Central Budget 2023-24 as a Continuation of the Transfer of Entire Nations Wealth to Monopoly Capital - *Prof. Thota Jyothi Rani*

Rs. 45,03,097 crore Central Budget 2023-24 has been submitted by the Finance Minister, Nirmala Seetharaman to Parliament on February 1, 2023. To make Indian economy as a prosperous and inclusive are its aim. It is stated to be first budget in the Amrit Kaal and its basis is last year's budget. The budget speech states that due to the aggressive implementation of economic reforms for the last 9 years resulted in the fast movement from the 10^{th} to 5^{th} largest economy in the globe. Moreover, without mentioning about the steep growing economic inequalities, she simply stated that the per capita income is doubled during this period. The Economic Survey, 2022 also gives same statement, as it is totally forgotten the people's perspective. Manipulation of realities through number jugglery and explaining it with the usage of economic terminology reached its peak now.

The present government has clearly been revealing the meaning of prosperous and strong economy since beginning. As corporate forces are the real creators of wealth, they are to be strengthened. The number of billionaires as well as their wealth should be increased so as to achieve the goal of $ 5 trillion of Indian economy by 2025. However, this requires the transfer of entire wealth of nation to corporate forces/ monopoly capital. This process results in the excessive inequalities in the distribution of income and wealth. The corporatisation of all the structures of Indian economy along with privatiation of public sector undertakings resulting in the job loss growth. Consequently, the majority of people forced to work in seriously vulnerable conditions for extremely low wages. This process of making Indian economy prosperous is closely associated with the destruction of lives of majority. Therefore, the budget speech says that this is possible only with the 'Sabka Prayas'. This indicates that the majority people should bear their critical lives happily by looking at the growth in the number of billionaires, their wealth and their unimaginable luxurious lives as well as our place in global billionaires.

The Central Budget has already been exceeded the purview of 'Pro-corporate and Anti-people'. The Central Budget proposes various measures to transfer the entire wealth of nation to corporate forces as quickly as possible, for which it is ready to victimise the lives of majority. The Hindenburg report has clearly shown that under the Comprador bourgeoisie government's policies and the Modi's economic model, the wealth of Gowtam Adani's group increased from $ 8 billions to $ 137 billions and he could accumulate as high as $ 72 billion in 2022 alone which is more than the combined wealth accumulated by remaining 9 billionaires.

The Adani group controls as many as 12 ports which account for the movement of 30 percent of India's freight, 7 Airports that handle 23 percent of India's airlines passengers and warehouses which collectively hold as high as 30 percent of India's food grain. Moreover, it owns and operates power plants that are the biggest generators of the India's private electricity and owns coal mines also. This is a clear example that shows the process of transferring nations wealth to monopoly capital.

The Budget speech says that the present budget is the first budget in Amrit Kaal and it is based on past year's budget. What does it mean? The World Inequality Report, 2022 and Oxfam's Inequality Kills Report, 2021 clearly stated that the corona pandemic exposed the critical lives of majority which is due to the implementation of neo - liberal policies. The IMF and World Bank forced to pretend that these policies are to be abolished. Contrarily, the last central budget is formulated under the framework of neo - liberal policies and stated that it will be continued in the entire Amrit Kaal period. This clearly indicates that the central budgets till @ 100 will implement policies that throws majority into critical lives. Therefore, the present budget should be examined from this perspective only.

Central Budget 2023 -24:

The public expenditure in the present budget is to the tune of Rs. 45 lakh crores public receipts other than borrowings are Rs. 27.2 lakh crores. Net tax revenue is Rs. 23.3 lakh crores. Rs. 51,000 is the target for Disinvestment. The difference between public expenditure and public revenue is called as Fiscal Deficit. This will be covered through borrowings.

The direct taxes will be based on income and wealth. Therefore, the tax burden will fall on wealthy sections while indirect tax as like Goods and Services Tax (GST) will be imposed on the purchase of goods and services. Therefore, the tax burden will fall heavily on common people. The gain in the tax revenue due to new tax proposals is Rs 3000 crores but loss in the revenue is to the tune of Rs. 38,000 crores. The loss in the revenue from direct tax is as high as Rs. 37,000 crores while it is only Rs. 1000 crores from indirect taxes. This clearly shows that the new tax proposals favour wealthy.

Indirect Taxes:

In order to encourage exports, domestic manufacturing sector and green energy, it is proposed to liberalise the structures of customs duty. Further, the number of basic customs duty on goods other than textiles and agriculture reduced from 21 to 13. However, it is a proved reality that decreased prices will not raise exports. Further, the continuous depreciation of Indian currency in relation to US dollar resulted in the low prices of our exports. In these conditions, reduction on customs duty, simply accentuates our imports enormously. For example, lithium ion cells for batteries used in electronic vehicles are exempted from customs duty to encourage their exports. But, the key equipment for battery cell manufacturing is imported and its share is as high as 65 to 75 percent of the total cost. Thus, the reduction in customs duty decreases the tax receipts of government. However, it encourages the foreign monopoly capital. Further, for whose benefit, they have decreased the customs duty on gold, platinum and aeroplanes?

The public revenue through indirect taxes is expected to be Rs. 15,29,200 crores. Out of which, GST yields as high as Rs.9,56,000 crores. This indicates the share of GST in total revenue from indirect taxes is to the extent of 63 percent which is paid by the common people despite their loss of livelihood and revenue and forced to work in more vulnerable conditions for less wage. They are compelled to pay GST as they with purchase goods and services which are necessary for their survival. The budget as well as the economic survey are so cruel to say that the GST is highly reliable as its revenue is stable and sustainable. To increase the wealth of corporate forces, the world of workers should pay the taxes that is Sabka Prayas!

Direct Taxes:

The tax concessions and incentives proposed for the benefit of corporate forces in the last budget will be continued. To avail the benefit of presumptive tax under section 44 AD, 44 ADA, 44 AEAE, the turnover limit of MSMES increased from Rs. 2 crore to Rs. 3 crore per annum and the annual income of certain professionals raised from Rs. 50 lakhs to Rs. 75 lakhs. On the one hand, more and more people are trapped into poverty but the tax benefit is extended to high turnover units and high income professionals.

For startups, the 100 percent income tax benefit is extended from 31, March 2023 to 31, March 2024 and provided the benefit of carry forward of losses on change of shareholdings of startups from 7 years of incorporation to 10 years.

For better targeting of tax concessions and exemptions deduction from capital gains on investment in residential house has been capped at Rs 10 crore for the benefit of real estate investors under section 54 and 54F.

The tax benefits to the funds moved to IFSC, GIFT City have been extended till 31, March 2025.

Another budget proposal is decriminalisation under section 276A of the income tax act. Further, the conversion of gold into electronic gold receipt and vice versa has not been treated as capital gain.

The present budget clearly manifests the tax concessions and incentives given to corporate forces.

However, the budget says that in order to raise consumption of middle class, employees, pensioners so as to increase sales, the budget has reduced income tax slabs from 7 to 5. Several studies proved that income tax payments will be low in old slabs. The surcharge rate for highest income group has been reduced from 37 percent to 27 percent in the new regime. As a result, the highest income tax is decreased to 39 percent from 42.74 percent. Thus, the benefit of income tax reduction goes to highest income group.

Budget Allocations -

Majority People:

The budget allocations are reduced for the features that are more beneficial to common people. On the one hand, the Global Hunger Index shows the pitiable status of India and the National Family Health Survey reveals the deficiency of nutritious food for women and children. Despite this pathetic conditions, the present budget decreased the allocations to Food and Public Distribution System to the extent of 30.6 percent. Similarly, the reduction on the allocations to rural development is 21.6 percent and 12.3 percent for agriculture and farmers' welfare when compared to the allocations made in last budget.

The program MGNREGA is a temporary support to the rural poor who are living in miserable conditions due to non-availability of livelihoods. The allocations in the budget estimates of 2022-23 budget is Rs. 98,468 crores but it is reduced to Rs. 89,400 crores in the Revised Estimates. It is drastically reduced to Rs. 60,000 crores in the present budget is really a cruel fact. Further, the Pradhan Mantri Awas Yojana which aims at providity affordable housing to the urban poor is allocated insufficient amount of Rs. 79,590 crores. Moreover, the allocations to PM Kisan Samman Yojana is reduced to Rs. 60,000 crores.

Subsidies:

These are, in facts for the benefit of majority people. In the present budget, the allocations to subsidies is Rs. 4,03,084 crores which is 28.3 percent less when compared to revised estimates of 2022-23 budget. The allocations to Food Subsidy is Rs. 1,97,350 crores which is 31.3 percent less when compared to revised estimates of 2022-23 budget. Under PM Garib Kalyan Anna Yojana, during Covid period, started giving additional food grains to eligible beneficiaries has been discontinued in December, 2022. Similarly, the reduction in the fertilizer subsidy is to the tune of 22.3 percent while it is 30 percent in other subsidies consisting of interest subsidy, subsidy for price support scheme for agriculture produce etc. The reduction in petroleum subsidy is as high as 75.4 percent.

For the past 9 years, no central budget proposes as to the generation of decent employment to all, to strengthen public health system and public education system so as to ensure the accessibility of health and education as a fundamental right. Moreover, it is a shame on the part of ruling class to claim provision of toilets to 11 crore households, cooking gas connections to 9.6 crore households, Covid vaccination as the indicators of Inclusive Growth. The budget says that it will extend financial support to the poor who are in jails due to their inability to pay the penalty. Will it not indicate the seriousness of miserable conditions of many?

Importance of Green Growth:

The proposal to construct 50 airports, 100 critical projects to develop last mile connectivity for sectors such as coal, ports is beneficial to the monopoly capital and harmful to the green growth. The National Climate Change Action Plan, National Adaptation

Plan, National Mission on Himalayan Studies are related to environmental protection did not receive any allocations in the present budget. In fact, all the decisions taken for ease of doing business are opposite to green growth 'Climate Resistant Agriculture Initiate' is a Central Government programme for the welfare of the farmers did not receive any allocations.

In order to achieve the aim of zero -carbon emissions by 2070, the National Green Hydrogen Mission is established recently with the outlay of Rs. 19,700 crores. The goal is to reduce the dependence on fossil fuels. The present budget allocates Rs. 35,000 crores for Green Energy. Contrarily, Rs. 9410 crores is allocated to Nuclear Power Corporation of India Limited to raise the production of Nuclear energy which has already been proved to be harmful to the people as well as environment. It is a serious contradiction.

For the green growth, it is decided to scrap all the old vehicles of Central Government and will extend state governments support in this aspect.

Budget Allocations -

Monopoly Capital:

It is stated, that it is necessary to raise the ease of doing business for unleashing potential. For this purpose, as many as 39,000 compliances are reduced and more than 3400 legal provisions are decriminalised. For Trust Based Governance Jan Vishwas Bill is introduced to amend 42 Central Acts. The government believes that Trust Based Governance is possible with the transfer of assets to monopoly capital. Vivad Se Vishwas 2 is settle contractual disputes of government and government undertakings to raise the ease of doing business.

The present budget proposes incentives for the advances in Food Infrastructure, Research, Development and Innovations. The budget proposes to change 'Indian Institute of Millet Research, Hyderabad' as 'Centre of Excellence'. This will encourage to create new brands of millets. This will accelerate the growth of leading large companies in Fast Moving Consumer Goods-FMCG products like Dabur, PepsiCo, Marie, Godrej consumer, Mars, Wipro enterprises, Parle. The budget allocations Rs. 281.45 crores for relevant patents, designs and trademarks. The millet - hub which is declared to raise nutritional standard of people ultimately results in the denial of millets to majority as they are now in the control of monopoly capital with brand name and patents.

For the last 3 years, heavy capital investment allocations are made towards infrastructure under National Infrastructure Pipeline. Capital investment outlay is increased steeply for the third year by 33 percent to Rs 10 lakh crore. This is 3.3 percent of Gross Domestic Product and 3 times higher when compared to 2019-20 outlay. In order to support State governments on this regard, 50 years interest free loans to States is extended to one more year with an enhanced outlay of Rs. 1.3 lakh crore. The budget says that these capital investment allocations will stimulate private investment with multiplier effect. The Economic

Survey states that this will enhance the credit base of public sector financial institutions. Thus, public investment in infrastructure is stated to be powerful tool to accelerate growth.

Under this programme, 50 ports, airports and Heliports will be constructed for the connectivity with rural areas. This will enhance the customer base of businesses. The budget also states that 100 critical transport infrastructure projects are identified for the first and last mile connectivity for ports, coal, steel, fertilizer, food grains sector. To attract private investment, it is proposed to establish 'Infrastructure Finance Secretariat'. The entire programme is based on National Infrastructure Pipeline, Make in India and Production Linked Incentive Scheme. Without changing the forms of public good, they will be given to monopoly capital on lease for the purpose best management. Thus, the greenfield infrastructure projects constructed by the government will be handed over to monopoly capital on lease for 30 to 50 years.

The programme of leasing out public assets to monopoly capital is continuing for the last two decades. In September, 2021 the present government announced 'Asset Monetization Programme' to lease out all the public assets of infrastructure.

Though the government claimed it as an innovative programme, it is a process of transferring people's wealth to monopoly capital. The government will mobilise funds to construct green field infrastructure through borrowings and by imposing taxes on people. Once they are constructed they will become brownfield Infrastructure for ready to use.

They will be transferred to monopoly capital on lease to make profits. To pay the lease amount, the corporate forces will take loose from public sector financial institutions. Shortly, they will become bad debts. In order to clean the balance sheets of the financial institutions, the government asks them to write - off the bad loans. But the public assets are in the control of monopoly capital. Though the government says the form of public asset i.e. its ownership will not change under asset - monetisation programme, its nature changes radically. It will become for profit commercial commodity. As a result, equal access to all will disappear.

Public assets are people's wealth. Once they are transferred to monopoly capital on lease it will not remain as public good but will become a commercial commodity for the profits of monopoly capital. In fact, the construction of infrastructure projects itself is not from the viewpoint of people's needs especially bottom class but from the viewpoint of expanding business base and its spread for the benefit of monopoly capital.

Conclusion:

The government says that due to the implementation of challenging policies for the past 9 years including present budget India became a fast growing economy. This indicates that the achieving goal of increasing the number of billionaires and their wealth through the transfer to entire Nation's, people's wealth to monopoly capital speedily in various innovative forms. This process will not be smooth. It is closely associated with the destruction of lives of majority. This is 'growth' with Sabka Prayas. This has to be protested seriously to ensure decent and honourable lives, livelihoods to all. For this, strong consolidation of people is warranted to fight against the destruction. The building of scientific and strong movements is possible only with the leadership of revolutionary forces.