

# ECONOMICS (CLASS—12 )

## Chapter -3

### Money & Banking

#### Topic----- THE GOALS OF FIVE YEAR PLANS

**A plan should have some clearly specified goals. The goals of the five year plans were**

**growth, modernisation, self-reliance and equity.** This does not mean that all the plans have given equal importance to all these goals. An economic plan allocates the **resources** of a nation to fulfil the general and specific goals as planned by the government for a specified period. In India, these plans are made for five years and hence are known as five year plans. These five year plans are ultimately a short-term plan for a perspective plan. A perspective plan outlines

the long-term goals of a nation, spanning twenty years. In India, after the independence, the government set up a Planning Commission in 1950. This commission would be responsible for framing and implementing the five year plans of the country. They began their efforts with the first five year plan in 1950. Every five year plan is developed with a specific goal in mind. But there is never one solitary objective of the plan. The plan is supposed to work towards the perspective plan and must cover a few important objectives. However, it is not possible or practical to give equal importance to all aspects of a plan. There are basically five generalized goals of a five year plan, wherein a particular plan one or two are given the most importance. In fact, some of the goals are actually conflicting. So let us now look at these five types of goals we cover in the five year plans.

## Questions

**(1) In which year was the first five year plan passed?**

**GAURAV KUAMR**

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