

DR. SYED ZAHID PERWAIZ

Faculty of Commerce

Karim City College, Jsr.

Class: B.Com Sem - III

Subject: Planning and Economic Development.(PED)

Topic: Meaning, Characteristics and Importance.

PLANNING AND ECONOMIC DEVELOPMENT.(PED)

Meaning of Economic Planning-

Economic planning is the process through which we can take the decisions of what and how it is to be produced through controlling and managing the economic activity. It is an economic programme speculated for the development of the regional economic system.

“Economic Planning is essentially a way of organizing and utilizing resources to maximum advantage in terms of social ends.”

Characteristics of Economic Planning-

The features of economic planning include various points such as:-

❖ A system of Economic Organization-

In this first feature of economic planning, it consists of various comprehensive activities of production, consumption; distribution, exchange, and finance are planned and defined in a coordinated manner to attain various economic and social objectives.

❖ **Determination of Target and Priorities-**

In this, the economic and social targets are well defined in the process of economic planning. A certain priority is also determined for these targets.

❖ **Central Planning-**

All the activities of economic planning are performed by the central planning authority. This authority is known as the planning commission. All the decision is taken by this authority.

❖ **Certain Period-**

The process of economic planning involves the determination of economic plans for a certain or specific period. For Example– In India, an economic plan is purposed for 5 years. After completing one five year plan another plan is launched.

❖ **Government Regulation and Control-**

Economic planning is a government affair. All plans are determined, regulated, and controlled by the government (generally central government). All the major source of data (related to economy planning) is managed by the government and its team.

❖ **Economic and Social Government-**

The main motive of economic planning is economic development and social welfare. All possible efforts are made to achieve balanced growth.

Importance of Economic Planning-

The importance of economic planning is also known as the scope of economic planning. It includes various points such as:-

❖ Reliable Statistical Data-

Economic planning is dependent heavily on statistic so that there can be the proper fixation of targets and priorities.

❖ Suitable Economic Organization-

The Planning commission was set up in India with the desired objective of attaining economic stability and social welfare. This organization will streamline the production, consumption, distribution, and exchange mechanism to attain desired results.

❖ The existence of Strong and Stable Government-

The progress of the nation rests on the shoulders of the central government. A strong and progressive government will provide a sound infrastructure for economic planning.

❖ Maintenance of Proper Balance-

A proper balance between agriculture and industry, public and private sector, urban and rural areas, cotton and heavy industries should be maintained thus, resulting in economic progress.

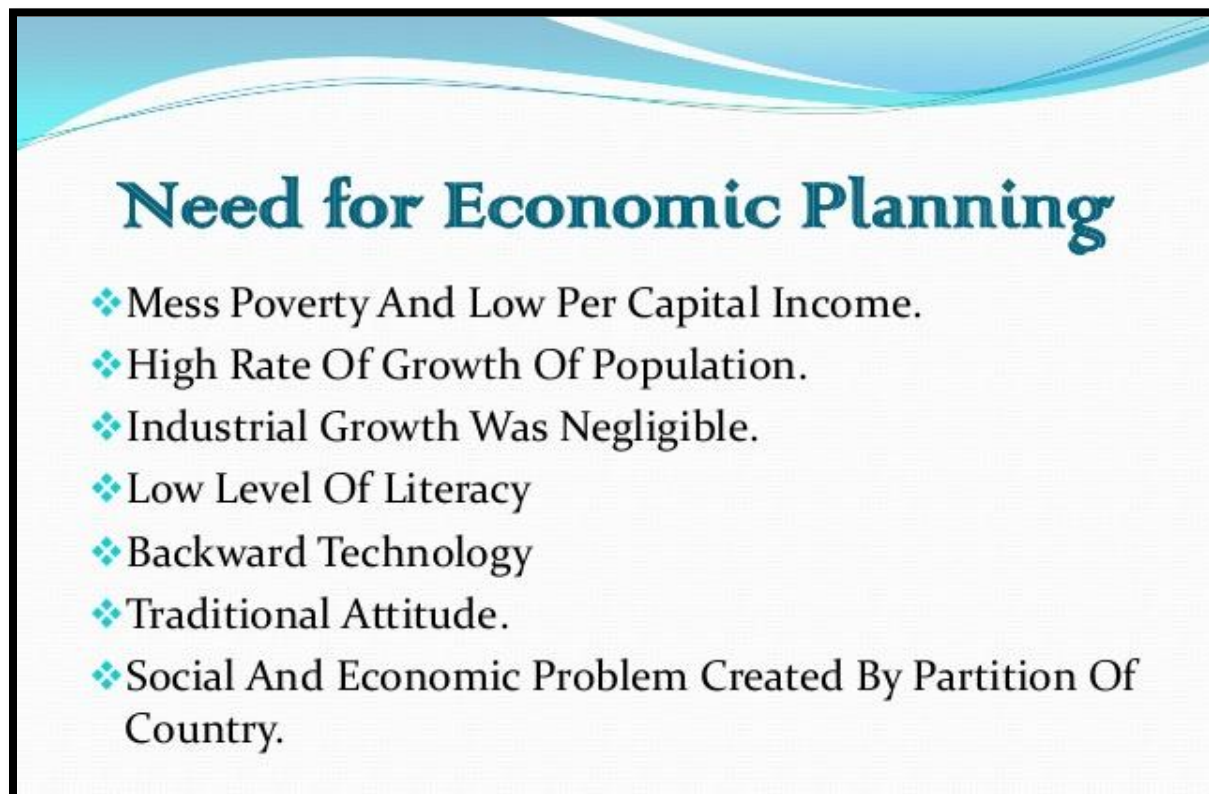
❖ **Proper fixation of Target and Priorities-**

Priorities are set up in the progress of economic planning. A certain priority order is determined for the attainment of these targets. The focus is on more economic and social targets.

❖ **Efficient and Clear Administration-**

Economic planning will be effective only when the administration is a sound one and free from the roots of corruption. All the policies should be progressive and should lay a lot of emphasis on human development.

Conclusion:



Need for Economic Planning

- ❖ Mess Poverty And Low Per Capital Income.
- ❖ High Rate Of Growth Of Population.
- ❖ Industrial Growth Was Negligible.
- ❖ Low Level Of Literacy
- ❖ Backward Technology
- ❖ Traditional Attitude.
- ❖ Social And Economic Problem Created By Partition Of Country.