

Shift from Planning Commission to Niti Aayog

Amrita Chaudhary

Abstract: *NITI Aayog has been set up "to provide a critical directional and strategic input into the development process". It will act as a "think-tank" and advise the Centre and states on policy matters. The Aayog seeks to end "slow and tardy implementation of policy, by fostering better Inter-Ministry coordination and better Centre-State coordination (co-operative federalism). The transition from the Planning Commission to the Niti Aayog reflects the completion of the transition from a state professing anti-imperialism to a neo-liberal state.*

Keywords: Niti Aayog, think-tank, ex-officio, Planning Commission, Inclusion, Ecological assets

1. What is its Background?

Planning has been in Indian psyche as our leaders came under influence of the socialist clime of erstwhile USSR. Planning commission served as the planning vehicle for close to six decades with a focus on control and command approach.

The composition of the Commission underwent considerable changes since its initiation. With the Prime Minister as the ex-officio Chairman, the committee had a nominated Deputy Chairman, with the rank of a full Cabinet Minister. Cabinet Ministers with certain important portfolios which acted as ex-officio members of the Commission, while the full-time members were experts in various fields like economics, industry, science and general administration.

Ex-officio members of the Commission included the Finance Minister, Agriculture Minister, Home Minister, Health Minister, Chemicals and Fertilisers Minister, Information Technology Minister, Law Minister, Human Resource Development Minister and Minister of State for Planning.

The Indian Planning Commission's functions as outlined by the Government's 1950 resolution are following:

- 1) To make an assessment in the material, capital and human resources of India, including technical personnel, and investigate the possibilities of augmenting those are related resources which are found to be deficient in relation to the nation's requirement.
- 2) To formulate a plan for the most effective and balanced utilisation of country's resources.
- 3) To define the stages, on the basis of priority, in which the plan should be carried out and propose the allocation of resources for the due completion of each stage.
- 4) To indicate the factors that tends to retard economic development.
- 5) To determine the conditions which need to be established for the successful execution of the plan within the incumbent socio-political situation of the country.
- 6) To determine the nature of the machinery required for securing the successful implementation of each stage of the plan in all its aspects.
- 7) To appraise from time to time the progress achieved in the execution of each stage of the plan and also recommend the adjustments of policy and measures

which are deemed important vis-a-vis a successful implementation of the plan.

- 8) To make necessary recommendations from time to time regarding those things which are deemed necessary for facilitating the execution of these functions. Such recommendations can be related to the prevailing economic conditions, current policies, measures or development programmes. They can even be given out in response to some specific problems referred to the commission by the central or the state governments.

The Niti Aayog:

The NITI Aayog (National Institution for Transforming India), is a think tank of the Government of India established on 1 January 2015 as a Commission to give suggestions to the Governments at the central and state levels with relevant strategic, directional and technical advice across the spectrum of key elements of policy / development process. The Prime Minister of India heads the Aayog as the Ex-officio Chairperson.

The Aayog provides direction to the Monitoring and Evaluation (M & E) activities in India. It also pegs importance to the quality standards, ethical procedures and provides appropriate institutional mechanisms.

Therefore, Niti Aayog means:

- **A group** of people that the Government entrusts for formulating and regulating policies concerning the transformation of India.
- **A Commission** assists the Government in both social and economic issues.
- **An institution** with experts
- **A body** that actively monitors and evaluates the implementation of the Government's programs and initiatives.

Seven Pillars of Niti Aayog:

- **Pro-People:** Full fill aspiration of society as well as individual.
- **Pro-Active:** In anticipation of and response to citizen needs.
- **Participation:** Involvement of all
- **Empowering:** Women in all aspects
- **Equity:** of opportunity for the youth.

- **Transparency:** Making government visible and responsive
- **Inclusion of All:** SC, ST, OBC, Minorities, Gareeb, Gaon and Kisan.

Members:

The NITI Aayog comprises the following:

- A **Governing Council** composed of Chief Ministers of all the States and Union territories with Legislatures and lieutenant governors of Union Territories (except Delhi and Puducherry).
- **Regional Councils** composed of Chief Ministers of States and Lt. Governors of Union Territories in the region to address specific issues and contingencies impacting more than one state or a region.
- Full-time organizational framework composed of a Vice-Chairperson, four full-time members, two part-time members (from leading universities, research organizations and other relevant institutions in an ex-officio capacity), four ex-officio members of the Union Council of Ministers, a Chief Executive Officer (with the rank of Secretary to the Government of India) who looks after administration, and a secretariat.
- Experts and specialists in various fields.

With the Prime Minister as the Chairperson, presently NITI Aayog consists of:

- **Vice Chairperson:** Suman Bery
- **Ex-Officio Members:** Amit Shah, Rajnath Singh, Nirmala Sitaraman and Narendra Singh Tomar
- **Special Invitees:** Nitin Gadkari, Piyush Goyal, Virendra Kumar, Ashwini Vaishnav and Rao Inderjit Singh
- **Full-time Members:** V. K. Saraswat (former DRDO Chief), Ramesh Chand (Agriculture Expert) and Dr. V. K. Paul (Public Health expert)
- **Chief Executive Officer (CEO):** Parameswaran Iyer
- **Governing Council:** All Chief Ministers of States (and Delhi and Puducherry), Lieutenant Governor of Andaman & Nicobar Islands, and Special Invites

Objectives

The vision of the NITI Aayog will provide a framework for ‘national agenda’ for the Prime Minister and the Chief Ministers to provide impetus-

- To evolve a shared vision of national development priorities, sectors and strategies with the active involvement of the states in the light of national objectives.
- To foster collaborative federalism through structured support initiatives and mechanisms with the states on a continuous basis, recognizing that strong states make a strong nation.
- To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels.
- To ensure, on areas that are specifically referred to it, that the interests of national security are incorporated in economic strategy and policy.
- To pay special attention to the sections of our society that may be at risk of not benefitting adequately from economic progress.
- To design strategic and long term policy and programme frameworks and initiatives, and monitor their progress and their efficacy. The lessons learnt through monitoring and feedback will be used for making innovative improvements, including necessary mid-course corrections.
- To provide advice and encourage partnerships between the key stake-holders and national and international Think Tanks, as well as educational and policy research institutions.
- To create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and other partners.
- To offer a platform for resolution of inter-sector and inter-departmental issues in order to accelerate the implementation of the development agenda.
- To maintain a state-of-the-art Resource Centre, be a repository of research on good governance and best practices in sustainable and equitable development as well as help their dissemination to stake-holders.
- To actively monitor and evaluate the implementation of programmes and initiatives, including the identification of the needed resources so as to strengthen the probability of success and scope of delivery.
- To focus on technology up-gradation and capacity building for implementation of programmes and initiatives.
- To undertake other activities as may be necessary in order to further the execution of the national development agenda, and the objectives mentioned above.

NITI Aayog vs Planning Commission

Parameter	NITI Aayog	Planning Commission
Financial clout	To be an advisory body, or a think-tank. The powers to allocate funds might be vested in the finance ministry	Enjoyed the powers to allocate funds to ministries and state governments
Full-time members	The number of full-time members could be fewer than Planning Commission	The last Commission had eight full-time members
States' role	State governments are expected to play a more significant role than they did in the Planning Commission	States' role was limited to the National Development Council and annual interaction during Plan meetings
Member secretary	To be known at the CEO and to be appointed by the prime minister	Secretaries or member secretaries were appointment through the usual process
Part-time members	To have a number of part-time members, depending on the need from time to time	Full Planning Commission had no provision for part-time members

Why NITI Aayog replaced Planning Commission?

- The new National Institution for Transforming India (NITI) will act more like a think tank or forum, say its supporters, in contrast with the Commission which imposed five-year-plans and allocated resources to hit set economic targets.
- NITI will include leaders of India's 29 states and seven union territories. But its full-time staff-a deputy chairman, Chief Executive Officer and experts-will answer directly to the 64-year-old Prime Minister, who will be chairman. It is different from planning commission, which used to report National Development Council.
- The major difference in approach to planning, between NITI Aayog and Planning Commission, is that the former will invite greater involvement of the states, while the latter took a top-down approach with a one-size-fits-all plan.
- The Planning Commission's role was formulation of broad policy and its capacity was more advisory. NITI Aayog shall have powers for resource allocation to states, based on their respective needs.
- The states had little direct say in policy planning, which was the purview of the Planning Commission. Involvement of the states was indirect through the National Development Council; it will not be repeated in the NITI Aayog.

The NITI Aayog aims to enable India to better face complex challenges, through the following:

- Leveraging of India's demographic dividend, and realization of the potential of youth, men and women, through education, skill development, elimination of gender bias, and employment.
- Elimination of poverty, and the chance for every Indian to live a life of dignity and self-respect.
- Reddressal of inequalities based on gender bias, caste and economic disparities.
- Integrate villages institutionally into the development process.
- Policy support to more than 50 million small businesses, which are a major source of employment creation.
- Safeguarding of our environmental and ecological assets.

References

- [1] <https://www.jagranjosh.com/general-knowledge/why-niti-ayog-replaced-planning-commission-1455101793-1>
- [2] <https://pib.gov.in/newsite/PrintRelease.aspx?relid=114273>
- [3] https://www.pmindia.gov.in/en/major_initiatives/niti-aayog-transforming-indias-development-agenda/
- [4] https://en.wikipedia.org/wiki/NITI_Aayog
- [5] <https://www.drishtiiias.com/important-institutions/drishti-specials-important-institutions-national-institutions/niti-aayog-national-institution-for-transforming-india>