

06
Thursday

Final Year
Lesson XII

The New Economic Policy
By R.S Tiwari

Summary

In this essay "The New Economic Policy" the writer tells us about as how after Independence, the Indian economy remained highly controlled, centralized and closed. After the announcement of the new economic policy in 1991, things changed, and a number of measures were adopted to open the Indian economy to market forces.

After Independence, the country needed rapid industrialization and development. When in ~~to~~ July 1991 the Government of India, declared its new Industrial Policy, it helped in economic growth. The Policy has three segments. They are :-

- Liberalisation
- Privatisation
- Globalisation

Many major changes were brought by the policy. They are :-

- The number of Public sector industries were curtailed.

AUGUST 2018

SEPTEMBER 2018

Wk	SU	MO	TU	WE	TH	FR	SA
31				1	2	3	4
32	5	6	7	8	9	10	11
33	12	13	14	15	16	17	18
34	19	20	21	22	23	24	25
35	26	27	28	29	30	31	

Wk	SU	MO	TU	WE	TH	FR	SA
35	30						1
36	2	3	4	5	6	7	8
37	9	10	11	12	13	14	15
38	16	17	18	19	20	21	22
39	23	24	25	26	27	28	29

- The access of foreign capital was made easier.
- Access to foreign technology was made easier.
- Many restrictions on imports were removed.
- Many reforms were made in the field of banking interest rate, capital market interest rate.

The new Economic Policy opened free flow of foreign investment and thus Multi-national co-operations participated in our economy. It ensured high quality good and generated a competition among industries. The new Economic policy also lead to modernization and arrival of new technology.

There were some negative impacts too. The multi-nationals were taking over Indian small companies, which were forced to close down. As a result Scams, Corruption, and undesirable practices were increasing. The rate of unemployment were also increasing. Hence The New Economic Policy is a mixed blessing for our country.

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SEPTEMBER 2018								OCTOBER 2018							
Wk	SU	MO	TU	WE	TH	FR	SA	Wk	SU	MO	TU	WE	TH	FR	SA
35	30						1	40	1	2	3	4	5	6	
36	2	3	4	5	6	7	8	41	7	8	9	10	11	12	13
37	9	10	11	12	13	14	15	42	14	15	16	17	18	19	20
38	16	17	18	19	20	21	22	43	21	22	23	24	25	26	27
39	23	24	25	26	27	28	29	44	28	29	30	31			