

ADDRESS TO PARLIAMENT—25 OCTOBER 1999

Lok Sabha	—	Thirteenth Lok Sabha
Session	—	First Session after the 13th General Election
President of India	—	Shri K. R. Narayanan
Vice-President of India	—	Shri Krishan Kant
Prime Minister of India	—	Shri Atal Bihari Vajpayee
Speaker, Lok Sabha	—	Shri G.M.C. Balayogi

HONOURABLE MEMBERS,

I am pleased to address this first session of both Houses of Parliament after the elections to the 13th Lok Sabha. I extend a warm welcome to all of you, including the newly elected members.

The just-concluded parliamentary election was the last of this century. It has given us the first Lok Sabha of the next century. As behoves a great nation with a history of many millennia, it is natural for India, at this historical juncture, to look at her past with pride and her future with hope and confidence. We must also look at our many missed opportunities that have prevented Free India from becoming a land of all-round progress and prosperity. Let us pledge today to use our collective strength, determination, and a sense of national purpose to meet the great future that beckons our country.

The coming year marks the 50th anniversary of the creation of the Indian Republic. The adoption of our great Constitution, authored by Dr. Babasaheb Ambedkar and other distinguished members of the Constituent Assembly, was a proud event in the history of this ancient nation reborn as a Free and Modern Republic. The majestic words of the Preamble, beginning with “*We the People of India...*” and carrying the epochal message of unity, sovereignty, democracy, and equality, still reverberate in our ears. They motivate us to rededicate ourselves to the ideals of our glorious Freedom Struggle and the enlightened Constitution that it gave birth to.

They inspire us to work for the realisation of the ideal that Mahatma Gandhi set before the Constitution much before India became free. As far back as 1931, Gandhiji wrote: “*I shall strive for a Constitution,*

which will release India from all thralldom and patronage. I shall work for an India in which the poorest shall feel that it is their country in whose making they have an effective voice; an India in which there shall be no high class and low class of people; an India in which all communities shall live in perfect harmony... This is the India of my dreams. I shall be satisfied with nothing less.” Can we be satisfied with anything less?

The just-concluded elections have again demonstrated the strength of Indian democracy and the maturity of the Indian voter. The electorate has put an end to the phase of instability at the Centre by giving a clear and decisive mandate to my Government. The participation of regional parties in managing the affairs of the country at the national level in a stable and coherent coalition augurs well for our democracy and federal polity.

I am happy to note that the “Agenda for a Proud, Prosperous India”, which is the Government’s common policy document, reaffirms its faith in the principles of Secularism, Social Justice, Federal Harmony, Probity, and Socio-economic Equity. Rooted in the eternal values of our ancient civilisation, these are also the cornerstones of Modern India. Government will fully implement the promises made in its common Agenda.

The interregnum between the dissolution of the last Lok Sabha and elections to the 13th Lok Sabha witnessed a grave challenge to our national security. The armed aggression in Kargil by Pakistan to occupy strategic territory on the Indian side of the Line of Control, was decisively foiled by our brave jawans, airmen, and officers. Pakistan suffered a double defeat—both on the battlefield and on the diplomatic front. Today we pay our grateful tribute to the martyrs of the Kargil war. Their sacrifice and heroism will forever remain a source of inspiration and strength to the nation.

There was unprecedented support across the nation for our jawans fighting Pakistani intruders in Kargil. The entire nation stood as one. Common people, who have little to spare, made generous contributions for the welfare of our brave jawans and their families. We have been actively looking after the rehabilitation needs of the families of our brave soldiers who laid down their lives during “Operation Vijay”, or who have been invalidated due to injuries sustained during the war. A package of assistance for the welfare of such families is being implemented.

While there is every reason for us to rejoice at India’s victory in the Kargil war, there is little room for complacency. This is evident from the sudden spurt in terrorism in Jammu and Kashmir and other parts of the country and the recent attacks on security forces following the Kargil conflict. Government is determined to thwart all disruptive activities and maintain vigil on all fronts. The Kargil conflict has also underlined the need for modernisation of our defence forces. Government will ensure that our defence forces are fully equipped to meet any challenge to our national security.

We remain firmly committed to global nuclear disarmament on a universal and non-discriminatory basis. At the same time, Government will ensure that India's strategic autonomy is preserved. This will be done in a way that India's legitimate security concerns are suitably addressed, in keeping with our own assessment of the evolving international security environment. The National Security Council will advise the Government in this regard and, also, in the establishment of a credible nuclear deterrent. A Draft Nuclear Doctrine has already been prepared and presented for public debate.

During the current year, the Indian economy is expected to grow over 6 per cent. Inflation as measured by the Wholesale Price Index is around two per cent, which is the lowest in the last two decades. Notwithstanding an adverse global economic environment last year, our balance of payments position has remained comfortable and our foreign exchange reserves are at a record level of nearly \$ 33 billion.

However, despite these achievements, the challenge to overcome the scourge of poverty remains a daunting one. Crores of our people, particularly in villages, are still to be provided with basic services such as clean drinking water, reasonable shelter, primary education, health services, and roads. Illiteracy is still a curse for large masses of our people—especially among Scheduled Castes, Scheduled Tribes, OBCs, minorities, and rural women. Millions of young men and women continue to be victims of unemployment. We have failed to stabilise our population, despite being one of the first countries to initiate an official programme for this purpose. We must redress these serious inadequacies as we chart a new course for the future.

The broad theme guiding the policies and programmes of my Government is: "Faster Growth with Employment and Equity". Government is committed to create one crore additional employment opportunities each year. These will be mainly in the areas of agriculture, agri-based businesses, small-scale and cottage industries, housing and construction, services, and self-employment. However, unless India grows in the coming years at a rate of at least seven to eight per cent, there is no way we can eradicate poverty and unemployment. Experience, both domestic and international, suggests that rapid and multi-sectoral growth is possible only by pursuing a bold strategy of economic reforms. The nation's re-oriented strategy of development will have to rest on a triad in which the Government provides a strong policy and regulatory leadership; the private sector brings the dynamism and efficiency of the competitive environment; and local democratic institutions and the civil society brings enthusiastic participation by the people. This strategy demands a new pro-development mindset in every section of society, polity, and administration, creating a strong national consensus for a bold departure from the past.

Guided by this overarching vision, Government has decided to give topmost priority to Social Sector development. In the field of education, a separate Department of Primary Education and Literacy has been created. An action plan to give greater thrust to female literacy and primary education will be shortly announced. Further, a programme for provision of primary school buildings for all unserved habitations will be formulated. Private sector participation in higher and technical education will be actively promoted.

A National Health Policy will soon be presented, whose twin aims will be the provision of adequate primary health services to all citizens and a stabilisation of population. Reproductive and Child Health services will be further strengthened through greater community participation. The use of Indian systems of medicine will be greatly encouraged. Greater attention will be paid to the welfare of the disabled and the aged through joint Government and Non-Government initiatives. Private sector participation will be encouraged in tertiary health services, including speciality hospitals, diagnostic centres, and related activities.

Government will give renewed thrust to improving Rural Infrastructure. The newly created Department of Drinking Water Supply in the Ministry of Rural Development will implement a programme to provide clean drinking water to all villages in the next five years. A Programme for Rural Connectivity through construction of all-weather roads to connect all villages will soon be started. Fifty per cent of the diesel cess will be earmarked for this programme. A massive "Shelter for All" programme will be taken up to facilitate construction of twenty lakh additional housing units each year. Of these, thirteen lakh will be built in rural areas.

Prosperity and employment generation in rural areas depend crucially on a fast-growing agricultural sector, complemented by a nationwide network of agro-based industries. In agriculture, Government will address issues such as development of rain-fed farming, soil conservation, wasteland development, watershed management, agriculture credit system, promotion of horticulture and floriculture, expansion of the cold-storage network, fertiliser pricing, balanced use of chemical fertilisers, and promotion of organic manure. Cooperative sector reforms, issues relating to crop insurance, post-harvest management, pricing and procurement policy for agricultural produce, forecasting and early warning systems etc., will also be thrust areas in the new policy. An action plan for the early completion of pending irrigation projects in a time-bound manner will be taken up.

Scarcity of water is fast becoming a serious national problem. Unless water is conserved and managed properly, there will not be enough to meet the country's burgeoning demand from households, farms, and industries. Government will present a Water Policy that will facilitate the creation of appropriate administrative, commercial, and technological solutions to ensure

that the present and future generations are not deprived of this life-sustaining resource. Inter-State water disputes will be equitably resolved. The needs of environmental protection and afforestation will be fully addressed in achieving the goal of sustainable development.

The most obvious constraint to rapid economic growth today is the inadequacy of our infrastructure. Government shall take urgent steps to improve the situation, guided by the principle of greater private investment within a strong regulatory mechanism. In the power and energy sector, the Centre will work closely with State Governments for time-bound corporatisation of the State Electricity Boards. Generation, transmission, and distribution of electricity will be unbundled as separate activities. Tariff reform, privatisation of transmission and distribution of power, and setting up of State Electricity Regulatory Commissions will be accelerated. A Task Force under the Finance Minister was set up some time back to prepare a “Hydrocarbon—Vision 2020” report. The recommendations of this Group will be implemented. An accelerated timeframe for dismantling the administrative price regime will also be finalised quickly. The Coal Mines Nationalisation Act will be suitably amended to remove hurdles in the growth of this vital industry.

The Ministry of Surface Transport has been reorganised into the Department of Road Transport and Highways and the Department of Shipping. The Integrated Transport Policy shall be soon finalised. NHAI will be strengthened to enable it to quickly implement the National Highways Development Project including the East-West and North-South corridors. A Dedicated Road Fund will be created. A Railway Reforms Commission will soon be set up to evolve a new resource mobilisation strategy, rationalise tariff, prioritise the project portfolio, and urgently fulfil the unmet needs of railway safety. High priority will be accorded to improving the efficiency of existing ports, corporatisation of some of our major ports, and private sector participation in setting up new ports. A new Civil Aviation Policy will be formulated, designed to secure India’s needs in the 21st century. The programme for modernisation of our airports through private sector participation would also be implemented in a time-bound manner.

The New Telecom Policy-1999 shall be expeditiously implemented to achieve the objective of providing universal access to world-class telecom services at the lowest possible price to the public. Rapid spread of rural telephony will be promoted through a special plan to cover all the uncovered villages in a time-bound manner. Corporatisation of the Department of Telecommunications as India Telecom will be speedily implemented. As a first step, a new Department of Telecom Services has been created to separate the policy-making function from the service provision function. The TRAI will be strengthened to increase investor confidence and create a level playing field between public and private operators by suitably

amending the TRAI Act. A Group of Experts will be constituted to recommend a new legislation in place of the Indian Telegraph Act, 1885 to enable India to seize the new opportunities created by the technological convergence between telecom, computers, television, and electronics.

A new Ministry of Information Technology has been created to be the nodal institutional mechanism for facilitating all the initiatives in the Central Government, State Governments, academia, the Indian private sector, and successful Indian IT professionals abroad. The Ministry will implement a comprehensive action plan to make India an IT Superpower in the early part of the next century and achieve a target of \$ 50 billion in software exports by 2008. It will accelerate the Internet revolution in India, emphasising the creation of useful content in Indian languages. IT-enabled services, IT education, hardware manufacturing and exports, e-commerce, and Internet-based enterprises will be actively promoted. These have the potential to create employment and business opportunities for hundreds of thousands of young Indians. A legislation to promote E-Commerce will be introduced soon. A Task Force for the pharmaceutical and other knowledge-based enterprises will be constituted for making India a world leader in this sector. I am happy to note that India is well on the way to ensure Y2K compliance in all our critical computer systems before the end of this year.

All these infrastructure initiatives will lay a firm foundation for the revival and expansion of India's industrial base—especially the vast and hitherto neglected sector of small-scale and cottage industries, rural craftsmen and artisans, and the KVIC. Special emphasis will be laid to meet the multiple needs of this sector such as timely and adequate credit including the implementation of a credit guarantee scheme, marketing, technological upgradation, skill improvement—and, above all, removal of bureaucratic harassment. Rules will be suitably modified in some carefully identified industries in the SSI sector, which have a huge potential for exports and employment generation. Government will make comprehensive and sustained efforts to solve the long-pending problems of India's textile industry, especially in view of the challenges in the post-MFA regime. Necessary steps for modernisation and restructuring will be taken to restore Indian textiles to their traditional pre-eminence in global markets.

Foreign Direct Investment (FDI) plays a crucial role in rapid economic development by bringing in modern technology and management practices. Government will review existing FDI regime in order to bring in greater transparency, cut delays in project implementation, and create an enabling policy to ensure FDI inflow of at least \$ 10 billion per year. There shall be an automatic route for FDI clearances except in a small list of carefully chosen areas.

We will evolve a programme for achieving fiscal rectitude through improved expenditure management, undertake far-reaching tax reforms,

and secure speedier restructuring and disinvestment of public sector undertakings, including strategic sales. The Expenditure Commission, which would be setup shortly will review all direct and indirect subsidies, examine all ongoing expenditure streams and schemes, as well as lay down the roadmap for downsizing of Government. A Task Force on Tax Reforms shall be constituted to recommend a time-bound programme of reforms of tax structures, both direct and indirect. Reform of banks and financial institutions, would be accelerated by reducing non-performing assets and strict application of prudential norms. Necessary legislation on bankruptcy, foreclosure, debt recovery, and mergers would be enacted to underpin financial sector reforms.

We are fully committed to promote the interests of labour, especially those in the unorganised sector, in the new environment of economic reforms. The Second Labour Commission will study the changes needed in various labour laws in order to better achieve the welfare of labour, faster generation of additional employment, accelerated industrial growth and exports.

Government will institute effective measures to eliminate chronic delays in the dispensation of justice, through suitable reforms in the judicial system. Independence of Judges shall be fully respected and efforts made to attract the best talent to the Bench. Government had undertaken a study some time back on which of the existing laws, rules, and regulations have become obsolete and are proving an obstacle to rapid socio-economic development. Based on the recommendations of this study, all such outmoded and inessential laws will be repealed.

As a member of the World Trade Organisation, India will continue to interact with other nations to further protect and promote our national interests. Towards this objective, Government is preparing a well-thought out strategy for the forthcoming Seattle Conference. My Government will ensure that in any new round of WTO negotiations, India's national interests are fully protected, and that our gains from global trade are maximised.

Government will intensify the promotion of science and technology—in education, basic research, and application for meeting the critical challenges of socio-economic development. Interaction between Indian industry, CSIR laboratories, universities, IITs, DRDO, ICAR, ICMR, and the departments of Space, Atomic Energy, Biotechnology, and Ocean Development will be strengthened. In keeping with the message of “Jai Vigyan”, special efforts will be made to nurture scientific temper and problem-solving attitude among our children, and also to encourage promising young scientific talent.

Government will endeavour to give a new direction to Urban India and bring about an orderly, healthy, and dynamic development of our cities, which is necessary to tackle the problem of urban poverty. Special efforts will be made to raise the quality of civic services and to carry out a

fundamental restructuring of the administration of municipal bodies and public utilities.

Youth power provides the dynamo in the mission of nation-building. Government will focus and facilitate the efforts of thousands of youth and students organisations across the country to give a renewed thrust to their enthusiastic participation in constructive activities, sports, arts and culture. The main energising aim of these efforts will be to strengthen national integration, rekindle the spirit of voluntary work, and to enable our talented young men and women to achieve global excellence.

Internal security is an integral part of national security. Government is committed to ensuring the safety and security of all citizens of India, irrespective of their caste, religion, gender, or language. The incidence of communal violence last year was at its lowest in the last decade. Government is already engaged in taking effective steps to create a riot-free and terrorism-free India.

The past two years have seen a marked improvement in the situation in Jammu and Kashmir. Education, tourism, and other economic activities are fast returning to normal in this State. More than 110,000 pilgrims participated in the Amarnath Yatra this year. Nevertheless, terrorism continues to pose a challenge in Jammu and Kashmir. We will meet this challenge firmly and provide all assistance to the State Government to neutralise terrorists. After its crushing defeat in Kargil, Pakistan has stepped up its proxy war against India. The immediate objective of the Pakistan-sponsored terrorists was to disrupt the election process in Jammu and Kashmir, and also in the North-Eastern States. The people in these States, however, have once again opted for the ballot in the face of the terrorist's bullet. This is a ringing endorsement of their faith in India's unity, secular democracy, and a rejection of theocratic separatism.

The Prime Minister has announced that Government will follow the principle of "Zero Tolerance" while dealing with terrorism. Simultaneously, Government will continue to focus international attention on the deadly impact of trans-border terrorism that has claimed countless lives all over the world. There is no dearth of evidence to show how state-sponsored terrorism has affected peace and stability in South Asia and beyond. India is actively working to initiate concerted international opinion and action against state-sponsored terrorism in any part of the world. The menace of illicit drug trafficking, money laundering, and narco-terrorism has also to be effectively countered through both national and international efforts.

Government will soon restructure the North-Eastern Council for faster socio-economic development of the North-Eastern States. The NEC (Amendment) Bill, 1998 will be moved shortly. A special scheme to modernise police forces has been introduced in the North-East; it is expected that the

States' police forces will soon be better equipped to tackle insurgency and law and order problems. The remaining portion of the India-Bangladesh border will be fenced shortly.

Harmonious Centre-State relations are fundamental to a healthy federal polity and to achieve balanced socio-economic development. The pending recommendations of the Sarkaria Commission's report in this regard will be considered for expeditious implementation. My Government believes that the States should have greater financial and administrative powers and that there should be decentralisation right up to the grassroots through the Panchayati Raj system. Necessary action will soon be initiated to give full Statehood to Delhi and for the creation of Uttaranchal*, Vananchal, and Chhattisgarh as new States.

A Commission comprising noted constitutional experts and public figures shall be appointed to study a half-century's experience of the Constitution and make suitable recommendations to meet the challenges of the next century. Government will also examine replacing the present system of no-confidence motion by a system of "Constructive Vote of Non-Confidence", and a fixed term to the Lok Sabha and the Vidhan Sabhas, in order to prevent political instability both at the Centre and in the States.

No nation can prosper unless there is a concerted effort to empower women and invest in the girl child. Some of the miracle stories of rapid development are hinged to economic, social, and political empowerment of women. Government proposes to reserve, through legislation, 33 per cent seats for women in Parliament and State Legislatures. Further, we shall provide free education to the girl child upto college level, including professional courses, and set up a Development Bank for women entrepreneurs in the small-scale and tiny sectors. Nari Shakti shall fuel the engine of a modern, dynamic Indian society.

We are committed to safeguard the interests of Scheduled Castes, Scheduled Tribes, Backward Classes, and minorities through appropriate legal, executive, and societal efforts. Our focus will be on large-scale education and socio-economic empowerment. We are determined to wipe out the last vestiges of untouchability from our society. Reservations for Scheduled Castes and Scheduled Tribes will be extended for another ten years and reservation percentages above fifty per cent followed by some States will be sanctified through legislative measures. Government has already created a new Ministry of Tribal Affairs for better formulation, implementation, and monitoring of policies and programmes aimed at all-round welfare of our tribal brethren.

Comprehensive electoral reform is necessary if elections are to be made a truly democratic exercise, free from the clutches of muscle and money power. A broad consensus already exists on the need for extensive

* Now known as Uttarakhand.

reforms in our electoral laws. Government will soon bring forward a comprehensive electoral reform Bill to further strengthen our democracy. Government will also ensure the right to franchise of Defence and Security Forces by introducing the system of proxy voting.

The canker of corruption is eating into every institution of our nation. Government is determined to ensure probity in public life. Towards this end, the Lokpal Bill has already been introduced. It will, *inter alia*, also cover the office of the Prime Minister. Government will also soon enact the Central Vigilance Commission Bill for conferring statutory status on the Central Vigilance Commission.

Continuity and consensus have always been the underpinnings of India's foreign policy. Successive Governments have demonstrated their commitment to secure for India a place, role, and position in the global arena, commensurate with its size and importance.

The recent military takeover in Pakistan is a matter of grave concern. Democracy alone can best guarantee peace, understanding, and cooperation among countries and peoples. We are watching the situation in Pakistan with careful attention. We had initiated the composite dialogue process and had sought to reinforce it through the Lahore Declaration. Pakistan must stop cross-border terrorism in Jammu and Kashmir and other regions of India, and also put an end to hostile propaganda against India.

The situation in Afghanistan demands a careful reassessment and a fresh approach. The world has unfortunately watched passively while Afghanistan disintegrated into a source of terrorism, narcotics, and dangerous instability. As a result, India's security interests have been affected. We shall work together with like-minded countries for an early return to stability in Afghanistan. An essential requirement for this is the cessation of outside interference in the internal affairs of Afghanistan.

Recent years have seen significant strengthening of India's traditionally close friendship and cooperation with Bangladesh, Sri Lanka, Nepal, Bhutan, and Maldives, as well as our interaction with SAARC. We shall continue to work actively with these neighbouring countries and within SAARC to reinforce the trend of cooperation in this region. India will also forge closer cultural and economic relations with South Africa, Mauritius, Guyana, and Trinidad and Tobago, Fiji, and such other countries where large numbers of people of Indian origin live.

India seeks to further deepen and broaden her relations with the United States of America, on the basis of the values and ideals we both share. We are also committed to further strengthen our traditionally close and friendly ties with Russia. We shall develop our links with France, Britain, Germany, along with other members of the European Union and Japan, in a spirit of

goodwill and mutual benefit. We would continue our dialogue with China with a view to improving and broadening our relations. India highly values her cordial and steadily growing relations with the countries of Central Asia, West Asia, East and South-East Asia and the Pacific, as well as Africa, Latin America and the Caribbean. The forthcoming Commonwealth Heads of Government Meet (CHOGM) in Durban provides a useful forum for presenting India's views on a wide range of subjects of regional and global significance.

My Government will maintain and foster close understanding with our strategic partners and key interlocutors in order to strengthen our political and economic relations with the outside world. We also continue our efforts for a more equitable world order and for greater democratisation of the United Nations and its organs. A greater role for the developing countries in the councils of the world will bring in much-needed stability and justice in global affairs.

Honourable Members, you have a highly challenging, but equally rewarding, task before you in the 13th Lok Sabha. The people who have elected you have high expectations from all of you. They hope that the proceedings in Parliament will be of high standards, marked by consensus and cooperation among all members, cutting across party lines. In this context, I would like to compliment the 13th Lok Sabha on the unanimous election of the Honourable Speaker. This, indeed, is a welcome development. I am confident that the coming Session, as also all the subsequent sittings of Parliament will witness constructive debate in both Houses, leading to successful conclusion of all the legislative and other scheduled business. I wish you the very best in your endeavour.

Jai Hind.