

NITI Aayog (National Institution for Transforming India)

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The NITI Aayog (National Institution for Transforming India), is a think tank of the Government of India established on 1 January 2015 as a replacement for the Planning Commission to provide Governments at the central and state levels with relevant strategic, directional and technical advice across the spectrum of key elements of policy / development process (eg. special attention to marginalized sections who may be at risk of not benefitting adequately from economic progress, on technology upgradation and capacity building etc.) In addition, the NITI Aayog will monitor and evaluate the implementation of programmes.

The NITI Aayog also seeks to foster better Inter-Ministry coordination and better Centre-State coordination. This is to help evolve a shared vision of national development priorities and to foster cooperative federalism, as strong states make a strong nation. To achieve this, NITI Aayog also envisages creation of regional councils comprising of chief ministers of concerned states / central Ministries to address specific issues and contingencies impacting more than one state or region.

National and international experts, practitioners and partners are intended to be part of the NITI Aayog.

NITI Aayog was set up following the announcement made by Prime Minister Shri Narendra Modi during his Independence Day Message on 15 August 2014. The shift to NITI Aayog was taken due to the changing economic landscape of India in the globalised world with greater role for private players, technology and evolving demographic aspirations. in the eBook (<http://pib.nic.in/archieve/others/2015/feb/NITI.pdf>) circulated in February 2015 it is stated that the Planning Commission has served India well for the past 60+ years. Since (i) India has changed (ii) India's demography has changed (iii) Indian States have changed, (iv) India's private sector has changed, (v) the level of technology has changed, and (vi) India's integration with global markets has changed, the NITI Ayog has been created to replace the Planning Commission. It is also stated that the NITI Ayog will 'facilitate a transition from the isolated conceptualization of merely 'planning', to 'planning for Implementation'. Further, NITI Ayog would also be a sounding board and offers internal consultancy services to State and Central government departments for programme design, evaluation, monitoring, capacity building, structuring of PPPs etc. However, such services would be available 'on-demand basis'.

The website (<http://www.niti.gov.in/content/index.php>) of NITI Aayog was launched on 18 May 2015.

Objectives

The NITI Aayog has the following objectives as outlined in the Resolution (<http://pib.nic.in/newsite/PrintRelease.aspx?relid=114268>) forming it.

1. To evolve a shared vision of national development priorities, sectors and strategies with the active involvement of States in the light of national objectives. The vision of the NITI Aayog will then provide a framework national agenda for the Prime Minister and the Chief Ministers to provide impetus to.
2. To foster cooperative federalism through structured support initiatives and mechanisms with the States on a continuous basis, recognizing that strong States make a strong nation.
3. To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of government.
4. To ensure, on areas that are specifically referred to it, that the interests of national security are incorporated in economic strategy and policy.
5. To pay special attention to the sections of our society that may be at risk of not benefitting adequately from economic progress.
6. 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.

7. To provide advice and encourage partnerships between key stakeholders and national and international like-minded Think Tanks, as well as educational and policy research institutions.
8. To create a knowledge, innovation and entrepreneurial support system through a collaborative community of national and international experts, practitioners and other partners.
9. To offer a platform for resolution of inter-sectoral and inter-departmental issues in order to accelerate the implementation of the development agenda.
10. 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.
11. 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.
12. To focus on technology upgradation and capacity building for implementation of programmes and initiatives.
13. To undertake other activities as may be necessary in order to further the execution of the national development agenda, and the objectives mentioned above.

International Comparisons

NITI Ayog is a Government Think Tank. As such the depth, spread, durability and the scope of its influence on public policy differs from that of the other Think Tanks. Its mandate is much wider than that of Korean Development Institute (http://www.kdi.re.kr/kdi_eng/about/organiz01.jsp). In a way, its mandate comes closure to the mandate of OECD as in Article 1 and 2 of its Convention (<http://www.oecd.org/general/conventionontheorganisationforeconomicco-operationanddevelopment.htm>) of December 1960, which came into existence in support of Marshall Plan and continues on the strengths of Lessons learned in 60 years (http://books.google.co.in/books?id=GOrVAgAAQBAJ&printsec=frontcover&dq=editions:VowKcXIZo4YC&hl=en&sa=X&ei=Ub_-U575MZelUASWiLYBA&ved=0CBsQ6AEwAA#v=onepage&q&f=false) of the Plan. NITI has a willing audience in Central and State governments; it doesn't suffer resource constraints; it is guided by the decision makers and steered by thinkers.

NITI Ayog Vs. Planning Commission:

NITI Aayog is Planning Commission with expanded scope but without its financial powers. The financial powers like setting sectoral priorities, designing the schemes and programmes, estimating the entitlements to State development programmes (other than devolution), and influencing the annual allocations as per the priorities etc. now come under direct influence of the Ministry of Finance, Budget Division / Dept of Expenditure.

Good or bad, Planning Commission's influence and impact were perceived, felt and measured through annual plan allocations, acceptance of utilization certificates, discretionary grants in the form of Additional Central Assistance upto autonomous organisations, Zilla Panchayats and municipalities. Be it rationale or not, the influence of Planning Commission was also reflected in the accounting protocol where budget lines are shown separately* for Plan non-Plan, discussed in the Comptroller and Auditor General (CAG) (<http://www.saiindia.gov.in/english/index.html>) Reports and in several proposals by Budget Division, where Plan funds are referred as proxy for development expenditure. But, sans the ability to influence the annual allocations, and influence on the annual budget proposals, the NITI Ayog needs to have a framework to prepare its own annual business plans, to define its outputs and to put in place a framework to assess impact of its outputs and institute an accountability mechanism.

There are some apprehensions as to whether NITI Aayog will be performing such allocative functions just as the erstwhile Planning Commission. This is because, the Ministry of Finance (MoF) has created a new budget head titled 'Special Assistance' since 2015-16 in Demand No. 37 (http://arthapedia.in/index.php?title=Demand_for_Grants) (formerly Demand No. 36) of MoF. The Budget Estimates for 2015-16 is Rs.

20000.00 crore. Ministry of Finance has informed the Parliamentary Standing Committee on Finance (http://164.100.47.134/lsscommittee/Finance/16_Finance_10.pdf) that this amount shall be disbursed based on the recommendation of NITI Aayog. (However, the Committee was not appreciative of such allocations.)

Like planning commission NITI sans a legal support or any constitutional foundation. Hence, like Planning Commission, NITI Ayog needs to have its own assessment framework as relevant to its collaborative operations with central government and the respective state governments so that its existence is continuously accepted and respected on the basis of its performance.

As per relevant Rules or Acts, Budget Manual, SC & ST Act, General Financial Rules etc., the Planning Commission as an 'Organization' and its officers had ex-officio positions in the decision making processes or had a direct influence on the financing strategies, including sanctioning and releasing of grants to NGOs and the State Governments, particularly the funds other than those connected to Annual Plan process.

NITI Ayog vs. other Think Tanks

Think Tanks are institutions generally considered to be outside the Government System.

Think Tanks, in general, have varying ability to raise their resources, different means to influence the public policy and policy operations. Think Tanks, combine elements of established sources of public knowledge and exert a tremendous amount of influence on the way citizens and lawmakers perceive the world. Think tanks are perceived to transform the government of the country, the press, and the political role of intellectuals. In reality, it depends on their proximity/gap in their relationship with the decision makers in the national and regional area, and media owners, competing NGOs, multilateral organizations, acceptability to the trade bodies etc. Some Think Tanks are paid to play; some keep lobbyists on their staff; some engage influence peddlers on their staff. Some Think Tanks, over a period of time -as democracy gets corporatized and in the absence of quality control mechanism and a competitive environment tend to generate predictable ideas. Some elite think tanks tend to influence policies for allocating wealth than the policies for creating wealth. Generally, the reactions of think tanks can be explained using Futility thesis, Jeopardy thesis, Perversity thesis as articulated by Albert Hirschman in Rhetoric of Reactions (<http://www.hup.harvard.edu/catalog.php?isbn=9780674768680>) . Apparently many think tanks seem to prefer to remain as elite local fora to discuss ideas that shape national thinking.

In 2013 a Think Tank -Civil Society programme affiliated to Pennsylvania University had released an Index ranking 150 think tanks (http://gotothinktank.com/dev1/wp-content/uploads/2014/01/Press_Release_01_23_2013_Global_Go_To_Think_Tanks_Index_for_finalreview.pdf) at global level. The report assessed Resource Indicators, Resources Utilization Indicator, Output Indicators, Impact Indicators. The ranking for 2013 was presented separately for the following.

- Top Think Tanks in the World
- Top Think Tanks by Region
- Top Think Tanks by Area of Research
- Top Think Tanks by Special Achievement

Think tanks from Brazil, China, Singapore, Korea (<http://gotothinktank.com/dev1/wp-content/uploads/2014/01/GoToReport2013.pdf>) hold ranks among the top 50. Though the Think Tanks themselves like to equate their products with their impact, a comparative and universal framework exists to assess the outcome based impact of non-government Think Tanks. Some evaluation Reports of IMF may be instructive. For Eg. Role of the IMF as Trusted Advisor (<http://www.imo-imf.org/imo/pages/CompletedEvaluation157.aspx>) and Research at the IMF: Relevance and Utilization (<http://www.imo-imf.org/imo/pages/CompletedEvaluation124.aspx>)

Composition of NITI Aayog

Like Planning Commission, NITI Aayog is chaired by the Prime Minister. For all practical purposes a Vice Chairman in the rank of a Cabinet Minister (equivalent to Dy Chairman, Planning Commission) and a Chief Executive Officer (equivalent to Secretary Planning Commission) runs the affairs of the institution. The following have been appointed as the first team for NITI Aayog

Vice Chairman

- Shri Arvind Panagariya, Economist

Full-Time Members

- Shri Bibek Debroy, Economist
- Dr. V.K. Saraswat, Former Secretary Defense R&D

Ex-officio members

- Shri Rajnath Singh, Union Minister
- Shri Arun Jaitley, Union Minister
- Shri Suresh Prabhu, Union Minister
- Shri Radha Mohan Singh, Union Minister

Special Invitees

- Shri Nitin Gadkari, Union Minister
- Shri Thawar Chand Gehlot, Union Minister
- Smt. Smriti Zubin Irani, Union Minister

CEO

- Smt. Sindhushree Khullar



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- What Should Think Tanks Do? A Strategic Guide (http://www.amazon.com/What-Should-Think-Tanks-Strategic/dp/0804787980/ref=sr_1_2?ie=UTF8&qid=1421305025&sr=8-2&keywords=Think+Tanks)
- Think Tanks in America (http://www.amazon.com/Think-Tanks-America-Thomas-Medvetz/dp/022614366X/ref=sr_1_1?s=books&ie=UTF8&qid=1421305463&sr=1-1&keywords=Think+Tanks)
- Pay to Play Think Tanks: Institutional Corruption (http://www.amazon.com/Pay---Play-Think-Tanks-Institutional-ebook/dp/B00LMP7M9E/ref=sr_1_3?s=books&ie=UTF8&qid=1421306044&sr=1-3&keywords=Think+Tanks)

Contributed by

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