
Emperor Journal of Commerce

Received : 06th August 2023

Accepted : 16th August 2023

Published:17th September 2023

www.ejc.mayas.info

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ISSN No:2582-9815

Volume- III

Issue-IX

September-2023

The Freebies – Impact on Economic Status And Real Expectations Of Beneficiaries

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Abstract

Freebies will help the people who are in the below poverty line and of the lesser developed states, especially if they are large in numbers, to be uplifted from poverty. Generally, the provision of a series of promises done by political parties by providing free electricity, free public transport, free water, and waiver of pending bills and loans are often regarded as freebies.

For the last 3 decades the state Government offered more freebies in the form of goods and services, In which few notable freebies are No cost Rice, free electricity to agricultural purposes and domestic use, Colour TV, Table Fan, Grinder and Mixture Grinder, Cattles, Dhothi, Saree, Electricity, Lap-top, Cycle, Gold for Mangalyam, Cheppal, Food, Free transportation for Ladies, etc.. The major objectives of this research are to find out the real impact of state (especially Govt. of Tamilnadu) freebies on changing the economic status of the beneficiaries and a usually such freebies become need/demand-based depending on the situation in question. 20% more likely to talk about something they received for free. It is found that most of freebies are underutilized and majority of them are expecting in the form of cash and assured employment. This research undertaken in Krishnagiri District and conducted survey from 672 beneficiaries having “Green Ration Card”. It is concluded that the No cost Lap-top, Cattles, free electricity to agricultural purposes and Rice are highly beneficial and supported for livelihood of the economically backward people.

Keywords: Freebies, Beneficiaries, Green Ration Card and Economically backward people

I. INTRODUCTION ABOUT FREEBIES

Freebies means things that are provided at free of cost. The informal word *freebie* means "something given free of charge," and it's an especially good term for marketing or promotional items that are handed out as advertising. During election time, the Political parties are promising to provide free electricity and water supply, laptops, cycles, electronic appliances, etc. as freebies to the voters. After coming to the power, they are implemented through various schemes to the people one by one from the State Financial sources. The respective State Government allocating and spending huge amount for implementing these freebies through various schemes.

The economically backward people's expectations in this regard may differ according to the location where they are living. Hence, some of these freebies are common to the whole state and some of them may be differ in the state, so a common Freebie may not be suitable to all type of people residing in different part of the state.

According to political economist John Harris, there is a positive correlation, to the extent of causation, between reduction rates of poverty and child malnutrition and the extent to which states have achieved food security through PDS. Key economists studying the issue, Jean Dreze and Reetika Khera, have pointed out that in states such as Chhattisgarh, where PDS has seen proper implementation, the poverty-gap indices have fallen drastically, with people preferring food grains over even direct cash transfers.

In light of these various schemes and subsidies that act as help for the poor, it is important to make a distinction between necessary and 'irrational' economic goods. Scholars and parties currently arguing against a broad categorization of welfare services as 'freebies' have unequivocally asked for clarification on this single issue—What exactly is a freebie?

Do food grains under the PDS count as freebies, or does free distribution of rations during the pandemic? LPG gas subsidies? Widow allowances? Waged-working hours? And what about maternity leave? Where do critics of 'freebie culture' draw the line between schemes of economic (and social) redistribution and what has been classified as vote-mongering or wasteful use of public resources?

At the heart of the freebie debate are allegations regarding the economic and political conduct of Tamil Nadu. Dravidian mobilization and popular politics have often hinged on making economic wrongs right by the quality of TN's public provisions.

Late CMs Jayalalithaa's AAIDMK and M Karunanidhi's DMK have both strongly responded to bottom-up mobilizations of the people with schemes such as the Nutritious Noon Meal Scheme, free laptops for class 10 and 12 students, gold for women getting married, extended maternity leave, special 'Amma' canteens, and various other programmes.

In *The Dravidian Model: Interpreting the Political Economy of Tamil Nadu*, Vijayabhaskar and Kalayirasan observe that Tamil Nadu's high-end manufacturing and service economy failed to absorb excess workforce from its flailing agricultural sector, resulting in popular economic schemes aimed to soften

this blow. '[Derogatorily] referred to as "freebies", [they were] seen to reduce expenditure on 'productive' investments that may have helped generate more jobs for the educated youth'.

The authors insist that Tamil Nadu's 'freebie' culture has less to do with clientelism, political patronage and vote-buying and more to do with an assertive political ideology of public action. Interestingly, despite the claim that 'freebies' eat into productive endeavours of the state, Tamil Nadu is still one of the few socialist-democratic states in India, which has, in the post-liberalization period, managed to significantly increase its per capita income and Gross Domestic State Product (GSDP), while also maintaining a steady trend of interventions into welfare. (*Article: The Tamil Nadu 'Freebie' Debate: Welfare For Whom? Despite the claim that 'freebies' eat into productive endeavours, Tamil Nadu has managed to significantly increase its per capita income by Ambuja Raj Aug 26, 2022*).

There will always be debates on freebies and their impact on the most vulnerable in a mixed economy like India. Welfare schemes — be they for pension, ration or housing — are riddled with various loopholes and inadequacies. However, they are still extremely beneficial for people especially women, children, the aged and vulnerable populations.

Freebies or welfare schemes do not wipe away poverty or vulnerability. Instead, they reduce them significantly so that a person availing these schemes can lead a life of dignity and escape from extreme hunger and poverty. (*Article: Freebie critics should look at welfare schemes' transformative abilities to change lives By Debabrat Patra, Published: October 2022*).

Recently, the Madras High Court expressed its strong displeasure over the way in which political parties in the State were vying with each other to garner votes by offering freebies such as television sets, fans, mixer grinders, laptops, washing machines and even monthly cash doles instead of concentrating more on promising and delivering jobs, infrastructure development, improving health, transport facilities and agriculture. Justices N. Kirubakaran and B. Pugalenthil lamented that the freebie culture had made the people lazy and dampened their spirit to work hard. They opined that promising freebies should also be declared a corrupt practice since it vitiates the purity of the election process and influences the voters (*Article: Freebie culture makes people of Tamil Nadu lazy, laments HC, The Hindu, April 01, 2021*).

How 'freebies' boosted Tamil Nadu's economy (The Week, By Lakshmi Subramanian, Issue Date: September 04, 2022)

In this article, the author pointed out a case as A 23-year-old domestic help, Rukmani Sukumar feels that her life has improved in the past eight months. A resident of Kannagi Nagar near Chennai, she used to spend around Rs150 a day to commute to work. Now she saves the money, thanks to a government scheme that allows women to travel for free in public buses. "My husband is no more, and there is no support to raise my children," says Rukmani. "The savings help me buy them books."

In her article, she mentioned that our Former Finance Minister Palanivel Thiaga Rajan said the scheme has “profoundly changed” the lives of employed and college-going women, who make up 40 per cent of bus passengers in the state. “It empowers them to travel without asking anyone’s permission,” he told THE WEEK. “Women’s participation in the economy and social activities outside their homes has profoundly improved. It has had a bigger impact than we thought.”

Welfare schemes and doles have long influenced Tamil Nadu politics. In 1967, when hunger was a major issue, C.N. Annadurai of the DMK became chief minister riding on his promise of ‘One rupee for one padi (litre) rice’. The DMK government soon found out that the promise was expensive and unsustainable, but the welfarism continued.

After he became chief minister in 1977, M.G. Ramachandran of the AIADMK modified an existing mid-day meal scheme to attract children to school. His successors such as M. Karunanidhi of the DMK and J. Jayalalithaa of the AIADMK further polished the scheme, ensuring that more children enrolled in schools. The current DMK government, under Chief Minister M.K. Stalin, has now extended the scheme to include breakfast as well.

From mid-day meals and free uniforms and sandals, the scope of freebie politics drastically grew in the run-up to the 2006 assembly polls. The DMK came out with a manifesto that promised colour television, cooking-gas connection and stoves for poor households and free power and loan waivers for farmers and weavers. The manifesto helped the DMK come to power. Mrs. Jayalalithaa, also joined the freebie bandwagon in 2011. Her party distributed mixers, grinders and fans, helping her become chief minister. She retained power in 2016 by promising free bicycles, gold for mangalsutras, and subsidized scooters.

Interestingly, despite spending high on freebies and populist schemes, Tamil Nadu has maintained inclusive growth over the decades. Per capita income has gone up from less than Rs.20,000 in the late 1960s to Rs.60,000 in 2012.

“These 'freebies' are really welfare schemes that are economic necessities to propel inclusive and sustainable growth,” said Prof J. Jeyaranjan, vice chairman of the State Planning Commission.

According to P. Pugazh Gandhi, lawyer and coordinator of the Dravidian Professionals Forum, welfare measures could differ from state to state. “In the desert regions of Rajasthan, it could be drinking water,” he said. “In Kerala, it could be fiscal incentives to encourage entrepreneurs. In Tamil Nadu, it is educational or marriage assistance and free bus passes to ensure women empowerment. It is up to the legislature or the executive to formulate welfare measures for a particular region.”

Krishnagiri District – An Over View

The holy land of wise scholars, men of valour and courage, blessed with the green valleys, hills and hillocks and inhabited by people known for innovative farming was divided, for the formation of Krishnagiri district, carved out of Dharmapuri district as 30th district of Tamil Nadu.

'Krishna' refers to 'black' and 'giri' refers to 'hill'. This district is gifted with black granite hillocks and named as "Krishnagiri". The region came under the rule of Krishna Deva Raya and hence it might have been named after this king. Krishnagiri district is bounded by Vellore and Thiruvannamalai districts in the East, Karnataka state in the west, State of Andhra Pradesh in the North Dharmapuri District in the south. Its area is 5143 Sq. Kms. This district is elevated from 300m to 1400m above the mean sea level. It is located between 11° 12'N to 12° 49'N Latitude, 77° 27'E to 78° 38'E Longitude.

Eastern part of the district experiences hot climate and Western part has a contrasting cold climate. The average rainfall is 830 mm per annum. March – June is summer season. July – November is Rainy Season and between December – February winter prevails. Three languages namely Tamil, Telugu and Kannada are predominantly spoken in this district. Major religions are Hindu, Islam and Christianity. This district stands as an ideal exhibit of National integration and religious harmony. The society exhibit the confluence of different languages and religions.

The two revenue divisions are Krishnagiri and Hosur. The eight taluks are Krishnagiri, Hosur, Pochampalli, Uthangarai, Shoolagiri, Bargur, Anchetti and Denkanikottai. There are 12 panchayat unions: Kelamangalam, Thalli, , Krishnagiri, Shoolagiri, Veppanapalli, Hosur, Kaveripattinam, Pochampalli, Mathur, and Uthangarai.

Agriculture

The important crops of Krishnagiri District are Paddy, Maize, Ragi, Banana, Sugarcane, Cotton, Tamarind, Coconut, Mango, Groundnut, Vegetables and Flowers. The district has an excellent scope for agri business. Regional Agricultural Research Center of Tamil Nadu Agricultural University is functioning efficiently at Paiyur in Kaveripattinam union since 1973 AD. This center is functioning in 18.5 hec. of land. It helps the peasants to develop and adopt the modern technique of cultivation. It has developed hybrid seeds by research which yields more tonnage and good quality.

he district is a paradise for natural lovers. The flora include variety of timber trees like Rose wood, Teak, Sandal etc. Hundereds of medicinal herbs, minor forest plants like nelli, kadukkai, cheekai, pungam etc. The following trees like 'Charakkonnai' ('Cassia histula'). Since pungam trees are found in abundance in this forest pungam oil is extracted from this seeds of this tress which is a non pollutant Bio-fuel.

Minerals and Industries

Paradise is the most popular multi coloured granite available in Krishnagiri. Black granite is available in Hosur and Denkanikottai. Granite processing units, which make slabs of granite, finished and decorated beautifully is located mainly in Hosur surroundings. The multi coloured paradise slabs are being exported to America, England, Australia and some other European countries in large

quantities. This industry is flourishing with the uninterrupted supply of electricity and availability of raw material and land at cheaper rates. A variety of quartz stones from Denkanikottai and White metal called Limestone from Uthangarai are mined.

Rivers

The main rivers that flow across the district are Kaveri and South Pennar. Kaveri enters the district from South West in Denkanikottai taluk and exists in South West direction. It forms a waterfall at Hokenakkal and joins Mettur Dam. South Pennar originates in Nandidurg of Karnataka and flows through Hosur, Krishnagiri and Uthangari Taluks. Vanniyar and Markanda rivers join this South Pennar.

Reservoirs

Krishnagiri Reservoir Project, Shoolagiri-Chinnar Reservoir, Thangarai Reservoir, Pambar Reservoir, Kelevarapalli Reservoir Project and Baarur Tank are the sources of irrigation for our district. By all these water reservoirs 18,965 Hec. of land is irrigated.

Local Bodies

Corporation – Hosur, Municipality – Krishnagiri and Town Panchayats are Uthangarai, Kaveripattinam, Kelamangalam, Bargur, Denkanikottai and Nagojanahalli

Research Methodology

The researchers used the well-structured questionnaires to collect necessary information from the sample of 672 beneficiaries having “Green Ration Card” located in Krishnagiri Districts, Tamilnadu. After required data has been collected, appropriate statistical tools have been used to interpret the data. The Secondary data are also used for analysis and interpretation. The final report may reveal the findings, suggestions and conclusion.

Scope of the Study

This research focused on the people both male and female living in Krishnagiri district and having ‘Green Ration Card’ – Economically backward and the beneficiaries of State Government’s Freebies. The researchers have approached the housewives, family man, farmers, and parents of Govt. School going children.

a. Research design

The research was of descriptive design; aim to procure a clear, complete and accurate description of the situation.

b. Objectives of the study

- To study the significant impact of State freebies on changes in economic status of economically backward people as beneficiaries.

- To find out the real expecting freebies of economically backward people from the State for their livelihood based on their dwelling place.
- To find out the awareness and reach of implemented State freebies to the economically backward people.

Limitations of the study

- This study confined only to the beneficiaries of Green Card holders (Ration Card) of Krishnagiri district.
- Time constraint was another limiting factor. The time available for the study was very much limited.
- The public not having awareness on all freebies offered by the government.

Data Source

Data was taken mostly through primary data. A structured UN- disguised interview schedule was designed to collect data source. The schedule method was opted since the method would help to concise amount of information.

Population, Sample size & Sampling design

The sampling design being used for this study is convenience sampling and the sample size selected was 672 people of Green Ration card holders of Krishnagiri District. The aggregate elementary units in the survey are referred to as the population. Here it covers the Caterpillar employee quality of work life. The sampling technique was used for the survey was Convenient sampling

Study area & Period of study

The survey was conducted in Rural, Urban and Tribal areas in Krishnagiri district from eight taluks of Krishnagiri District, such as Krishnagiri, Hosur, Pochampalli, Uthangarai, Shoolagiri, Bargur, Anchetti and Denkanikottai. The study was held during the period of Three months (March 2023 –May 2023).

General Findings

Out of 672 respondents, 497 are Female and 175 of them are male. It is Majority (55%) of the respondents' family monthly income is upto Rs.5,000 only and

64% (430) respondents are received all the freebies given by the Government and 36% of the respondents are received only few freebies, not all. 68% of the respondents are not using the freebies received from the Government.

Only 22% of the respondents' are opined that the freebies received from the Government are useful and relevant for livelihood and 78% of the respondents are opined that it is not useful and irrelevant of some freebies for livelihood.

Out of 672 respondents, 98% of the respondents are received Rice, 96% of them are received Grocery items, 90% of them are received Edible oil, 72% of them received Free Dhothi & Saree, 98% of them are received Cash, 03% of them

received cattle (Farm Animals), 45% of them are received Free Electricity (Home), 42% of them received No cost Fan, Mixer Grinder and Grinder, 41% of them are received No cost Television, 30% of them enjoyed the benefit of Free Bus fair (For Women) and 12% of them got other benefits.

73% of the respondents' children are studying in Government schools and 27% of the respondents' children are not studying Govt. schools.

Out of 492 respondents' (Children Studying in Govt. Schools), 24% of the student beneficiaries received Bicycle, 15% of them received Laptop, 22% of them received Toot powder, 47% of them received Cheppals, 38% of them received Sanitary Napkins, 49% of them are received Note & Books, 49% of them are received School Uniform and 25% are received other freebies.

83% of the respondents are NOT frequently or regularly using the received freebies. It is underutilized.

Out of 438 respondents, who are not maintaining or using the received freebies, 60% of the respondents' are sold, 17% of the respondents are gifted to others and 23% of them are kept in loft.

312 beneficiaries are received freebies for agricultural purposes, in which 99% of the respondents' are benefited with free electricity for agricultural purpose, 68% of them benefited with Subsidized Fertilizer, 34% of them are received Subsidized Seeds, 34% of them are received Subsidized Pesticides and 36% of them received Subsidy for purchase of various agricultural implements & Machinery.

From this study, it is clear that out of 672 total respondents, who are received freebies, 68% them opined that the freebies received by them are not made any change in their economic status and they are living in the same status and 32% of them are accepted that it changed their economic status.

Another interesting findings from this study, out of 672 respondents, only 27% of the respondents can able to remember the Government (Chief Minister's name), 12% of them opined that they could remember somewhat and 61% of them were forgot the Government (Chief Minister's name) provided the freebies.

Opinion about usefulness & essentials for development of livelihood of received freebies, 100% of the beneficiaries opined that Cash and Cattle (Farm Animals are essential and developed their livelihood followed by Rice (at free of cost), Grocery items and Edible Oil (provided at concessional rate) (98%). 95%, 80%, 55%, 55%, 54% , 29% and 17% of the beneficiaries felt that Free Electricity (Home), Pongal Festival Gift, Free Dhothi & Saree , Free Bus fair (For Women), No cost Fan, Mixer Grinder and Grinder

General expectation of the beneficiaries for their development and livelihood

- Most of the economically backward beneficiaries (98%) are expecting Cash for making some necessary expenses.

- 86% the beneficiaries opined that No cost Lap-top, Cattles, free electricity to agricultural purposes and Rice are the freebies really essential for their development and livelihood.
- Majority (78%) of the beneficiaries are opined that they well aware of the schemes given through Public Distribution System (Ration shop).
- Good response from the public for Uzhavar sandhai, Mini bus, Mid-day meals, Free Bus fair (For Women), Free Electricity (Home & Agri purpose), etc.
- Respondents opined that instead of freebies, they are expecting permanent job and income to face day to day expenses and Children's education.

II. CONCLUSION

This study had given clear picture about impact and expectations of freebies on livelihood of rural people. It is found that majority (83%) of the freebies are underutilized and sold (60%) and are irrelevant to their usage and felt unnecessary (78%). But few of them are highly useful and developed the livelihood of the economically backward people like No cost Lap-top, Cattles, free electricity to agricultural purposes and Rice. Most of the beneficiaries are expecting Cash for making some necessary expenses. It is also found that the people are not aware of the schemes and well aware of the schemes given through Public Distribution System (Ration shop). It is also found that freebies assist in mitigating the income gap between the rich and the poor in the same manner it increases the taxation. It is concluded that the No cost Lap-top, Cattles, free electricity to agricultural purposes and Rice are highly beneficial and supported for livelihood of the economically backward people. It is recommended that the Government may use the money spent on freebies in Education (Special coaching for Entrance exam for higher education and Competitive exams), employment generation and infrastructural development, running of day care centre for aged and kids. And also the expectations of freebies differ with location and work and also may be provided based on necessity and segmentation.