

**Role of Five-year Plans in the Development of China and India:  
A Comparison and Assessment**

D.S. Prasada Rao  
The University of Queensland, Australia

Lee  
Queensland University of Technology, Australia

China and India have posted impressive growth performance over the last two decades. At the current forecasts China is likely to be the largest economy in PPP terms by 2030. Despite the similarity in the growth performance, these countries have fairly dissimilar economic structures. India's service sector has been the dominant contributor in terms of GDP whereas the manufacturing sector in China is large and relatively productive. In addition, China has invested heavily in infrastructure development whereas India has only recently started investment in this area. China and India have contrasting political systems but both countries relied heavily on Five-Year plans and economic reforms to achieve goals and targets thus suggesting that the spectacular growth rates of China and India in the last two decades were largely attributed to the effectiveness of the Five-Year plans. The main objective of the paper is to examine the role and efficacy of the five-year plans in China and India over the last five decades. The paper will undertake an empirical analysis of the targets and achievements from different plans and also examine the current role of planning in these two countries which have embarked on major reforms that have resulted in impressive growth performance. Data for the study will be drawn from published sources from China and India and the detailed planning documents for different five-year plans.