Augmenting Ease of Living in India:
A Critique of Union Budget 2020-21

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ABSTRACT
This article provides a razor-sharp analysis of the union budget 2020-21. Indeed, the union budget of India for the fiscal year 2020-21 is path-breaking in many ways. More than complicated fiscal issues, it focuses on promoting ease of living and social sector reforms without losing the sight on fiscal prudence and steady economic growth. The budget offers a slew of short-term, medium-term and long-term measures aimed at augmenting ease of living and bringing Indian economy back on the track. This budget has given due consideration to the farm sector, potable water, solar energy, healthcare, infrastructure, education, railways and above all, social security. Nevertheless, the government has consistently failed to implement the welfare schemes adequately and often underspent the funds in the past years. As a result, poverty remains a nation-wide problem without any holistic solution. It will be worthwhile to watch how the benefits of union budget unfold and touch the lives of all the stakeholders in a meaningful manner under the current dispensation.

Keywords: Ease of Living, Union Budget, FY 2020-21, India

INTRODUCTION
Union Budget of India for the fiscal year 2020-21 is path-breaking in many ways. More than complicated fiscal issues, it focuses on promoting ease of living and social sector reforms without losing the sight on fiscal prudence and steady economic growth. The budget offers a slew of short-term, medium-term and long-term measures aimed at augmenting ease of living and bringing Indian economy back on the track. This budget has given due consideration to the farm sector, potable water, solar energy, healthcare, infrastructure, education, railways and above all, social security.

There are four building blocks of Union budget 2020-21:
- Seamless delivery of services through Digital Governance;
- Improvement in physical quality of life through the National Infrastructure Pipeline;
- Risk mitigation through Disaster Resilience;

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• Social security through Pension and Insurance penetration.

Further, the union budget 2020-21 is imbued with three prominent leitmotifs which are likely to revitalize the economy of the country and give an appropriate fillip to ease of living:

• Aspirational India in which all sections of the society seek better standards of living, with access to health, education and better jobs;
• Economic development for all, indicated in the Prime Minister’s exhortation of ‘Sabka Saath, Sabka Vikas, Sabka Vishwas’;
• Caring Society that is both humane and compassionate, where Antyodaya is an article of faith.

True to the spirit of augmenting ease of living and strengthening the economy of the country, the union budget provides for agriculture credit to the tune of INR 15 lakh crore coupled with ambitious schemes such as Kisan Rail and Krishi Udaan to put a national cold supply chain facility in place. It is undoubtedly going to prove a game-changer in the overturning the proverbial distress in the farm sector. Another initiative to empower the farmers financially is PM-KUSUM by enabling them to set up 20 lakh standalone solar pumps. The government is committed to spending about INR 2.83 lakh crore on agriculture, rural development, irrigation, etc. so that the income of the farmers can be doubled in a couple of years. Besides, the government is also serious about promoting fishery through Sagar Mitra scheme and Fish Farmer Producer Organisations. No less is the commitment of the government to promote dairy, horticulture and animal husbandry. If all the schemes aimed at expanding the livelihood opportunities in rural India and increasing income levels of the farmers are appropriately implemented, the results would be phenomenal in terms of prosperity at the bottom of the pyramid in Indian social milieu.

Infrastructure development is crucial for revitalizing the economy of the country. The government of India has committed to spending INR 100 Lakh Crore over the next five year. Thrust areas for infrastructure development include pipelines, national gas grid, highways, expressways, economic corridors, coastal and land port roads, railway electrification, redevelopment of railway stations, development of new airports, development of power renewal energy sector, etc. Infusion of considerable investments in infrastructure development is most likely to usher economic growth coupled with employment generation. Infrastructure development will not only infuse a fresh lease of life in the economy but also contribute profusely towards augmenting ease of living. Defining focus on infrastructure development in the union budget 2020-21 is likely to push India towards the road to the prosperity of the citizens, communities, entrepreneurs and the corporate world.

Due importance has been accorded to health and wellness in the union budget 2020-21 to foster ease of living and ensure economic development. The budget provides for the liberal allocation of INR 69000 crore to boost PM Jan Arogya Yojana (PMJAY) to help the poor in tier 2 and tier 3 cities during morbidity at 20000 empanelled hospitals. The union budget also looks at setting up hospitals under Public Private Partnership mode in aspirational districts, using machine learning and artificial intelligence as part of the Ayushman Bharat scheme. Expansion of Jan Aushadhi Kendras in all the districts of the country is yet another ambitious plan of the government as reflected in the union budget 2020-21. If all the programs envisaged in the union budget 2020-21 are adequately implemented, the country will surge ahead in pursuits of wealth with healthy communities of people.
Focus on sanitation, and potable water in the union budget 2020-21 in many ways support the condescending goal of the government to ensure health and wellness to all the citizens. The government has made a fresh commitment of INR 12300 crore in the union budget 2020-21 to strengthen further and expand Swachh Bharat Mission which is 28% more than the allocation made during the last fiscal year\(^4\). This fund is likely to be used to reinforce Open Defecation Free (ODF) behaviour which resulted from the construction of toilets in the households of the low-income families across the country. ODF behaviour has reduced the incidence of morbidity among the poor in the country to a great extent. Lack of potable water has been a significant pain point in thousands of villages, and people often get sick after using contaminated water. The government has unfolded Jal Jeevan Mission—a determined programme to provide potable piped water to every household with an over-the-top allocation of 11,500 crores.

The government has shown its commitment towards building an empowered inclusive society by allocating INR 85000 crore towards the welfare of the Scheduled Castes and Other Backward Classes and INR 53,700 crore for the Scheduled Tribes in the union budget 2020-21. Hence, the people who live on the margins of the society may expect a windfall from the current allocation of funds for their welfare. Moreover, the government has also allocated INR 28600 crore for women’s development and INR 35600 crore for programs aimed at augmenting nutrition among the poor communities. These programmes are also likely to enhance ease of living, especially for those who are cursed to live in abject poverty at the bottom of the pyramid.

**Critique**

While the government has unfolded several ambitious plans to reduce the perennial stress in the farm sector, there is no long term remedy of the farm sector woes which have turned worse in the recent times in the wake of an enormous economic slowdown. Farm sector needs reforms aimed at the long term and sustained improvement in the livelihoods and income levels of the farmers and landless peasants and not the quick fixes which may appear quite appealing but fizzle out in no time\(^5\). It is true that the government often makes lofty announcements concerning allocation on social benefit programmes in order to create a larger than life humane image but fails miserably when it comes to spending the money. For example, the government underspent ₹75,532 crores on budgeted food subsidy\(^6\). At a time when consumption expenditure data and reports by newspapers, including this one, have documented the decline in food expenditure, cutting down food subsidy to the poor in two consecutive years is not just bad for rural demand, but for nutritional outcomes too—more so at a time when food inflation is close to 14%\(^7\).

The union budget may appear pro-poor and well-aligned to the pressing needs of the farmers. However, in reality, farmers may continue to live at the receiving end. In fact, the government failed in terms of spending allocated funds on irrigation, food security, agriculture, fertilizer subsidies, etc. has adversely affected poverty eradication move of the state. Furthermore, this is a recurrent issue. Even the state governments often fail to spend the money allocated by the centre to them for implementing centrally-funded welfare schemes. It only perpetuates the vicious cycle of poverty despite the right intentions of the government.

Further, the government has proposed INR 8689 crore cut in fertilizer subsidy in the union budget 2020-21, which is also likely to raise the input costs of the farmers and put them in a precarious situation. At a time when the farm sector is in a crisis, the cutback in spending and reduction in fertilizer subsidy may only aggravate the agrarian distress\(^8\). The budget not only fails to live up to its
rhetoric of India realizing its growth potential and but it also fails to live up to the promise of providing sab ka saath, sab ka vikas, with the burden of adjustment falling on the poor and the farmers\textsuperscript{9}.

**Conclusion**

The union budget 2020-21 has resolutely focused on improving the ease and quality of life for all, with the underlying objective of achieving a consumption-led growth, especially the 16-point action plan and the ₹2.83 trillion outlays focused on agriculture, and allied activities are likely to bolster rural infrastructure, increase farmers’ produce realisation and drive rural consumption\textsuperscript{10}. Further, the announcements and initiatives for increasing rural income, skill enhancement across sectors, MSMEs/start-ups growth, job creation and infrastructure development, should increase disposable income, thereby boosting consumption, as well as the economy\textsuperscript{11}. Further, it is reasonably clear now that investment in sanitation is a facilitator for broader economic, health and social gains\textsuperscript{12}. It is laudable that the government has continued its commitment to *Swachh Bharat* Mission in terms of allocation of funds.

The union budget indeed has a clear focus on augmenting ease of living for people of all segments in the society. However, the real challenge is the implementation of the schemes for social welfare, healthcare, infrastructure development, industrial development, agriculture and rural development. Every year the government makes significant allocations for social welfare, but actual spending is alarmingly low. As a result, the poor remain entangled in the vicious cycle of poverty. The then Prime Minister Indira Gandhi gave the first call for eradicating poverty (Garibi Hatao) in 1970. Even after 50 years, the focus of the government remains eradication of poverty. In the last fifty years, there have been scores of social welfare schemes aimed at helping the people living below the poverty line. However, the issue remains unresolved. The most plausible reason appears to implementation failure and underutilization of allocated resources. It is high time that the government ensures proper utilization of allocated resources and implementation of the state-sponsored schemes on the ground in order to augment ease of living in the country.

ENDNOTES


\textsuperscript{2}ibid.

\textsuperscript{3}ibid.


\textsuperscript{7}ibid.

\textsuperscript{8}ibid.

\textsuperscript{9}ibid.