

A Costly Government

Government of India budget 2007-08 presents an outlay of expenditure to the tune of Rs 680521 crore in the aggregate of which non-plan expenditure is Rs 475421 crore, that is, about 70 percent of the budget is for the Government's own survival. So expensive, so costly is the Government of India. India is burdened by huge amount of loan that is public debt, both internal and external. The amount of public debt is rising and now the accumulated debt is so huge that Rs 158995 crore or 33.4% of Government's own survival cost has to be defrayed as interest payments. The figure on interest payment is rising over the years.

In 1998-99 the expenditure on interest payment account was Rs 77882 crore. It means that in 10 years the outlay on interest payments has more than doubled. It also means that principal amount of India's public debt has *pari passu* more than doubled more vigorously by implication since, by the government's own admission the rate of interest has fallen over this period. The government sits heavy on the people's heads and is profligate incurring huge debt which the people of India, the posterity, shall have to repay with interest. Thus the profligacy of the government of India bound the people of India in the past, now binds more rigourously and still shall continue to bind and enslave India's posterity in the future. And the Indian ruling elite—that includes capitalists, feudal lords and bureaucrats besides the leaders of all parliamentary political parties—are happy that the masses of people, the toilers, workers and peasants are not rising in rebellion being kept submissive and hopeful of peaceful development of their lot by repressive police and military show on the one hand and by scattering of bits and pieces of morsel in the name of plan expenditure on the other. That the people of India are being gradually drawn to a debt-trap carefully laid-out by the international finance capital led by America in collaboration with the Parliament and the parliamentary political parties will be evident if one cares to look into the budget from the point of view of the starving masses of people groaning under the tyranny of parliamen-tarism.

The second highest outlay in this category is on defence expenditure which is Rs 96000 crore, that is, 20 per cent of government's own survival cost. Now, the corresponding figure for defence expenditure in 1998-99 was Rs 39897 crore. It shows that whereas the growth rate of absolute payment on "interest payment" account in a period of 10 years is 104 percent, that of defence expenditure account over the same period is 140 percent. And interest payment and defence expenditure together constitute 53.4 percent of Government of India's own survival cost. Add to it the Rs 23488 crore on Pension payment account (4.9%) and Rs 40397 crore on account of Grants and loans to states plus non-plan expenditure of Union Territories which together make up 13.3% of the government's own existence mechanism. Thus these three heads of interest payments (33.4 p.c.), defence (20 p.c.) and Pension and Loans & Grants (13.3 p.c.) total up to 66.7 percent or two-thirds of Union Government's survival cost.

Subsidies on food, fertiliser and petroleum constitute 12.4 percent of non-plan expenditure. With 79.1 percent of expenditure gone in this way how can one expect that the government will do justice to education, health, rural housing, transport, and maintenance of all the structures that have so far been raised by the people of India and last but not the least the judiciary? For years and decades the judiciary is starving and the lawyer-turned-finance minister is turning a deaf ear to the needs of streamlining and modernising the judiciary. Justice through the legal structure in India is much too costly and so out of reach of three-fourths of the people of India. On the other hand justice is a commodity that can be purchased easily leading to the phenomenon of convicted criminals even in murder and arson cases occupying legislature seats — the phenomenon that can be witnessed only in India. ❧❧❧

