

## ADDRESS TO PARLIAMENT—21 FEBRUARY 1989

|                                |   |                                  |
|--------------------------------|---|----------------------------------|
| <b>Lok Sabha</b>               | — | <b>Eighth Lok Sabha</b>          |
| <b>Session</b>                 | — | <b>First Session of the Year</b> |
| <b>President of India</b>      | — | <b>Shri R. Venkataraman</b>      |
| <b>Vice-President of India</b> | — | <b>Dr. Shanker Dayal Sharma</b>  |
| <b>Prime Minister of India</b> | — | <b>Shri Rajiv Gandhi</b>         |
| <b>Speaker, Lok Sabha</b>      | — | <b>Dr. Bal Ram Jakhar</b>        |

HONOURABLE MEMBERS,

I welcome you to this session of Parliament. I extend to you my best wishes for the successful completion of the budgetary and legislative business which you have before you.

We are celebrating this year the centenary of the birth of Jawaharlal Nehru. A great son of India, his was a role of crucial significance in our freedom struggle and in our formative years as an independent nation. He erected the pillars of our modern nationhood: democracy/secularism, socialism and non-alignment. His ideals are of enduring value. In celebrating his centenary, we rededicate ourselves to his ideals and to his grand vision of an India restored to its rightful place in the front rank of human civilization.

India's basic policy framework was fashioned by Jawaharlal Nehru. Nehru's vision of a democratic, secular and socialist society has continued to guide our social and economic strategy. To Indira Gandhi, we owe its creative development through a period of intense struggle against the vested interests. The planning process, the key element of that strategy, was infused with a new vitality by Indiraji with her renewed emphasis on social justice as an integral part of our pattern of growth. For both Nehru and Indiraji, the defence of India's sovereignty and territorial integrity and India's development as a modern nation were intimately linked with a foreign policy devoted to peace, disarmament and an equitable world order.

As we enter the final year of this Parliament, we can look back with satisfaction to four years of constructive endeavour. Then, we were just emerging from the terrible trauma of the assassination of Indiraji. Terrorists, insurgents and secessionists, on the one hand, and various disaffected

elements, on the other, were attempting to throw into question the unity of the country, challenging its integrity and undermining its stability. But democracy asserted itself and returned a government with a massive mandate. Four years on, the nation is, in much greater measure, in harmony with itself. Discussion and negotiation have paved the way to settlements and accords. The whole of the north-east is now deeply involved in the nation's democratic mainstream. The message has reached all corners of the country that violence will be met firmly but grievance will be met justly, provided only that arms are forewarn and conformity to the Constitution ensured.

In these four years, economic growth has scaled unprecedented levels of achievement. And this despite a drought of the severest intensity. Government and the people together faced up to the calamity with fortitude and resolute determination. Whereas every comparable drought in the past had always spelt a major set-back, for the first time in the economic history of the country, despite the ravages of the drought, the economy actually recorded a positive growth rate of 3.6 per cent, higher even than the average growth rate till the eighties. Reflecting the deep resilience and self-reliance with which government policies have imbued the economy, we are now set on a long-term growth path that is upward of 5 per cent and targeted at 6 per cent or more in the Plan to come. Our frontal assault has been on poverty. We have striven to make a dent on unemployment. Our guiding principle has been justice and opportunity for the weaker, the deprived and the oppressed.

Abroad, there is greater appreciation of the policies followed by India. An increasing number of countries is recognizing that the path to sustain to situation peace is the one indicated by Jawaharlal Nehru and lit up by Indira Gandhi through four decades of escalating nuclear confrontation and unrelenting power bloc rivalry. The first indication of the dawn of a new era was the adoption by the Soviet Union of the principle of non-violence through the Delhi Declaration. Later, negotiations between the USA and the USSR led to the dismantling of a whole category of nuclear weapons, marking the first-ever act of nuclear disarmament since the invention of these terrible weapons. The relaxation of tension is reflected in the scaling down of conflict in several areas of the world. These developments constitute a vindication of what Nehru and Non-alignment have stood for. They also constitute a challenge to us, as the inheritors of this great philosophy, to persist till the international community is persuaded to free the world of nuclear weapons and anchor the world order in non-violence. The task for us begins in our region. We have maintained peace on our borders, promoted peace in our region and created an ambience of cordiality and cooperation as has not existed with China for a generation.

All this has been possible only because of our unflinching adherence to the great principles on which the edifice of our nation is being built:

democracy which reaches down to every village, secularism which respects all religions and protects the minorities, socialism which seeks the removal of poverty and the ending of unemployment, and non-alignment which guarantees our independence and self-reliance and makes our voice count in the world, an influence both beneficial and decisive.

It is Government's policy to resolve all disputes and differences peacefully. The local sentiments of the people will be respected, but there can be no compromise on the question of preserving the unity and integrity of the nation. The democratic path of dialogue and discussion, conciliation and consensus is open to all those who eschew violence and work within the Constitution. This was demonstrated in 1985 in Assam, in 1986 in Mizoram and in both Tripura and the Darjeeling Hills last year.

We are determined to eliminate terrorism. We shall persist and persevere till terrorism is rooted out in Punjab. The most powerful weapon in the fight against terrorism is the people themselves. In the face of threats and provocation, the people of Punjab have stood firm against terrorist violence and maintained communal harmony and relations of amity among themselves. They are our greatest strength. It is on them that the Government relies in its endeavours to find a political solution to the problems of Punjab. Government is open to dialogue. Meanwhile, steps are being taken to prevent support and assistance reaching the terrorists from abroad.

There has been a resurgence of extremist activities in Andhra Pradesh and Bihar. The spurt of extremist violence has been more marked in Andhra Pradesh. Government are closely monitoring the situation.

For thousands of years, our civilization has survived vicissitudes of every kind only because it has been rooted in religious tolerance and the celebration of diversity. The major threat to contemporary India comes from the forces of narrow-minded chauvinism. Chauvinism takes many forms: religion fundamentalist, communalist and casteist, regional and linguistic. It is most dangerous when these forces come together. Fortunately, the people of India have never been narrow in outlook. With the support of the people, Government is determined to fight these forces.

The future of our country belongs to its youth. Already the bulk of our population is young. The country's population profile grows more youthful with every passing year. It is the aspirations of its youth which the country must meet, it is the participation of its youth which the country must seek. The voting age has been reduced to eighteen. We now call upon our youth to play their full part in the building of the nation.

Electoral reform has been extended to other areas. Commitment to the Constitution has been made the *sine qua non* for participation in the democratic process. The civic rights of the weaker sections have been

better assured by making booth-capturing a cognizable offence. Those convicted of offences against women and the weaker sections have been disqualified from standing for election.

Government is determined to ensure separation of religion from politics. An Act to prevent the misuse of religious institutions was passed last year. Other steps will follow.

When I addressed you last year, our people were facing the challenge of an exceptionally severe drought. The Prime Minister took a personal initiative in extensively touring drought affected areas around the country. He established a Cabinet Committee on Drought to work up and monitor our response to the challenge. At the instance of the Central Government, and with its massive financial and advisory support, the infrastructure for development built up over the years was effectively utilised for drought relief, drought-proofing and the creation of permanent assets for the community. The Public Distribution System was strengthened and dynamised to meet the needs of the people. The people, at large, and the kisans in particular, ranged themselves behind the efforts of Government. We have emerged from this testing trial, resolute and resilient, strong and self-reliant, an impressive example of effective management of a major natural calamity.

The experience of concerting measures to face the drought was utilised to equally concert measures to take full advantage of last year's good monsoon. A special foodgrains production programme was launched. In consequence, we have a record *kharif* output and there is every indication of a very good *rabi* crop. Outstanding performance has been recorded in cereals. Cotton and sugarcane reached record levels of output. Oilseeds touched a new high, reflecting the achievements of the Technology Mission on Oilseeds.

The year under review has been a year of exceptional economic performance. Having weathered the drought with remarkable resilience, the economy bounced back with renewed vigour. GDP growth will exceed 9 per cent. In the first four years of the Plan, growth will be above the target of 5 per cent. It augurs well for a decisive spurt in growth rates in the Eighth Plan. The nation can be confident that we eradicate poverty and banish unemployment.

The kisan is the focus of Government's attention. Finance for the farmer has been a major priority. The target for direct lending to agriculture by commercial banks has been raised to 17 per cent of bank credit. NABARD's line of credit has been enhanced by 30 per cent from Rs. 1,800 crore to Rs. 2,550 crore. Rural and semi-urban branches of commercial banks have been entrusted and empowered to meet the credit needs of villages in their service areas. Village profiles and credit plans have been prepared for

half a million villages. A new loan scheme has been launched for the marketing of agricultural produce which enables farmers to receive a loan upto Rs. 10,000 against the hypothecation of his crop to the local co-operative.

A new Ministry of Food Processing Industries has been established to ensure better utilisation of farmers' output by inducting modern technology into the processing of food products thus augmenting the income of farmers and generally increasing incomes and employment in rural areas. A new seeds policy has been adopted to provide access to high quality seeds and plant material for vegetables, fruits, flowers, oil seeds and pulses, without in any way compromising the quarantine conditions. For the coordinated development of inland and marine fishing, a National Fisheries Advisory Board has been established.

Beginning in 1985, Government have taken several policy initiatives to stimulate production and investment in industry, increase efficiency and productivity, promote greater competition and technological upgradation. In consequence, industrial growth has exceeded 8 per cent per annum over the last four years. Overall industrial growth for the first six months of the current year was 9.5 per cent. Growth in the manufacturing sector touched 10.6 per cent. The small scale sector registered a 13 per cent increase in production. Strong emphasis has been laid on rural industrialisation to remove regional imbalances and give greater employment opportunities. Industrial relations have remained stable and Government have undertaken many measures to improve conditions in different industries.

Equally, Government policies have ensured impressive results in the infrastructure sector. For the three years ending 1987-88, the average annual growth rate has been 7.3 per cent in coal, 7.6 per cent in railway freight, 7.6 per cent in saleable steel, 7.9 per cent in port handling, 9.6 per cent in power, 10.3 per cent in cement and 12.5 per cent in fertilizer. The most encouraging part is that the performance has continued to improve from year to year. Compared with the first eight months of 1987-88, in the comparable period this year coal is up by 7.1 per cent, power by 7.6 per cent, port handling by 10.2 per cent, saleable steel by 11.5 per cent, cement by 12.2 per cent and fertilizer by 34.5 per cent. Telecommunications too have recorded significant advance in the indigenous development and manufacture of rural automatic exchanges and other telecommunication equipments. A Telecom Commission has been established for expediting the development of telecommunication services in the country.

The public sector has performed well. There has been impressive investment in the public sector in the last four years. Production and profitability are up. As envisaged by Jawaharlal Nehru, our public sector not only holds the commanding heights of the economy but is also becoming efficient and dynamic. A strong and vibrant public sector needs full

operational autonomy. The results achieved this year reflect Government's desire to give public sector management greater authority and freedom to secure the best results.

After a slow start initially, export performance has improved considerably in the last two years. Exports grew by 25 per cent last year and by a further 25 per cent in the first nine months of the current year, representing growth of over 50 per cent over the two year period.

We have undertaken a significant expansion in our nuclear power programme. Ten new nuclear powered reactors, based on indigenous know-how, will add nearly 4000 MW to the country's power generating capacity, in addition to a 2000 MW nuclear power facility being established on the basis of Soviet technology. The emergency preparedness and safety systems in nuclear installations have been significantly upgraded.

Science and technology are being pressed into the service of development. The Indian Remote Sensing Satellite is helping solve problems of rural development such as the location of groundwater and flood warning. Many biotechnology products have been developed for application in health and agriculture. The technology of embryo transfer in cows, developed within the country, is being applied to upgrade the stock of milch cattle. Government is planning to involve CSIR laboratories in greater measure in programmes of the Khadi and Village Industries Commission.

Technology Missions have begun yielding results. One lakh and six thousand problem villages have been provided with sources of drinking water. With the involvement of over 500 voluntary organisations, a mass mobilisation campaign has been launched for extending adult literacy in many States. Government has launched a Sixth Technology Mission on Dairy Development to give a boost to rural incomes through improved animal productivity and increased milk production.

There are two points of pressure in the economy: prices and the balance of payments. Prices have risen but it needs to be recognised that the price rise is much less than had been experienced during previous droughts of comparable magnitude. All instruments of fiscal and monetary policy are being deployed for the effective management of the inflation rate. Prices of essential commodities are being closely monitored. The Public Distribution System is being strengthened.

We need to be very vigilant about the balance of payments. The spurt in exports has to be sustained and reinforced by larger volumes and higher foreign exchange earnings. Imports have to be carefully monitored, with the emphasis on efficient import substitution wherever feasible.

Faster growth, especially faster agricultural growth, is the necessary precursor for the removal of poverty. But it is not in itself enough. Therefore, the frontal assault on poverty continues. Government are spending more than ever before on programmes of asset-creation and rural employment to serve the interests of the poor, the weak and the backward. The integrated rural development programme (IRDP) has reached over 25 million beneficiaries. Nearly half the beneficiaries belong to the Scheduled Castes and Scheduled Tribes. NREP targets for the terminal year of the Plan have been achieved in the fourth year itself. More than four lakh houses have been completed under the Indira Awas Yojana. The Million Wells scheme has been launched for the benefit of Scheduled Castes, Scheduled Tribes and freed bonded labour. TRIFED, a marketing organisation to ensure a fair price to tribals for their produce, has been started. A National Finance and Development Corporation for the Scheduled Castes and Scheduled Tribes has been established.

The National Housing Policy has been passed in Parliament. It accords priority in promoting access to shelter to the Scheduled Castes, Scheduled Tribes and freed bonded labour. They, as also the rural landless, artisans, economically weaker sections and low-income groups are to be assisted in securing affordable shelter. So also are single women, widows and households headed by women. In urban areas, the most seriously affected are the pavement dwellers. A scheme has been launched in metropolitan cities to provide pavement dwellers with dwelling units. A National Housing Bank has been established. Constraints on house building, such as inadequate land and capital, are being progressively removed. The report of the National Commission on Urbanisation is being examined.

The implementation of the National Policy on Education made significant progress during the year. Under Operation Blackboard, almost 40 per cent of the blocks in the country have already been covered. High priority is being given to the universalisation of elementary education. An effective beginning has also been made in the vocationalisation of secondary education. 256 Navodaya Vidyalayas have so far been established. 40 per cent of the children studying in these vidyalayas are from families below the poverty line. Almost 80 per cent of the students come from rural areas.

Within each of the disadvantaged sections of Indian society, women constitute the most disadvantaged segment. A National Perspective Plan has been prepared to accord to women their rightful place in the life of the nation and to help them overcome the burdens imposed on them by family and society. The Plan seeks to outline a long-term policy for the upliftment of the Indian women. It aims at strengthening their economic independence and raising their social status. It attempts to assist them in participating to the full in the development of the country.

The development process has much more than an economic dimension. At our present stage of development, the process confronts three major challenges: the preservation of the environment, the conservation of our culture, and the involvement of our people.

To ensure better environmental protection and to better maintain the ecological balance, the National Forest Policy has been substantially revised. The Forest Conservation Act has been strengthened. The law on water pollution has been made more stringent. The Ganga Action Plan has made significant progress. For the cleaning of the Ganga, Government have sanctioned 262 schemes costing Rs. 256 crores. Forty-five of the schemes have already been completed. The rest are being implemented expeditiously. An institutional framework has been envisaged to regulate installations producing hazardous chemicals and to deal with disaster.

In a period of rapid economic and social change, our moral and spiritual values come under strain. We are confronted with the insidious danger of crude acquisitiveness in disregard of compassion, tolerance and the common weal as the underpinnings of our value system. Culture is among the most effective of vehicles for the conservation of our quintessential values, for national integration, for the celebration of our diversity, for preserving our unity in diversity, for keeping ourselves open to wholesome cultural influences from outside, and of evolution through synthesis. It is these characteristics which through millennia have ensured the continuity of our civilization. It is therefore crucial that we preserve and develop our mosaic of cultures—classical, folk and tribal. It is even more important that we disseminate to the people at large an awareness and familiarity with our glorious heritage. It is these objectives and priorities which inform Government's cultural policy.

There is pressing need for genuine participation in the planning process of the people at the grass roots. That is the only way in which local needs and local priorities will receive the emphasis they require. We must entrench the third tier of our democracy to ensure representative institutions at the village, tehsil and district levels to effectively and efficiently undertake the planning, implementation and monitoring of development programmes. Therefore, a major priority for Government this year will be the revamping of Panchayati Raj institutions and the recasting of their powers and functions. Government intend to bring forward a major legislative programme to devolve power to the people.

We are now preparing the Eighth Plan. Government will endeavour to build the Plan upwards from the district level or even lower to State Planning Commissions and Yojana Bhavan. We have targeted a growth rate of 6 per cent per annum in the Plan. Employment generation is receiving special emphasis. We attach the highest priority to providing productive work and employment to the youth of our country. It is only thus that the

twin problems of poverty and growth can be successfully tackled. This is the key to the involvement of our youth in the great task of building the nation.

As we survey the international scene today, there are reasons for optimism, though not for complacency. An important step towards nuclear disarmament has been taken with the INF Treaty. Better understanding between the major military powers is also reflected in a reduction of tension in several parts of the world, even solutions to seemingly intractable problems. Confrontation is increasingly giving way to dialogue. It is a matter of satisfaction that these constructive trends have their philosophical underpinning in the principles of non-alignment, Panchsheel and the Delhi Declaration of 1986. There is, however, the need to ensure that in the process of finding solutions, we contribute to the building of a better and more democratic world and that the interests of the countries concerned are not bypassed. At this historic juncture in international affairs, it is incumbent on the Non-aligned Movement to play a decisive role in taking the processes of disarmament and peaceful co-existence to their logical conclusion. The objective, as set out in the Action Plan which the Prime Minister presented to the United Nations in June 1988, must be the elimination of all nuclear weapons and the reduction of conventional arms and forces to minimum defensive levels along with the need to root the world order in non-violence.

Within our region, the process of co-operation through SAARC has begun achieving tangible results. People to people contacts have begun to expand, opening the way towards making regional co-operation into a peopled movement. Agreements on food security and the suppression of terrorism are in place. 1989 has been declared the SAARC year against Drug Abuse. A useful start has been made in exchanging operational information on trafficking in drugs transiting through countries of the region, as also in exchanging ideas on drug counselling. Work has begun on a comprehensive study on preserving the environment and dealing with natural disasters. The decision to draw up a regional perspective plan on basic needs will help focus on common problems of the region.

With the Prime Minister's recent visit to China, we have embarked on a new and positive phase in our relations with that country. The cordial and constructive discussions held with Chinese leaders have opened the way for a stable, peaceful and mutually beneficial relationship between the two countries. This is a development of great significance for regional and world peace as India and China, together, represent a third of humanity. There is to be a Joint Group on economic relations, trade and science and technology. A Joint Working Group is being set up to consider measures for resolving the boundary question in a fair, reasonable and mutually acceptable manner. Both sides have reiterated their commitment to the Five Principles

of Peaceful Co-existence in their bilateral relations and as the basis for building a new international order.

We have welcomed the emergence of a democratically elected Government in Pakistan. We look forward to working with the new Government in reducing tension and expanding co-operation. During his visit to Islamabad, the Prime Minister had extensive discussions with Prime Minister Benazir Bhutto. Three agreements were signed, which should help to build mutual confidence and trust and promote greater interaction among our peoples. We have agreed to continue this constructive dialogue.

There has been significant progress in implementing the provisions of the Indo-Sri Lanka Accord, thus meeting the legitimate aspirations of the Tamils within the framework of Sri Lanka's unity and territorial integrity. Elections were held to the North-Eastern Provincial Council and a popularly elected Provincial Government is now in place. Legislation has been enacted to make Tamil an official language and to resolve the pending problem of stateless Tamils of Indian origin. Presidential and Parliamentary elections have been conducted successfully. With the improvement in the situation we have been able to withdraw some of our troops. We salute the dedication and bravery of our armed forces in discharging their duties.

Our friendly neighbour Maldives was faced with an armed threat to its freedom and democratic order. We responded promptly to Maldives' request for assistance to counter this threat.

For his bold and imaginative initiatives, which have contributed significantly to the improvement in the international climate, Soviet President Mikhail Gorbachev was awarded the Indira Gandhi Prize for Peace, Disarmament and Development. Relations between India and the Soviet Union have reached new levels of closeness, range and importance. The significance we attach to our friendship with the Soviet Union is highlighted by the extensive exchange of visits between the leaders of the two countries. The wide-ranging discussions which the Prime Minister had with President Gorbachev have further strengthened our understanding, provided an impetus for intensifying exchanges and given a new direction to our future co-operation. Our programme for co-operation in science and technology is particularly promising. My own visit to the Soviet Union for the closing ceremony of the Festival of India provided an opportunity to have very useful discussions with Soviet leaders. The Festivals have enriched the friendship, goodwill and understanding among our peoples.

Our relations with the United States have improved considerably with an expansion in technical exchanges and economic co-operation. The U.S.A. is now our largest trading partner and an important source of high technology. There is a better awareness of the need to build a constructive relationship and understand each other's point of view.

The withdrawal of Soviet troops from Afghanistan has been completed. The need of the hour is a peaceful political settlement so that further bloodshed can be averted in that country and conditions created for the safe return of the refugees. The Geneva accords must be fully honoured by all the parties concerned for ensuring the independence, integrity and non-aligned status of Afghanistan.

India was among the first countries to accord full recognition to the independent Palestinian State. Chairman Yasser Arafat visited Delhi for consultations. We have welcomed the commencement of a dialogue between the United States and the PLO. It is our hope that it will soon be possible to convene an International Peace Conference on West Asia, under UN auspices, with the participation of all concerned.

There are prospects of progress on the question of Kampuchea. We have been in touch with all parties concerned. The Prime Minister had extensive discussions with General Secretary Nguyen Van Linh of Vietnam. We are ready to assist in efforts to find a political solution which ensures the sovereignty, territorial integrity, independence and non-aligned status of Kampuchea.

We have welcomed the accords on Namibia. However, Pretoria must be forestalled in any attempt to subvert Namibia's transition to independence by preventing free and fair elections. International pressure must be maintained on Pretoria to end apartheid. In Fiji too, moves to institutionalise racial discrimination must be resisted.

During the year, I visited the USSR, Mongolia, the Netherlands, Finland, Czechoslovakia, Cyprus, Bhutan and Pakistan. The Vice-President visited Mauritius, Trinidad and Tobago, Guyana and Surinam. The Prime Minister paid visits to Japan, Vietnam, Syria, the Federal Republic of Germany, Hungary, Jordan, Yugoslavia, Spain, Turkey, China and Pakistan. These visits have promoted mutual understanding and co-operation.

We also received many foreign dignitaries including the Premier of the Democratic People's Republic of Korea, the Prime Minister of Singapore, the Crown Prince of Jordan, the President of Afghanistan, the President of Mozambique, the President of Bangladesh, the King of Nepal, the President of Kenya, the Chairman of the PLO, the President of Angola, the Prime Minister of the Netherlands, the Governor General of Mauritius, the Prime Minister of the People's Republic of Kampuchea, the President of SWAPO, President Gorbachev, the President of the Maldives, the Prime Minister of Malta, the General Secretary of the Communist Party of Vietnam, the President of France, and the Prime Minister of Australia.

Ahead of us lie exacting challenges and exciting opportunities. You are the repositories of the people's will. In you vests the responsibility of

---

realising the people's dream. We are launched upon one of the greatest essays in social transformation ever undertaken in the history of humankind. The task is so great, and sometimes so daunting, that we are often overwhelmed by how much more needs to be done. We sometimes tend to belittle how much has already been achieved. A balanced perspective is needed. There has been more growth, more social justice in the last 40 years than in several preceding centuries. Our people are being liberated from the shackles of poverty. The pace needs to be accelerated. Our youth are being offered vistas of expanding opportunities. These vistas need to be broadened even more rapidly. Centuries of social oppression and discrimination are being ended. The process needs to be pushed forward even quicker. We will succeed, and succeed soon, because we build on firm principles, principles bequeathed to us by our millennial civilisation, principles steeled in the furnace of the freedom struggle, principles tried and tested in four decades of nation building. So long as we remain true to these principles, true to our priorities and true to our goals, the new India will emerge from this transition and fulfil its destiny.

Jai Hind.