

A Budget not for the environment

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In 1991, when the then Finance Minister Manmohan Singh ushered in economic reforms that catapulted India into the global economy, I had asked him how he intended to balance rapid economic growth with environmental protection. He said that the experience of the West is that once there is enough money in the economy through growth, it can be put for ecological purposes.

A dismal gap

Leaving aside the fallacy of believing that all ecological damage can be compensated (a rainforest drowned under a dam can't be recreated, however much money you pour into it), the truth is that governments have not put in the substantial new financial resources raised through rapid growth into environmental protection. Budgetary allocations for the Ministry of Environment, Forest and Climate Change (MoEFCC) have consistently fallen as a percentage of total allocations. Second, even when there are increased allocations, such as for cleaning up the Ganga, their usage is ridden with such design flaws, inefficiencies and corruption that the environment is no better off than before. Steadily increasing levels of pollution, biodiversity loss, decline in forest health and destruction of wetlands is testimony to the dismal gap between governmental rhetoric and the environment, regardless of the party in power.

The 2021 Budget is no different. On several significant items relating to the environment, and taking inflation and needs into account, allocations have remained stagnant or fallen. This includes the MoEFCC and crucial institutions such as the Wildlife Institute of India and the Indian Council of Forestry Research and Education. As Debadityo Sinha of the Vidhi Centre for Legal Policy points out, this follows an earlier recommendation by the Ministry of Finance that the government should disengage with many such institutions. One consequence of this is that



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these institutions are having to raise funds through the private corporate sector, which inevitably compromises their ability to speak the truth when this sector indulges in ecologically damaging activities.

The government could argue that while direct allocations to environment-related institutions and schemes may not have risen significantly, there are substantial allocations to sectors that have a positive environmental impact. For instance, the 2021 Budget has allocated ₹3,500 crore for wind and solar energy, ₹4,000 crore for a 'Deep Ocean Mission', and ₹50,011 crore for urban drinking water. All of these have positive ecological potential, but let's examine them a bit more closely.

India's major push for renewable energy (RE) has earned it global appreciation. Back home, it is not so rosy. For one, there is no intention to phase out fossil fuels; on the contrary, coal mining and thermal power are being promoted under the Aatmanirbhar Bharat package. And large hydropower is being promoted as RE, though its massive ecological and social impacts are well documented. Finally, even much of the solar and wind energy is coming in the form of massive energy parks that take up huge areas of land, displacing people and wildlife.

There is no indication in the Budget that the RE push would be predominantly decentralised, community-managed, and with full environmental impact assessments (currently not required for RE projects). Nor does the Budget have anything on curtailing wasteful and luxury consumption of energy or other products and services by the rich. With-

out controlling demand, even a complete shift to RE will be unsustainable; after all, silica has to be mined somewhere.

According to Himanshu Thakkar of the South Asia Network on Dams, Rivers and People, the same issue bedevils the drinking water allocations. In principle any scheme for urban drinking water is positive. But with the continuation of a highly centralised approach to all such schemes, there is a 'one size fits all' approach, heavily focused on expensive infrastructure like big reservoirs and pipelines. Instead, a decentralised approach that uses a mix of local rooftop and backyard harvesting, restoration and conservation of urban wetlands, and regenerating groundwater could achieve much better results. And as in energy, there is no focus on incentivising responsible consumption, restraining luxury uses, and redistributing water more equitably, without which no amount of infrastructure will be enough.

The 'Deep Ocean' allocation is intriguing. It is being projected as a programme for conservation of biodiversity in the depths of our marine areas. This would be cause for cheer, given the serious neglect of our oceanic areas. But the institutions that are given responsibility under this are the Ministry of Earth Sciences, the Indian Space Research Organisation, the Defence Research and Development Organisation, the Department of Atomic Energy, the Council of Scientific and Industrial Research, the Department of Biotechnology, and the Indian Navy, none with expertise in or even significant focus on marine conservation. Instead, this could become a project

for deep sea mining, for which already explorations are going on.

Potentially, an allocation of ₹18,000 crore for public transport could have significant benefits for people and the environment if it helps to reduce private vehicle density in cities. But if much of this is allocated to the metro rather than to buses and other such earthy alternatives (including last mile connectivity, incentives for walking and cycling), the picture becomes murky. Experience with the metro so far in India's cities is one of significant environmental impact, as also eventual lack of affordability for the poor.

Some worrying allocations

There is then the very worrying issue of allocations to non-environmental sectors that have a negative impact on the environment. For instance, the Budget proposes 11,000 km more of national highway corridors. In the last few years, massive road and dam construction has fragmented fragile ecosystems and disrupted local community life in the Himalaya, Western Ghats, north-east India and elsewhere. It is not only the road itself but what it brings with it that results in opening up previously intact ecosystems. As Kanchan Chopra of the Institute of Economic Growth says, how much more can we afford to destroy our 'natural capital' without it rebounding on us in forms like COVID-19?

Given that this could have been the occasion to climb into a green, nature-and-land based livelihoods recovery that could create tens of millions of jobs as also regenerate India's depleted environment, this Budget is disappointing. But it is not surprising. It is in the logic of neoliberal 'development' planning, with a blind trust in growth as the panacea for all ills, to treat nature as a commodity for exploitation, or a 'sink' into which to dump waste. With global alarm about the ecological catastrophe we are rushing headlong into, COVID-19 recovery packages announced by the Indian government since mid-2020 ought to have put environmental regeneration and conservation, and self-reliance built on this, at the core of the Budget. That has unfortunately not happened.

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