

Rethinking Budget

While the budget affects all of us, it appears to have become an exclusive, almost monopolistic domain of a special class. Members of this class are often armed with degrees in development economics, have held high positions at the World Bank or call themselves bankers, industrialists, TV anchors, landlords or labour leaders. Ordinary mortals refrain from expressing their views on a subject as profound as an annual budget. Most people get to know of the budget only after seeing visuals of a finance minister straining his vocal cords to disgorge the contents of a voluminous document in the National Assembly, shouting bouts on talk shows and infographics on the front pages of the next day's newspapers.

What are the key existential expectations of an ordinary citizen from these weighty forest-depleting budget dossiers? How would the budget make a person's life better or worse may be a common concern. Sadly, the maze of numbers, often beyond the common dictionary and comprehension of most citizens, provides no straight answers. What may, however, be easily understood is that a worker must sweat by his brow for 30 days to earn Rs15,000, while the prime minister will devour Rs916 million and the president Rs959 million of the taxpayers' money in the next 12 months. The blatantly obscene structure of the budget that further widens the gap between the haves and the have-nots is rarely questioned or debated.

The two largest expenditures, Rs.1363 billion on debt servicing and Rs.920 on defence are also the two least discussed topics. Why is there never a serious debate on how to reduce the debt servicing. Likewise the benchmarks for greater effectiveness through economy, efficiency and waste reduction should be constantly upgraded and improved by the defence forces. The current practice of hundreds of government departments (many who should not have been there to begin with) simply demanding some 10 to 20 percent more money than what they blew up last year must come to an end. The budget in each category must clearly define what (and how much) of a specific target will be achieved by the allocated funds in the next 12 months.

Consider just one example from the 2016 budget of the United Kingdom. It states that "in England, the evidence shows that 80% of children who are obese between the ages of 10 and 14 will go on to become obese adults. The estimated cost to the UK economy today from obesity is approximately £27 billion. Budget 2016 proposes to reduce this cost by announcing a new soft drinks industry levy targeted at soft drinks industry to reduce the amount of added sugar, introduce lower sugar alternatives, and reduce portion sizes. The levy is expected to raise £520 million and will be used to double the primary school physical education and sports from £160 million per year to £320 million per year, provide £285 million a year to secondary schools for more sports and physical exercise and to £10 million funding a year to expand breakfast clubs in up to 1,600 schools." So there is a justification for why someone is being taxed and how would the amount be spent.

Stunting is a serious problem in Pakistan which has remained unchanged for 50 years. Why should the budget not state the exact current stunting figures (50% children) and define the specific quantitative targets to be achieved by next one year. Why has the budget not spelled out the current population growth rate and allocated specific funds to lower the rate by a specific percentage in the next 12 months. What is Pakistan's current area under forest and how much budget was allocated to double this figure in the next 2 years? How many people are homeless in Pakistan and what budgets and targets have been defined to reduce these numbers. Why must the Ministry of Climate Change be given any budget at all if it has no targets to reduce the carbon footprint. Instead of doubling the tax on cigarettes, our 'cancer-friendly' budget has reduced the duty on third tier cigarettes from Rs.32.96 to Rs.16 per pack. Clearly a budget that will promote tobacco related deaths.

We need to end the era of generic, administrative and departmental budgets. How can a budget arbitrarily define the minimum wages without determining the cost of weekly food basket for an average family. How can a budget not address the issue of the obscene (47 times) difference between the salary of a janitor and that of a judge. A budget that does not quantify the specific improvements that it would bring to the lives of the ordinary people or the functioning of the state is merely an exercise in juggling with lifeless and purposeless numbers.

Express Tribune June 2017