Economic Development of Maharashtra

S D Punekar

THE birth of the new State of Maharashtra on 1st May 1960 created aspirations among the various interests of this State. Immediately after its birth, the right-wing 'intellectuals' held a seminar to discuss the cultural, economic and social problems of Maharashtra. This has been followed by the Maharashtra Commercial and Industrial Conference convened by the Maharashtra Economic Development Council in Bombay on 17th and 18th June. The third party in the queue appears to be the left-wing trade unionists, who propose to have their "Maharashtra Parishad" next month.

NARROW SECTIONAL INTERESTS

These are happy signs; however, they indicate a danger of the various sectional interests pushing themselves up even at the cost of the welfare of the State. This danger was clearly evident in the recent Commercial and Industrial Conference, where the representatives of traders and factory owners made demands, which if conceded, would defeat our goals of economic equality, social justice and the socialist pattern of society. For the unhindered development of their commerce and industry, they asked for all sorts of concessions and facilities—

- exemption from all taxes and duties including sales tax and octroi duty;
- provision of liberal loans at nominal interest;
- facilities for water, power, transport, and other factors relating to localisation of industry;
- assistance in purchase and sale;
- arrangements for technical training;
- establishment of a network of industrial estates "at various places making available all the facilities so required for its success, such as land at cheap rate, water, easy communications, raw materials, banking facilities, exemption from duties, licences for machinery, etc."
- freedom from legislation and from statutory returns; and
- non-interference of State in industrial autonomy.

At the same time, these commercial industrialists were reluctant to put any restraints on their profits or on their rights, by giving some concessions either to the State or to their employees. They were hardly in any mood to heed to Gandhi ji's advice—"Rights that do not flow directly from duty well performed are not worth having. They will be usurpation, sooner discarded the better." They also conveniently forgot that if economic development was the main aim, it could be achieved, with less exploitation, outside the private sector by means of nationalisation or cooperation.

UNREALISTIC ATMOSPHERE

According to the sponsors, the Conference was convened "to suggest ways and means of introducing a phased plan of development of the new State" and "to offer whole-hearted cooperation to the Government of the State in order to accelerate the pace of all-sided economic progress". As against these professed objectives, the real aim appeared to be to safeguard the interests of the private enterprises. This unreality was further strengthened by the inappropriate medium used for deliberations. The birth of Maharashtra is primarily due to the successful agitation waged by the Marathi-speaking people to have a linguistic State of their own. Logically it follows that any conference, genuinely aiming at the development of the State, should conduct its proceedings in the language of that State.

Commercial and industrial life in Maharashtra is still dominated by non-Maharashtriyans. As in politics, so also in industry, problems are created, when the manager and the managed belong to different communities. To obviate this difficulty, Dr C D Deshmukh, who presided over the conference, suggested that the main task should be "to facilitate the entry into business and industry of everyone endowed by nature, inclined by choice and equipped by training to become a businessman". He rejected as false "notions involving sociological generalisations, such as that a particular linguistic group make a poor businessman" and he was fully supported in his views by the Chief Minister. It is doubtful, however, whether the businessmen in Maharashtra would take up this bold and realistic stand, when their primary objective is to assure more profits for themselves rather than to strive for the all round prosperity of the new State.

ACHIEVEMENTS OF THE CONFERENCE

The drawbacks and the possible dangers indicated above should not make us blind to the positive contribution made by the Conference. Its greatest contribution was to highlight the raw deal so far received by Maharashtra mainly because of the political antipathy of the rulers.

Dr Deshmukh vividly brought out this fact when he said,

"It will be easy to prove that owing to wrong political arrangements, Maharashtra’s economic development has suffered in the past. In the case of Marathwada the neglect was historical and deliberate, extending over a few centuries. In the case of Vidarbha, there was evidence, again, of deliberate political inattention, not justified by any well-thought-out plan of removing regional disparities during the first ten years of Independence. Western Maharashtra was the worst case of such unjust treatment, which cannot even be called step-motherly, as even motherly attention was often withheld from if, and in Western Maharashtra, the backwardness of the Konkan Districts has been recognised only during the last two or three years and that only by the Slate Government, since the Konkan railway, in its real sense, has been deferred like hope till hearts are sick for the last ten years, to my knowledge."

The Conference successfully revealed the nature and extent of underdevelopment of Maharashtra and suggested remedies for development. It brought on a platform persons of diverse interests, industrialists, traders, economists, Government officials and even trade unionists—though the industrialists dominated throughout. It got an assurance of cooperation and support from the Chief Minister and the Finance Minister of the State. It published some very useful literature—the working papers, a reference volume and a souvenir.

The Conference was very ably conducted by its president, Dr
jeshmukh, who was assisted by eminent industrialists and economists of Maharashtra. Professor I) K Gadgil's excellent working paper on the basic requirements of planning in Maharashtra may prove useful in laying down a firm foundation on which the planning super-structure of the State can be built. Unfortunately, the other working papers, and consequently the discussions thereon, were not of a high order.

CONCLUSIONS

Any plan for Maharashtra's economic development should aim at the maximum welfare of the maximum number in the State. The Conference had a narrow aim—the maximum welfare of a privileged minority. So far as this welfare is not in conflict with the welfare of the masses, it can be encouraged. For example, development of large-scale industrialisation in the private sector can take place in our mixed economy. However, care should be taken that such industrialisation does not result in widening the economic inequality and in hindering the State and cooperative activities in the industrial field.