India' Journey over the Years

Why in news?

The celebrations of this year's Independence Day come amidst the talk of Indian economy reaching the 3rd largest spot by 2027.

What is the status of Indian economy?

- **GDP** - At the time of independence, India contributed *less than 3% to world's GDP.*
- At present, India is the *5th largest economy* in the world with the GDP of around 3737 billion US Dollars.
- The International Monetary Fund (IMF) data shows that India is indeed forecast to become the *3rd largest economy by 2027.*
- **Demographic dividend-** According to the Economic Survey 2018-19, India's demographic dividend age will peak around 2041, when the population of working age (those aged 20 to 59 years) will reach 59%.
- **Population-** In 1960, with a population of 45.05 crore people, India had the 2nd highest population behind China (66.7 crore).
- By the end of 2022, India's population stood at 1.417 billion, surpassing China's 1.412 billion, making India the most populous country in the world.

To know more about India- the fastest growing economy click here

What about the country's progress in economic sphere?

- **Country's GDP-** It has grown exponentially in the last 76 years which has made the country the 5th largest economy in the world.
- Since the beginning of 21st century, the effects of liberalisation are visible with
  - Growing investment and
  - Expansion of private players.
- The growth has helped propel the per capita net national income as well.

- **National income-** The improving GDP and increasing opportunities for people led to a jump in national income.
  - In 1956 it is found that over 65% of Indians were poor.
- Successive governments undertook measures to work towards improving the economic situation of Indians.

What is the country's progress in social infrastructure?

Social infrastructure is a term that refers to facilities that support social services Example- Health care, education etc.,

- **Life Expectancy**- At the time of independence, it was only around 32 years.
    - As per the Sample Registration System (SRS) 2015-19, the average life expectancy at birth has increased from 49.7 during 1970-75 to 69.7 during the year 2015-19.

- **Infant Mortality Rate-** Between 1960 and 1975, India had the 7th worst IMR among 32 nations.
    - As per the SRS Bulletin of Registrar General of India, Infant Mortality Rate (IMR) has reduced from 37 per 1000 live births in 2015 to 30 per 1,000 live births in 2019 at national level.
- **Literacy rate-** During independence, literacy rate is less than 20% but now, it stands at 77%.

- **Human Development Index-** India's HDI increased by 0.11 points in 1950 to 0.633 in 2021.
    - According to the Human Development Report of 2021-22, *India ranks 132* out of 191 countries, behind Bangladesh (129) and Sri Lanka (73).
- **Gender equality-** Women's participation in India increased from 7% in 1997-98 to 14.9% in 2022.

Key Decisions which shaped Indian Economy

• **Setting Up Of Planning Commission -** Inspired by the centralised planning of the USSR, Prime Minister Nehru set up a Planning Commission in 1950 which formulated the five-year plans.
• **The Green Revolution -** To help increase the yield of Indian agriculture and make India a food surplus country in the 1960s, Union Government led by Prime Minister Lal Bahadur Shastri tasked MS Swaminathan to revolutionise India's agriculture sector.
• **Operation Flood -** Dr Verghese Kurien spearheaded Operation Flood in the 1970s which resulted increased milk production from 21 million tonnes in 1971 to 80.6 million tonnes in 2001.
• **Nationalisation Of Banks -** Prime Minister Indira Gandhi announced the nationalisation of 14 banks on July 19, 1969 to expand the banking sector to rural areas.
• **Liberalisation Of The Indian Economy -** In 1991, the government led by Prime Minister PV Narasimha Rao and his finance minister Dr Manmohan Singh initiated a set of reforms to resolve the balance of payments crisis and overhaul the Indian economy in the process.
• **NITI Aayog -** In place of the planning commission, the Union Cabinet approved the formation of NITI Aayog in 2015 which serves as the public policy think tank of the central government.
• **Introduction Of Goods And Services Tax** - Prime Minister Narendra Modi-led government implemented the GST in 2017 to simplify the taxation structure and to introduce uniform rates across the country.

References

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