
6. Economic Survey and its Importance

Prelims Level: Economic Survey

Mains Level: GS-III Indian Economy and Issues relating to Planning Mobilization of Resources, Growth, Development and Employment.

Why in News?

- One day before the Union budget, the Chief Economic Adviser (CEA) of the country releases the Economic Survey. The Economic Survey for 2019-2020 will be tabled in Parliament on January 31.

Highlights:

- The Economic Survey is a report the government presents on the state of the economy in the past one year, the key challenges it anticipates, and their possible solutions.
- The document is prepared by the Economic Division of the Department of Economic Affairs (DEA) under the guidance of the CEA, currently Dr. Krishnamurthy Subramanian.
- For the past few years, the Economic Survey has been presented in two volumes. For example, in 2018-19, while Volume 1 focussed on research and analysis of the challenges facing the Indian economy, Volume 2 gave a more detailed review of the financial year, covering all the major sectors of the economy.

Importance:

- The Economic Survey is a crucial document as it provides a detailed, official version of the government's take on the country's economic condition. It can also be used to highlight some key concerns or areas of focus.
- The government is not constitutionally bound to present the Economic Survey or to follow the recommendations that are made in it. But while the Centre is not obliged to present the Survey at all, it is tabled because of the significance it holds.

Expectations from the 2020 Survey:

- The Economic Survey ahead of the Union Budget is expected to offer key insights into the path ahead for the government to revive growth.
- The Survey is expected to shed light on the crucial gaps that the Budget will aim to fill in terms of unemployment, private investment, and a slump in Consumption.
- The Dilemma of remaining fixated on deficit targets or making a concerted push towards more expenditure to kickstart growth is one of the key challenges the Government is Facing.