

9.2-Disadvantages:

⚠ Key Disadvantages:

1. **Unequal Resource Distribution**
Some sectors (like defense or infrastructure) get more funds, while health, education, and environment may get less.
2. **Short-Term Focus**
Budgets sometimes focus on immediate political or economic gains instead of long-term sustainability.
3. **Implementation Gaps**
Even when funds are allocated, delays and poor execution reduce their impact.
4. **Leakages and Corruption**
Misuse of funds prevents benefits from reaching real beneficiaries.
5. **Regional Imbalance**
Developed states often receive more benefits than backward regions.
6. **Limited Environmental Priority**
Sustainable and green projects may not receive sufficient funding.
7. **Data and Monitoring Issues**
Lack of proper tracking leads to inefficient use of money.

🔄 Flow Chart: Disadvantages in Budget Allocation for Sustainable Growth



Empowering India: Analysing the Evolution of Union Budget Allocations for Sustainable Growth

✓ **Policy Instability**

- Frequent changes in schemes and priorities confuse investors and citizens.
- Long-term projects suffer due to policy shifts.

✓ **Weak Outcome-Based Budgeting**

- Focus is more on **spending money** than on **measuring results**.
- Many projects fail to achieve expected outcomes.

✓ **Lack of Public Participation**

- Citizens and local communities have limited involvement in budget planning.
- Ground-level needs are sometimes ignored.

✓ **Rising Fiscal Deficit**

- High government borrowing increases national debt.
- Reduces funds for future development.

✓ **Dependency on Subsidies**

- Excessive subsidies discourage productivity.
- Creates long-term financial burden.

✓ **Limited Support for Innovation**

- Research, startups, and green technology often receive less funding.
- Slows modernization and global competitiveness.

✓ **Urban–Rural Development Gap**

- Urban areas get more infrastructure projects.
- Rural regions remain underdeveloped.

✓ **Ineffective Welfare Delivery**

- Benefits do not always reach deserving people.
- Errors in beneficiary identification affect welfare schemes.