‘States should be allowed to levy, collect taxes’

Chhattisgarh Chief Minister BHUPESH BAGHEL tells Archis Mohan that he fears the Centre plans to get out of its commitment to pay compensation to the states for the introduction of the goods and services tax (GST) at the next meeting on August 27. Edited excerpts:

How do you plan to sustain welfare schemes in Chhattisgarh if the Centre continues to be tardy in paying states’ GST share? True, it will become extremely difficult to continue welfare measures. We have put money in people’s pockets in the state through our welfare measures, which has increased demand, helped our economy revive and increased GST revenues. Ironically, the Centre has not paid us a paisa of GST this fiscal. The first quarter of this fiscal is over, and we are midway into Q2, but not one paisa has come. My information is, and this is worrisome for manufacturing states like Chhattisgarh, that at the next GST Council meeting on August 27, the Centre will look at doing away with the compensation.

What is the way out? Will you protest along with other states? Should states be allowed extra borrowings from the market? Of course, not just manufacturing states like ours, but all states should protest this. The larger point, however, is to look at whether GST has failed the states, and there is an urgent need to address this. I believe there should be a review of how GST has been implemented. My view is that there needs to be a rethink on GST. We should return to states being allowed to levy and collect taxes.

There is currently a manthan, a churn, in your party. Senior leaders have called for sweeping changes, and there are suggestions, including from Priyanka Gandhi Vadra, that the party should look beyond the Nehru-Gandhi dynasty for its next chief... Sadhidhartik roop se kuchh bhi bolte rahein (We can talk endlessly on matters of principle on whether someone from the dynasty should become the party president or not), but at the current juncture there is none better than Rahul Gandhi to take over the reins.

Your state is promoting religious tourism by building a Ramayana circuit. Did the Congress lose the connect with India’s culture and traditions in recent years? Not just that, my government has given adequate importance to traditional festivals also. We launched the Godhan Nyay Yojana on the festival of Hareli, and recently celebrated Teej Mahotsav. With Ram Van Gaman Path circuit, Kaushalya temple, Shabri temple, we celebrate the Lord Ram that inspires our daily lives. Indian tradition and culture are at the core of the Congress party, and there are times when this finds overt expression, and times when this remains muted.

After the episodes in Madhya Pradesh and Rajasthan, how apprehensive are you about the stability of your government? Any such attempt will not be easy in Chhattisgarh, given the numbers. In the (90-member) Assembly, we (the Congress) have 69 MLAs, and our opponent (the BJP) has a mere 14.

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