

DRVSRS CONCEPTS

SOCIO-ECONOMIC DEVELOPMENT
MATHEMATICAL MODELS BY DR.VSRS

SOURCE - <http://ww.drvsrs.com/concept.htm>

BOOK – “SED BY DRVSRS” - <http://www.lulu.com/drvsrs>

THEME PICTURE & QUOTATION - CONCEPTS



ROVE ON GAME PARK. MOVE ON SAME TRACK.
HOVE & COME BACK.
LOVE & HEED A CONCEPT FACT.
DRIVE & LEAD A DEVELOPMENT JACK.

“It is less important to have unanimity than it is making the right decision and doing the right thing, even though at the outset it may seem lonesome”

By US Defence Secretary Donald Rumsfeld on
29th August 2002. From the Middle East Economic Digest (MEED),
30th August 2002. Page 2



DRVSRS CONCEPTS

SOCIO-ECONOMIC DEVELOPMENT
MATHEMATICAL MODELS BY DR.VSRS
SUMMARY (SED = Socio-Economic Development)

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1. The current population in the World has grown beyond the Break-even level of the currently grown food supplies, potentially available water resources and possible provisions of clothing and shelter.
2. Also the techno-commercial methodologies have advanced drastically, within the utility of developed nations, but beyond the infrastructure and mental orientation of the Developing and Under Developed nations.
3. The Psychological, Social, International and Universal (Intangible) factors are fast changing and grown to a beyond prediction stage, with devastating impact on the development activities of all nations.
4. In a summary, there is no synchronization between the needs of the population, resource availability, the administrative infrastructure and the Intangible environments !! How to mend this situation, and lead the nations in all bracket of development to sustain their current progress and upgrade further ??
5. The Econometric Research and Development activities of the author has come out with 2 practical solutions.
 - ❖ An Algebraic model infers that the meaning and measurement of Productivity should be with reference to the SED units, keeping the Tangible Quantum measure as a peripheral guide. The Management Decision should be evaluated with reference to this Broad-based SED Productivity approach, with priority to the Intangible aspects in the Input and Output area, keeping the Tangible Quantum measure as a peripheral guide.

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❖ **A Geometric model infers that Domestic Savings should be progressively pooled to fund the Domestic investments and Domestic Technology should be manned by Domestic Manpower .**

KEY WORDS

Algebra, Decision, Developed, Developing, Domestic, Domer, Endogenous, Exogenous, Geometry, Harrod, Input, Intangible, International, Investment, Lewis, Management, Manpower, Model, Output, Prebish, Productivity, Rate of return, Rostow, Savings, Singer, Social, Structural, Supply, Tangible, Technology, Under developed.

JEL CLASSIFICATION

A13, B41, C51, C52, C61, C67, D78, D84, F43, M21, M33, O11, P27



**Management of Essential Needs
Arrangement for Crucial Feeds
Betterment of National Means**

CREATIVE CONFERENCE

**1. OSWALD.K.YHAP - Manager,
Caribbean Basin Water management
(CDB) 2. DR.VSRS 3. ARTHUR LEWIS -
Nobel Laureate in Economic Science
1979. In Welches Gardens, St.Michael,
Barbados. West Indies, on Saturday the
April 20, 1985**



**Enveloping the Citation & Association
Publishing the Concepts in Circulation
Developing the Nation & Restoration**

ACCREDITED ASSOCIATION

**DR.VSRS WITH ARTHUR LEWIS
Nobel Laureate in Economic Science
1979 In the University of West Indies.
Barbados Campus**



DRVSRS CONCEPTS

**1. PRODUCTIVITY & MANAGEMENT DECISION
ALGEBRAIC MODEL CONCEPTS**

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SED = SOCIO-ECONOMIC DEVELOPMENT UNITS

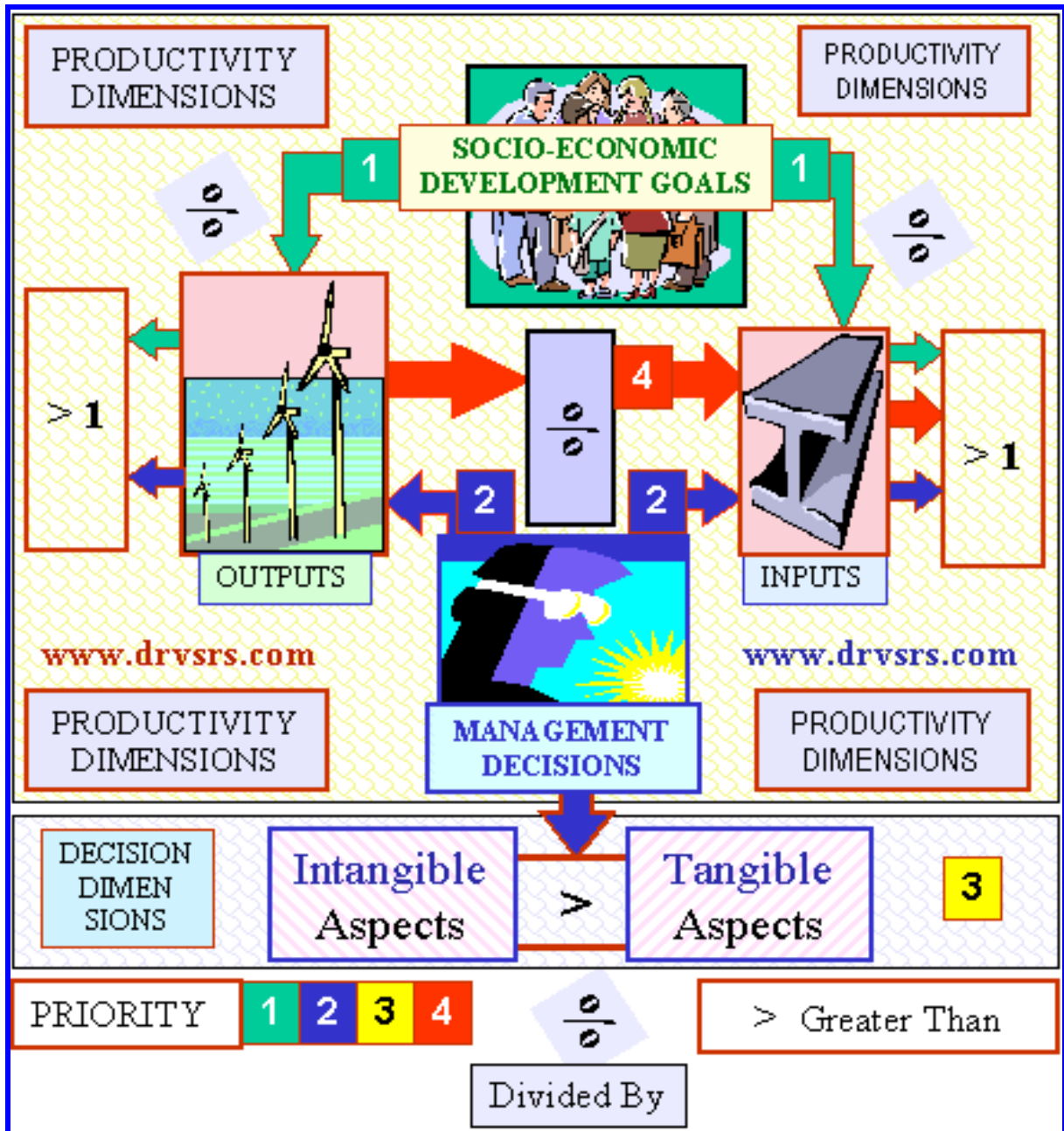
- **PRODUCTIVITY = SED GOALS / INPUT > 1 & SED GOALS / OUTPUT > 1 SUBJECT TO OUTPUT / INPUT > 1**
- **SOCIAL RATE OF RETURN IS IMPORTANT THAN QUANTUM RATE OF RETURN.**
- **INTANGIBLE ELEMENTS ARE IMPORTANT THAN TANGIBLE ELEMENTS.
(PSYCHO-SOCIO-INTER NATIONAL-UNIVERSAL)**
- **MANAGEMENT DECISIONS ARE OPTIMUM WHEN SED GOALS / INPUT DECISIONS > 1 & SED GOALS / OUTPUT DECISIONS > 1, SUBJECT TO OUTPUT DECISIONS / INPUT DECISIONS > 1**
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- **Universally Applicable to All Developed, Developing & Under-Developed Nations.**
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- **This paper “A Redefined Productivity Model & Socio-Economic Development Oriented Management Decisions” was published by the author in ALTIJARAH, an accredited monthly journal of the Sharjah Chamber of Commerce & Industry, Government of Sharjah, UAE. May 2001, September 2001 and March 2002 issues, in a serial.**
- **Reproduced with permission in the "ICFAI Journal of Managerial Economics", ICFAI University, Hyderabad, India. August 2004 issue. Pages 25 to 41.**
- **See the Paper at <http://www.drvsrs.com/mgmtfull.htm>**
- **Slide Show at <http://www.drvsrs.com/mgmtsgo.htm>**

DRVSRS CONCEPTS

1. PRODUCTIVITY & MANAGEMENT DECISION ALGEBRAIC MODEL SCHEMATIC

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SED = SOCIO-ECONOMIC DEVELOPMENT UNITS



See the Paper at <http://www.drvsrs.com/mgmtfull.htm>
 Slide Show at <http://www.drvsrs.com/mgmtsgo.htm>



DRVSRS CONCEPTS

**2. SOCIO-ECONOMIC DEVELOPMENT ACCELERATION
GEOMETRIC MODEL CONCEPTS**

TECHNOLOGY

**A Broad-based term used to cover the Technical & Commercial Activities,
Know-how, Systems, Methods, Procedures, Processes, Services,
the Accessories and Materials**

- ❖ **DOMESTIC INVESTMENTS THROUGH DOMESTIC SAVINGS (EXOGENOUS CIRCLE) INDIVIDUAL, CORPORATE OR GOVERNMENT, EVEN THOUGH FOREIGN TO START WITH.**
- ❖ **DOMESTIC HUMAN POTENTIAL TO MAN THE DOMESTIC TECHNOLOGY (ENDOGENOUS CIRCLE) LATEST TECHNOLOGY MODERATED TO SUIT LOCAL ENVIRONMENTS.**
- ❖ **SYNCHRONISE EXOGENOUS AND ENDOGENOUS CIRCLES & OPTIMISE THEIR DIMENSIONS.**

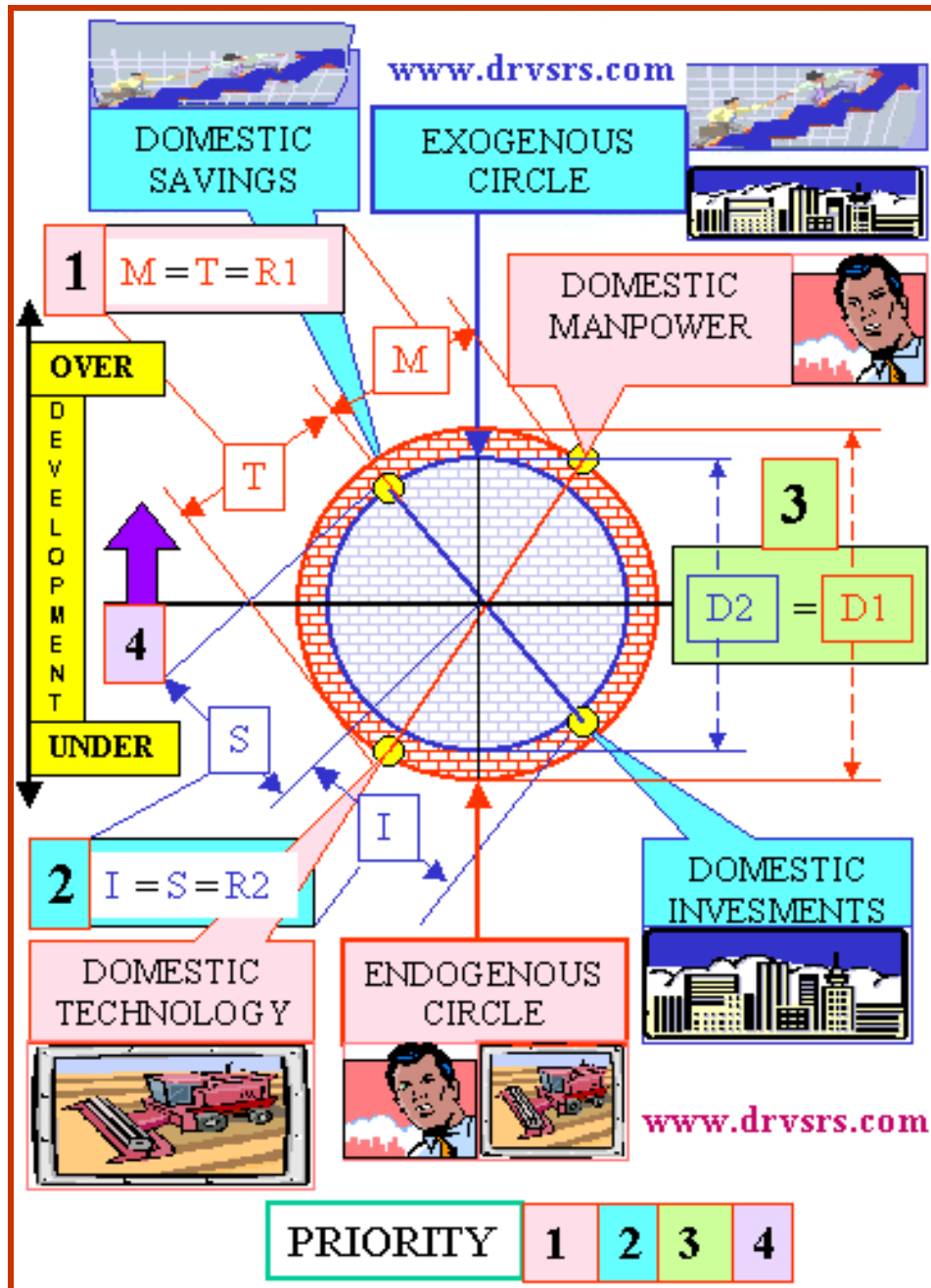
Universally Applicable to All Developed, Developing & Under - Developed Nations

- ❖ **This paper “Accelerate Your Socio-Economic Development – An Excentric Bi-circular Model & Solution”, was published by the author in ALTIJARAH, an accredited monthly journal of the Sharjah Chamber of Commerce & Industry, Government of Sharjah, UAE. April to July 2000 issues, in a serial.**
- ❖ **See the Paper at <http://www.drvsrs.com/sedfull.htm>**
- ❖ **Slide Show at <http://www.drvsrs.com/sedsgo.htm>**

2. SOCIO-ECONOMIC DEVELOPMENT ACCELERATION GEOMETRIC MODEL SCHMATIC

TECHNOLOGY

A Broad-based term used to cover the Technical & Commercial Activities, Know-how, Systems, Methods, Procedures, Processes, Services, the Accessories and Materials



See the Paper at <http://www.drvsrs.com/sedfull.htm>
Slide Show at <http://www.drvsrs.com/sedsgo.htm>



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The Indian Journal of Public Administration. Quarterly Journal of the
Indian Institute of Public Administration, New Delhi, India.
April to June 2003. Pages 147 to 156.

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GROWTH MODELS AND INDIA'S POLICIES.

BY : KALA SEETHARAM SRIDHAR.

Assistant Professor, Indian Institute of Management.
Lucknow. India

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- ❖ The Literature on economic growth identifies several theories that describes the phenomenon. Rostow's stages of growth theory describes the transition from under-development to development as a series of stages - the traditional society, pre-conditions for take off into self-sustaining growth, the take-off, drive into maturity and the age of mass consumption-which most countries experience as they grow. There is the assumption in this theory that successful industrialisation is unbalanced in the sense that a single or a limited number has to be a sector... If we look at India's growth, it is debatable if only one sector is poised to set India for take off...From this view, Rostow's model is not a satisfactory explanation of the changes occurring in India.....
- ❖ Another linear stage model that explains growth at an aggregate stage is the Harrod-Domar growth model, which shows that in order to grow, economies must save and invest a certain portion of their GNP. If more they can save and invest, the faster they grow. If we look at the relationship between savings and economic growth in India, we find the paradox of high savings and low growth despite preferential tax treatment to savings...



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- ❖ Structural models (primarily Lewis Model) of growth focus on transfer of labor from agriculture where there is surplus labour, to the modern industrial sector where employment and productivity rise. The best empirical evidence of this structural process described by Lewis may be observed in China... In contrast, eastern Europe and former Soviet Union started reform as urban and overly industrialised.... India is in a similar situation to eastern Europe and former Soviet Union in that it started reform in 1991 as urban and with overbuilt industry, and too little consumer goods... We also have to observe that another assumption of the structural process of growth described by Lewis does not hold good in India. This is the ability with which the modern industrial sector can absorb surplus labour released by the agricultural sector...
- ❖ The international dependence model draws heavily from from the Prebisch-Singer thesis that describes the existence of unequal international power imbalances as the cause of under-development in developing countries. Raul Prebisch and Hans Singer blamed trade to be rather an engine of under development for poor countries because they were colonised to become export of primary products whose prices were historically declining... Advocates of this thesis therefore recommended that the solution to problems caused by unequal power relationship is to keep one's economy closed and follow import substitution policies. Consistent with this, and following from its historical experience of colonial rule a model of inward-looking policies-import substitution and export pessimism-is what India adopted until 1991. However, towards the end of 1980s, limitations of closed economies were demonstrated and the advantages of openness, were exemplified by the rapid growth of South-eastern Asian economies.

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These factors, together with the fiscal crisis with which it was faced in 1991, and the subsequent IMF mandate, changed India to become an economy more open to imports and exports, that exposed the domestic industry to international competition after a long era of protection... This means that if we are open and can integrate with the world economy, we can expect to be fast growing and reach the growth rate of the South-east Asian countries through increase in quantity and quality of labour, capital and technology through trade and investment....

- ❖ The model aptly describes India's growth during 1990s (as well as the earlier populism) is supply-side macro-economics. The central focus of the nonclassical counter-revolution in favour of supply-side macro-economics is that under development results from too much state intervention by overly active Third World governments. This school called for dismantling of statist planning, public ownership and reducing government control over industries, that imply reduction of tax rates... The decade of nineties witnessed a second war (after the civil war) in United states. This in spirit of supply-side macro-economics, is a war of tax incentives among various states in the United States to attract investment and employment to their states rather than to lose it to others... In India, a war similar to the United states has occurred in recent years, consistent with the trends in favour of supply-side macro-economics... In the age of globalisation, it is certainly acceptable to expose domestic industry to competition through quality.....

DR.VSRS's CONCEPT SUPPORTS

1. **Rostow's Stages of Growth Theory** : It assumes that every nation has an inherent tendency to aim for development and progressively strive towards that goal. But there are no guidelines in this model on the motivational tool for a progress goal development, to lead towards such take-off stages from under-developed to development, and measure the development. Just after independence in 1947, India followed the first Five Year Plan with emphasis on unilateral agricultural development, the Second Year Five Year Plan with unilateral industrialisation etc...with foreign assistance. Uni-directional agriculture and industrialisation without Domestic sources, as well as without equal updates in Domestic Human and Technological infrastructure based on Rostow's theory, does not lead the nation to an improved stage of development. Also the Productivity aspect of development was not taken into account by this model. In the Management decision for development, the influence of intangible factors were never considered. These are the reason for the failure of this model in a nation like India, which has a fairly high level of tangible wealth / intelligentsia as well as intangible social and economic disparities.
2. **Harrod-Domar growth model**, which shows that in order to grow, economies must save and invest a certain portion of their GNP. If more they can save and invest, the faster they grow. If we look at the relationship between savings and economic growth in India, we find the paradox of high savings and low growth despite preferential tax treatment to savings... It is because of the fact that Domestic Investments from Domestic Savings (Exogenous component) is an one-sided guideline, without their proper synchronisation formula among them, and without reference to Domestic Human potential and Technology (Endogenous component).



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- Government decisions with reference to Socio-Economic Development orientation, practical Productivity measures, as well as the influences of intangible aspects are not a part of this model. These have resulted in a paradoxical situation in India .
3. **Structural models** (primarily **Lewis Model**) of growth focus on transfer of labour from agriculture, where there is surplus labour, to the modern industrial sector where employment and productivity are expected to rise. This model considers the possibility of the Endogenous component of Domestic Human potential transfers, without any reference to the appropriate Domestic technology, and the need to synchronise them with Human component. Also assumption on Productivity rise in this model, is quantity oriented and not Socio-Economic development oriented. Hence lob-sided Management decisions based on this model, without due consideration to the influence of intangible components, failed to bring-in the expected development in India, having large resources and qualified/skilled surplus labour.
 4. The **International dependence model** draws heavily from the **Prebish-Singer** thesis that describes the existence of unequal international power imbalances as the cause of under-development in developing countries. Closure to developed international power and their market, truncates the development of a nation, by not taking advantage of their Research and Development know-how, as well as the production possibility of their needs at competitive domestic costs, prevailing due to lower level of development. Hence, it is always wise to take advantage of international power and assistance to start with, and progressively increase Domestic Investments from Domestic savings (Exogenous component).



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Also simultaneous development of Domestic Human potential to suit the Domestic Technology (latest Endogenous component from the international power moderated to suit local needs), are not part of the Prebisch-Singer model. International influence is an intangible component, and it should be utilised with proper precautions, with an eye on the measurement of the Productivity of the nation, with reference to Socio-Economic development units. The effect is that all the nationalised sectors as well as those in the exclusive control of the government in India are progressively offered to private parties, including competitive bidders from international locations.

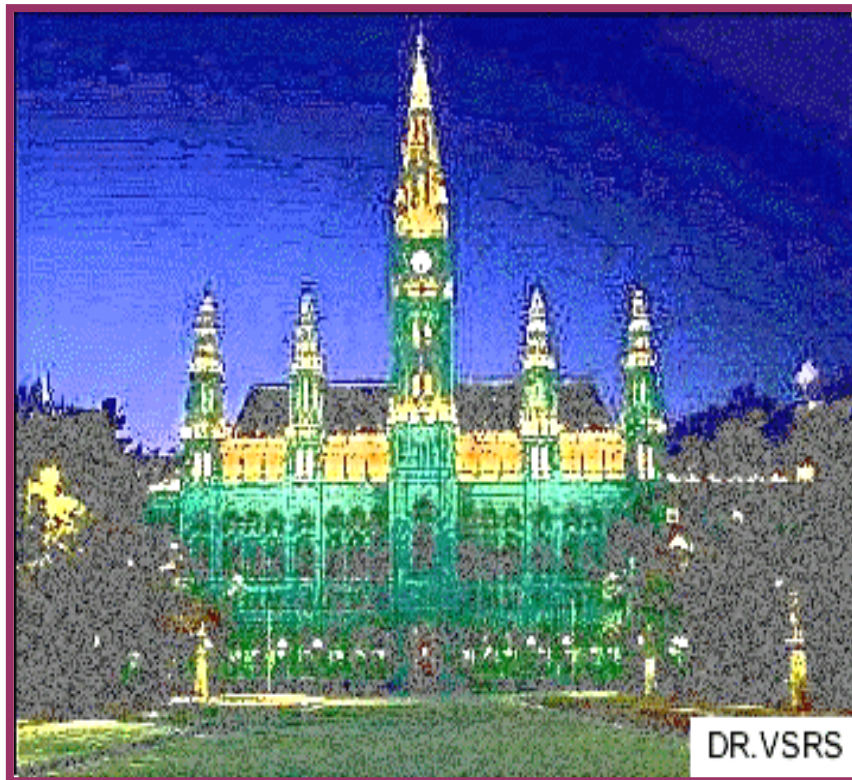
5. The central focus of the nonclassical counter-revolution in favour of **Supply-side Macro-economics** is that under development results from too much state intervention by overly active Third World governments. Reducing government controls and taxes are incentives for investment. But those who invest not necessarily follow the guidelines of Exogenous rule of progressive Domestic Investment from Domestic savings, and Endogenous rule of progressive Domestic Technology with Domestic Human potential, and their synchronisation. Also these should be backed with Socio-Economic development oriented Productivity approaches and Management Decision should be oriented with due consideration for the intangible aspects. Unless all these complex components are taken care, there cannot be any improvement in the national Socio-Economic development. This is what is happening to India, even after 56 years of Independence.

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The Algebraic model on redefined productivity / Socio-Economic development oriented Management Decision guidelines, together with the Geometric model for Socio-Economic development acceleration by DR.VSRS, are comprehensive models, taking care of all the required components needed for the nations to progress in development as well as to sustain their development status on a continuing basis.

International Experience support of 33 Nations at <http://www.drvsrs.com/flsupport.htm>

**DEDICATION TO ROSTER COMMITMENT
PRECISION IN MASTER MANAGEMENT
DECISION FOR FASTER DEVELOPMENT
DECORATION TO GATHER MERRYMENT**





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**FROM VIEWER'S VIEWS Management & Productivity
Samples from - www.drvsrs.com/viewers.htm**

I am looking forward to your earliest reply to the same email address, as a we are working on a research project on effective management tools for government sectors in developing countries
Dr.Malvyn Copen (Professor in Management, USA)

Here I provide the exhaustive details on how every aspect of Socio-Economic Development, Management Input / Output factors could be quantified, in order to assist your research project - **DR.VSRS**

You talk of productivity by Socioeconomic goals. What it has to do with me ? **Angello Bocelli (Workshop Owner, Italy)**

Unless every industry think and do something about this, the nation cannot survive, continue and progress - **DR.VSRS**

FROM VIEWER'S VIEWS
Socio-Economic Development Acceleration
Samples from - www.drvsrs.com/view01.htm

How it will help a person like me by your writing a mathematical paper like this in the internet ??? - **Kanthimathi (House Wife, India)**

This is what I say in the Internet as local resources and local man-power has to be used to support the local social and economic development. Government alone cannot do it - **DR.VSRS**

I analysed this(Housing) loan scheme and found out that it is not actually giving either the uplifting or the comfortable living - **Peter Kemoli. (Government Servant, Zambia)**

It has induced an indirect advantage of domestic saving potential for the medium class person, by drastically reducing the monthly deductions and increasing the monthly disposable income **DR.VSRS**

After a careful analysis of your research findings, I have come to a firm conclusion that these concepts are important for the progress of government sub divisions like the States, Districts and Villages **Arun.S.Patel (Government Servant, Gujerat, India)**

I am happy to find that an ingenious person like you in a responsible government assignment could find an application of my concepts to the Micro State, District and Village level. You have really broadened their scope and their utility - **DR.VSRS**

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