

**BLUEPRINT TO ACHIEVE PRIME MINISTER'S VISION FOR \$5 TRILLION  
ECONOMY****Prelims:** Economics Economic Survey**Mains:** GS3 - Economic Development

**Context:** The Economic Survey lays down the strategic blueprint for fructifying the Prime Minister's vision of India becoming a \$5 trillion economy by 2025.

- ✚ The theme of the Survey is about enabling a “**shifting of gears**” to sustained economic growth for objective of US\$5 trillion by 2024-25.
- ✚ The Survey departs from traditional thinking by viewing the economy as being either in a virtuous or a vicious cycle, and thus never in equilibrium.
- ✚ Rather than viewing the national priorities of fostering economic growth, demand, exports and job creation as separate problems, the Survey views these macroeconomic phenomena as complementary to each other.
- ✚ The cover design captures the idea of complementary inter-linkages between these macroeconomic variables using the pictorial description of several inter-linked gears.
- ✚ The team for Economic Survey 2018-19 has been guided by “**Blue Sky Thinking.**”
- ✚ The Survey adopts an unfettered approach in thinking about the appropriate economic model for India.
- ✚ This endeavor is reflected in the **Sky-Blue Cover of the Survey.**
- ✚ Learning from the global financial crisis, the economy has been viewed as either in a virtuous cycle or a vicious cycle and therefore the concept of equilibrium economics has been disbanded.
- ✚ Second, rather than trying to tackle various economic challenges of demand, jobs, exports et cetera in silos, the Survey makes the case that these phenomena are all complimentary.
- ✚ Therefore, creating the virtuous cycle with investment, especially private investment, as the main driver can enable growth in each of these important macro variables.
- ✚ In an uncertain world, three key elements are necessary: a vision, a strategic blueprint to achieve the vision, and practical tools to recalibrate constantly to the strategic blueprint.
- ✚ The Prime Minister has laid out the vision and Economic Survey 2018 -19 lays out the strategic blueprint to achieve that vision along with the tactical tools to stay on the path of the strategic blueprint.

- ✚ Among these, treating people as humans and not as robots as in classical economics, creating data as a public good, enhancing the legal system for enforcement of contracts, insuring consistency of policy with the blueprint are some tools that have been discussed, the Survey adds.
- ✚ Treating people as humans and not as robots as in classical economics, creating data as a public good, enhancing the legal system for enforcement of contracts, insuring consistency of policy with the blueprint are some aspects that have been discussed in the Survey.
- ✚ This year's Survey also utilizes advances in Behavioural Economics to address issues of gender equality, a healthy and a beautiful India, savings, tax compliance and credit quality.
- ✚ It recognizes the role of social norms in the success of initiatives such as Beti Bacho Beti Padhao, Swacch Bharat Mission and Jan Dhan Yojana to effect behavioral change.

