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GENERAL STUDIES 2: POLITY

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TOPIC: BUDGET

India's marginalised Parliament in budgetary affairs

Budget and Parliamentary Influence in India

- **Minimal Parliamentary Role**
 - In India, the **executive** controls the budget-making process, with **minimal input** from Parliament.
 - The **Finance Ministry** drafts the Budget, often without consulting even **Cabinet Ministers**.
- **Budget as More Than Numbers**
 - The Budget reflects a country's **economic vision**, priorities, and governance style.
 - In most democracies, **parliaments** control budgets, ensuring **discipline** and **transparency**.

Role of the Budget in Democracy

- **Allocating Resources for Growth**
 - The Budget is crucial for **resource allocation**, influencing social and economic development.
 - In democracies, parliaments ensure the **proper use** of public funds, limiting **executive overreach**.
- **Improving Transparency**
 - Parliamentary engagement in budget discussions **increases transparency** and helps **stabilize the economy**.

Limited Parliamentary Role in India

- **Lack of Parliamentary Power**
 - **Lok Sabha** debates the Budget but cannot make significant amendments.
 - **Rajya Sabha** has no voting power on the Budget, unlike in other **bicameral legislatures**.

Decline in Parliamentary Scrutiny



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- **Short Budget Debates**
 - **Budget debates** in Parliament are often **brief** and lack in-depth discussions.
 - **Committees** have limited power, reducing their ability to influence policies.
- **Weakening Accountability**
 - The legislature mainly **approves** the Budget without proper **scrutiny**, diminishing **accountability**.

Need for Pre-Budget Discussions

- **Pre-Budget Discussions**
 - **Structured pre-Budget discussions** during the **monsoon session** can enhance **legislative oversight**.
 - A **5-7 day discussion** period would allow for assessing **fiscal health** and shaping **economic priorities**.
- **Improving Decision-Making**
 - **Subject committees'** involvement would help improve **resource allocation** and decision-making.
 - These discussions would ensure **public concerns** are addressed before finalizing the Budget.

Concerns Over Legislative Power in Budgeting

- **Risk of Populist Spending**
 - Some argue **more legislative control** could lead to **populist spending**.
 - However, solely relying on the executive for **fiscal discipline** is risky.
 - A **balanced approach** where the executive retains control but remains **accountable** ensures better governance.

Establishing a Parliamentary Budget Office (PBO)

- **Need for a PBO**
 - India lacks an **independent institution** to provide **non-partisan Budget analysis** for legislators.
 - A **PBO** could offer **data-driven insights** on government spending, revenue projections, and fiscal policies.



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- The PBO would support parliamentarians with **research-based policy briefs** for better decision-making.

Restoring Parliamentary Authority Over the Budget

- **Shifting Parliament's Role**

- Current processes limit **legislative influence**, reducing **democratic accountability**.
- Implementing **pre-Budget discussions** and a **PBO** would shift Parliament from a passive role to an **active one**.

- **Benefits of Reform**

- These reforms would ensure that financial decisions are made through **collective deliberation**, not just executive control.
- A stronger parliamentary role would lead to **fairer economic policies**, **better transparency**, and **improved public trust** in financial governance.

Source: <https://www.thehindu.com/opinion/lead/indias-marginalised-parliament-in-budgetary-affairs/article69358975.ece>