
1. Thinking National, Acting Local

Context:

- The Attack by the SARS-CoV-2 virus has highlighted, once again, both the bad shape of the Indian economy and the precariousness in the lives of millions of people.

Weakness in India's National Planning:

- National planning, whether it is (Planning Commission or NITI Aayog), has failed to produce all-round development of India's economy so far.
- Any planning institution in a federal and democratic system faces two basic challenges— a constitutional challenge, and the challenge of Competence.

Constitutional Question:

- Short-termism in policymaking is a weakness of electoral democracies everywhere.
- The fundamental issues a national plan must address the need to consistent action over decades. Because governments that change in shorter spans in electoral democracies.
- Moreover, if the planning body does not have constitutional status independent from that of the government, it will be forced to bend to the will of the latter. Planning in China does not face this disruption.
- A fundamental principle of democratic governance is that the power to allocate public money must be supervised by elected representatives.
- Therefore, **a planning body that allocates money must be backed by a constitutional charter, and also accountable to Parliament.**
- India's national planning process must address the constitutional relationship between the Centre and the States.
- Constitutionally established Finance Commissions determine the sharing of centrally raised resources with the States. What then is the role of a national planning commission or NITI Aayog?

Need for Competence:

- A national planning institution must guide all-round progress. It must assist in achieving not just faster GDP growth, but also more socially inclusive, and more environmentally sustainable growth.
- For this, it needs a good model in which societal and environmental forces are within the model.

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- An economy is a complex system, in which all the parts are connected, is that the system cannot be healthy if any part becomes very sick.
 - Therefore, a healthy global system must help its weaker members to become stronger.
 - Another feature of complex systems with many interacting forces is that the forces combine in unique ways in different parts of the system.
 - For example, the conditions of livelihoods, the natural environment, and infrastructure, combine in different ways in different localities and States. Therefore, systems solutions must be local too.

Conclusion:

- In democratic governance in which governance should be devolved to national governments, and, within them, to State governments, and even to the third tier of city and district governance, have implications for the role and competencies of a national planning institution for India.
- It must be a systems reformer, not fund allocator. Because its role must be to promote local systems solutions to National Problems.

Source: The Hindu

