

Growing Economic Crisis in India - Depressed Lives of the Oppressed

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The Covid-19 pandemic has clearly exposed the critical life crisis of the majority. This could manifest the hallucination of development process in all the countries. This miserable development model in Emerging Economies is closely associated with human crisis. The critically desolated lives of majority could remove the illusions of development of many people. The World Inequality Report, 2022 clearly expressed that the strong implementation of Neo - Liberal policies is responsible for the continuation of imperialist exploitation without hindrances. Therefore, it could suggest the abolition of these policies.

Any crisis will become an instrument to raise the wealth of monopoly capital. It will increase exploitation aggressively. Corona crisis is no exception for it. Moreover, our government is formulating new laws, amending existing laws with the aim of augmenting the wealth of billionaires. The central government appreciates the destruction of lives of the majority as 'Sab ka Prayas' to achieve these goals.

Pre - Pandemic Economic Crisis:

The CMIE reports recorded highest level of unemployment rate in 2019. This is the result of the continuation of Job -less growth and its transformation into Job - loss growth for the past two decades. Regular employment became out dated. Casual, contracting and outsourcing employment turned out normal. They have neither security nor rights. The loss of employment has aggressively been increased owing to privatisation of public enterprises, entire transportation sector, mining of coal and other minerals and banks.

The International Labour Organisation has been warning our government for the past decade that majority are forced to work in vulnerable conditions and it is necessary for the government to take measures to improve their working conditions. Despite this prevailing situation the government declares that ours is fast growing economy. Contrarily, the Global Hunger Index, 2021 states that the place of India is 101 out of 116 nations. Moreover, the NSS has been saying for the past several years that the poverty in rural areas will be 83 percent and 57 percent in urban areas owing to the incorporation of chronic energy deficiency of women and abnormality of children due to malnutrition.

The depression started in 2019 with the threatening decline of sales in automobile industry and it could spread to linkage industries shortly resulted in aggressive rise in the fall of employment.

Moreover, agrarian crisis strengthened, farmers suicides increased and continuing. The demise of job opportunities in rural areas is enhancing rural crisis continuously. Adivasis are displaced due to deforestation in the name of development projects. They are thrown out in the name of conservation of forests. Rural people are kicked out owing to Special Economic Zones as well as carbon forests. Migrants are 30 crore and 90 lakhs in number as early as in 2001. The continuation of destructive economic model resulted in the addition of 2 crore 20 lakhs migrants during 2001-11. At the time of Covid-19 pandemic it is estimated that the migrant labour are to the tune of 35 crores.

The living standards of majority deteriorated due to the corporatisation of health, education and transportation sectors. The demonetisation and GST resulted in the closure of MSME sector which is the source of employment to many. In these conditions the minimum wage is just increased to Rs. 178 from Rs. 176 which is below the MGNREGA wage of Rs. 182. For the profits of capitalists, the government rejected the recommendation of Rs.375 minimum wage by Satpat Committee. Consequently, one can notice enormous decline in India's Human Development Index during 2010-21. The Human Development Report, 2021-22 shows that India's global rankings have gone down from 130 in 2020 to 132 in 2021. Our neighbouring countries Bangladesh, Nepal, Bhutan and China are relatively better in this regard. This shows the fallacy of claiming, 'Fast Growing Economy'. The miserable lives of majority shows critical unsustainability of our economy.

As August 15, 2022 is 75th Anniversary of Indian Independence which is declared as an event of "Azadi Ka Amrit Mahotsav" which has to be celebrated by hoisting National flag on each and every house. This is pushed as an indication of patriotism. The challenge is what is done by the government to solve life and death issue of majority. The government openly declared its goal in 2019-20 Central budget. The supply chain incentivisation is necessary as wealth is created by corporate forces. The main aim is to achieve \$ 5 trillion or Rs. 400 lakh crores worth Indian economy by 2024 -25. Further, the present 959 billionaires will be increased by 3 times. Thus, its goal is to raise the affluence of billionaires as well as their number. Always, the hunger issue of oppressed prevails anyhow. It should be ignored because it is important that our Ambanis and Adanis should get a place in global billionaires' list. The government is seriously committed to this goal. Therefore, severe efforts are made to amend laws so as to transfer entire wealth of our nation including natural resources and labour power to monopoly capital. It needs the victimisation of lives of majority. No option.

Effect of Covid-19:

The sudden declaration of lockdown in March 2020 with just 4 hours advance warning, the lives of as high as 35 crore migrant labour who possess neither job security nor guarantee to get job work everyday became insecure. No owner has taken any responsibility of them. This trend has been established and strengthened for the last two decades. The migrants and their families have no option except to go back to their native villages on foot hundreds of miles including old, children, pregnant women and patients. On their way home, the people and mass organisations protected and provided them food and water. The entire world stunned at this pitiable situation. The government declared in parliament that it did not notice it. This clearly shows that the government rejects to look into the critical life conditions of the majority which itself is a serious tragedy.

In the initial phase, the government hospitals alone provided treatment to Covid patients with scant resources and manpower. Later on, the pandemic, which has no treatment, has been transformed into a powerful commercial and could charge lakhs of rupees. Consequently, even middle class people trapped into poverty. Everyone witnessed it.

As high as 189 million casual labour lost their jobs. As many as 400 million jobs in informal sector fell in danger. MSME units are closed. The employees and workers who work in educational institutions and allied activities were thrown to the streets. Teachers sold vegetables for their livelihood. Some engineering college teachers are forced to commit suicide. The burden of loss of employment is seriously high on women as shown by Azim Premji and other studies. This raised the burden of domestic work as well as domestic violence. The status of women deteriorated to 135 years back. As many as 35-65 percent people trapped into poverty additionally due to Covid pandemic. The World Inequality Report, 2022 states that hunger issue is raised by 82 percent when compared to 2019. How much time it requires to reach to pre pandemic crisis situation by common people has not been estimated by anyone. Contrarily, the powerful corporate forces are revived in 5 months. Their expertise to transform crisis into wealth strengthened excessively. One can see the unrestrained foreign tours in private jets and space tourism started. Therefore, UN General Secretary Antonio Guterres states that it is false to say that we all are travelling in the same boat. A few are travelling in luxurious super yachts but many are suffering in debris. This is proved by corona pandemic. In fact, this is the fundamental feature of capitalist exploitative system.

Atma Nirbhar Bharat Abhiyan (ANBA):

This program consists of Rs. 20 lakh 97 thousand crores package declared by the Central government on May 12, 2020. It failed to mention the issue of revival of employment and their safety, strengthening of public health and education systems. The package declares that white ration card holders will get @ 5 kg rice and 1 kg pulses per month freely

for 3 months while migrants who did not possess white ration card will be given same ration for 2 months. With this, its responsibility towards the poor ended. The MGNREGA wage is increased from Rs. 182 to Rs. 202. But its failure to provide statutory 100 days work per year is criticised by many. As the process of development failed to provide decent employment to all resulted in the initiation of 'food for work' programme in 1975 as a temporary measure. The aggressive rise in the distortion made the programmes permanent. They became powerful instruments for the mainstream political parties to come to power.

Recently, the government informed the parliament that for the last 5 years as many as 5 lakh companies are closed which resulted in the loss of jobs to lakhs of people. This clearly indicates the status of small and the tiny units and the intensity of unemployment issue. The ANBA changed the definition of MSME to include the units which possess Rs. 50 crore investment in plant and machinery and the annual turnover to the extent of Rs. 250 crores. Consequently, lower layer of corporate forces will become part and parcel of MSME sector and appropriate all the benefits extended by the government to this sector. This leads to the closure of real small units.

On the name of Supply - chain incentivisation, the tax concessions given to corporate forces during 2014-19 is to the tune of Rs. 5.76 lakh crores. In addition, Rs. 5 lakh crores bank loans are written - off. It is to be noted that during corona lock down period, Rs 68,000 crore loans of giants like Vijay Malya, Ramdev Baba etc are written off.

The last part of ANBA removes the criminal parts of the company law. Now, the corporates are free to commit company crimes freely. By 2021, as many as 25,000 laws are removed, 1486 Central laws are abolished and liberalised all the laws related to environmental protection. Further, the Central Budget 2022 -23 proposed to amend the laws for easy exit of MNCs. In addition to privatisation of Public Sector Undertakings, the 4th part of ANBA states that it will remove the government monopoly in coal mining, propose to auction 500 blocks of valuable minerals of aluminum and bauxite and would like to raise the FDI share in defence from 49 percent to 74 percent through automatic route. Further, corporates are permitted to use our space and ISRO should work with private corporate sector. Thus, ANBA proposes the privatisation of coal mines, minerals, defence, Airways and Space power distribution and Nuclear energy etc. Thus, the transfer of our entire wealth to monopoly capital has been accelerated with ANBA on the name of self - reliance.

Later on, what is done by the Government?

It is a fact that the villages and agriculture sector despite their critical crisis could provide food and protected the lives of crores of migrants and their families who came back to their native villages owing to lock down. The wonderful power of cultivatable land again accelerated the cruel desire of corporate forces to appropriate its ownership. Moreover, our government is ready with needed measures. Immediately, the ordinance

related to the formulation of Black Farm Laws is issued in June 2020. It is seriously protested by the farmers of Punjab, Haryana and Uttar Pradesh. Despite their outcry, the related laws were passed by the parliament in September 2020 and the President of India signed it on December 6, 2020.

This results in the demise of Regulated Markets and Minimum Support Prices though they are inefficient and insufficient, they are useful to the farmers to some extent. The slogan "One Nation, One Market" applies to whom? The small marginal and tenant farmers constitute 80 percent of farmers. They cannot go even to the nearest towns to sell their produce. Will the Telangana farmers go to Madhya Pradesh, Uttar Pradesh or Delhi? This along with no MSP provides opportunity to corporate forces to purchase agriculture produce as cheap as possible. Laws are amended to ensure storage of food grains. In fact, in 2005, Rs. 700 crores loan was granted to Adani and permitted to enter into the construction of godowns. With this, they have constructed godowns to store 8.75 lakh metric tons in 7 states and additionally 4 lakh metric tons food grains. To sell the stored food grains in 2005, the law passed for the entry of monopoly capital into retail trade. Nestle, Monsanto, Pepsi, ITC, Reliance, Tata, Adani, Mahindra, Rallies, HL etc Giant corporates already strengthened in food processing sector. RBI estimates that the rate of profit in this sector is as high as 140 percent.

The Contract Farming Law has been formulated to alienate farmer from his own arable land. Infact, in the entire agriculture activity the farmer owns only land. The government is forced to declare the abolition of Black farm laws, but their implementation is taking place in various forms.

Tax Burden on Common People, Tax Concession to Corporate Giants:

The common people are forced to pay taxes despite their suffering from hunger as the concept of government is that the 'Nation means not the people but billionaires'. The oppressed with their miserable lives are expected to admire the rich who acquired the place in the list of global billionaires. The GST, as a regressive tax imposes heavy burden on common people. Its percentage is more on essentials and less on diamonds purchased by wealthy. The prices of petrol, diesel and cooking gas have been increasing hundreds of times. The rise is not related to international prices or crude oil prices. They are essential goods for many because even to sell onions or ginger in the streets, the vendors need a vehicle and petrol or diesel for that vehicle. For their minimum sustenance, they purchase despite the high prices. Similarly, cooking gas is main means to cook the food. The budget speech admires 67 percent higher collection of GST revenue but fails to understand that they are the payments of hunger shouts of majority. The FM, further states that the payments indicate 'Sab ka Prayas' and this trend will continue throughout the Amrit Kaal clearly states that future days of the majority will be critical.

Concessions to Monopoly Capital on the name of Supply - Chain Incentivisation:

India has global minimum corporate tax. For example, in 2020, that tax rate is low for the units whose annual profits exceed Rs 500 crores. While, the tax rate is high on the units whose annual profits are less than Rs 10 crores. The central budget clearly shows that the government will search for various ways and means to extend concessions. The government proudly announced that it could identify a strategic partner for Neelanchal Ispat Nigam Limited and could transfer Air India to private. The government initiated the privatisation process in LIC which possess Rs 36 lakh crore property, 40 crore policy holders and paid Rs. 30 crore dividend to government. NITI Aayog pressures for the speedy privatisation of PSUs. Nation/people's wealth should be handed over to monopoly capital urgently. As a result, private wealth to Gross Domestic Product increased from 290 percent in 1982 to 560 percent in 2020.

The inequalities in the distribution of income and wealth intensified. Our billionaires who got place in the list of global billionaires could earn income during the two year period of covid pandemic is Rs 10,400 crore per day i.e. Rs 1 lakh 20 thousand per second. IIFL Wealth Hurun India Rich List states that on August 2022, India has 1,103 billionaires whose individual property is more than Rs 1000 crore. Their property jointly is Rs 100 lakh crores. On the other, the issue of starvation of many is intensified. There is a direct relation between the rise in the poverty and hunger of many and rise in the profits of corporate forces.

Innovative Methods to Handover our National Wealth to Monopoly Capital:

Asset - monetisation programme is announced on August 23, 2021 by Central government to lease out infrastructure to monopoly capital. This is praised as an innovation. In fact, the basis emerged for this with the establishment of Infrastructure Investment Trust in 2014. Theoretical basis developed with the recommendation for asset - monetisation by Kelkar Committee in 2015. Further, Real Estate Investment Trust came out in 2019. The aim of both trusts is to mobilise funds to take infrastructure for lease. They could mobilise Rs 80,000 crores by July 2021. These trusts are exempted from capital gain tax and they have insolvency option. The government's aim is to provide safety and profit guarantee to the trusts. In fact, the lease process started in 2006 on the name of Operate - Maintain - Develop with which Delhi, Mumbai Airports are leased out for 30 years. During 2021-25, the government wanted to identify attractive infrastructure assets urgently and to earn Rs 6 lakh crore by lease out for 30 years.

The government will build green - field infrastructure by taking loans. Then they become brown -field infrastructure to rent them to monopoly capital. The aim of National Infrastructure Pipeline is to build Rs 111 lakh crore worth infrastructure during 2019-25. This is part and parcel of suggestion made by Global Infra Outlook -2017 which states that during 2016-40, Rs 800 lakh crore worth global level infrastructure should be constructed. Out of

which, the share of India is 50 percent. Thus, asset – monetisation programme started. The infrastructure to be leased out consists of Roads, Power generation, Transmission, Airports, ports, Telecom Towers, Railway Stations, Tracks, Natural gas pipelines, Petroleum pipelines, Godowns, Sports Stadium etc. In addition, it is identified that Central government possess the land to the extent of 15,531 square kilometer in 72 parcels. Out of which, one third is remained idle and this will be leased out. The government also identifying common land in rural areas with drones. In future, we will not have any common property resources in the form of land, forests, mineral resources and entire environment. The sustenance of people depends on retail vending on roads, railway platforms and trains. What will happen to their lives? Their squalor will be intensified seriously. Transferring national wealth to monopoly capital will raise public debt and therefore its ratio to Gross Domestic Product is 61.7 percent.

Declining Value of our Currency – Burden on Common People:

The exchange rate of our currency in terms of USD is declining continuously. Our payments to many countries will be in US dollars only. Which raises the burden of payments. Inelastic demand is the nature of our exports. As a result, fall in the price will not raise their demand. Further, for same amount of dollars, we have to give more goods. This intensifies labour exploitation. Similarly, our imports also inelastic. The rise in their price will not reduce their demand. Thus, decline in the exchange rate of our rupee on the one hand increases labour exploitation and on the other, aggravates the problem of inflation. The lives of majority will become further critical.

Moreover, the deficit in the Current Account of Balance of Payments will grow forever. The World Bank pressurise to adopt export – oriented approach as a solution. This, in fact, aggravates the problem further. Further, to attract FDI and retain them our government will give further concessions and incentives. Always, our economy will be in the grip of monopoly capital. In addition, our government states that our youth should learn the skills required by monopoly capital in other countries. This negates the perception of our skills for our needs.

In fact, no emerging economy has any power to control exchange rate, prices, foreign debt and FDI. The share of US dollar in global trade is 80 percent, in reserves 65 percent, in forex business 90 percent. It's demand will rise continuously and 65 percent of USD supply is circulated in other countries. Therefore, it is global currency.

US can print any amount of dollars by saying IOU and raise military expenditure and military products. It can create wars, war – fears and impose sanctions. It will extend loans to corporates at zero interest rate. IMF and IBRD are in its control. It will give loans to emerging economies and throws them into debt trap. US interest rate will decide flow of Foreign Investment in our country. If they raise interest rate Foreign Investment will leave

our country. It causes serious negative impact on our economy. To retain them, further concessions and incentives which intensifies exploitation of labour and environment.

Our speculation market is highly volatile owing to uncertainty of Foreign portfolio investment. Major part of our domestic saving will be in these markets which cause serious impact on common people. All will purchase US deposits. Moreover, FDI always purchase existing industrial/ business units and it will not lead to the establishment of new industries. Our domestic investment will be crowded out. Our system is dictated by Finance Capital. Our currency exchange rate will never rise. Ours will be dependent economy perfectly.

The imperialism is the highest stage of capitalism. Its enhancement results in the domination of Finance Capital. This trend has been explained by Lenin in his book in 1916. C.T. Kurian observes that by 1990, as high as 90 percent of financial transactions are not related to goods and services. Therefore, the value of global forex market value in 2021 is as high as Rs 1920 crores of lakhs of crores.

The monster Leviathan shaped Finance Capital, continuing imperialist exploitation, support extended by the governments with Neo-Liberal Policies results in the negation of lives of majority in all the emerging economies including India. The process of exploitation should be negated - the dialectical principle of "Negation of Negation". The revolutionary forces should build powerful movements for the decent lives of all. The exploitative system should be ended. The route is critical but no any shortcut and alternative.