

Sen: Ayushman Bharat neglects primary healthcare, sector needs radical change

ENS ECONOMIC BUREAU
NEW DELHI, FEBRUARY 27

NOBEL LAUREATE and economist Amartya Sen Wednesday said the idea that giving cash to people can help the economy grow misses out on the fact that real economy needs healthy and educated people who can drive growth. He said the government needs pursue health and education efforts in order to build opportunity for and capabilities of people.

The Ayushman Bharat scheme announced by the government does not help in boosting primary healthcare capabilities, he said, adding that both the BJP and UPA government had neglected primary healthcare. The new scheme aims at the wrong pop-

ulation and is not incentive compatible. He said the key is to boost immunity and health of infants and children through better dietary supplements at the primary healthcare level.

The government's spending on health helps people get specialised care but only if they survive early dangers of life, Sen said. "What India needed was a radical change of primary healthcare," he said at a panel discussion organised by publisher Orient BlackSwan during the launch of a book 'A Quantum Leap in the Wrong Direction?'. With a bit of sarcasm, he criticised the governments' penchant for policies aimed at producing 'magic' that can boost economy.

"What you have in the government is the great belief in magic" and demonetisation



"What India needed was a radical change of primary healthcare ... What you have in the government is great belief in magic"

AMARTYA SEN
NOBEL LAUREATE
& ECONOMIST

was greatest magic that brought in hardships for the people, he said. The discussion was being held in the backdrop

of the book launch, which compared the promises made during the run up to the 2014 elections and the outcomes over the past five years.

"Based on the growth rates measured within the two GDP series, the NDA-II government has under-performed in comparison to the UPA-1 and was only marginally better than UPA-II. Serious reservations about the new methodology have been raised, since the new GDP numbers do not match trends in other economic parameters, such as growth in bank credit, investment and tax collections, which normally move in tandem with the GDP," according to the book.

The book said agrarian crisis has deepened since 2014, banks profitability has fallen every year from 2013 while

hasty implementation of Goods and Services Tax afflicted hardships on small and medium enterprises. The hair-brained policy of demonetisation led to rise in unemployment and lowering of growth, while growth in rural wage has been falling, it said.

"Profitability of the Indian banking sector has declined every year from 2013 onwards, and has turned negative in 2018. Besides, the NPA ratio (non-performing assets to total gross loans) shot up significantly between 2015 and 2018. The severity of the crisis can be understood from the fact that there are only two countries in the world, crisis-stricken Greece and San Marino, whose banking sectors have performed worse than India's in 2018," it said.