

INDIAN ECONOMY UNDER FIVE YEAR PLAN

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ABSTRACT: India is a developing country so the government required a proper planning to develop the country. The Indian five year plans main objective was to develop the primary sector (Agriculture, pitting, cultivating, farming, grazing, hunting and gathering, fishing, and quarrying). Five year plans are centralized and integrated national economic program. In order to evaluate the process of planning, one must be aware of these things and therefore it is very important aspect of Indian Economy. The implementation of the five year plan results in economic development of a country. The each five year plans have the specific objectives to the growth and development of the Indian economy. The five year plan helps the government to improve the standard of living of the individual. It also helps in providing the employment to the people and reduces the unemployment. It provides the infrastructure development in the country. Our approach throughout the planning period has been based on indecision arising out of the absence of conviction and acceptance of compromises.

KEYWORDS: Indian Economy, development, infrastructure, unemployment, growth, standard of living.

INTRODUCTION:

The first five year plan was introduced by the Joseph Stalin in the Soviet Union in the year 1928. The rapid advances registered by some socialist economies prior to 1950's. In India the first five year plan was introduced in the year 1951 by the Jawaharlal Nehru. The planning commission (1951_2014) and the NITI AAYOG (2015_2017) was set up to develop, execute, and monitor the five year plans. The prime minister of India will be the chairman of planning commission. The deputy chairman is nominated by the planning commission who holds the ranks of a cabinet minister. The planning process itself was initiated in April 1951 when the first year plan was launched. Since then twelve five year have been completed and now NITI AAYOG is in progress. Montek Singh Ahluwalia is the last deputy chairman of the planning commission. The new government led by Narendra Modi elected in 2014, has announced the dissolution of the planning commission with the establishment of NITI Aayog (an acronym for National Institution for Transforming India).

First five year plan (1951_1956): The first five year plan was launched by the first prime minister of India Jawaharlal Nehru in the parliament. The main objective of this plan was to develop the primary sector. This plan is based on the Harrod _ Domar with some modification.

Second five year plan (1956_1961): This plan focused on industrial revolution in India. This period mainly focused on the development of public sector and the industries. Many industries were established in this planning period.

Third five year plan (1961_1966): This planning period stressed on the agriculture and the production of the wheat. But due to the Sino-Indian war the plan changed to the development of the Indian army and Defence industry in India. The many primary schools were opened in the rural areas. In this period the inflation rate was also high.

Plan holiday (1966_1969): The plan holiday raised due to the failure of the third five year in India.

Fourth five year plan (1969_1974): In this period the Indra Gandhi was the prime minister. She nationalized the 14 banks in India. This period was the smiling period of the India because of the development of the first nuclear experiment in 1971.

Fifth five year plan (1974_1979): This plan mainly focused on providing the employment removing poverty, and providing the justices. This plan also focused on the development of the agriculture sector and defence industry in India.

Rolling plan (1978_1980): the fifth five year was rejected by the Janata party and introduced a new sixth year plan (1978_1980). The Indian congress government rejected the new sixth year plan in the year 1980.

Sixth five year plan (1981_1985): In this period the liberalization was introduced in India. The ration cards were closed and the price control was eliminated. There was the increase in the price of basic goods which lead to the increase in the price of standard of living. The active action was taken to control the birth rate in India. The NABARD was introduced in this plan.

Seventh five year plan (1985_1990): The congress party led by the Rajiv Gandhi as a prime minister decided the seventh five year plan. This plan was mainly focused on the upgrading the technology to improve the productivity level. The objective was to increase the economic productivity, production of food grains and providing the employment.

Annual plan (1990_1992): The eighth plan was enable to work in the year 1990 due to the faster changes in the politics of India.

Eighth five year plan (1992_1997): The India was facing the foreign exchange crisis in 1991. The government led by the P.V Narsimha Rao as a prime minister and the Dr. Manmohan Singh as a finance minister launched the India free market reform that brought the nearly bankrupt nation back from the edge. The liberalization, privatization, and globalization were introduced in India.

Ninth five year plan (1997_2002): Atal Bihari Vajpayee was the prime minister at the time of ninth plan. Its main objective was to remove poverty by promoting economic and the social growth in the country. The public and private industries where focused equally.

Tenth five year plan (2002_2007): This plan was helpful in attain the growth in GDP, reduction of poverty rate. It also brought changes in the gender gap and the literacy.

Eleventh five year plan (2007_2012): The main objective of the plan was providing the education to the students from the age of 18_23 years. They also focused on the providing drinking water for all by 2009.

Twelfth five year plan (2012_2017): In the twelfth plan the government has to decide to achieve the growth rate of 8.2%. The main objective of the plan was to increase the growth rate. The twelfth plan is the last plan of the planning commission.

OBJECTIVES:

- To understand the growth and development of the Indian economy under five year plans.
- To know the strategies of the government in developing the country in various fields using by five year plan.

REVIEW LITERATURE:

After the British rule, India became the economically backward country. After the independence, the country has to make more efforts on establishing the industries. The industrial policy revolution was passed on 1948. The attempt of the five year plan improved the industrial pattern. The literacy rate has been increased from the past years. The implementation of the plans improved the economy. There is a rapid growth in the GDP of the country. The higher growth of agricultural products was recorded. The savings and investment also increased with the increase in the standard of living.

One of the continuing series of soviet governmental programs designed to achieve usually specified goals in the planning, coordinating, and cumulative development of the soviet economy and other sector of soviet life (as education and the science) over a period of five year.

A national government program of planned, coordinated, and cumulative economic and social development over a period of time.

RESEARCH METHODOLOGY:

The research is done on based on the secondary data. The data is collect for the various websites and the government portals. The lots of development are to be undertaken by the government of India. The government under goes many changes will developing five year plans. The methodology of the five year plan uses number of analysis. All the micro and macro factors should be taken into consideration will planning. The political, economic, ideological factors are influence by the five year plans. The five year plan helps the people to increase the standard of living. The NITI AAYOG helps the government to develop the country further reconstruction of the country. The most of the approach in the developing countries is to start from a macro economic program and end with a detailed investment program for the different branches of developing economy.

CONCLUSION:

The five year plan is the greater achievement of the Indian government. The implementation of the five year helped the government in developing the country in various field. There are some of the failures in the implantation of the five year plan. The five year plan brought many changes in the development of the economy by providing education, employment etc. It helped the people to improve their standard of living by proving employment. There was the reduction of the poverty due to the implementation of the plan. From 1951 to 2017 India have the greatest improvement in the economical development. The more importance where given to the private industries with the introduction of LPG. The many industries were stared to reduce the poverty. The primary school also started in urban and rural areas to increase the literacy rate in the country.

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