

expanded vastly in number, scope and coverage. Such initiatives can promote further liberalisation and may assist least-developed, developing and transition economies in integrating into the international trading system. In this context, we note the importance of existing regional arrangements involving developing and least-developed countries. The expansion and extent of regional trade agreements make it important to analyse whether the system of WTO rights and obligations as it relates to regional trade agreements needs to be further clarified. We reaffirm the primacy of the multilateral trading system, which includes a framework for the development of regional trade agreements, and we renew our commitment to ensure that regional trade agreements are complementary to it and consistent with its rules. In this regard, we welcome the establishment and endorse the work of the new Committee on Regional Trade Agreements."

When we notice the overall composition of the Declaration and the stand consistently taken by our country, we cannot lose sight of the fact that our country has taken a stand which is in conformity with the consistent stand that we have been taking in these matters. At this juncture we have to see other things. It is not as if we are prepared to face a situation when all the terms of the agreement are becoming operative. Now we feel that in the context of our economy, especially the industrial growth there is a need for us to foster the existing core sectors from the onslaught of the new arrangement. So, we have to prepare ourselves.

Our senior Member was mentioning about the situation of the public sector undertakings like I.T.I. We may also mention about similar organisations. We have also to protect certain core sector organisations so that in the event of a competition in future our infrastructure facilities or our key industries do not lose their identity so as to be a dis-service to the country in that field.

These are certain aspects. I was listening to the hon. Member who was mentioning about the present economic situation. It is true that the present Government has been following the liberalisation policy that was adopted in 1991 and followed subsequently. At the same time, it is also true that there have been some instances. In specific cases I have observed that though there have been technological improvements in the quality of the products, at the same time there has been a negative growth in respect of employment in certain areas.

We have the National Renewal Fund. The budgetary provision is being made year after year. These things, the situation relating to the employment, condition of labour in view of the new scenario after liberalisation will also have to be taken care of. Units like I.T.I., H.M.T.

etc. have also a social cause to be followed. They are following the cause. That also has to be borne in mind while allowing for unbridled privatisation by investment from overseas or internally.

These are certain things which I would like to bring to the notice of the Government through you, Madam Chairperson. I thank you for this opportunity given to me. I welcome the stand taken by the Government.

I would also impress upon the Government to see that the industry and trade of the country is not affected adversely and that we have to take preliminary steps that are required so as to be in a position to face the situation that arises after the transition period.

18.20 hrs.

BUSINESS ADVISORY COMMITTEE

Ninth Report

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF TOURISM (SHRI SRIKANTA JENA) : I beg to present the Ninth Report of the Business Advisory Committee.

18.21 hrs.

DISCUSSION UNDER RULE 193

(ii) India's stand on Singapore declaration of World Trade Organisation - Contd.

[Translation]

SHRI SHATRUGHAN PRASAD SINGH (Balia) (Bihar) : Mr. Chairman, Sir, today we are discussing a very important and sensitive issue. At this juncture, I would like to remind you of the international 5th Conference of the Labour Ministers held in Delhi on 23rd January, 1995 in which directives were issued about the Labour standards. The consensus arrived at the Conference has been given at page 34 of the Joint Declaration.

[English]

It is mentioned under 'Upgrading of Labour Standards'

"Opposition to any attempt to link ILO Conventions with international trade at all international fora. and -

[Translation]

Review, updating and consolidation of international labour standards within the ILO without linkage to trade concerns."

[Translation]

I would like to ask the hon. Minister whether he had gone through the phrasology of the declaration paper that was issued as a directive in the International Labour Minister Conference, before proceedings to Singapore. Various newspapers have expressed their opinion and a news item also appeared in the 'Business Standard' to the effect that India is deviating from its policies. A voice was also raised during the Zero Hour in this regard. Today also in its editorial column the newspaper says :

[English]

Message from Singapore .

"The issue of labour standards did figure in the declaration despite near unanimity amongst developing countries to stand against such a reference."

[Translation]

at the end it says :

[English]

"The run-up to the Singapore Conference had seen developing countries led by India reiterate that the WTO should not be allowed to take up so-called new issues like labour standards and the MAI."

[Translation]

Mr. Chairman, It has been mentioned in the statement made available to us that we reiterate our commitment to follow the important labour standards which have been accepted at the international level. When you reiterate your commitment then who authorised you, when and where, to constitute a sub-committee or a study group or a working group to review the principles of labour standards. I would like to know as to how he acceded to this decision. Was it the decision of any international organisation or the Council of Ministers or was there any indication of the change in this policy matter from Delhi. I understand no political party in this House is biased.

All the political parties are committed to the national integration, unity and sovereignty of the country. We would not make any compromise with the sovereignty. Under what circumstances he made this compromise? He could have returned from there. He would have earned more respect in the world. How did he surrender on this issue. He also surrendered in the matter of labour standard. About the extension of services, he stated that in February, 1997, we would discuss telecommunications and in April, 1997 we would have deliberations on financial services with a view to have a good market in this field. You have accepted a time limit. Rajya Sabha and the Lok Sabha both are in Session. Did you obtain public opinion in this regard? You have also mentioned in your statement that we

have agreed to a number of provisions as a part of agreement and decisions. You have agreed on the provisions of agricultural services, excise evaluation, import licencing etc. I would like to know from the hon. Minister from where and under whose directives the facts were collected and how he fulfilled the responsibility of policy making? A particular strategy is adopted while preparing Agenda for international conferences.

Madam Chairman, I remember, I had read in the Newspapers, when an International Labour Conference was held here in which the then Labour Minister and present Speaker Shri P.A. Sangma who was Labour Minister at that time under the Congress Government, had had many sleepless nights. Such disputed issues which are our internal matters and which are normally settled by us according to the laid down International Labour policy and service policy and on which consensus paper was got prepared by him after lot of initiative and lot of deliberations by several countries. You have destroyed all those important documents in one stroke without having any discussion by you with those experienced persons before you went there. So you are under a cloud before the nation because of that.

Madam Chairman, the secretary who had accompanied the hon. Minister for talks has issued a statement by saying that India has won. It appears as if the Minister had gone in the battlefield and have returned winning a battle hoisting the Flag and asked his secretary to issue the statement in the press that we have won. I would like to know from the Minister as to where we have won or defeated and before whom? When the House is in session such statements should be made first in the Lok Sabha or Rajya Sabha and only then any statement can be made anywhere. Who authorised your secretary to issue such a statement that he has come as a winner and feel exalted by saying so?

Madam Chairman, the Foreign policy which we have been following since the time of our first Prime Minister, late Pt. Jawaharlal Nehru till today has enhanced our status in the eyes of the world and has all along protected our identity and defended our dignity. All countries bow before India in so far as its unity and sovereignty are concerned. World countries have lauded our stand all along. You remain stick to your stand on CTBT. We earned a good name in the world and in our own country. Even the common village people, the farmers and the labourers have lauded the stand taken by the hon. External Affairs Minister Shri Gujral that he did not surrender before the world and the way he presented the Indian viewpoint before the United Nations have enhanced the prestige of the United Front Government. What has happened to you in Singapore? If you were weak enough you could have taken Shri Gujral alongwith you or could have taken hon. Prime Minister alongwith you. But you did not achieve anything there and we became a laughing stock.

Madam Chairman, I would like to request that the House should pass a resolution to denounce and condemn the surrender agreement which was entered into at Singapore. We all resolve to denounce and condemn that agreement in toto. With these words I conclude.

[English]

SHRI CHITTA BASU (Barasat) : Thank you, Madam. Singapore is not an end by itself. Singapore gives out or holds out some ominous portents for the independent sovereign economic development of our nation. It is not the question that who won in Singapore or who lost in Singapore. The question should not be limited only to the precincts of the Conference Hall at Singapore. Madam, it has got far fetching implications and significance. When the Declaration which was accepted, including by India, I think it is a green signal for something which we do not desire to happen in our country, particularly in the economic field. I feel that this is the green signal for the de-nationalisation of our nationalised industry including the bank, including the insurance and including other financial institutions. Therefore, it is not limited to the question whether by accepting this amendment or by rejecting that thing we have won or we have lost. What is at stake is the economic sovereignty of the country of ours.

Everybody knows that the World Bank, the International Monetary Fund and the WTO are the instruments which are worked upon to further the interest of the United States of America and its allies. Of late, the WTO has been forced as another instrument to further the cause of the global interest of the United States of America, not only in the economic sphere but also in the political sphere and also in military sphere. It is needless to mention that the United States of America have got a global strategy and they think that it is in their national interest to see that the global strategy is imposed upon every country of the world. They dream of a future, they dream of tomorrow where it will only be the United States which will remain a strong and a very prosperous nation. That is in one word means that instead of bipolar and instead of multipolar, it should be unipolar world and the United States of America will rule the roost. It is admitted by many including certain functionaries of the World Bank and the International Monetary Fund that these organisations are being utilised and will be used for furthering the cause of the so called national interest of the United States of America and their allies.

Madam, India is a free, sovereign and a republican country. We have got the free choice of following our own path of development. We have got the inalienable right or choice of routes of development. Nobody can impose on us a particular route of development. On many occasions here, in this House, I have described in almost a great detail about the negative consequences of the New Economic Policies of the

former Government which, according to me, is a disastrous route, and it is a route which has been shown or prescribed by this trio. Now, this trio has come; earlier it was the World Bank, the International Monetary Fund and the GATT.

Madam, we have chosen the path or the route of planned economy. The planned economy has brought us some progress, though not, of course, to the desired extent; but we have progressed. India's economy has attained certain stability and India's economy has got all these qualities which can withstand the pressures from the foreign countries. The objective of planned economy is self-reliance, self-sufficiency, the right to choose national priorities and also to work for national prosperity. It has the distinct objective of distribute justice. The objective of the Planning Commission is not only development, but also to distribute the fruits of development. On another occasion, I explained with figures how these New Economic Policies or the so-called Structural Adjustment Policies which have been adopted by many countries in Latin America, in Africa and in Asian countries have produced no employment. It has been called a jobless growth. Growth is there, but jobs are not there. This is a dangerous route. To my great dismay, at Singapore, I say that we have further weakened our position which would ultimately lead us to a greater disaster.

Madam, the New Economic Policies and the Structural Adjustment Policies happen to be the fundamental basis of the economic edifice. In these policies, that is, NEP and SAP, the main foundation-stone is marketisation and globalisation. As a matter of fact, the WTO wants a borderless world where everybody, from every part of the world, can bring in their available and investible surplus. It means, that it would distort the development of many Third World countries including India. It appears to me that we are proceeding towards marketisation and globalisation which ultimately aim to deplan our plans.

We are going to complete eight Plans and enter upon the Ninth Plan and this planned economy will be distorted because the so called borderless world will penetrate into the national economies and distort the national priorities for the planned growth in the interest of the masses of the country.

Therefore, Singapore is not an end in itself. Singapore holds out certain ominous portents for India's economy. The Declaration mandates that a study of the link between foreign investment and trade be undertaken. Everybody knows that it was the TRIM which wanted to bring in these investment measures. We have objected to certain provisions of the TRIM. The House protested against it and they had to hoist their march, but in a different way, through a backdoor. These principles of TRIM which have not yet been accepted by India, as far as I know, are being accepted. This is a backdoor entry of the TRIM. I do not like to quote the

speech of our Prime Minister in Harare which is with me. He was categorical that there is nothing to do as trade and development are apart. There is no link between trade and development. India will resist all attempts to build up a linkage between trade and development. Now these are accepted in violation of the policy stance of the Government of India as pronounced by our Prime Minister. But you have not given proper respect and vigour to that Declaration from an international platform.

Again on the question of integrating WTO and ILO, our Government is clear, at least this House is clear, that WTO and ILO are separate entities and International Labour Organisation is the only authorised and only recognised forum to talk about and to discuss about the labour standard. Now we have brought through the backdoor WTO also to consider about the labour standards. This is a device which is not worth, to use the mildest expression. It is not very very desirable and I think it is undesirable.

Lastly, India is not so weak as the hon. Commerce Minister feels. India of 900 million people, with the quality of labour, with the technological enhancement that we have been able to achieve, is not so weak. We may be very much enamoured of Asian Tigers. Let them remain Tigers. But let us remain a peaceful, a progressive Republic committed to bring about economic, social, political and cultural advancement of the entire masses of our country. India should stand on its own legs and I think it is wrong if we allow the CTBT spirit to be spirited away.

Let the same CTBT spirit also be displayed in respect of the economic policy. Let the Government stand up to choose the right path of our choice for economic development.

With these words, I conclude. I think the Government should take additional precaution so that we may not be required to surrender again our national interests.

LT. GENERAL SHRI PRAKASH MANI TRIPATHI (Deoria) : Madam, I thank you for giving me this opportunity to speak.

On 13th of December, this House went into a turmoil. There was a lot of anger from across the House, from all parts because of the sudden turn that our representatives had taken in the Singapore Conference of the World Trade Organisation. Today, after we have read the Declaration of the World Trade Organisation at Singapore to find out what happened, we felt that anger was fully justified and that there has been a grave failure that we have gone back on what we have been talking of. We saw a lot of anger in hon. Shri George Fernandes. I am also very angry although I do not shout about it. But the anger is fully justified.

Most of the points have been brought out and I will try not to repeat them. But the one point I do want to say is that what we kept on saying before

- the Singapore Conference was totally at variance with what happened at the Singapore Conference. The anger was as much to the content of the Declaration as to the certain change or direction, certain change of attitude displayed by you once you had reached the Singapore Conference. This is becoming a habit. The representatives of our country, when they go to a Conference, are not only supposed to project the views of our country but are also supposed to project the power of our country, the capability of our country and there must be some correlation between what the Government say there, and with what they have been saying here earlier and what they achieved there. What they achieve in the international fora is the world's view about our country in the area.

Why are we so angry about it? It does not take India name anywhere. The declaration against all developing countries. But we are very angry because the Government, I and the country feel that we are capable of leading the least-developed countries of the Third World. In fact, we are not able to lead them and therefore we have an important rage about these kinds of failures. That is the first point that I want to make.

With regard to the International Labour Organisation, the point has been well made. We totally reject the view that the linkage between the internationally-known Labour Standards and the WTO has finished. It has not finished. If you see the first sentence and the last sentence of what our hon. Minister himself has said, this will become very clear that the linkage has remained and that it will remain. We also reject para 20 regarding acceptance of providing for working-groups to study the trade linkages with investment and competition. It is a sell out. In pure and simple words, it is a sell out. The WTO is not a research agency. It is not meant to carry out studies without a purpose. Why should a study be there when already it is provided for, that after two years, the work of the WTO will be seen and it will be further evaluated in 1999-2000.

What is the hurry? What has been laid down is not good enough. The same applies to the trade related investment measures. But there are one or two points which have not been highlighted particularly para 21 with regard to the Transparency in Government Procurement. It says :

"Establish a working group to conduct a study on transparency in government procurement practices, taking into account national policies, and, based on this study, to develop elements for inclusion in an appropriate agreement."

Really what it means is that we must get international bidders. You listen to us. Now in the Government business also, some outside agency away from this country is going to watch out with regard to trade transparency. I thought, so far, only we were only trying to see the transparency in our Government deals.

But now the World Trade Organisation is going to see this. This leads me to a point which is not very original but I think, it is becoming a habit. This Draft has just come to us this morning. There was a question when you do not like it. Why do you not go away from the World Trade Organisation? Why do you not forget about the GATT and so on? Why do we have this Frankenstein? Can we develop a method to deal with it? This is too important a subject only to say that this has gone wrong, that has gone wrong and gone wrong! There is a question of time span. First we get GATT, we get certain things in it which we do not like and we sign it. Then we come to WTO which is a child of GATT. There are some more aberrant inclusions and we sign it. This is a build up that goes on. How to deal with it. We must find a way to deal with it.

We are going to have another conference in Geneva in two years time. Are we going to fail the same way or are we going to set up a machinery where we can deal with it? There are many items. Let us not forget that the GATT agreement spells out measures in favour of least developed countries. "Notwithstanding their acceptance of these instruments the least developed countries recognised as such by the UN and for so long as they stay in that category while complying with the general rules set out in the aforesaid instrument, they will only be required to apply individual commitments, obligations and concessions to the extent consistent with their individual developments, financial trade needs or their administrative and social capabilities." It is laid down that the WTO is a child of GATT. It is not away from GATT. Therefore, we have to find out a machinery of dealing with this monster that we have got. I dare say that we need not confine ourselves only to winning cricket matches. But we are winning the cricket matches because there are professionals there who have proved themselves coming up to that standard, that there are no Under Secretaries, Deputy Secretaries or Secretaries playing in that team. There are people who are available in our country also. We have had a mention of the Forum of Parliamentarians for Intellectual Property Rights. There are many individuals who are equally, if not more, competent to be able to advise, to be able to see beyond the office walls and to be able to formulate a policy that we are able to tackle, these issues.

In 1998 the business will should be in two bits, highlighting and bringing to predominance the areas that must be with us. It is an amazing thing that we have an information technology suggestion passed by 28 countries, brought in the declaration of Singapore Declaration. While things like textiles, clothing and others are bothering us, nobody is talking about the reduction or doing away with tariff on them by 2000 AD and here you have laid down that the tariff should be removed by 2000 AD infotechnology items. What a dilemma!

Here itself in para 5, it says :

"We commit ourselves to address the problem of marginalisation for least-developed countries and the risk for it for certain developing countries..."

It keeps on making these noises. Every four or five sentences. I can read here where it talks about the importance of the developing countries and the least developed countries. But there is no concrete proposal. It is because, we are not putting any concrete proposals. We are only saying that 'this is wrong and we would not do this, we would not do that.' Why are we not putting our concrete proposals? Why are we not talking about the movement of skilled labours across the international borders? Why are we only mentioning it in this? Why are we not giving it a date? If there is to be a free trade, what kind of a free trade do you envisage if the borders are limited like jails to our budding young people? Why cannot they go out and save that free trade? Why are we not putting those things into the agenda? That is the question I have got to ask.

Therefore, I would request the hon. Minister to give a serious thought to this problem. We have to get away from the mind-set that we have to only resist. But in future conferences, starting from now, we must have a report in six months' time, that is, one and a half years before the next Conference, as to what the major issues are that we are going to put. And, for this, there should be a discussion here. We must have a strong establishment to deal with these existing issues, to do the homework. I feel that our homework is poor. It is pathetic. No sooner did we get to Singapore than we took a stand and we found our stand untenable because Malaysia has shifted its position. It is an amazing state of affairs.

Please get the experts of our country, take their services, take their help and in six months' time we must formulate our plans. While we are facing this monster, we must be able to tackle it. Should we decide to go away from it? Certainly, I would consider that that is a separate question altogether. But at the moment, my main grouse is that we have not been able to tackle it.

I think, this point has been brought out quite clearly that what happened in Singapore was not about a trade. It was about dominance and really this dominance must take another Avtar, that is, *The Economic Avtar*. The developing and the least-developed countries would come with us if they felt that we were capable of taking their leadership. At the moment, we do not mind isolation but we are alone because at the moment, with the kind of performance that went on in Singapore and earlier, nobody has any faith that we are capable of taking their leadership.

19.00 hrs.

We have to go about it methodically. We have the potential, we have everything. Therefore we must seize the opportunity this point.

MR. CHAIRMAN (SHRIMATI GEETA MUKHERJEE):
If you do not mind, it is already 7 o'clock.

LT. GENERAL SHRI PRAKASH MANI TRIPATHI
(Deoria) : With these words. I thank you very much.

19.00 hrs.

ARREST AND REMAND OF MEMBER

MR. CHAIRMAN : Hon. Members, I have to inform the House that the following fax message dated 15 December, 1996 has been received today from the Deputy Commissioner of Police, Special Branch, Nagpur, Maharashtra :-

"I have the honour to inform you that Shri Banwari Lal Purohit, Member of Lok Sabha,

was arrested on 15 December, 1996 at 16.15 hours in crime No. 214/96 under sections 143, 341 of the Indian Penal Code read with section 135 of the Bombay Police Act at Police Station, Koradi, Nagpur City, Maharashtra. Member was remanded to Magisterial custody on 15 December, 1996 at 23.30 hours."

SHRI G.M. BANATWALLA (Ponnani) : Is it a matter of honour to arrest a Member of the House?

MR. CHAIRMAN : He has communicated that he had the honour. It was within quotes. The DCP was honoured by arresting Shri Banwari Lal Purohit, it seems! This is what he says.

The House stands adjourned to meet tomorrow, the 17 December, 1996 at 11 a.m.

19.02 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, December 17, 1996/Agrahayana 26, 1918 (Saka).