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Theme:

- In May 2020, Indian Prime Minister Narendra Modi announced 20 lakh crore rupees economic stimulus package named 'Atmanirbhar Bharat Abhiyan', with the slogan 'Vocal for Local'.
- It was announced with the aim to make India self-reliant and also to provide a stimulus for the economy that was hit badly by COVID-19. This package is estimated to be 10% of GDP.
- While announcing this package, Prime Minister said that this package focuses on land, labour, liquidity & laws. He also mentioned that this will benefit labourers, farmers, honest taxpayers, MSMEs & cottage industry.

Benefits:

- Atmanirbhar Bharat Abhiyan package aimed to make local products global and thereby helps Indian companies in competing in the global supply chains.
- This package allowed collateral-free loans to Medium, Small, Micro Enterprises (MSME) with a turnover of up to 100 crore rupees. In general, banks do not prefer giving loans to MSMEs due to fear of non-repayment. COVID-19 pandemic affected this sector badly. So, this package will help MSMEs very much. They can pay wages, buy raw goods with the money and so can run their businesses. Around 45 lakh companies will be benefited by these loans. Approximately 11 crore people are employed through MSMEs in India. So, their jobs can be saved.
- Structural reforms and marketing reforms in agriculture are promised. 30,000 crore rupees to small farmers through Kisan credit cards, 20,000 crore rupees to the welfare of fishermen, 13,000 crore rupees for vaccination to livestock, 1 lakh crore rupees for Agriculture co-operative societies & Farmer producer organisations, funding to post-harvest management is also mentioned - agriculture and allied sectors will be benefited.
- Space exploration to be opened for the private sector. This will benefit the Indian space industry.

- Rs. 30,000 crores special liquidity facility is announced for stressed Non-banking Finance Companies (NBFCs).
- Rs. 90,000 crores liquidity plan is announced to provide loans for power discoms.
- Migrants workers are the worst hit during COVID-19 lockdown in India. So, free food supply to migrants is promised. 'One Nation - One Card' was launched, which allows people to take ration from anywhere in India.
- Shelter will be provided to migrants by the government.
- 5000 crore rupees credit facility is provided for street vendors.
- Additional 40,000 crore rupees were allotted for MGNREGA to provide employment to the returned migrants.
- More health institutions & labs will be established.

Criticism:

- The main criticism for Atmanirbhar Bharat Abhiyan package is - it is very similar to 'Make in India'. Critics argue that a different name is given to the same scheme.
- Most of these fundings are allotted just like a normal budget. So, including them in a special package has attracted criticism.
- Many sectors are opened to private players.
- There is no mention of research & development, which is very important to take important steps in revival of the economy.
- Companies of other countries may perceive this as a protectionist policy. They may feel apprehensive to invest in India.
- This package may not be sufficient in reviving the economy.
- Urban employment is ignored.

Conclusion:

Due to COVID-19 pandemic, trade of goods and migration of people got disrupted and as a result, many countries started preparing for the future pandemics by diversifying supply chains and making themselves self-sufficient. So, Atmanirbhar Bharat Abhiyan is very much needed for India to transform itself into a self-reliant country. But this may not be sufficient to revive the economy and to rebuild livelihoods that are affected by the pandemic.

References:

- <https://www.thehindu.com/specials/the-hindu-explains-atmanirbhar-bharat-abhiyan-economic-relief-package/article31604774.ece>



Your Turn...

What are your thoughts on Atmanirbhar Bharat Abhiyan? Express your point of view through the comment section below. And subscribe to our blog to read answers to the trending GD topics.

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