

NATIONAL

## NITI Aayog will set policy agenda



**Puja Mehra**

## PM Modi to head panel that will give strategic advice

On the first day of the New Year, the Modi **Government** set up NITI Aayog (National Institution for Transforming India) in place of the Planning Commission. The Prime Minister will head the new institution tasked with the role of formulating policies and direction for the Government. Its Governing Council will comprise State Chief Ministers and Lt. Governors of Union Territories.

The Prime Minister will appoint the Aayog's Vice-Chairperson and CEO. Asian Development Bank's Former Chief Economist Arvind Panagariya is tipped to be the first Vice Chairperson.

The Government plans to adopt a 'Bharatiya' approach to development, states the resolution of the Union Cabinet for setting up the Aayog. India needs an administration paradigm in which the government is an enabler rather than a provider of first and last resort, it states.

The Aayog will recommend a national agenda, including strategic and technical advice on elements of policy and economic matters. It will also develop mechanisms for village-level plans and aggregate these progressively at higher levels of government.

The institutions of governance and policy have to adapt to new challenges and must be built on the founding principles of the Constitution, the resolution states. On the planning process, it states that there was a need to separate the process from the strategy of governance.

Transforming India, it further states, would involve changes of two types – consequences of market forces and those that would be planned. "The maturing of our institutions and polity also entails a diminished role for centralised planning, which itself needs to be redefined."

A state-of-the-art Resource Centre for good governance practices is also proposed.

The original Planning Commission was set up in March, 1950 through a Cabinet Resolution, which the Modi Government scrapped in August 2014.



*Prime Minister Narendra Modi with Chief Ministers and Governors of various States at the retreat at Race Course Road, following the meeting on Planning Commission revamp, in New Delhi on December 7, 2014. Photo: PTI*

### **‘Bharatiya’ governance model unveiled**

The Modi Government on Thursday unveiled its ‘Bharatiya’ governance model in the resolution for setting up the NITI (National Institution for Transforming India) Aayog.

The resolution, approved by the Cabinet, reaffirms that India is a diverse country with distinct languages, faiths and cultural ecosystems. “This diversity has enriched the totality of the Indian experience,” the resolution says.

Politically too, India has embraced a greater measure of pluralism which has reshaped the federal consensus, it says. “States do not want to be mere appendages of the Centre... They seek a decisive say in determining the architecture of economic growth and development.”

India no longer seeks the alleviation of poverty, states the resolution, but rather its elimination. “Poverty elimination remains one of the most important metrics by which alone we should measure our success as a nation.”

The essence of effective governance is defined to include pro-people agenda, citizens’ participation, all-round women empowerment, equality of opportunity to the youth and transparency. Inclusiveness with special attention to the socially and economically disadvantaged sections and minorities is also included in the scheme of effective governance.

### **Enabling legislation**

The role of Government as a player in the industrial and service sectors is proposed to be reduced. “Instead, Government has to focus on enabling legislation, policy making and regulation.”

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purchasing power, says the resolution. Our continuing challenge is to ensure that this economically vibrant group remains engaged and its potential is fully realised.”

The resolution also says that the Non-Resident Indian community spread across more than 200 countries is a significant geo-economic and geo-political strength. “Future national policies must incorporate this strength in order to broaden their participation in the new India beyond just their financial support.”

Urbanisation has to be viewed as an opportunity to use modern technology to create a wholesome and secure habitat while reaping the economic benefits that it offers, states the resolution.

Policy-making must focus on providing necessary support to the more than 50 million small businesses, which are a major source of employment creation, in terms of skill and knowledge upgrades and access to financial capital and relevant technology.

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