 2. Huge allocations were made for large scale projects like Bhakra-Nangal Dam.

5. Which are the two models of development? Which model of development was adopted by India?

Answer: Two models of development are the capitalist and socialist models of development, India adopted the elements from both these models together to be known as "Mixed Economy".

6. What were the fears of tribal population of Orissa and environmentalist about setting up industries in tribal areas?

Answer:

- 1. These iron resources lie in some most underdeveloped and predominant tribal districts.
- 2. Tribal population feared that the setting up of industries would mean displacement from their home and livelihood.
- 3. The environmentalists feared to be polluted the environment due to mining and industrial activities.

7. What is the meaning and importance of economic planning in Indian context?

Answer: Economic planning in India refers do a systematic regulation of economic activities by government to reduce the wastage of time and resources:

1. Economic planning helps to achieve national goals in a continuous process of development.

2. It is a rational process to associate with the future needs and goals to evaluate alternate proposals also.

8. What was Kerala Model?

Answer: Kerala model is an example of decentralised planning at the state level:

1. It is the initiative taken by Kerala for planning and development strategies.

2. It targeted on education, health, land reform, effective food distribution and poverty alleviation.

3. Kerala model initiated to implement Panchayati Raj, blocs and district level of government.

9. Which state was prone to food crisis in the early years of independence?

Answer: Bihar was prone to food crisis in the early years of independence

1. It was due to a near famine situation.

2. The food shortage was very much acute in all districts of Bihar.

3. Food shortage led to acute and widespread malnutrition.

4. The zoning policies of government prohibited trade of food across states, which reduced availability of food in Bihar.

10. Who was J.C. Kumarappa?

Answer:

1. J.C. Kumarappa was originally known as J.C. Cornelius.

2. He was an economist and chartered accountant.

3. He was the follower of Mahatma Gandhi to apply Gandhian Principles of Economic Policies.

4. He was the author of 'Economy of Permanence' and a member of planning commission.

11. What is Plan Holiday?

Answer:

1. Plan Holidays is a gap between two five years plan, i.e. 1979-1980 and 1990-92.

2. It was a stop gap arrangements by the provisions of annual plans.

3. Plan holidays took place due to change in government to be locked in development-goals and priorities etc.

4. Those five year plans were supposed to be reviewed and changed by the succeeding government.

12. What results were revealed by Planned Economy?

Answer:

1. Big industrialists continued to benefit.

2. The land owning classes became politically powerful.

3. Land reforms could not take place effectively.

4. The early initiatives for planned development were realising the goals of economic development.

13. Which methods were used to implement the development process in a mixed economy?

Answer:

1. Planning and governmental regulation to control economy.

2. Licensing, subsidies, progressive taxing, price control and reforms etc. were also implemented.

3. To make a significant role of public sector.

4. To ensure a political democracy.

14. What is 'Mixed Economy'?

Answer: Mixed economy is an economy to co-exist private and public sector both:

1. Both the sectors work within invisible hands of market forces and

visible lands of planning set by government.

2. 'State own' means of production to aim social welfare and
'private own' means of production to be regulated by states.

15. How did Indian lay down the foundation of future economic growth?

Answer:

1. Some of the largest developmental projects in India's history were undertaken during this period to include mega dams like Bhakra-Nangal and Hirakud for irrigation and power generation.
2. Heavy industries were started in the public sector like steel plants, oil refineries, manufacturing units and defence production etc.
3. Infrastructure and communication were also improved.

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