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The BJP government says: trust big companies and the rich, they will take care of the people

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We are told that today's budget speech by the BJP government's Finance Minister Nirmala Sitharaman was the longest ever in the history of the republic. The huge volume of words unfortunately adds up to nothing but words. What we have heard today is the Budget Statement (BS2020) from a government that says that it knows how to bankrupt a country but does not know how to improve the situation except by intensifying the crisis. We have seen just how this has worked over the last six years. As the BJP government has reduced the economy to shambles by making more and more concessions for the rich and the private sector it has pushed the economy to shambles increasing misery, distress and destitution amongst the working people.

The BS2020 is longwinded because the BJP believes that if you say something over and over again to people, even if it is a lie, people will believe you. And that is what the BJP government did today. It said over and over again that it trusts companies, the better off and the rich people because they are the only ones, in the BJP's understanding, who can save them from the catastrophe that awaits the economy. Six months ago (September 2019) the BJP government drastically reduced taxes on companies. Now it has drastically reduced taxes especially for those earning above Rs. 750,000 a year and completely done away with the dividend distribution tax. These three tax giveaways will together lose the government Rs. 225,000 crores in tax revenue next year. This is over and above the loss of Rs. 290,385 crores of taxes (nearly 15% of the total expected tax revenues for the year) that government failed to collect in the past year because of the sharp decline in economic activity.

For weeks in the run up to the budget, everyone, neoliberal economists included, was agreed that the government would have to spend in order to prevent the economy from slipping off the abyss. The BJP's commitment to neoliberalism is so deep that it is simply unwilling to spend on job creation in order to lift economic activity despite the greatest employment crisis in five decades which the BJP government has brought upon us. In turn the BJP government would have us believe that big companies and the rich will spend or invest their Rs. 225,000 crore tax giveaway (Rs. 1 out of every Rs 7 of tax revenue) in order to expand economic activity. In turn the BJP government will recover this trust money through the disinvestment of public sector undertakings (Rs. 120,000 crores) and of public sector banks and the Life Insurance Corporation (Rs. 90,000 crores). As for the shortfall in revenue as a result of the economic decline the BJP government will make this up through dividend payments from the public sector (Rs 65,000 crores) and the Reserve Bank of India (Rs 90,000 crores).

The primary reason for the economic crisis we face is the BJP government's undermining of public sector financial institutions and thereby destabilising financial markets. Going ahead with its disinvestment plan and persistent bleeding of the public sector will only worsen this crisis.

As a result the BJP government has nothing left for 95% of the people. Hence the expenditure on the anganwadi, education including mid-day meal and other social protection programmes remain more or less the same. At a 7% rate of food price inflation these amount to drastic cuts. Beyond this however the reduction in the two legislatively protected programmes under the NREGA and the NFSA the cuts have been drastic. The NREGA has been cut by Rs. 10,000 crore down to Rs. 60,000 crore while expenditure under the NFSA has been reduced to half: down to Rs. 37,000 crores. These cuts will drastically reduce the working class's ability to consume which will in turn contribute to more unemployment, lower wages, rising poverty, growing misery and an incalculable economic crisis.

How the economy will reach the nominal growth rate of 10% next year as the BS2020 or 6% as the BJP government's Economic Survey 2019-20 claims or how new jobs will be created or how a just minimum wage might be won is all up in the air. Or as the BJP government tells us: it is a matter of trust. They want us to trust the rich, the big companies with the Rs. 225,000 crore giveaway and more. They want us to believe that the rich and the big companies will take care of us but in reality they will take care of the BJP.

What the BJP government is not saying in the BS 2020 is that it doesn't trust the poor, the working class, women, dalits, adivasis, muslims and other minority and marginalised communities. In the meantime, we must all queue up to prove that we are worthy of the BJP government's trust. The rest of us must queue up and prove that we are citizens of this country under the provisions of the National Population Register, the National Register of Citizens and the Citizenship Amendment Act.

It's the BJP government that has brought all its agendas out all at once. It is for us to fight them. We are the many, they are the few. This is the fight we will win.

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