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INDIA BUDGET 2023: GREEN ONLY IN NAME?

By Ashish Kothari on Feb. 21, 2023 in [Environment and Ecology](#)

Specially written for Vikalp Sangam

India's Finance Minister Nirmala Sitharaman mentioned the word 'green' about two dozen times in her 2023 Budget speech. Several sectors and activities were prefixed with this word, including energy, farming, mobility, buildings, fuel, jobs, hydrogen, and credit. This has to be a first for the country. Other words that were uttered included climate, zero-carbon, organic, wetlands, biological diversity, and environment. Given that nearly all these words were absent in the 2022 Budget speech, this would seem like a definite advance.

But is it? Does it signify a significant shift towards orienting the economy towards ecological sensitivity? Or is it greenwashing of the kind this government has become increasingly adept at, aimed more at projecting a global image of climate- and environment-friendliness than actually transforming policies and budgetary allocations? Or perhaps somewhere in between?



Leatherback turtle tracks, Great Nicobar – their nesting sites will be destroyed by proposed project. Picture Credits: Pankaj Sekhsaria

An analogy may help illustrate my analysis below. Both the previous and this government have been passing off plantations of a few species as 'compensating' for the diversion of natural forests for mining, dams, industries, highways and the like. Possibly the most blatantly ridiculous example of this is the proposed 'afforestation' to be carried out in Haryana in compensation for the cutting of 130 sq km of dense, biodiverse tropical forests in Great Nicobar Island for a port-airport-township complex. It can only be a twisted, ecologically illiterate mind that can think that planting a few species in the dry expanse of Haryana could possibly replace the thousands of species to be lost in Nicobar. This kind of approach can be considered a 'light green' approach, an attempt to paint a shiny green veneer to hide the destructiveness of such projects. A 'deep green' approach would have questioned whether indeed the diversion of such forests is justified in the first place. I ask below: is the 2023 budget light green or deep green?

This essay also draws on insights from several analysts participating in a recent [webinar on the budget](#), organized by the Impact and Policy Research Institute (IMPRI).

Positive signals

There are several positive signals in the budget, at least at first glance. This includes: reaching organic inputs to one crore (ten million) farmers, setting up a global hub for millets, an expansion of the 'jal jeevan' mission to reach water to more deprived populations, conservation of wetlands under an 'Amrit Dharohar' project, conserving and planting mangroves under a sweet-sounding MISHTI scheme, incentives for more sustainable cities and urban rejuvenation, promoting environmental conscious lifestyles in PM Modi-coined LIFE (Lifestyle for the Environment) approach, renewable energy support to farmers, inserting a Green Credit scheme into the Environment Protection Act, promoting green fuels and hydrogen, incentivizing electric vehicles, and generating more jobs in such green sectors. Shyamala Mani of the Public Health Foundation of India, speaking in the IMPRI webinar, was appreciative of the allocations for waste management and for machine-based manhole cleaning (the latter hopefully to reduce the horrifying manual cleaning of gutters, mostly by marginalized castes). There is a slight increase in the allocation for the Ministry of Environment, Forests and Climate Change, and a substantial one for clean and renewable energy. All of this is supposed to help India move towards an 'Amritkal' (age of nectar) as it heads into its 4th quarter of a 100 years of Independence.

For any casual observer, this is a hefty environmental agenda. A lot will depend on actual implementation, of course, but with some sincerity built in, some of these programmes could benefit India's environment and some sections of farmers, city-dwellers, communities living alongside wetlands and coasts. But a deeper, more nuanced look at the budget reveals a number of problems of conceptual, implementational, and systemic nature.



Marble mining in Rajasthan – luxury consumption destroys forests, land, and farmers' lives, and only talking about LIFE does not stop this. Picture

Credits: Ashish Kothari

Conceptual and implementation issues

If one looks at what is contained in a number of positive-sounding allocations and proposals, the picture begins to look less rosy. For instance, the proposals for the energy sector, touted as a major pillar in India's efforts towards climate responsibility, contain serious issues relating to ecological and social justice. Most of the Rs. 35,000 crores put into 'energy transition' are for the oil and petroleum sector, details of which are not available. PM Modi had announced at the Climate COP26 in 2021 that by 2030 India would move to 50% of its energy coming from renewables. This sounds good, but the major focus of this government has been on mega-projects (though allocations for decentralized generation for farmers is positive), with **serious ecological and social impacts** in a projected 10,000 sq km of land. The 2023 budget includes an allocation of Rs. 20,700 crores for 13 GW of solar power generation and evacuation from Ladakh. This will require tens of thousands of hectares of land in the Changthang plateau, in an area that is crucial for the wool-based livelihoods of local

nomadic pastoral community, as also home to several unique, threatened wildlife species. This follows on the heels of similar mega-solar or wind projects in several other parts of India, whose negative impacts are well-documented.



Solar panels at SECMOL, Ladakh – India's energy transition is focused more on mega-projects rather than such decentralised options. Picture Credits: Ashish Kothari

In the case of the significant encouragement to electric vehicles (EVs), three problematic issues stand out. One, most of the thrust is for private vehicles, affordable only by the super-rich; there is little effort to convert buses and other public transport towards non-fossil fuel use. Second, most of the power EVs will use itself will come from fossil fuels, given that India's electricity mix will remain heavily oriented towards these for at least a decade.

Third, EVs require enormous amounts of destructive mining for lithium, cobalt and other minerals, as also produce toxic battery waste, both of which will mean that some landscapes, people and wildlife will become 'sacrifice zones' for the rich to feel less guilty about their ecological impacts. This is already happening in parts of Africa and Latin America for the rapidly increasing EV demand from Europe and North America. The real alternative to fossil fuel

consumption in the transportation sector is a massive push for public transport (especially buses), cycling and walking, but this does not seem to be high on the government's agenda.



Lakshmamma of Deccan Development Society with millet diversity – will the budget's millet push help such women, or exporters. Picture credits: Ashish Kothari

Conceptual problems may plague the announcement about India being a 'global hub for millets'. A national conference on millets organized in mid-2022 had heavy presence of industrial houses, rather than of farmers. There is also a substantial focus on exports, which could undermine the need to revive and enhance millet production by and for small producers and poor consumers. Movements like that of Dalit women farmers in Telangana who are part of the **Deccan Development Society**, and the Millet Network of India (MINI), are stressing that the revival of millets should be first and foremost for the domestic food security and sovereignty of small and marginal farmers, and other poorer sections of society in villages, next for other domestic consumers in towns, and then only for exports if at all there is surplus. It is not clear if the 'global hub' approach has its priorities in the same order.

Implementational issues could undermine other positive announcements. For instance, in the Amrit Dharohar project to enhance optimal use and conservation of wetlands, the Finance Minister said "local communities have been at the forefront of conservation efforts." Another wing of the government, the Forest Department, does not seem to agree, as it continues a rather colonial, top-down approach to conservation, in many parts of India even stymying the implementation of the Forest Rights Act. Who will the money for Amrit Dharohar go to: gram sabhas (village assemblies) and panchayats (village councils), or government agencies like the Forest, Wildlife, or Irrigation Departments?

Glaring contradictions and omissions

The biggest reason for considering the 2023 Budget as a 'light green' one, is the contradiction between the environment-related allocations and the rest of the budget. For instance, while it gives a bit of money towards aiding in organic fertilisers, this is dwarfed by the huge increase in subsidy to chemical fertilisers (from Rs. 105222 to 175100 crores). The encouragement to renewable energy is offset by the allocations to expansion of coal mining and thermal power generation. A substantial allocation for palm oil plantations has caused alarm, given the evidence of ecological destruction and social disruption these have caused in South-East Asia. A bit of increase for the Ministry of Environment, Forests and Climate Change (MoEFCC) pales into insignificance when compared to the allocation for National Highways Authority of India, which is 50 times greater (and has been increased from Rs. 134015 last year to 162207 crores). Several people's movements across India have pointed to the enormous ecological damage caused by highways in fragile areas or through natural ecosystems, such as the Chardham project in the Himalayas; there is no hope whatsoever of MoEFCC being able to contain this damage (even if it wants to) when sheer money power is on the side of NHAI.

Two environmental issues that should be considered public emergencies find no or hardly any mention in the budget: air pollution and climate change. I find these to be the most shocking omissions for a government that is projecting itself as a global climate leader. Air pollution kills upwards of a million people a year. And, the impacts of climate change are already affecting tens of millions in terms of extreme heat, decreasing water supplies (including in the Himalayas where glaciers are receding rapidly), erratic rainfall, sea level rise, incidents of extreme weather events that are now happening almost through the year, and much else. According to Soumya Dutta of MAUSAM, two-thirds of India's population is likely to be adversely impacted. And yet, *there is no budgetary allocation whatsoever for climate adaptation*. In general, as pointed out by Himanshu Shekhar of NDTV in the IMPRI webinar, there is a disappointingly low focus on disaster management and adaptation.

Other important omissions are ecological or environmental monitoring and auditing of the economy as a whole. As pointed out by Madhu Verma of the World Resources Institute in the IMPRI webinar, 'green accounting' can help ascertain whether India is actually moving towards sustainability. And Debadityo Sinha of the Vidhi Centre for Legal Policy highlighted the absence of any kind of participatory budgeting, with priorities and allocations being decided in a highly centralized manner.

Finally, one has to consider that this government has also been brazenly weakening environmental regulations over the last few years (a trend that started with India's entry into globalized economic regimes in 1991, but rapidly accelerated of late). The FM's budget speech pointed out that 39,000 compliances have been reduced and 34,000 legal provisions have been decriminalised to ease business. Most changes in the last few years to environmental and labour laws have been in the direction of weakening safeguards and regulations. At the inauguration of the India Energy Week on

6th February, PM Modi proudly stated that his government had **reduced no-go areas** (ecologically sensitive areas where activities like mining are not permitted) by a whopping 10 lakh (a million) square kilometres! And his oft-repeated mantra of LIFE, encouraging environmentally friendly lifestyles, is thrown into the dustbin by his government's encouragement (or at least, absence of discouragement) to corporate advertising promoting conspicuous consumption.

A problem of vision

As with previous budgets, this one suffers from a lack of any coherent vision of what a sustainable, inclusive, just India could look like. A few, even many, disconnected actions of 'greening' will not transform the economy towards sustainability. This requires that every macro- and micro-element is assessed from an ecological and justice point of view, that integrated sectoral assessments are carried out (not only assessments of individual projects), that communities and people affected are at the centre of decision-making, that control over production, trade and consumption are in hands of workers and consumers not mega-corporations, and that the state is fully accountable to people rather than an authoritarian entity sitting on their heads. It needs all of nature (a word, along with wildlife, significantly missing from the FM's speech) to be respected, in a form of democracy that enables the agency of not all people but all species. It means that all economic activity must be regenerative, in that it sustains the ecological and socio-cultural conditions it depends on for a thriving society. And, given the abysmal inequalities in Indian society, it requires significant redistribution of wealth, energy, food, and other resources that are essential for dignified living.

There are thousands of **initiatives across India** (and many in other parts of the world we can learn from) that demonstrate the feasibility of all of the above. A genuinely *atmanirbhar Bharat* (self-reliant India), a **a mantra repeated by PM Modi**

since 2020, would mean centering decision-making in rural and urban communities, facilitating local self-reliance for basic needs, and enabling livelihoods that build on the enormous skill and knowledge base they have built up over centuries, supplemented with what is needed in the modern context. A **People's Manifesto** put out by the national platform Vikalp Sangam in 2019, laid out a comprehensive vision encompassing these and other elements towards sustainability, justice and equity. Barring a few disconnected elements here and there, India Budget 2023 shows little signs of such a fundamental shift.

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