

pletely placing her life in danger. Her name is on the top of the his list of LTTE. She is opposing the LTTE not for any personal reasons but for national interest. If the ban on LTTE is lifted at present, it will definitely create lot of problems not only for Tamil Nadu but also for the entire nation.

This kind of secret deal by the RAW personnel will go against the interest and sovereignty of our nation. Already Shri Prabhakaran has been proclaimed as an offender in Shri Rajiv Gandhi's assassination case by SIT. So, in order to safeguard the sovereignty of our nation, the Central Government should not allow LTTE again in Tamil Nadu. The Chief Minister of Tamil Nadu has been consistently requesting the Prime Minister of extend the ban on LTTE at least for a further period of two years. Knowing full well the evil designs of LTTE, it is highly improper for the Government to compromise the interest of the nation with the LTTE under the guise of giving protection to the Prime Minister.

I would, therefore, urge upon the Government to give a proper clarification on this matter.

MR. SPEAKER: Should we take up the matter on the Agenda?

MANY HON MEMBERS: Yes.

MR. SPEAKER: I must thank you very much. Shri Rupchand Pal.

11.19 hrs

DISCUSSION UNDER RULE 193

Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations

[English]

SHRI RUPCHAND PAL (Hooghly):
Speaker, Sir a new world under is emerging

and today the decisions taken by different Governments will have far-reaching consequences for the future generations. This is true about us also.

The emerging world order, as it seems today, will be unequal, unjust and inequitable. It will be heavily tilted in favour of the developed countries, the rich nation, particularly the 6-7 countries and, on the other hand, the vast millions belonging to the third world countries will be at the farther receiving end. Distress and misery will be further perpetuated as a result of domination by the new Troika, the third pillar of multilateral trade organisation or world trade organisation that is joining IMF and World Bank.

About 10 or 15 or 20 years back, it was a totally different world. Even at Delhi, the Non-aligned countries had met to have a new economic international order.

But during these few years, the world has changed a lot. Momentous changes have taken place and the scenario that is fast emerging will be totally disadvantageous to the developing countries like India. The recession - hit Industrialised countries are badly in need of the market in the developing countries. They do have capital; they do have technology. Their agriculture, as a result of the Bio-technological developments, has come to a pass where they do have enough surplus. This, coupled with the traditional high subsidy rate - both for production and export - has created a world situation. It is, of course, true that the developing countries do not have even a limited space in the international agricultural trade. It is very natural for a country like India with the fulcrum of the economy depending on agriculture, to expect after a long struggle for an equitable partnership in world agriculture

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trade that India will have some advantages. It is very natural that the rich farmers who do have surplus and want the export facilities to be opened up for them can expect that after the adoption of the Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations they will be benefited. It is a very natural expectation not only for the Indian farmers but also for the others belonging to the developing countries. But we have to go deep into the inter-connections. The interconnections within the agreement, between the agreements and also among the agreements.

Let me come straight to the major question that is being propagated to confuse people that in the long-run, India, Indian farmers, Indian agriculture and Indian agricultural export will be immensely benefited, We have been complaining that the industrialised countries have been providing too high a subsidy for exports indirectly, directly and in many other ways. We do hope that if the subsidy is brought down to some extent and with the removal of quantitative restriction and resorting to new tariff structure, if will open up markets even in the industrialised countries for a country like India and the other developing countries. But my point is that they have been providing very very high subsidy. Suppose they bring it down by 36 per cent covering a period of six years. But they have been providing subsidy to the tune of 100 per cent; 200 per cent; 300 per cent, 500 per cent and still it will continue to be very very high. Shall we be competitive? Where shall we be competitive? For country like India, food security is very important. We have to feed millions of Indians who live below the poverty-line. Food has to be ensured for them. What are the items that we

may get an opportunity to export? I shall come to them later.

Secondly, over the years, the cost of production of Indian commodities will go up. Today, maybe the AMS is negative on product specific subsidy and Non-product specific subsidy in the Indian situation. But if you calculate for the last decade or so, it is going up several times, eight times, nine times in irrigation, electricity and it will further go up because you are providing no less than 16% guaranteed return to the private sector and to the foreign companies who want to invest in power sector. Such guaranteed return will cost a steep hike in electricity rates, which again will raise the cost of other inputs and will result in steep hike in water rates, hike in fertilizer prices has been caused under the diktat of IMF and others for bringing down fiscal deficit etc. and There has been reduction of subsidy. There also the cost of production will go up and as a result our agricultural production will not be competitive.

Then there is a question of aggregating the subsidy. This aggregating of subsidy is a dangerous phenomenon. Suppose they want that rice should not be allowed to be imported in European countries. But in the dairy sectors, Indian and such other countries are not competitive. What will they do? They will aggregate it in such a manner that in the areas where there may be foreign competition, they will provide the subsidy. They will lessen the subsidy in areas where they do not have any competition. It will be uneven, unequal and unjust. We shall never be competitive.

Then again, there is another danger in this provision which was not brought within the purview of subsidy reduction. What is that? It is the de-coupling of income support. They are trying to reduce their production to keep up prices. They produce for exports;

they produce for surplus and not for food security as you do. Even when they are asking the farmers to reduce the production, to control the production, they are providing indirect subsidy by de-coupled income support which they will continue for a long time to come even after the review of the issue that might take place. That is not within the purview of subsidy. How can the Indian products be competitive? Look at the inter-connection. If you take it in isolation, that more opportunities will open up as a result of lowering of subsidy, that we shall have more market access, which we have been demanding, but in actual, if we read between the provisions of the agreement and within the provisions of the agreement, we shall find that we shall never be competitive. What should we export? What Indian products? It is because of our agro-climatic zones we have all along been producing and exporting fruits, vegetables, horticultural products and such other things even in future, the developed countries of the north will have to depend on us because of our climate. But those areas are being occupied by the multi-national Companies like Pepsi, Hindustan Levers, ITC and so no.

Then again our Green Revolution did not cover those areas. Our Green Revolution was limited to wheat, rice, edible oils and all that in certain zones of Punjab, Haryana, Western U.P. Naturally, What are the items where we can find the opportunities to increase export? What will happen as a result of initial facilities provided to our farmers? With this one per cent or two per cent contribution of additional supply prices will crash. Even today the international prices of some agri-products are high, we are very hopeful about it. Immediately after such things, with the limited contribution made by the developing countries, the international prices will sharply come down.

This will not and will never be to our advantage. But the very important thing is that as a sovereign Government, shall we not be having the right to determine our own subsidy? In our case, the upper limit has been decided by them and in their case, they are only lowering the subsidy by the certain percentage. Infact they will continue their very high rate of subsidies.

Sir, at a certain point of time, the cost of production will go up. Till today, of course, it is true that our total subsidy as per AMS calculations, is negative to the tune of Rs. 19800 crore or something like that; we may say that we are not reducing the subsidy. Who has told you that you are reducing the subsidy? You are spreading disinformation, misinformation creating confusion by saying that you are not going to reduce the subsidy, Who told you that? No one criticised you on this score. What will happen is that the cost of production will go up and the Government will never have the right, it will miss that authority, to determine their own subsidy for their own people.

Sir, this final Act embodying the results is a document which will just re-colonise a country like India. It will be a case of re-colonisation and nothing else. But still, bravados, confidence through the TV and the controlled media, the Ministers and others are trying to project a picture that our sovereignty will never be affected. After shameful surrendering to machinations of big powers like the U.S and her cohorts who wanted to economically subjugate the developing countries or countries like India, they are engaged in an exercise of sustained campaign to spread misinformation and to create confussions; where they can not convince the people, they want now to confuse those people, How else can I explain or describe the activities of the Government?

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Sir, In the MTO Declaration, in the first paragraph, what was said was that it was to improve the quality of life of the people; it was to provide full employment, a large and steadily growing volume of real income and effective demand, expanding the production and trade in goods and services. It also talked about reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers of trade and the elimination of discriminatory treatment. There is such a Declaration. But pages after pages, agreements after agreements we find what there is discrimination against the developing countries. When you go through the pages, is there any ray of hope for the millions and millions of people of developing countries that their standard of living will be raised, that they will be provided full employment, and that their real income will grow up? It is just the reverse.

Sir, what has happened is that not only the interests and concerns of the developing countries, but even the views of the developing countries, as it has been projected through all these seven or eight years, have also not been reflected in the final Act, As it was not reflected in the Dunkel's proposals. It was in November 1990 or so, in ministerial meeting, that a draft and in that draft the views of the developing countries were put in brackets saying that those were to be considered. The views of developing countries were put in brackets, But subsequently, the brackets were done away with and the developed and the developing countries were put at par, on equal footing.

Of course up to certain time the representatives of the Government of India had been putting up resistance along with Brazil and others trying to score points to their advantage. But after certain momentous changes in the global scenario. They took 'U' turn. It is a sorry state of affairs. I am not

casting aspersions on anyone. But our representatives who had been presenting our viewpoints up to a point of time were found on the other side of the table. This is a strange turn of events. I am not casting aspersions on any individual, but such turn of events should be a matter of concern to all the citizens of the country. So the final act does not reflect the concerns of the developing countries.

Let me come to the other parts relating to agriculture. There are different relations among them. The next is about the market access. We are hopeful that when the markets of the developed countries are opened up, India will get us more opportunities. What will happen ultimately? A country like India, because of our BoP problem is not going to be affected? But Art XVIII (B) has removed. The BoP umbrella is no more there. BJP will determine whether we do have any BoP problem or not? The hon. finance Minister is saying that we do have a foreign exchange reserve of 13 billion dollars. Today it is 14 billion dollars. New concepts of judging things are coming. According to the purchasing parity, PPP, India has been considered as a rich country; the sixth richest country in the world, even though our position in the human development is 134th. It will be determined by the IMF. What do they say? Let me read it as follows:

"Contracting parties shall seek cooperation with International Monetary Fund to the end that the contracting parties in the fund may pursue a coordinated policy with regard to exchange question within the jurisdiction of the Fund, questions of quantitative restrictions and other trade measures within the jurisdiction of contracting parties. In all cases in which the contracting parties have called upon to consider or deal with problems concerning monetary reserves, balance of payments or for-

eign exchange arrangements, they shall consult fully with the International Monetary Fund."

So BoP umbrella is not there.

They said about PDS. The govt. says that PDS will never be affected because certain things have been stated in the footnotes of the final Act; it being said that food stock holdings, food operation are basically meant for them, so the developed countries do not resort to manipulate the situation. It is sought to interperfed that this is not meant for us. Our trading partners have assured us. Even Peter Sutherland assured it govt. spokesman says. But he never assured it. He cannot assure it. We shall have to take the framework. We are bringing our PDS into an international discipline. The WTO will determine it.

Of course. It is consumer subsidy. If it is not export subsidy and it is not production subsidy, you may say like that. But Govt. shall have to precise commodities for PDS at the international prices. Suppose there is failure of monsoon or famine condition prevails or drought situations is created when hundreds and thousands of people of India will have to be provided food relief, shall we be able to do that? So, we shall have to be transparent. Will this food holding be used as an instrument to bring down the prices in the market? No. Market prices will be determined not by the Government. Naturally, the hands of the Government will be tied down, even, in the critical situation when the people urgently need subsidised food and free food. The Government will not be able to do anything and we shall be silent spectators.

I was a young boy in 1943 when I saw, how our people died on the streets during Bengal famine. For days together there was no one; to provide food to the starving mil-

lions. Pranab Babu knows it and there are many others who know it. Many important works have done by eminent economists like Amritha Sen and others. A new line of thinking has evolved on the basis of study of such famine conditions. On the bases of these studies suggestions have been given by eminent economists to govts. of developing countries to from their policies accordingly changes are taking place in govt. policies and programmes as a result because of this valuable contributions the name of eminent economist has been considered for supreme awards. So, what will happen in such a situation? Our hands will be tied down. But, disinformation is being propagated that our PDS will not be affected. It is only because of some footnote. But, it will be determined by something else. The targeting will be determined by someone else. It will be under the New GATT discipline. Still they will ask as to why we are raising the question of sovereignty. This Parliament will be a silent spectator when millions of people who may die of starvation. We shall not be able to intervene and the Government will not be able to intervene; and still they will ask as to where does the question of mortgaging sovereignty come and why are you saying like that.

Now, we shall take the question of seeds. It is the most important question. What is being said by the Government? They say, "No, we shall have the option; we can go for the patent, we can have the UPOV Convention of 1978 or of 1991 or the combination of both; we shall have the sui generis law; we can have our own sui generis system as a result of which the farmers will have the traditional right to exchange seeds to just keep their seeds for the next year's cultivation and all," Hon. Agriculture Minister, I am told, has been meeting the political parties and it was said that only in the case of branded seeds, there might be difficulties.

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My question is, is there any scope for licence of rights in the UPOV convention of 1978 or of 1991 which will again be reviewed in 1999? What is there about that in our model Indian Patent Act? That is the instrument our forefathers delivered country to serve the needs of our country. They have thought about that; so many committees have been set up; this Parliament itself has done it in detail through a Select Committee. Licence of rights is the most important thing, be it in the pharmaceutical sector or in the onslaught of the multinationals, the multinational seed corporations and the multinational pharmaceutical organisations. But, in both these Conventions of 1978 and 1991, there is no such scope.

But licence of right provides competition. The ironical situation is that we are being asked to be competitive and efficient but through denial of licence of right, the very competition is being denied. They want monopoly. This is a new and strange world. We are told to be competitive. We are framing our budget and our philosophy is changing. Let us be competitive but they are insisting on monopoly. Multinational companies will have the monopoly. Now, why should we not say that we believe in competition? Let there be licence of right we shall pay royalty. Let it be calculated, say 200 million dollars is spend for a particular research. We shall pay the royalty. But why should you bar people to come into competition? Is it a free and fair world? Is it not unjust that you are speaking about competition but at the same time, you are insisting on monopoly. Of course, in this final document of GATT, as regards TRIPS question, reference has been made for particular conventions. For example, in the case of copy right there is Bonn Convention. in the case of certain other things, there is Paris Convention and

in the case of integrated gadgets, there is Washington convention. But no reference has been made to UPOV Convention. You can certainly use it. Much has been lost but still there is something by which you can fight. Let there be a controversy and if the multinational companies come to rule the roost, we shall resist. Even at the late stage, we can do it. But by sui generis law, a political gimmick, you can screech a political point but it will be short-lived. In 1999, it will be reviewed and what is the trend of UPOV as far as patent right is concerned? What is happening in developed countries? Naturally, this euphoria for sui generis law will be short-lived and by 1999, we shall be in serious difficulties which regard to seeds. It is being said that we shall exchange and we shall have this and that for our future. But will they be solved to have licence of right for commercial purposes? New varieties will be coming every year and we shall have to purchase it because we do not have that research and development. How much do we spend on research and development? Very very meagre amount But they provide huge amount for research and development. The Subsidy for research and development by the developed countries and industrialised nationals has never been brought within its purview of negotiations. They provide huge subsidy for research and development but we are at the infant stage in R & D as regards the question of patents, should we allow patenting at any stage? If you ask me as to what objections do I have to this final Act, I would first demand removal of this TRIPS chapter and only after that there can be any discussions. This TRIPS is an instrument of subjugation. Everything will have to be changed including our Indian Patent Act, 1970. It has been called a model Act for the developing countries by international agencies. Eminent jurists have said that we shall not join Paris Convention as it is not in conformity with our constitution. Compulsory but

by TRIPS Agreement contracting parties will be party to Paris Convention. Compulsory licensing is required by us to serve public interest licence of right is required by us. The government says that there is no difficulty as this patentability is reality. Whatever is new and innovative and which can be used for industrial application, will have to be patented, anything and everything will be patented. I am not coming to other serious questions related to biotechnology and micro organisms. I shall deal with the same later on. This TRIPS chapter will provide a body blow to our agriculture. Our research will suffer immensely our scientists, through possess patenting we have excellent jobs.

They have contributed immensely to our Green Revolution. We have a large army of such scientists and professionals. But with a change by this Final Act, with the help of this TRIPS instrument, our R & D will suffer will collapse. Firstly we do not have enough resources as the developed countries have. Secondly, our infrastructure, our technological laboratories, our science laboratories and our personnel have grown in a qualitatively different set up. What happened in other countries? If it is not copying or stealing, what is it? What did Japan do immediately after the Second World War? What did Korea do? What are their so called patents? I can go on citing examples. Papers are published in research journals. Someone taken a cue from there and then there would be the so called inventions in the laboratories, How does it happen? The process is built over a long period through public knowledge, through generations and generations of accumulated knowledge. Add then, the brick would be put by some big multinational company and it says that the patent belongs to it and no one else! This has happened many times in the world and it is happening now also. Let me give you just one example. someone analysed certain

molecules but his name was never considered for the Nobel prize. Subsequently, that particular molecule was used for certain inventions by someone else whose name was considered for Nobel prize. This has happened so many times. This molecule analysis and screening is done in the science sector but the cue was picked up by the technology sector. This has happened so many times. This molecule analysis and screening is done in the science sector but the cue was picked up by the technology sector. This sort of process ultimately leads to new inventions and new products. Human knowledge is a continuous process. What will happen if we taken the patenting issue too far? Should we tell our scientists not to publish research papers? Then they will taken the cue and ask for a patent. What these multinational companies are doing will put us in a very serious situation.

This patenting will cause havoc not only in agriculture but also in many other spheres including the pharmaceuticals. It is being said that prices in the pharmaceutical sectors will not be affected much. Someone calculated that there would be 40 or 45 per cent increase. Who told you? Some international agencies have calculated the price rise. It will cause havoc in the pharmaceutical sector due to which millions of our poor people who, till today, have some opportunity to buy medicine will not be in a position to do so. The Government says that they can control the prices through the drug price control order. How can they do so when importation is conceded to be at par with local production? They will import. How can you control them? Then again, it is being said that only a small percentage of medicines is patented. Who told you? More than 60 per cent, or nearly 70 per cent of the medicines are patented. Eighty per cent of the medicines in the United States are patented. Someone says that a particular medicine is

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patented, some other alternative can be used. For Example, instead of crocin paracetamol may be used. But with this present arrangement, even combinations and formulations come under its purview. Even the existing formulations will be affected. I was going through a study which says that in every seven to eight years, 38 to 40 per cent of the medicines in the world get replaced. In the new arrangement, the duration for product patent is 20 years and subsequently for process patenting, it is another 20 years and subsequently for process patenting, it is another 20 years and subsequently for process patenting, it is another 20 years. Then again, what will happen in process patenting? Only two or three or four produces may come up because of the limited opportunity. Still, their brand names will continue, it is not a question of research and development alone. It is related to the question of marketing also.

The multinational corporations do have a huge infrastructure though out the world for marketing and for publicity. I was reading somewhere that some multinational companies have been spending a very large amount for marketing and for sales promotions, an amount that is spent in one annual plan by large developing countries, covering all the sectors. Take the example Pfizer and Glaxo.

In fact there is no scope for compulsory licensing. Only in case of emergency or extreme urgency, it is permitted. There also, again the authorisation will have to be sought, but, it will be permitted only in spare cases, if the permission is granted, then, you shall have to compensate. No commercial use for that matter will be permitted. But compulsory licensing is an element which our forefathers had seriously brought about and they had incorporated it in the Indian Patent Act. It

was as a result of their collective wisdom that we can protect our own people today.

In this regard, there is another clause, I agree with that clause. If there is no provision or scope for compulsory licensing, we can use one thing viz, Article B of TRIPS which says;

" Members may in formulating or amending the national laws and regulations adopt measures necessary to protect public health and nutrition and to promote and protect public interest in sectors of vital importance to their socio-economic and technological development, provided that, such measures are consistent with the provisions of the agreement."

Some will say that it is not consistent with your need. They may say while analysing it, whether it is effective your sui generis or not. They may again say, it is not effective your sui generis. GATT will determine. Here also they may say that, but we shall have to fight. Even at this late stage, there is scope to fight, to resist and to unite on the basis of common interest.

The Conference of G-15 countries is taking place. I was reading somewhere what the hon. Commerce Minister had expressed serious concern about the non-trade barriers which are coming up on conditions of labour, human rights, environment and so on more and more such things may follow. It is because in a new world order, multilaterally is only a plea, in reality the Super Power, the Unipolar world that has developed temporarily, they too believe in unilateral application. Even after the final Act of GATT, what had happened in respect of Japan which is a G-7 country? The other day, when the Assistant Secretary of the American Government came here, she said that their

Super 301 and Special 301 will be in conformity with the GATT system. She had insisted by saying that their unilateral action will go, only that they shall institutionalize their retaliation and punishment instrument through this new and final GATT Act.

We can fight on the basis of this article 8. I would like to tell the hon. Minister that we can fight on the basis of such provisions. Although late, everything is not lost. We have surrendered and surrendered. If only one Member of the GATT had said that this would not be done. The situation would have been different. As per GATT provision every decision should be taken on the basis of consensus. Had India stood up and said that she does not agree the present precarious situation would not have arisen.

12.00 hrs.

GATT 1947 worked on the basis of consensus. But no there is a major change they are bringing in. I demand that we should oppose it even at this late state. What is that? It is said, "The MTO shall continue the practice of decision making by consensus followed under GATT 1947. Except as otherwise provided where a decision cannot be arrived at by consensus the matter at issue shall be decided by voting. "Every Member will have one vote.

Then in certain cases, decision will be taken by two-thirds majority; and in certain other cases, it will be done by three-fourths. Why not object to it? Our demand is that you should reject it.

The GATT spirit is a spirit to work by consensus, not by voting. Then no one will be able to throw us out of the GATT. We shall have an ample opportunity subsequently to fight on areas of ambiguity; there are areas of ambiguity which intelligently can be used

by a country like India, which will create a controversy where we can find support from other third world countries; we can mobilize support from them. By mobilizing the support from the Third World countries do you not feel that we can bring about a radical change in the world order. Is it not possible? We are larger in numbers. We have a large market. In an economy when there is a recession, they cannot afford to rule out such a big market only if we stand up; only if we unite on the basis of common interest, only even at this late stage we find out areas of ambiguity and confusion and put our own interpretation. For that purpose, what is required is that in the decision making this voting concept must not be there; this consensus concept must be there. After all, this is GATT, of course, a new paragraph has come in, which was not there in the last seven rounds, to serve the interest of the developed countries; services and agriculture, etc. have come in. But even at this late stage we can stand up and say something about it.

The ten year transitional period is another confusion. There is a pipeline protection for the existing drug policy. Secondly, by July 1995, you have to bring into force this Act. Ultimately, it will be done in three phases. And from 1995 itself, a country like India will begin to be affected I was reading an article on the "Spectre of resurgence of tuberculosis associated with HIV." India by the turn of the century will be worst hit by this disease. What will happen to us? For long 20 years, Indians will have to wait for new medicines.

Because the multi-national companies will rule the roost they will determine the price as a result of their monopoly, patent in respect of production, marketing, use of everything. This has happened in so many countries. If you compare countries like Pakistan, the UK, in US and in India, we do

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not have any patent regime for pharmaceuticals chemicals and food compare the prices of medicines in these countries respectively. The medicine that costs in India at Rs. 5., in Pakistan, it is Rs 30, in the UK it is Rs. 250 in the US it is Rs. 750. I could give you a number of examples. It has happened because of monopoly. What monopoly can do, we have seen in our own land? In so many developing countries transitional corporations are acting like super governments. Naturally what will happen in that this ten year transitional period? Let me not call it a hoax. It is misinformation. There will hardly be any transitional period.

Here I shall make one suggestion. The people of India suffer from tropical diseases like TB, leprosy, malaria, kala Bazar, cholera and for many such diseases. The Multi-national companies do not produce anything for such diseases. Even if they do have the technology and formula, they do not have enough market, they may not produce it. Right now, we should be not careful about all this to provided more funds for R&D in respect of the medicines for these diseases. There has been any provision of compulsory licensing but now? This is inhuman, unethical that although MN's do have the formula but because they will not reap much profit they will not produce it. The competitive resources of production is essential for public interest. We shall insist on it and if necessary we shall continue struggling with the instrument of article 8.

Let me come to another unethical area about patenting of micro-organism. They want to export the natural occording genes. The diagnostic process will also be pondered. That is very much within the purview of that patent regime. Our farmers will suffer.

Then there is the question of bio-technology. In future, it is an area which will

determine the lot of nation. What is happening? Suppose you have enough of sugar production, they will have something more sweet in the laboratory. There is no health hazard, no side effect, It is happening. It has happened in the case of Unilever in cultivation of palm oil.

The other day an hon. Member raised, the question that coconut prices were coming down and all these things. This will happen more in the case of sugar production, in the case of coconut and in such areas. MN's are ruling the roost. We have no control over them. But in our case, With our peculiar agro climatic zones, we do have so much of Bio-diversity.

What did the American leader say in June 1990 in Rio conference on Environment?

The American leader said that they would not allow the developing countries to have their right of controlling the natural bio-diversity. The Americans spurned at designs to encourage the developing countries to preserve bio-diversity of plants and animals. What do they say? "Such a rise", the Americans argue, "would reduce incentive to developed countries such as most likely to find the issue". For us, they say that we should not have any control over our own natural bio-diversity. For them, it will be a different question.

When we export our services, skilled or unskilled—our personnel—the immigration law comes in! When they export them, they call it 'services'! For them it is services and for us our software engineers and personnel will be prohibited from going there because of migration laws! This is the unequal, unjust, inequitable order they want to bring in.

Sir, will the provision of Final Act enhance the scope direct foreign investment?

The finance Minister is here. He will say, "Yes, Yes" In the entire scheme of things there will never be transfer of technology. It is not simply the question of controlling the missile technology transfer nor is it a question of NPT. They — the recession hit western world - will try to export their own products. Even in the new economic scenario that the Government of India and the hon. Finance Minister are trying to put forth, there will be difficulties. There will be serious difficulties in the Government's new economic policy. No technology transfer will take place.

Lastly, there is a very serious question. What will happen to our Constitution? Suppose we make a bad law. The Supreme court may turn it down saying that it is not in conformity with the constitution. It may do so. But here the case is different. If the Final Act provisions will have to be changed but not the provisions in the Final Act. Here comes the question of sovereignty. We shall have to change our laws. We shall have to change our Constitution, but we cannot make changes in the Final Act. the provisions which are in their favour. What will happen to our federal structure, the rights of the States and the Seventh Schedule ?

I was reading in the papers that some States have gone to the Supreme court protesting that their rights eminent have been curtailed and that the Government of India had no right to do it. Some eminent jurists have already given an interim report on the constitutional aspect — the Fundamental Rights, Article 14, 19, 21 and the federal structure and all those things - that it will have serious consequences for our constitution.

The disputes settlement mechanism, the cross retaliation and all these things will

put us at a serious disadvantage. Why should the disputes settlement be made by them ? My suggestion will be why should it not be the International Court of Justice or any such organisation? They may provide justice.

On the question of textiles I am not elaborating. The back-loading is there and we are not ultimately going to be benefited. This has been admitted. On the other hand, industrial fabrics and other conditions have been put in the list . it will cause more unemployment as a result of the tariff reduction. Our small scale sector will suffer.

As a result of the Final Act countries like India will have serious problems and the infrastructure, the assets, self-reliance, the sovereignty of such important things like valued assets of all patriotic Indians will be seriously eroded and affected.

Even at this late stage, I would caution this Government that they will never be forgiven by the next generation for such a surrender, capitulation and a sell-out of all valuable things of our life, all the values that we stood for during the freedom struggle and the subsequent days.

MR. SPEAKER : Well, what we have before us is the final Act. And while discussing it, we can point out the provisions which go against us or in favour. Instead of speaking on generalities, on the newspaper reports, we can point out that this particular provision goes against us and we can discuss it. If you want, we can have more time also.

[Translation]

SHRI NITISH KUMAR (Barh) : Till he becomes Minister he won't come in the forefront.

SHRI MANI SANKAR AIYAR (Mayiladuturai): Thanks for wish full thinking, but convey these sentiments to the hon. Prime Minister and not to me or the House.

[English]

MR. SPEAKER: This is his first salvo to derail you.

[Translation]

SHRI MANI SHANKAR AIYAR: Mr. speaker, Sir, I Thank you for telling me before hand that in addition to Dunkel proposals even final Act is before us. I feel it our bounden duty to compare the final Act with the Dunkel proposals, presented to the world in December, 1991 and to see the progress made in the final Act and the degree of deviance. In this connection I would like to remind that 3-4 months back a background paper was circulated to all of us by the Ministry of Commerce. In paragraph 29 it is mentioned that the endeavour is to make changes in these three fields. All these pertain to the agreement regarding agriculture. I would like to submit "in this regard that the Government has achieved success. Initially it was mentioned that the endeavour is to garner additional flexibility in respect of products specific support. This was the target because it was feared that the product specific support might adversely affect all these three things like sugarcane, groundnut, and tobacco. It is nice that in the final Act, before us, no mention of product specific support has been made, Not only this in addition mention of 'Total Aggregate Measurement of Support (MAMS) has been made in the final Act in contrast to the Dunkel proposals. further in contrast to the Dunkel proposals of 'equivalent Commitment' in the final act mention of 'Annual and Final Bound Commitments' has been made. In view of this there is no danger to sugarcane, groundnut

and tobacco. Sir, through you, I urge the House to compare clause 6 of section 4 of Dunkel proposals with clause 6 of section 4 of final Act. There are 2 paragraphs in it and in para-1 of Dunkel's use of plural has been made. In Dunkel's mention of 'Aggregate Measurements of Support; is there, but in the final Act only 'Aggregate Measurement' is there and in addition 'Equivalent Commitment' of Dunkel's is absent in the final Act. in view of this I would like to urge the House that regarding Subsidies Dunkel proposal States that these should be computed only in reference to planned subsidies for investment and the subsidies for inputs could also be given. However, in the final Act it is stated that the developing countries have been totally exempted. Regarding all this it is mentioned that:

[English]

Now, I am quoting as Follows :

"Government measures of assistance whether direct to indirect to encourage agricultural and rural development when ever such measures are an integral part of the development programmes of developing countries..."

[Translation]

It is a big change. In the Dunkel proposals it was mentioned that subsidies could be given on investment and inputs, but in the final Act it is mentioned that programmes for agriculture and rural development are fully exempted. It is not a big change ?

Mr. Speaker, Sir, please go through paragraph-3 of Dunkel proposals. Two words have been used in it viz sector wise and product specific. In the final act in place of these two words 'Current Total Agregate

'Measurement of Support' is mentioned. This means Annexure-B of Dunkel proposals regarding 'Modalities for specific Binding Commitment. has not only been totally altered but also has been dropped in final Act. The note prepared by the Chairman of the Market Access group regarding domestic subsidies has been attached as Annexure-2 Table-4. Under it there is the need for only 'Total Agreement Measurement of Support'. Table-4 of Dunkel proposals contains computations of 'Project Specific Measurement of Support'. Table-5 mentions about 'Equivalent Commitments' and Table-6 about computation of 'Non-product Specific Aggregate measurement of Support'. Dunkel proposals had three Tables, but there is only one now. It means three-tables have been converted into one and many provisions of Dunkel proposals have been altered. As a result of it our 'Current Total Aggregate Measurement of Support' is less than zero. How far it is less - minus Rs. 19,860 crore? Whereas the subsidies paid are plus Rs. 11,400 crore concessions. As on date zero subsidies are not being paid. Subsidies being paid are minus Rs. 19,860 crore and we have not been asked to pay plus Rs. 11,400 crore. That means the Government can give to the farmers additional subsidies to the tune of Rs. 30,860 crore. Shri Manmohan Singh is present in the House and probably might suffer from heart attack because he does not have Rs. 30,860 crore. It is quite possible that Shri Nitish Kumar might bring this much money from Shri Lalu yadav and we won't be shy of accepting the money. There won't be any desert from GATT if Rs. 30,860 crore could be mobilised for disbursement to the farmers and in fact will be appreciated by GATT. Therefore, why are the farmers and the people of India being misled? Mr Speaker, Sir, while referring 'you' I do not mean you, Sir, but the hon. Members of the opposition. I would like to submit to

them that the issue is quite technical and needs to be pondered over in detail. For understanding it knowledge of both Hindi and English is necessary. Instead of understanding of things in right perspective the farmers are being tried to be misled. I think if they have no inhibitions then let them tell the world that under GATT provisions additional subsidies to the tune of Rs. 31,000 crore could be given as on date. I would like to know whether the opposition is prepared to come out with all this? I am sure they won't come forward because they do not belong to the hur of Mahatma Gandhi but of Shri Sharad Yadav.

Now I would like to dwell on the computation part not acceptable to anyone. I do not feel the need to reiterate today on 29.3.1994 the computation part, because yesterday viz on 28.3.1994 on Geneva these have already been accepted by GATT. Nobody there has questioned these computations, but last year Members of opposition asked who is the Minister of Commerce or the planning Commission to tell us these things. They apprehend that Americans will hold sway over India as their computation techniques are better than the Indians because we follow in India ancient techniques and that's why do not know addition and subtraction. These white Americans will teach us computation techniques. I would like to submit to the opposition the yesterday we had a chance to celebrate Holi in Geneva as our statistics has been accepted to by GATT. For next 10 years nobody can level any charge against us because our claims have been accepted by GATT and I congratulate Mr. Pranab mukherjee for the same.

Second change we want to bring about in Dunkel proposals is enumerated in para-28 on page 8 It is mentioned therein.

[English]

Exemptions be given from providing

[Sh. Mani Shankar Aiyar]

minimum market access even after balance of payments consideration no longer apply.

[Translation]

It means what is to be included in the list of concessions and preferences for market access ? This list we saw at GATT has already been accepted. Concessions and preferences which we have to give have already been accepted. I think these issues could not be raised till next round of GATT and will gain prominence more than New Delhi Round. Regarding market access we have given three concessions viz regarding duties on agricultural commodities there will be 100 percent duty structure, 150 per cent duty will be levied on processed items and 300 percent on edible oils.

These are the only concessions and you could not have any objections. This means in English -

[English]

That we have tariff bindings. They are the only concessions we have given. Direct binding on agricultural products at 100 per cent, on processed agricultural products at 150 per cent and edible oils at 300 per cent.

[Translation]

It is not necessary for us to levy these duties but we reserve the right. If for market access purposes they is multinationals come to India then double prices will be charged on commodities. However, we won't allows all this as 150 per cent duty will be levied on processed items and 300 per cent on edible oils.

Who did all this ? Nobody else but Dr. Manmohan Singh. We did not play any trick or sent any magician for all this, but has to do hard labour as a result of which foot-note referred to by Shri Rupchand Pal, not originally in GATT, was added. Had this foot-note not been added then Dr. Manmohan Singh would not have been able to accomplish all this. As a result of it regarding concessions we have to give only 3 tariff bindings.

According to this foot-note we have changed the GATT quantitative import restrictions which were earlier done by State trading. Now the Government have accepted all the variable import levies, import levies, minimum import levies, minimum import prices, discretionary import licensing Trading. It is so because Dr. Manmohan Singh was asked to point out the ceiling of the tariff duty. The International community accepted the proposal of Dr. Manmohan Singh about the ceiling of 100 per cent, 150 per cent and 300 per cent. What happened with the bug-bear of imperialists, capitalists, wall streets, state trading and President Clinton ? It was nothing but the handiwork of the Government . We made this demand and it was accepted by all without any grudge.

The Second change that we have found out is mentioned in this back ground paper. It has been stated in the sub-para 3 of the para 29.

[English]

Paragraph 29 sub-para (3) :-

"We wanted to make explicit in the Text that the public distribution system and consumers food subsidies in India would remain unaffected."

[Translation]

It has already be done Sir. Thank you so much. How it has done so because we had appended one more foot-note on the background paper. I also had been in the foreign service. I know it that sometimes foot-note is used and sometimes something else is used therefor. I am happy that Shri Atal Bihari Vajpayee is smiling at me because he had been my hon. Minister of External Affairs under whom I worked. He knows that many moves have to be made in the foreign service and this foot-note is also one of such moves. This agreement is in regard to agricultural products.

The annexure-2, para 3 in related to the Public stock holding for Food security Purposes and para 4 is related to domestic food aid.

[English]

Paragraphs 3 and 4 of annexure - II to the Agreement on agriculture :

"For the purposes of paragraphs 3 and 4 of this Annexure. The provision of food-stuffs at subsidised prices with the objective of meeting food requirements or urban and rural poor in developing countries shall be considered to be in conformity with the provisions of this paragraph.."

[Translation]

Shri Rupchand Pal has said that this is some kind of imperialism. In the foot-note he has referred to the poor. He has referred not only to the poor but also to the poor people living in rural and urban areas. It has again been stated that the poor people living in developed countries are not provided this con-

cessions. This concession is meant for the developing countries only. Giving its explanation it has been stated that people belonging to the developing countries only. Whether they live in urban areas or rural areas, can be given foodstuffs on subsidised prices. Why do they not go through it ? Is there mind is obsessed with capitalism imperialism they they do not go through the final draft of the Dunkel proposal ? When we think over this aspect of the poor people, we find that they are is grip with obsolete slogans of Marx. There lies difference between us and them that we go through our foot-note but they do not and rather they are indulged in their efforts to mislead our country.

Now I would like to switch over to the TRIPS, because Shri Pal has pointed out that with the advent of the TRIPS new imperialism is likely to usher in : The TRIPS will be the second East India Company in the twenty-first century. It is very essential to learn it because he did not explain the meaning of TRIPS. It is an acronym used for the agreement on Trade Related Aspects of Intellectual Property Rights. It means that is is not an agreement on th Intellectual Property Rights. It is rather an agreement on the Intellectual Property Rights. It is rather an agreement regarding those Intellectual property Rights which are related to commerce. It must be learnt because after learning it I would like to tell it openly that the background paper was prepared by hon.. Minister of Commerce. It was stated in paragraph 46, on page 13, that they wanted to bring about four kinds of changes. This is the reality and I do not hesitate to disclose the fact that our Government failed in all the four fields and no change was made in the draft. The contents at least in four issues are indexical to those written in the TRIPS document in the Final Act.. (Interruptions)..

Why did you start weeping ? Do you expect of us to defect to Communist Party ?

SHRI BHOGENDER JHA : We also are not ready to accept you.

SHRI MANI SHANKAR AIYAR : I am very happy because I am also not ready to go. I had left you there in the childhood. You remained entrapped since your childhood. Here lies the difference between you and me.

[English]

SHRIMATI GEETA MUKHERJEE (Panskura) : What is your personal reaction? I remember you were telling me about the objections to the TRIPS in Ottawa at North-South dialogue.

[Translation]

SHRI MANI SHANKAR AIYAR : Shrimati Geetaji is absolutely right because 6-7 Months before in Ottawa. We were exploring the possibility of bringing changes in TRIPS. I was in favour of birnging about the changes in the TRIPS. I do not belong to communist Party. I belong to Congress Party. Mahatma Gandhi had asked us to follow the path of truth. Therefore, no change brought in.. At the outset I had pointed out that no change has been brought in ... (Interruptions).. Now please listen to me... (Interruptions).. We are not Gandhi. We are his successors... (Interruptions).. we are truthful. Therefore, I would like to tell you one thing for searching truth.

No change has been made in the text. We have drafted a sui-generis Bill regarding agriculture. Its draft will be presented in the House. It is not proper time to give detail of that Bill at this stage. Shri Nitishji's ambition to become a Minister, has not been fulfilled so far. I on behalf of Congress party would like to assure that sui-generis Bill, to which I am referring, will certainly be presented in this House. Shri Jakhhar must say if he is not

agreed with it. Farmers's rights & privileges, Seeds Act & the changes, which are likely to be made in the existing seeds act have been incorporated in the bill. Farmers right and privileges; Seeds Act, the compensation for communities; compulsory licensing and researchers' rights have also been incorporated in the Bill.

These all things have been covered in it. Though I am not entitled to disclose it yet I would like to mention here that these things will certainly be covered. If there are not included in the Bill, I will be the first person to arise this question before Shri Jakhhar. I know that the proposed draft is under preparation and its contexts are known to all of us. The home Minister has supplied its copies not only to me but also to the hon. Colleagues of the opposition parties Minister. I am reading out the contents. There is nothing new.

Regarding Farmers Rights, It has been stated :

[English]

"Nothingt in this Act shall be construed to affect the formers' traditional rights to dispose of his farm produce as he chooses, which includes his right to save, use, exchange, share and sell propagating material of seeds from seed obtained or descended from seed obtained of protected variety."

[Translation]

Thus, it cannot only be used but it can be sold also. I am referring to the seed Act particular becuse our hon. Colleague Shri Nitish Babu is too much concerned about it. Only 11 percent seeds, which are registered under the Seed Act, are sold. It has been stated in the draft in this regard.

[English]

“Those extant varieties which have been released notified by the government for seed production under the seeds Act are protected through this Act.”

[Translation]

About compensation for communities it has been stated:

[English]

“The breeder seeking protection under this Act shall provide rewards and/or compensation to communities or clusters for their sustained perseverance in the development, on farm innovations, enrichment and compensation of plants genetic resources.”

[Translation]

Regarding Compulsory Licensing, the Draft Says :

[English]

“The reasonable requirement of the public for seeds and/or propagating material shall have overriding priority over the grant and continued protection of the rights of breeders.”

[Translation]

Regarding the Researchers’ Rights it has been stated in the draft :

[English]

“Nothing in this Act shall be construed to abridge or restrict the

rights of researchers to have free and complete access to protected materials for research use, for developing new varieties plants.”

[Translation]

We have to find out the basic meaning of this draft. Our colleague Shri Nitish Babu has command not only on Hindi but on French also, since he mentions UPOV-1991 time and again. It means, “Union Pour to Protection des Obtentions vegetals.” As I was in foreign service, I had to learn French. We had mentioned “Union Pour to Protection des obtentions Vegetals, 1991” and we are repeating it here again that there is no need at all to accept UPOV, 1978 or UPOV, 1991. Sui generis system will be ours. It will be absolutely ours. It will be evolved keeping in view of our circumstances and it will be as per the international agreement. We had said so and now it has all been completed.

Now the question is that it has been stated in the agriculture agreement that Sui Generis Act should be effective and I am thankful to the hon. Members for raising this issue at the right moment. How can we know that the Sui Generis Act to be constituted by us will be accepted by the international community. I would like to submit, It is not a mystery or a secret that an informal consultation has been had already not only with G.A.T.T. but also with America, Europe and Japan and the result is our Sui Generis Act.

Besides it we must make use of the two parts of the TRIPS. It has been stated in section. 1 of the trips;

[English]

“Members shall be free to determine the appropriate method of implementing the provisions of this agreement within their own legal system and practice.”

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[*Translation*]

We are free but here we are saying that we are slaves but in the TRIPS it has been stated that we are free. It has been said that:-

[*English*]

We are completely free to determine any appropriate method to implement the provisions of this agreement, but within our own legal system and practice.

[*Translation*]

It has been stated in section - 5 regarding dispute prevention and Settlement:

[*English*]

"The provisions of articles 22 and 13 GATT shall apply to consultations and settlement of disputes under this agreement."

[*Translation*]

Roop Chandji was talking about some foreign pressure and imperialism. We go to Geneva with folded hands and there reprimanded by USA and UK. If there is any such action against us then there is the provisions of dispute settlement under section 22-23. This section was used by the Government of Pandit ji, Lal Bahadur Shastri, Indira ji, the government sacked by George Fernandes; the Government of Morarji Bhai, the Government of Charan Singh ji, the mark two government of Indira ji, the mark one government of Rajiv ji, the laughing government of V.P Singh, the Government of Chandra Shekhar Ji, who was the Prime Minister for 5 months and now the government of Shri P.V. Narasimha Rao ji, All these Governments

did not leave G. A.T.T. due to the article 22-23, they have not left it even in 50 years but now they ask us to leave it. They are like examples for us, we will follow their path and will not leave G.A.T.T.

Mr. Speaker Sir, Through TRIPS council we get many opportunities to form one opinion, we will make use of it but there is one condition that the Congress should be in power and we do not have faith on the government of such people but as far as the Congress Government is concerned, I am fully confident that this government will always do the proper thing by using the article 22-23 and there is no need at all to be afraid of it.

There is a reference to patentability of micro organisms, flexibility in granting compulsory licensing and elimination of pipe line protection in Paragraph 46, we have not brought any change in these three things but we still have 4 years in our hands, After 1995, we can form a single international opinion about micro organisms up to 1999.

In Sub-paragraph - B of paragraph 3 of Section 27 of the TRIPS Agreement, there is no mention of the word 'naturally occurring' before the word 'micro-organism' because of the differences of opinion on this amongst the developed countries. Micro organisms are either discovered or invented and it is laid down in the first clause of TRIPS that only commodity or material can be patented, which is discovered. Now the question is, whether the gene sequences, gene cellular varieties - which can be discovered in nature - can be patented or not. There has been no international consensus on this aspect today. We should arrive at that international consensus in this regard and I urge upon the Government that while enacting our law they should keep the specific natural micro organisms out of its purview and in-

clude only genetically modified micro - organism, (G.M.O.) in it and it should also be envisaged in it that any product which constitutes G.M.O. can be patented.

13.00 hrs.

But even G.M.O. cannot be patented. I would like to urge upon the Government that after having enacted such law they should consult the British Medical Association, and the American Scientists Association with Human Genome Project and should arrive at a new international consensus within a period of four -five years to the effect that no patent would be made in the field of natural occurring micro organism. Besides we require a stringent mandatory licensing policy. On the basis of same clause which has been referred to by Shri Roop Chand Pal ji, and also on the basis of provisions made in clause -8, we can adopt this licensing policy for our medicines as well.

[English]

Member may in formulating or amending the national laws and regulations, adopt measures necessary to protect public health and nutrition.

[Translation]

It has been provided in clause 40 :-

[English]

Nothing in the agreement shall prevent Members from specifying in their national legislation licensing practices or conditions that may in particular cases, constitute an abuse of Intellectual Property Rights having an adverse effect on competition in the relevant market,

[Translation]

We should enact the new patent law by using both of these. The strong compulsory licence should be given keeping in view firstly the diseases which we want to control, secondly needs of the common man, thirdly the availability of the medicines on reasonable prices, fourthly competitive production and fifthly the medicines should be made available through the Government or its contractors for public Health System and there should be no restriction on the production of these medicines and sixthly the Drug Price Control order. I mean to say:

[English]

The disease to be controlled, the needs of the common man, the needs for availability of reasonable prices, the need for competitive source of production, the need for Government or Government contracted manufacturer to supply the public health system and the Drug Prices Control Order are included in our own Patent Law.

[Translation]

Do it, be strong and make progress. Request our friends from the British Medical Association and go to America and be friendly with the scientists associated with the Human Genome Project and then form an international opinion. It can be done since it requires wisdom and sincerity. This is favourable for this House. It is favourable for them or not only god knows, the Country should elect the congress Government and not of the opposition (*Interruptions*) We should make use of article - 8, Which is as under:

[English]

The provision for measures to promote

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the public interest in sectors of vital importance to their social-economic and technological development.

[Translation]

This article should be used for medicines only but if it is used for all the patents we apprehend the people may be misguided and they would be after Shri Nitish Kumar and Shri Saifuddin Choudhury. There is no need to have any doubt about the future of our country, as long, as it is not used. (Interruptions) I was talking about our gains but our brothers from oppositions have some objections. The main reason of all these restrictions coming in the agriculture sector is the statement of Shri Vishwanth Pratap Singh, the leader of our delegation which went to Punta del Este in 1986, Who is not present here at the moment. He had said:

[English]

"Both trade and agriculture continue to be effectively outside the mainstream of liberalization of international trade."

[Translation]

Later on the then Prime Minister Shri Chandra Shekhar ji had sent his Commerce Minister, Dr. Subramaniam Swami to Brussels who is now in its favour but the then Prime Minister is opposing it. Subramaniam Swamiji has said with authority of Chandra Shekhar ji and after his due permission.

[English]

"We fully share the thrust for the liberalization of agricultural trade."

[Translation]

SHRI CHANDRA SHEKHAR (Ballia) : I do not respond to each and every thing but what has been said by him is baseless and totally false. If some body has given any statement, I do not agree with that.

[English]

My Economic Advisor would have been doing something which I never endorse.

[Translation]

SHRI MANI SHANKAR AIYAR : Alright, that will be decided later on. Subramaniam Swami ji had gone to Brussels as the Commerce Minister of our country and with the permission of our Cabinet he had said there :

[English]

"We fully share the thrust for the liberalization of agricultural trade."

[Translation]

He did not say 'I' but he said 'We'. 'We' means that he might have said so with the blessings of Chandra Shekhar ji otherwise he should have been called back by Chandra Shakhar ji. I do not know whether Chandra Shekhar ji accepts it or not.

SHRI NITISH KUMAR : He was not under Chandra Shekhar ji's control.

SHRI MANI SHANKAR AIYAR : If the agricultural product are to be brought under the purview of G.A.T.T. agreement then some sort of bargaining had to be made. If they did not want that bargaining then why did they go to Punta del Este to say that all these agricultural products should be brought under

the purview of G.A.T.T. agreement in any case. They went there because at that time our Prime Minister was, Shri Rajiv Gandhi. He knew that whenever a delegation is sent outside it goes with the permission of the Cabinet and speaks on behalf of the Cabinet. Therefore, Whatever was said by Vishwanath Pratap Singh ji in 1986. I am ready to accept that even today. Though I am also ready to accept whatever was said by Subramaniam Swami ji at that time because he went to Brussels with our consent only.

When we see the Agricultural Sector we do not find anything against our interests we only see some benefits because we need not to reduce any general or specific subsidy. Secondly the sui-generis system is ready and it will be presented in the House in a few days. As far as the traditional agriculture rights and the special rights are concerned, these are not going to be affected at all. As regards selling of their own seeds by the farmers under the new law, the farmers can sell their seed so far as the right to sell the rights and privileges of agriculture are concerned these were incorporated in F.A.O. in 1986 for the first time.

[English]

These rights and privileges were first accorded international recognition in the food and Agricultural Organization in 1989.

[Translation]

Here, with pride I can say that India would be a leading nation in the world very soon; which means a legal recognition throughout the world. We are also going to do it not that we are doing it seeing some other country. This final act came after the Dunkel proposals and then we started deliberations over it and at that very moment we said that in case of any pressure on us we would be

the first person to fight it collectively along with our farmers. Even at that very moment we would say that Shri P.V. Narasimha Rao is there to protect the rights and privileges of farmers and to give legal recognition to their rights and privileges.

[English]

MR. SPEAKER : Mr. Aiyar, how much time do you require ?

SHRI MANI SHANKAR AIYAR : Can I have fifteen minutes more Sir ? I will finish by quickly reading through the points.

[Translation]

We have got three things which are not harmful to us. The research or inventor has a right to it. There is no pressure on him. The plant varieties will not be patented and so far as natural substances are concerned, Neem will not be patented. It is being said for no rhyme or reason that we cannot use Neem and brush our teeth with it. Under our rules, patenting will not apply on such natural substances. In this regard, there are some remedies. Firstly, we would be able to export food grains to other countries. Shri Rupchand Pal was earlier suggesting that how could we become competitive. I agree that under the leadership of Shri Jyoti Basu, the farmers of West Bengal cannot become competitive. But the country has shown to the world that even today, it can export agricultural items to the tune of Rs. 8,000 crore. For this, I congratulate Shri Jakhhar Saheb. In Japan, basmati rice exported from Punjab is not liked by the Japanese. This rice may have a market in West Asia but we can make an access to the new market of Japan. There are no opportunities for a Punjabi farmer in Japan but a farmer of Bihar can make a dent there because Bihari Rice would be available there. I want to inform Shri Nitish Kumar that worth Rs. 2000 crore.....

SHRI NITISH KUMAR : I would like to inform him that "Patna Rice" is the best quality of rice sold in London. Please don't make a fun of Bihar.

SHRI MANI SHANKAR AIYAR : I was speaking about the variety and if you could kindly arrange to sent 1-2 kg. rice to my house. we would be happy to eat it.

MR. SPEAKER : I would say that he should invite you over a meal.

SHRI MANI SHANKAR AIYAR : Again he would say that I should take part in their demonstrations and get arrested by the police. But I am afraid to go to his house. I was telling we have got an opportunity to export Bihari rice to the tune of Rs.2000 crores to Japan's market. If can want to grab that opportunity, there is one easy way out. There, the elections are likely to be held within 6-7 months. In that election, you reject this Government and install an honest government in its place. Then, I am ready to donate rice worth Rs. 2000 crore to Bihar because Pranab Da has made it possible for us.

As regards the seed growers, Dr. M.S. Swaminathan has said something about them. I would like to read out a few lines of it. It is something very important and I think that the seed growers or farmers of this country must listen and appreciate it.

Dr. Swaminathan says :

[English]

"Because of our agro-ecological diversity and plant breeding capability and because of the practical skills of our rural women, we have the potential for fostering the growth of a dynamic seed industry, both for meeting domestic

needs and for exports. Our aim should be the provision of good quality seed in all crops to 100 million farming families in country and to capture about 25 per cent of the world trade in seeds and planting material during the next ten years. This will help provide numerous skilled jobs in villages. India can become a world leader in seed technology and trade if the right decisions are taken."

The right decisions are (1) please get rid of the Opposition Governments and (2) giving responsible Central Government to attain this kind of thing .

[Translation]

There is only one difference between Nitish Babu and me, and that is I think that this country is a developing country where as he thinks that it is a disabled county. I know, that if we encourage bio-technological scientist, we can march ahead. Under this new law, which would be brought before us, gram plasm has been protected and the incidences of theft, about which one of my friends has said, will not recur after enacting this law.

As the time is ticking away, I would say nothing about the medicines because some other Members can speak on this point. As about TRIMS-Trade Related Investment Measures, I would like to say only a few words. There is no provision regarding foreign investment in it. It is not at all concerned with foreign investment but it is concerned with only discriminatory practices in imports.. To understand it, you see sections 1 to 9. I have no time left with me, otherwise I would have read it out before you. In the illustrative measures, which are annexed with that agreement, there are not paragraphs in it. The first one is concerned what national treatment. There is no restriction in it on giving price preference to domestic produces.

[English]

It is connected to discriminatory import restriction. It is not connected to foreign investments.

[Translation]

Secondly, it is said that we can put export obligations on foreign investments. Therefore, you do not try to mislead the country. They are misleading the people by saying that under TRIMS agreement, there are export obligations on foreign investments. Sir, through you, I want to assure my friends that on account of TRIMS there is no foreign capital and at the same time on export obligations are there on foreign investments. You may take it like this that

[English]

We will have to remove our export obligations on investments. It is not true. They say we will have to remove price preferences, that also is not true.

[Translation]

As far as textile and apparels are concerned, I am happy that it is back-loading. I know that if, as on date, we make all these achievements, we will not be benefitted. Instead either China, Indonesia and Vietnam or Pakistan, Sri Lanka and Bangladesh will be benefitted by it. We have to be prepared because it is a sharp competition. But we are not prepared because we have not opened this market to others. On the other hand, our friends at international level had also closed their doors for us. When I was speaking earlier on this issue I had told that when I joined the foreign service in 1963 the first thing which I did was to draft a short-term agreement on textiles. This short-term agreement was changed into a long term agree-

ment and again that long term agreement was converted into a multi-fibre agreement. Because today the representatives of Pranab Da have gone to Geneva, we have come to know that the work on which we have been labouring for the last forty years, is very near to the success. It is alright that we would be achieving success after ten years but thank God! We are at least going to achieve it. If we would have got success today, there would have been less sweetness in the fruit of success. But, now we will be prepared for it.

I have to speak a lot more. Let me speak about cross-retaliation and then I would conclude. In this connection, an unnecessary panic is being created. It is a matter worth pondering that practising a system involves a very lengthy as well as cumbersome procedure. For this, we will have to make some steps. The third step is consultation. Then comes, good office. The third step is conciliation and the fourth is arbitration. After going through these four phases, a committee is set up. Again, when the committee comes out with its findings, you can straightaway go to the Reviewing Authority. After the findings of the Reviewing Authority, you reach at a point of negotiations. Then the negotiations take place. When negotiations are over, you go to the dispute settlement body where you seek their permission. Thereafter, you think back the benefit or interest, you can initiate action only in that particular area or sub-area. Then only you can take steps under that agreement. After the whole process is over, the question of cross-retaliation arises. Even after going through this all, you still have a right to go for a restrictive arbitration in which discussion on two points i.e. deferment and legality can be raised. When all these channels of serenity and available, why are the people afraid? They are making a hue and cry about cross-retaliation because they know the common man of this country does not understand the

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meaning of these words. Therefore, they are trying to mislead the country by taking undue advantage of this issue. But, we are not going to accept it. We know it very well how to plunge in a battle of politics. We have faced this battle ten times and won it eight times while lost it two times only. When they won it, What happened in the country? One government goes within 11 months, another in five months and some other in six months. George Fernandes makes Morarji bhai to bow out of the office within two and half years. Therefore, as far as the question of our economic sovereignty or economic dignity is concerned, only the Congress can keep these intact. Mr. Speaker, Sir, you would remember that when the Government led by Shri Chandrasekher was in office for five months, this holy land of India was used for attacking an Asian country. It was during V.P. Singhji's regime when for the first time, American fighter planes were allowed to land in this country. Again, they were given complete freedom during the regime of Chandra Sekharjee to land at any place like Agra, Nagpur or Jodhpur. Their only objective was to attack an Asian Country before flying over this holy land of India, today, those very people talk about economic sovereignty or economic dignity. What do they know about sovereignty or economic dignity. What do they know about sovereignty or dignity? They know nothing. They had made the country slave. Now, they say that we are treading on their path and would make the country slave again.

We cannot remain isolated from the rest of the world. The whole world is with us. This country cannot become ** This country would

continue to maintain its identity, it will remain India, and the India, which is self-reliant. It is on the basis of this self-reliance that our Hon'ble Commerce Minister should go ahead with the signing of this final Act.

[English]

MR. SPEAKER : The name of the country will go out of record.

[Translation]

SHRI BHOGENDRA JHA (Madhuban): Mr. Speaker, Sir, I did not interrupt him earlier but he has used very disgraceful words against late Karl Marx. I do not want to react in an abusive language but would request you that in keeping with the tradition of this House, these words may be expunged from the record.

[English]

MR. SPEAKER: Should we have the Lunch Hour?

(Interruptions)

MR. SPEAKER: This is not the procedure we follow. You can do it when you speak.

[Translation]

Now the House is adjourned for Lunch. We would again reassemble at half past two. To start with Jaswant Singh ji will speak. After that Shri Salman Khursheed Saheb will speak and then the turn of Shri George Fernandes will come.

** Expunged as ordered by the chair.

13.27 hrs.

The Lok Sabha then adjourned for Lunch till thirty minutes past Fourteen of the clock

14.33 hrs.

The Lok Sabha re-assembled after Lunch at Thirty-Three Minutes past Fourteen of the Clock.

DISCUSSION UNDER RULES 193

Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations - Contd.

[English]

SHRI JASWANT SINGH (Chittorgarh): Mr. Deputy - Speaker, Sir, this discussion on the Final Act Embodying the results of the Uruguay Round of Multilateral Trade Negotiations is opposed by the BJP.

We are dissatisfied with it, firstly, because we are not convinced that national interests are best served by the adoption of this Final Act; secondly, because we hold that this Government has not upheld the assurances that it had given to the nation and to this House in a written document which I shall refer to in a moment.

Thirdly, we oppose because we hold that India's economic sovereignty and India's economic space has got foreshortened through this Final Act. This too, I shall elaborate in a moment.

The BJP is dissatisfied with the Final Act because we hold that this government has failed to provide international leadership to the developing world of the South. We

also hold that this Final Act signifies a near total victory for the major economic powers and their trans-national corporation. The BJP, Sir, opposes this Final Act because we hold that the Indian agriculturist. The Indian farmer, and should any Indian have the misfortune of falling sick, is going to be at the mercy of all the above that I have listed. We also oppose, Sir, because we hold that through the adoption of this Final Act, the rights of the States of the Union are directly and adversely affected.

I consider it only fit and proper to share with you a very short observation made earlier this year by Mr. Louis Fernando Jaramilld who is the Chairman of the Group 77. he said :

"That the Uruguay round is proved again that the developing world continues to be sidelined and rejected when it comes to defining the areas of vital importance for their survival. The Third World confined itself to a role of passive spectator of the decisions adopted. One of the principal issues for the developing countries, that of bilateral negotiations and market access, was left unresolved. The countries of the Third world have been put in a situation in which they have already paid the prices of accepting the new terms in different areas of interest for the industrialised countries without obtaining in exchange satisfactory condition of market access. Unquestionably the developing countries are the loosens both individually and collectively."

I think, It is only right, Sir, and proper that I also share with the House what the standing committee of the parliament has ob-

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served in this regard. It is a unanimous report of the Standing Committee. I quote :

'The Committee is of the opinion that with ratification of the present round of GATT negotiations, the option available with the United States of America clamped Super 301 of their trade law unilaterally against any country should cease to operate. Specific clarification to that effect is necessary to obtain. Keeping this in view, the Committee considers that India should

- (a) Actively engage to bring about a more reasonable balance in the proposed agreement, which is loaded against the developing countries'
- (b) Make a common cause with other developing countries which have found that the proposals are adverse to their interests;
- (c) Consider the ways in which the sovereign economic space of developing countries is safeguarded."

I have, at the very beginning, submitted an additional reason why the BJP opposes the Final Act. The Government has not itself stood by the assurances that it had given to the nation and to this House, not just verbally but in writing, in a document circulated to all Members of Parliament. I will not read out the entire document. But I will read only those aspects of the document. In which the government committed itself to obtaining improvements in the Draft. And because it has failed to obtain those very improvements is the reasons why we oppose it.

Under Textiles the Government had said that "It will be our endeavour to obtain a shorter phase out period." The Government has failed to do that. In textiles itself the Government in writing has committed and said that it will be our endeavour to obtain enhanced integration percentages. But it has failed.

In Agriculture, The Government in writing has given an assurance that it will seek an exemption from reduction commitment of subsidy on storage for food security. This is questionable and controversial. The Government had committed about obtaining an enhancement of minimum percentage for developing countries from the 10 per cent provided in the text. But it has failed to obtain this enhancement. The government had committed in writing to obtain exemption in input subsidies to the maximum proportion of Indian farmers (at least those owning upto 4 hectares) for the purposes of calculation of Aggregate Measurement of Support. I would like to share with the House that the Aggregate Measurement of Support is not a phrase or phraseology that has suddenly come into the Final Act. It was very much a part of the earlier Dunkel draft. These two are questionable. The Government has committed in writing about obtaining additional flexibility for subsidies to crops grown on marginal land. But it has failed in this regard. the Government had committed that adoption by the Government. In the area of market access the government has committed to seeking an exemption for developing countries from tariffication in respect of some basic foodstuffs, even after the BOP problems are over. This is not clear and left ambiguous. The Government has said that in export competition we may join the Cairns Group in seeking deeper reduction commitments. Further developing countries should have the possibility of internal and external

freight subsidy even if they do not have such practices at present. This is also left ambiguous.

In rules relating to anti-dumping again the Government has failed to obtain the commitment and assurances that had been given in writing. It had committed that threshold of market penetration before anti-dumping duties can be levied. It is also left ambiguous. The level of sales in the domestic market which is considered adequate for the purposes of marking price comparisons also left ambiguous. Immunity from anti-dumping investigations to suppliers who are already subject to quantitative restrictions is also left ambiguous. The need to take into account public interest before anti-dumping duties are imposed also left ambiguous. A sunset clause for anti-dumping action was also left ambiguous.

On cross retaliation, I would like to share with the House what the Government had said earlier. It had said that "It is true that if the Dunke ! package is accepted, cross retaliation between the agreements would be possible." The complications of cross retaliation is a matter of some worry to us. It is along with cross retaliation, the continuity of national laws like the Section 301 of the United States of America which despite the adoption of this Final Act, despite the confirmation of the GATT Treaty, despite the fact that the world trade organisation comes into existence, reference will be made to world trade organisation. But if world trade organisation as well as United States of America find the outcome as unsatisfactory then they will invoke the national laws including Section 301 or super 301. I would like to have a clarification from the Government because I had an occasion to ask this specifically from US diplomats who visited recently in the country. I was told by those visiting US diplomats that despite the adoption of this

GATT Treaty and the Final Act, should the occasion arise, then the United States of America reserves the right to utilise super 301.

If you combine cross retaliation possibilities, which the Government itself accepts, and if you combine that with countries like the United States of America utilising S-301, then I think we have entered into an agreement not between equals but an agreement between unequals.

This necessitated and the Government had given us in writing what there will be clear commitment on repeal of domestic laws which authorise unilateral retaliation for economic reasons. There is no such commitment embodied in the final Act. If domestic laws are not repealed and if the final Act on multilateral trade as embodied here in this document is what we are going to confirm at Marrakesh, then we are confirming a double bind upon India and upon the future generations of India.

The Government had given four other commitments on Trips, neither of which have been embodied in the final Act. The government had committed to the nation that it shall endeavour to obtain in the document of final Act, special compulsory licensing provisions for food and pharmaceuticals not obtained by this Government. Secondly, the government had given a commitment that it will obtain a clear commitment that importation will not be regarded as working not obtained by Government. Thirdly (Interruptions).

SHRI SOMNATH CHATTERJEE: They say they have only commitment to endeavour.

SHRI JASWANT SINGH: I am simply pointing out, Sir, that that was misleading the nation that that document when it was circulated, was not circulated as a declaration of

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intent, that document was circulated really to pull wool over the nation's eyes. That is why we are opposing it.

Thirdly, they had committed that there will be a special provision recognising the privacy of public interest in developing countries, but this has been left ambiguous.

Fourthly, adequate safeguard for farmers against plant breeders rights, as I will explain subsequently, have not been obtained by this Government. That is why we are obliged, in categorical and unequivocal terms, to state our opposition to this final Act on behalf on the BJP, very clearly.

Sir, the Question of sovereignty is very closely inter-linked when we talk about this final Act, and when we speak of economic sovereignty, I recognise the Government's advocacy of globalisation. I recognise that this is a document about multilateral trade. And when we recognise multilateralism as the possibility of international trade, when we are recognising the possibility of multilateralism between equal partners, equally dispensed and justly administered. It is not on advocacy of surrender Globalisation to the interests of those who now call themselves developed countries and who had earlier raged the globe economically, socially or environmentally. On behalf of the BJP, I oppose this document because in this document is implicit a cultural and civilisational assault upon India. We are convinced that this Final Act is a formula of unequivocal multilateralism. This is what this final Act has become. I repeat that we will go along with multilateralism but only when it is even handed. We will go along with that multilateralism which arises as between equals. We will not accept multilateralism either under duress or under coercion or under the compulsions of the circumstances of the day.

I shall take up for detailed consideration, five separate aspects. first is about agriculture. The hon. the Chief Minister of Rajasthan wrote to the Prime Minister on 10 th of December and he sent copies of his letter to all the Chief Ministers of the various States of the Union.

Based on an initiative taken by a B.J.P. - led State and a B.J.P. Chief Minister, various Chief Minister also then referred the matter to the Prime Minister. I quote very briefly from the letter of the Chief Minister of Rajasthan only the Brief and relevant portion. The Chief Minister pointed out and I quote :

"Since taking over as Chief Minister, I have had the entire subject of Dunkel Draft proposals examined and I find that although the constitutional provisions do entitle the Central Government to legislate on a State subject like agriculture...."

And that is the context in which I am saying,

"... in order to give effect to an international agreement, yet in keeping with the spirit of our federal structure and particularly on a matter which affects the vast majority of the agricultural community in the country, the State Government should have been consulted over these proposals which have far-reaching implications"

The hon. Prime Minister in response - and will not quote the whole letter - spoke of the "great possibilities of expansion of our agriculture exports" and I will examine each of the assertions made by the hon. the Prime Minister or by the Government, the first being "great possibilities of expansion of our agriculture exports" and the second being "thus

there is no requirement of any reduction of our subsidies to the agriculture sector". In fact our calculations show that the extent of the subsidies in our case is much below indicated norms and to this vexed subject I will return in moment by quoting directly from the final Act itself and what our interpretation of the Final Act is. The hon. the Prime Minister says "that the Government has been successful in being able to explicitly incorporate in the agreement that there should be no changes in the public distribution system". I will refer to that also. "Nor are we expected to allow any agriculture imports" says the hon. the Prime Minister and he says "as developing countries facing balance of payments problems can impose quantitative restrictions".

On the question of apprehensions about seeds the hon. the Prime Minister says: "Farmers would not be allowed to retain their seeds from the harvest is an apprehension that is unfounded and that it has been specifically clarified".

I found it necessary to refer to a letter written by a Chief Minister because the whole question of agriculture is not simply a question of the Union government's responsibility. What are we facing in the field of agriculture? We are facing broadly four areas of concern - extending the patent or a patent-like protection to agriculture and others. In the first instance an effective sui generis system of the production of the plant varieties, My interpretation being that we would have to introduce that which is confirmed by the Government and even the hon. the Prime Minister has made an announcement to that effect - I will come back again in moment to analysing the whole question of legislation for sui generis plant breeders' protection.

The second is on the limits set, on the extent to which subsidies can be provided to

domestic agriculture; the third is the ability of our Government to continue with the public distribution system and the fourth is about the possibility of having to import primary agricultural commodities including foodgrains.

Let us take the first. The Final Act provides that "countries have to grant protection to new varieties of plants by patents or an effective sui generis system or by any combination of the two. I hold that we would be particularly effected by this proposal since India is one of those countries which has never held that any modification of nature required patenting. Modification of nature, requiring patenting, is something that is now being transferred globally because of U.S. interests.

It is something that even the United States of America introduced only in 1980.

I have no time to elaborate or expand every point that I am making and, therefore, necessarily for the sake of conserving time, have to leave the points to only the briefest possible explanation.

As far as sui generis system agreed, to in the Final Act is concerned, we would have to have a Plant Breeder Rights Protection which can be considered as effective by and under the model GATT treaty. The developed countries already have a model for it and they have effected sui generis systems. A reference was made to it earlier. There is an international convention for protection of new varieties of plants. That was some decades ago. But under this protection of plants, we would have to expect this 1961 UPOV convention which provides the basis for a harmonious and effective sui generis system. Therefore, in effect what will become of such all encompassing patent system covering plants, animals and plant breeders which is likely to be introduced through

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a patent Law Treaty. To the Patents Law Treaty and the implications of it, I will come back again in moment. There are implications of the Pairs Convention also that are brought into it and I request the government to clarify these aspects.

On the question of subsidies, a great deal of controversy has arisen and a great deal of different interpretations are being placed.

I would like to quote from the Act itself and thereafter request the Government and the hon. Minister to clarify as to which is the interpretation that we have to follow. Are we to accept the Act as the truer explanation of what subsidies amount to or are we to accept what the Government is attempting to put across as their interpretation of subsidy? I quote from Agreement on Subsidies and Countervailing Measures, Article I, Definition of subsidy as follows :-

14.58 hrs

(Shri P.C. Chackd in the Chair).

"For the purpose of this agreement, a subsidy shall be deemed to exist if there is a financial constitution Government or any public body within the territory of a Member (hereinafter referred to as Government, that is, where Government practice involves a direct transfer of funds), As for example, grants, loans and equity infusion). Potential direct transfers of funds or liabilities as, for example, the loan guarantees; Government revenue that is otherwise due is foregone or not collected as, for example, fiscal incentives i.e. tax credits.

Revenue foregone is thus to be part of such subsidy. That is my interpretation and

if my interpretation is wrong, then I would be happy if the Government informs me that my interpretation is incorrect. So far as Indian farming and, Indian agriculture is concerned, revenue foregone will constitute a part of the total calculation of subsidy.

I will give you just one example. That is, the State of Rajasthan where the Chief Minister of Rajasthan has declared that all barani land will be free of revenue. The hon. Agriculture Minister knows and he is aware of it. On being re-elected as Chief Minister, he has now declared that not only all barani will be free of land revenue, even if there is land which is well-irrigated, that land shall also be free of land revenue.

I would like to know form the Government that in the case of land revenues where they are either foregone, excused or in the nature of taxes not collected, does that amount to calculations towards subsidy or do they not amount to subsidy ?

15.00 hrs.

Therefore, I would like to know form the Government whether the figure of negative subsidy that is being propounded or put across is a correct assertion or whether it is an incorrect assertion, because there will be no negative subsidy if you take into account the definition of subsidy as given in this Act. It is for the Government to say. The argument that because of negative subsidy, India is not going to be affected by the aspect of this restriction or this fare-shortening of the economic space of our country, to me, is not a convincing argument. Therefore, I would like to have a clarification form the Government in this regard. I further quote :

- (iii) A Government provides goods or services other than general infrastructure, or purchases goods;

(iv) A Government makes payments to a funding mechanism, or entrusts or directs a private body to carry out one or more of the type of functions illustrated in (i) to (iii) above which would normally be vested in the Government and the practices normally followed by Governments;..."

I am not convinced in my mind that the question of subsidies, as explained by the Government, is the correct version and I think the mischief of this Act covering subsidies as far as India is concerned is very much an open question.

The second aspect is about seeds and patents. So far as seeds and patents are concerned, I have already pointed out that we will have to go into the entire regime of enacting the sui generis law, which law will have to be similar to the existing UPOV Convention of 1961 and also bring in the aspects of the Paris Convention. What are the consequences of this on the Indian farmers going to be? In very simple terms, I appeal to the hon. The Agriculture Minister not to be persuaded simply by his party affiliation. Mr. Minister, please look also upon the responsibility that you today hold as the Minister for Agriculture and reflect on the fact that if you are going to bind the Indian farmer on account of improvement of seeds. What will be the result? Take the example of oil-seeds. It is not simply an aspect of patents that we are taking into consideration. India is the only country - it is an exception in that regard-which does not depend on animal fats for cooking purpose. Because India does not depend on animal fats for cooking purpose. the question of oil-seeds in India, cooking -oil, vegetable -oil is of primary importance. It was pointed out that groundnut is likely to suffer. If improved oil-seed production methods, if improved oil seeds

are devised by countries outside of India, will the Indian farmer have to pay additionally for that country's seed or not to pay? This is the first question, Secondly, in the totality of the imports regime that you commit yourself to and compulsion of market access that India will have to provide-if there is going to be a market access - if the Indian oil-seed farmer is going to be driven out of the market what will happen? How will you safeguard him? I think we already purchased palm-oil. As the hon. Minister for agriculture knows. if the price expected by the farmer falls, if he does not realise a satisfactory price only for one season, the entire oil-seed production community in India is going to be very adversely affected and the entire oil-seed industry in India in India is going to be very adversely affected. Such is my interpretation. I would be happy if the Government convincingly informs us that my interpretation is an error and that will not happen. It is not simply a question of my making a competitive assertion. I am pointing out a very real apprehension in the minds of the Indian farmers. This is a very real apprehension and this apprehension will not be set at rest unless you demonstrate convincingly that there are no grounds to apprehend any kind of difficulty in this regard.

Take the third, which is Public Distribution System. Let me first read out what the Act itself says about the public distribution system. It is under the agreement on Agriculture, Annexure II, paragraph 3. It says under "Public stockholding for food security purposes." It has got what was pointed out by the earlier speaker, But it is an explanation to what? The main text of this particular paragraph reads as follows :

"The volume and accumulation of such stocks shall correspond to predetermined targets related

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solely to food security. The process of stock accumulation and disposal shall be financially transparent. Food purchases by the government shall be made at current market prices and sales from food security stocks shall be made at no less than the current domestic market price for the product and quality to question."

Thereafter, there is a footnote which says :

"For the purpose of paragraphs 3 and 4 of this Annex, the provision of foodstuffs at subsidized prices with the objective of meeting food requirements of urban and rural poor in developing countries on a regular basis at reasonable prices shall be considered to be in conformity with the provisions of the paragraph."

I do not think this explains the point. I think, it confounds the situation. I think, the hon. the Finance Minister is asserting that my interpretation of it is wrong, that the public distribution system will not suffer. But there is a simple interpretation that market prices will determine current procurement and market price shall determine the food-stock for distribution.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH) : Do I take it that you would like to favour a system where our farmers are exploited and that they are paid prices lower than the prevailing market prices ? In that case, You should state it clear.

SHRI JASWANT SINGH : Not at all. I think, the hon. the Finance Minister has raised a point that in the observations that I have made, implicit is a suggestion that I would want farmers to receive less. By no

means. Such is not my suggestion. But implicit also in what the hon. the Finance Minister has said, is an interpretation that I have to give to it. What he is saying is, let market forces prevail, and at market prices let procurement take place and at market prices let public distribution system take place. That is precisely what I am saying. Because he intervened to say that I seemed to be suggesting as if I want the farmers to get lower price. Certainly not. I want that the farmers much get adequate price. I also want that the public distribution system, which has been built up over so many decades which sustains so many of our countrymen, both of urban India, must not be made a mockery of. That is the simple point I am making. And I think, in the intervention that the hon. the Finance Minister has made, in fact, he is under lining my apprehension rather than clarifying it. It is for the Government to say. (*Interruptions*)

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR) : It is a simple question that we are assuring the farmers to get remunerative prices. We do not let it fall below the price level. We purchase what is available at the market price.

AN HON. MEMBER : What about the PDS?

SHRI BALRAM JHAKAR : PDS is something else which is bought and price is fixed by the PDS. (*Interruptions*)

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : That is the administered price. What does he mean by administered price ? In the footnote which he read out, administered price means that the Government will determine the price of the PDS. That is why, the phrase administered prices' has been written in the footnote itself. And Shri Jaswant Singh has said that it is an administered price and it is not a market

price and the government will have the right to determine the price of the public distribution system whatever be the procurement price or whatever be the market price.

SHRI JASWANT SINGH : Mr. Chairman, Sir, three very senior members of the Cabinet have attempted to clarify what I said and have confused the issue in three different ways. The hon. the Finance Minister gave one interpretation that I was exploitative of farmers; the hon. the Agriculture Minister gave another interpretation saying that we will procure at maximum, but will issue it at minimum; the hon. the Commerce Minister said: "No, no, it is altogether different; we will continue to have administered prices." (*Interruptions*)

AS it is confusing, attempting to find light, I sought shelter under the Parliament's Report. The Committee of parliament has examined this very question and it was come to an unanimous view.

SHRI SAIFUDDIN CHOUDHURY (Katwa) : The Report has come after countrywide protests by the Opposition.

SHRI JASWANT SINGH : What does the Committee, which has examined this very subject, find ? And the Government is aware of this Committee's Report. What does this Committee find ? The committee observes and I quote :

"That the Dunkel Draft regarding procurement or sale of foodgrains at market prices raises an apprehension about its impact on our Public Distribution System. If the Dunkel Draft is accepted at its face value, the Public Distribution System would come under severe and serious pressure and jeopardy. The Committee is, Therefore, of the view

that a clear understanding must be obtained from the GATT's Secretariat that our PDS will not be affected in any way, presently or in future."

SHRI PAWAN KUMAR BANSAL (Chandigarh) : That has been done.

MR. CHAIRMAN : Please do not interfere.

SHRI JASWANT SINGH : I accept, Sir, perhaps, our observation has served some purpose. They are asserting that it was not earlier done, but has been done now. All that I am saying is that what they have done is not satisfactory; it still leaves the issue as ambiguous and that our Public distribution System of going to be jeopardised. That remains my point.

SHRI A. CHARLES (Trivandrum) : You want it to be jeopardised.

SHRI JASWANT SINGH : I cannot answer this. If the hon. the Finance Minister says that I make an observation because I want the farmers to suffer or my good friend, Shri Charles says that I say what I do because I want the PDS to suffer, at this level, it will be very difficult to argue this matter.

I proceed further. The question was of TRIPS. we have had very detailed examinations of this on numerous occasions. We examined it earlier, on every debate that has earlier taken place. It, nevertheless, merits reiteration that in so far as intellectual property rights go, it is my view and it is for the government to dispel my apprehensions that the intrusion into our sovereign economic space by this Final Act, is more blatant and it has deeper and more far-reaching consequences. Even the hon. Speaker, and the interventionists from the Treasure Benches

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who spoke earlier admitted it, accepted it that so far as TRIPS are concerned the Government has not only failed to keep its assurance, but, in fact, it has failed to obtain the assurance that it had given and there are no more modifications. For us, what will be the consequences? It will mean virtually repealing the Indian Patents Act of 1970. It is a very major thing that the Government is doing. The fine balance that we have at the present moment between private interest of the patent holders on the one hand, and the public interest in social, economic, scientific and technological spheres on the other carefully worked out in this Act will cease to exist.

If this is not a foreshortening of the economic and sovereign space of the country, I do not know what it is. The adequate and effective protection of the monopoly interests of the intellectual property holders, transnational corporations of the industrialised world, as defined by them will constitute the sheet-anchor of the new legislation which, this Government now will have to bring about before this parliament. The most deleterious effect will have to bring about before this Parliament. The most deleterious effect will be felt in chemical and pharmaceutical industry, in biotechnology, in acquisition and propagation of improved varieties of seed, in micro biological processes for developing new fertilizers and pesticides. The transition period of ten years for developing countries which is being spoken of, will not be anything more than an empty shell in the most crucial of areas. Under the new agreement we will have to provide, right from day one of the ratification, exclusive marketing rights in favour of holders of patents in other countries for agricultural, chemical products and pharmaceutical products, for a period of five years, that is product patent protection un-

der a different name, I would be happy if the hon. Minister, while replying, rebuts me and clarifies that my interpretation is an error and that the government has fully safeguarded this aspect.

I will not take too much time on what I have to say about TRIMS. But I do wish to take the definition of services. Because, though not strictly under the power of the TRIMS, the definition of Services, as contained in the Act, is really quite exceptional. Services include any service in any sector except services supplied in the exercise of governmental authority.

"A service supplied in the exercise of Governmental authority means any service which is supplied neither on a commercial basis nor in competition with one or more service suppliers"

The supply of service is defined to include the production, distribution, marketing, sale and delivery of service. It is obvious that the agreement embraces all service activities except the narrowly defined traditional governmental functions - what we are doing in legislative, executive or possibly judicial spheres. The only effective instrument to delimit this potentially wide-ranging intrusion is available in the shape of specific commitments, taken in the schedule to the agreement, by the participants. But such delimitation of protection suffers again, in turn, from two inherent drawbacks. First, The smaller and the narrower the commitment, the lesser will be the potential gain in the sector of one's interest. Moreover the agreement provides that:

"Members shall enter into successive rounds of negotiations beginning not later than five years of entry into the force of the agree-

ment with a view to achieving a progressively higher level of liberalisation. Further the process of progressive liberalisation shall be advanced in each such round through bilateral, plurilateral and multilateral negotiations directed towards increasing the general level of specific commitments undertaken by the members under this agreement "

I do not think that this commitment, which this Government has made which is going to subserve India's future interests. I would request the hon. Minister to clarify this aspect.

Let me take the aspect, which is about textiles, an area of major worry to us. It has been pointed out that Textiles, Multifibre Agreement is an area where the country could have benefited, and is an area in which the Government itself having given the commitment, should have asserted and ensured that national interests do not suffer.

To save time, I will not quote or read from the Agreement on Textiles and Clothing; but will read from what the Parliamentary Committee has observed on textiles itself.

SHRI A. CHARLES : Is that the authority or the Agreement ?

SHRI JASWANT SINGH : I am not quoting from the Agreement. That is only the observation of the Committee.

SHRI A CHARLES : My point is what is authoritative? That is only the recommendation and this is only an observation. What matters is the Agreement. That is only the observation of the committee.

SHRI JASWANT SINGH : I agree. I think, the hon. Member makes a valid point. The says, what matters is the Agreement and not what the parliamentary Committee says !

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : Sir, I am on a point of order. We have been circulated the Final Act embodying the results. This Act does not include the General agreement on Tariff and Trade. 1994. There is a blank page on this, There are very frequent comments on various articles of General Agreement on Tariff and Trade. That in not with us. So, I request the Government to make this available to us; Though it is late, we can discuss this.

MR. CHAIRMAN : You have made your point and the Government has noted your point. Please sit down. Shri Jaswant Singh may continue.

SHRI JASWANT SINGH : Sir, I draw attention of the government to what the Committee had to say about the Multifibre Agreement, or about the issue of textiles. I would not read the full paragraph which is in fact, the summary of their recommendations. But, it did say that during the ten year period of transition, as proposed in the Dunkel Text. before the eventual opening of the textile trade, in the first nine years, 51 per cent of the trade were to be liberalised and at the end of the tenth year, the remaining 49 per cent. Observing on this, the Committee is of the view that India should explore the possibilities to get reasonable improvements in the textile text. This is one of the areas where the country's interest. from a liberalised trade, is clearly visible and there should be efforts to ensure that the potential gains are realised. This has not been done.

Secondly, the Committee also notes the formation of regional groupings like NAFTA,

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where in tariff barriers would be abolished for member-countries while quota and tariff regimes for other countries in the GATT system would be maintained. This is likely to cause an adverse effect on our textile trade.

Sir, I have no time, and such is not the purpose also of today's debate to elaborate further. But, it needs reiteration and repetition to say that textiles was one area where the Government should have asserted itself, and ensured that the Multifibre Agreement in another ten years or so, all efforts should have been made to front-load it to ensure that our cotton producers, the textile industry, etc. start benefiting from today. If regional block come into movement of goods and trade including cotton textiles, India as a major cotton producing country is going to be adversely affected not just for today, but for the next ten years to come. Such is my observation and such is my objection to this Final Act.

I will now come to the question of the rights of the states.

This is another reason why I felt that the BJP has difficulty in accepting the Government's endorsement of the Final Act. I would like to ask the Government to clarify a few as the rights of the States are concerned.

Firstly, whether, in the exercise of the treaty making powers inherent with the Union Government, the rights and powers of the States arising out of List II and List III of the Seventh Schedule of the Constitution can either be ever taken away, modified or limited or collapsed in List III in any way, without the consent of the States concerned or without due consultations.

Secondly, whether, in the exercise of

the treaty making powers that the Union Government has, the executive powers of the States arising out of Article 102 of the Constitution can ever be taken away, modified or limited in any way?

Thirdly, whether Article 253 of the Constitution must not be interpreted alongwith other Articles in that part so that specific consent of trading procedures and supportive limitations are read into the Article so that the States do not lose their legislative powers in the Union Parliament.

Fourthly, whether, in the exercise of its treaty making power, the Union of India can impair the capacity of any State to discharge the obligations owed by that State, to its own people, under the Directive Principles of State policy of the Constitution?

Fifthly, whether, in the exercise of the treaty making power that the Union Government has, the Union of India can impair the ability of any State to fulfil its constitutional obligation to secure the right to work, living wage, decent living standard of the citizens of that particular State, and other amenities to the people of that State?

Sixthly, whether, in the exercise of its treaty making power, the Union of India can pre-empt or appropriate the power of any State to protect the rights of its farmers to use seeds, to grow crops where they wish and in successive years, to ensure adequate food supply and access of food to all the citizen of that State inclusive of protection and well-being of the animals of that State?

Seventhly, whether, in exercise of its treaty making power, the Union of Indian can promise and take measures to implement changes in intellectual property laws, investment measures and regulation of service industries which will pre-empt or appropriate

the States, powers to legislate with respect to trade and commerce within the State ?

I would also like to know from the Government whether they will accept or clarify that the Legislative Assemblies and Chief Ministers have a duty to their respective States to keep their citizens informed about international negotiations which affect the rights of the citizens of that State. With this wide-ranging impact that you are bringing about, is it not implicit, in what you are doing, that the entire constitutional arrangement - the federal structure - that we presently have will have to be realtered ? I do not wish to dwell any further on the rights of the States except once again to emphasise the aspects of subsidy, agriculture, plant, animals and public distribution system.

An argument has been put forward by the Government and the treasury benches so far as subsidies are concerned. Either the argument is put forward on the grounds that we have negative subsidy which I have questioned, or it is put forward on the ground that in any case subsidies will not arise, or apply if there is balance of payments, difficulty, because it will apply to only those countries that have balance of payments surplus. When you have balance of payments difficulty, it will not arise. Indeed without any doubt, the honourable the Finance Minister has asserted time and again and one of the successes of the Finance Minister is the management of the balance of payment's situation.

But that balance of payment situation is a measure of success and the balance of payments situation is beneficial. Therefore, the government cannot argue both ways. Either the Finance Minister is right and the balance of payments situation is satisfactory, or the hon. the Commerce Minister is right and the balance of payments situation

is not right. Both of them cannot be right. The government cannot, therefore, use this argument to their convenience, at their choice, when they wish to, as this also affects the rights of the States.

Without going into a detailed analysis of the projected World Trade Organisation, I find it necessary that we need to recall some of the distinctive features of the World Trade Organisation Agreement. Firstly, this WTC Agreement upgrades GATT to the ministerial level. I would be happy if the hon. the Minister correct me if I am wrong. Whether my interpretation is correct or not correct, our experience is that the GATTs of the past have always worked within the narrow confines of tariff and tariff cutting formulae and the issues and disputes arising from tariffs and tariff cutting formulae. GATT operated largely at a technical level of trade experts. The new Agreement will raise the level to the political level. Important decision, in fact all decisions, will henceforth be initiated and taken at the level of Ministers. This, I personally do not think, is a step in advancement. This is a step which will further limit the space available to India of its sovereign functioning. It will limit the economic space of India. That is my first observation.

Secondly, The proposed integration of the Agreement on services and the Agreement on Intellectual Property Rights with the establishment of a common dispute settling mechanism, providing for cross retaliation, which I have referred to, simultaneously with the existence of national laws like Super 301, will extinguish the veto that was vested in very contracting party earlier in the GATT. What it means is that under the new dispensation, the new Agreement, seeking to impose fresh obligation on the Members can be incorporated by a decision of the two-thirds majority. After this Final Act, any member refusing to accept such a decision

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will face the possibility of penalty of expulsion at the hands of the majority of three-quarters. This advancement may well be an advancement of unequal partners. It is certainly not an advancement either of national rights or economic sovereignty, or of the economic space available to the country.

I will come to some recommendation and when I will seek two or three clarifications and conclude. My first plea with this Government would be to even now, Politically try and revive the dormant voice of the 'have-notes' give shape and tongue to the voice of the south whose leadership earlier was the natural leadership of India, and which you in your new found love for globalisation have now abandoned or forsaken.

Secondly, attempt even now to limit GATT to its original purpose which was trade in manufactured goods. You may say, "Well, how do we go back now?" Having started in 1986 on a certain path - which point my good friend Gorge Fernandes would be elaborating - you abandoned it in 1989. Go back to the original purpose of GATT which was trade in manufactured goods. That subserves Indian national interests best. How do you do it?

Thirdly, I appeal to the Government that at Marrkesh you propose a simple amendment that the provisions relating to Services, to TRIPS will no longer form part of the World Trade Organisation.

If you were to propose an amendment to the Constitution of the World Trade Organisation and exclude from the purview of the World Trade Organisation. Services, and TRIPS. They will no longer remain binding in nature. If you combine with that an assertion by India that we will continue to observe

these but under the Plurilateral Chapter, then you will take away a great deal of the damaging consequences of this Final Act. I have no time to elaborate on what I have said, but I am sure, the hon. Minister, perhaps, will understand the direction is which I am attempting to go.

I have three or four clarifications to seek in addition to what my good friend Mr. Nirmal Chatterjee had asked. There are, in this document of the Final Act, certain Annexures which are left completely blank. I ask of the Government to explain what they are Annexure IV on Plurilateral Trade Agreement is blank. Annexure IV (a) is about Agreement on Trade in Civil Aircraft. The text of this Agreement is reproduced in BISP etc.. A revision of this text is under negotiation. What is under negotiation? We do not even know what you are negotiating? We would like to know what is there in it. I would have expected Sir, that the Government would at least have sent us the details as to what is being negotiated. That is why this debate has remained inconclusive in that respect. There is Annexure IV (b) which is about Agreement on Government Procurement which you are currently negotiating. If this Agreement on government procurement covers aspects of India's economic activities, then, certainly this Parliament has the right to know about it. There is an Agreement here which is called as International Dairy Agreement. I find it very strange that the text of this Agreement is reproduced in BISP etc., etc. What is in this Agreement? There is nothing here. Dairy agreement is a very important aspect of the nation's concern. India has possibly the largest cattle wealth in the world. It is not simply a question (*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE :
Would you please yield for a moment?

SHRI JASWANT SINGH : Yes

SHRI NIRMAL KANTI CHATTERJEE : Here is the General Agreement on Tariffs and Trade. You see Reference 2 in this book. There are various articles here which are the understanding of the interpretation of Article 35. There is no Article 35 here in this book. It is this which has not been circulated and it is this which is creating so many views. This is what he has to respond. He seems to be knowing everything. Let him respond to this.

SHRI CHANDRA SHEKHAR (Ballia) : Sir, what he says is a very serious matter. We are discussing such a serious issue and the Government has not even the courtesy to reply to this. When he raised this matter I thought that he has not right. The Government had given just an interpretation of some of those Agreements and the real Agreement has not been provided to the House. It is not fair and it is not the way to discuss national matter of this importance. Mr Chairman, I think that this is too much. We can understand being pressurised but there should be some norms in the whole Parliament. I do not know, had Mr, Nirmal Chatterjee not raised this matter here, we would all have been in the dark and we would have looked like fools in the eyes of the people outside that here are parliamentarians who are discussing something which they do not know. There is no purpose in having this discussion now. I think this is serious matter.

[Translation]

SHRI GEORGE FERNANDES (Muzaffarpur) : Mr. Chairman, Sir, through you, I would like to tell the Hon'ble Minister to first clarify this matter. Otherwise, as Chandra Shekhar ji has just said, the world would take us for a fool. If we are given a document which has nothing to do with the topic under reference and they have a different docu-

ment in their hands then what discussion can take place ? (Interruptions).. here, we are struggling to have access to every single page of this document.

SHRI CHANDRA SHEKHAR : Mr. Chairman here is the book, It is the publication of GATT. .

Here is a publication of the Government. But it has not been provided by the Ministry to the House, (Interruptions)

SHRI GEORGE FERNANDES : You suspend this discussion before everything is clarified. (Interruptions)

SHRI CHANDRA SHEKHAR : When he had raised this matter, he should have said that.

SHRI LAL K. ADVANI (Ghandhi Nagar): This is a very valid point. The Tradition of this House is this. Suppose an Act in being amended or a provision of the Constitution is being amended. Unless the document presented to the House incorporates the text of the provisions which are to be amended, there is no discussion. There had been occasions in the past when this lapse had been pointed out; and the Speaker or the Chairman had asked the government to come forth with that.

AS MR. NIRMAL KANTI CHATTERJEE has pointed out, there are so many documents which have been referred to wherein pages after pages have been left blank saying that the text of this agreement is reproduced in BISP 2678. We do not know what it is. Even though this might have come right at the outset, even now it is not too late. If the discussion is to continue, the government must be directed to provide all these documents.

SHRI JASWANT SINGH: This is regarding the point that was made by Shri Chandra Shekhar. For example, why is it so important that we should have the full text of it. There is Annexure IV(d). This is regarding bovine meat. Now the government is going to sign a document committing the nation to same arrangement regarding bovine meat. I do not know what they are signing? I do not know what the interpretations of the words "bovine Meat" are. I would like to know about it because bovine meat is an aspect that is directly involved with the Directive Principles of the Constitution. I am not referring here simply to cow slaughter because that is enshrined in the Constitution. If the government is entering into an international agreement has left this blank; this only adds emphasis and weight to the point that has been made earlier. When it comes to Cola, it does not give its formula to Saudia Arabia. The Assertions were made that there was an apprehension that it might contain even a drop of liquor. The Islamic countries raised hue and cry about trade in liquor Certainly. I have a right to assert that bovine meat, if it were to cover cow- bovine covers cow-then I want to know what are the details of the agreement that the Government is entering into.

So, all these points should be clarified which had been made by Mr. Chandra Shekhar and Shri Lal K Advani. they are very valid points. I request the hon. Minister to clarify those points before I proceed further.

MR CHAIRMAN : The government must respond to these points.

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : Firstly, this final Act embodies the results of the Uruguay round of multilateral trade negotiations. This is not a compilation of the GATT articles and documents which are publicly available. This document embodies the final round of negotiations of the Uruguay round of discussion; and here are certain pages which we have kept blank because we are not concerned

with that ; we are not a party to those agreements. (Interruptions) We are not a party to them. (Interruptions)

MR. CHAIRMAN : Please listen to him first. Please sit down. Let the Minister complete these clarifications.

SHRI PRANAB MUKHERJEE : For Example, we are not a party to the International Dairy Agreement. Then why do we mention it here?

SHRI HARIN PATHAK (Ahmedabad): If you are not a party to them, then why have you mentioned them here ?

SHRI PRANAB MUKHERJEE: Why are we not a party to them? We have a right to know all these things. (Interruptions)

MR. CHAIRMAN : Let the Minister complete it first .

SHRI PRANAB MUKHERJEE : It is not that we are members of each and every international agreement. What is GATT is an international arrangement where these multi - lateral fora, bilateral discussions and negotiations take place on certain matters which are of interest to us. There are large number of areas on which we have not entered into negotiations at all, entered into any agreement at all because those are not of any interest to us. The areas where we are interested and where what has been the outcome of the final found of negotiations that has been embodied in this document. If the hon. Members are interested in having all the published documents in respect of GATT these are readily available in the library. I have no problem over that.

SHRI SAIFUDDIN CHOUDHURY (Katwa) : The Clarification given by the Commerce Minister has raised another very vital point. There are certain agreements on

which we are not party. Did we have the option to choose where we enter into or where we do not? Suppose we could decide about not entering into negotiations for seeds or for services, did we have this option available before us? He must clarify that.

SHRI PRANAB MUKHERJEE : We have brought all these points. *(Interruptions)*

SHRI SAIFFUDIN CHOUDHURY : No, I would like to know whether we have such option before. The Minister must clarify that. *(Interruptions)*

MR. CHAIRMAN : Let others also make the point. Let others also express their views.

[Translation]

SHRI GEORGE FERNANDES : Mr Chairman, Sir, I object to what the Hon'ble Minister has just said. There is contradiction between the content of Annexure 4 A. Agreement on Trade in Civil Air Craft and the statement the Hon'ble Minister has just made. It is written in th Annexure.

[English]

The text of the agreement is reproduced in BIST 26 S/162 and later amendmenTs.

"A revision of this text is under negotiations."

[Translation]

Here you are saying that you are not concerned with them, does not appear to be sound because you have given us in writing that it is under negotiation.

Now, same is the case with Annexure 4 B. As we do not have knowledge of all these things, We have to ask about each and every

word of the text.

[English]

Annexure IV 'B' - the text in force is contained in BIST 26 S/33.

"A revised text expected to enter into force on 1st January, 1996 is contained in document dated 15 December, 1993."

[Translation]

There are several such things on which the Hon'ble Minister is saying now, which have been reproduced by us at different occasions or which are written here, What we are reading here and what the Hon'ble Minister is saying, Both seems to be mutually-contradictory. I would like the Hon'ble Minister to at least clarify the situation... *(Interruptions)*

[English]

SHRI NIRMAL KANTI CHATTERJEE : I will draw your attention to something else !

MR. CHAIRMAN : Shri Chatterjee. Please make all your points together.

SHRI NIRMAL KANTI CHATTERJEE : Sir, I am quoting form Agreement on Agriculture. It is on page 11. There is part 7, Article 13. Here the references are :

"Exemption form actions based on article 16 of GATT 1994."

What is Article 16 of GATT 1994? Is it circulated to us? This is the question that is being raised and he says, "Only those things are circulated in which we are interested" This is the reference here. Where is that?

Similarly, let us see Article 2 of the

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GATT 1994. In the sense of Article 23 (i)(b) of GATT 1994, this is part of the Agreement on Agriculture. What are these mysterious things? We want to know; and why have they not been circulated to us ?

SHRI PRANAB MUKHERJEE : They are available in the library, you can have them.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada) : To our understanding, unlike the previous round, in this Eighth Round i.e. Uruguay round, the whole package is binding on signatories. When some of these annexures are not really a part of the Uruguay Round i.e. the final agreement that has been signed on December 15, 1993, why have they found a place in this document ? we would like the hon. Minister to correct this particular point. As per his own version if our government is not interested or if some of these provision are not acceptable to our Government, do we have that freedom to opt out relating to those provisions ?

SHRI LAL K. ADVANI : Mr. Chairman, I would read from Page 1, Where it clearly says, "Final Act..." "

SHRI NIRMAL KANTI CHATTERJEE: Which "Final Act"? There are so many!

SHRI LAL K. ADWANI: Part 1, which is regarded as the final act. There on page 1, it clearly says that this Final Act and the Text of the Instruments set out in the annexes — he does not use the word annexures, it is a new form annexes — and it cannot be taken that only the fourth main part of the document applies to us and the annexures do not apply to us! And this is to be signed as whole.

The reply that the hon. Minister of

Commerce has given only complicated the situation. Otherwise, he could have said that it was not possible or practicable to give all those documents. This is not a compendium of all the Acts of the GATT or of all the GATT treaties. This is the Final Act embodying the result of th Uruguay round of mulilateral trade negotiations. When the government of India have accepted it, it will go and sign it at the end including all the annexures. Unless we know that are the contents of the annexures, what do they imply, we cannot agree to it. As Shri George Fernandes has rightly pointed out, some of those annexures indicate that they are under discussion still, What are they ? It would not be fair for us to pursue it without the details. Therefore, a ruling at this statge is very very pertinent.

SHRI CHANDRA JEET YADAV (Azamgarh) : Sir, this is a special session of Parliament which has been called only to discuss this issue.

MR. CHAIRMAN : Please come to the specific. (Interruptions)

SHRI CHANDRA JEET YADAV : I am making the point. Please do not stop me at the very beginning. I am making a point. (Interruptions)

This is a special discussion of the Lok Sabha which has been called to discuss this issue which is agitating the entire country's mind. It is not that we ave been just saying that this Government is going to pledge the sovereignty of the country; we have not been saying that very lightly. I must bring it to the notice of the House that this is a very serious issue and that the entire Indian population is agitated over it. The government, is going to sign it on the 15th April and they will not sign it partly. They are going to sign the entire GATT agreement and it cannot be said that partly they are taking us into confidence

because it concerns us and the other things do not concern us. We are going to be bound completely.

I will bring it to your notice now. The Minister of Agriculture is sitting here. He was very kind to call some Members of Parliament to a meeting when we discussed this issue. I myself had raised this question, which is being raised now, that they are saying that they are going to bring a special Bill to safeguard the interests of the farmers. So far as the seed is concerned, the purchase and sale of the produce is concerned, it should be challenged. Will it be challenged in the Court which will be established by the GATT? The expert who was negotiating on behalf of the Government, admitted that it would be challenged and it could be held null and void. And we said that it was only being brought to do a farce on the people of our country to say that they have not kept it. Everything will become irrelevant. Even certain articles of the Indian constitution are going to be irrelevant once we put our signature on this. On such a serious issue, the Government is not taking us into full confidence and is not producing the entire document, where it has been mentioned by Shri Jaswant Singh that negotiations are going to take place. But we do not know those articles, we do not know those provisions, and we are going to be bound by that. It will become a serious issue and it will be cheating the nation. Therefore, I suggest to you, because you are sitting in the Chair, not to allow the nation to be cheated.

[Translation]

SHRI RABI RAY (Kendrapada) : Mr. Chairman, Sir, I can not understand how the hon. Minister of Commerce, while rising to give his reply, said in a fit of passion that the books related to the GATT agreement are available in the market and the hon. Mem-

bers can buy these if they wish. It does not behove of him. For this, he should tender an apology before the House and all documents related to the GATT should be made negotiations,

Another issue as raised by Shri Saifuddin, that the hon. Minister stated in the House that he was not involved in what he was not interested. I want to say that he has no right to say so. For example, with regard to seeds, the intellectual property, the country may be in peril, but he is not worried and says that there was option. If there was option, why did not he use it in case of intellectual property rights. While giving reply, he has implicated himself. He should first apologise for it. (*Interruptions*)

[English]

MR. CHAIRMAN : Please remember that we are on a limited issue, on a procedural issue, and not on the general issue.

[Translation]

SHRI BHOGENDRA JHA (Madhubani) : Mr. Chairman, Sir, whatever the hon. Minister spoke, intentionally or otherwise, is being concealed in the parliament in a manner that has rendered this discussion, meaningless. Relevant articles and agreement may kindly be made available before we partake in the meaningless debate when it is a question of restricting our sovereignty, or related to the farmers and people of the vocations.

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Mr. Chairman, Sir, the debate was going on well but it is imperative to satisfy the House with regard to the issue raised during the course of discussion. The House would like to know, as to what are the documents the Government is going to sign

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at Morocco on 15th April. Are these the same documents provided to the members or there are some additional documents that would come up for signatures on that day and about which the House has not been informed? The Hon. Minister can not save his skin on the plea, that we do not have full information about what is not related to us.

SHRI CHANDRA SHEKHAR : Excuse me, the hon. Minister is not right in saying so. The whole matter is related to him and we are going to sign the full documents. It comes as surprise when they say that we are not concerned to that whereas it is provided that the countries that were not the members of GATT in 1947 should also sign the document first.

SHRI ATAL BIHARI VAJPAYEE : This point has been clarified umpteen times that the GATT agreement is a full fledged document which can not be discussed and accepted in parts. A country can either be totally bound by it or abstain from it. What is our position? Where are the documents? Can a meaningful decision be taken in the absence of full fledged document?

Mr. Chairman, Sir, I appeal to you not to take the responsibility on yourself of this very important matter, I suggest you to adjourn the House, Mr. Speaker should invite the representatives of the Government and opposition for discussion on the matter and let us have a full views of the documents and the whole picture. You claim to have a major vote and, as such, you need not worry. But now there is an apprehension in the House that all the documents have not been laid before the house, all the facts have not been brought forth. Shri Pranab Mukherjee may agree that if the apprehension, that the Government is taking any steps in keeping

the house and the country in dark, flourishes, it may invite dangerous consequences. (*Interruptions*)

[*English*]

MR. CHAIRMAN : This is not the way. We are now discussing a very import issue, a procedural issue, which has been raised. We are going to take a decision on that.

16.00 hrs.

Please do not interrupt the discussion like this. (*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE : I am reading from Annexure 1A. The very first sentence is :

"In the event of conflict between a provision of the General Agreement on Tariffs and Trade 1994 and a provision of another agreement in annex 1A, the provision of the other agreement shall take precedence to the extent of the conflict".

So. This means that there is such a thing called a General Agreement on Tariffs and Trade, 1994. I wanted to say that it is there available in the Library. It is available to us. The problem is that we have not seen this. It is so important that in case anything here conflicts with any articles there, it is that which shall take precedence of which we are completely in the dark. This is what he has to answer.

SHRI V. DHANANJAYA KUMAR (Mangalore) : The hon. Minister has just now said that we are not concerned with the parts which are not reproduced in the documents circulated. Unless the hon. Minister possesses the parts which are not reproduced in this document how can he assert that those parts are not of our concern?

MR. CHAIRMAN : That has already been explained. Mr. Dhananjaya Kumar. The Minister did not say that they do not have the full text. Please sit down. Please understand this thing.

(Interruptions)

SHRI PRANAB MUKHERJEE : I am reading from paragraph 2 to 4 of the Article II Scope of the MTO. MTN/FA II page 1:-

"The agreements and associated legal instruments included in Annexes 1,2 and 3 (hereinafter referred to as "Multilateral Trade Agreements") are integral parts of this Agreement, binding on all Members. The agreements and associated legal instruments included in Annex 4 (hereinafter referred to as "Plilateral Trade Agreements") are also part of this Agreement for those Members that have accepted them, and are binding on those Members. The Plurilateral Trade Agreements do not create either obligations or rights for Members that have not accepted them. The General Agreement on Tariffs and Trade in Annexe 1 A (hereinafter referred to as "GATT 1994") is legally distinct from the General Agreements on Tariffs and Trade...")

So, The documents which have been published here - all the 117 members are party to it - has been reproduced in this document itself. I think, some confusion has been created as if some signature is going to be made as if it was done on 15th December last year or some signature is going to be done on the 15th April. I would like to clarify the position. When the Ministerial group of meeting held its first Session at Punta del Este, they worked out an outline on the basis of which negotiations were concluded. Multilateral Trade Negotiating Committee was appointed which carried on the negotiations from September, 1986 till December, 1993. What is going to happen in Maraccaus on 15

th April, 1994? Uruguay Round of negotiations which have been concluded by the Multilateral Trade Negotiating Committee will be authenticated by the Minister.

The Ministers will recommend to the respective countries that this is the authentic outcome of the Uruguay Round of discussion. Thereafter each country will be given one year's time to ratify it according to their legal procedures and constitutional system. That is the precise position.

MR. CHAIRMAN: Members may please recollect that this text which is the basis of today's discussion, was circulated on the 11th of February through the Publications Counter. All the Members are aware what is there in the text and what is missing, and on the basis of that we started the discussion. So, let us continue the discussion and whatever further details or further missing chapters are required by the hon. Members, those have been noted by the Government and can be made available also. So that should not, in any way, affect our discussion today.

SHRI PAWAN KUMAR BANSAL: There is nothing missing in it, Sir.

MR. CHAIRMAN : By missing, I mean certain things which are not reproduced here .. (Interruptions)

MR. CHAIRMAN : I am not going into that detail. With the available information, we started this discussion and this is something which occurred to the hon. Members in between. So. Let us not interrupt our discussion and let us continue with our discussion. Jaswant Singh ji, you please continue.

PROF. P.J. KURIEN (Mavchkar) : Sir, I only submit that whatever is a public document, should be presumed to be available to the Members.

[Translation]

SHRI NITISH KUMAR : Mr. Chairman, Sir, it is a very confusing situation. A matter is raised and replied to. Thereafter an hon. member says that it is a public document and the Minister too says that you can see the same, it is available in the library. Then what was the need to circulate this document? It could have been kept in the library too. There is something wrong somewhere. This is no plea that you circulate this document in the name of a public document. This too could have been placed in the library.

[English]

MR. CHAIRMAN : Please do not stretch it too much. We have had enough discussion on this.

[Translation]

SHRI NITISH KUMAR : The same thing is happening in the House and you are giving your ruling too. Here discussion is going on as per the information available and in case any information is missing it is the duty of the Government to make available the same and clarify its position as to why the information was not circulated. Now, it is being stated that it is available in the library. But, if this will be the plea then this too could have been available in library. There is some reason behind placing certain document in the library only and circulating some documents among the members.

[English]

Please do not express your opinion on what other members have said. We cannot make it an unending discussion. It is not missing information. Only certain things are not reproduced. The matter is sufficiently clari-

fied.

[Translation]

SHRI LAL K. ADVANI : Mr Chairman, Sir, Jaswant Singh ji has raised three specific points and I do not know the content as to what is the agreement regarding Civil aircraft that is referred to in the document, regarding Dairying that is being negotiated what is the reference of bovine meat?

[English]

Unless we know these things, there can be no discussion. Therefore, it is not a technical point that has been raised. Technically also we are on sound ground. Apart from the technicalities, even a substantial discussion on any of these three issues is just not possible.. (Interruptions).

MR CHAIRMAN : Advani Ji, we have already said that the points made by Jaswant Singh Ji will be replied to by the Government when the Ministers are speaking.. What you said is right. These three very important points have already been made by the hon. Members and will be answered by the Government . (Interruptions).

MR. CHAIRMAN : I think we have had sufficient discussion on this matter. This is very relevant and the context is properly understood also. Jaswat Singh Ji please continue.

SRI CHANDRA SHEKHAR : Sir, GATT 1947 is also not available. It is neither available in the library nor with the Government. I do not want to arise all these matters. The Commerce Ministry has not been issuing the copy of the GATT 1947.

It is not available in the library. Why do

you make fun for yourself and make yourself ridiculous for everything? (Interruptions)

MR. CHAIRMAN: Shri Chandra Shekhar ji, please; let us not raise it.

SHRI CHANDRA SHEKHAR : Mr. Chairman, Sir, I asked in the library to get me a copy of 1947 document. Three times the hon. Minister gets up and says to library. I had seen only one library. If there is another library, I shall go there (Interruption)

[Translation]

SHRI NITISH KUMAR : Mr. Chairman, Sir in Rajya Sabha too, the hon. Minister has stated that the information is available in the library. It has gone on record. I can read it out for you.

[English]

SHRI CHANDRA SHEKHAR : In this House the Minister is referring us to the library. We go to library but we do not get a copy. One gentleman gets up and says that it is a public document and Members are presumed to have it. We are not in the legal profession. You do not know about it.

MR. CHAIRMAN: Shri Chandra Shekharji, Please do not be emotional.

SHRI CHANDRA SHEKHAR : I am not emotional. But why I am saying is when the country is being sold away. I have every right to be emotional. (Interruptions)

Yes, the country is being sold away. It is my conviction that they are selling away the country (Interruptions)

[Translation]

SHRI PAWAN KUMAR BANSAL

(Chandigarh) : Mr. Chairman, Sir, such things are being said in order to create confusion among the people. Does not the hon. Member know about it.

[English]

SHRI CHANDRA SHEKHAR: Mr. Chairman, Sir I am emotional on this issue. I am very frank (Interruptions)

SHRI PAWAN KUMAR BANSAL : Sir, they have total lack of knowledge about it. (Interruptions)

[Translation]

SHRI CHANDRA SHEKHAR : Mr. Chairman, Sir, we will speak according to our own perception and not theirs. They know more.

[English]

SHRI PAWAN KUMAR BANSAL : I do not claim anything. With all humility I want to say this, with the propaganda that has gone over the country in the last one year or 16-18 months, we presume that our hon. friends on the other side know as to what are the things. (Interruption)

MR. CHAIRMAN: Shri Bansal, please do not go into the details. (Interruptions)

SHRI PAWAN KUMAR BANSAL: Supposing if the hon. Minister says.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawara) : You understood your flaw now. (Interruptions)

MR. CHAIRMAN : This is not right. Please sit down. Shri Bansal, please sit down now. (Interruptions)

Mr, Chairman : Shri Bansal, you please sit down now. (Interruptions)

[Sh. Sobhanadreeswara RaoVadde]

MR. CHAIRMAN : When I am standing, you please sit down (*Interruptions*)

MR. CHAIRMAN : Every one of us has our own way of expressing things. Please do not discuss on how one should express and what is wrong and all what. The hon. Member is discussing on a basic point. (*Interruptions*)

[*Translation*]

PRO. RASA SINGH RAWAT (Ajmer) : Mr. Chairman, Sir, we strongly object to what hon. Bansalji has said.... (*Interruptions*)

SHRI PAWAN KUMAR BANSAL : Mr. Chairman, Sir, does the hon. Member not know all this ?

[*English*]

MR. CHAIRMAN : What is this ? Please sit down .

Please understand that we started this discussion at 11.30 hours today. After five hon. Members expressed their points, almost one hour each was taken by every hon. Member, in between only this point has occurred to some of the hon. Members; That itself shows that there was no demand from any hon. Member to the Government that any particular portion of this text is not available. (*Interruptions*)

MR. CHAIRMAN : Please Sit down, You at least allow me to complete.

This demand has come all of a sudden. Any particular Member should have asked this before we started the discussion that the papers are not available; the full text is not available and so we cannot have a discus-

sion. No procedural objection was raised in the beginning.

I am not saying that, therefore, nobody can raise it further. But the thing is that it is strictly a procedural matter only. The Government's intention is made very clear that it was not to deny any papers to any of the hon. Members. But the demand was not made earlier.

So, we have come to the conclusion that there are certain things the Members want to know about and to have the details on some points, During the speeches they can raise this and the Government will sufficiently answer all these points. If they are not sufficient, then we have other recourse also.

So, let us continue this discussion. Let us stop this issue now and I request Shri Jaswant Singh to continue his speech. (*Interruptions*)

SHRI NIRMAL KANTI CHATTERJEE : You have not answered the question of mine. I have quoted from the Annexure.

MR. CHAIRMAN : We cannot conduct the business of the House like this. Nirmalji, you please understand now many times you were given time to explain it. How many times one member raise the issue and go on repeating it ?

SHRI NIRMAL KANTI CHATTERJEE : I am not repeating.

MR. CHAIRMAN : I feel that we had a sufficient discussion on this point and the point is sufficiently understood by the Government and by all sections of the house. The seriousness is also understood. So, I request Shri Jaswant Singh to continue the discussion.

SHRI NIRMAL KANTI CHATTERJEE :

I am posing a problem before you. That problem is very simple.

MR. CHAIRMAN : I am not allowing anybody to speak.

SHRI NIRMAL KANTI CHATTERJEE : When we read the text, it is stated that another text will get precedent over this. (Interruptions)

MR. CHAIRMAN : I am not allowing that please.

Nothing will go on record. (interruptions)

MR. CHAIRMAN : During the discussion, the Member are free to express their opinion.

SHRI SAIFUDDIN CHOUDHURY : The point that he made is very important. It says, "The other text will have precedents over this". We would like to know what is the other text.

MR. CHAIRMAN : You deal with that point when you speak.

SHRI NIRMAL KANTI CHATTERJEE : It is not a question of point. There is a text which gets precedents over this. Where is that text?

MR. CHAIRMAN : You listen to the Government's reply and when come to the conclusion.

SHRI NIRMAL KANTI CHATTERJEE : You are not protecting us, I am saying that that text is not available to us. I want your protection.

MR. CHAIRMAN : The Minister will answer about it when he makes the reply.

(Interruptions)

MR. CHAIRMAN : Why do you repeat this ?

For the last one hour, this house is discussing this question only. All the Members are free to make their opinion quite frankly on this issue.

[Translation]

SHRI RABI RAY : Mr. Chirman, Sir, I say it with a heavy heart. please listen to it.

[English]

In the event of conflict between a provision of the General Agreement on Tariffs and Trade 1994 and a provision of another agreement in Annexure-1A, the provision of the other agreement shall take precedents to the extent of the conflict."

The other agreement is not there. The other agreement will have precedents over this, we cannot do justice to the discussion. That is precisely my point. I want your ruling on this.

It is not a procedural matter. We should have that literature which will have precedents over this GATT 1994.

MR. CHAIRMAN : You cannot come to a conclusion now. Please wait for the Government's reply.

SHRI CHANDRA JEET YADAV (Azamgarh) : This is not a question of waiting.

MR. CHAIRMAN : Please sit down. I cannot allow this.

SHRI CHANDRA JEET YADAV : You are taking a very wrong approach.

MR. CHAIRMAN : Will you please take your seat ?

SHRI CHANDRA JEET YADAV : You cannot conduct the House like this.

MR. CHAIRMAN : Will you please take your seat?

SHRI CHANDRA JEET YADAV : Unless that document is made available, you cannot say that discussion will continue.

MR. CHAIRMAN : Will you please take your seat ?

SHRI CHANDRA JEET YADAV : You should also listen to me.

MR. CHAIRMAN : This behaviour cannot be allowed. I cannot allow this.

SHRI CHANDRA JEET YADAV : You cannot conduct the House like this.

MR. CHAIRMAN : How many times have you made the point ?

SHRI CHANDRA JEET YADAV : Several times.

MR. CHAIRMAN : Have you made the point?

(Interruptions)

MR. CHAIRMAN : How many people can speak at the same time?

SHRI CHANDRA JEET YADAV : I am requesting because of your ruling.

MR CHAIRMAN : You are repeating the same thing .

SHRI CHANDRA JEET YADAV : Un-

less we get the answer, the discussion will become meaningless. If there is another document which will get precedence over this document, then the whole thing will become irrelevant. Please send a person to get it from the Library. Let the Minister give the copy. Let him place it in the house.

MR CHAIRMAN : Firstly the point was answered by the hon.Minister. I made the ruling that whichever the Members are asking for now, was not asked for before. This point is raised only now. so, The Government could have been given time. *(Interruptions)*

This was circulated to all the Members. Today all of us have gone through this document. If any other document is necessary to have an effective and fruitful discussion in this house, we could have very well asked the Government, even before starting this discussion. It is not done. I have given the ruling that you should continue with this discussion. if you are not satisfied, You have every course to resort to when the Government is giving the answer. *(Interruption)* We had enough discussion. Let us continue the discussion.

SHRI SRIKANTA JENA (Cuttack) : The entire opposition is agitated on the issue. That issue has to be clarified and it has not been clarified properly.

MR. CHAIRMAN : it is already clarified.

SHRI SKRIKANTA JENA : The Issue is the document has been supplied by the government. On the basis of that document, the debate has started in the morning.

In the mean time, Shri Nirmal kanti Chatterjee brought to the notice of the House that the other document are there which will take precedence over this document and

that this document has no relevance. Rightly, the Leaders of the Opposition parties including the Leader of Opposition suggested one thing. They suggested saying either you settle this in this House or you adjourn the House for a moment; in the Speaker's Chamber we can discuss this issue and sort out this problem and again resume this discussion.

SHRI PRANAB MUKHERJEE : I will have to clarify one point. (*Interruption*)

Mr. Chairman : I have already allowed the Minister to speak. Please sit down.

[*Translation*]

SHRI NITISH KUMAR : I would like to say something before the hon. Minister responds. What is being discussed in the House right now? (*Interruptions*)

I want to know, through you, as to what the House is discussing now (*Interruption*),

MR. CHAIRMAN, Sir, you are there to conduct the business of the House. According to the agenda circulated issue is.

[*English*]

Final Act embodying the Result of the Uruguay Round of Multilateral Trade Negotiations.

[*Translation*]

Whether GATT 94 is a part of that final Act or not ?

[*English*]

MR. CHAIRMAN : The Commerce Minister wants to respond to what he has said. (*Interruptions*)

SHRI JASWANT SINGH : My request is that before the hon. Minister responds, let me attempt to put the collectivity of this concern. When this point first surfaced about the original GATT text, about the Annexure-IV (a), (b) (c) & (d), the clarification offered by the Minister about Annexure - IV is that it is plurilateral and not binding and hence not part of the text and, therefore, Annexure-IV (a),(b),(c), and (d) is not there. There are contained in this document which is the final text and not just Annexure-IV etc. certain things. What was our worry was Annexure - (a),(b), (c) and (d), One is related to the international agreement on Dairying. It is matter of very serious sorry. The other one is related to be explained what are a party to. The third is related to bovine meat. It is a matter of very serious concern to India.

SHRI UMRAO SINGH (Jalandhar) : Sir, he is politicising it.

SHRI JASWANT SINGH : Let Me finish. I am not politicising what is already a political text.

MR. CHAIRMAN : You have already made these points.

SHRI JASWANT SINGH : This document is not a religious text. It is a political document. I am not politicising that which is already a political document. I am saying that in addition to annexure-IV, (a),(b), (c) and (d) there are contained in this a whole list of signatures also. When the Government submitted these things, it could well have omitted the signatures and said that signatures are not under negotiation, Also in this are contained agreement, understanding or commitments on financial services and they come after the signatures, Then, there is a decision concerning the professional services.. They come after the. When this point was raised by me, it was raised as a real

[Sh. Jaswant Singh]

concern because the pages are blank. The hon. Minister said that the pages are blank because we are not a party to it. I submit this point. Even then, this House has a right to know what are we not a party to. Why has the Government agreed not to be a party to, for example, the international dairy agreement or trade in civil aircraft? What is it that is contained in the bovine meat agreement that has persuaded the Government not to be a party to it?

So, it does not suffice for the Government to say that these are not binding. We have not agreed to it. The full facts are to be here and it is precisely this point, about the full facts that is currently agitating the House.

SHRI PRANAB MUKHERJEE : Firstly, I would like to draw the attention of the hon. Members that when I said referring to Article 2, to which we are a party, I have referred to Article 2, the agreements and associated legal instruments included in annexes 1, 2 and 3. (Hereinafter referred to as "Multilateral Trade Agreements") are integral parts of this Agreement, binding on all Members including us. Then in para 3, I have referred to it. I am not repeating it. We are not members of this. These who are members of this agreement, they will be bound by that. Now two other issues have come. In the GATT 1994, the whole text itself is GATT 1994. I am drawing the attention of the hon. Members to one thing. If you see, the problem is, it is not in continuing series. Each article has its separate page number, separate docket number, separate section number. That is why, from the plain reading it becomes difficult. I am just drawing the attention to the heading "MTN/FA II A1A-1(b) Page 1 understanding of the interpretation of Article 18 of the General Agreement on

Tariffs and Trade 1994", there is one blank page before that. That is for forewording. That is GATT 1994. Everywhere you have its articles and interpretation. The heading starts with General Agreement on Trade and Tariffs 1994. Therefore, each and every article of that is a General Agreement on Trade and Tariffs, General Agreement in respect of trade related intelligence matters, agreement related to trade related investment matters. If the hon. Members have taken the trouble of reading from the first page where the declaration is there, it will be signed by the Ministers on 15th of April. They themselves have indicated it and I am just trying to draw the attention to it. It is mentioned:

DONE at (.....) this (.....) day of (.....) one thousand nine hundred and Ninety-four in a single copy, in the English, French and Spanish Languages, each text being authentic." Therefore, this is the draft form. We have exactly reproduced as it will be produced before the ministerial meeting. Here all the agreements which have given in the Annexure, are parts of GATT 1994 and GATT 47. In my earlier speech also, when I intervened, I indicated that there would be a period of overlapping. It is bound to be in sequence of event. If it is agreed that this GATT will come into operation from 1st January, 1995 or 1st of June, 1995, then in between, there will be interregnum period. In that interregnum period, GATT 47 will continue unless GATT 94 comes into operation. Therefore, I do not see what the great confusion is about. I would like to submit this most respectfully. In fact, it is true that a copy of the GATT 47 is not available. I referred to it that it is not available.

SHRI CHANDRA SHEKHAR : I want to know whether it is available in our Ministry?

SHRI PRANAB MUKHERJEE : I will find it out. (*Interruptions*)

SHRI CHANDRA SHEKHAR : He should not laugh at it. It is not available in the Ministry and I did not get it. I do not want to raise all these matters. I do not want to humiliate this country all the more. and you are also asking me, "why did I not raise this earlier?" I may say that I sent somebody to the Ministry and he was refused a copy. And I have gone to the library and so far I have not got a copy.

SHRI PRANAB MUKHERJEE : I do not know whether this GATT 47 is available or nor (*Interruption*)

SHRI CHANDRA SHEKHAR : This shows the seriousness of the Government and you are very furious and angry at me. (*Interruptions*)

SHRI PRANAB MUKHERJEE : I have not completed yet. (*Interruptions*)

SHRI CHANDRA SHEKHAR : It is not enough to be emotional (*Interruptions*)

SHRI PRANAB MUKHERJEE : Sir, Shri Jaswant Singh has not yet completed; let him complete. This is a deviation. You are interfering in these things.

SHRI CHANDRA SHEKHAR : I am sorry. But Mr. Chairman. I am just pleading guilty that I was emotional. Is it not enough to be emotional? Sir, the Minister says that he will find out whether a copy of GATT 1947 is available in the Ministry or not. This is being broadcasted all over the world. This is the seriousness with which this Government is functioning. I am sorry for being emotional. I am telling you that I am emotional and I may tell Shri Pranab Mukherjee that he and I may not live, but India will remain.

SHRI PRANAB MUKHERJEE : Sir, I always remember that: I am thankful to him for reminding me that India will continue

whether we stay or not. But I am not taking about that aspect right now. What I am trying to submit is that if the hon. Member would have told me that he would like to have a copy of the GATT 1947, I would have tried to arrange it. (*Interruptions*) I am not yielding. Mr. Chairman, These documents were made available in February. If any Member brought it to my notice or if he wanted an explanation from me, I would have agreed for that. These documents were made available to the hon. Members on the 11th of February.

Sir, I was also, on the basis of what we were hearing, that even my name has been changed. One hon. Member told in a Press Conference at Patna that Pranab Mukherjee is no longer there. there is only Dunkel Mukherjee and that we have mortgaged the country.

All these things are coming out on reading of this document. Later of we found out in this debate that GATT 1947 is not available. My point is that if anyone of the hon. Members reminded me or requested me that they would like to have a copy of the GATT 1947 or any other document, we would have tried to arrange for it. It is simply not possible if, in the midst of the discussion, anyone asks me to provide for a copy of the document which is 45 or 50 years old. It is simply not possible. (*Interruptions*)

[*Translation*]

SHRI NATISH KUMAR : Mr. Chairman, Sir the hon. Minister, in a bid to score the debating point, said in the other House that it is available in the library whereas it is not available there.

[*English*]

MR. CHAIRMAN : Let us continue the discussion.

[Sh. Nitish Kumar]

[Translation]

SHRI NITISH KUMAR : Mr. Chairman, Sir, the hon. Minister at times without knowing the facts makes certain submissions. In the other House, he stated that the document was available for reference in the Parliament Library. He is a senior Member. He does not know even whether this document of 1947 is available with the Government or not ? (Interruptions)

[English]

SHRI BHOGENDRA JHA : Mr Chairman, Sir, India is, at present, a Member of the GATT 1947. We are not out of it. But the Minister says that he does not know whether a copy is available or not even though we are still a Member of it. He says that he does not know whether a copy of GATT 1947 is available or not. If a copy is not available, then they can get it printed. Let us discuss this issue after getting that copy. (Interruption)

[Translation]

SHRI TARA CHAND KHANDELWAL (Chandni Chowk) : Mr. Chairman, Sir, I am on a point of order.

The hon. Minister while replying had stated that they will sign the agreement on 15th April but it will not be effective for a year so that we can make necessary changes in our laws during the period. I would, through You, like to know from the hon. Minister as to what will happen if we do not amend our laws according to their requirement ? (Interruptions)

[English]

MR. CHAIRMAN : You cannot raise such matters in the form of a point of order.

You may please sit down now. Let Shri Jaswant Singh Continue his speech.

[Translation]

SHRI TARA CHAND KHANDELWAL : Mr. Chairman, Sir, It is a very important point. It must be replied to as to what will be the position if we do not amend our laws as per their requirement within a year ?

[English]

MR. CHAIRMAN : There is no point of order in what you have raised. I have already stated the substantial portion of what I had to say. I had virtually concluded. Sir, the observations that I have made are now, in fact, reinforced.

I must submit that I am actually not satisfied on the questions of Annexures 4 (a), (b), (c) & (d). These annexures relate to Government procurement, trade in civil aircraft, international dairy agreement and trade in bovine meat, I said that these are blank pages. But the hon. Minister says these are parts of plurilateral agreement we are not party to them. I am not convinced that that is the entire arrangement. I Would still nevertheless like to see the text of what we are not a party to. That is not contained here. Are we not a party to an agreement to trade in civil aircraft ? Is that not being worked together ? Is that not under negotiation ? Is government procurement not under negotiation ? Are we not even sitting on these agreements or negotiations ? Are we not even a party to any aspect of international dairy agreement ? Are we party to nothing in so far as trade in bovine meat is concerned ? We would certainly want to know from the Government because these are huge vacant spaces both in this document as also in the Government's reply.

It again reinforces an aspect which I

wish to leave with the Government as a suggestion that now, after 15th April, up still the 1st July 1995, an interregnum would be given to the negotiating old to go back to their respective nations and to obtain from their nations, or through their legislatures whatever, authorisation, confirmation, etc. It required. (*Interruption*)

16.42 hrs.

SHRI NITISH KUMAR *in the Chair*

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum) : The question of precedence is not yet settled. It is still with you to take a view about it. We raised specifically as to what it is what is getting precedence over Annexure 1A and the Minister has not yet answered this. He can still answer that question. (*Interruptions*).

SHRI JASWANT SINGH : I wish to reiterate the recommendation that I am making to this Government that before 15th of April, no matter what we say, you have decided what you are going to follow a certain course of action. As the Leader of Opposition pointed out, you have got the vote, you have also got the number and the required arithmetic of the House. But the questions will remain. Therefore, after 15th April, when it comes to comes to ratification by the respective Governments, do have the courtesy of coming back to the parliament, in every aspect that you have to ratify. Come back to the Parliament and obtain the ratification of the Parliament even if there is no constitutional obligation upon you to obtain treaty ratification through the Parliament. This is a recommendation that I make.

SHRI CHANDRASHEKHAR : You seem to be a chronic optimist.

SHRI JASWANT SINGH : What can I do ? I can do only this. I appeal to the Govern-

ment that even at that stage it will in fact strengthen their hands. It will strengthen the collectivity of our endeavour to achieve as much equalness in a otherwise unequal arrangement.

I will conclude with that recommendation. Just a few words of caution that I wish to share with the government. I do wish to caution the Government that they are set upon launching the nation on a new but unequal global system of virtual bondage. I submit that we face many assaults. We face the assault of non-tariff barriers under the guise which the hon. Commerce Minister has himself in different forum given voice to.

We face the onslaught of a non-tariff barrier either under human rights or under environment. Simultaneously, Sir, we face very real possibility of closing of the doors of technology in the name of either MTCR or MRTP. We have an existing reality now, a troika; a troika that squeezes the nation. It is the troika of the World Bank, the IMF and now, the GATT treaty.

SHRI NIRMAL KANTI CHATTERJEE : GATT 1994.

SHRI JASWANT SINGH : GATT 1994, as my friend says.

It is necessary for me to caution the Government and say that what is being done now is to create a situation by this Government in which the nation is bound, for the decades to come, in an unequal arrangement and not a multilateral arrangement of equals with equal benefits; and what the nation is going to be subjected to is unequal benefits and the balance of disadvantage will lie with India.

That is why, in the BJP, we continue to oppose this Final Act of the Uruguay Round as produced here. Thank you very much.

DR. DEBI PROSAD PAL (Calcutta North West) : The Dunkel Draft and the Final Text have evoked a lot of controversy. It appears that - without having any objective assessment of the Final Act, I am quoting Shri Jaswantji - the discussions are moving on party affiliations.

Therefore, I would appeal to the Members of the House that on a point like this which involves national interest, we have to take stock of the situation in the objective manner.

The Draft and the Final Act require consideration. As we know when the Uruguay Round of Negotiations started, initially it was discussed at the ministerial level and thereafter a Committee was appointed; and only on certain points, ultimately the Agreement had been reached after protracted negotiations.

I will not, having regard to the shortage of time, dilate upon all the aspects of the Act. But there are four or five important spheres which require consideration. The effect of the Final Act on agriculture, on the intellectual property rights and also on textiles has to be seen because these are the three major areas where the controversy is taking a very important shape.

In respect of agriculture, there are four important and major points which require consideration. What for are these discussions taking place? The entire purpose consideration. What for are these discussions taking place? The entire purpose of these discussions - the scheme of GATT as also of the Uruguay Round of discussions - was to liberalise the international trade and to remove the distortions which are taking place as a result of the industrialised countries giving heavy export subsidies to their agricultural products and thereby dumping

their products in countries particularly the developing countries. It was because of this reason that when the discussions started in September 1986, the then Prime Minister Shri V P Singh under whose leadership India participated, stated that in the Uruguay Round of discussions, agriculture should also find a place.

Now, the present Government is following the very steps taken by the then Prime Minister. I am not saying that he was wrong at that time because, in the field of agriculture, it has been the experience that highly industrialised countries like the USA and others were giving massive export subsidy as a result of which they were having their export markets in agricultural products. It was because of this that trade in agriculture that the developing countries also, who were participating in the discussion, insisted that there should be reduction of export subsidy and import restrictions in agriculture which are now being reflected in the Act itself. These are the two fields which should be read and analysed together. As it appears in the Final Act, there are two spheres in which export subsidy has been reduced, namely, non-specific product subsidy and product subsidy. In the field of product subsidies, our subsidy is negative. In the field of non-products specific subsidies, we are giving subsidy undoubtedly but if those subsidies are taken together and aggregated, on the basis of the Final Act, the total figure would not exceed 20 per cent. Now, it has been found from the reports given by the Ministry of Commerce that if product subsidy and non-specific product subsidy are taken together, one quota for subsidy will be upto Rs. 30,000 crore, the limit provided by the Act itself. As a result of our agricultural export, we can give subsidy upto Rs. 11,000 and odd crores and from the negative subsidies, we have got another Rs. 19,000 crore. Therefore, we can give Rs. 30,000 crore as subsidy to our

agricultural sector provided we have got sufficient finance. The way subsidies are now being given, it does not touch even a small fraction of it. Therefore, there is no danger that by accepting reduction of subsidy, our farmers and our agriculturists will in any way be affected. On the other hand, by reduction in export subsidies, international prices of agricultural products are bound to rise. With the result, developing countries like India will have ample possibility of increasing their agricultural exports particularly in rice, wheat and many other items. The important products where we require support are more or less twenty in number. Out of 20, only three require support, namely, sugarcane, groundnut and tobacco. But the subsidy given on them is not more than Rs. 5000 crore.

The international prices are much higher for the other seventeen products. Therefore, they do not require any special subsidy for the purpose of exports. So, with these results when the export subsidy is reduced to 20 per cent in aggregate, the benefit will ultimately go to the agriculturists and farmers in the developing countries such as India because international prices have been artificially kept at a high figure by the developed countries by giving massive export subsidies. Therefore, I feel the criticism made and the apprehension expressed by the Members of the Opposition on these aspects are more unreal and are not related to facts at all.

With regard to import restrictions, let us look at the position where India stands today. If the balance of payments position is not favourable, then there is no question of import restrictions for a country like India. At the present moment, our balance of payments position is not a favourable one. It is true our foreign exchange earnings have increased to fourteen million dollars. But

having regard to the balance of payments position, it will continue to be so for some years. If this is so; this quantity restriction of imports will not apply we must not forget that this Act in the field of agriculture will have a life of only six years. After six years, the position can be reviewed and during this period there is little chance of our balance of payments becoming favourable. Even if the restrictions are to be imposed - which come to only 3.24 per cent - I don't think our country, will in any way be affected by them. Anyway, such import restrictions are not likely to come into effect for certain years to come.

With regard to public distribution system, there has been much confusion in the criticism made by the hon. Members of the Opposition. Even if the agricultural products are to be purchased at market prices by the Government and then sold at the market prices, the agriculturists will be benefited. When the Government will be distributing these products among the consumers who are low income earners or whose income is much below the standard fixed at one thousand dollars, the price at which the foodgrains are distributed to the consumers does not really amount to subsidy at all. This is only a contribution made by the Government for the benefit of poor consumers. Therefore, there is no danger of the Public Distribution System being affected as a result of this Final Act. Although Jaswantji was a little concerned, the footnote in my view, makes it very clear that even if the essential commodities are to be distributed at the administered prices to the low income groups, that will not amount to subsidy at all because this is not a subsidy given either to the producer or to the farmer.

Now, the only other aspect on which concern is expressed by the hon. Members of Opposition is regarding the likely effect of

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this Final Act on patented seeds. It has been clarified that so far the seeds which are to be patented are concerned, the present Act will not affect those seeds which are already there.

17.00 hrs.

After coming into effect of the Act, from that date onwards, the new seeds which are patentable will get protection. But at the same time, it had been made clear that it protects the rights of the farmers to store the seeds; it protects the rights of the farmers also to distribute and sell the seeds in the villages in order to see that the rights of the farmers to store the seeds or to re-use the seeds or to sell them in the villages are not affected by this restriction. The researchers' rights also have not been affected by these patentable seeds. Therefore, in my respectful submission before this House, the Act does not in any way affect the Indian agriculture or the farmers, on the other hand, it will give a boost to the agricultural exports. As I have pointed out, more than 10 per cent of the international price is likely to be risen as a result of the reduction of export subsidies by the industrialised countries. India will stand a greater chance of developing its agricultural exports among the industrialised countries. The other field in which the concern has been expressed by the hon. Member is on the TRIPS or the Trade Related Intellectual Property Rights. We forget that the Intellectual Property Rights comprise seven items like the Trademarks, the Copyrights and so on. Out of these seven items, on six items, there is no controversy. Because the laws which are to be enacted under the Dunkel Draft Act, our Indian law runs more or less on the same pattern as the Dunkel Act. Our Indian Patent Law regarding the Trademarks, the Copyrights and various other Intellectual

Property Rights, runs on the same principles and norms. The patterns of protection which are given under our Indian Patent Law are more or less on the same standards which the Dunkel Act is providing for. There is no criticism on any one of these rights. It is only in the Patent Law and that also in the field of pharmaceuticals that concerns have been expressed, apprehensions have been expressed. We must not forget that the patenting of these rights has become imperative because of the frequent acts of international piracy. Those countries which are spending large sums of money for the development of new inventions and if international piracy continues in an unabated manner, then, naturally, this will not encourage development in the field of technology. Therefore, patenting itself is not undesirable. Our Indian Patent Act also provides for patenting of the process rights but the Dunkel Act provides also for patenting of the products. In the pharmaceutical products, it has been said that this will push up the prices and many of the life-saving drugs will be beyond the reach of the common man. It had been pointed out by the World Health Organisation that out of more or less 260 life-saving drugs only ten are patented ones today. Therefore, out of the total life-saving drugs, if only ten are patented, I do not see how it will so vitally affect the pharmaceutical industry and not only that there are various alternatives in the therapeutic medicines and drugs which are not patented.

And India has developed the pharmaceutical industry in such an organized manner that today export earnings from this industry are more than Rs. 1800 crores. Therefore, if in these fields the research takes place and the pharmaceutical industry drugs come out in a substitute form or as alternatives to these patented drugs, it is bound to arrest the pushing up of the prices of which many of the Members in the Oppo-

sition are apprehensive. Not only that, the Government also requires and has the power under the Act even to regulate the prices of patented drugs, because if the patented drugs are to come into the Indian market, the Government retains the right of exercising its power of price control under the Drug Price Control order. Not only that, the Government can insist that the monopolistic countries, which have once patented their products, should not be allowed to enter the Indian market at a competitively high price. The Government also retains under the Act the power on grounds of national health and also for environment to retain its control over them and also sell the products. Therefore, in this way, the prices can be easily brought down to a reasonable level.

You must not forget that, in cases given for developing countries like India, the 10-year period has been given so that within this period, these products patented will have no application to a country like India; and it is expected that within these ten years our industry will attain its stature in the international field of scientific research; and it is also expected that within ten years, this product patent will not be applicable to a country like India. We can develop new technology, new methodology through our scientific research. Therefore, there is not much cause of dismay, as we are apprehending. Now, in the field of pharmaceutical products only this is the concern which has been expressed; otherwise, this patent law is more or less the same. The only thing is that the patent right will continue for 20 years, although under the Indian Patent Act it continues for 14 years. But having regard to the fact that for a ten-year period the exemption has been allowed and the Act will not be applicable, I feel our country will be sufficiently developed in this sphere within ten years; and there is no cause for dismay from this patented product.

Textile is one of the fields where the industrialized countries have been making monopolies; and the multi-fibre agreements which were prevailing there were restricting the entry of the developing countries into this arena; and every time India was insisting along with many other developing countries that multi-fibre agreements must have to be dispensed with so that in the field of textile and clothing, the developing countries can make an entry into this area where the developing countries like India are making enough headway; and the export possibilities should be completely brightened.

Now as a result of protracted negotiations, the Multifibre Agreement so long prevailed in the field. We must not forget that in the Uruguay Round discussions, it is not only the developed countries which are participating but developing countries are also there. The total number of countries, when GATT was started, was only 23. India was one of the participating signatories when GATT was started in 1948. Today, there are 117 Governments which are participating in these negotiations and excepting the small known Governments, almost all the Governments, all over the globe have already participated and many of them including countries like China have already made applications for becoming parties in the GATT. Therefore, it is not correct to say, as some of the Members pointed out, under this Act will be the surrender of economic sovereignty of the country.

What does the textiles in depth provide? Within the phase of ten years, 51 per cent of these restrictions will be liberalised. The first phase is three years, second phase is four years and the third one is three years. In the first phase 16 per cent restrictions will be liberalised; in the next phase 18 per cent and in the third phase 17 per cent will be lib-

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eralised. By 2000 AD, 51 per cent of the restrictions which are prevailing in the field of international trade in textiles will be liberalised and by 2003 or 2005 AD the rest of the restrictions are to be removed.

It is true that the phasing is a very long one but I think our Government, along with other developing countries, will try its best to quicken the phase of the removal of these restrictions in the textile field. There is a great achievement that at the Multifibre Agreements on the basis of which the developing countries were exploiting in the field of textiles and clothings, these are to be removed within the span of this ten years substantially. Now these are some of the arenas where the Act has introduced certain measures. The whole purpose is to liberalise the international trade. The whole purpose is to remove the distortions which, at all the times, affected the developing countries. We must not forget that by the compulsion of events in the developments of international trade and also the economic necessities have almost made us imperative to develop the multilateral trade agreements without which developing countries like India or any other developing country cannot survive by entering into mere bilateral agreements. That is the reason why India has to not only become a party to it but it has tried its best to improve the position and make the best out of the situation.

It is a package deal. A package deal postulates that you will take the entire thing. You cannot reject one part and you cannot accept the other part. That is the basis of Uruguay Round of negotiations. If we are to be in the multilateral trade, our new economic policy envisage a new trade policy as

a result of which the restrictions are to be removed and the country is to be liberalised so that it can stand on its own in the field of its trade and in the field of its commerce. Therefore, I feel that this Act not only has made a significant milestone in the interest of the developing countries but India also in all the spheres, taking as a whole, will be benefited by the provisions of the Act.

It is true that in certain areas we might have made some more efforts for improvement in certain natures, but taken as a whole, taking it as a package measure, I think that the Act makes a significant improvement over the original proposals and I think that the House should accept this Final Act, because that is the only way we can develop our multilateral trade and our negotiations with the countries of the world .

With these words I recommend its acceptance and I support the Final Act.

[*Translation*]

SHRI GEORGE FERNANDES (Muzaffarpur) : Mr. Chairman, Sir, just now we heard the speeches of two hon. Members of the Congress party. One conveyed the feeling as if we had made a great achievement whereas the other termed this agreement as a land-mark agreement and added that we have achieved a lot through GATT agreement. But it seems that nobody has glanced through today's newspapers as nobody has made a single reference in today's debate about it. Our Minister of Commerce in yesterday's G-15 conference has neither hailed it as a land mark achievement nor termed it as victory. He rather lamented there. I had wished that before discussion on this subject

is taken up the hon. Minister of Commerce should tell us which country or countries he had in mind when he addressed the conference. There are still 15-17 days left in signing the document and if it is now that he is hesitating in naming the country and saying that America is manipulating it, then, what will be our position relegated to before America and the whole world after we sign the so called document of slavery. We would, definitely, like the hon. Minister of Commerce to clarify his stand on it.

On the one hand, he says :-

[English]

"The G-15 countries should collectively assert, and collectively assert to thwart the attempt by certain quarters to vitiate the consensus reached at the end of the Uruguay Round of Talks by bringing in certain extraneous areas."

[Translation]

But you have accepted to one extreme issue, that of bringing Intellectual Property Rights within the purview of this agreement. What else extraneous issue is there, then? How can you prevent America from raising the question of labourers, human rights, environment and the like when you have conceded to add Intellectual Property Rights in it. Why is not our Government ready to accept blindly the viewpoint of America with regard to this agreement?

17.19 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

May be, our Governments is so scared of America that it does not dare to call a spade a spade and this is why the Minister of

Commerce did not name America yesterday or everything is being done on the dictates of America and the greatest example is GATT.

Mr. Deputy Speaker, Sir, on 25th January, 1994, exactly a month and ten days after GATT was accepted, the U.S. President, Clinton while addressing his countrymen stated and I read :-

[English]

"Our Economic Plan also bolsters our strength-America's strength-and our credibility around the world. Once we reduced the deficit and put the steel back into our competitive edge, the world echoed with the sound of falling trade barriers."

[Translation]

And, now, Mr. Deputy Speaker, Sir, let the hon. Minister of Commerce and the Minister of Finance listen. I wish the hon. Prime Minister would have been here too. To me, he is the prime manipulator. It would have been better had he been here.

[English]

"In one year with NAFTA, with GATT, our efforts in Asia..."

[Translation]

And Asia here means India. There is no harm in presuming that.

[English]

• "In one year, with NAFTA, in GATT with our efforts in Asia and the national export strategy, we did more to open world markets to American

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products than at any time in the last two generations."

[Translation]

You are annoyed, perhaps because no body is celebrating the victory you have had at Geneva by bursting crackers. He is claiming to have achieved within a year what his previous two generations could not achieve and what the world market was opened to them through NAFTA, GATT and with their efforts in Asia. He does not stop there. He further says :

[English]

"That means, in NAFTA, in GATT and opening the markets through their efforts in Asia, that means more jobs and rise in living standards for the American people."

"Low deficits, low inflation, low interest rates, low trade barriers and high investments - these are the building blocks of our recovery."

[Translation]

I Can't understand why we have become prisoners of ignorance. Mr. Deputy Speaker, Sir, what the U. S. President said last week in the month of March was that;

[English]

An American trade official makes a speech in Washington. His name is Geoffrey Carton. He said.

"American trade and investment have been growing fast. Exports to India up by 44 per cent last year and investment up by 135 per cent to 1.1 billion U.S. dollars." (Interruptions)

SHRI MANMOHAN SINGH : We have export surplus with United States.

[Translation]

SHRI GEORGE FERNANDES : There is more Mr. Carton spoke...

[English]

Mr. Carton spoke of the vast promises of the future. Mr. Carton further said:

"Perhaps 100 billion dollars in infrastructure spending between now and the end of the century, by which time there will be one billion Indians to buy American goods."

[Translation]

If the Finance Minister wants to know what is Americans line of thinking on it. (Interruptions)

[English]

SHRI MANMOHAN SINGH : What you are quoting has no relevance to the facts. Our import bill in the course of this year will be lower than what it was in the year in which your Government presided. We have the largest trade surplus with the United States. And nothing what you said just now is consistent with the facts, as you know. (Interruptions)

[Translation]

SHRI GEORGE FERNANDES: Anyway, there is no question of our Government and your Government because our Government too, consulted you, Manmohan Singhji. Therefore, you should desist from saying so. It does not suit you. You have been advising all the Governments for 25 odd years and within a day the day you started wearing khadi the whole concept is changed. There

should be some limit. You had been the Governor, the Deputy Chairman of the Planning Commission, the Finance Secretary and in these capacities formulated policies and now you say 'Your Government and my Government.

[English]

SHRI MANMOHAN SINGH: You are not quoting the facts.

SHRI GEORGE FERNANDES: Mr. Finance Minister, you are indulging in politics.

SHRI MANMOHAN SINGH: No word of yours is substantiated by the facts. (*Interruptions*)

[Translation]

SHRI GEORGE FERNANDES: We consider GATT as our great victory that the Ministry himself has admitted that other countries, specially America who is mounting pressure on you, do not consider it as your victory. It may cause embarrassment to us.

You had given your consent on 15th December in Wall street Journal, which wrote in its forward on 16th December.

[English]

"GATT, if ratified, represents another stake in the heart of the idea that governments can direct economies. The main purpose of GATT is to get governments out of the way so that companies can cross jurisdictions with relative ease".

[Translation]

Wallstreet Journal does not stop here,

it further says,"

[English]

"Because of GATT, trade blocs will not emerge."

[Translation]

America is making efforts of form NAFTA, APEC and other blocs.

[English]

"National borders will not become walls."

[Translation]

Whenever American so wishes it can form such trade blocs but will not permit you to do so. You will reduce your custom duty and increase excise duty and thus pave way for an easy import of item and make the indigenous items costlier.

[English]

"Corporations will not need so many teams of lawyers and consultants. If Government coddles an industry, it has to protect it, so under GATT coddling will be more difficult". It is their intention.

In the last it says:

"GATT will help the developing countries, especially in Eastern Europe, gain access to western markets. Governments everywhere will have to measure the effect of welfare politics on global competitiveness".

[Translation]

One should feel happy about it but

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one cannot because... (*Interruptions*) you are giving this message to the world that there is a vast market in India and anybody can come to India with any amount of money. Therefore, first of all, we would like to have clarification in respect of the speech delivered by the Minister of Commerce. Yesterday and in this connection I would like to clear one point.

[English]

Shri Pranab Mukherjee said yesterday and I quote:

"The existing rate of savings in India was 21.6 per cent which could be stretched to 22-23 per cent at the most."

And the country required foreign investment to the extent of 27 per cent of the GDP if it wants to achieve an economic growth rate of 7 per cent.

[Translation]

You can make it up to 22-23 per cent. As per your statement we require 27 per cent, it means that you need another 4 percent. But do not destroy the nation to get these 4 per cent. If you do not find any solution then you may ask the Minister of Finance, as he changes his opinion whenever he likes that is what I think. He had helped you a lot in writing your report in 1990 which you had written as the Secretary General of the South Commission. I am referring it, just because yesterday our Prime Minister and Minister of Finance had given this suggestion to G-15 that we should unanimously raise our voice, we should unitedly stand to face the power which is going against us but we are not united. If today G-15 and G-77 and third world countries are facing this

situation then its responsibility lies on this Government as well as on ruling party.

The names of Sh. V. P. Singh and Sh. Chandra Shekhar were mentioned here in the morning. Even the speech of Sh. V. P. Singh was quoted. It is good that some of the members have discussed about the documents related to GATT. I request that the documents for the period 1983 to 1989 should be put up before the House and the country. As this chair of events was started in 1983 and Uruguay round started in 1986, although it was scheduled to start much earlier. There was some delay, as America was not ready for it, it wanted to raise the then limits of GATT and to bring intellectual property rights and services sector under it. When all other nations approached America then only, it started this round. Therefore, we want that Government should ask the Ministry of Commerce to present the details of the formal and informal talks held with America from 1983-84 to September 1986 when the Uruguay round of GATT actually started, before the House and the country. Do not go into the Speech of Sh. V. P. Singh or the suggestions made by Sh. Chandra Shekhar, you simply present those documents before the country and the world. In 1986, when V. P. Singh led an official delegation there, he had gone to Punta del Este with the brief of the Government as a representative of Rajeev Gandhi's Government. The details of this brief should also be put up before the House so that nation as well as people come to know about how and when it started. Whether it is not there that during the meeting at Punta del Este, which lasted for 7-8 days. The government of India had not said that No, these two things could be incorporated.

[English]

GATT will remain GATT. GATT can not extend its terms of reference.

[Translation]

Did you not start if from there? In the last, did you not make an agreement that an issue beyond the charter of GATT could not be discussed under TATT. But the issue raised by America would be discussed separately. Thereafter, meeting were held at official level for the next two years. These meetings were held in Geneva and other places. The details and minutes pertaining to the role of India during these discussions and the brief given by the Government of India to its officials during the period from 1986 to December, 1988 should be presented here.

Sh. V. P. Singh was not in the Government in 1988, Sh. Rajeev Gandhi was Prime Minister in 1988. After Puntadace meeting the first midterm ministerial meeting was held at Montreal, Canada in 1988. Give the details about the role of Government of India in this meeting? Whether it is not true that till December 1988 the Government of India opined that neither intellectual property rights and services sector could not be brought under GATT nor could extend the terms and reference of GATT. Today I would also like to ask the Minister of Commerce who were the representatives in the official level meeting held in Geneva in April, 1989? Who was the leader of the delegation and with what sort of brief he had gone to Geneva? What is the details of the brief, was this brief intended to yield to the American pressure? Was it meant to change the role played during 1983, 1986 and 1988 in Montreal Without taking the House as well as the cabinet in confidence, a message was sent to accept the condition posed by America. Besides the weeping and wailing being done before G-15, you ask each of them that what had been their role in this episode? Did these nations not make any complaint that then had entrusted their

leadership of in the House of India, with the idea of working in the House of India, with the idea of working unitedly towards a common goal but you just left us in the lurch with saying a single word.

Our Minister of Finance has been dragging his feet by mentioning names of Sh. V. P. Singh and Sh. Chandra Shekhar and their Government for the last four years.

Today I am making a demand before the House ... (Interruptions)

[English]

SHRI NIRMAL KANTI CHATTERJEE: But he admits that he was either the Governor, R. B. I. or a Minister there.

[Translation]

SH. GEORGE FERNANDES : He had been a constant factor not only here but also in South Commission. He called upon all South Nations not to lose their heart and get united.

These are his words - 'Get ready', 'Get ready' for sacrifice' "We will have to struggle a lot". These are all his words, not mine. These words sound very strong in English but not in Hindi. My submission to the Commerce Minister is not to lament about the 4 percent. You said yesterday as to how would you manage the 4 percent. But please do not talk about doing away with these things for this 4 percent. I demand it again from the Government to place all the documents on the Table of the House. because we would like to know why the Government of India suddenly surrendered. Did the U. S. A. blackmail them, or exercise any pressure, or raise any extraneous point here or in Delhi?

SHRI CHANDRA SHEKHAR : If you know it, Then, tell it. Why are you beating about the bush?

SHRI NITISH KUMAR : Was it linked with Bofors? (*Interruptions*)

SHRI GEORGE FERNANDES : Whether it is linked with Bofors or submarine, only the hon. Minister can tell because I have not found an answer to that...(*Interruptions*)

Mr. Deputy Speaker, Sir, everybody in India is confused whether they are in favour of GATT or against it. Everybody is asking as to what has happened. You stuck to one view from 1986 to 1988 and from December, 1988 to April 1989, then, suddenly surrendered. At least, tell us one thing, What did the U. S. A. say to pressurise the Government which made them accept it without consulting the Parliament the cabinet or the Members?

SHRI NITISH KUMAR : Mr. Deputy Speaker, Sir, it is a new angle and there should be a clarification about it. (*Interruptions*)

SHRI GEORGE FERNANDES : Yes, it is a new point and I hope that the hon. Minister will touch upon this aspect also while replying.

Mr. Deputy Speaker, Sir, it is often mentioned that all the Prime Ministers, right from the first one to the present one, have been involved with GATT. I would like to mention that we have never opposed GATT. But when you sign it on the 15th, the GATT will cease to exist from then onwards. It will become W. T. O. (World Trade Organisation). Our last agreement had been with the GATT and we have nothing against it. We

are against W. T. O. The danger posed by the W. T. O. Cannot be envisaged. You are aware that there has been a long discussion inside and outside the House. This agreement will not only be a danger to our sovereignty but a direct assault on it. The W. T. O. is proving to be such an organisation which is above the United Nations Organisation, and which controls the United Nations and is working in assistance with the International Monetary, Fund and the World Bank. (*Interruptions*).

[*English*]

SHRI NIRMAL KANTI CHATTERJEE : They have not mentioned NATO.

[*Translation*]

SHRI GEORGE FERNANDES : NATO will also come under it. The way the things are going, it will definitely come under it. .

[*English*]

"With a view to achieving greater coherence in global economic policy making, the MTO shall cooperate, as appropriate, with the International Monetary Fund and with the International Bank for Reconstruction and Development and its affiliated agencies."

This is article 3, para 5 of the Agreement establishing the World Trade Organisation.

The functions of the MTO are mentioned in article 3.

The MTO shall facilitate the implementation, administration operation and further the objectives of this agreement of the multi lateral trade agreements.

[Translation]

There has been a dispute on it since morning.

[English]

"MTO shall also provide a forum for negotiations among the Members etc. The MTO shall administer the understanding or rules or procedures governing the settlement of disputes. Annexure 2 to this Agreement."

[Translation]

A question was raised in the morning as to whether try would indulge in cross-retaliations. It was mentioned there that cross-retaliation will not take place.

[English]

I quote from Section 22.3 :

"22.3 In considering what concessions or other obligations to suspend, the complaining party shall apply the following principles and procedures:

(a) The general principle is that the complaining party should first seek to suspend concessions or other obligations with respect to the same sectors as that in which the final or Appellate Body has found a violation or other nullification or impairment."

[Translation]

where you have hurt me I will hurt you there.

[English]

"(b) If that party considers that it is not

practicable or effective to suspend concessions or other obligations with respect to the same sectors, it may seek to suspend concessions or other obligations in other sectors under the same agreement."

[Translation]

It has been said in this House that there will be no cross-retaliation. The U.S.A. will become high-handed. The Commerce Minister may remember that Ms. Robin Rafael who had recently visited India, had said at a Press Conference that Kashmir is not an integral part of India. She had said it at a State Department in Washington.

[English]

"(c) If that party considers that it is not practicable or effective to suspend concessions or other obligations with respect to other sectors under the same agreement, and that the circumstances are serious enough, it may seek to suspend concessions or other obligations under another covered agreement."

Total first return, second return in the same credit and finally cross retaliation.

[Translation]

It is not known whether he is in the cabinet of the Clinton Government or is a Secretary. Lawrence Somars had held a press conference and said - "We will impose Super-301 against India if it does not immediately open financial service sector for us. Two conferences took place on the same day - one in the State Department and the other in the Trade Department. We are saying it here that cross-retaliation will not take place. But, then, we are not in a position to retaliate. If at all cross-retaliation takes place, it will be against us. When it comes to cross-

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retaliation between Europe and America, and Japan and America, it can be only in one sector. They will crush us where we will not be able to compete with them in any field. No matter whatever we speak of being very competitive industrially, in fact, there is not much scope for us for being competitive. I would like to cite one example America's industries are very much established. We are trying hard to make exports in the Chemical Sector.

[English]

Mr. Lawrence Somars is the Financial Economic Chief Advisor to the World Bank and presently whatever he is in the Commerce Ministry of America.

"The U. S. Industry spent \$ 38 billion on research and development in the chemical industry in 1993."

[Translation]

38 billion U. S. dollars amount to Rs. One lakh twenty thousand crores. An amount to the tune of Rs. one lakh twenty thousand crore gets spent on Research and Development of Chemical Industry alone during the year 1993.

[English]

"It is the most investment-oriented U. S. Industry".

[Translation]

We can say whatever we like. We are aware of our country's plus and minus points. You may say whatever you like but I do not understand how we are going to compete with the U. S. A. - a country where a chemical

sector company is capable of spending Rs one lakh twenty thousand crore on research and development alone.

For the last few days, the news-papers have been publishing news-items, I do not know whether it is at the instance of Finance Minister, Commerce Minister or somebody else-that second-hand machinery is proposed to be imported from abroad. The hon. Minister may please reply. Are we really planning to import plant and machinery? But I am worried that America is planning to enter India, establish itself properly during the next six years, i. e. by the year 2,000. This is a one-billion market. They want to invest not crores but lakhs of crores of rupees. An employee of their company General Electric says:

[English]

"Says Scott Bayman, the enthusiastic head of the General Electric's Indian operations." "I have a vision that we will have every one of GE's business here by the middle of the decade, by next year. I predict annual sales of U.S.\$ 2 billion by the year 2000".

[Translation]

The annual turn over of the General Electrical Company alone which has just started its business in India, will be Rs. 166 thousand crore within six years. It is foreseeing a big market here. Prior to bring new machinery to India it will supply junk materials. The Government then will amend the Act and thereafter you will do whatever you wish I do not know why all this is being done. But someone among you takes the name of Shri Biju Patnaik and says that he has sent a proposal here. It is up to the Government whether they implement it or not. A rule is being framed in India if second hand machinery will be imported it should be ensured that

the machinery should not be old more than seven years. It has also been suggested that the minimum life span of the machinery must be five years. I would like to know here whether each of the measures being taken by the Government would not promote the interests of the foreign companies. Today GATT is not a problem. It is, rather the problem of the World Trading Organisation and India cannot accept it.

Enough discussion has been held on agriculture. The Congress party is making its publicity from out side for a long period. We are very much concerned about the role likely to be played by the Government in this regard. We do not find any sense in the claim of the Government that our export will be open, the foreign market will be open for us. But what will be exported by the Government.

What are the items in agriculture which will be exported ? Is it cotton? This is the economic review of 1993-94 presented by the Government on the Table of the House. Since 1951 to 1993 we had not imported foodgrains only in 8 years. Last year in 1993 the Government purchased 2.4 millions of tonnes.

SHRI UMRAO SINGH : So kind of you:

SHRI GEORGE FERNANDES : Yes, it is by virtue of our sympathy that you are sitting here.

From 1951 till date though our godowns were filled with foodgrains yet 11 thousand people are dying here everyday. The hon. Minister of food will meet charge with flat denial.

SHRI SYED SHAHABUDDIN (Kishan-ganj): The hon Minister has denied to reply to my question in this august House.

SHRI GEORGE FERNANDES : He has again committed a mistake. A motion of breach of privilege should be brought against him. I will produce evidence after getting it from the library.

Does the Government not know how much foodgrains the people of India get. Are they not aware of the income of our poor people? Do they not know that there are still lakhs of labourers here who are working for Rs. 10 or 12 per day. Can we not calculate how much foodgrains is consumed by the members of the family of a labourer? It is stated in the report that per capita consumption of food is decreasing. How much has it been decreased? During the period of 1951 to 1960 the per capita consumption of pulses was 60-70 gms. It was reduced to 36.6 gms. in 1993. Which is half of the quantity consumed earlier. What are the items to which do the Government propose to export? In order to mislead the country the Government is announcing every year that it will export various items in large quantity. Whereas the country is importing every year. Regarding the problems of farmers about their foodgrains, I, therefore, would like to make it clear that the high-sounding argument of the Government that global market is going to be opened for India, does not hold water.

Again referring to the Americans I would like to tell the hon. Minister of Commerce.

[English]

The Wall street Journal says:

"Here is how the final act of Uruguay Round will affect Asia in several important categories. agriculture, farm subsidy will be reduced in North America and Europe dimin-

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ishing surplus and thus raising the world commodity prices. Asian food exporters such as Indonesia, Malaysia, Thailand and Philippines will thus benefit”.

[Translation]

18.00 hrs.

This wall street journal is referring four Asian countries whose foodgrains may be exported to Europe and America.

[English]

We will be at a disadvantage in terms of the foodgrains.

[Translation]

The Government will have to purchase foodgrains from foreign countries at higher prices as has been the practice every year. Out of the total period of 45 years from 1951 till date the Government did not import foodgrains for 8 years only and it used to import foodgrains for remaining 37 years. The Government have to spend more money. Therefore, the Government should not try to mislead the people. The Government intend to export cotton and therefore, their people are hobnobbing with a farmers' leader from Maharashtra. Of course, cotton can be exported, but we are reading between the lines of the Government's boasting also. Today the cotton mills of India are being liquidated. Once the Government start to export huge quantity of cotton, the foreign countries will start manufacturing textiles from the cotton and things will come to such a pass that we will have to purchase clothes manufactured by our own cotton. You may no your head as much as you can, but the hon. Minister of Finance will change his opinion next year.

Yet the Government won't confess its mistake and complain to us that we should have asserted it more emphatically.

Enough has been said on agriculture and I would not like to go into it. But a marathon discussion was held on sui generis seeds. Discussion has been held on Upoh and on 1978 and 1991 also. But the hon. Minister of Commerce who has been damouring since yesterday must note it that when the entire seed issue right from the Upoh convention sui generis to effective sui generis is referred for review, nobody will listen him. It must not be presumed that America is doing all this to consolidate the economy of India. The president of America has clearly stated. It is very clear how is he keeping an eye on India. There is a book named the "Industrial outlook for 1994" published by U.S. Department of Commerce. If it is not available our Ministry it can be asked for and go through it. It is stated in that report:

[English]

"The Americans are expecting the industrial leaders in the coming years to be those computers, applicancies, home furnishing, medical equipment, environmental technology and space industry. The growth sectors will be reaping the benefits of world trade liberalisation with bigger markets in Mexico Brazil, Argentina, Indonesia, China and India".

This is the U.S. Industrial outlook 1994, Mr. Finance Minister.

[Translation]

When I read the report of medical equipments I remembered the contents of the Budget in this regard because the 20 per cent excise duty imposed on medical equip-

ments is unprecedented. Hon. Minister of Finance, I beg your pardon that when I went through the document and recalled your Budget. It haunted me that the indigenous medical equipment have certainly become constlier. America claims that it is leader in this field and it has its own market in the world. India is one among them.

[English]

SHRI MANMOHAN SINGH: I will reply to all that while replying to the Budget discussion.

[Translation]

SHRI GEORGE FERNANDES: That is right. Reply is a must. But we are pointing out our problem. We do not trust Americans at all not, but nobody is in a position to believe you either. Excise duty has already been imposed. The customs duty has been reduced but the excise duty has been increased. America is self-styled leader in this field and our people in India are writing letters for seeking protection of the Government. The letter has been submitted to you also. We, therefore, would like to submit, That we should not restrict this list and the measure taken by the Government has engineered a new awakening in every village all over the country against their policy. They are well aware of the manoeuvre of the Government and this high-sounding publicity that everything is being done with great deliberation and the farmers should not be worried. But the Government did not say anything on the service sector and financial sector. How many commitments have been made by the Government in these sectors. I make an estimate of the commitments made by the Government in this regard. The report of the Government States.

[English]

"Understanding on commitment in the financial sector. Each member shall grant financial service supplier of any other member the right to establish or expand within its territory including the acquisition of existing enterprises of commercial presence."

[Translation]

We are fighting on this issue in the Finance Committee. A word 'acquisition' is written there. It means that there is also the provision for exemption in section 5. Further it has been stated therein :

[English]

"Each member shall list in its schedule pertaining to financial services accepting monopoly rights and shall endeavour to eliminate them or reduce their scope".

[Translation]

Further it is stated :

[English]

"Each member shall permit nonresident supplies of financial services to supply as a principal, as the leader, through an intermediary or as an intermediary and under terms and conditions that accord natural treatment the following services:

[Translation]

You have also said.

[English]

"Insurance, shipping, goods, inter-

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national transit, reinsurance, life insurance, non-life insurance, banking and other financial services listed.”

How many? About a dozen different categories. The point I am trying to make Mr. Finance Minister is:

[Translation]

Mr submission is that the Government is selling our country through the GATT to big industrialists of America. If we do not understand it then we will not be able to save our country since today the foreign companies, i.e. the American Companies including Coca-cola and Bata are claiming that India is the largest market for them. Not only the tea and coffee companies but also the ice-cream companies will come to India to manufacture these items here. Chunk foods will enter the Indian market and we will be served Kentucky Fried Chicken by the American companies, then which field will remain without their dominance?

Mr. Deputy Speaker, Sir, I will not take much time but today we are not worried about the economic sphere and where we are standing today...*(Interruptions)*... Services means, various kinds of services, the definitions of which should be clearly understood for which our hon'ble Minister of Commerce is going to sign an agreement. According to American interpretation of the word.

[English]

“Service includes any service in any sector except services supplied in the exercise of governmental authority.”

[Translation]

and it has also been said.

[English]

“A service supplied in the exercise of governmental authority means any service which is supplied neither on a commercial basis nor in competition with one or more service supplies.

[Translation]

The consent to put the signature has been given. Not a single field has been left untouched. The multinational companies of America and the world can come in any sector. Please see article, 1, paragraph 3, on page 161 that no field has been spared. You are not speaking on it and time and again you are talking of agriculture. Except for running the government the consent has been given for everything including banks and insurance.

It has been said in it:

[English]

For the purpose of this Agreement, ‘measures by members’ means, measures taken by Central, regional or local Governments and authorities.

[Translation]

Even the rights of Gram Panchayats have been pawned. It means that if they deny that the foreign companies will not come there to work then M.T.O. and W.T.O. will summon the Government and the government will have to come for the rescue of the Panchayat. Why do not the Government

understand the implications of this agreement.

The utilisation of radio and television is a different thing but it can not be erased out. It is not a blank sheet even if we have been served with blank sheets. Therefore, when we raise the question of our sovereignty and the attack on our Constitution, this is one of the proofs and there can be many proofs of this kind.

We cannot sue the foreign companies in our courts for their misdeeds. Only W.T.O. is competent to do so.

SHRI NITISH KUMAR : Beware of it lest we should follow the path of Buta Singh.

SHRI GEORGE FERNANDES : Mr. Deputy Speaker, Sir, there is nothing in it except that this GATT agreement is an agenda to ruin the every fields of economic development of the country.

The Commerce Minister, the other spokesmen of the government and perhaps the hon. Prime Minister once had said one thing in and outside the country that they had no other option but to go for this agreement and the opposition is bent upon defaming the government. Why are they doing so? You said in your speech that there is no other option I submit that there are options for it, ask those 4 per cent people to give up luxurious life. Take a vow for ten years and the government will not have to pull it for long.

The name of China is repeated time and again. Why it is not being informed to the House, how could China make itself self reliant. What China is doing today is being told. Can it be imagined, how much benefit China would be getting through this agreement? China is at the top among those

nations who will have maximum benefit through this agreement. China will earn 37 billion dollars; while we will earn one billion dollars and the other nations of Europe will earn 94 billion dollars. Why do not we think that China has reached this place, keeping itself out of the GATT accord, without submitting itself to anyone else.

The Foreign Affairs Minister of America went there while just a joint secretary came here. The Minister of Foreign Affairs himself went there. China put her views before him and sent him back. He was told not to indulge in any dispute with them otherwise a number of their people would be rendered jobless. China said we would solve our problem ourselves. Then why do our Government not gather the courage to say that it will not make any compromise in the spheres of agriculture, medicines, bank, insurance and industrial sectors. We would convince the 4 per cent people to give up luxurious life.

Once again I make Dr. Manmohan Singh a witness. In his own words why should not we say that to overcome the hurdles the whole nation should be united and take the third world with it. Why do not they say so? It is expected from our country. The world wants to listen this thing, it does not want to listen your grievances, You will not get leadership by shedding tears before G-7. Therefore get ready.

Tomorrow is the meeting, go there and say that we have changed our stand and we all are ready to fight for the amendment in GATT agreement. We will forget the mistake committed in 1989 and will once again stand up to face America and other nations. Awaken the nation, which has courage and the youth who have power. Do not think of loss, it is going to cause in the next elections. That will lead you nowhere.

[Sh. George Fernandes]

The biggest problem is that this whole structure adopted by the Government is going to ruin the civilization and culture of our country. It will find no mention in GATT nor it will be discussed in W.T.O. and even the hon. Minister of Commerce will not be able to speak on it after extenuation. It is very difficult to imagine the intensity of attack on our civilization and culture today. Though we do acknowledge that it all is the effects of radio and television and it is possible just because the people do not have faith in there. That faith is to be revived. But the civilization and culture is not confined to that extent only. The middle class of our country has degenerated. They want everything to be imported and they are crazy for it.

Today, the whole game is centred towards elections only. If the practice to appease these 3 per cent people who can purchase everything with money and who are surrounded by their flatterers continues and the culture adopted today goes on, I believe, ultimately we will be cut off from our basic culture and then our nation will not remain strong enough to face the challenges before it. Therefore, I oppose this agreement. We would like to submit that the Government should not put its signature on it. Take advantage of the meeting of G-15. Take the country into confidence, put the facts before the country. Also make our weaknesses public that we want 4 per cent. Each and every citizen should be united to strengthen the country. The country will not have to bow before America. Our civilization and culture will not be attacked and we will come up as a great nation of the world. Create this faith in the people and march ahead.

With these words, I firmly oppose it.

The Government should not put signature on it. With these words I conclude.

SHRI BHOGENDRA JHA (Madhubani): Mr. Deputy Speaker, Sir after Independence, this day is of utmost important for us. The agreement which is being debated in the Parliament today will not be voted in accordance to the rules. We are discussing it under the Rule 103. Keeping in view the present situation of the country, this day is very important for the future, self-respect and all round development of the country.

The Government has already decided to sign the agreement which is going to be discussed here. I remember that the former commerce minister had assured the House in 1992... (Interruptions)

[English]

SHRI NIRMAL KANTI CHATTERJEE: Sir, Shri Bhogendra Jha is on his legs. Let him continue tomorrow and now kindly adjourn the House.

MR. DEPUTY SPEAKER: There are so many hon. Members who want to participate in the debate.

SHRI BALRAM JAKHAR: Let him speak. He may complete his speech today. Sir, let us sit up to 7 O'clock.

[Translation]

SHRI LAXMINARAYAN PANDEYA (Mandsaur): Mr. Bhogendra Jha can complete his speech tomorrow also. (Interruptions)

SHRI GEORGE FERNANDES: Mr. Deputy Speaker, Sir, if you allow, I would also like to speak.

[English]

MR. DEPUTY SPEAKER: It does not mean that just because George has spoken, all the points are exhausted; Mr. Jha will have some more new points. And we should be thankful to George that he finished in just one hour!

[Translation]

SHRI BHOGENDRA JHA: Mr. Deputy Speaker, Sir, I would like to say that the Government is itself in a fix about the agreement and is now saying that there are changes occurring in the world.

Earlier we insisted on our points but now we are finding ourselves very weak in resisting as so many changes have taken place in the world.

During the conference of Non-aligned countries in Belgrade, the then Prime Minister late Smt. Indiraji had raised a slogan for new economic world order, which was accepted unanimously by all the non-aligned countries of the world. This Government is heading towards the new economic order but in a wrong direction.

The responsibility of non-implementation of the unanimous decision of the Non-Aligned conference has come upon Narsimha Rao's Government, whether it is a matter of North-South relations. Strengthening the South-South relations or formation of a new economic order, we are willfully moving towards a new colonial system by assaulting these old policies.

It seems that we are placing our necks under the yoke of new economic order and the world is being compelled for it. Our media and politicians say that cold war has ended.

World peace was safe till the socialist world had been a power and that is why the people are not finding any danger of world war. But at the time of first world war was socialism and socialist countries were not in existence. In 1914, the first world war took place for the market. In 1939 the second world war took place between capitalists and socialist countries for discovering market. America's discovery was also felt for the market. Vasco De Gama and several other persons before him, came towards India for discovering market. Even today the developed capitalist countries are yearning for market. It cannot be contended only with the American market, their multinational companies will not contend with the market of Japan and therefore through the Group of Seven Countries, it is trying to make the whole world a market.

At present the GATT is their collective armament but it will not be so in future. These will develop conflicts and this problem will become more grave. Recently American President Bill Clinton visited Tokyo but they could not arrive at any agreement. Japan and America have no unanimity on the question of the trade. I request the hon. Minister to clarify that whether GATT organisation includes all its members of 1947 and European Community collectively. Mr. Deputy-Speaker, sir, we will have membership of the organization setup of the Non-Aligned community if there will be any such organisation. But European Community is organisation of such countries from where all the world wars had been initiated and whole world has suffered through this group.

[English]

In order to conclude the Uruguay round of multinational trade negotiations, the representatives of the Government and of the European Community...

[Sh. George Fernandes]

[Translation]

Apart from it, it has been clarified that during voting for some decision, all the states will have single vote but vote of a country from European community will be...

[English]

when the European Community exercise their right to vote, they shall have a number of votes equal to the number of their member states which are members of the Multilateral Trade Organisation.

[Translation]

It means that vote of a country from European Community will be counted as the number of their member states. On the one hand we are talking about the equal rights and what actually is going to take place. The same dangerous thing is going to take place in the matter of membership, signature and voting procedure and in total their opinion will be counted in that way.

Mr. Deputy-Speaker, Sir, it is a commercial war, it is the beginning of market war it has not started today. Today we see that F-16 fighter aircrafts are being sent to our neighbouring country for ruining the whole Asia. These aircrafts are not being given for Pentagon's liking for Pakistan but these could be offered to you also if you have any objection. In this way fighter aeronautics aircrafts factories and other institutions will be continuing their production performance. Today India has not so much danger from these fighter aircrafts because Pakistan has learnt from the last three attacks that it is not easy to attack on India in spite of having collective support of imperial world. These aircrafts can pose danger to Gulf countries and politi-

cally disturbed Afghanistan. In this way there is a great need for market today. If in a delusion of the end of the cold war, these countries will stop the preparation of war, their factories worth billions set up for manufacturing war equipments, dangerous armaments will become bankrupt and these countries will face worse condition than the socialists. Therefore this new situation is being created because they do not want to destroy their factories and the world could be destroyed. GATT is an improvement of G-7 countries to implicate the whole world.

Mr. Deputy-Speaker, sir, farmers of France have revolted against it, as they are not poor like our farmers. Australian Government has also protested against it. Apart from that the old residents of the new world called Red Indians, which were considered as real Indians, by Columbus and after their indiscriminate slaughter, a small number of them were rehabilitated in America and some of them are in Mexico, are also revolting against it. Such conditions have been created and every possible measure has been adopted for discovering market. This is also a successful effort by these hungry multilateral millionaires our leaders from the ruling party ask that what is the alternative? At the time of freedom struggle, even people like me participated in it. It was said that how the country will be run after returning of Britishers, train has been introduced by them and the development took place during their regime. Our so called elite, I hesitate to call then intellectuals they say that we got freedom after slavery of British culture and now at the time of war you have launched the agitation. As Pt. Jawahar Lal Nehru was in prison, Rabindranath Tagore took the responsibility and replied to it. He said that Britishers educational system and culture has not gone in China and Russia, even then these countries have developed. With regards to India I would like to tell that Indian

Culture and civilization is quite old and on discovering you will find it much older than what was it at that time. Just now my colleague Shri George Fernandes has said that world is facing a new danger and Non-Alignment movement is looking towards India for a suitable step. But through this House we have started cheating ourselves, our history and future for the country. This chapter is not completed and we are cheating the world. What is the alternative? The alternative of slavery is freedom and if we could not get it than alternative is freedom struggle. It can be possible that my friends could not understand it. Just now Mani Shanker Ji has just made a mention about Marcos. His voice is not dead, it is immortal... (Interruptions) ... he had remarked that magic manifests itself in procuring quite obeisance ... (Interruptions)... Our forefathers considered that our soul is immortal as it always remain there. It may be possible that after my death I may take too separate bodies. We have our cultural heritage so wide that the more we get benefitted with it ... (Interruptions).. During the struggle of independence, there were some intellectuals, who opposed 'Swadeshi Aandolan.' Lokmanya Tilak, who had given a slogan against Swadeshi Aandolan, was expelled from the Congress. The Krishna had said to Arjuna:

"KALAIVYAM MASM GAMAPARTH
NETCHYUPPADDE,
KSHUDRAM HRIDAY DORBALYAM
TYAKSHETRISHTH PARAMTAP."

We are all ordinary people but country is great and history has entrusted us with the job of deciding its destiny. We have a responsibility of further carrying our ancient glorious tradition. No doubt, in this process we have faced many hardships but we have been able to exist despite such odds. In such a situation there is only one alternative left and that is, we should become conscious. We

have a country of 90 crore people. Do we consider it as our achievement that how we can add to our foreign reserves through export and how we have raised it? Some of my colleagues might feel it awkward but I want to submit that when we were under British yoke, our pound was used to be deposited in England. There was no foreign exchange crunch. At that time dollar was nowhere. Pound was ruling the world economy. At that time our sterling pound was balanced. Was that the proof of our progress? Our export as well as import was dependent on Britishers.

I am repeating it once again which I have already said a number of times that this Government is taking the wrong path. We export in order to earn foreign exchange to import and import will be done to export it again, will we continue to be caught in this trap. We have to decide the fate of 90 crores people. We do not see any way out from this situation. Moreover, the Government is also not creating an atmosphere as such. This is the reason, we are being lured to export our items. Just now some of my friends said that we would export cotton but we have recently imported it. The farmers were going to get its remunerative price and you started its import. Hon. Minister of Commerce should tell that for pleasing whom it has been done?

There is no dearth of cotton in India. You have imported cotton in order to bring down the prices of cotton in local market. There were times when we used to import wheat under PL-480 from America. Morarji Bhai was Minister of Finance at that time. I asked him that America was supplying us wheat with Maize, tobacco and Lipstick and you had talked about importing wheat only but America was forcibly supplying us all these things. When America continued to mount pressure on us, we discontinued import. Then our country became self de-

[Sh. George Fernandes]

pendent. In this process, we provided some facilities to the farmers, I would not call it a green revolution but in 1950 we were producing 5 crore tons of foodgrains and at present it has been increased to 19 crore tons. Some more increase is expected in it near future. therefore, is no need of losing you hearts. When Arjun show his inability to fight against Kaurvas and resisted from it then Krishna did not call him a renouncer or Sanyasi instead he called him an impotent person and a coward. I as well as other members of this House and the people of country would simply say that our Minister of Agriculture is not a weak but a strong person (Balram). We need a little amount of courage. Moreover, Our Prime Minister is also Narsimha Rao and I feel that he will put a bold face on. Now the time has come, when we need to show courage and ultimately it will lead to all round progress. The country will progress. This is something one cannot achieve by yielding to someone.

I have read the statement of Minister of Commerce in the newspapers in which he has said that foreigners are burdening us with their products. More things are yet to happen. Now America is showing its concern about less wages being paid to the workers in India and demands to increase the same. They cannot compete us in the international market. It is quite possible that during the truck strike in Chile C.I.A. of America provided them 6 months expenses and its President Allendo was murdered and C.I.A. became a deciding factor in the elections there which ultimately killed democracy there. The MNCs have vast interests and an inatiable hunger of capturing local markets. America is also facing crisis. I think that our Ministers are well aware of this fact. The number of families of farmers in 1948-49 have been reduced to one third at present

and two-thirds out of them have become labourers and penniless as they are not in a condition to compete these MNCs. They had to sell their land and now have gone bankrupt. Profit has become the guiding factor and they even do not care for their neighbors. This is what happened in America. There are labourers there, who are having a car which they have purchased on installments but if they are not able to repay the loan their car are seized. They live in rented houses and suppose tomorrow they are retrenched they will straightway come on roads. It is not like India where a labourer managed to build his hut within two-four days. Now America, itself reeling under a crisis and therefore, they want to create such situation in the entire world. That is why I have said that even our Government has fallen prey of this situation. some leaders played sycophant to two world powers. Now America, promoter of capitalism cannot prosper without exploiting other poor countries.

Mr. Deputy Speaker, Sir, these days we are going through crisis about which I have mentioned. Therefore, the danger of GATT hanging over us is not a new one. We have always been friendly with other nations of the World. "Vasudav Kutumbkam" has been our motto since time immemorial. We do not favour the idea of wars between two nations. A great danger is emerging in the form of GATT. Even our law, acts and constitution all things will be controlled by it and the countries directing its terms and condition will practically rule over us. I would request my colleagues and the Government that it is better to be alert in the very beginning otherwise tomorrow it will be too late. Then we would be bound to yield to them. today they have denied our claim on Kashmir, tomorrow they will depute F-16s on our borders. If we yield to them they will go on putting pressure on us but this country can never

yield to anybody. If we oppose it, this Government will open fire on its own people. We are preparing to hold a demonstration against the Bill passed on the basis of Dunkel proposal but this Government is not giving its permission. 28 peoples' organisation which include Kisan Sabha and Akhil Bhartiya Kisan Sabha to which I am a representative secretary, have not been given a permission to raise their voices at Boat club. The Government probably feels shy that American will come to know about the opposition of people of India, if it permits to hold such demonstration. A new economic policy was came into being on 29th August, and I do not know what they are going to do on 5th April? If they go on amend each and every rule then it cannot be tolerated silently. Some of our agriculturist and together scientists will migrate to other countries for their betterment but majority of them is going to remain here, what will be their fate? Who is going to make charity for such a big country.

You are trying to forget the History. During the 200 years British regime a famine occurred after every ten years period. Lakhs of people used to die due to starvation. The year. Hastings took over the Governor General's post after Clive, at least one crore people died due to starvation. Hastings wrote to England that even after the death of 1 crore people he had been able to collect more land revenue. The farmers abandoned villages and started living like sanyasis in woods. Shri Bankim Chandra Chatterjee on the basis of situation gave the patriotic slogan of 'Vande-Mataram' which worked as weapon for the freedom fighters. They had no law or Government on their side like you are enjoying the powers but even then they fought for their motherland. We could not win as per our expectations even though we won the battle and today we are enjoying the fruits of freedom. today we are facing a danger but there are no provisions. Our

colleagues search for an alternative and the alternative is there.

The document we are going to sign mentions that:

[English]

"Participants agree on the desirability of acceptance of the agreement establishing the multilateral trade organisation by all participants, with a view to bring it into force as early as possible but not later than 1st July, 1995".

[Translation]

We still have got sufficient time then why is the hon. Minister of Finance so much eager to sign the document? For signing the document one year time is still left with us. Even after that two years time is available. Therefore, do not be keenly desirous of signing the document on 15th April itself and thereby put India in Cauldron as it won't be tolerated by the country. It contains a clause that even if commodities are available within the country these will have to be imported. If imports are undertaken then what will be the plight of the indigenous producers? I was surprised when the hon. Minister of Finance interrupted a hon. Member on his feet to tell that foodgrains prices will be decontrolled. However, ultimately who is going to be put in dire straits by all this? Only the farmers as they won't get remunerative prices for their produce.

In India wholesale traders are there in between the consumers and the farmers who are undoing money in crores and crores without toiling away in any way. Actual producers out of compulsions have to indulge in distress sale. If prices are decontrolled then just for purchasing clothes, medicines and oils etc the farmers will have to sell away

[Sh. George Fernandes]

their produce out of duress even if they have sufficient food stocks for the year. Farmers feel assured about Government sale and procurement provided it is done on time i. e. in harvesting season itself. I would like to submit that opposite meaning is being derived. On the one hand the consumers will be paying higher prices and on the other hand the farmers won't be getting any profits out of it. You are just strengthening further the existing system of in which traders reap large profits without exerting themselves in any way at the cost of the consumers and the producers. This system has been accepted in the document and even if all of us try to satisfy both the producers and the consumers it is not going to be silently tolerated by them. This change is no solution because then reins will be in the hands of the biggest power of the World and not with the Government. Suppression through force will be the only remedy available. In the management of this country our Hon. Prime Minister and hon. Ministers of Finance and Agriculture will play mere puppets with their strings controlled by some one else. Management will be our responsibility while gains will be pocketed by someone else. Mass protest against price rise will have to be brutally suppressed by you. The ferocity of revenge could well be visualized by the Government. Issues won't be decided by any world organisation but any individual nation to penalise us for any perceived impropriety. In the matter of Cryogenic engines we saw that USA did not ask UNO, but immediately at its own singled out ISRO of India and Glassnost of Russia and the whole world remained a mute spectator. Some persons did think about the cold war but if issues could be easily settled favourably, then there will have been no need for cold or actual war.

In such a critical scenario the Gov-

ernment is going to adopt none too good approach. I would like to urge that the crisis which the country is being plunged into requires resoluteness at this very juncture.

19.00 hrs.

I would like to urge that our 15 friendly nations, who are none better than us and who are similarly going to be affected by it have urged certain things to the Hon. Prime Minister and the hon. Minister of commerce too has made some remarks in Press in this regard. From all these it is clear that they are also sceptical about the developments. I urge upon the Government to announce in the House tomorrow itself that at present the document won't be signed and it requires more pondering over. On this issue undoubtedly there is difference of opinion between the opposition and the ruling party. However, I would like to submit that when Duryodhan after being defeated was being taken away as a Captive by 'Yaksha' and Lord Krishna asked Arjuna to go to his rescue, 'Arjuna' expressed his reluctance because 'Duryodhan' had conspired to kill them in 'Lakshagraha' and had also ordered for cheer haran i. e. denudation of Draupadi and therefore, he ought to be punished. Therefore please muster courage and announce in the House that discussion once more will be allowed, otherwise the whole nation will afterwards comment that shackles of bondage have again been put on India.

We must learn lessons from history. Napoleon once remarked that he need not be coronated because prior to his coronation the crown was just rolling in dust and it was he who picked it up with the point of his sword on his head. It is a rare historic event. History is a witness that arms and ammunitions were supplied by USA for subjugating the world. There was nothing in USA except plum tree. Ambassador in Italy, not Mr. Mani Shankar

Aiyar, was asked to clandestinely bring paddy plants. After researches paddy cultivation was started and promoted. For all it the ambassador was rewarded with the office of President of USA. USA brought in various things from various countries.

[English]

MR. DEPUTY SPEAKER : Shri Bhogendra Jhaji, you have taken 40 minutes. Please conclude now.

SHRI VIDYACHARAN SHUKLA : Sir, only two Members from the treasury benches have spoken till now. Our Minister of Agriculture is waiting here. he should be able to speak today before we adjourn. Tomorrow it would be very difficult.

SHRI NIRMAL KANTI CHATTERJEE : What is the programme sir? When are we adjourning today?

MR. DEPUTY SPEAKER : After Shri Bhogendra Jha concludes if the House agrees we can sit for half-an-hour and allow Shri V. S. Rao or Shri P.G. Narayanan to speak. Tomorrow there will be many speakers to speak. Those who want to speak may find it difficult I request Shri Bhogendra Jha to conclude.

[Translation]

SHRI BHOGENDRA JHA: Mr. Deputy Speaker, Sir, I will honour your directions. I want to speak at length because it is quite possible that for protesting against it we might be subjected to baton charge and firing on 5th. Danger is not ordinary as I am experienced to such things..(Interruptions)

The hon. Ministers of Finance and Commerce make comparisons. However, I won't insult smaller nations and I am only

referring to USA. What is our condition...(Interruptions)

19.06 hrs.

[Mr. Speaker in the Chair]

MR. SPEAKER : I have got the opportunity to listen to your speech in person in the House.

(Interruptions)

MR. SPEAKER : After this Dunkel proposals will be discussed.

SHRI BHOGENDRA JHA: I will resume seat if you ensure that on 15th it won't be signed.

MR. SPEAKER : This is the final document and discussion is taking place on the point of things which are detrimental to India. If extensive discussion is held then much time will be required.

SHRI BHOGENDRA JHA: The writer of Mahabharat did think about it-'Yan Bharte Taan Bharte. Our posterity will definitely learn some lessons.

Number of marginal and small farmers has increased so much that (Interruptions)

MR. SPEAKER : I will allow you to dwell on as long as you want but won't allow to speak on generalities on others have also to speak. After 40 minutes I am saying this.

SHRI BHOGENDRA JHA : Probably you were not here.

MR. SPEAKER : I was listening the speech in my Chamber therefore, I have told you this.

SHRI BHOGENDRA JHA: I am not submitting about myself. You were busy in an important work but we missed. However, many things are missing. We do not have the copy of GATT Act of 1947 before us. Even of 1986 has not been supplied. The hon. Minister of Finance stated that the portion which has been deleted is not of any interest to us.

MR. SPEAKER: It is not a confidential document and is available in the library for reference.

(Interruptions)

MR. SPEAKER: It is not a confidential document and is available in the Library for reference.

(Interruptions)

MR. SPEAKER: It is not so. Such discretion is not good in the Parliament.

(Interruptions)

[English]

SHRI PRANAB MUKHERJEE: I will send it to every Member.

MR. SPEAKER: It is not necessary. Public document is available to everybody.

[Translation]

SHRI BHOGENDRA JHA: It was not done and the hon. Minister of Commerce stated that we are not concerned with these issues. In it is mentioned that in totality it will be done. I only submitted that he is speaking contrary to the documents before us.

[English]

Participants agree that the Agreement Establishing the Multilateral Trade Organisation shall be open for acceptance as a whole, by signature or otherwise.

[Translation]

On several occasions the hon. Minister of Commerce has stated that it is not our

concern. It is clearly written here - 'as a whole'. Without huge grants in aid it won't be possible for marginal and small farmers to use latest techniques, and more over some time is required for understanding the same. Regarding seeds the hon. Minister of Commerce has already stated in the House that the farmers won't be able to sell seeds. Farmers are in large number in India. It will be the duty of central Govt. to prosecute the farmers for selling seeds and who stands him to Jail. Such a great burden is being thrust upon the country. Even if this Government goes out and next comes but we are going to mortgage that also...*(Interruptions)* India has efficiency. We can form a better Government. Unitedly.

Mr. Speaker. Sir, the issues concerning large number of small and marginal farmers are appropriate agricultural policy, seeds and purchase of their produce at reasonable prices. If countries like USA and France are imitated then our farmers will be in dire straits. Our farmers will lose ownership of their lands. I want to go back in history...*(Interruptions)*... When I was a child my mother used to meet my educational expenses by selling paddy at the rate of Rs. one per maund. During those days Deshi Ghee was being sold @ 1.5 ser per rupee. Lands in villages of my area have been auctioned. In my neighbourhood 52 acre land got auctioned for Rs. 250.

MR. SPEAKER: Mr Bhogendra Jha, please not like this. You have been speaking for over 40 minutes. You can continue speaking till you want without dwelling into history but by simply concentrating on present and future.

SHRI BHOGENDRA JHA: If you give a ruling to be free from history then our burden will be reduced a lot.

MR. SPEAKER: Please dwell on what is contained in the document only, otherwise there will be some problems.

SHRI BHOGENDRA JHA: The Government has stated that everything won't be signed but majority of the points will be signed. Prices of medicines will go up. The progress made in this field after independence... (*Interruptions*)

MR. SPEAKER : Leave aside all this. You have been allowed to speak only on the final Act.

[*English*]

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): He is drawing his own conclusion.

MR. SPEAKER : I have to find time for you when you have to speak.

SHRI LOKANATH CHOUDHURY : Are we not to see what will be the outcome?

MR. SPEAKER : This is reflecting on us.

SHRI LOKANATH CHOUDHURY : That is the point.

MR. SPEAKER : You will have to conclude now.

[*Translation*]

SHRI BHOGENDRA JHA : I am submitting it with the intentions of effecting around probable changes. Please make an announcement tomorrow itself. (*Interruptions*)

MR. SPEAKER : If he has understood it is quite alright.

SHRI BHOGENDRA JHA : I am not making all these points merely to attack the Government. I am submitting all this with the intention that it might make them wiser about future and the interests of the country. The

hon. Minister made a submission regarding decontrolling of prices. It is quite possible that once again food shortages may occur and crores of people might starve to death. Jawaharlal Nehru was not a violent person. He stated that ... (*Interruptions*)

MR. SPEAKER : You are not speaking on GATT.

SHRI BHOGENDRA JHA : All this is in the document.

[*English*]

MR. SPEAKER : You have to conclude now.

[*Translation*]

SHRI BHOGENDRA JHA : Though changes have been effected in the final Act yet basic factors remain the same. All such provisions are still there. Under these provisions in the matter of biological elements, patents, seeds and public distribution system the Parliament will lose its sovereignty and things will be dictated from Geneva and its headquarters.

MR. SPEAKER : Do not do like this.

SHRI BHOGENDRA JHA : Mr. Speaker, Sir, if you do not interrupt then I will conclude within 10 minutes.

One basic point is there. Constitution has been made flexible in the matter of Center-State relations. Still demand for conferring more powers to States is in the air. Though agriculture is a State subject yet an agreement with foreign is going to be signed. Though powers of States are going to be usurped yet no discussions with States have been held and not any convention has been held. I believe conflicts between Cen-

[Sh. Bhogendra Jha]

ter and States will increase and discontent among consumers and farmers will also increase. Imminent danger of small and marginal farmers losing away their lands is looming large and crores will wander around adrifted in Delhi. These poverty stricken people will not let us live in peace. In the interest of all it is necessary that the shackles of bondage, which are no way better than war, should be outright rejected. I urge the hon. Ministers of Finance and Commerce to fulfil the promises made by isolating themselves from the Government and also the ruling party and to think of the welfare of the masses by rising above the partisan interests.

We should reject the shackles of bondage to save the country. Muster courage to announce that on 15th it won't be signed, and also to give permission to all those planning to demonstrate at Boat Club. Ultimately, what is the use of Boat Club? Shri George Fernandes is nodding in consent that tomorrow demonstration will take place at Boat Club. Tomorrow the situation might turn unsavory and we might get injured and come here on 5th or 6th with injuries. Issue is probably the same. In the present scenario do not tread on the path of suppression. One wrong signal is being beamed to the country and future. Therefore, I urge that please show courage and tomorrow announce that agreement won't be signed on 15th.

MR. SPEAKER : In fact many are eager to speak on this. Even if speech is made only on Dunkel proposals then we will face shortage to time but if speech is made on history then there will be terrible shortage of time.

(Interruptions)

[English]

MR. SPEAKER : Shall we continue or we shall adjourn?

(Interruptions)

SHRI LOKANATH CHOUDHURY : Can any conclusion be drawn minus the history?

MR. SPEAKER : I am not going into the theoretical matter now. We do not have the time, please.

(Interruptions)

SHRI LOKANATH CHOUDHURY : If you are not adhering to it, then you will land yourself in a serious trouble.

MR. SPEAKER : This is a discussion on the Final Act. This is not a discussion on everything that has happened up to this time. Shall we continue now?

SOME HON. MEMBERS: Yes.

MR. SPAKER : I think one Member can speak. At 7.30 we can get up. I think it is agreed. Within 15 minutes we can finish it.

Now, I call Shri Sobhanadreeswara Rao Vadde to speak.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada) : Thank you for giving me an opportunity to speak on this very important item.

As regards patents, there is a general obligation to comply with the substantive provisions of the Paris Convention of 1967. And the Agreement requires that for 20 years, patent protection should be available for all inventions. It is a very serious matter because all these years our country was not a

signatory to the Paris Convention. But the views of our Government are quite contradictory because our Government all the time, has been thinking that a person who has invented something, his talent must be recognised. But at the same time, the fruits of such invention should go to the large number of masses of this country. That is why, the Patents Act of 1970 has come into being. Now the final Agreement that has been concluded is making us to bring a complete change in the Patents Act of 1970. Also, this period of twenty years for patents is also very detrimental to the progress which we can achieve in the field of science and technology because at the moment, we have got only seven year period for even processed patents. But this 20 years period will definitely hamper our progress in this regard. Though the provision is there for compulsory licensing, yet because of the changes in the provisions of compulsory licensing, the powers of the Government are substantially reduced. When the Government wants to give opportunity to somebody else, when the patent holder does not fulfil his responsibility or when he does not produce enough goods to make it available to the people of this country, if the Government wants to do something to produce these goods by somebody else, the Government will have enough power. right at the moment, the Government, if it thinks, fit to give licence directly to somebody else to produce some goods, but this final Act that was signed on December 15, according to that, the patent holder is to be given an opportunity. He has to be heard and afterwards if there is any litigation, that also has to be settled. Only then the Government will have the power to give compulsory licensing. Through this our national interests are going to be hampered. I would like to know from the hon. Commerce Minister as to how he is going to meet this situation and as to how he is going to overcome this one the 15th of April when he himself will be going to

sign the final agreement that has been agreed to on December 15, 1993.

I will not go into details about the set back to Indian agriculture. But I would like to say one thing. A few days back, the hon. Agriculture Minister had invited some of us to discuss some of these things. At that time, he tried to give an impression to us that the Indian agriculture was not going to suffer. At that meeting some of us including Shri Somnathji, Nitishji and others were present. We asked him specifically about a farmer selling his seeds to his neighbour or to the farmers in the neighbouring village. Some Government officials were also present there. They told us that it would not be treated as a sale of crop. Then we told him, "if that be so, it is all right." But suppose, in a particular district, one lakh hectare of land is there for a particular crop and a patent holder agency or his authorised agent sells a particular quantity of seed in that district. How will the balance be transplanted?

Partly it is done by those farmers who have saved some seeds from their previous crops and the balance, obviously, is transplanted through exchange or sale of seeds by the farmers among the farmers themselves. In such a situation, will not that patent holder feel that his plant protection right, his plant breeder right has been affected or has been infringed? And in that event, will he not complain to the World Trade Organization that in so and so country and in so and so place, his right has been abridged or has been infringed? And then, will the Government of India not file cases or take some legal measures, some measures which the Government may deem it fit, against the farmers of this country? The Government did not give any clear answer to that. So, our apprehension is that this traditional right of the farmer is going to be lost. And in fact, the Government was telling that they have taken

[Sh. Sobhanadreeswara Rao Vadde]

care of that particular thing in the draft legislation which they intend to bring forward. What I want to know very clearly from the hon. the Commerce Minister while he replies tomorrow is that, in spite of those wordings which they have provided in that draft legislation, what will be its validity because ultimately it is the final agreement that has been signed or that is going to be signed on April 15, that is valid. Anything contrary to the provisions contained in that, how will it hold good? On that we want a clear answer from the hon. the Commerce Minister. It is not made very clear in this.

Earlier, at the Food and Agriculture Organization meeting, it was decided that when a plant breeder insists for his remuneration or some price for his invention, the farmers who have been responsible, the communities which have been responsible for development and preserving the seeds over a longer period of time must also be rewarded. Any this particular thing is not being implemented as on today.

All the precious genetic resources that were available from our country have been utilised till now by those developed countries. They are telling that it is all humanity's common heritage. They have taken that stand. But now that they have invested some amounts on biotechnology or genetic engineering, they want to exploit us. Here the most important crucial point is, maybe, due to their research or due to their efforts they might have separated some genes which might have a particular characteristic, but they are going to put it on some base material which is ours. We have given that material; that was given not only by our National Genetic Bank, Delhi, but it was also given from places like Manila and several others. For this foundation material, are we going to

be paid? Can the Government give a guarantee regarding that thing? I want a categorical answer from the hon. the Commerce Minister.

SHRI JASWANT SINGH: It is a good question.

SHRI SOBHANADREESWARA RAO VADDE: I would lie to say one thing regarding micro-organism. I just would like to quote what our former Commerce Secretary, Shri Ganesan has said while giving evidence before the Standing Committee on Commerce. He said and I quote :

"I feel that it is in our own interest to keep micro-organism completely out of patenting. If we do not keep micro-organism out of patenting, we must keep naturally occurring gene sequences etc out of patenting."

He said that we should disobey the Dunkel text. He replied to the Chairman's question by saying that:

"Earlier, you asked me: Can we do that? We can do it. There are certain aspects which we should disobey. When we enact our legislation we should simply say that micro-organism will be patentable only if they are genetically modified.

In one way he is right, because these microorganisms and microbiological processes are going to be the future. In the coming few decades almost these bio-fertilizers, bio-pesticides, several pharmaceuticals and other products will be coming through this biotechnology and genetic resources. In that case how are you going to protect our country's interests? That is the paramount question that I request the Government to clarify.

Regarding subsidy I will not go into

details. I fully agree with my colleague Shri Rupchand Pal who said while initiating the debate that the Government's hope that it will be a big boom, it will be a great encouragement to our Indian agriculture may not really happen. Because the cost of production is going to be enhanced tremendously, though actually today as per this final text our country does not have any commitment to reduce the subsidy in agricultural sector. I would like to quote only two-three sentences from what our former Commerce Secretary Shri Ganeshan said. He has written an article in The Hindu very recently.

"In agriculture we are under no obligation to reduce any of the subsidies given to our farmers. The reason is simple. The total aggregate value of our non-product specific subsidies, viz., the subsidies on fertilizers, water, electricity, seeds, pesticides and cost of credit available to all crops and product specific subsidies viz., minimum support price given for about twenty agricultural commodities is negated by as much as Rs. 19,860 crore a year in the relevant base period 1986-87 to 1988-89."

When we take into consideration the total subsidies that are given to agricultural sector on both fronts, the subsidy is negated by Rs. 19,860 crore a year. It did not stop you from reducing the subsidy on fertilizers and decontrolling the prices of phosphatic fertilizer and potassic fertilizers. In the Economic Survey that was given to us a few days back the Government has made but its intention that the water rates are going to be enhanced, the electricity tariff rates are going to be enhanced. After the Budget Session the Government may take a decision. The State Assembly election in some States may defer it for some time, but we are pretty sure that the Government is going to enhance them. In that situation what Shri Rupchand

Pal has said that the cost of production will enhance and then we may not be in an advantageous position to export our agricultural products to the developed countries will come true.

Many a time the Government is telling one thing that because subsidies in those countries are going to down, we will get the advantage. In fact in Japan the producer subsidy as a percentage of the value of agricultural production is 68; European Community 48, Canada 41, America 30. This is not going to go down. Only 20% of that subsidy is going to be reduced. Still in the name of backward agriculturists, resource-poor farmers in those countries where the farmers are definitely much better than even the farmers having 18 acres of wetland or some 30 acres of dryland here, subsidies will continue there. Many are firms also there. In these circumstances I would like to say that the Government must keep this particularly in view.

We do not say that for all the times to come the agricultural tariff should not increase or water rate should not increase. Definitely we are saying that the maintaining charges should be made good. But it must be done over a period of time, so that the farmers will not suffer too great a strain.

It should not break his back also. Ultimately the objective is that slowly over a period of time, the efficiency must also improve and the maintenance cost must also be recovered. At the same time, we must be in a position to increase our production not only to meet our domestic demand but also to earn foreign exchange. I suggest to the Government that merely saying that we will get an advantage or we will be exporting a lot, will not materialise unless you bring changes in the policies that have been pur-

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sued all the while because our country's exports have gone down from one per cent to 0.5 per cent.

China is outside GATT. We can compare our country with China because both China and our country are with a big population and similarly are travelling on the same plane. So, when we compare both our countries, between 1982 and 1993, our country's exports have increased from eight billion dollars to 18 billion dollars only whereas China during the same period has increased its exports from 20 billion dollars to 88 billion dollars.

My point is that even by being outside GATT, it has been able to improve and go ahead so well; so, our country should also ahead like that. They have a total trade balance of nearly 30 billion dollars, mind that; whereas we have hardly been able to meet the balance of payment position.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : China is now trying to enter GATT.

SHRI SOBHANADREESWARA RAO VADDE : Maybe, but please do not try to derail the argument. It is the quality that is mainly responsible for our legging behind.

In agricultural sector particularly, during 1960-61, the share of agriculture, in the total exports of our country was 44 per cent. It came down to 30 per cent and now it is only hardly 19 per cent. So, there is a definite lapse and there is a definite shortcoming in the policy that is being pursued by the Government. The Strip-motherly treatment towards agriculture is responsible for that. So, kindly think over this seriously and bring in

necessary changes.

Regarding TRIMS, I would like to say a word. In this Agreement, the commitment was that we should reduce our import barrier or import duties by nearly 40 per cent over a period of six years starting from 1995. But, our Finance Minister Dr. Manmohan Singh has already reduced it from 125 per cent to 65 per cent in the present Budget itself. The customs duties have been reduced by nearly 60 per cent already. Of course it is going to have a serious and adverse impact on our domestic industry and unemployment will increase. I do not have time to explain that.

What I want to say is that they are re-implementing the provisions of the Agreement given much earlier than what is required. Though the obligation starts from 1995, they have already started implementing it by bringing down the customs duties on several items like capital goods, raw materials and all those things. I want to say that.

Regarding TRIMS, even the great economist and the jurist who many a time supports the Union Budget and the economic policies, Shri Nani Palkiwala, two days back has expressed his deep concern regarding the likely take over of our Indian Industries by the foreign institutional enterprises or institutions because at the moment, we are allowing upto 24 per cent of the equity, through EURO issues and EURO Bonds. So, their Taiwan and South Korea have progressed substantially and are well ahead in industrial sector.

Keeping in view their national interest, they have fixed only ten per cent as maximum ceiling for foreign institutional organizations to invest in the equity of industries in those countries. Unless our Government takes such precautions and brings some necessary changes in trade related invest-

ment measures, our country's interest may suffer a lot. And Sir, it is estimated that our country may hardly gain by two billion dollars. Out of nearly 220 billion dollars of estimated gain out of this agreement, India may get only two billion dollars whereas China may get 37 billion dollars, as Mr. George Fernandes has said. Even in textiles where we have comparative advantage, our exports are only three billion dollars whereas China's share is 17 billion dollars. Even in toy, They are getting eight billion dollars. That is what Mr. Dixit told before the committee. My point is if the Government takes lot of care and encourage our domestic industry, our entrepreneurs also can definitely gain much. Sir, a very alarming news appeared day before yesterday in all leading newspapers that USA is trying to see that this agreement is going to be signed by our Minister on 15th April. It come in the newspapers that India has cheap labour and products going into those countries will definitely have some cost advantage. Price differential will be there and they want to prevent the flow of goods from developing countries into those countries saying that India is not giving higher wages to industrial labourers.

MR. SPEAKER : Does it mean that it is open for negotiations ?

SHRI SOBHANADREESHWARA RAO
VADDE : Sir, we have to go in conformity with the decision take in Paris convention. I would like to quote from that convention.

"The Convention seeks to ensure that a patentee's importation of a patented item into the patent-granting country will not result in a forfeiture or an unnecessary use of compulsory licensing. This provision of the convention in particu-

larly objectionable to developing countries. Fifth, the treaty calls for the protection of all Paris Union nationals from unfair competition."

They are taking the plea that developing countries are paying lower and that they are paying higher wages. In Germany, it appears that wage package is around 27 dollars per hour whereas we know that in our country it is much less. Through these back door methods, America and other developed countries are going to create obstacles for developing countries. In several other fields, they say free trade should be there and no barrier should be there but at the same time, to protect their own interest, they are trying to create obstacles for us. Now, our Government must be firm and in no circumstances accept that stand. I appeal to the government that this should not be accepted on 15th April as far as the present agreement is concerned. Sir, you were not in the Chair; chairman was in the chair and Mr. Jaswant Singh had raised a point to which he replied that our Government has not agreed to aircraft and some other areas including procurement by Government. Similarly, in respect of agriculture and intellectual property rights, our Government should take a stand that we will not agree for these things unless it is changes.

If this is not changed even by 15th April, I suggest that the Government should not sign the Final Act. If you choose to sign, it will be the greatest disservice to the people of this country. Our country will lose its sovereignty for which our freedom fighters had struggled so hard and sacrificed so much. They led our country to Independence hoping that the coming generations of this great nation will progress in all spheres, leaving poverty and tears, as a thing of the past. But by signing this Agreement, You are mort-

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gaging the future of not only present generation but even the coming generations. They will never pardon you. And certainly when an opportunity comes their way, the people of this country, in the very near future, will reject this Government outright, for mortgaging the sovereignty of the country to the developed nations and in particular to the United States of America.

I thank you for giving me an opportunity to speak.

MR. SPEAKER. I think we can rise for the day and meet tomorrow at 11 a.m.

19.46 hrs

The Lok Sabha then adjourned till Eleven of the Clock On Wednesday, March 30, 1994/Chaitra 9, 1916 (Saka).