Packages, Payment, and Protection

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In this article, I have attempted to analyse the Rs 20 lakh crore package granted by the ministry of finance, India. Although the consequences of this decision are manifold, the benefits are not more than a few. this economic stimulus package is primarily aimed at promoting self-reliance. However, how far would it be successful in alleviating the financial distress of the economically marginalised groups of people? the aforementioned policy was framed to combat the economic aspect of the problems that would potentially rise due to the COVID-19 pandemic. While this does seem to be a thoughtful and well-planned decision by the cabinet, the framework of this plan should be perfected in order to ensure optimum implementation of the package. Keeping the basic components intact such as economic aid, relief, and a structural manner to go about it has been of major importance. This is to ensure that the economic stimulus package bears fruit over time and is beneficial concerning the long-term execution of the plan.

According to the package, it would ensure the well being of the small and medium scale enterprises. Besides, there would be reforms introduced in the power sector and that the labour laws would be made more flexible. if it is implemented flawlessly, this would lead to quite a few significant consequences. Firstly, the loans would get extended which would give the people sufficient time to pay back their loans with interest. Secondly, lifting curbs for the transportation of agricultural commodities would enhance the logistical support and most importantly, make food available for the financially handicapped groups of people.

The package has certain advantages but it also has potential demerits. Like everything, there is a flip side to it. While reforms were introduced at a preliminary stage, it failed to answer the basic economic questions. No provisions have been included address the structural issues such as manufacturing, consumption, and most importantly, ways to quell inflation. This comes at a price. While India is not well equipped to face the recession and its aftermath, the package could be studied as an attempt to subvert the attention of the masses. It has its share of benefits too but a nation’s economic plan should compulsorily entail solutions to each of the problems the country is facing at the moment. the provisions included even after implementation would have little or no effect on the migrant workers. Therefore, no substantial goals can be achieved with the help of this economic stimulus package.

However, amid a global pandemic, it is only logical to make the best of the resources that we are provided. Indeed, it would not yield much of a result in the short term. Therefore, it is important to focus on the long-term aspect of it and to look at the broader picture because it is of paramount importance to have financial stability. but is it practical enough to cover the implementation side of it? or does it look good only on paper? We are yet to find out.