

Title: Further discussion on the motion of thanks on the President's Address initiated by Shri Madan Lal Khurana and seconded by Dr. Nitish Sengupta on the 16th March, 2000 (not concluded) .

16.08 hours

MOTION OF THANKS ON THE PRESIDENT""S ADDRESS - Contd.

MR. CHAIRMAN: The House shall now take up the discussion on the Motion of Thanks on the President""s Address. Dr. Nitish Sengupta to continue his speech.

DR. NITISH SENGUPTA (CONTD): Mr. Chairman, Sir, I rise to continue my address in support of the Motion of Thanks moved by Shri Madan Lal Khurana, when we adjourned last time.

Mr. Chairman, I mentioned that the President""s Address is an excellent blueprint, a very timely one, for action in the current century. It tells us not just the ills that we have committed, the things that have gone wrong, but also what needs to be done to set things right. He has rightly stressed that it is our responsibility to transform our democracy into an effective instrument for the economic, social and cultural development of every Indian.

He has rightly supported the concept of Constitutional Review. When we talk about the Constitution, really there were great people like Pandit Jawaharlal Nehru and Babasaheb Ambedkar. But basically that was a very small body which was elected by only one per cent of the people of this country. Fifty years have passed since then, and there has been some experience gained in working this Constitution, which is an excellent document. But the point is, attempts of changes have been made and about 90 amendments have taken place since then. So, I do not see any harm in the Government, in accordance with whatever is promised in the NDA manifesto, setting up an expert body to make some recommendations, which will come before the Parliament in any case for the final view.

So, there is no intention to bypass Parliament or to bypass the representatives of the people. A small body of experts has been set up to look at the whole Constitution. There is no question of changing the basic features. Therefore, to my mind there is nothing wrong in this. The President has rightly emphasised the need. ...*(Interruptions)*

SHRI S. BANGARAPPA (SHIMOGA): Are all the members in the Committee experts in the field?

DR. NITISH SENGUPTA : According to my impression, they are all experts. I think we should address the Chair. I am not yielding.

MR. CHAIRMAN : Let the Member speak. Kindly cooperate.

DR. NITISH SENGUPTA : Mr. Chairman, Sir, I do not think, at this stage others should be allowed to speak. Let me continue my speech.

श्री मुलायम सिंह यादव (सम्मल) : सभापति जी, ये विद्वान् सदस्य हैं। मैं कहना चाहता हूं कि देश की राजनीति की दिशा राजनीतिज्ञ और लोक सभा तय करती है, एक्सपर्ट नहीं करते हैं। ये विद्वान् हैं, वकील हैं और कानून जानते हैं लेकिन लोक सभा का कानून यह नहीं है। मैं माननीय सदस्य का आदर करते हुए कहना चाहता हूं कि देश की राजनीति की दिशा राजनीतिज्ञ और लोक सभा तय करती है। अगर ये समीक्षा करते हैं तो एक्सपर्ट की राय ले सकते हैं। एक्सपर्ट देश की राजनीति की दिशा थोड़ी तय करेंगे।

DR. NITISH SENGUPTA : Mr. Chairman, Sir, the essential background is that we have entered the 21st century with the largest number of illiterates and the largest number of poor people in the country. Why has this sort of thing happened? I am happy that the President has raised some of the vital issues. He has pointed out to a whole lot of distortions which have crept in. I make bold to say that this country is not poor. It is a country rich in natural and human resources. There is nothing called under-development in the country, it is only under-management. India is not an under-developed country, it is only an under-managed country. Things have not been managed properly. I am happy that the whole issue was discussed a little earlier and a lot of very learned views were expressed. To give an account of some of the distortions, there is a public sector company called Bharat Gold. According to the latest figures, the cost of production is Rs.20,000 per 10 grams of gold; and the selling price is, perhaps, Rs.5000 or Rs.6,000 only. Whom is the Government of India subsidising? It is only the richer section of the people, who can afford gold. In any case gold is freely imported. By closing down this non-economical, unviable gold company, perhaps the country will not suffer very much. There will be, on the whole, a lot of progress.

Food and fertiliser came up for discussion. Food prices in India are much higher than the world food prices. How has that happened? It has happened on account of our mismanagement. We have been giving subsidy and a lot of things. Perhaps, it will come as news to you that every year as much amount of foodgrains is wasted in the country as the entire production of Australia. Australia is a food exporting country. In India, on account of poor warehousing and storage facilities and insistence on storing everything, we waste that much of money by allowing them to be eaten

by rodents. This is an example of gross mismanagement. Today the whole world is one. Why cannot we have some arrangement with some countries which need food to take some kind of food loan from us? You send away a fixed quantity of foodgrains to other countries. Later on you can get the food back from those countries. That will provide us some kind of indirect warehousing facility; and it will earn some foreign exchange for the country also. Yet, we insist on keeping all the foodgrains stored in the country in a way that is totally unscientific. Ultimately we allow a lot of these foodgrains to be wasted. Mr. Chairman, Sir, I can see a situation where India can become the food-producer for the whole world if only we make our agriculture more scientific and make things more flexible.

Now I come to the food subsidy essentially on account of the expenditure on the Food Corporation of India. You know what they spend. A lot of money is unnecessarily spent. Perhaps, the time has come to point out to all these distortions, to make sure that we do things scientifically on the basis of scientific management.

The fertiliser subsidy was started around 1978-79 with the original idea to enable the fertiliser factories to cover their cost of production. It was started not to assist to the farmers but to compensate the cost of production of the fertiliser factories. It was barely Rs. 300 crore at that time in a year.

16.16 hours (Dr. Laxminarayan Pandeya *in the Chair*)

So, from Rs. 300 crore, it has now gone to around Rs. 16,000 crore a year. So, all the money that we gain through, let us say, customs revenue or central excise, is spent on the fertiliser. I do not say for once that the fertiliser subsidy is not necessary. But there should have been some rethinking and some constant review so that we did not allow Rs. 300 crore of outgo per year to rise to the abnormal proportion of about Rs. 16,000 crore. Somehow, it has to stop.

Mr. Chairman, when I was the Revenue Secretary, I was shocked to see that 'on the one hand we are giving fertiliser industry subsidy and on the other hand we are collecting excise revenue from them.' So, I said there, 'why the country not take excise revenue from them and then not give them subsidy? We forget that the cost of disbursing the money to them was enormous and the cost of collecting the money from them was not less. And, we submit ourselves to this unnecessary sort of rigmarole, only to maintain the fertiliser price.'

Sir, I am not against subsidy. But the point is that it must be targeted properly to the sections who really need that subsidy. Secondly, it must come from some sector of the economy which is producing a surplus. In 50 years of working of our economy, we have reduced it to such a wonderful position that no single sector generate a surplus. You have to run unviable loss-making public sector units every year meeting their cash losses.

The hon. Prime Minister did a signal service a few days ago. When he was addressing the SCOPE, the chief executives of the public sectors, he mentioned that 234 public sector units of the Central Government have been responsible for a net loss of Rs. 1,00000 crore in the last few years. You can see the extent of subsidy.

Mr. Chairman, Sir, I come from Calcutta which is a graveyard of sick unviable industrial sector units today. And the general policy has been that 'okay, Braithwait and Burn have suffered a cash loss of , let us say, Rs. 80,00,000. So, the Government in its bounty will give them Rs. 80,00,000 a year so that they meet their cash losses, and then again carry on operation a drug on the Government.' My point is that this cannot go on like this. About the public sector system, sometime ago, I did make an estimate. I found that that if you take into account the State Governments and the Central Government public sector units, let us say, electricity boards and all that, the total amount invested any day, would be around Rs. 6,00,000 crore. Sir, I submit it before this House that is it not criminal to allow this core area such a critical mass of Rs. 6,00000 of investment without any return at all? If the investment of Rs. 6,00000 crore was made to give a return of, let us say, five per cent, ten per cent per annum, the Government's financial position would not be such. But we have to run that by huge subsidy every year. Otherwise, this money could be much better spent in providing drinking water to the villages we do not have funds to provide drinking water to villages, and also to those who do not have funds to arrange for school in every village of this country. But yet, we have money to meet the cash losses of public sector units which can never be turned into and which can be never turned around.

So, Mr. Chairman, Sir, something is very grossly wrong with this country. Believe me or not, I think, it would have been able to manage our things properly, if we are able to ensure that the public sector system provides a return, if we are able to ensure that the fertiliser subsidy is really kept at a kind of reasonable level, targeting the proper sections who really need subsidy and not allowing the money to be slipped, ours will be a rich country.

Mr. Chairman, Sir, going back again to fertiliser subsidy, I am shocked to see that basically the whole system is designed to cover up the losses of public sector fertiliser-making units and the private sector fertiliser-making units make more money. They make more money because of the inefficiency of the public sector units that have to be kept alive by giving subsidies. This situation must end now.

We are today discussing matters with a background of half-a-century of economic development – not only in our country but in many other countries. When we started our development process, let us say, in the year 1948 or 1949 or 1950, it was a great fantastic process. Development economics was a dull, theoretical study, which many people did not like. There were not many examples except the example of Soviet planning and maybe the example of the British Labour Party's Fabian socialism. We have seen what has happened to the Soviet economy.

Today, development economics is a rich, empirical study where we have the concrete example of how certain countries, by following certain policies, went into ruin and how some other countries, following a different set of policies, made progress. We have seen the magnificent rise of the Soviet economy and its magnificent collapse for its inability to change itself. It could not change; it stuck to some of the theories. My appeal to my Communist friends is, 'Try to change; do not think the world has stood still since 1848.' ...(*Interruptions*)

I am coming to the subject of the 'Asian Tigers'. Do you believe that Singapore was much behind India even in the 1960s? How did Singapore, Malaysia, Thailand, Korea and everybody else sprint ahead, leaving behind a giant State like India far behind? There were some disturbances in the last two years, but they have got over it because their economies are basically sound.

Let us go back to history. Korea, educationally, was much behind India in the 1960s but today Korea has cent per cent literacy. Singapore also has cent per cent literacy. In India, we have been committing contempt of our Constitution – the same Constitution that we are talking about – which says that giving free primary education up to 14 years of age is a Directive Principle of State Policy. We have not done that because we have to maintain Air India and Indian Airlines at a loss.

We had to take over many undertakings from the private sector where the private sector management had driven them to losses to the public sector through our benign policy. We had to nationalise the coal industry. It was not necessary at that time. Shrimati Indira Gandhi was very wrongly advised at that time. What was the price of coal that we were paying at that time and what is the price that we are paying now? The Government must explain the policies to the people.

It is good to see that the President's Address mentions about denationalising the coal industry. But we have to explain this to the people, to say that this would ultimately be helpful to the people, and that this would bring a lot of benefits to them.

I think, things went very much wrong earlier. Why did we have to nationalise the Indian Iron and Steel Company? Even in the year it was nationalised, it was declaring a dividend. It had always declared a dividend. Look at the position after that and see how under Government management we have allowed such a fantastic industry, which, at one time was ranked higher than the Tata Iron and Steel Company to go from bad to worse and from worse to worst until there are no takers for it today. It has happened on account of Government management and on account of uncertainty. So, the point is, we have to learn from the experience of these countries.

Mr. Lee Kuan Yeo, one of the greatest men of the modern century said, 'What I consider as one of the biggest achievements is that I taught the average Singaporean not to run to the field to answer the call of nature but to go to a modern toilet facility, which I have provided to everybody.' Let us look at Singapore, a classic example of growth with no resources?

We are discussing the question of oil, which again involves subsidy. Basically, there is nothing wrong in passing on the benefit of reduction in prices by way of subsidy. But what do we do if the international price increases suddenly? We have to get that money from somewhere. Where is the Government to get that money from? There is a general feeling that the Government can somehow or the other manage. The Government cannot manage. Managing the national economy is not substantially different from managing our family budget where we have to adjust our expenditure with the income. This is a simple truth that we must understand. The Government must also explain this to all the other political parties and bring them together and not just say that it has happened. Otherwise, they will ask, 'What did the Government do to pass it on to the other sections? How will the vulnerable sections be protected?'

But the point is that the Finance Minister has to take all the parties into confidence and tell them that this is the position, these are the areas where he is not getting anything from the public sector, the revenues are stagnant, what do you advise, what is to be done and which are the areas where he should target the most for subsidies, where from the subsidy should come, etc. I do not think that it is necessary for the Government to keep anything that is not giving any return. Why did the Government have to go into the hotel industry? Why did the Government have to go into the cycle industry? Why did the Government have to go into the bread-making or biscuit-making industry? When we try to attract foreign investment, we turn in the opposite direction and make a total 'U' turn. I am sorry to say this. Of course, this Government was not in power at that time. But they have decided at that time that

Pepsi and Coca-Cola should be allowed to come in, with the result that today all over the country, all the indigenous sources have simply disappeared. They have allowed this into this country and it was not done by this Government. I am sorry to say this that it was done by the Government that was there in the early 1990s.

I am a great believer in foreign investment coming into our country. I had been supporting foreign investment when nobody or only a very few people in the Government supported foreign investment. Foreign investment is much cheaper, much more economical and much more productive than the Finance Ministers and others going with a begging bowl to Washington or to Tokyo, asking for IMF or World Bank loan.

When we take IMF or World Bank loans, the problem is about repayment. How is it repaid? The repayment starts the very next year, at a very fantastic rate, irrespective of whether that money has gone to the proper purpose at all or not. But when we take the Foreign Direct Investment, how does repayment take place? It takes the form of a certain percentage of the profit that the enterprise has earned, after the enterprise has gone into the stage of production, which takes a few years. First, the skill has to be transferred, the technology has to come, financial capital has to come, people have to be employed, goods have to be produced, the Government has to earn excise revenue and then, whatever dividend is declared out of the profit, a certain percentage would go to the foreign shareholders to the extent they have shareholding. There is nothing wrong in it. It is much more dignified. I once again appeal to my friends in the Left that there is nothing wrong in Foreign Direct Investment. India's Foreign Direct Investment is too low; it is barely one per cent or two per cent. *The Economic Survey* is giving all the figures. We can absorb a lot more of Foreign Direct Investment. Until the time the repayment starts, which as I said is only in the form of dividend, it is a part of the foreign exchange reserves of the country. Shri Yashwant Sinha can take credit that it is a part of the 38 billion dollar foreign exchange reserve, which India has. So, this is the point that we must understand that it is much more dignified to have Foreign Direct Investment rather than taking our country to the World Bank, the IMF and to the other foreign Governments, where you have to repay the money quickly.

SHRI HANNAN MOLLAH (ULUBERIA): Will you clarify one thing? You told that the Foreign Direct Investment is only one per cent or two per cent. ...(*Interruptions*)

MR. CHAIRMAN : Shri Hannan Mollah, I am not allowing you.

...(*Interruptions*)

SHRI HANNAN MOLLAH : For the last 20 years, we have been seeking Foreign Direct Investment, why did it not come so far?

DR. NITISH SENGUPTA : Here, I have to tell you a secret. In 1980, when I was attending the UN meeting in New York, as the Chairman of the Indian delegation for the UN Commission on Multinational Corporations, a Chinese delegate wanted to meet me separately. We had a separate one-to-one meeting over dinner. He said that they wanted to encourage Foreign Direct Investment and asked whether they could send a delegation to India, to learn from us as to how we are doing, how we are evaluating Foreign Direct Investment, how do we propose, etc. So, I said that they could do that. In those days, it was very difficult to permit the Chinese to come here and go to our public sector or private sector units. But they were very happy with it, that they wanted to send a second delegation and a third delegation of officials to learn from us. They perfected our knowledge to such an extent that they have gone much more ahead of us.

We have to look at the Chinese foreign exchange reserves. It is of the order of 150 billion dollars, whereas we have gone up to 38 billion dollars. Well, we have done a lot of progress, but they have gone far ahead and they have left us far behind. The point is that – learning from us – they have gone ahead much more. We have been too stuck with our procedures.

Here, I come to the other aspect of the President's Address. It speaks about downsizing the Government. It is very easy to talk about it, but it is very difficult to do. I have to give you some figures here. In the 1990s, when we started our economic reforms programme, actually, with the advent of new information technology, the need for so many people working in the Government has come down; it has become less and less.

The number of Central Government employees was 4.08 million in 1991. It came down to 3.77 in 1996 and in 1999 it further came down to 3.75, but it grew again to 3.86 million largely because of the increase in the number of policemen and security staff. How long can a country like ours afford the volume of security like this? It has become a status symbol. Who is interested in killing ex-Prime Ministers? Nobody is interested in that. If at all security has to be provided, then you can keep one or two plainclothesmen and not an army or battalion of people accompanying them wherever they go, even to the private functions like marriages. The whole lot of public are disturbed. I would recommend to the Government to follow the Chinese example. They make all their leaders live in the walled city where their offices are situated. They live in a particular apartment across the lane where their offices are situated.

Let us take a half of Ashoka Hotel and make all those who are apprehensive of their security to live there and have their offices there so that everyday they need not go to office from home and to home from office.

Mr. Chairman, Sir, we have made a mockery of the security. Why do we need so much of security? We cannot progress unless we really reduce the Government expenditure. I am happy and I congratulate Shri Murasoli Maran for having reduced the number of Secretaries by two. What was the number of secretaries in 1990? Why has it increased now? Well, I belonged to that tribe which has a vested interest in this.

Expenditure Commission has been appointed. My impression is that whenever the Government is not serious about anything, it appoints a Commission. An Expenditure Commission was appointed by the then Janata Government in 1977-78. You know the result.

A beautiful Report was prepared by the then National Development Council in 1992. It appointed a Committee which was headed by none other than Shri Biju Patnaik. Dr. C. Rangarajan was its Member-Secretary. It produced a brilliant Report as to how expenditure can be brought down in the Government. One of the recommendations was to give up the unfortunate practice of raising the DA whenever the cost of living index increases. We must get out of this. Shri Biju Patnaik recommended this. Do the people not realise that every time inflation rate increases, the Government has to spend Rs. 400 or Rs. 500 crore? An hon. Member while raising Matters under Rule 377 said that there is need to build an embankment on one side of the Diviseema Island. But the Government has no money for all these things. Just because some wise gentleman dishes out figures saying that cost of living index has increased, the Government has to spend Rs. 400 or Rs. 500 crore. We all benefited by that. But we must get out of it. This is what Biju Patnaik and Dr. Rangarajan said. They showed a tremendous political will when they recommended that Government should give up that practice. They recommended that the Government should tell these people that whenever the price increases, we would distribute major articles through Public Distribution System. But this monetary compensation on account of inflation should be avoided because that only accentuates further inflationary pressure. I recommend that Government gives serious thought to it. In fact, in 1992 it was accepted by the Government. It was accepted by the Cabinet Committee. But unfortunately, elections were due in Delhi in another one week's time. Everybody said that so many Government officials are there in Delhi and they would be unhappy. Therefore, the Government stopped the whole thing. It was kept pending and it has been kept pending though many Governments have come and gone.

Mr. Chairman, Sir, downsizing of the Government is very important and we have to do it. Otherwise, a feeling is gaining ground that Government exists only for the Government employees.

If you study some of the books like the *History of Economic Growth* or similar kinds of books by Lewe, you will see that there is a very optimal history. Governments have fallen because they became over-sized. How did the Syrian Empire, Babylonian Empire, the Mughal empire fall? At one time, the Mughal Empire was full of luxury, with so many extra men with them that it could not move with the result that the Maratha horsemen under Shivaji could easily outmanoeuvre them. How did the mighty Soviet economy fall? It is because again it became too over-sized. So, it is better that the Government becomes smaller and it gives off a lot of functions which it has been so far doing. There are certain functions which Government alone can perform, namely, the law and order, defence of the country and so on. No one else can perform those functions. The Government should perform only such functions. _ But in today's context, the Government is doing everything; it is running bread factories, cycle factories, shoe factories, hotels, airlines, etc. All these functions could easily be handed over to the private sector.

Mr. Chairman, Sir, there are two important lessons of the development in economy in the last half a century. One is, countries which have by and large followed external policy, which is externally looked, have progressed. Countries which have depended more on exports and foreign direct investment, have progressed. If you see the South-East Asian and East-Asian countries, by and large they have progressed because they have followed outward-looking policies. Countries which have followed inward-looking policies have by and large gone back, regressed and they have not been able to progress further. We need to learn that lesson.. Other lesson is relying on private initiative as the engine of growth.

Because of our historical background, when we started our planning process, we had certain ideas. We felt that India was a big country so we should not seek any foreign investment. We had the bad memories of the East India Company. But today that situation has changed. Today, a company is not owned by capitalists but there are millions of shareholders like you and me. Once again I would like to quote Singapore. Singapore must be having 5000 MNCs there but can anyone say that any one of them control the Singapore Government? No, Sir. And, they have taken advantage of the money which is available elsewhere. Today, all over the world there is no shortage of fund, the cheaper fund. So, why should we depend on our system where we invest at a lot of cost to ourselves and then we invest that money at the very high interest rate. We can get money from anywhere in the world from the pension fund, from the financial fund where the interest is not more than 4 , 5 or 6 per cent. We can bring that money. So long as we can return that money, there is no problem. We can bring any amount that we want.

Mr. Chairman, Sir, the world has become one. I am glad that the President mentioned about globalisation, privatisation and de-regulation. Because of the new information technology, the globalisation has become unstoppable. When the Finance Minister Shri Yashwant Sinha goes away and negotiates with the World Bank for a loan of 3 Billion Dollars it takes two years. But today money managers like George Soros sitting in New York or Tokyo can send 3 Billion Dollars anywhere in the world in a matter of minutes or seconds. This is what is happening. How can we really avoid globalisation? When we enter into the Central Hall, there is an inscription.

MR. CHAIRMAN : Kindly wind up.

DR. NITISH SENGUPTA : I have a lot more things to say. I will wind up in a matter of 10 minutes or so. I would like to quote Gandhiji. We cannot have a better individual than him anywhere in the world. He said, "I want my house to be opened in all directions. Let wind from all directions come into my house. Let me receive it but let me not be swept off my feet." That is the heart of globalisation. One should take advantage of all the opportunities that are offered but also try to contain the constraints. Globalisation as a whole is inevitable, unstoppable. No amount of Government control can really stop globalisation any more. So, we have to accept it as an inevitable thing.

Today, Internet has come. I remember, three years ago when I was Chairing a Committee on Prasar Bharati and the Government's policy on Satellite Channel, I recommended a liberal licence policy. I felt that instead of allowing them to float as a sovereign agency, just moving around not doing anything, it is much better to give them licence which gives us a control to impose conditions on them.

So, the then Minister said that he cannot permit foreign investment and that it could only be over his dead body. But I said that it is all right. But can you control the internet? It has come in a big way. You cannot simply control it. No country can control it. It is better to accept it. So, globalisation is inevitable and there is nothing wrong in it. Our ancestors mentioned 'Vasudev Kutumbhakam' some 5000 years or 6000 years ago, . These words are inscribed on the entrance of the Central Hall. They perhaps anticipated the world as a family. It was again said by Gandhiji. Even though my Marxist friends always say that globalisation is not good, yet I would remind them about the opening sentence of Karl Marx Communist manifesto. It said, "workers of the world unite". That was the essence of globalisation he wanted.

SHRI RUPCHAND PAL : Can your Government accept your indecoration of globalisation?...(*Interruptions*)

SHRI SOMNATH CHATTERJEE (BOLPUR): The Chairman is very upset and unhappy.

DR. NITISH SENGUPTA : So, globalisation and deregulation are inevitable, simply because the big Government that we have can no longer carry out all the duties which were imposed on them. So, why do we not reduce bureaucracy?

SHRI SOMNATH CHATTERJEE : While earning pension, he can say that. Had he been in service, he would not have said that....(*Interruptions*)

DR. NITISH SENGUPTA : Sir, Shri Chatterjee, is a very good friend of mine. The other day he made a statement which was not correct. He said that I had asked for his Party's nomination.

SHRI SOMNATH CHATTERJEE : I did not say, my party. I said, Left Party.

DR. NITISH SENGUPTA : Whatever it is. I never did that. You are all my good friends. But I have complete dislike for your policies and intellectual bankruptcy

MR. CHAIRMAN : Please wind up. You have already taken 40 minutes.

DR. NITISH SENGUPTA : Sir, I will conclude in another five minutes. So, deregulation is inevitable because the Government has to become leaner and leaner, smaller and smaller and concentrate only on those activities which the Government alone can perform. The Government's duty is not to run hotels and all that.

I would appeal to the Government that do not take decisions without involving trade unions. It is a major decision and you have to take trade unions with you and say that closing down an undertaking does not necessarily mean retrenchment. Pay them their salaries and allowances for sitting at home until they retire. Nobody should be retrenched. There should be a clear declaration in this regard. We had the example of Rafi Ahmad Kidwai, a very great leader. In the 1950s when food rationing was abolished, many lakhs of people all over the country lost their jobs. But he arranged to re-deploy them in many other areas. Similarly, at least those who will be retrenched will become redundant. Let them be engaged in population control and family planning programmes. You can say that every employee must make five persons literate every month. That will be good for the nation. Therefore,

retrenchment should be left out. Deregulation and liberalisation minus retrenchment should be there.

Sir, we have still procedures which we have inherited from the British rule of 18th and 19th centuries which were designed to enable a handful of white people to run this vast country because they did not trust us. The same rules and regulations are still continuing when the information technology has completely changed the entire picture. Therefore, to try to solve problems of the 21st century with 19th century tools and techniques would naturally create a lot of imbalance. This is what is happening and this is one of the problems.

So, we thank the President for producing a beautiful Address which is a blue print for action in future. There are 17 points mentioned on pages 8 and 9 which really are the signpost for the future. By following this, we can have a vision of India which will be of one of the greatest countries in the world. I would have liked to go into foreign policy aspects and all that but there is no time. With these words, I once again extend my wholehearted support to Shri Madan Lal Khurana's motion for thanking our gracious President for giving this wonderful Address to us which is a clear signpost for the future and by following this we shall definitely reach our great vision.

MR. CHAIRMAN : Motion moved:

"That an Address be presented to the President in the following terms:-

'That the members of the Lok Sabha assembled in this Session are deeply grateful to the President for the Address which he has been pleased to deliver to both Houses of Parliament assembled together on February 23, 2000'''."

Hon. Members whose amendments to the Motion of Thanks have been circulated, may, if they desire to move their amendments, send slips, if not already done on 16th March, 2000 when Members were asked to do so, to the Table within fifteen minutes indicating the serial numbers of the amendments they would like to move. Those amendments only will be treated as moved.

A list showing the serial numbers of amendments treated as moved will be put up on the Notice Board shortly thereafter. In case any Member finds any discrepancy in the list, he may kindly bring it to the notice of the Officer at the Table immediately.

SHRI MANI SHANKAR AIYAR (MAYILADUTURALI): Mr. Chairman Sir, I rise to thank the President for his gracious Address, but regret that there is little for which to thank this Government. The President reminded us in Paragraph 3 of his speech of the exhortation of the Father of the Nation that we must ensure that the first claim on the fruits of development belongs to the poor and the weak. What has this Government done to heed this exhortation?

Agricultural growth is the key determinant of changes in rural poverty. However, in 1999-2000 agriculture stagnated. Growth at under one per cent was lower than the rate of inflation. Indeed, we now know that the Finance Minister's Budget claims on inflation were an empty boast because he was basing his figures on the 1990-91 price base when all other figures of the Central Statistical Organisation were based on 1993-94. Now the CSO has adjusted price rise to the 1993-94 base and it turns out that inflation was close to four per cent over the year 1999-2000. So, with agricultural output rising at one per cent and prices rising at over four per cent, it is clear that rural real incomes fell sharply in 1999-2000. This was the time when anti poverty programmes were most needed for it is in times of acute need that these anti poverty programmes come into their own as the social security net of the poor.

The figures I am going to cite to show how terribly poorly this Government has done with respect to anti poverty programmes are not, I emphasize not, my discovery. They have been jointly discovered by me and the distinguished mover of this Motion in the Performance Budgets of the Ministries of Rural Development and Urban Employment and Poverty Alleviation. These were presented to the Standing Committee of which Shri Madan Lal Khurana and I are both members.

Through the Ministers present here, I wish to draw the Prime Minister's attention to a single page of the Performance Budget of the Department of Rural Development. This is Page 7 - just one page. I do not want to take up too much of the Prime Minister's time. I would request the hon. Minister who is now representing the Government here to just bring Page 7 of the Performance Budget of the Department of Rural Development to the attention of the Prime Minister. For, it is in this one document that we get the full story or most of the story about the dreadful way in which this Government has been conducting anti poverty programmes in a year in which they have been more needed than for several years in the past.

First, let us take the Wage Employment Programme. There is the Employment Assurance Scheme, which goes by

the acronym EAS, and then there is the JRY, now redesignated as JGSY (Jawahar Gram Samridhi Yojana). Table one at Page 7 shows that between last year, that is 1999-2000, and the previous year, that is 1998-99, man-days of wage employment generated under EAS collapsed to about a third of the previous level.

It has come down from over 415 million mandays in 1989-99 to a mere 147 million mandays till December last year. At best, the final figures would reveal only half the achievement in a bad year of agriculture, 1999-2000 compared to the previous performance in a good year of agriculture, 1998-99. Is this the way of addressing poverty alleviation in a period of agricultural distress? The same page-7 shows that the disaster on EAS was compounded by a dismal showing on JGSY. From over 376 million mandays in 1998-99, the wage employment generation under the JGSY collapsed to a third till November, 1999, that is, 147 million mandays. The final figure cannot possibly touch much more than a half of the previous year achievement.

Paragraph No.5 of the President's address says that we must lose no more time to eradicate mass poverty. But who is losing time? Are we losing time? The Governments of Shrimati Indira Gandhi, Shri Rajiv Gandhi and Shri P.V. Narasimha Rao brought down the poverty ratio from over 70 per cent to under 35 per cent. Since then, the poverty ratio had stagnated. Since the mid-1990s, the poverty ratio had stagnated or at least, there is some indication that it has deteriorated. So, the President was quite right in warning us that there is no time to lose and yet, this Government is losing time. It has wasted the whole of the last year of the last millennium. It has failed miserably in all programmes on eradication of poverty. I have already cited the figures of two wage employment programme. Now, I would take up the figures of the two self-employment programmes. One is the Swarna Jayanti Gram Swarozgar Yojana (SJGSY) and the other is the Swarnajayanti Shehari Swarozgar Yojana (SSSY). क्या शानदार संस्कृत भाषा का मेल मिला है? परन्तु क्या काम किया है? मैं फिर पृष्ठ 7 पर लौटकर आता हूँ: The Swarna Jayanti Gram Swarozgar Yojana was the biggest casualty of the games played by this Government last year. Page 7 says that the physical achievements crumbled from nearly 17 lakhs swarozgaris in 1998-99 to under three lakhs by December last year. Even if they double that figure in the last quarter of the last financial year, the annual achievement will be no more than one-third of what had been achieved in the previous year. Is this the NDA's idea of progress? Last year, the Government also started a new fancy programme for urban areas in lieu of the well tried Nehru Rozgar Yojana, that is, the Swarna Jayanti Shehari Swarozgar Yojana. Now, how did that fair? It was exactly as bad as in rural India. As against the Budget Estimate for SSSY of Rs.180 crore, the Revised Estimate has been brought down in this poor country to Rs.126 crore. And the actual expenditure till December-end was a mere Rs.40 crore. They have a Budget Estimate of Rs.180 crore and they brought it down in the Revised Estimate to Rs.126 crore and all that they could spend is only Rs.40 crore in a country which is groaning under poverty.

Dr. Nitish Sengupta wants to go around the world getting money from everywhere. All kinds of rich people will come to him. I do not know what kind of a fantasy world they live in. I am not asking you to spend your rupees three lakh crore of the Budget on this, that and everything. There is an allocation of a mere Rs.180 crore on creating swarozgaris in urban areas of India! You cannot even spend Rs.40 crore! You have the goal to get up here and defend such a Government!! Is this the way to treat the urban poor? Is this the way to accelerate the eradication of mass poverty? Is this the way to put words without meaning into the Address of the President?

The root cause of the collapse of our Anti-Poverty Programmes has been one only. It is the BJP's jealousy of what went before. It is just that. In a desperate desire to obliterate the names of the great Prime Ministers that have gone before, the BJP have gone on a spree of re-naming and re-casting the well-established and well-running programmes for the poor. This disruption has been pushed through with no thought given to bringing substitute programmes into smooth operation. The poorest of the poor have been the prime victims of this thoughtless disruption of this orgy of envy. This is illustrated best, I think, by what has happened to the *Indira Awas Yojana*.

The Finance Minister suddenly announced last year a new *Samagra Awas Yojana* totally distracted by this new and little understood responsibility. Both the new *Samagra Awas Yojana* and the old *Indira Mahila Yojana* have badly flopped. They never flopped as badly before as last year. So, the physical achievement under the new *Samagra* Scheme, according to their own reports, has been nil or virtually nil. Or, at least it is so small that they have not reported it. They refused to report what they have achieved under the *Samagra Awas Yojana*. Meanwhile, the old *Indira Awas Yojana* has collapsed. What is the number of houses built under the *Indira Awas Yojana* last year? I return to the notorious page 7 of the Performance Budget of the Department of Rural Development. I just have to get this from one page. That is all. I again refer to the same page. The number of houses built under the *Indira Awas Yojana* last year is just half of what it was in the previous year. They built four-and-a-half lakh houses in 1999-2000 compared to 8.36 lakh houses built in 1998-99. I know that the figures here are only till December 1999. But our enquiry shows that however much of an effort they may make in the last quarter of the year, they cannot build more than one lakh houses which means that we will end 1999-2000 with three lakh houses less than what was built in the previous year. Is this the concern for the poor? So, the President's Address says at paragraph 13 that "our nation's future lies with our children and youth." It stresses at paragraph 15 about the key role of women in development. I am now quoting it.

"No nation can progress unless its women enjoy good health, are literate and are equal partners with men in the socio-economic and political processes "

We agree with every word of that. But what has the Government's performance been with regard to women and child development? Let us now turn to the Performance Budget of the Department of Women and Child Development. I now turn to page 51 which deals with the Integrated Child Development Scheme, the ICDS. Under the ICDS, which is at page 51, first it says that the ICDS accounts for 70 per cent of the total expenditure of this Department.

17.00 hours (Dr. Raghuvansh Prasad Singh *in the Chair*)

The increase in the number of ICDS projects from the Seventh Plan to the Eighth Plan was of the order of 50 per cent, the number of ICDS projects having increased from 2600 to 3946. In the first two years of the Ninth Plan, no new ICDS projects were added at all. Last year's addition was a mere 130 projects. So, under the last Congress Government, the one that ruled between the Seventh Plan and the Eighth Plan, the number of ICDS projects increased by 50 per cent whereas under the NDA, the increase has been of the order of three per cent, yet they talk about the high position that they are giving to the children of India. They get the President to say that our nation's future lies with our children. It is three per cent increase now compared to 50 per cent in the past. How do you expect anybody to believe this?

Let us come to women. Sir, once again it is page 7. I think that page 7 really damns this Government. Pages 7 and 8 of the Performance Budget of the Department of Women and Child Development - it makes utterly fascinating to read it – says that out of an allocation of Rs.40 crore for the *Balika Samriddhi Yojana*, the expenditure till January, 2000 was zero paisa. They have not spent one single paisa for the *Balika Samriddhi Yojana* for the girl child, in the Year of the Girl Child and they talk that our nation's future lies with our children. Is this the way in which you deprive our children? Is this the way in which you build the nation on the basis of its children? It also mentions about the Women's *Swasakthi* Programme. By watching the Women's *Swasakthi* Programme, this Parliament sanctioned Rs.10 crore. How much did they spend? Out of Rs.10 crore, they could spend only Rs.10 lakh for the *Mahila Samriddhi Yojana*. What lovely words they have! They are all poets; they are not administrators.

For the *Mahila Samriddhi Yojana*, the budget provision is Rs.2 crore and the expenditure is just Rs.12 lakh. It is the worst of all. Against the budget provision of Rs.10 crore for the *Indira Mahila Yojana*, the expenditure has been a paltry Rs.2 lakh. इनको इन्दिरा जी के नाम से क्यों इतनी नफरत है, समझ में नहीं आता। What confidence can we have, Sir, when they spend only Rs.2 lakh out of Rs.10 crore?

I quote paragraph 15 of the President's Address wherein an assurance was given:

"The *Indira Mahila Yojana* will be made more effective and expanded."

They spent Rs.2 lakh out of Rs.10 crore and then they expect us to believe that they are capable of making the *Indira Mahila Yojana* more effective and expanded.

Sir, I would request the Committee on the Empowerment of Women, especially the Chairperson, Shrimati Margaret Alva – she is in my party, so I will convey this to her myself – to take particular note of the collapse of the *Indira Mahila Yojana* because it was started by Shri Rajiv Gandhi with Shrimati Margaret Alva as his Minister.

It was brought to fruition by Shri P.V. Narasimha Rao – Nitish Babu is here – with Mamtadi as his Minister. I worked with Mamtadi for hours on end in Shastri Bhawan getting this *Indira Mahila Yojana* done and Nitish Babu himself was sitting in the Planning Commission getting this project through. He was present at the creation. Instead of dreaming about billions of dollars coming from his American friends, I say to him that we, this Parliament, have sanctioned them Rs.10 crore to spend on the *Indira Mahila Yojana*, but they have spent only Rs.2 lakh. Is this the way respect should be shown to my friend Mamtadi, to his own leader Mamtadi? Now, the same programme has been brought to wreck and ruin by the hon. Minister, Shri Murli Manohar Joshi with the able assistance of his Minister of State, Sadhavi Sushri Uma Bharti. They wrecked it in 1999-2000.

Sir, I plead with the Ministers sitting here to give me one minute's attention. I think this is very unfair; we have got two junior Ministers here. आप जरा सुन तो लीजिए। Instead of conducting a separate conversation, through these Ministers, I plead with Shrimati Sumitra Mahajan to be kinder to her sisters than Sushri Uma Bharti and Shri Murli Manohar Joshi.

Sir, the worst affected of the poor are those living in rainfed and dry land areas which grow crops like oilseeds, coarse cereals and pulses. I have in my hands, *The Business Standard* of the 14th of March, 2000 reporting the

findings of the Centre for Oil Industry and Trade and the V.M.A. Oilseeds Research and Development Institute. I also have *The Hindustan Times* report of the 26th of March, 2000 on the proceedings of the National Convention on Rape-seed Mustard. The main findings, reported in these two newspapers, of these two organisations and convention is that the *Kharif* crop for oilseeds was 2.6 million tonnes lower in 1999-2000 than in 1998-1999 and the production of *Rabi* crop dropped by 1.6 lakh tonnes. In consequence, the edible oil production has slipped by a massive 13 per cent. That is the headline there.

Sir, I would like to quote from that report. It says:

"Meanwhile, burgeoning imports of edible oil have brought ruin to the mustard growing farmers and oil crushers."

These two reports state that there is only one State in India where the area under oilseeds increased during 1999-2000 and that is the State of Madhya Pradesh. Unsurprisingly, it is ruled by the Congress Party. Similarly, other dry land crops have suffered.

Sir, last time, during the debate on the Budget, when again I had the honour of having you in the Chair, I pointed out to the Finance Minister that in his own *Economic Survey* it has been stated that in 1999-2000 the output of coarse cereals, like Jowar, Bajra, Maize etc., has dropped by two million tonnes compared to the previous year and the output of pulses was one million tonnes lower last year than in the year previous to that.

Sir, at a time when the agriculture is declining, when the poorest farmers are suffering the most, when the anti-poverty programmes are collapsing, I have one question to ask to the Ministers here, to the Government and to my friend Nitish Babu, who used to be the Secretary of the Planning Commission, Finance Secretary and Chairman of so many Committees that I do not think even he can remember. Is this the time to reduce the fertiliser subsidy? I can understand everything else of how the fertiliser subsidy needs to be rationalised. But they should do it at a time when farmers are doing well and can bear an additional burden.

But he is concerned with whether the fertiliser subsidy was Rs. 300 crore some 40 years ago and whether it has gone up beyond what he can bear. If you cannot bear a Rs. 15,000 crore fertiliser subsidy, what do you think the farmers of Gujarat and Rajasthan can bear today? They are reeling under the worst drought that we have had in the last 15 years. And at this time, you go and tell them, "Because the subsidies are not targeted at you, I am going to reduce the subsidy. Do not worry. It would not affect you." If it not going to affect them, why are they standing on their legs outside Parliament House demanding a reduction of the subsidy?

Dr. Nitish Sengupta is no farmer. He is everything else. But he is not a farmer. So, he does not know where it pinches when the fertiliser subsidy is reduced. But you, Sir, are a farmer. So, you know where it pinches when the fertiliser subsidy is reduced.

DR. NITISH SENGUPTA : I do not think you are also a farmer.

SHRI MANI SHANKAR AIYAR : I am not a farmer but I am more concerned with them.

DR. NITISH SENGUPTA : I have been elected by a farming constituency.

SHRI MANI SHANKAR AIYAR : I am no farmer. But I take an interest in the poor. And it is my misfortune that I was not born poor. But that does not preclude me or disqualify me from having an interest in the poor. I am convinced that the farmers of India - the '*kisans*' of India - the poor in India do not think that this year when your performance has been so disastrous, we should be reducing the fertiliser subsidy. ...(*Interruptions*)

It is also ironic that this Government of all Governments should get the President to underline in paragraph 9. It is really funny. In this paragraph, they have got the President to say: "We must have substantial capital formation in agriculture." It is a good thought. But why did you not have it two years ago. What has been happening in capital formation?

I once again turn to the *Economic Survey*. Dr. Nitish Sengupta, at one stage, used to be the person who wrote this *Economic Survey*. He knows how to read it. And if he read it, he would discover that there has been a deterioration in both the savings ratio and the investment ratio over the last several years and the worst affected sector is the agriculture sector.

This is all being graphically recounted in the *Economic Survey*. I do not need to repeat it here. But what I do need to bring to the attention of this Government is the performance Budget once again of the Ministry of Water Resources. Here again, I come to the same page 51. Somehow their bad luck seems to be on page 7 and page 51. They talked about how performance has taken place with regard to field channels and '*warabandi*' work without

which water from big dams just cannot reach the fields. Now, in respect of these, this table says that whereas in the Eighth Plan, that is, 1992-97 - we were in power till 1996 - the achievement with regard to field channels in the Eighth Plan was 132 per cent. It means that our performance was one-third more than what was planned, whereas under these people, it is down to 33.89 per cent. It is one-third of what they themselves have set as their own target. When it comes to 'warabandi', it is virtually the same thing. Our achievement in the Eighth Plan was 97.15 per cent. Just listen to it. Their achievement was 11.13 per cent in the last year. There seems to have been some improvement recently. But at the most, if I give them all the credit they want, they have done 20 per cent against 97 per cent. They have done 34 per cent against 132 per cent. They expect us to believe that everything is well, everything is fine and all we need to look at is not the poor of India but the rich of America. It is this kind of distortion that is giving reforms a very very bad name. I cite these figures. I did so when I was last speaking in this House in the general debate on the Budget and my friends immediately retorted - fortunately, the great disrupter is not here just now - ये आंकड़ों का जाल है। ये सारे आंकड़े आपके आंकड़े हैं। आंकड़े तथ्य पर आधारित हैं।

तथ्य सत्य बोलते हैं, यह कोई माया का जाल नहीं है, यह सच्चाई का जाल है।

Please remember, I have not gone anyway beyond what he himself has stated in official documents placed on the Table of this House. Sir, against the backdrop of this dismal, distressing, disastrous performance how can we possibly give any credence to the claim made in paragraph 11 of the President's Address that the Poverty Alleviation Programmes will be 'given a greater thrust, vigorously implemented, and closely monitored'. It is not only their Sanskritised Hindi but also their English which reaches height of heights of words. They just talk. They cannot do anything. What is the point of these words, words, words, and words, when their own figures show, what the poor of India know that they cared nothing for them, that the poor of India are not their concern? All their concern is the rich of the rest of the world. That is why, I find it utterly disgraceful.

SHRI SOMNATH CHATTERJEE : Take note of Shri Khurana.

SHRI MANI SHANKAR AIYAR : खुशना साहब, आइये, आपका ही जिक्र हो रहा था, तशरीफ रखिये।

Sir, the Prime Minister said at Anand the other day that anti-poverty programmes have failed. We cannot accept this assessment. It is not anti-poverty programmes that have failed, it is this Government that has failed the anti-poverty programmes.

I also have in my hand *The Hindustan Times* report of February 16, 2000 of an interview given by the hon. Shri Sunderlal Patwa, Union Minister for Rural Development. I deeply regret his absence here, but I regret even more his playing politics with poverty. He has a petty rivalry with the Congress Chief Minister of Madhya Pradesh, a gentleman who has just been honoured once again by a whole series of international organisations for what he is doing with regard to Panchayati Raj and Poverty Alleviation. But because Chief Minister Digvijay Singh, the main political rival of the Union Minister for Rural Development is doing well and getting credit around the world, it colours our Union Minister of Rural Development's approach to Panchayati Raj and Poverty Alleviation.

He talks in that interview, and that is the head line, of rural areas being totally neglected, of all big achievements under the Nehruvian Pattern, as he calls it, being only on paper. He says, *Garibi Hatao* is just a slogan. He wants us to believe that rural development under Shri Atal Behari Vajpayee has been accorded top priority. Just because he has been made the Minister, he thinks it is top priority. He does not seem to know what a mess the Ministry of Rural Development is in. 'नाच न जाने, आंगन टेढ़ा'!

This is no way of running anti-poverty programmes, this is no way of looking at the poor of India, this is no way of denigrating an achievement where we began at Independence with more than two-thirds of our people living below the poverty line and today got more than two-thirds of living above the poverty line. We have done something. We have not done enough, but to sit today on the Treasury Benches and talk like they talked for forty-five years on the Opposition Benches -- कुछ भी नहीं हुआ, कुछ भी नहीं हुआ, यह आंकड़ों का जाल है। What kind of responsibility does this show?

I want the Prime Minister to recognise and I request the hon. Minister to pass this message on to him that for the poor 1999-2000 has been the second worst year of the decade. The worst was 1990-1991 when Shri Yashwant Sinha was the Finance Minister...*(Interruptions)*

Sir, I have given a series of facts, which if people are willing to take their responsibility seriously on the Treasury Benches, they would be listening to me instead of making cheap jokes about it.

Sir, 1999-2000 was the second worst year of the decade for the poor of India. The worst was the first year of the decade, 1990-91 when Shri Yashwant Sinha in his socialist incarnation first became the Finance Minister of India. But socialist or saffron, once Shri Yashwant Sinha becomes the Finance Minister, the poor are immediately the worst hit. With real rural income sliding, poverty programmes collapsing, poor women, infants and school children

being particularly hurt, how has this Government responded? This Government has responded by kicking the poor in their belly.

Sir, I used the same expression in the general debate on the Budget. Someone from the Treasury Benches objected and asked for a ruling from the Chair -- Sir, in fact it was from you because you were in the Chair at that time -- whether the expression which I had used was unparliamentary. The records of the debate show that the expression has been allowed, the expression has not been expunged. And, therefore, with all seriousness I repeat that this Government has kicked the poor in their belly at a time when rural real income has declined, when agriculture is stagnating, when poverty alleviation programmes are collapsing, and when the social security net for the poor is being ripped apart. Along comes this Government and says, 'We are raising PDS issue price for BPL families by 60 per cent.'" They say, 'We are raising the price of wheat, we are raising the price of rice, we are raising the price of sugar, we are raising the price of kerosene, and we are raising the price of cooking gas.'" Is this a Government with a heart or a Government with a hole in its head? It does not listen even to its NDA partners. I sat here through the whole of the Budget debate in the last Session. I heard the brilliant intervention of the former Minister of Civil Supplies, Shri D.P. Yadav. I heard the pleas of several other Members of the Treasury Benches and I heard the pathetic reply of the Minister concerned, Shri Shanta Kumar. I heard, all of us heard, but the Government has closed its ears. Arrogantly they insist that all these prices shall remain sky-high. Why are they so adamant?

Sir, the total food subsidy amounts to about Rs.8,000 crore. The non-plan expenditure of this Government is Rs.1,25,000 crore. Thus, food subsidy is a mere six per cent of the total non-plan expenditure of the Government. It is just six per cent. Can the Government not make savings elsewhere? What is the point of Nitish Babu lecturing to us in the Opposition about how FCI operations can be made more efficient and less corrupt? He has joined hands with this Government. That lecture should be directed at the Treasury Benches. He is telling us about the vast scope for downsizing of the Government. I know that his leader went into a meeting of the NDA alliance partners in the Prime Minister'"s house, as reported outside, and the proposal that their Government had brought for downsizing of the Government was rejected by Mamataji more than anybody else. They come here to give us lectures. He should be giving a lecture in Economics to Mamataji. ...(*Interruptions*)

SHRI SUDIP BANDYOPADHYAY (CALCUTTA NORTH WEST): Mr. Chairman, Sir, I oppose this. Nothing has happened like this. ...(*Interruptions*)

SHRI MANI SHANKAR AIYAR : All right, if nothing like that has happened ...(*Interruptions*)

SHRI SUDIP BANDYOPADHYAY : Sir, he is using monumental English language. He is totally wrong. Nothing has happened like that. ...(*Interruptions*)

SHRI VAIKO (SIVAKASI): Sir, we are the members of the NDA. I am also a member of the NDA. Nothing has happened like that. He is totally wrong. ...(*Interruptions*)

SHRI MANI SHANKAR AIYAR : I said that it was reported in the newspapers. I was not present. ...(*Interruptions*)

SHRI SUDIP BANDYOPADHYAY : He is totally wrong. They are afraid of the statement made by Shri Ghani Khan Chaudhary yesterday. Their brain has been totally diverted. ...(*Interruptions*)

SHRI MANI SHANKAR AIYAR : These lectures on downsizing are not for us. Let these lectures ...(*Interruptions*)

DR. NITISH SENGUPTA : Mr. Chairman, Sir, in fact the beauty of the last Railway Budget was that for the first time, deficit has been sought to be met not by raising the fare but by downsizing the expenditure....(*Interruptions*)

(t3/1725/mmn-hng)

SHRI BASU DEB ACHARIA : It was by raising the freight.

SHRI SUDIP BANDYOPADHYAY : Not at all. We have never said that. Even Shri Somnath Chatterjee appreciated the Budget papers. Why are you telling this?

DR. NITISH SENGUPTA : It is by economy of expenditure.

SHRI MANI SHANKAR AIYAR : Mr. Chairman, Sir, Dr. Nitish Sengupta knows better than anybody else how to bring about the downsizing of the Government. I would request him to begin with the Ministry of Railways. Let us see how he reduces the staff working in Railways and how he gets elected next time again. Let us see that these lectures are translated into policies. Let us see them. Forget about Class IV workers. Let them begin by removing a few Secretaries. They say they are very proud of them....(*Interruptions*) No, I am not yielding....(*Interruptions*)

SHRI SUDIP BANDYOPADHYAY : You need not give any knowledge to Kumari Mamata Banerjee how it will be done and how we will do it.

SHRI VAIKO (SIVAKASI): They are already in the death plateau. Do not worry.

SHRI MANI SHANKAR AIYAR : They said they were proud of the Disinvestment Ministry, the new one that is being created which will require one more Secretary. What they have not mentioned is that in the happy old Ministry of Rural Development where all that we had was one Secretary which as a Civil Servant I used to work with them, now that Ministry has a Secretary for the Department of Rural Development. They have a Secretary for the Department of Land Resources. They have a Secretary for the Department of Drinking Water. They have got a Ministry of Housing. They now have a Ministry of Urban Development and another Ministry for Alleviation of Urban Poverty.

SHRI SOMNATH CHATTERJEE : One Secretary is to look after the partners.

SHRI MANI SHANKAR AIYAR : So, there is plenty of scope in the Non-Plan expenditure for reducing, for finding six per cent savings to save the food subsidy. But instead of taking steps which will remove inessential expenditure of a Non-Plan variety but maintain Non-Plan expenditure of an essential variety – I cannot think of anything more essential than the food security of the poor – they just want to slash things; they just want to upset the poor. Why is it that there is only one solution?...*(Interruptions)*

SHRI VAIKO : They are pressurising your Government there in Bihar to get more portfolios.

SHRI SOMNATH CHATTERJEE : They are matching U.P. which has 93 Ministers.

SHRIMATI MARGARET ALVA (CANARA): It has 110....*(Interruptions)*

SHRI MANI SHANKAR AIYAR : When we talk of the PDS issue prices, the Finance Minister tells us, as he told us in the general debate last month, that the Congress is shedding crocodile tears. He made the same point that Dr. Nitish Sengupta made which is that Shri Madhavrao Scindia is a *Maharaja* and that I had a foreign education. What is this argument? The person who removed Shri Madhavrao Scindia from his *Maharaja* shape was Shrimati Indira Gandhi of the Congress Party and he is today the Deputy Leader of the Congress Party. I may have made the sin of having a degree from abroad but I try to study your papers on poverty alleviation and what is happening to the poor.

Sir, at the time when he said that the Congress is shedding crocodile tears, the argument he put is that the PDS issue prices now are only 18 per cent more than they were when the Congress Government was in office. He made that point. It is a good point he made. But I did not have the opportunity then. That is why I am taking advantage of this now to say that it is precisely because we considered those prices to be an unbearable burden on the poor that we started the Revamped Public Distribution System, under which, foodgrains were made available to the poorest blocks of this country at around half of the PDS issue prices. The successor Government shifted from our area approach to APL, BPL approach which in our view is administratively cumbersome and leads to considerable leakages. Nevertheless, we accept that it is conceptually valid to distinguish between BPL and APL families. Tragically, however, instead of building on its inheritance, this Government has slashed at the poor and the *kisans* to cover the fiscal excesses of its terrible record of governance.

On behalf of the poor of this country, we protest. We protest against the Government. They have time only for the rich- a Government which rushes to the aid of the rich, but shuts its ears to the wailing of the poor.

Sir, the hon. Minister of Finance finds a solution within 24 hours for the poor rich foreign institutional investors who contemptuously reject the income tax notices served by the hon. Minister of Finance himself. These FIIs then hold the small investors to ransom by jacking up the stock market and jacking it down like a little boy playing with a kite on *Baisakhi*. The minute Essar runs into trouble with its foreign loans, the Government and its financial institutions do somersault after somersault to rush to their aid as graphically described two weeks ago by Ms. Sucheta Dalal in *The Times of India*. This is as true of the Hindujas over the Vizag power plant, as it is over anything that Shri Rahul Bajaj of the CII asks. When the richest multinationals in the world and their Indian partners, the richest corporate firms in India ran into difficulties with their telecom licence fee, this Government rushed to their rescue, never mind that we were in the middle of a war; never mind that the Government needed every paisa of revenue it could raise. When it comes to the rich, this Government is in all attention, but when it comes to the poor, the hon. Minister of Finance shuts his ears and buys himself a first class plane ticket to Germany.

Sir, this is not a Government, it is a parody. No one can take its pretensions seriously, we certainly cannot. We shall fight for the poor. We are certain that rest of the Opposition will be with us in this struggle. We know the NDA partners are with us in their hearts.

TEXT OF AMENDMENTS

The following Members moved their Amendments:-

Shri G.M. Banatwalla

Shri A.F. Golam Osmani

Shri Trilochan Kanungo

Shri Basu Deb Achaia

Shri Rupchand Pal

Dr. Raghuvansh Prasad Singh

Shri P.H. Pandiyan

SHRI VAIKO (SIVAKASI): Mr. Chairman, Sir, I am so thankful to you for giving me this opportunity to participate in this important debate.

I rise to support the motion moved by Shri Madan Lal Khurana and seconded by my learned friend, Dr. Nitish Sengupta, expressing our thanks to the hon. President of India for his Address.

I was listening with rapt attention to my friend, Shri Mani Shankar Aiyar. In his speech, he highlighted the penury and misery of the teeming millions of this country who have been subjected to face the misery and penury. But we cannot forget the fact that we have inherited all the malice that we have to face from the legacy of 45 years of rule by the party to which Shri Mani Shankar Aiyar belongs.

As a functioning democracy, we the citizens of this great country are jubilant and proud. Fifty years have passed after we have been proclaimed as a Republic. In this golden jubilee year of the Republic, we are standing at the threshold of the new millennium, at the dawn of the 21st Century.

We are proud and jubilant that we belong to the tallest democracy of the world. Parties may come and go at the Union level and at the States level, but the system has survived, the system has sustained all the five decades. The experiment of democracy has failed in our neighbours, Aung Sang Suu Kyi has to be incarcerated for more than five years even after she got the mandate of three-fourths in Burma, Myanmar.

When the military machine is moving in the streets of Islamabad, in our neighbourhood, the system of democracy in India has survived and succeeded, though the parties may come and go. Therefore, our citizens, raising their heads high, can walk proudly in the streets of the capitals of the world claiming that we belong to the tallest democracy of the world. The hon. President, in paragraph 4 on page 1 of his Address, has categorically stated:

"It has been a reliable guarantor of parliamentary democracy, secularism and fundamental rights."

He has further stated:

"While keeping the basic structure and salient features of the constitution inviolate, it has, however, become necessary to examine the experience of the past fifty years to better achieve the ideals enshrined in the Constitution. The Government has, therefore, set up a broad-based Constitution Review Commission. The recommendations of this Commission will be presented before Parliament, which is the supreme decision-making body in Indian democracy."

Hue and cry has been raised, particularly by my friends from the Congress benches, both inside and outside the Parliament, and in recent days they have been making a scathing attack on the Prime minister and the Government, as if this Government is trying to trample upon the basic structure of the Constitution, the basic features of the Constitution. We are a constituent member of the National Democratic Alliance, which has given an agenda for a proud and prosperous India, and that is the agenda for which the government is working. There cannot be any other agenda. In that agenda, we have spelt out in clear-cut terms, in unequivocal terms. When we speak about the

review of the Constitution, the hon. Prime Minister, Shri Atal Bihari Vajpayee, in no uncertain terms, has clarified this aspect that we are not here even to touch the basic structure or the basic features of the Constitution. At this juncture, I would like to bring to the notice of the hon. Members of this House, through you, Sir, that Dr. Babasaheb Ambedkar, in his wisdom, had clarified this point in the Constituent Assembly debate. I quote from his speech given on the 25th November, 1949 in the Constituent Assembly:

"The Assembly has not only refrained from putting a seal of finality and infallibility upon this Constitution by denying to the people the right to amend the Constitution, as in Canada, or by making the amendment of the Constitution subject to the fulfilment of extraordinary terms and conditions as in America or Australia, but has provided the most facile procedure for amending the Constitution"

Not only this, he visualised the forthcoming scenario and challenges. We have entered the computer age and the changes are taking place at a hurricane speed throughout the world. The globe has become a village, therefore, they call it a global village. When the changes are there, then we have to rise to the occasion to meet the challenges. Dr. Babasaheb Ambedkar quoted Jefferson, and I quote:

"Jefferson, the great American statesman who played so great a part in the making of the American Constitution, has expressed some very weighty views which the makers of the Constitution can never afford to ignore."

At one place, Dr. Ambedkar says:

"We may consider each generation as a distinct nation, with a right, by the will of the majority, to bind themselves, but none to bind the succeeding generation, more than the inhabitants of another country."

This is very very important. He says each generation is a distinct nation and we cannot bind a succeeding generation. That is the basic concept of Dr. Ambedkar.

Sir, in para 5 in his Address to the Joint Session of both the Houses, His Excellency the President of India has said :

"There is no other experiment in human history where a billion people, belonging to so many different traditions, are living and striving together for a better life without being denied their rights and freedoms."

This is the occasion where I can put forth not only the points of view of my Party but I am sure most of my friends from the Left Parties would agree with me that for the betterment of the functioning of the democracy in this great country, the concept of federalism should be accepted and the concept of federalism should be enshrined again. Therefore, there is a need to review the Constitution.

In March, 1955, the late lamented Pandit Jawaharlal Nehru, the then Prime Minister, while speaking on the Constitution (Fourth) Amendment Bill, on the floor of this House stated :

"It should be remembered that however good a Constitution might be at any time, after working it for some time flaws, appear. Nothing is perfect and then it becomes necessary to make changes to remove those flaws."

In the Constituent Assembly debate, in the year 1947, Pandit Jawaharlal Nehru made a submission. He stated :

"It looks we want to permanence in the Constitution. If you make anything rigid, you stop a nation's growth."

Despite the fact that in this great country, there are different cultures, different traditions, different civilisations, different languages and different nationalities, and despite that there are varieties and differences, the unity and integrity of this great country has been protected all these years. You see the experiment in other parts of the world. What happened in Yugoslavia and what happened in the Soviet Union? We should bear in mind that unless the originality and the individuality of these races, cultures, civilisations and languages are protected, the unity and integrity will be in jeopardy. Therefore, the review of the Constitution is needed.

We speak about the basic structure of the Constitution. Nobody could afford to forget the Keshavananda Bharti judgement in the year 1973. The famous judgement by the Supreme Court had very clearly stated :

"The basic structure is not a vague concept and the apprehensions expressed on behalf of the respondents that neither the citizens nor the Parliament would be able to understand it are unfounded. If the historical background, the Preamble, the entire scheme of the Constitution, the relevant provisions

thereof, including the Article 368 are kept in mind, there can be no difficulty in discerning that the following can be regarded as the basic elements of the Constitution structure :

1. The supremacy of the Constitution.
2. The republican and democratic form of Government and sovereignty of the country.
3. The secular and democratic character of the Constitution.
4. The demarcation of power between the Legislature, the Executive and the Judiciary. (That is the separation of power.)
5. The dignity of the individual secured by various freedoms and basic rights in Part III and the mandate to build a welfare State contained in Part IV.
6. Unity and integrity of the nation."

Sir, our friends from the Congress have had the privilege of holding the reins of power for nearly five decades. They speak about the basic structure of the Constitution and the basic features of the Constitution. In Kesavanand Bharati's case, it has been clearly stated that the dignity of the individual secured by various freedoms and the basic rights mentioned in Part III of the Constitution and the mandate to build a welfare State contained in Part IV of the Constitution cannot be denied. But what happened in seventies? What happened in the year 1975? The dark dungeon cells of the prisons of this country will speak volumes and volumes about how democracy was throttled, how the Press was throttled, how hundreds of thousands of people were detained in jails without trial and how many people had to die in the prisons. Those dark days, in the history of this country, could not be forgotten. Emergency was proclaimed and the leaders were detained. I do remember that Shri Niren Dey, the Attorney-General of India at that time, had the audacity to go to the Supreme Court and say that the life of any citizen of this country could be snatched away and that could not be questioned in the court of law. Have you ever heard of such a thing in any democracy in the world?

Now, my friends are speaking from the housetops and rooftops that they are all concerned about democracy, about the Constitution and about the basic structure and the basic features of the Constitution. Sir, the country could not forget when most of the leaders and Members of Parliament were detained in the prison. The Forty-second Amendment was piloted in the Parliament and they even annulled the judicial review of the Constitution Amendments and some Fundamental Rights and the basic right of the people to choose their representative every five years by extending the term of the House. The regime, which proclaimed emergency, went even to the extent of undoing a judicial verdict. But thanks to the Judiciary, most of the amendments were declared *ultra vires* of the Constitution. And, that Government was thrown away by the people in 1977 elections. Of course, the Government, which was then formed, crumbled. I do agree that the experiment of Janata Government had crumbled. When I started my speech, I said that we are proud of the system of democracy. Therefore, the same people who gave the mandate, a massive mandate to the Government in 1971, dislodged that Government in 1977. The same people rejected the Government which was in power. Sir, after all these things, they now speak of the basic structure of the Constitution. Sir, what do we need today? The Constitution has to be reviewed. There is nothing wrong in it. Have we solved all the problems of the country? No. Many amendments had been brought in the Parliament by the Congress Government. They brought them many times. I feel pity for the Congress Party. But it is a very great and a mighty organisation. Why have they come to this end?

It is because they want to bulldoze the States; they do it even in their Party structure. They want to bulldoze the State Governments. How many States Governments were toppled and dismissed? When the Communists came to power in the year 1957, the first Government was that of Shri Namboodiripad, which was toppled in 1959. They developed a myth that no party other than Congress will be able to rule any State. That was their view. They did not permit any other political party to rule a State for five years. Therefore, in the 60s, the great leader, late lamented Anna, gave a clarion call. He stated, "You see the experiment. What happened in the State of Kerala?". The Congress Party is trying to create an impression that no other political party would be able to run a Government for five years. Therefore, on his call, in 1967, the Marxists and the Swatantra Party came under one umbrella, and the Congress Party was thrown out in Tamil Nadu. Many years have passed since then, and they are still trying to get near the St. George Fort. It will remain a dream, and they can only build castles in the air. Nobody can provide oxygen to the Congress Party now.

Shri Mani Shankar Aiyar made a brilliant speech. I agree with him. In the year 1947, when you made your 'Tryst with Destiny', you have promised that milk and honey would flow on the streets under the Plans. How many Five-Year Plans have you made, how many Plans were implemented, how many crores and crores of rupees were spent and then what happened? What happened to the slogan "Socialistic pattern of Society", and what happened to the

slogan "Democratic Socialism"?

It is the Congress Party, which opened the gates for globalisation and to the multinationals. It is they who opened the windows and doors for the multinationals.

The concept of federalism has to be accepted and implemented. Therefore, the Commission may review the Constitution. It is a fact that everything has to be brought before Parliament. We have to really think about implementing the concept of federalism. Here, it will be very pertinent to quote Arignar Anna. He says,

"We have a federal structure. That is why, the framers of the Constitution wanted a federal structure and not a unitary structure because many political philosophers have pointed out that India is so vast, in fact, it has been described as a sub-continent. The mental health is so varied, the traditions so different, the history so varied that there cannot be a steel-framed unitary structure here and give us proper answers to the puzzles that are created not by us, but by the working of the Constitution to the detriment of the States. What I want to say is that the working of the federal structure is such that the States are feeling more and more frustrated, and their demand is that there should be a review of the Constitution, a reappraisal of the Constitution."

In the year 1963, he said:

"You should take the DMK as the spearhead of the opposition to the unitary nature of the federal structure of this Constitution. Lift it up to the highest political arena and allow it free play, make the federation become a real federation."

Therefore, we have been demanding that all the regional languages mentioned in the Eighth Schedule should be made as official languages of this country. We have accepted this in our Agenda. The NDA has accepted this for the first time. The Congress Government, when they were in power, even in principle, they did not accept. When Hindi has been made the official language of this country, then Tamil, the most ancient classical language of the world, the mother language of all the Dravidian languages, should be made at the first instance as one of the official languages of this country.

Some of our friends may not understand the extent of hardship the people coming from non-Hindi speaking areas are subjected to. They say, 'English is a foreign language.' However, English is the mother tongue of Anglo-Indians who are the citizens of the country. English is the official language in the North-Eastern States. Because of their hatred for English, some of our friends are trying to thrust Hindi upon us. My view is that disadvantages should be neutralised. Disadvantages of all the people should be uniform. Till such a situation comes, we want that English should continue. All the languages mentioned in the Eighth Schedule of the Constitution should be made official languages of this country. Tamil should be accepted by the Union Government as a classical language.

The Government headed by Shri Atal Bihari Vajpayee is trying to erase the misfortunes caused by the previous Governments, particularly the Congress Government. At the beginning of the last century, the then President of the United States of America Mr. Theodore Roosevelt boasted that that century belonged to America. I felt very sad when balkanisation of the Soviet Union took place. I felt very sad when the statue of Lenin was attacked. Because of such unforeseen developments that took place in the last decade, a bipolar world became a unipolar world.

Today we could claim, as the Prime Minister has claimed, that this century belongs to India. This century belongs to the continent of Asia, not to Europe or America. This century is going to be the century of the continent of Asia. In many aspects, the competitors are going to be China and India. Since the time at my disposal is very short, I am not able to dwell on all these issues. My friends will deal with them. The competition is going to be between these two countries. As a functioning democracy, with the intellect and talent of our youth we could definitely march ahead of China, and we could become the guiding star of the whole humanity in this century.

We became a nuclear-weapon State. Shri Atal Bihari Vajpayee took the decision to make this country a nuclear-weapon State with a minimum nuclear deterrent. Because of the threat from the neighbours, he took this decision. Mr. William Jefferson Clinton had to admit that India is a super force. In one of his meetings he stated that 29 per cent of poverty is in India. At the same time, he had to admit the fact that 30 per cent of computer professionals are Indians.

I had the opportunity of going through a report published in a German magazine recently. The magazine reported about the employment potential, the talent and intellect of Indian engineers, scientists and doctors. The report says that 38 per cent of doctors in USA are Indians.

18.00 hrs.

SHRI N. JANARDHANA REDDY (NARASARAOPET): Will you accept that it is attributed to Shri Nehru by Bill Clinton as he started IIT's in the country.

SHRI VAIKO : Yes. I have got a great respect for Shri Nehru. Yes, Shri Nehru had the vision. When he opened the Bhakra Nangal Dam, he said 'it is a temple of India.'

We are not partisan. But at the same time, do not forget the fact that the Congress has destroyed the country. That also, I have to remind you....(Interruptions) Sir, 38 per cent doctors in the USA are the Indians, 30 per cent of NASA employees are the Indians and 28 per cent of IBM and Microsoft are the Indians. The German Government also has opened the doors for Indian intellectual youth and not to other countries. Therefore, the scope is very wide for our Indians everywhere. At the same time this Government has done commendably well. Only 13 months we were in power. Then with all earnestness, Shri Atal Bihari Vajpayee was steering the Government to lead this country, to make this country as the Super Power of the world.

My friend was telling about down-sizing of the Government,. To reduce the Ministry Secretariat, to reduce the expenditure really is a very good suggestion, and it ought to be welcomed.

MR. CHAIRMAN : Are you concluding now? छह बजे चुके हैं और इस विषय पर बोलने के लिए माननीय सदस्यों की लम्बी सूची है। अगर सभा की सहमति हो तो सदन की कार्यवाही आठ बजे तक बढ़ाई जाये।

श्री सत्यप्रत चतुर्वेदी (खजुराहो) : सभापति जी, आप इस पर दो-तीन दिन तक लगातार बहस करवा लेंगे तो क्या हर्ज है।

श्री शंकर प्रसाद जायस्वाल (वाराणसी) : आप आज बैठक स्थगित कराइये। हम कल इनका भाण सुन लेंगे।

श्री सत्यप्रत चतुर्वेदी : सभापति जी, हमारे बहुत से वक्ता यह मानकर चले गये हैं कि छह बजे सदन की कार्यवाही समाप्त हो जायेगी। इसलिए आप बैठक कल के लिए स्थगित कर दीजिए। हम इनका भाण कल सुन लेंगे।

सभापति महोदय : अगर आठ बजे तक नहीं बैठना चाहते तो सात बजे तक कर लेते हैं।

श्री सत्यप्रत चतुर्वेदी : आप आज बैठक स्थगित कर दीजिए।

SHRI VAIKO : Sir, I will take two-three minutes to conclude.

SHRI SOMNATH CHATTERJEE : Your partners are interrupting you.

MR. CHAIRMAN: Please conclude now.

SHRI VAIKO : Sir, in the initial part of my speech, I stated that the Congress party did not allow any other political party to run the Government in the States for five years. In the year 1977, the Janata experiment failed. Again, in 1989, the other experiment failed. Again in 1996, the Deve Gowda Government and then the Gujral Government were pulled down. Then again the Vajpayee Government was pulled down after 13 months.

But, Mr. Chairman, Sir this Government is going to last full five years and this Government is going to prove that other than the Congress party, the NDA led by Shri Atal Bihari Vajpayee rules the country for full five years. Here, one more thing I want to say. Hereafter, in this country, one-party rule of the whole country is finished....(Interruptions)

SHRI SOMNATH CHATTERJEE : And you will remain as a king maker....(Interruptions)

SHRI VAIKO : The NDA will be ruling for five years. Again, we will come back to power with a massive mandate under the leadership of hon. Shri Atal Bihari Vajpayee.

With these few words, I commend the Motion moved by Shri Madan Lal Khurana .

सभापति महोदय : सदन की कार्यवाही कल 18.4.2000 तक के लिए स्थगित की जाती है।

के ग्यारह बजे तक के लिए स्थगित हुई।
