

Plan model in India

Introduction

Economic planning refers to the path of actions in terms of policy measures to be followed in future, in pursuance of pre-determined objectives.

Economic planning has been a central belief of India's development strategy since independence.

Planning Commission (now NITI Aayog) defines economic planning as the utilisation of country's resources for developmental activities in accordance with national priorities.

Proposed plan model

From time to time various plan models are proposed-

- The Bombay Plan
- Sarvodaya Plan
- People's Plan
- Harrod Domar Model
- The Mahala Nobis Strategy
- The Wage Good Model

Sarvodaya Plan

It was drafted by Jaiprakash Narayan in 1950. The plan was mainly inspired by the Gandhian Plan provided by S N Agarwal.

Plan emphasized the importance of agriculture and village industries especially small-scale textile & cottage industries in the process of economic development.

The plan also recommended the Luddite approach and was pessimistic towards the usage of foreign technology.

The most important part of the plan was its emphasis upon land reforms and decentralized participatory people planning.

The Bombay Plan

A small group of influential business leaders in Bombay drew up and published in January 1944, a plan for the economic development of India.

This plan was published in two parts or volume- first in 1944 and second in 1945.

The prime objectives of the plan were to achieve a balanced economy and to raise the standard of living of the masses of the population rapidly by doubling the present per capita income within a period of 15 years from the time the plan goes into operation.

This plan envisages that the economy could not grow without government intervention and regulation.

