

Inert citizens democracy: a fool's paradise! essay



**ASSIGN
BUSTER**

Inert Citizens Democracy: A Fool's Paradise! It is the most beautiful truth in morals that we have no such thing as a distinct or divided interest from our race - In their welfare is ours; And by choosing the broadest paths to effect their happiness, We choose the surest and shortest to our own - Bulwer In this era, we have witnessed the worst recession of this century.

The world was reeling under immense pressure with most of the western giant financial institutes falling like a house of cards. India with no exception and felt the blow of it with mainly our western world linked highly sought after globally acclaimed intellectuality gasping and bleeding! Yet, it is now believed that our very cultural upbringing has kept us ashore in these highly turbulent times. Culture, a way of life, has inculcated the habit of 'saving' for may be tomorrows hard times and this worked like a savoir for us! Well, habits are habits; and if some worked like a savior then few others have turned us as meek and inert. Our docile nature was a life's compulsion to live under most undemocratic regimes due to continuous ruthless invasions on our motherland. Through centuries of invasions have breed habit of accepting harbingers of suppression and have turned inertness around our surroundings as a way of accepting life.

It is just as if continuous mutations on crossover in genes perpetrates new breeds, all such habits good or bad are as if 'genetically codoned' in our life; and as Shakespeare rightly said: " How use doth breed a habit in a man. " Well, in Nagpur, the local government is taking an advantage of this inertness of its citizens and therefore one after the other had imposed a murderous rise in taxes. Nagpur it is the largest city in central India. With a population of around 2, 420, 000 it is also the third largest city by population

in the state of Maharashtra. The recent survey also tells us that Maharashtra has the highest number of urban poor in India. Historically, the British East India Company took over the city in 19th century and made it the capital of Central Provinces and Berar.

After first state reorganization, it lost the capital status but was made the second capital of Maharashtra. The city is the commercial and political center of the state's eastern Vidarbha region. However, interestingly Nagpur will be the only city in the globe whose inhabitants will have to pay over the last year, say upto 27 times more for water consumption, double and more for property tax, about 30% more on power consumption, new additional shop license fee upto Rs1000 per annum, and retrogressive octroi collection system makes everything more expensive. Globally, Octroi is an oldest form of local levies, a local tax collected on various articles brought into a city/ district for consumption. Octroi taxes have a respectable antiquity, in 12th and 13th century being known in Roman times as vectigalia (a tax on the entry from or departure to the provinces).

From an early time the octroi was farmed out to associations or private individuals, and so great were the abuses which arose from the system that the octroi was abolished during the French Revolution. However, after resurfacing, the octroi was finally abolished in 1948 in France, in 1860 in Belgium, and in 1903 from Egypt. Currently, as of 2010, octroi is levied only in Ethiopia and in 22 cities of Maharashtra state in India. The reason why the world has done away with Octroi is its very nature of discrimination. Much before the time of free India till date, many committees had been entrusted

the task of determining the validity of octroi, and all committees with no exception have asked Govt. to abolish it immediately.

In 1925, the committee to study octroi recommended its abolition. In 1959, the M. R. Masani committee on Road Transport Reorganization considered on the levy of Octroi " a national waste" and suggested its immediate abolition. The Planning commission in 1966 recommended the abolition of octroi. The Keskar committee condemned the " Cancer of Octroi" which had spread through the body of politics of local administration and called it a grave danger to the civic life of the community.

The Lok Sabha Estimates committee in 1975 said one of the main obstacles in the way of quick and rapid moment of road transport in the country is the multiplicity of check post and payment of duties at the check-posts. In the conference of Chief Ministers in Sept 1980, it was resolved to abolish octroi, the then prime minister calling it a regressive and retrogressive levy. As per a survey conducted under the chairmanship of India's eminent economist Shri. Palkhiwala said the delay at check-posts accounted for 73% of effective time of commercial vehicles.

The fuel consumption at the check post resulted in a wastage of 15%. The national council for Applied Economic Research worked out that these check-posts virtually employed the carrying capacity of 80, 000 trucks being idle. Shri. Palkhiwala said that for every rupee of net revenue derived from octroi, the net burden is Rs. 6. 27 to the nation.

Well, after such observations of various committees were made all states except Maharashtra dumped Octroi either sooner or later. The Octroi was
<https://assignbuster.com/inert-citizens-demoracy-a-fools-paradise-essay/>

levied in Punjab till September 1, 2006, Gujarat abolished it in 2008, now the only state to have more than 1000 years old form of retrogressive local taxation as " octroi", is the Maharashtra state. The state has lost on many new industries due to local taxation policies, for example on 8th Oct 1998, the Mahindra ; Mahindra Limited wanted to set up its Rs 800 crore automobile project in Nasik in Maharashtra, but later went to Andhra Pradesh on account of a hike in octroi charges. The Business Daily on Friday, Aug 04, 2006 mentions that `The Subodh Kant report on octroi has recommended its abolition, the traders in Maharashtra have been calling for the abolition of octroi for the last 20 years. The Maharashtra Octroi Abolition Committee (MOAC) has been spearheading a campaign for its abolition. Mr Nayan Patel, President of the Indian Merchants Chamber, said that exports are booming at 22 per cent and the shipment of goods via Mumbai port was getting affected.

Octroi levy is making Indian goods non-competitive in the international market. Maharashtra annually collects Rs. 5, 572 crore as octroi. Out of the 22 municipalities in the State, the cumulative collection of 15 municipalities is only about Rs 700 crore.

There has been a string of commitments from Maharashtra state on octroi removal issue but all of them turned out to be farce. On Dec 11, 2006, Anti-octroi traders' bandh in Maharashtra by various traders associations have yielded on the false commitments of its abolition from the Chief Minister (CM) of state. `Maharashtra to abolish octroi soon' was announced by Mr. Vilasrao Deshmukh on September 07, 2007, the then CM of Maharashtra.

On Jan 13, 2008, PTI reported that the Maharashtra government would soon abolish octroi and a proposal in this effect is soon to be placed. On Feb 21, 2008, Maharashtra Cabinet discussed octroi abolition but failed to declare it. Yet again Shri. Ashok Chavan, the present CM announced in Aug 2009, after a cabinet meeting those 15 D-class corporations of the state would abolish octroi from next financial year.

Interestingly, Maharashtra went to polls in October 009, an election stunt. However, the commitment was not kept on octroi abolition in 15 D-class corporations. After poll results they had had yet again fooled the citizens. Well it isn't be a big shock of backtracking since the Cong.

has mastered the art of ditching. We are aware that even previous political opponents of present government had abolition the octroi from some corporations in the past and the current political alliance overruled it after coming to power. For politicians we are just pawns of their political game plans. They also know that we do have a very short memory and this make them exploit us even more.

An excellent example to quote is: when Shri. Shankarrao Chavan, the then chief minister of Maharashtra and the father of present CM Shri. Ashok Chavan announced in a public rally that the state would do away with octroi from next financial year, and yet his son hasn't affected his `will' until today, while going back on his own words. We happily pluck the fruits of legacies left by our parents and very conveniently forget our responsibilities, Shri. Ashok Chavan is no exception; he is also an ordinary man in an extraordinary post.

Well the list of cheating on octroi abolition matter by politicians is endless, when VAT was introduced, the White Paper on VAT mentions that: in the Chief Ministers conference it was resolved that all local levies like octroi must be removed, then only it will be the uniform pricing concept in true sense. However, because a few states had an apprehension that due to VAT their net sales tax revenue would fall, hence they delayed the abolition of octroi. Nevertheless, soon all other states abolished octroi after they found high yields from VAT collections. Whereas, in Maharashtra state in the year 2004-05, which was the final year of state sales tax collection, it was at Rs. 16, 719 crores, and after VAT was introduced it has rose to Rs.

40, 000 crores in the year 2008-09; this is almost two and half times increase in last four years. The states octroi collection of Rs. 5572 crores can always be compensated if ever the state government was serious and had any regard for their people and also for their own words! More so, these statistics dismisses the demand of state to have alternative revenue to compensate the octroi loss. These politicians are so greedy, people have paid Rs. 24, 000 crores more in VAT, and still VAT rate was raised this financial year and octroi shamelessly persists year after year. The latest episode of strong affection for octroi in Maharashtra was glaring when in a meeting held in Sept 2009 of Chief Ministers on forthcoming Goods and Service Tax (GST) to be adopted soon, Maharashtra Govt.

as announced that it will not do away with octroi tax in the state. These state politicians should be reprimanded by the incidentally same political party at the center and more iron hand be used by stopping all central aid to state if they fail to fall in line; have they even read the phrase: Carrot or Stick policy.

<https://assignbuster.com/inert-citizens-democracy-a-fools-paradise-essay/>

On the similar lines on 06th Oct 2009, Prime Minister Shri. Manmohan Singh while addressing the ministers of Food Processing Industries of states reiterated the need for GST and abolition of all local levies to finely structure the taxation in the country.

The highest ever inflation rate which is killing the common man is neither an act of natural calamity nor a misadventure of neighboring state, it's a recipe of Congress ruled states increasing VAT, keeping octroi and then publically laughing it off (Delhi CM Smt. Sheela Dixit that people have lot of money to pay, a near striptease)! The PM is the captain of the Ship and CM of his own political party doesn't take the cue to relax taxations then he shouldn't be feeling shy of turning a cue as a stick. In Nagpur, in the current financial year Nagpur Municipal Corporation's proposed the increased budget worth year after year. Most of the development projects announced this year were already featured in previous year's budget, which means no new projects, and yet a hike of 88% in collections were proposed in year 2008-09 to 2009-10.

All this is because that more than 60% of the corporation budget goes into salaries and perks of employees. However, the committee on octroi and finance had put the ceiling cap on salaries to 16%. This is when we are yet to disburse salaries as per 6th Pay commission recommendations. Another, interesting developments since last 10 years is NMC work is allotted as privatization to private operators, e. g. , for garbage collection, tax collection, bus transport service, streetlight maintenance, water billing, biological waste disposal, water supply maintenance, so on and so for, then where does NMC employees contribute to city upkeep then? In an Indian <https://assignbuster.com/inert-citizens-demoracy-a-fools-paradise-essay/>

democratic setup it's the Government by the people, of the people, for the people; and according to thinker Taine " there are four varieties in society; the lovers, the ambitious, observers and fools.

The fools are the happiest" he says. However, I feel, to run the government for the welfare of its citizens there should be more lovers of the motherland, the ambitious must lead the masses to prosperity, observers shouldn't be passive, and the fools must be those perpetrators of inhuman tax tirades, who are in their fools world of indifference towards responsibility of society. Lord Shiva, the god with epitome of destroyer in Hindu Mythology, has a `Trisul', thy weapon with three spearheads; let each spear be like lover, ambitious and observer, with this trishul we need to corner the fools. Each person in Nagpur has to upheld this `trishul of power', and the agitation is to awake the slumbered government living in fool's paradise! Dear politicians, it's already late to abolish the abusive, `cancer of society', octroi. This is an SOS call to all lovers of this motherland India to rescue us from going down by the head into ocean of turbulent times orchestrated by arrogance and barbarism of politicians and executives.

I certainly hope that this turbulence would turn into `Sagar-Manthan,' i. e. , `the churning out good from the bad,' and like always... the good shall prevail! * DR. AJAY SONI Email: com Cell: +919822577987