

NITI Aayog Paving the Way for India's Economic Superpower Status

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ABSTRACT

India is heading towards the direction of a more healthy and sustainable future because of NITI which is a light of hope and development on the path. It has achieved remarkable progress in addressing the critical issues in various fields of the economy through creative legislation and strategic initiative and with a cooperative approach. its broad spectrum of responsibility and proactive approach with the help of India to accomplish its objective.to become an economic superpower without leaving any behind and to contribute to its socioeconomic targets. Furthermore, it has played an important role and brought a beneficial change in the lives of those people who are socially and economically disadvantaged and work on the upliftment of their condition of living. This paper seeks to attempt a brief overview of the nation management landscape contemporary state of art achievements and challenges

Keywords: NITI Aayog, India, policy, governance, strategic policy formulation, transformative reforms, innovation, inclusive growth, sustainable development.

INTRODUCTION

NITI Aayog, the National Institute for Transforming India, is a think tank policy and advisory body of the government of India. It was adopted through a resolution passed by the Union Cabinet on 1 January 2015. It replaced the Planning Commission which followed a top-down model aiming for a more flexible and collaborative approach. The purpose of the planning commission was to supervise a shift in the economy away from the inherited colonial labour division pattern, which involved the export of a variety of raw materials, including agricultural products in their raw or processed forms as well as the import of cotton. Because the state adopted a policy of "sound finance," which prevented any considerable investment in land-augmenting activities like irrigation or yield-raising "research and development" in publicly sponsored institutions, the amount of cultivable land was limited and could not be increased. Encouraging further exports of the current type inevitably puts food security at risk. A reality made clear by the dramatic over 25% drop in food grain availability per capita in British India over the final 50 years of colonial rule. Pronounced "nithi" means "policy" in Sanskrit the acronym stands for national institution for transforming India. February 16, 2015, the Cabinet Secretariat issued a notification in which the Governing Council of NITI Aayog, which is made up of the Lt Governors of specific Union Territories and the Chief Ministers of all States and Union Territories with legislatures. The primary body in charge of developing an agreement of national priorities and strategies—with an active involvement of States—is the Governing Council. Its function is to create the development narrative. To expedite the implementation of the national development agenda, the Governing Council. which represents the goals of cooperative federalism and offers an atmosphere for discussion of inter-sectoral, inter-departmental, and federal challenges. it works

under the chairmanship of the prime minister. It will seek to provide a critical direction and strategic input into the process of development. NITI Aayog seeks to facilitate and empower the government for good governance which is people-centric, transportive and policy-driven. It develops medium- and long-term comprehensive plans and policies, monitors their implementation, evaluates the results, and suggests the necessary corrections.

NITI Aayog directs the central and state governments on economic development, social welfare, and long-term policy. It encourages "Team India" by bringing states together and encouraging "Knowledge, Innovation, and creativity" to lead India's rise to stand in a great position in the world. Specialized teams and knowledge centres which are also known as the expert members of the team of NITI Aayog generate innovative concepts and offer professional guidance on various kinds of government initiatives. The policy and initiatives of NITI Aayog cover a broad range of domains, including infrastructure advancement, technological development, and alleviating poverty. Programmes such as the Atal Innovation Mission and the Aspirational Districts Program serve as prime examples. It focuses on promoting sustainable growth and a knowledge-based economy. NITI Aayog is involved in playing a role in determining India's future by offering strategic direction and guidance in every policy of government, fostering collaboration, and nurturing innovation. Several factors led to the creation of NITI Aayog, which replaced the Planning Commission. These included the requirement for a more flexible and decentralized form of government, as well as the shifting nature of the economy and globalization. Cooperative federalism: the Centre and states share a horizontal relationship, where they "cooperate" in the larger public interest.

It is an important instrument that enables states' participation in the formulation and implementation of national policies. Crucial roles were also played by the rise of cooperative federalism which maintained and balanced growth and innovation. To solve contemporary issues and advance sustainable development through cooperation, innovation, and inclusive decision-making, NITI Aayog was intended to be a revolutionary policy think tank. It is also driven by the recognition of the need for a modern, flexible, and inclusive institution to guide India's development agenda in the 21st century. NITI Aayog is a light of hope and progress that leads India towards a more affluent and prosperous future as the country sets out on its path toward sustainable and equitable development.

OBJECTIVES

NITI Aayog was conceived with a broad and ambitious mandate aimed at transforming India into a vibrant and inclusive society. Its key objectives include:

- 1. Promoting Cooperative Federalism:** NITI Aayog seeks to foster collaboration between the central government and states, promoting cooperative federalism as a guiding principle for governance. By engaging states as equal partners in the policymaking process, NITI Aayog aims to harness the collective wisdom, resources, and expertise of all stakeholders to address the diverse developmental needs and aspirations of India's vast and varied regions.
- 2. Strategic Policy Formulation:** Departing from the centralized planning approach of its predecessor, NITI Aayog prioritizes strategic policy formulation based on empirical evidence, research, and stakeholder consultations. It serves as a dynamic platform for generating innovative ideas and solutions to tackle emerging challenges in areas such as agriculture, healthcare, education, infrastructure, and technology.
- 3. Catalyzing Transformative Reforms:** NITI Aayog is committed to catalyzing transformative reforms across key sectors of the economy. By identifying bottlenecks, advocating for policy reforms,

and facilitating their implementation, NITI Aayog aims to unlock India's full growth potential and enhance the quality of life for its citizens. This includes initiatives to improve the ease of doing business, attract investments, boost productivity, and create employment opportunities.

4. **Promoting Innovation and Entrepreneurship:** Recognizing the critical role of innovation and entrepreneurship in driving economic growth and job creation, NITI Aayog fosters a conducive ecosystem for innovation through policy interventions, capacity-building initiatives, and strategic partnerships with the private sector and academia. By promoting a culture of innovation and risk-taking, NITI Aayog aims to unleash the creative energies of India's youth and harness the power of technology to address pressing challenges and create new opportunities for growth and prosperity.
5. **Monitoring and Evaluation:** NITI Aayog plays a pivotal role in monitoring the implementation of government schemes and programs, evaluating their impact on the ground, and providing actionable insights to policymakers. By promoting accountability and transparency, NITI Aayog aims to enhance the effectiveness and efficiency of public policies and interventions, ensuring that they deliver tangible benefits to the intended beneficiaries.

HISTORICAL BACKGROUND

The Planning Commission is no longer active since it was replaced by the NITI Aayog, planning commission was an important feature of policymaking and governance in India. It played an important role in India's emergence from a country that was heavily affected by the rule of the colonial government. during the days of British rule to an independent nation with ambitious developmental goals, the Commission has often been accused of being a Soviet-style bureaucratic body that represses economic growth. In 2012, the commission received criticism for spending about Rs.35 lakhs for renovating two toilets and then suggesting that the country's citizens who spent more than Rs.27 per day were not poor. The Planning Commission was formed on March 15, 1950, by the Government of India, which prepares India's Five-Year Plans, among other functions. it aimed to oversee economic and social development. As a non-constitutional body, it was instrumental in formulating and implementing five-year plans. The planning commission was charged with the service of the opportunities to all for employment in the service of the nation through comprehensive planning.

The commission's responsibilities included forming an opinion of India's resources, formulating development plans, prioritizing and distributing the resources, and monitoring the implementation of plans. It played a crucial role in adjudicating the course of India's economy in its early years. It made a huge contribution to the growth and progress of the nation.

On March 15, 1950, Prime Minister Jawahar Lal Nehru headed the Planning Commission. The Central Government had passed it through the resolution it, but without a constitutional or legal foundation.

By successfully utilizing the country's resources, increasing production, and providing employment opportunities to all segments of India, the Indian government founded the Planning Commission in March 1950 as a result of a government resolution.

The Planning Commission's responsibilities included evaluating all of India's resources, making effective use of them, and establishing priorities. Pandit Nehru served as the Commission's first chairman.

The implementation of the First Five-Year Plan began in 1951, and the succeeding planning for five years continued until 1965, that is when the India-Pakistan conflict interrupted the process. Due to multiple factors, such as the depreciation of the rupee, inflation, and resource depletion, the planning was disrupted. The fourth five-year plan was introduced in 1969 after a series of plans from 1966 to 1969. Because of

political factors, the Eighth Five Year Plan's 1990 implementation was delayed. 1990–1991 and 1991–1992 yearly plans covered the Following the 1992 economic liberalization, the Eight Plan was introduced. earlier objectives, however, mainly focused on raising public sector output. However after the 9th Five Year Plan was launched in 1999, the focus moved from heavy industries to more innovative planning.

ROLE & FUNCTIONS

The role and functions of NITI Aayog are multifaceted, encompassing various aspects of policy formulation, coordination, monitoring, evaluation, and promotion of innovation. Here's an overview:

- 1. Policy Formulation and Coordination:** NITI Aayog plays a central role in formulating strategic policies and initiatives across different sectors of the economy. It provides a platform for evidence-based policy research, analysis, and consultation with stakeholders. Additionally, NITI Aayog facilitates coordination between the central government, state governments, and other stakeholders to ensure coherence and synergy in policy formulation and implementation.
 - 2. Monitoring and Evaluation:** NITI Aayog monitors the implementation of government schemes and programs, assessing their progress and impact on the ground. Through rigorous monitoring and evaluation mechanisms, it identifies bottlenecks, inefficiencies, and areas for improvement, providing valuable insights to policymakers for course correction and optimization of resources.
 - 3. Promotion of Cooperative Federalism:** NITI Aayog promotes cooperative federalism by facilitating dialogue and collaboration between the central government and state governments. It provides a platform for chief ministers and other stakeholders to discuss and address key developmental challenges, fostering a spirit of partnership and shared responsibility in governance.
 - 4. Research and Knowledge Sharing:** NITI Aayog conducts research and analysis on various socio-economic issues, generating valuable insights and knowledge to inform policy decisions. It disseminates research findings through reports, publications, seminars, and conferences, fostering a culture of evidence-based policymaking and knowledge sharing among policymakers, academia, and the public.
 - 5. Promotion of Innovation and Entrepreneurship:** NITI Aayog promotes innovation and entrepreneurship as drivers of economic growth and job creation. It formulates policies and initiatives to nurture a conducive ecosystem for innovation, including measures to support startups, promote research and development, facilitate technology adoption, and enhance access to finance and markets for entrepreneurs.
 - 6. Capacity Building and Institutional Reforms:** NITI Aayog undertakes capacity-building initiatives to strengthen the capabilities of government institutions and stakeholders involved in policy formulation and implementation. It advocates for institutional reforms to improve governance, enhance transparency, streamline regulatory processes, and foster greater accountability in public administration.
 - 7. International Collaboration:** NITI Aayog engages in international collaboration and partnerships to leverage global best practices, expertise, and resources for India's development. It participates in bilateral and multilateral initiatives, exchanges knowledge and experiences with other countries, and represents India's interests in international forums and negotiations related to sustainable development.
- Overall, NITI Aayog plays a pivotal role in shaping India's development agenda, driving policy reforms, fostering innovation, and promoting inclusive and sustainable growth. Its diverse functions and proactive

approach contribute to advancing India's socio-economic aspirations and realizing its vision of becoming a leading global economic powerhouse.

SEVEN PILLARS

There are seven pillars of NITI AAYOG:

- 1. Pro-people:** this pillar explains that it fulfils the desire of society as well as individuals. It had been taken into account while planning for society.
- 2. Pro-activity:** This pillar explains the anticipation of and response to citizen requirements. It is a keystone of effective governance in society. Governments must understand the needs and requirements of their citizens to articulate policies, distribute resources, and provide services that address those needs and requirements.
- 3. Participation:** The National Institution for Transforming India, or NITI Aayog, is an important policy think tank for the Indian government. Because it involves states in the formulation of economic policy, it is essential to the promotion of cooperative federalism. Promoting citizen participation in the creation of policies and strategic planning is one of its core tenets. In a democracy such as India, where the people's voice is vital, incorporating individuals in decision-making procedures guarantees that plans and policies are inclusive and reflect a range of needs and opinions.
- 4. Empowerment:** gender empowerment is a critical aspect of NITI Aayog's agenda. Recognizing the importance of gender equality and women's empowerment is not only a matter of social justice but also essential for achieving sustainable development and inclusive growth. Here's how NITI Aayog promotes empowerment for both men and women across various aspects. NITI Aayog advocates for gender-responsive policies and programs across sectors such as education, healthcare, employment, and entrepreneurship. By mainstreaming gender considerations into policy formulation, it aims to address the specific needs and challenges faced by both men and women.
- 5. Inclusion:** It makes no difference between people based on their caste or creed. It gives equal opportunity to everyone with the same respect, regardless of gender, caste, or creed.
- 6. Equality:** NITI Aayog is established on equality. It gives everyone an opportunity, especially our youth, due to their innovative and creative mindset. Although, young people are constantly the leaders of innovation and creativity, NITI Aayog's foundational values of equality and inclusivity extend to offering opportunity for all societal groups. This is how NITI Aayog encourages an environment of equal opportunity and uses young people's innovative and creative brains.
- 7. Transparency:** is indeed crucial for promoting trust, responsibility and public trust. NITI ayog has made a certain significant step in fostering transparency. There are some areas in which work can be done to strive the transparency in Niti Ayog. Publication of Reports and Research: The official website, NITI Aayog regularly posts states, research papers, and policy briefs on a variety of subjects, including the welfare of society, economic development, innovation, and governance.

STRUCTURAL FRAMEWORK

The structural framework of NITI Aayog encompasses its composition, key decision-making bodies, and administrative setup. Here's an overview:

1. Governing Council:

- a. The Governing Council of NITI Aayog is chaired by the Prime Minister of India.

- b. It comprises Chief Ministers of all states and union territories, along with the Lieutenant Governors/Administrators of Union Territories.
 - c. The Governing Council provides a platform for cooperative federalism, facilitating dialogue and collaboration between the central government and states on key policy issues.
- 2. Regional Councils:**
- a. NITI Aayog may establish regional councils to address specific regional or sub-national development challenges.
 - b. These councils include representation from states and union territories within the region and focus on coordinating and implementing development initiatives tailored to local needs.
- 3. Special Invitees:**
- a. The Governing Council may invite experts, specialists, and stakeholders from various sectors to participate in its meetings as special invitees.
 - b. These individuals contribute their expertise and insights to inform policy discussions and decisions.
- 4. Full-Time Members:**
- a. NITI Aayog has full-time members who are appointed by the Prime Minister.
 - b. They provide strategic guidance, leadership, and oversight in the formulation and implementation of policies and initiatives across different sectors.
- 5. Part-Time Members:**
- a. Part-time members of NITI Aayog are appointed based on their expertise and experience in specific areas of focus.
 - b. They contribute their insights and perspectives to inform policy deliberations and decision-making processes.
- 6. Administrative Setup:**
- a. NITI Aayog has a dedicated administrative setup comprising various divisions, cells, and departments responsible for different functions and activities.
 - b. These include divisions focused on policy research and analysis, monitoring and evaluation, innovation and entrepreneurship, capacity building, international collaboration, and administrative support.
 - c. The administrative setup facilitates the efficient functioning of NITI Aayog and ensures the implementation of its policies and initiatives.
- 7. Secretariat:**
- a. The Secretariat of NITI Aayog serves as the administrative backbone, providing support to the Governing Council, full-time members, and other stakeholders.
 - b. It coordinates the activities of different divisions, facilitates communication and coordination with external stakeholders, and ensures the smooth functioning of NITI Aayog's day-to-day operations.

INITIATIVES & IMPACTS

NITI Aayog, or the National Institution for Transforming India, is a policy think tank of the Government of India established in 2015 to replace the Planning Commission. Its primary role is to provide both directional and policy inputs to the government across various sectors of the economy.

Here are some of the key initiatives and impacts of NITI Aayog:

- 1. Transformative Policy Formulation:** NITI Aayog has been instrumental in formulating policies aimed at transforming various sectors of the Indian economy. It has focused on initiatives like the Atal

Innovation Mission, Digital India, Skill India, and Make in India, among others, to drive growth and development.

2. **Aspirational Districts Programme:** One of the significant initiatives by NITI Aayog is the Aspirational Districts Programme, aimed at improving the socio-economic status of 112 backward districts in India. This program focuses on improving healthcare, education, agriculture, water resources, financial inclusion, and basic infrastructure in these districts.
3. **Ease of Doing Business:** NITI Aayog has been actively working towards improving the ease of doing business in India. It has identified key areas for reforms and has been working closely with states to streamline processes, reduce regulatory burdens, and create a more conducive environment for businesses.
4. **Healthcare Initiatives:** NITI Aayog has played a crucial role in formulating policies and initiatives to improve healthcare delivery in India. It has been involved in the rollout of the Ayushman Bharat scheme, which aims to provide health insurance coverage to millions of vulnerable families.
5. **Water Management:** Given the increasing water stress in India, NITI Aayog has been working on various initiatives for water management and conservation. This includes promoting sustainable agriculture practices, rainwater harvesting, and efficient use of water resources.
6. **Education and Skill Development:** NITI Aayog has been actively involved in promoting education and skill development initiatives. It has been working on policies to improve the quality of education, bridge skill gaps, and enhance vocational training opportunities.
7. **Innovation and Technology:** NITI Aayog has been driving innovation and technology adoption across various sectors through initiatives like the Atal Innovation Mission. It aims to foster a culture of innovation and entrepreneurship in the country.

Overall, NITI Aayog has been playing a crucial role in shaping India's development agenda and driving reforms across various sectors. Its initiatives have had a significant impact on improving the socio-economic status of the country and fostering inclusive growth and development.

CHALLENGES & CRITICISM

While NITI Aayog has been instrumental in formulating policies and driving development initiatives in India, it has also faced several challenges and criticisms:

1. **Limited Implementation Power:** Unlike its predecessor, the Planning Commission, NITI Aayog does not have the authority to allocate funds or enforce policy implementation. Its role is largely advisory, which can sometimes limit its effectiveness in driving real change on the ground.
2. **Coordination Challenges:** NITI Aayog operates in a complex environment with multiple stakeholders, including central and state governments, ministries, and other agencies. Coordinating and aligning the interests and actions of these stakeholders can be challenging, leading to delays or inefficiencies in policy implementation.
3. **Resource Constraints:** NITI Aayog's budget and resources are limited compared to the scale of the challenges it seeks to address. This can constrain its ability to conduct research, provide technical assistance, and support the implementation of large-scale development projects effectively.
4. **Criticism of Structure:** Some critics argue that the structure of NITI Aayog, which includes a governing council comprising state chief ministers, can lead to a lack of clear accountability and decision-making inefficiencies. Additionally, the absence of dedicated subject-matter experts within the organization has been criticized.

5. **Inequality and Regional Disparities:** Despite its focus on inclusive growth, NITI Aayog has been criticized for not adequately addressing the underlying causes of inequality and regional disparities in India. Critics argue that certain marginalized communities and regions continue to be neglected in the policymaking process.
6. **Limited Focus on Environmental Sustainability:** While NITI Aayog has initiatives addressing water management and sustainable agriculture, critics argue that it lacks a comprehensive approach to environmental sustainability. There is a need for more robust policies and initiatives to address pressing environmental challenges such as air and water pollution, deforestation, and climate change.
7. **Slow Pace of Reforms:** Some critics argue that NITI Aayog has not been able to expedite the pace of reforms in critical sectors such as agriculture, healthcare, and education. Delays in policy formulation and implementation have hindered the achievement of desired outcomes in these areas.

Overall, while NITI Aayog has made significant contributions to India's development agenda, addressing these challenges and addressing criticisms will be essential for enhancing its effectiveness in driving inclusive and sustainable growth in the country.

CONCLUSION

In conclusion, NITI Aayog has emerged as a pivotal institution in India's governance landscape, steering the nation towards sustainable growth and development. Through its innovative policies, strategic initiatives, and collaborative approach, NITI Aayog has made significant strides in addressing multifaceted challenges across various sectors of the economy.

From fostering entrepreneurship and innovation to enhancing healthcare access, education, and infrastructure development, NITI Aayog's efforts have been instrumental in driving positive change and empowering marginalized communities. The institution's focus on inclusive growth, coupled with its emphasis on leveraging technology and data-driven decision-making, underscores its commitment to creating a more prosperous and equitable society.

However, challenges persist, and the journey towards transformative change is ongoing. NITI Aayog must continue to evolve its strategies, forge partnerships, and adapt to emerging complexities to effectively address the evolving needs of India's diverse population. By remaining agile, proactive, and responsive to the evolving socio-economic landscape, NITI Aayog can continue to catalyse sustainable development and propel India towards becoming a global economic powerhouse while leaving no one behind.

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