

# Irrational freebies from political parties

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## Manifest Pedagogy:

The Supreme Court asked the Central government to take a stand on the need to control the issue of political parties promising to distribute irrational freebies from public funds during election campaigns. It's a serious issue but difficult to control politically. Unfortunately, freebies are not connected with job creation, development, or agriculture and voters are lured to cast votes in their favour by magical promises. All stakeholders who want the freebies and who are opposing it, including RBI, NITI Aayog, opposition parties have to be involved in this process of making some constructive suggestions.

In News: SC has asked Centre to take a stand on irrational freebies from Political Parties as it is a serious cause of concern.

Placing it in Syllabus: Polity and Governance

## Static Dimensions

- About Freebies in Indian Politics
- Supreme Court Judgement on Freebies

## Current Dimensions

- More on news
- Arguments in favour of Freebies:
- Issues with the Freebies culture
- Measures to mitigate the impact of Freebie's

## Content

More on news

- The Supreme court was hearing a PIL against the practice of political parties promising freebies during elections.
- The Petitioner wanted the Election Commission to invoke its powers to freeze their election symbols and cancel their registration.
- The Election Commission referred to the reply filed in the matter and said that offering freebies before polls and their execution after the results are the policy decisions of political parties, and the Central government and not the poll panel, will be the best suited for dealing with this issue.

### **About Freebies in Indian Politics**

- Political parties promise to offer free electricity/water supply, monthly allowance to unemployed, daily wage workers and women as well as gadgets like laptops, smartphones etc. in order to secure the vote of the people.

### **Arguments in favour of Freebies:**

- **Promotes growth**-Benefits such as the Public Distribution System, employment guarantee schemes, support for education and enhanced outlays for health, particularly during the pandemic.
- **Fulfilling Expectations**– In a country like India where the states have (or don't have) a certain level of development, upon the emergence of the elections, there are expectations from the part of people which are met by such promises of freebies.
  - There are also comparative expectations when the people of the adjoining/other states (with different ruling parties) get freebies.
- **Helps Lesser Developed States:**Such freebies become need/demand-based in states with a higher percentage of the population living in poverty and a lower level of

development, and it is necessary to provide the people with these subsidies for their own upliftment.

- **Upliftment of lower strata**– freebies become more useful for upliftment of lower strata in these states.

### Issues with the Freebies culture

- **Economically Unviable**-Freebies were paving the way to an economic disaster. There is a total debt of several lakh crores in states.
  - The debt-to-GDP ratio of Punjab reached **53.3% in 2021-22** due to the high-subsidy burden.
- **Unduly influences the voters**-The promise of irrational freebies from public funds before elections unduly influences the voters, disturbs the level playing field and vitiates the purity of the poll process.
- **Violates constitutional spirit**-The promise or distribution of private goods or services, which are not for public purposes from public funds, before the elections, violates several articles of the Constitution, including **Article 14 (equality before law), 162, 266(3), and 282** of the Constitution.
  - Shake the roots of a free and fair election
- **Unethical act of bribery**-This unethical practice is just like giving bribes to the electorate at the cost of the exchequer to stay in power and must be avoided to preserve democratic principles and practices.
- **Creates a never-ending cycle of freebies**: as populist schemes are countered with more populist measures.
- **Leads to misuse or overexploitation of resources**. Eg- free electricity can result in unnecessary irrigation which further leads to water loss.
- **Promotes tax avoidance**: Freebies may even trigger non-compliance amongst taxpayers and eventually lead to lower revenue.

### Supreme Court Judgement on Freebies

- SC Judgement: The Supreme Court in **S Subramaniam Balaji vs Government of Tamil Nadu 2013** case held that unrealistic poll promises and freebies are a serious issue that disturbs the level-playing field in elections.
  - The court also held that promises in the election manifesto cannot be construed as “corrupt practice” under the Representation of People Act or under any other prevailing law and hence, distribution of freebies can’t be stopped when the ruling party uses public funds for this purpose through passage of Appropriation Acts in state assembly.
- At the same time, the court noted that there is no enactment that directly governs the contents of the election manifesto, and directed ECI to frame guidelines for the same in consultation with all the recognised political parties.

### **Measures to mitigate the impact of Freebies**

- The **Finance Commission** can be sought to deal with the issue.
  - It is the Finance Commission which gives out allocation to the state. They can take into account the debt of a state and the quantum of freebies
- A direction can be given to the EC to insert an additional condition in the relevant paragraphs of the **Election Symbols (Reservation and Allotment) Order 1968**, which deals with conditions for recognition as a state party, that a “political party shall not promise/distribute irrational freebies from the public fund before the election
- The court suggestion about setting up a specialised body composed of persons who can dispassionately examine the problem must be tried.
  - The court directed the parties to make suggestions

for the composition of a body.

- The government as well as organisations like Niti Aayog, Finance Commission of India, the Law Commission, Reserve Bank of India, Opposition, etc, have to be involved in the process of brainstorming on the problem of freebies and come up with constructive conclusions on the issue.
- Political parties and those in power in states riddled by debts should first come out in public about where they would source the money for paying for the largesse.
- Direct and declare that promise/distribution of irrational freebies from the public fund before the election to lure voters is analogous to the **Bribery and Undue Influence under Section 171B and Section 171C** of the IPC.
- **Strengthening Election Commission** bringing freebies under MCC and regulating manifestos by ECI.

### Way Forward

- There is an urgent need to put an end to freebies.
- Focus on Skill Development rather than Freebies to ensure citizens become employable and independent.
- Clear distinction between subsidy and freebie is essential since subsidies are justified and specially targeted benefits meant to meet specific demands. The freebies, on the other hand, are very dangerous.
- Voter Awareness and eternal vigilance on the part of the voting class.

### Mould your thoughts

1. Freebies like free power, monthly stipend to women are among promises made by parties and this is common to elections in state after state. Critically evaluate the role of freebies in elections and the impact it has on the development potential of a nation. (250 words).

### Approach to the answer-

- Introduction about freebies.
- Significance of freebies and arguments supporting it.
- Negative impact of freebies.
- Suggestion to mitigate its impact.
- Way Forward and Conclusion.