

## A B S T R A C T

Economic planning in LDCs is experiencing a continuous state of crisis brought about by inappropriate modalities for development formulated during the post war years. Alarming rates of unemployment, mass poverty and above all the widened socio-economic disparity are the visible consequences of the faulty policy formulations. With such a situation at the backdrop the present research attempts to provide a pragmatic rather than an illusory approach for planning regional development with employment generation and planning at its nucleus. Within the goals of the study set beforehand it encompasses the issues of detection of avenues for directed development and the choice of methods towards achieving the goals. The novelty of the approach, however, lies in the treatment of the individual aspects. Firstly, the study of the sectoral labour interactive system using the concept of labour equivalence and the derivation of static and dynamic labour multipliers incorporating the same concept endows it with the characteristic of being an efficient planning tool. Secondly, the inclusion of qualitative and subjective variables characterising a real socio-economic situation within the quantitative choice mechanism for the identification of priority areas and choice of techniques. The use of the concepts of fuzzy subsets reduces the qualitative and

thus imprecise preference mechanism to the framework of exact choice. And thirdly a study of the implications of the change in technique on the labour scenario considering the economic and social implications of such a change.

The approach developed has been applied to West Bengal, a State of India. The major findings of the analysis provide illuminating guidelines for future policy formulations keeping in view the stagnating labour abundant economic situation of the State.

K E Y   W O R D S
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Economic planning, sector identification, choice of technique, labour equivalence, static real labour multiplier, dynamic real labour multiplier, importance of a sector, impact of a technique, fuzzy number, qualitative socio-economic variable, measure of relative strength, measure of effectiveness, ranking of sectors, clustering of sectors, labour categories, skill formation, retention level, labour displacement, traditional sector, labour intensity, capital intensity, West Bengal economy, labour-surplus situation, industrial stagnation.