

Course Code – Econ(H)221

Lecture 11: Planning Commission



Major Objectives of Planning

➤ Six major objective of planning in India

- Economic Growth

Sustained increase in the levels of production in the economy

- Poverty Alleviation

Many programmes launched for the purpose (NREGP,

- Employment Generation

In addition to wage employment generation schemes many schemes for self-employment being promoted

Major objectives of Planning

- Six major objective of planning in India

- Controlling Economic Inequality

Many social engineering schemes being run (promotion of inter-caste marriages; incentives for education and employment to weaker sections; schemes for backward regions)

- Self-reliance

- Modernization

Planning Commission

- Set up by the govt. In 1950 by Cabinet Resolution
- Important Details about the Commission; It was
 - An extra-constitutional and non-statutory body
 - An Advisory Body
 - A “Think Tank”
 - An Autonomous Body – entitled to form its own views on important issues
 - Linked with the Union Cabinet at the Secretariat level.
 - Seated at the “Yojna Bhawan” had a staff of its own and also a research organization
 - A technical body – with expert from different fields
 - Having executive powers (as PM and ministers were involved)

Functions of Planning Commission

- Make an assessment of country's resources (all resources – human, capita & material) and also find the possibilities of increasing these resources needed for nation's development
- Formulate a Plan for most efficient utilization of resources
- Prioritize and define stages for execution of the plan for allocation of resources on completion of each stage
- Identify the factors which are retarding the economic development of the country
- Appraise from time-to-time of the progress made
- Determine the nature of machinery which will be necessary to complete each stage of a project

Functions of Planning Commission

- Recommend policy measures to the govt. for adjustments, in policies
- To monitor the plan implementation, with special reference to economic reforms with the help of Steering Committees
- Later it was also assigned the function of monitoring the progress of different Ministries (by setting monitorable targets). In this sense the Planning Commission had emerged as a 'Super Cabinet'.
- On January 1, 2015, the Government of India formally abolished the Planning Commission and a new planning body replaced (*NITI Aayog*) it.

Thank you

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