

Role of NITI Aayog in Relation to Indian Public Policies: A Study



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ABSTRACT: “NITI Aayog” (National Institution for Transforming India Aayog) was introduced on the 1st January 2015, as the replacement for ‘*Planning Commission*’. NITI Aayog oversees the monitoring and adoption of ‘*Sustainable Development Goals*’ (SDGs) and promote competitive and cooperative federalism among the States and Government undertakings. This is a Government of India policy ‘*think tank*’ that aims ‘*to foster involvement and participation in the economic policy making process by the State Governments of India*’. The Prime Minister serves as the Ex-officio Chairman of NITI Aayog. The NITI Aayog may provide a critical directional and strategic input in regard to developmental processes of India. Indeed, it focuses on the cooperative federalism of country. The centre-to-state one-way flow of policy, the hallmark of the Planning Commission era, has been replaced by a genuine and continuing partnership with and among the Indian States. “Public Policy” is a primarily an instrument to guide social actions in accordance with certain predetermined goals. Thus, the public policy is a ‘*directional means seeking to fulfil ideology driven aims which are usually conceived out of a dialectical interaction between the governments and governed*’. In view of this, the present research was carried out to study the ‘Role of NITI Aayog with regard to Public Policies of India.

KEYWORDS: India, NITI Aayog, Public Policies, and Role and Functions.

INTRODUCTION

Public policy is also ethics driven. “Public Policy” is a ‘*device employed to meaningfully address societal problems*’. The nature of public policy is contingent on the prevalent socio-economic and political circumstances and policy priorities are determined, to a significant extent, by what is ideologically preferred at a particular historical juncture. Policy making is also a collaborative venture in which both the government and stakeholders are dialectically interconnected while seeking to devise socially relevant, politically meaningful and economically cost-efficient public policy (Dye, 2017; Chakrabarty and Chand, 2016).

NITI Aayog seeks to facilitate and empower the critical requirement of good governance, which is people-centric, participative, collaborative, transparent and policy-driven. It provides critical directional and strategic input to the development process, focusing on the deliverables and outcomes. This is an incubator and disseminator of fresh thought and ideas for the development. The NITI Aayog is looking to engage the services of a consultant in the governance and public service delivery vertical that will be responsible for the designing, management and implementation of a portfolio of policy initiatives, innovative projects and partnerships related to the thematic area of governance and public service delivery. The responsibilities assigned include, but not be limited to, the public administration reforms and enhancing administrative efficiency of the government programmes, facilitating centre-state and inter-ministerial coordination in the area of governance and creation of a repository of best practices with an aim to accelerate the developmental agenda in line with the principles of ‘*Minimum Government and Maximum Governance*’. Thus, the NITI Aayog may generate the knowledge and innovation through a collaborative community of experts, practitioners and other partners in order to become a catalyst and convener for the governance practices aimed at enhancing the citizen centric public service delivery (NITI Aayog, 2017 & 2018; Wikipedia, 2022d; www.nitiayog.com, 2022).

In NITI Aayog, the State Governments have an equal role in the process of national development, and thus the NITI Aayog fulfils the principle of cooperative federalism of India. Repeatedly, it is a ‘*think tank institution*’ that stands not only as a hub for knowledge but also for good governance. Therefore, the NITI Aayog is a big platform to monitor and implement all government policies by bringing together various ministries of the Central and State Governments of India. In this, the priorities include upliftment and empowerment of the poor, marginalised and downtrodden while simultaneously redressing identity-based inequalities of all kinds, such as the gender, region, religion, caste and class of the people of India. At present, the NITI Aayog

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recommends various policies and their implementation is constantly being done by all the Governments for the welfare of people and the country, as a whole (NITI Aayog, 2017 & 2018; Wikipedia, 2022d; www.nitiayog.com, 2022).

PUBLIC POLICY

“Public Policy” is a *‘device employed to meaningfully address societal problems’*. This is primarily an instrument to guide social actions in accordance with certain predetermined goals. Hence, the public policy is a *‘directional means seeking to fulfil ideology driven aims which are usually conceived out of a dialectical interaction between the governments and governed’*. In making of public policy, there are two types of actors: on one hand, there is Government which has definite ideological goals to attain while devising the public policy. Political leadership holding State power is an important factor in so far as policy-making is concerned; it however, functions in an ideological milieu in which the role of stakeholders, or in a more generic term, *‘governed’*, is equally important. In its making, public policy is also value dependent (Dye, 2017; Chakrabarty and Chand, 2016; Wikipedia, 2022 a, b & c).

While formulating the public policies for the democratic India, the policy-makers require to be sensitive to concerns for public interests, right, justice, equality and efficiency. These are obligatory criteria that the decision makers cannot afford to ignore because they uphold fundamental values of a democratic political order. Thus, it is argued that the public policy acquires its *‘inner logic from the political ideology which the machinery of government is expected to translate into social reality’*. The idea which is dominant here is the conceptual principle that the decision makers regardless of location cannot be indifferent to the values that inform specific political orders. The grounded in social norms and constitutional provisions, these values are important determinants of the *‘policy making’* (Dye, 2017; Chakrabarty and Chand, 2016; Wikipedia, 2022 a, b & c).

NITI AAYOG AND ITS COMPOSITION

In accordance with an announcement made by India’s Prime Minister Hon’ble Shri Narendra Modi on Independence Day 2014, the Union Government of India has established the “NITI Aayog” (National Institution for Transforming India Aayog), as replacement for *‘Planning Commission’*. This has been made after extensive consultation across the spectrum of stakeholders, including State Governments, relevant institutions and domain experts. NITI Aayog oversees the monitoring and adoption of *‘Sustainable Development Goals’* (SDGs) and promote competitive and cooperative federalism among the States and Government undertakings. NITI Aayog has to realise the goals and targets. The *‘Ministry of Statistics and Programme Implementation’* (MoSPI) has undertaken a parallel exercise of interaction with ministries to evolve indicators reflecting targets and SDGs. Further, the centrally sponsored schemes, including *‘core of the core’*, *‘core’* and *‘optional’* schemes implemented by the States, and some of recent initiatives undertaken by the Central Government have been mapped. Moreover, the ministries and States are implementing Central sector schemes and State schemes, respectively that have been aligned with one or more SDGs (www.insightsonindia.com, 2017; www.nitiayog.com, 2022; Wikipedia, 2022d).

The monograms of NITI Aayog are depicted in Figures 1 to 2; while the introduction, composition and portfolio of Aayog have been presented in Tables 1 to 3.

ROLE AND FUNCTIONS OF NITI AAYOG

The NITI Aayog plays an integrative role with the active involvement of States, civil society and other think tanks in the development of a shared vision of national priorities and strategies in critical areas of human and economic development. One of the main objectives of NITI Aayog is, *‘to design strategic and long-term policy and programme frameworks and initiatives, and monitor their progress and their efficacy.’* The NITI is taking the lead in setting up sectoral targets, and fostering an environment of innovation and cooperation. The target is to bring innovation, technology, enterprise and efficient management together at the core of policy formulation and implementation (NITI Aayog Annual Report, 2020).

Rao (2015) has discussed thirteen tasks of NITI Aayog under four major functional groups:

- A. Cooperative Federalism: Platform for Interface between Centre and States;
- B. Strategic Planning
- C. Knowledge and Innovation Hub
- D. Coordination



Figure 1

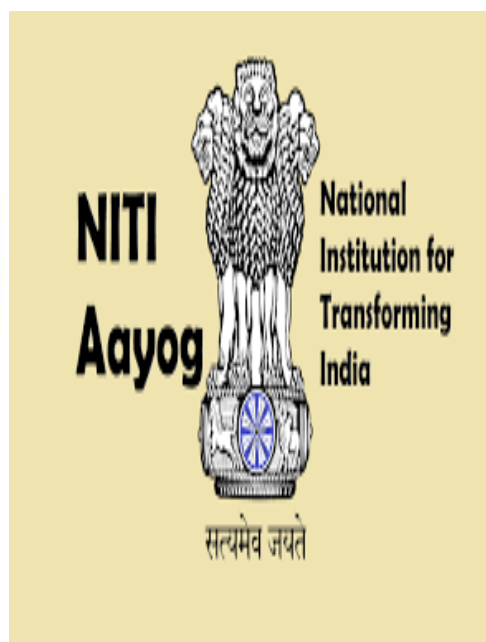


Figure 2

Figures 1 - 2: Different Monograms of “NITI Aayog” (Source: www.nitiayog.com).

Table 1: Introducing the “NITI Aayog”

<u>NITI AAYOG</u>
<ul style="list-style-type: none"> • “Niti Aayog” is a policy committee of the Indian Government. • The term “NITI” denotes to ‘<i>National Institution for Transforming India</i>’. • The Organisation was formed on January 1, 2015, in the capital city, New Delhi. • The Organisation is replacement and transformation of the 65 years old ‘<i>Planning Commission / Yojana Aayog</i>’. • The organization has its own Website which provides the citizens with all informations related to the commission.

Table 2: Composition (Structure) of “NITI Aayog”

<u>NITI AAYOG CONSISTS OF:</u>
CHAIRMAN (CHAIRPERSON)- PRIME MINISTER (PM)
↓
<ul style="list-style-type: none"> ➤ Vice-Chairman (Vice-Chairperson): Appointed by PM ➤ Ex-Officio Members: Maximum 4, nominated by PM ➤ Social Invitees: Experts, Specialists, Practitioners with common knowledge ➤ Governing Council: Chief Ministers (States) & Lt. Governors (Union Territories) ➤ Full-Time Members: from universities, research or relevant institutions ➤ Part-Time Members: Maximum 2, rotational, from relevant institutions ➤ Chief Executive Officer (CEO): Appointed by PM for fixed tenure ➤ Regional Councils: on need basis, incorporates CMs & Lt. Governors of the region ➤ Secretariat: If necessary

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Table 3: Portfolio of “NITI Aayog”

Portfolio	Name of Person
Chairman	Hon’ble Shri Narendra Modi (Prime Minister)
Vice-Chairman	Dr. Suman Bery
Full-Time Members	Shri V.K. Saraswat, Prof. Ramesh Chand, Dr. V.K. Paul
Ex-Officio Members	Shri Amit Shah, Shri Rajnath Singh, Mrs. Nirmala Sitaraman, Shri Narendra Singh Tomar
Special Invitees	Shri Nitin Gadkari, Shri Piyush Goyal, Shri Virendra Kumar, Shri Ashwini Vaishvaw, Rao Inderjit Singh
Chief Executive Officer	Shri Amitabh Kant
Governing Council	All Chief Ministers of States (and Delhi and Puducherry), Lieutenant Governor of Andaman & Nicobar Islands, Special Invites

- A. Cooperative Federalism:** This is a platform for interface between the Centre and States, meaning that the NITI Aayog fosters cooperative federalism by giving structured support to the States on a continuous basis. The Seventh Schedule of the Constitution of India lays down the legislative domains and functional responsibilities of the Union (Centre) and States. But there is an overlap in the functions that needs coordination between the Union and States, and among the States as well. So to carry out stable and sustainable developmental agenda, fostering the spirit of cooperation and cementing the federal structure are required. Recent years have shown the need for cooperation in areas like energy and environment, education and poverty alleviation where the need for coordinated action and speedy decisions are critical for pursuing the developmental agenda. The Union Government may have some public services in the State also, which for reasons of nationwide externalities or for redistribution require coordinated action to ensure minimum standards throughout the country. Such public services include poverty alleviation, healthcare and urban development, etc. In these cases, the State Governments are the partners to achieve a common goal. In case of Union Government also, the States may be involved in implementation as agencies. Apart from these, NITI Aayog may facilitate the exchange of information and experiences, and promote healthy inter-governmental competition through monitoring and regulation. Most important issue which the NITI Aayog has to deal with is the rationalisation of ‘Centrally Sponsored Schemes’ (CSS) as there is considerable resentment by the States on them. When schemes are discontinued, they leave large liabilities on States, so there is certainly specific purpose to have minimum standards of services which are considered to be of national importance. Given the collaborative nature of such schemes, they should be designed and implemented in spirit of cooperative federalism. Schemes should be holistic with scope for flexibility in implementation depending on the local conditions and they should be limited in number (not more than ten). New institution could provide a platform for designing the schemes, implementation systems, monitoring and evaluating them in a collaborative framework. Thus, to enable the NITI Aayog to play a constructive role in fostering cooperation, it is essential to have ‘Interstate Council’, properly empowered under Article 263 of Constitution, in the Aayog. Further, NITI Aayog should be nodal agency for discussion, negotiation, bargaining and resolution of all major matters, and should have required expertise on inter governmental relations, constitutional law and fiscal federalism.
- B. Strategic Planning:** NITI Aayog can formulate the strategic vision and long-term policies, and programme framework both for macro-economy and for various sectors. The perspective planning helps to make projections on the macro variables and keep the policy perspective. Strategy and policies are needed to improve living standard of projected population and improve human development to empower people to engage them in economic activities. These should be constantly revisited to ensure their relevance. Planning should be built right from village, block and district levels, and these should be harmonised with planning at the State level. Likewise, the national planning should be the consolidation of State-level plans along with the planning infrastructure and service requirements. NITI Aayog can provide a framework for making plans to the States and the latter, in turn, to lower levels of Government. It should also have a unit to guide, if any State is in need of such assistance.
- C. Innovation and Knowledge Hub:** The Knowledge and Innovation hub, and research inputs are closely aligned to strategic planning and role of NITI Aayog, which as a think tank facilitates partnership between stake holders. Formulation of strategic vision and policies, and programmes aligned to it as well as initiating and monitoring them requires state of art research, technology upgradation and capacity building. As a major think tank of Government working on various developmental policies, NITI Aayog should not only have basic research capabilities but also should access and outsource

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research on relevant subjects. It should have a strong data bank, consolidating data and information on economic, demographic, geographic and social variables relevant for research and policy. Among other functions, NITI Aayog also provides a platform for experience sharing among States.

D. Coordination: This is the fourth important task of NITI Aayog. This institution is committed to providing a platform for inter-departmental and intergovernmental coordination. The disastrous consequences of lack of coordination between infrastructures including environmental and ministries on economic growth have been clearly evident before the establishment of NITI Aayog.

The NITI Aayog plays its role and functions through the ‘Seven Pillars of Effective Governance’ as described in Figure 3; and the important role and functions of the NITI Aayog in relation to public policies have been mentioned in Table 4 (NITI Aayog Annual Report, 2020; www.insightsonindia.com, 2017; www.nitiayog.com, 2022).



Figure 3: Seven Pillars of Effective Governance via “NITI Aayog” (Source: www.pib.nic.in).

Table 4: Important Role and Functions of NITI Aayog

S. No.	Role and Functions of NITI Aayog
1	To provide a ‘ <i>think tank</i> ’ which provides Governments at the Central and State levels with relevant strategic and technical advice across the key elements of policy.
2	To overview monitoring and adoption of ‘ <i>Sustainable Development Goals</i> ’ (SDGs) and promote competitive and cooperative federalism among States and Govt. undertakings.
3	To provide advice and encourage partnerships between key stakeholders, and national and international like-minded ‘ <i>think tanks</i> ’, and educational and policy research institutions.

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4	To create knowledge, innovation and entrepreneurial support system via collaborative community of national and international experts, practitioners and other partners.
5	To evolve a shared vision of national development priorities sectors and strategies with the active involvement of States.
6	To foster cooperative federalism through structured support initiatives and mechanisms with the States continuously, recognizing that strong States make a strong nation.
7	To provide a critical directional and strategic input into development process.
8	To replace Centre-to-State one-way flow of policy (that was the hallmark of Planning Commission era) by a genuine and continuing partnership of the States of India.
9	To end the slow and tardy implementation of policy, by fostering better inter-Ministry coordination and better Centre-State coordination.
10	To develop mechanisms to formulate credible plans at the village level and aggregate these progressively at higher levels of Government.
11	To provide a framework for preparing plans to the States and the latter, in turn, to the lower levels of Government.
12	To ensure that the interests of national security are incorporated in economic strategy and policy on the specifically concerned areas.
13	To pay special attention to those sections of society that may be at risk of not benefiting adequately from economic progress.
14	To design strategic and long term policy and programme frameworks and initiatives, and monitor their progress and their efficacy.
15	To monitor and evaluate implementation of programmes, initiatives and identification of needed resources, so as to strengthen probability of success and scope of delivery.
16	To focus on technology upgradation and capacity building for implementation of programmes and initiatives.
17	To offer a platform for resolution of inter-sectoral and inter-departmental issues in order to accelerate the implementation of development agenda.
18	To maintain 'State-of-the-art Resource Centre', be a research repository on good governance and practices in development, and to help their dissemination to stake-holders.
19	To have an administration paradigm in which the Government is an 'enabler' rather than a 'provider of first and last resort'.
20	To progress from 'food security' to a mix of agricultural production, as well as actual returns that farmers get from their produce.
21	To facilitate the exchange of information and experiences, and promote healthy inter-governmental competition through monitoring and regulation.
22	To deal with the rationalisation of 'Centrally Sponsored Schemes' (CSS) as there is considerable resentment by the States on them.
23	To undertake other activities as may be necessary in order to further the execution of the national development agenda, and the objectives of NITI Aayog.

CONCLUSIONS

NITI Aayog is a new specialized field of Social Sciences, including Political Science and Economics. This has been recently introduced in 2015 by Union Government of India, as a replacement of Planning Commission for welfare of people and the country, as a whole. NITI Aayog promotes competitive and cooperative federalism among the States and Government undertakings. This is a Government of India policy 'think tank' that aims 'to foster involvement and participation in the economic policy making process by the State Governments of India'. It provides a critical directional and strategic input in regard to developmental processes. The NITI Aayog facilitates and empowers critical requirement of good governance, which is people-centric, participative, collaborative, transparent and policy-driven. It provides critical directional and strategic input to development process, focusing on deliverables and outcomes. This is an incubator and disseminator of fresh thought and ideas for development in relation to Indian public policies.

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