

Five Year Plans

- The guiding principles of India's Five-Year plans are provided by the basic objectives of growth, employment, self-reliance, and social Justice and also takes into account the new constraints and possibilities faced during the period and attempts to make the necessary directional changes and emphasis.

1st Five year plan (1951-56)

- At ~~that~~ this time India was facing three problems
 - (i) influx of refugees
 - (ii) Severe fuel shortage
 - (iii) Malaria
- Therefore first five year plan emphasised on
 - rehabilitation of refugees
 - rapid agricultural development
 - Control inflation.

2nd Five year plan (1956-61)

- As economic stability was achieved under 1st five year plan, now second five year plan aimed to give a big push to the economy so that it enters the take-off stage.
- Aimed at rapid industrialisation with particular emphasis on the development of basic and heavy industries.

3rd Five Year Plan (1961-66)

- India's economy already had entered to the "Take-off Stage" from earlier two five year plans, so third five year plan set its goal to establishment of a self-reliant and self-generating economy.
- However because of conflict with China in 1962 and Pakistan in 1965, the approach of the third plan was shifted to defense and development.

Three Annual Plans (1966-69)

- Three annual plans announced because of two years of drought, devaluation of the rupee and the military recession.

4th Five Year Plan (1969-74)

- Implemented with two principal objectives of
 - growth with stability
 - progressive achievement of self-reliance
- Aimed at 5.5% average rates of growth in the national income.
- Growth with Justice and "Garibi Hatao"

5th Five Year Plan (1974-79)

- Growth with Social Justice and Garibi Hatao continued, so main two objectives of fifth five year plan became
 - removal of poverty
 - attainment of self-reliance.
- The fifth five year plan however was terminated by the Janata party at the end of the fourth year of the plan in March 1978.

6th five year plan

- There were two Sixth plans. The Janata Party's Sixth plan (1978-83) openly praised the achievements of economy in terms of self-reliance and modernisation and blamed Nehru model for growing unemployment and inequalities.
- New Sixth plan was introduced by Congress from 1980-85.
- The planners rejected the Janata approach and brought back Nehru model of growth by aiming at a direct attack on the problem of poverty by creating conditions of an expanding economy.

7th five year plan (1985-1990)

- Emphasised those policies and programmes which would accelerate the growth in industrial production, increase employment opportunities and raise productivity.

8th five year plan (1990-95)

- Aimed to accelerate economic growth and the quality of the life of the common people.