



For A Digital Stimulus

Budget for growth and empowerment through digital access and connectivity

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What can next Monday's Budget do to ensure growth and green recovery, while taking socially enabling measures for people to move on from the pandemic and go beyond?

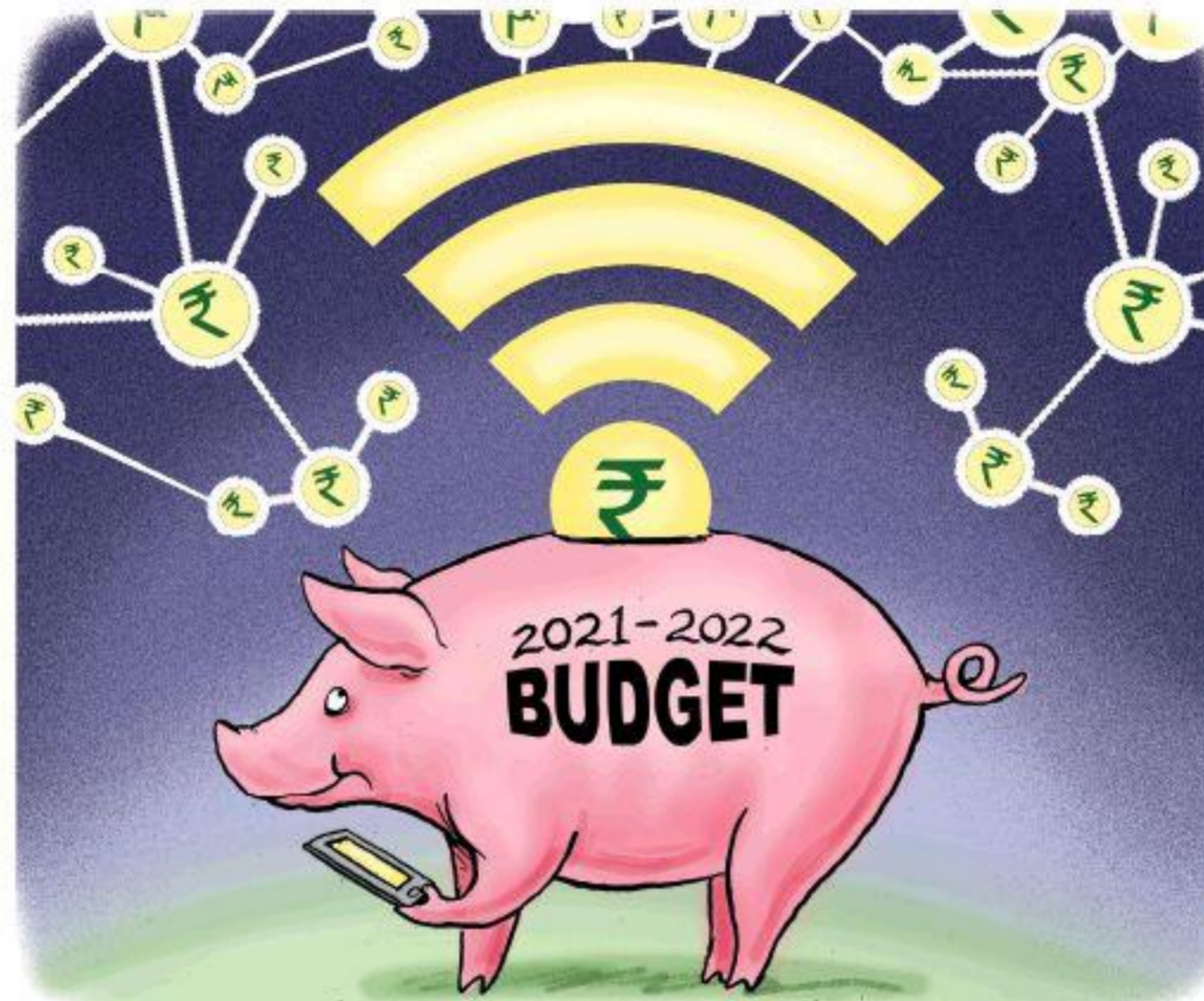
The pandemic showed us how important it is to ensure digital connectivity for all in order to be even a basically functional society. Those who could shop online could ensure basic needs. Children who could log onto the internet studied, while the remaining missed an entire year's education. Even those who had one smartphone for the family had to make choices whether it should be with the head of the family for making a living or the woman of the house or with which child, if they have two school going children.

Professionals did business and academics held webinars. The privileged ones felt secure by remaining in touch with close relatives and friends, whether in the neighbourhood or abroad, without emotional deprivation and worries. On the other hand, those lacking access suffered the most losses of livelihoods, education, health treatments; they suffered loneliness and worried about their families.

The pandemic showed the huge difference between the digital haves and have-nots. It's clear that we need to move towards comprehensive digital connectivity for equal access to opportunities for all. This needs to be the goal even beyond the pandemic, when our lives become normal. Why?

Our past experiences in electricity access hold a good mirror. Districts, villages and households were targeted successively. It was done jointly by all states and the Centre. It took seven decades of efforts to ensure electricity for all, and the job isn't fully done yet. We need to reach 100% digital access and corresponding connectivity not in the timeframe of decades but in five years, to regain some of our lost demographic dividend.

Connecting the masses is the demographic side of demand of digital business, different from the supply side



Chad Crowe

or demand from business and industries. Luckily, the supply side of digital infrastructure does not require physical transmission and distribution with copper wires, poles, transformers etc. Moreover, the supply sector is from the beginning largely with the private sector. Therefore, on the supply side, the government's push and budgets are needed mainly for expediting decisions about spectrum allocation, ensuring standardisation, quality control etc.

However, the demand side needs to be pushed for connectivity of masses by making it affordable and ensuring every household and person has it. The empowerment expands with each step of progress, viz mobile phone, smartphone, internet. Smartphones provide considerable number of other services and devices such as TV, camera, books and newspapers, video and audio recording, and a number of digital services as well which open up new modes of livelihood and assure public and private services to the users.

No doubt, there are some concerns on

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employment losses due to the above, but it's now inevitable. Such concerns with new technologies aren't new and have to be tackled. We were at a similar threshold when the banks were computerised, and there were strikes. Who will question it now? Other business opportunities came up which wouldn't exist without computerisation.

The government is well aware of this and has launched various services on the Digital India platform for e-education, e-health, e-payment etc. Though it leads

to empowerment for the people, it's again a supply side initiative. Without access to digital connectivity at the household level, the platforms can be used only by the privileged.

However, over the last two decades of efforts, the availability of total mobiles per 100 persons in 2020 reached 137.47% in urban and 59.14% in rural population. The internet users were nearly 50% but desktop and laptop users were 15%. These include the devices used for business purposes and aren't available always to non-working spouses and school going children.

There was a huge jump in the IT Budget allocation in the year 2020-21: it was Rs 59,000 crore compared to Rs 14,000 crore in the earlier two years. Perhaps, this was harder to spend in this year of pandemic. If budgeted two years earlier dropped calls, poor network, travelling kilometres to get network etc could have been avoided.

The 2021-22 Budget can have a stimulus package to strengthen the supply side by encouraging investment in digital infrastructure and a speedy allocation process for 5G infrastructure. Although India is the second largest market for smart devices, it needs to be 'atmanirbhar' to make them affordable. Perhaps a scheme similar to that of LED bulbs could be launched so that prices fall on bulk demand, consumers pay part of it while states and Centre finance the investment for upscaling the bulk orders.

This effort could be integrated with the new education policy, 'Housing for all by 2022' programme and new health initiatives including responses to Covid such as treatment and vaccines. A monitoring mechanism is needed to ensure that the budgeted amount is not only spent but has reached the intended goals and fulfilled the objectives.

You cannot go wrong on a stimulus in the form of digital connectivity that leads to enhanced productivity and increased efficiency for all businesses, cleaner environment from less unnecessary travel, as well as social and generational justice with better education and health. Let the digital push be the cornerstone of the next Budget. It could change the destiny of millions.

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