

The Effects of Hike in Prices on People's Lives

(Petrol, Diesel and Essential Commodities)

Our government has been imposing much burden on people since the introduction of New Economic Policy (NEP-1990) with Liberalization, Privatization and Globalization. The BJP rulers are not adhering to the pro-people principles and democratic values incorporated in the constitution. They are enacting several anti-people Acts by passing the bills in the legislature with brute majority and adopt the judiciary to their advantage. Thus they are violating the rights of the people and are pursuing fascist policies.

The BJP government came to power after making many promises in the elections like reduction of prices of essential commodities, wiping out of corruption etc and thus created illusions in the voters. After elections, as the adage goes, 'burning the boat after crossing the river', it conveniently broke its promises. On the other hand it imposed new burdens and is following the footsteps of its predecessors. It is following completely pro-corporate policies and thus exposing its class nature of exploitation.

As a result of these policies, the prices of petrol, diesel and essential commodities are raising without restraint. The people are placed in a horrible situation. Due to poverty several diseases attack the people and they are not in a position to buy medicines or pay the hospital bills for treatment. The peoples' welfare is completely neglected. Though their lives are at a stake, the government is dumb and deaf to their demands for a better life. Prices of essential commodities, such as pulses, oil, spices etc. are constantly rising resulting in increased starvation deaths.

The Central and State governments should provide the petroleum products at an affordable rate by granting subsidy. Instead of giving subsidy they are competing with each other in hiking taxes on them to fill the exchequer. The hike in petroleum products affects the transport charges and they in turn affect the price of essential commodities. So the common man is not in a position to bear these prices. In the previous years the prices of fuel used to be increased once in a year. But now the rise in prices has become a daily practice. In a single month the fuel price is hiked for 20 times. But in the election season of 5 states recently the price of the fuel is not increased for the fear of losing votes. In the past 5 months period petrol and diesel price was hiked to 11% and 14.6% respectively. This amounts to Rs.44

lakhs per one day in one district. This is direct burden but 'the indirect, would be double' according to an analyst.

At present all over India in 15 cities the price of petrol crossed hundred rupees a liter. In the period of last one year the petrol price is increased by Rs.25 per liter. The argument of the central government that the increase in petroleum products is due to the hike in crude oil rates at international level is not correct. This is only a lame excuse to support their policy of increasing taxes. In fact, the prices of the crude oil barrel were 79.14 dollars on May 20th of 2018 and the price of one liter of petrol was Rs.76. Though the crude oil rate is now lower than in 2018 the petrol price is hiked to Rs.100 and above. This fact proves that the government is giving a lame excuse. The fact is the share of taxes by the central and state governments is hiked from 31% to 63% on each liter of petrol.

The hike of price of petroleum products affects several sectors. The expenses in agriculture, industries and service sectors will increase which ultimately lead to a crisis in various sectors. The rates for transport of goods, charges of passengers in the buses will increase. The price of essential commodities like pulses, oil and fats increased consistently for the last four months. The prices of oil and fats are doubled. The price of sun flower oil became Rs.200/-per liter.

Subsidy scheme to cooking gas cylinders was implemented up to 2018 elections. Afterwards it is discontinued. In the month of July 2020 the rate of the gas cylinder was Rs. 645/- and now it is Rs. 861 and above. As corona pandemic spread the rate of the immunity improving spices like ginger, garlic etc. has gone up and the traders started black-marketing. The government did not control them.

To divert the peoples' attention from all these anti-people activities, governments at the Central and State level are deceiving the people with populist schemes. In fact the finances for these schemes are being collected from the very people in the form of newly levied taxes. This is the policy of giving with one hand and taking away with another hand. By increasing the price of alcohol the state is emptying the pockets of people. The exploitation of the private and corporate hospitals and pharmacy companies reached the climax. In 2020-2021 by hiking the prices of alcohol, government collected Rs.17,000 crores. In the medical sector, 70% of the outpatients and 65% of the inpatients are being exploited exorbitantly by the private and corporate hospitals. All these prove that all the free schemes of the government are intended to deceive the people.

Moreover, government is not imposing new taxes on corporates but taxes are being imposed on ordinary people. According to IT department reports the taxes collected from the corporate are much lower than the taxes collected from individuals. For example, a tax of Rs.32 per a liter of diesel is being collected from public transport service in which common people travel and just a tax of Rs.4 per a liter of fuel is collected as tax from aero plane travellers who are naturally rich.

A sum of Rs. 5,45,636/- crores of income is generated by the Central and State governments on petrol products in the year 2018-2019. On the one hand the government is exploiting the people through its direct and indirect taxes. On the other hand the private and corporate forces are exploiting the people in health and education sectors resulting in starvation deaths, suicides etc.

People have to consolidate and agitate against this system of exploitation and fight for their right to live with dignity.