

the House will join me in greeting the advent of freedom in Mauritius and in warmly welcoming independent Mauritius to the comity of nations.

As the House is aware, a delegation led by my colleague, the Minister of State for External Affairs, Shri Bhagat, is in Mauritius at this moment, rejecting with its free people and sharing their sense of fulfilment at this long-awaited liberation from colonial rule.

Sir, we wish the people of Mauritius all success in the endeavours upon which they will now embark as a free people, to develop their multi-racial society and to further their socio-economic progress.

We look forward to preserving and promoting the goodwill and understanding between our two people and to growing mutual cooperation in the sphere of socio-economic development.

May I request you, Sir, on behalf of this House and the people of India, to convey to the Government and the people of Mauritius our sincere good wishes on this joyous occasion?

12.37 HRS.

#### GENERAL BUDGET—GENERAL DISCUSSION—*contd.*

MR. SPEAKER : The House will now resume further discussion on the general budget. 6 hours and 40 minutes have been spent and we have still about 13 hours. I would request the Deputy Prime Minister to reply on Thursday, at about 2.30 P.M. because we would be also having private members' business on that day, Friday being a holiday.

Today, a discussion has been put down at 6.30 P.M. Mr. Nath Pai is not well. Therefore, we will continue that discussion sometime next week.

Now Dr. Melkote.

DR. MELKOTE (Hyderabad) : Sir, yesterday, I just started by saying that the budget presented by the Finance Minister has created a confidence among the people which was not evident for the past two or three years. The budget could be looked

at from various angles and in doing so, various sectors of the population have a feeling of either being pleased or being hurt. I for one would say that by and large, the people have welcomed the budget and I wish him all success in the coming year.

The revenue that the Finance Minister would be getting next year would be about Rs. 3,200 crores which is nearly ten times the revenue in 1947, which was just Rs. 347 crores. In the first plan, we planned for an expenditure in both public and private sectors to the tune of Rs. 3,100 crores. We will be spending that amount of money during the course of just one year now. From this, it is evident that the progress that the nation has made in the last twenty years has been phenomenal and the budgetary position has definitely improved.

Due to shortage of time, I would like to concentrate on only two or three points. First is the plan allocation for Andhra Pradesh. Andhra Pradesh has not received the same amount of grant that it received every year. Last year, we received a particular quantum. This year it has been reduced. We have been spending a good deal of money on agriculture and supplying food to the whole of India. Even electricity is being supplied to the villages for agricultural purposes. In that context, if we are singled out of all the states and we are not given the same amount of money given to other States, we feel very much hurt. We have presented a memorandum to the Prime Minister and we hope that the Finance Minister will come to our succour.

There are two items in the budget which are not so welcome. One is the extra charge made by the communications department. The communications department has been developing fast in the country. Incidentally, I do not know whether the minister in charge of this department should concord, developing himself in keeping with the development of the department. I would like to bring to his notice that this extra money that he wants there is absolutely unnecessary. I personally feel that this amount can be got by other means and it is not at all necessary to hurt the common man in this endeavour.

Therefore, may I make a few suggestions? The rate charged for a postcard is sought to be increased. Is it necessary? There are two aspects of this question. One is that postcards are being utilised for social purposes, for communication of domestic affairs, for marriages, for deaths and several other incidents. Equally so the postcard is being used in millions by the commercial department. Why not bring a separate postcard altogether charging the commercial department a higher rate, nearly double, and give the poor man the present rate or, if necessary, lessen it?

The telegraph department also should do the same thing. So far as telegrams are concerned, the poor man has to take the material, go to the post office, write out the telegram and hand it over paying the necessary charges. All commercial firms and wealthy private individuals have got telephones. They simply telephone the telegraph office giving the message to be conveyed. The department has to have a clerk appointed to take down this message which means cost. In return he telephones back. Even the telephone charges do not get charged. When it is conveyed to the other end at that end also there has to be a clerk to take down the message and convey it. The poor man also is made to bear a share of this burden. Why should this happen? I do not see why phonograms should not be charged at a much higher rate and commercial telegrams at least sixty paise or much more if necessary so that the richer people will be made to bear the burden of the cost and the poor man will be left alone. This by itself will be able to bring in a good revenue. If the charges on commercial telegrams, phonograms and international charges are increased sufficient revenue will come in. As I have already said, if the department leaves alone the ordinary postcards used for social services and the telegrams of the poor people, and in place of that levies a higher charge on commercial postcards, telegrams and phonograms, the department will get a good deal of revenue. According to calculations made here the postcard itself is facing a deficit of Rs. 6 crores. All this could be made up if an equitable charge is made on the affluent sections of the population.

Then I come to the question of public sector industries. Many of them got esta-

blished ten or twelve years back. The total investment has been somewhere about Rs. 2,500 crores. In spite of these things, what is the return in our industries. The private sector is very fond of pointing out to the public sector. Even in the private sector, I would like to ask, what is the return? Since 1950, after we got independence, we have been getting into the country the best machinery available in the world. We have got the best machinery from Russia, East Germany, West Germany, Sweden, Switzerland, America, England, France, Japan and every country. When our Indians go to those countries for training they produce that amount of material there and get better wages. In England they get a thousand rupees per month, in France and Germany Rs. 1,500 a month and an equal amount in Sweden and Switzerland. When they come to our country for working on the same machines they get Rs. 150 or Rs. 200 a month. The wage structure in our country is so low that there is no incentive. In spite of this the world over people say that our labour is very costly. This is a matter for investigation.

It is pointed out that with this low wage structure the Indian worker is not producing sufficient. Why is it so? Is it due to bad managerial talent or is it due to insufficient incentives? What is the cause that having invested Rs. 2,500 crores in the public sector and possibly a similar amount or at least half that amount in the private sector neither the private sector nor the public sector is able to give a similar account as other countries are giving. The fault lies entirely with the managerial talent. The worker is prepared to work. Even in the postal department there is over-time wages. Why should this occur? The workers waste time, sit overtime and work for 14 hours. And when they work for 14 hours, how can they work the next day with the same amount of efficiently? I would say that you have to categorise the workers as A, B, C according to their ability and efficiency and give them promotion only on that basis. What the worker wants is more money. So, while giving them money it should be ensured that they complete the work within the stipulated time so that they will be able to produce more. Whether it is the postal department or the industry, it is the same. I want the hon. Minister to realise that if

[Dr. Melkote]

we want the country to progress it is necessary for everyone of us to put in proper effort and it is the duty of the management to see that the workers are made to work. As things stand, they are getting the minimum wages in this country in spite of the phenomenal progress that has been made by the country. This aspect of the question is very important and I am sure the Minister will pay attention to this.

I am glad the Finance Minister has given priority for agricultural production. In Andhra Pradesh we do not have many industries and there is concentration of people on agriculture. Because we have only few industries, the unemployment potential in Andhra Pradesh is very very great. Are we to be hit again by not providing enough financial assistance for development of industries in that area? Even in the agricultural field the money that we deserve is not being given by the Finance Minister. This aspect of the question needs to be looked into very very carefully and, therefore, I would like to plead with the Finance Minister that in spite of merely looking at the financial aspect of the question, he should set up a Committee of Members of Parliament to look into those items of expenditure in the various departments and suggest ways and means of curtailing that expenditure. If that is done, I am sure much of the extra burden that he is trying to impose by his budget can be removed.

The same thing applies to the railway administration. The railways have become one of the most corrupt and inefficient department. I am very sorry to say this in respect of a public sector undertaking. It is deteriorating day by day. Though the defects have been pointed out year after year, the railways have not made any improvement. There is something wrong somewhere and I think the concerned people should be taken to task. I hope the Finance Minister, apart from looking into the budget, will look into this aspect of the matter so that the public exchequer may be benefited thereby.

MR. SPEAKER : I find that some parties like PSP, SSP and Communist Marxists have not yet taken part in the general discussion on the budget. So, I would now call members from those parties before calling any Congress Member. The Communist Marxists have not even given their

name. I hope they will do it now. Shri Hem Barua.

SHRI HEM BARUA (Mangaldai) : This is a limping budget that Shri Morarji Desai has presented to Parliament on the leap year day. I call it a limping budget because our economy itself is limping today. Our economy is in the doldrums; there is no doubt about it, and that is due to the fact of the rise in prices, steep rise in prices and less production. These are the few things that are affecting our economy at present. In this context, I would just like to know whether the budget proposals visualise the state of affairs in our economy today or not.

12.48 HRS.

[MR. DEPUTY-SPEAKER in the Chair]

As I look at it, there is no attempt made to rejuvenate our ailing economy. The budget proposals do not give any indication of it. The budget proposals give an indication of the fact that the Finance Minister is very much optimistic, but it is based on carelessness. There is no ground for optimism and yet he is very optimistic.

The budget proposals should have a perspective. The perspective of our economy must be taken into account in the budget. But, unfortunately, the budget proposals have not taken the perspective or the ailing condition of our economy into account. That perspective of the economy must be as clear as a mirror. But, unfortunately, the perspective which the Finance Minister presents, against the background of which he has formulated his budget proposals, is befogged and blurred, and there is the rub. What is a good budget? The test of a good budget? The test of a good and rational budget depends upon certain factors? What are those factors?

The first one is the capacity to straighten out our finances. That means we have to discipline our fiscal policy. But then there is no attempt to discipline our fiscal policy and there is no attempt to straighten out finances. The other is to stabilise the prices. Unfortunately, the prices in the country are spiralling up to giddy heights and there is no attempt in the Budget proposals to check this spiralling up of the prices. This is an obnoxious

and ominous fact in our national life and in our national economy. But there has been no attempt to right these wrongs. What the Finance Minister is doing is that he is shifting from point to point without effecting any check on the critical points. That is what he is doing. The third ground on which a Budget can be judged as a rational Budget is its capacity to promote and encourage the capital market. But, unfortunately, there is no attempt in the Budget proposals to promote and encourage the capital market. What is happening to our economy? So far as our economy is concerned, there is less and less production, lessening of production and escalation of deficit financing and inflation to the detriment of the economy.

Now, may I point out that our Finance Minister has said times without number that he would never resort to deficit financing? But this deficit financing that he has resorted to in the Budget proposals to the extent of Rs. 290 crores, as adumbrated in the Budget proposals, is colossal in dimension. There can be no doubt about it. It is really unfortunate that the overall deficit, as adumbrated in our Budget, from year to year, is escalating from year to year. In 1961-62, the overall deficit was Rs. 114.51 crores and now it has become Rs. 290 crores. I must say that there is a stupendous progress in deficit in this country. There is no doubt about it.

The Finance Minister, in the same breath, says that the States must balance their Budgets. That is what he has said. But he has not taken any steps to see that the States balance their Budgets. There should be cooperation between the State Governments and the Central Government so far as the formulation of the economic policies are concerned. But that is not there. There is an old saying that example is better than precept. Shri Morarji Desai has given a precept but he has not tried to give an example so that the example might be emulated by the States. It is not easier for a deficit Budget to enthrone or to improve the capital market. There is no doubt about it. But in this context of the deficit Budget, I may point out that the deficit Budget will give rise to inflationary pressures and inflationary pressures will give rise to a further rise

in prices and a further rise in prices will lead to little revolutions. All over the country, today, there are divisive forces raising their heads. It is because of economic imbalance in their regions. It is because of economic imbalance that the Shiv Sena has become a force in Bombay and it is due to economic imbalance that the Lachit Sena, although it is an underground organisation, is producing an impact on the psychology of the people living in that State. These little popular revolutions that are enacted in different parts of the country might be spodic and isolated because of inflationary pressures and because of the rise in prices and also because of the ailing conditions of our economy. These little popular revolutions that might be sporadic and isolated might combine themselves into a mighty revolution any force, comprehensive and consolidated revolutionary force. But the Budget proposals have not taken note of that. Whether we like it or not, a starving people does not know any logic.

What about unemployment? The backlog of unemployment in this country is increasing from year to year. It has now assumed a magnitude, this unemployment problem has accumulated a magnitude, which cannot be wished away by platitudes. This fact of growing unemployment, I am sure, is going to contribute to the rise of the divisive forces that are already rampant in this country. Could these divisive forces be checked by slogans from the citadel of Delhi? They cannot be checked. I am sorry to say that the Finance Minister has not taken up the point of unemployment. The backlog of unemployment, which is increasing from year to year, has not been taken into account. Now what he is serious about is the employment of Congressmen who have been discarded by the Indian electorate. All these Congressmen like Shri K. D. Malaviya, Shri Subramaniam, Shri Raghunath Singh, Shri Rameshwar Tantia, Shri Thomas, Shri Raj Bahadur, etc., who were discarded by the Indian electorate, are gainfully rehabilitated in office. Rehabilitation of the Congressmen discarded by the Indian electorate does not mean or does not indicate any attempt towards the solution of the unemployment problem which is getting more and more intensified in this

[Shri Hem Barua]

country. The trouble is this. The psychology from which this Government suffers is that once the Congressmen get defeated in the elections, they become experts, experts for something else. That is what is happening. Mr. Raj Bahadur is rehabilitated in Katmandu, Mr. Tantia is rehabilitated, Mr. Raghunath Singh is rehabilitated, Mr. Subramaniam is rehabilitated, Mr. Thomas is rehabilitated, Mr. K. D. Malaviya is rehabilitated. All these people who were discarded by the Indian electorate have now become experts. That is not the way to solve the problem of unemployment. This morning, the papers have reported that there are as many as 40,000..... (Interruptions).

SHRI D. C. SHARMA (Gurdaspur) : This shows that they are benevolent.

SHRI HEM BARUA : If appointing discarded Congressmen to gainful occupations is benevolence, I am sorry I cannot agree with Professor Sharma, although he is very learned.

Now what is happening about agriculture? About agriculture, different departments of the Government have given different estimates; the Food Department gives one estimate, the Agriculture Department gives another estimate and the Planning Commission gives yet another estimate. That is the trouble. Yet, on these estimates, which are given differently by the different departments of the same Government, Mr. Morarji Desai seems to capitalise—capitalise to do what, because we are going to have a bumper crop and one speaks with optimism—capitalise on this bumper crop to wipe out the deficit of Rs. 290 crores. The President in his Address to Parliament has said that we are going to have a bumper crop of 95 million tonnes. All right; let us take that as the right estimate and that is good news. Yet, one feels like asking as to what percentage of this bumper crop is due to the efforts made by the Government and what percentage of it is due to the bounty of nature. Somehow or other, India has a monsoonic agriculture. If the monsoons smile on us, we get good agriculture and if the monsoons do not smile on us, then we get bad agriculture, and

Mr. Morarji Desai seems to depend on these smiles of nature. But I must tell him that the smiles of nature are as evanescent and at the same time as illusory as the smiles of a wily woman. The smiles of nature are as evanescent and as illusory as the smiles of a wily woman, and I do not want Mr. Morarji Desai, who is a strong man and who is a moralist, to be spoiled by the smiles of nature..

MR. DEPUTY-SPEAKER : The hon. Member may continue after Lunch.

The House stands adjourned for Lunch till 2.00 P.M.

13 Hrs.

*The Lok Sabha adjourned for Lunch till Fourteen of the Clock.*

*The Lok Sabha reassembled after Lunch at Four Minutes Past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

#### GENERAL BUDGET—GENERAL DISCUSSION—contd.

MR. DEPUTY-SPEAKER : Shri Hem Barua may resume his speech.

SHRI HEM BARUA : I was speaking on agriculture and the wily smiles of a woman because I am afraid that Shri Morarji Desai who is a moralist might be entrapped by the wily smiles of nature which are like the wily smiles of a wily woman. Whatever that might be, agriculture is the largest private sector in our country. But somehow or other, agriculture is being neglected in this country. It has suffered cold neglect by Government. At the same time, our agriculture is in doldrums because of the fact of cold neglect and at same time, the mismanagement and misdeeds of this Government for the last twenty years.

Now, the problems of agriculture cannot be solved simply by depending on the smiles of nature. Government must take positive steps to improve our agriculture, because we must not forget that agriculture constitutes even now 70-75 per cent of our foreign exchange earnings and agricultural production accounts for 50 per cent of our national income. In order to

promote our export trade, both agriculture and industry are to be reared up, particularly agriculture deserves to be more carefully reared up as it contributes, as I said, 70-75 per cent of our foreign exchange earnings.

I am unhappy to see that the Finance Minister has imposed taxes on manufactured goods. Our manufactured jute goods are already facing a keen competition from neighbouring countries, particularly Pakistan. Now by imposing a tax on manufactured jute goods, how does he hope to improve or promote our export trade? That passes my comprehension. In the budget proposals, there is no indication to see that our export trade increases.

There is also the decision to create a buffer stock of foodgrains, particularly by imports under PL 480. When the President addressed the joint session of Parliament last year, he said that by 1971 this country shall become self-sufficient in food, but in the last Address of the President last month, there is no mention of that. Even in the budget proposals or in the budget speech of the Finance Minister, there is no mention of that. I would say the sooner PL 480 imports are discontinued the better for our country, its economy and political stability also.

The Finance Minister has said that the defence budget has gone up because of two things. One is the cost of the establishment; the other is the programme this country has undertaken to build border roads. May I draw the attention of the Finance Minister to the report of the PAC which pinpoints certain cases of corruption in the defence department itself? Who does not know about the recent motor tyre purchase scandal? It came up on the floor of the house also. While our brave jawans are facing the rigours of nature on the frontier in order to defend the dignity of our national flag, the dignity of this country and its integrity, there are certain persons in the defence department who enjoy a comfortable life in cloistered seclusion. They are the arm-chair people who are indulging in corruption. When I think this corruption, it pains me. Corruption has become a patent factor in our national life. It must be rooted out

entirely. I am a staunch believer in the need for a certain amount of ethics in our life. But ethics is a thing that is missing. The Finance Minister who believes in ethical attitudes and all that, should undertake some measures to see that corruption is rooted out lock, stock and barrel from this country. But that is not done.

As regards the border roads, may I say this? We have our enemies on the border. In spite of the fact that the Peking Radio and Radio Pakistan are criticising us for increasing our defence budget, I would say that roads must be built. But there is one thing. The roads must not exist on maps only as they did during the Chinese aggression of 1962; they must exist in *terra firma*. The Finance Minister should see to this.

Coming to imposition of taxes, it has been done in a random way. There are some people who say that this is not a socialist budget. It might not be. In that case, Shri Asoka Mehta, who went to the Congress with some socialist goals, to try to build a society on socialist lines, must withdraw from the Congress now; resign from the Congress.

AN HON. MEMBER: Do you want him back?

SHRI HEM BARUA: He is not going to come back, because you have given him a ministerial berth, and once a man gets a ministerial berth, because of natural weakness of man, it is difficult.

Instead of imposing taxes at random which saps the vitality of the common man, as the postal rates increases are sapping the vitality of the common man, I would say that the Government must tighten up its tax collection machinery, but there is no attempt to do it, although there has been a demand made on the floor of the House. Only yesterday the Minister of State for Finance disclosed in this House that tax arrears are to the tune of Rs. 541.71 crores. This is stupendous amount, and 15 big business concerns and big individuals are involved in this amount of tax arrears. This is a serious matter to be taken note of.

[Shri Hem Barua]

This tax evasion has somehow or other become an occupational disease with India, with Indian big business, and it has taken the form of an epidemic. It has even produced an impact on foreign companies operating their business in this country. For instance, Burmah-Shell Refineries Limited owes an income-tax of Rs. 285.49 lakhs to this Government. That shows that tax collection machinery has not been tightened up.

SHRI S. K. TAPURIAH (Pali) : 80% is in dispute.

SHRI HEM BARUA : What about the 20% that is not in dispute ? Why has this Government failed there ?

SHRI N. K. P. SALVE (Betul) : I would like to point out that the department has conceded that Rs. 135 crores are not effective arrears. So, the effective arrears are only Rs. 365 crores.

SHRI HEM BARUA : Let us believe what he says. If more than Rs. 300 crores are in arrears, even then I would say that the tax collection machinery has failed to mop up those arrears.

Prof. Kaldor estimated tax arrears to the tune of Rs. 200 crores per year, but unfortunately that amount has escalated now, and it is Rs. 541.71 crores. We have to take note of that even cinema stars like Raj Kapoor are in arrears. Why is it that the Government cannot mop up these arrears, in stead of imposing fresh taxes ?

Taxes on postal rates, particularly on packets of books, is going to effect the book trade. Mostly book shops are situated in the town arrears, and the rural people when they want to buy books have to get them through the postal service. When the rates are increased like this on postal packets, this is naturally going to affect the book-reading habit of our rural population. That has to be noted.

There should be economy, but there is no sign of it in the speech made by the Finance Minister. There should be a drastic check on governmental spending, but what is happening ? I do not know what the Administrative Reforms Commission is going to recommend, but the fact remains that there is a proliferation of the

administrative machinery. Administrative expenditure escalating from year to year. In 1964-65 the over-all expenditure on civil administration was Rs. 107 crores. Now it is Rs. 186 crores. This is the state of affairs. I would say that unchecked governmental spending leads to inflation. Inflation leads to many evils which I have already said.

The Finance Minister has taxed foreign liquor. He should know that prohibition is often described as a monstrous fraud perpetrated on the Indian people and by this policy the Indian exchequer is losing Rs. 300 crores per year. If you scrap prohibition, the national exchequer gains. He has increased the tax on foreign liquor. That is not the way to give a fillip to prohibition. He is a prohibitionist, who does not drink except tomato juice, probably.

SHRI PILOO MODY (Godhra) : Even that is too strong for him; only goat's milk. (*Interruptions*).

SHRI HEM BARUA : Unfortunately, he is trying to model all Indians after his pattern. That reminds me of the Red Rose of Oscar Wilde. I would like to quote that.

MR. DEPUTY-SPEAKER : Quote and conclude.

SHRI HEM BARUA : The Prime Minister quoted Oscar Wilde the other day. It is one thing for a woman to quote Oscar Wilde and it is another thing for a man to do so.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : Have I ever asked the hon. member to give up his betel leaves ?

SHRI HEM BARUA : As I said, he is trying to model all Indians after his pattern.

SHRI MORARJI DESAI : On the Constitution, not on me.

SHRI HEM BARUA : Oscar Wilde wrote :—

“The Red Rose is horribly selfish if it wants the other flowers in the garden to be both red and rose.”

I think Mr. Morarji Desai is horribly selfish. This tax imposed on foreign liquor, I am afraid, will lead to smuggling and other disastrous effects so far as the health of the people is concerned. You must not forget that most of the State Governments are liberalising the policy of prohibition. When the States are doing so, to think that he would be able to give a fillip to prohibition by imposing this tax is a mid-summer night's dream. He cannot do it. This is bound to fail.

MR. DEPUTY-SPEAKER : He should conclude now and leave some time for the second speaker from his party.

SHRI HEM BARUA : All right, Sir; thank you.

MR. DEPUTY-SPEAKER : Shri Suryanarayana.

श्री शिव नारायण (बस्ती) : उपाध्यक्ष महोदय, मुझे बड़ी प्रसन्नता है कि आपने हमारे गुरु के बाद मुझे बुलावा दिया। ऐसे लरनेड प्रोफेसर के बाद आपने मुझे अवसर दिया, उसके लिए मैं आपको धन्यवाद देना चाहता हूँ।

MR. DEPUTY-SPEAKER : I have called Mr. Suryanarayana, not Mr. Sheo Narain.

SHRI K. SURYANARAYANA (Eluru) : Sir, while supporting the demands contained in this budget, I would request the Government of India to consider allotting more funds especially for the development of agriculture in general and particularly in Andhra Pradesh, which is dominated by the agriculturists. The Andhra Government has sent several proposals for the development of agricultural industry, but whenever our ministers, including the Chief Minister have approached the Government of India, they have been told that they should keep within their plan limits. It is a reasonable reply, of course. But they also know that the resources of Andhra Pradesh are very limited. They have sunk all their resources in Nagarjunasagar. It is well known to all the people in India that Andhra Pradesh is already surplus in foodgrains.

Therefore, if they invest any more in agricultural development it is not only for Andhra Pradesh, and it is not for South India, but in the interest of the whole of India. This year, it seems, the Government of Andhra Pradesh has already given six lakh tons of foodgrains to the Food Corporation of India which has been distributed among the deficit States.

Sir, recently, several times our Ministers from Andhra Pradesh approached our Finance Minister and also the Prime Minister for financial assistance to execute important projects, but returned with empty hands. If the policy of the Government of India continues like this all the agricultural development in Andhra Pradesh will collapse. They are spending on so many projects like Tungabhadra, Pochampad and also Nagarjunasagar from within their own limits. They have so far spent nearly Rs. 130 lakh on Nagarjunasagar alone. When they are approaching the Centre for funds to complete the Nagarjunasagar project according to the plan they are not being provided with proper funds.

There is also one other thing, in this connection, which I want to bring to the notice of the House. If my hon. friends from other States do not misunderstand me. I want to refer to the inter-State disputes regarding distribution of river waters. It is a technical matter. So many awards have been passed. In spite of all these controversies the Government of India is keeping quiet. Our State Ministers now and then come here and have joint meetings with the Cabinet or the Congress Working Committee. But even then, things are left to the technical people and the concerned State Governments, which results in the Andhra Assembly members abusing the Mysore Government, the Mysore Assembly accusing the Maharashtra Government, the Maharashtra Assembly accusing the Andhra Government and so on. It is no good leaving such matters, with which the Government of India is associated, to the concerned people to settle themselves. These matters should be settled at a round table sitting here. This is not the way to settle matters especially at this critical juncture, when we want to develop our agriculture industry and do our

[Shri K. Suryanarayana]

best to stop imports from foreign countries. This year even though we have got a bumper crop in the Kharif season, we are told that we should import 300 or 400 million tons of rice. For that we have to spend foreign exchange to the tune of Rs. 1000 crores or something like that. Every year we are going on increasing our imports even though when we get a good crop in some years. There is no limit to these imports. There must be some stop put on this. As the hon. Member, Shri Hem Barua, pointed out, fortunately, the Government have not promised anything this year in the Budget Speech or in the President's Address, that they will stop import of foodgrains. In our election speeches we all have promised so many things to the people, that we would settle everything including food deficits if we were elected. But they are leaving all matters of finance and inter-State disputes to the States to settle among themselves with the results they are fighting against each other in the States. Our people say that we have got a very strong Finance Minister in the Centre, but in settling these matters I find that he is not strong enough. He is not taking any interest to settle the problems of irrigation or power projects. From 1964 onwards the Andhra Pradesh Government have proposed many schemes of minor irrigation for inclusion in the Fourth Plan. According to a team of experts of the Government of India, the execution of the result schemes of minor irrigation and tubewells requires only Rs. 12.50 crores. Though many schemes are there, I do not want to mention all of them. I will mention only important ones. Recently, Sir, the hon. Minister for Irrigation and Power, Dr. K. L. Rao, visited Andhra—a site in my constituency, Thammileru area and made some proposals. I come from West Godavari, which is the biggest surplus district in the whole of India. Yet, only one-fourth of that district is irrigated by guaranteed canal water. The rest of the district is irrigated by wells, tanks and rain water. There is no power supply except at a few places. Yet, in spite of all these difficulties, out of the total export of Andhra of 6 lakhs tons, West Godavari's contribution is 1 lakh tons to the Food Corporation.

The price of land in the areas cultivated by canal water is Rs. 5,000 to 10,000. But, in the adjoining fields where there is no supply of canal water, even though they get water from other sources like wells and tanks, the price of land is only Rs. 500. The disparity is so much. Even though the Andhra Pradesh Government have been requesting the Central Government to give special and sympathetic consideration to the proposals, at least for food production, made by them for inclusion in the Fourth Plan, it is a matter of regret that the Plan outlay of Andhra State is coming down from year to year for the last three years. In 1965-66 the outlay was Rs. 105 crores, in 1966-67 Rs. 95 crores and in the current year it will be only Rs. 71 crores. Similarly, the Central assistance to Andhra has also come down. In 1965-66 it was Rs. 65 crores; in 1966-67 it was Rs. 61.25 crores and in the current year it is only Rs. 57.50 crores. When this is the attitude of the Centre, how can they expect increased agricultural production from Andhra Pradesh.

The agriculturists of Andhra Pradesh are going to other States for cultivation. Some of them have gone to Tamilnad and settled there long ago. Some people have gone to Mysore and purchased lands there. The people could develop agriculture only when they get facilities in the matter of finance for the prospects but unfortunately, the attitude of the Centre has been far from helpful. The Centre expects Andhra to produce more food and export to other States but, at the same time, it is not prepared to give any financial assistance for increasing agricultural production.

Take the case of power drills. The Bihar Government have so many power drills which are lying idle. The Andhra Pradesh Government approached the Central Government saying that they are very keen to have them and that they are even prepared to purchase them. Yet, nothing has been done in the matter.

Even though Andhra Pradesh is exporting several lakhs tons of food, just like Rajasthan, Andhra has also some drought affected areas. Anantapur, the native district of our hon. Speaker, is the worst drought-affected district in the whole of Andhra. There is no arrangement for water supply in this district even for drink-

ing purposes. There are many other areas like that. In fact, two-thirds of Andhra is deficit in food production. Yet, Andhra Pradesh is supplying foodgrains to other States without hesitation.

Recently, the Ministry of Information and Broadcasting of the Government of India has circulated to all the Members "India Perspective in two Decades". While agreeing with all the achievements in the last 20 years, I say, our set-backs are also several. In India, every year, along with our achievements, our problems are also increasing like anything. These problems should be settled and solved by mutual agreements. Everywhere, every party says so many things. For political purposes, they are trying to misuse and mislead the people. Particularly, in Andhra Pradesh, the people, after coming to know of all these political slogans, are not in any way to be satisfied with only slogans or promises. They want some practical assistance from the Government of India. Our people in Andhra are kind enough to send us with Congress majority in Parliament in last elections. Though we have lost some seats for Andhra Legislative Assembly, they have given 90 per cent of their votes in favour of the Congress for Parliament. But, Sir, if we will go there now, they will question us, "At the time of your elections you promised so many things. But even a single major project is not coming to Andhra Pradesh. In what way are you coming to us?" They are asking these questions. So, I would humbly request the Government of Andhra Pradesh and the Government of India... (Interruption).

AN HON. MEMBER : Let them realise their folly in electing you.

SHRI K. SURYANARAYANA : We and you also are saying so many things to the people. Everybody knows what we are promising in the elections. We say, by our policies; the country will be benefited, my constituency will be benefited. We say all that. Why do you hide all these things? We also say, our policy is better, our programme is better and our leaders are more competent than leaders of any other party. We are saying like that. The other parties are also doing the

same thing. There is no necessity to repeat and reply to all these things.

Mr. Deputy-Speaker, Sir, further I want to submit to the Finance Minister that regarding flood control schemes also, they have asked the Andhra Pradesh Government to proceed only with their resources even though they are recommended by the Government of India experts. There is no justification....

AN HON. MEMBER : Andhra Pradesh is also a part of India.

SHRI K. SURYANARAYANA : I am quite agreeing with that my hon. friend, Sir, what I am proposing is not only for Andhra Pradesh. I am again repeating that it is not for Andhra Pradesh alone. Whatever we produce, whatever we propose, is only in the interest of the nation, but not for Andhra Pradesh. We, the Members, are not benefited here personally, except getting only Rs. 31 per day... (Interruption)... unless we do something for the people. First see to your constituency, then your State, then your country and then your international affairs. What is the use of my saying about international things, leaving out my constituency, my State and my country? I am not an internationalist. You may call it a narrow outlook. But I say, my first duty is to my constituency, then to my State, then to my country and then to international things. This is my outlook.

About the flood control schemes also, there are several proposals which have been proposed by the experts which were appointed by the Government of India. That is also only a little amount of Rs. 10.65 crores that is required to execute the important schemes such as Thammi-leru, Yerrakalava, Anumallanka, Kalleru lake etc. The Government of India always says that there is no finance. If our State Ministers approach the Prime Minister, she says, "Please meet the Finance Minister", but the Finance Minister says, "Where is the money? Within your own limits, you have to execute; our hands have already been washed away by so man projects". In other States it is not like that. There are several Central projects in other States, operated with the Government of India funds. In Andhra

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Pradesh, not even 2 or 3 per cent, they have established with the Central money. Such feelings are there. If the Centre considers all these things and provides funds to implement the flood control projects, minor and major irrigation projects and ground water projects in Andhra Pradesh, then we will give you several lakh tonnes of rice. They have only to wait for two years and we could give 20 lakh tonnes of rice from Andhra Pradesh to the other States. So, it is time that the Government of India considered these important proposals and came to the rescue of Andhra Pradesh, in the national interest.

श्री रवि राय (पुरी) : उपाध्यक्ष महोदय, आज जिस साधारण बजट पर हम बहस कर रहे हैं, आपको मालूम है, जिस दिन श्री मोरारजी देसाई ने उसको संसद् के सामने रक्खा था, उस दिन उनकी जन्म तिथि थी। सारे देश के करोड़ों लोगों ने शायद यह आशा की होगी कि करोड़ों लोगों की आशा और आकांक्षा का प्रतिबिम्ब उस बजट में होगा। लेकिन आप जानते हैं कि करोड़ों जनता की आशा और आकांक्षा की पूर्ति करना तो दूर रहा, श्री मोरारजी देसाई के बजट के कारण करोड़ों लोगों का दुःख और तकलीफ ज्यादा बढ़ गई।

आज मैं आपके सामने एक चीज रखना चाहता हूँ कि इस बजट के सिलसिले में पूंजी-पतियों, बड़े लोगों, करोड़पतियों और उनके अखबारों की क्या प्रतिक्रिया है और इस बजट को वह कैसे देख रहे हैं। मैं आपके सामने बीक-एण्ड रिब्यू में क्या लिखा है वह रखना चाहता हूँ। बिड़ला साहब के अखबार 'हिन्दुस्तान टाइम्स' के जो एडिटर हैं वही इसको भी चलाते हैं। उस अखबार में इस बजट का किस ढंग से स्वागत किया गया है वह मैं आप के सामने रखना चाहता हूँ। मैं कोट करता हूँ :

"Mr. Desai's budget has done much to restore his reputation, amongst businessmen and economists. It was not an accountant's budget after all. But the Finance Minister's arithmeti-

cal exercise is deceptively clever. With inflexible revenues and more or less inflexible expenditure commitments resulting in an anticipated gap in the Centre's budget of Rs. 315 crores, Mr. Desai chose to leave most of this deficit uncovered, contenting himself with fresh taxation to the tune of Rs. 66 crores.

"A part from the apparent difficulty in finding new areas of taxation, any attempt to bridge the gap through resources mobilization to the tune of some Rs. 300 crores would have been politically out of the question. And if recessionary trends were not to be accentuated cuts in plan expenditure were ruled out. By leaving the gap uncovered, Mr. Desai could take credit for 'assisting the revival of the economy' in order to 'achieve a more satisfactory budgetary balance before long'."

इस बजट में तथा पिछले पंद्रह बीस साल से, आजादी के बाद से जितने भी बजट पेश होते रहे हैं उनमें कोई भी सिद्धान्तों के आधार पर अर्थ नीति हमारे सामने नहीं रखी गई है। किसी भी अर्थ मंत्री ने सिद्धांत को ले कर और उसको आधार बना कर कोई भी बजट हमारे सामने नहीं रखा है। जब भी बजट पेश करने का वक्त आता है तो जो अर्थ मंत्री होता है वह रेवेन्यू और खर्च का हिसाब किताब करके हमारे सामने रख देता है लेकिन लोगों की आशा आकांक्षायें क्या हैं, लोगों की दुख तकलीफें क्या हैं उन पर ध्यान ही नहीं देता है, उनको दूर करने का कोई प्रयत्न ही नहीं करता है। यह जो चीज है यह इस बजट में भी साफ दिखलाई पड़ती है।

मैं आपको याद दिलाना चाहता हूँ कि 1946 में इंग्लैंड में लेबर पार्टी की सरकार थी। उस वक्त आप जानते ही हैं कि सर स्टेफर्ड क्रिप्स वहां अर्थ मंत्री थे, चांसलर आफ दी एक्सचेंजर थे। उनके समय में ब्रिटेन ने रुपए का अवमूल्यन किया था। द्वितीय महायुद्ध में ब्रिटेन की आर्थिक अवस्था जर्जर हो गई थी, ध्वस्त हो गई थी।

उसको सम्भालने का प्रयत्न उन्होंने इस अवमूल्यन का सहारा लेकर किया था । उस समय जो उन्होंने अर्थ नीति चलाई वह हमारे सामने एक मिसाल है, और एक अनुकरणीय दृष्टांत है । अपनी ध्वस्त अर्थ नीति को फिर से अपने पांवों पर खड़ा करने का संकल्प उन्होंने किया था और उसमें वे सफल भी हुए थे । वहां पर आर्थिक क्षेत्र में जो क्षति पहुंची थी उसको उन्होंने दूर करने का प्रयत्न किया और अपने निर्यात को बढ़ाने का प्रयत्न किया । इन दोनों क्षेत्रों में उन्होंने सफलता प्राप्त की । उन्होंने आर्थिक प्रगति की दर को आगे बढ़ाने में सफलता प्राप्त की । यह सब कुछ वहां पर अवमूल्यन के बाद हुआ ।

लेकिन आप देखें कि इस बजट में क्या किया गया है । बड़े लोग जो हैं उनके ऊपर टैक्सों को घटाया गया है और गरीब जो लोग हैं जोकि करोड़ों की तादाद में उनके ऊपर टैक्सों को बिठाया गया है । आप देख लें कि पच्चीस करोड़ रुपया पोस्टलरेट्स की दरों को बढ़ा कर अतिरिक्त प्राप्त किया जा रहा है । इसी तरह से दूसरी चीजों पर टैक्स लगा कर 66 करोड़ रुपया बसूल किया जा रहा है । गरीब लोगों से ही यह रुपया बसूल किया जा रहा है, उन्हीं पर ये टैक्स लगाये जा रहे हैं । जो करोड़ों की तादाद में असहाय लोग हैं, जो दरिद्र लोग हैं, उन पर ही यह टैक्स बिठाये जा रहे हैं ।

चाहे खेती का सवाल हो, चाहे कारखानों का हो, चाहे शिक्षा का हो, चाहे देश की रक्षा का हो, चाहे विदेश नीति का हो, इस तरह का कोई भी बुनियादी सवाल हो उसके बारे में कोई भी ठोस नीति, कोई भी निर्दिष्ट नीति इस बजट भाषण में वित्त मंत्री जी ने नहीं रखी है, कोई भी उस प्रकार की नीति का संकेत उनकी ओर से नहीं दिया गया है । मेरा आरोप यह है कि पिछले बीस साल से सिद्धान्त-विहीन, दिशाहीन रूप से

सारे बजटों का सिलसिला चलता आ रहा है । सारा कामकाज चलता आ रहा है । मैं चाहता हूँ कि कोई ठोस नीति, सिद्धान्त के आधार पर अपनाई गई नीति आपको निर्धारित करनी चाहिए और उस पर अमल करना चाहिए । आपका कोई सिद्धान्त नहीं है, आपकी कोई नीति नहीं है । पिछले बीस सालों से सरकार बिना नीति निर्धारण के काम काज करती आ रही है, क्या अर्थ नीति उसको अपनानी चाहिए, इसको वह तय ही नहीं कर पाई है । हमारी आर्थिक व्यवस्था किस तरह से सुधरेगी इसको वह तय ही नहीं कर पाई है ।

काफी पहले सरकार कहा करती थी कि हमारा लक्ष्य कोओप्रेटिव कामनवैलथ का है । उसके बाद उसने कहा कि हम सोशलिस्टिक पैटर्न लाना चाहते हैं । अभी क्या कहा जाता है, इसको मैं नहीं जानता हूँ । मेरा कहने का अभिप्राय यह है कि यह सरकार चूँकि बिना सिद्धान्तों के आधार पर कामकाज चला रही है इसलिए सरकार किसी सीधे रास्ते पर न चल कर पगडंडियों में चली गई है ।

आप योजनायें जो चल रही थीं उनको ही देख लें । आज ही आप देख लें । कोई योजना है ही नहीं । योजना को छुट्टी दे दी गई है । अगर हम पिछले बीस साल तक जो योजनायें चलती रही हैं उनको देखेंगे तो हमारे सामने एक चीज आएगी कि योजना के दौरान में खपत की जो इमारत थी वह तो रूस की या अमरीका की थी और जो पैदावार की जमीन थी वह हिन्दुस्तान की थी । मूट्ठी भर लोग जिनकी तादाद करीब एक करोड़ होगी और जिनकी आय और जिनका खर्चा एक हज़ार रुपया माहवार से ऊपर है, उन्हीं के लिए सब कुछ किया जा रहा है । सरकार सारी जो चीज योजना में करती है वह इन्हीं लोगों के लिए करती है । जो सरकारी अफसर हैं वे भी बड़े-बड़े लोग हैं, वे भी उनके सबार्थ के लिए

### [श्री रवि राव]

लग जाते हैं। इसका कारण यह है उनके स्वार्थ के साथ इनके स्वार्थ भी जुड़े हुए हैं। इस कारण से करोड़ों लोगों की क्या जरूरतें हैं, उनकी क्या आवश्यकतायें हैं, उनकी क्या मांगें हैं, उनकी क्या आशायें और आकांक्षायें हैं, उनकी तरफ कोई ध्यान नहीं दिया जाता है। इन लोगों के स्वार्थों की पूर्ति ही इन योजनाओं से हुई है।

आप खेती को ही देख लें। हम लोगों की तरफ से पिछले कई सालों से इस बात की मांग की जाती रही है कि खेती के विकास के लिए कोई ठोस योजना बनाई जाए लेकिन वह बनाई नहीं गई है। हिन्दुस्तान की खेती के बारे में जो लोग जानकारी रखते हैं उनके सामने एक चीज आ जाती है कि हम लोग अमरीका और दूसरे देशों के ऊपर ही पिछले कई वर्षों से अनाज की अपनी आवश्यकताओं की पूर्ति के लिए निर्भर करते आ रहे हैं। हमारे यहां के जो छोटे किसान हैं, जो भूमिहीन लोग हैं और जो खेती करते हैं उनको कोई सुविधायें उपलब्ध नहीं की जा रही हैं। मोरारजी भाई तो खेती नहीं करते हैं और नहीं हम लोग करते हैं। लेकिन जो लोग खेती करते हैं, जो किसान हैं उनको कैसे फायदा होगा, उनको कैसे प्रोत्साहन मिलेगा कि वे अपनी पैदावार को बढ़ायें, वे कैसे उत्पादित अनुभव करेंगे इसकी कोई योजना सरकार की तरफ से नहीं लाई गई है। इस बजट में भी खास कर इसके बारे में कुछ व्यवस्था नहीं की गई है। जो आर्थिक समीक्षा वित्त मंत्री जी ने प्रस्तुत की है उसमें इसी का सहारा लिया गया है कि इस साल अच्छी फसल हुई है, बम्पर क्राप हुई है। आप जानते ही हैं कि कांग्रेस दल का प्रचार कांडम विचित्र होता है। जिस साल फसल अच्छी हो जाती है, फसल आशा के अनुसार हो जाती है तो कहा जाता है कि हमारे चलते यह फसल अच्छी हो गई है लेकिन जिस साल अकाल पड़ता

है, बारिश नहीं होती है तो कहा जाता है कि देखो यह तो इंद्र देवता की वजह से हुआ है। लेकिन सबाल यह है कि करोड़ों किसानों को प्रोत्साहित करने के लिए, उनको उत्पादित करने के लिए, उनका जो अहम सवाल है, उनकी जो एक बुनियादी समस्या है उसको आपने क्या हल किया है? जैसे मनुष्य पीने के लिए पानी नहीं पाएगा तो उसकी जिन्दगी चल नहीं सकती है, उसी तरह से अगर किसान की जमीन के लिए पानी नहीं होगा तो उपज अच्छी हो नहीं सकती है। मुझसे पहले एक कांग्रेस के नेता बोले हैं। उन्होंने देश की एक बुनियादी, बीमारी का जिक्र किया है। उन्होंने कहा है कि हर आदमी खुद संकुचित स्वार्थ के बारे में सोचता है, राष्ट्रीय हित के बारे में नहीं सोचता है। उन कांग्रेसी सदस्य ने कहा कि पहले तो हमारा क्षेत्र, उसके बाद देश और राष्ट्र। मैं आपको गांधी जी की याद दिलाना चाहता हूँ। वह कहा करते थे कि गांव के स्वार्थ के लिए तुम अपनी बलि दो, त्याग करो, और राष्ट्र के स्वार्थ के लिए गांव और शहर की बलि दो और दुनिया के स्वार्थ के लिए राष्ट्र की बलि दो। आज कांग्रेस की नीति उलटी हो गई है। मैं यह इस लिए कह रहा हूँ कि आज आम लोगों की कोई चिन्ता नहीं की जाती है और बड़े-बड़े लोगों की ही चिन्ता की जाती है। आम किसान की आवश्यकताओं की पूर्ति की ओर कोई ध्यान नहीं दिया जाता है। आज करोड़-करीब 26 करोड़ एकड़ भूमि को पानी नहीं मिलता है। वह भूमि इंद्र देवता की कृपा पर आश्रित रहती है। केवल चार पांच करोड़ एकड़ को ही पानी देने की व्यवस्था आपने पिछले पंद्रह सालों में की है।

आपने बड़ी-बड़ी योजनायें बनाई हैं। लेकिन मैं आपको याद दिलाना चाहता हूँ कि पंद्रह साल पहले इजराइल के सिंचाई के विशेषज्ञों को जोकि नियम में माने हुए

विशेषज्ञ हैं उनको पंडित नेहरू ने कहा था कि हिन्दुस्तान की सिंचाई के लिए आप, एक योजना बना कर दो। पंडित नेहरू की बात के उत्तर में उन्होंने कहा था कि हम हिन्दुस्तान नहीं आ पायेंगे, हमें आप कागज़ पत्र भेज दो और हमारा जो विचार है उसको हम आपके पास भेज देंगे। उनका विचार यह था कि भारत में बड़ी बड़ी योजनाओं पर, बड़े-बड़े डैम्ज़ पर इतना ज्यादा खर्च करने के बजाये छोटी-छोटी सिंचाई योजनाओं को प्राथमिकता दी जाए, उन पर रुपया खर्च किया जाए। अगर ऐसा किया जाएगा तो लाखों करोड़ों एकड़ भूमि को पानी दिया जा सकेगा। हमने बार-बार मांग की है कि जो उन विशेषज्ञों के विचार थे उनको सभा पटल पर रखा जाए लेकिन सरकार ने उनको आज तक नहीं रखा है। उनका क्या विचार था हम लोगों को मालूम ही नहीं है। जो बात मैंने अभी उनकी आपकी बनाई है वह मुनी मुनाई बात है।

मैं कह रहा था कि 25-26 करोड़ एकड़ खेती लायक भूमि है जिस पर आज खेती हो रही है लेकिन उस पर पानी नहीं दिया जा रहा है। आज हिन्दुस्तान की खेती की पैदावार बढ़ाने के लिए अगर बाकी सब कामों को छोड़ कर वित्त मंत्री जी इस एक काम पर नज़र डालेंगे तो हिन्दुस्तान के करोड़ों किसानों की भूमि को पानी मिल सकेगा, उसकी सिंचाई हो सकेगी जिससे उन किसानों को भी लाभ होगा और देश को भी लाभ होगा। मैं चाहता हूँ कि सात साला योजना इसके सम्बन्ध में बनाई जाए और यह निर्धारित किया जाए कि एक साल के अन्दर पहली सीढ़ी इतनी हम चढ़ेंगे, दूसरे साल में इतनी और तीसरे साल में इतनी। इस प्रकार से 26-27 करोड़ एकड़ भूमि को पानी देने की कोई योजना सरकार बना रही है, इसका आभास इस बजट में नहीं मिलता है। इसके बारे में

ऐसा लगता है कि सरकार विचार ही नहीं करना चाहती है। सरकार की ओर से यह कहा जाता है कि आगे जो योजना बनेगी, वह कृषि-अभिमुखी होगी, लेकिन जब तक कृषि के सम्बन्ध में कोई नीति तय नहीं की जाती है, तब तक योजना को कृषि-अभिमुखी कहने मात्र से काम नहीं चलेगा। श्री मोरारजी देसाई एक पुराने नेता हैं। मैं आशा करता हूँ कि वह इस बात की तरफ ध्यान देंगे कि कृषि को पुनर्जीवित करने के लिए और खास तौर पर किसान को प्रोत्साहन देने के लिए कोई ठोस योजना बनाई जानी चाहिए।

कल या परसों स्वीडन के विख्यात अर्थ-नीतिज्ञ, श्री मिर्डल, द्वारा लिखित "एशियन ड्रामा" नाम की एक किताब छपी है। हिन्दुस्तान की अर्थ-नीति और योजना पर टिप्पणी करते हुए उन्होंने कहा है :

"In his book, "Asian Drama," devoted to problems of development in South Asian countries. Mr. Myrdal has advocated strong measures to root out corruption but notes the difficulties involved. He states that in western and Scandinavian countries, corruption was rooted out of public life before the State launched on welfare activities.

In the developing countries, he notes, the State has yet to root out corruption while at the same time it has to embark on considerable economic activities.

He deplors lack of adequate, research in all these countries on the extent of corruption as a social problem, but has noted the Santhanam Committee's work in India though he regrets that even that had been silent on the role of western business interests in aiding corruption.

On India, Mr. Myrdal says the social and economic revolution has been postponed and even the political revolution has become less of reality and behind its impressive parliamentary facade "India is still far from being controlled

### [श्री रवि राय]

by majority of its people or even from having its policies devised so as to be in the interests of the masses.'

मिडल साहब की राय है कि देश की अर्थ-व्यवस्था को आगे बढ़ाने के लिए सरकार के द्वारा कोई क्रान्तिकारी कदम नहीं उठाया गया है। अगर हम महालनवीस कमेटी की रपट, मानौपलीज कमीशन की रपट और डा० हजारी की रपट, इन तीन रपटों को एक-साथ, एक समन्वित दृष्टिकोण से देखेंगे, तो पता चलेगा कि पिछले पंद्रह साल में हिन्दुस्तान में योजनाओं के कारण जो आय की वृद्धि हुई है उसको करोड़पति, नौकरशाह और मंत्री लोग आपस में सांठ-गांठ करके खा गए हैं। मैं माफ़ शब्दों में डा० हजारी की तारीफ़ करना चाहता हूँ कि उन्होंने देश और इस सदन का ध्यान इस बात की तरफ़ दिलाया है कि पिछले पंद्रह बीस सालों में हिन्दुस्तान के एक परिवार, बिड़ला परिवार, को कितने लाइसेंस दिये गये हैं। डा० हजारी की रपट आने के बाद भी उस परिवार को नये लाइसेंस दिये जा रहे हैं।

हिन्दुस्तान की अर्थ-व्यवस्था के विस्तार और विकास में सब से बड़ी बाधा करोड़-पतियों, नौकरशाहों और मंत्रियों का गठ-बंधन है। ये तीनों मिल कर इस देश की अर्थ-व्यवस्था को खत्म कर रहे हैं। इस स्थिति को कैसे सुधारा जाये, इस पर इस सदन को विचार करना चाहिए। आप जानते हैं कि पिछले बीस साल से केन्द्र और हर एक राज्य में कांग्रेस की सरकारें रही हैं। हर एक मंत्री के परिवार में यह बात देखी गई है कि उसकी बीवी, लड़के या भतीजे के नाम पर व्यापार चलता है, जिसका परिणाम यह है कि एक हाथ देता है और दूसरा हाथ लेता है। जिस भ्रष्टाचार का जिक्र मिडल साहब ने किया है, उसको रोकने के बारे में इस बजट में कोई जिक्र नहीं किया गया है। उन्होंने कहा है कि सन्तानाम

कमेटी की रपट पर कोई कार्यवाही नहीं की गई है। उपाध्यक्ष महोदय, यह बड़ी बढ़िया किताब है। मिडल साहब ने उस में बताया है कि किस तरह से पाश्चात्य देशों के पूंजी-पति दिल्ली में आकर नौकरशाहों पर प्रभाव डाल कर अपने लिए लाइसेंस आदि जारी करा लेते हैं।

इन सब बातों के कारण हम लोगों की तरफ से बार-बार यह मांग की गई है कि सरकार एक स्थायी आयोग बिठाए, जो इस बात की जांच-पड़ताल करे कि पिछले बीस साल में जो व्यक्ति मुख्य मंत्री पद पर रहे, मंत्री बनने से पहले उन की कितनी सम्पत्ति थी और मंत्री बनने के बाद उन की सम्पत्ति कितनी थी। भविष्य में भी जो व्यक्ति मंत्री पद पर बैठें, जो राष्ट्र के रुपये-पैसे के जिम्मेदार हों, "सीजर्ज वाइफ़ शुड बि एबाब ससपिशन" इस नीति के अनुसार उन लोगों की भी जांच इस स्थायी आयोग द्वारा होनी चाहिये। लेकिन ऐसा नहीं किया जा रहा है। देश में भ्रष्टाचार को रोकने के लिये कोई भी व्यवस्था इस बजट में नहीं है।

उपाध्यक्ष महोदय, आप जानते हैं कि पिछले सात आठ महीनों से राजाओं के प्रिवी पर्स को खत्म करने के लिये क्या क्या बातें इस सदन में कही गई हैं। श्री चह्वाण फरमाते हैं कि हम कर रहे हैं, जबकि और कोई मिनिस्टर कहता है कि हमारी राय नहीं है। इस लिए सदन के सामने अब तक यह बात स्पष्ट नहीं हुई है कि कब और कैसे ये लोग प्रिवी पर्स को खत्म करने जा रहे हैं। राजा लोगों के पास जमीन, जायदाद सब कुछ है, लेकिन फिर भी पब्लिक एक्सचेंजर से प्रिवी पर्स के रूप में उन को हर साल पांच करोड़ रुपया दिया जाता है। इन लोगों के प्रिवी पर्स को पूर्ण रूप से खत्म करने के बारे में भी इस बजट में कुछ नहीं कहा गया है।

हम को लगता है कि पिछले पन्द्रह साल से कांग्रेस की यह आदत रही है कि मुंह से तो

समाजवाद की बात करो और हाथ से पूंजीवाद की नींव मजबूत करो। इसी लिए इस देश में समाजवाद की दिशा में कोई प्रगति नहीं हो पा रही है। आज हमारी राय है कि अगर यह सरकार समाजवाद की आरती उतारती रहेगी और एक ठोस निर्धारित कार्यक्रम के आधार पर समाजवादी क्रांति की तरफ कदम नहीं बढ़ायेगी, तो हिन्दुस्तान का कभी कल्याण नहीं हो सकता है। अगर श्री मोरारजी भाई इस बात को जल्द से जल्द समझ लें, तो राष्ट्र का भला होगा।

इस देश में समता के जरिये से ही सम्पन्नता आ सकती है। प्रश्न यह है कि हिन्दुस्तान जैसे गरीब मुल्क में पूंजी-निर्माण, कैपिटल फार्मेशन, कैसे हो। रिजर्व बैंक ने अभी बैंक-दर को छः प्रतिशत से घटा कर पांच प्रतिशत कर दिया है, ताकि रिसेशन को खत्म करने के सम्बन्ध में करोड़पति लोगों को प्रोत्साहन मिले। कैसे-कैसे नुस्खे मोरारजी भाई बताते हैं! इस बजट में कोई भी कनसेशन, कोई भी रियायत, गरीब किसान, मजदूर और साधारण मध्यम वर्ग को नहीं दी गई है। हमारा कहना है कि हिन्दुस्तान जैसे देश में हमारा सब से बड़ा साधन ध्रुम है और इस लिये उस को इकट्ठा करना चाहिये। कैसे? ऊपर के खर्च को घटा कर।

आज डा० लोहिया हमारे बीच में नहीं हैं। पिछले बजट सेशन में मोरारजी भाई की उपस्थिति में इस सदन में एक बहस के अवसर पर डा० लोहिया ने कहा था कि सरकार कानून बना कर या कोई और उपाय कर के हिन्दुस्तान में हर एक परिवार के खर्च की सीमा बांध दे और वह खर्च 1,500 रुपये से ज्यादा नहीं होना चाहिये। डा० लोहिया ने यह भी कहा कि ऐसा करने से हमारे देश में 1,500 करोड़ रुपये की बचत हो जायेगी। श्री मोरारजी देसाई ने पहले तो यह कहा कि इस से केवल 15 करोड़ रुपया बचेगा और फिर कहा कि 25, 30 करोड़ रुपया बच जायेगा। डा० लोहिया ने कहा था कि अभी तो श्री मोरार-

जी देसाई 25, 30 करोड़ की बात कर रहे हैं, लेकिन आगे जाकर वह उस रकम को फिर बढ़ायेंगे। मैं कहना चाहता हूँ कि हिन्दुस्तान के सामने आज अर्थनीतिक समस्या है कि पूंजी-निर्माण कैसे हो। तो पूंजी-निर्माण तब हो सकता है जब एक क्रांतिकारी रास्ते को अपनाने के लिए हम दिल को मजबूत बनायें, संकल्प करें कि इस तरह की जो भी रिस्क या जोखिम हमें उठानी पड़ेगी उसको उठायेंगे और पन्द्रह सौ रुपये वाले साल का समाधान करेंगे। जब तक यह नहीं होता है तब तक हिन्दुस्तान की आर्थिक प्रगति के लिये और कोई चीज हमारे सामने नहीं है। लेकिन इसको करने के लिये इस सरकार की हिम्मत नहीं है। यह कर नहीं पायेगी। मेरा कहना है कि जब हम चीज को सामने रखेंगे कि 15 सौ रुपये के ऊपर जो लोग खर्चा करते हैं उनका खर्चा घटा कर 15 सौ तक लाया जाय तो इससे जो डेढ़ हजार करोड़ रुपया बचेगा उसको बांटने के लिये हम नहीं कह रहे हैं, उसको खेती और कारखाने को बढ़ाने के लिये लगाओ। यह चीज है। इस से एक तो उत्पादन बढ़ेगा और दूसरे देश की दौलत बढ़ेगी। इस पर हमें ध्यान देना है कि देश में समग्र रूप से सारे देश की दौलत कैसे बढ़े?

15 Hrs.

हिन्दुस्तान में आज छः राज्य ऐसे हैं जहां की प्रतिव्यक्ति औसत आय 200 रुपये है— उत्तर प्रदेश, बिहार, राजस्थान, उड़ीसा, आन्ध्र प्रदेश और मध्य-प्रदेश। यह पिछड़े हुए प्रदेश हैं जिनकी प्रतिव्यक्ति आमदनी दूसरे प्रदेशों की तुलना में जैसे पंजाब या बंगाल या मद्रास हैं उनसे कम है। वैसे तो हम लोग सब रूस और अमेरिका की तुलना में भंगी हैं। लेकिन यह जो पिछड़े प्रदेश हैं, हमारे देश के अन्दर जो यह गैर-बराबरी है उम्र को पाटने के लिये इस बजट में कोई समाधान नहीं है। मैं मंत्री महोदय से आग्रह करता हूँ कि वह जब जवाब देंगे तो इसके ऊपर भी प्रकाश डालेंगे कि कैसे यह जो छः

[श्री रवि राय]

राज्य हैं जिन को कि मैंने गिनाया इन की प्रति व्यक्ति आमदनी बढ़ेगी ?

एक और चीज मैं कहना चाहता हूँ कि हिन्दुस्तान की करोड़ों जनता को हमें बधाई देना चाहिये कि चौथे चुनाव में नौ राज्यों के अन्दर गैर-कांग्रेसी सरकार को बिठा कर कांग्रेस को उन्होंने खत्म किया। उन नौ राज्यों में गैर-कांग्रेसी सरकार के बैठने के बाद यह कांग्रेसी सरकार जो यहां रह गई इसका यह प्रयास रहा, यह काम रहा कि उनको किसी तरह खत्म करे। मोरारजी भाई उन को कहते हैं कि अपने रिसोर्सेज तुम देखो। हम तुम को जो दे रहे हैं उतना ही दोगे। तुम जो मांग करते हो उसकी हम पूर्ति नहीं कर पायेंगे। तो मेरा कहना है कि कोई ताकतवर गैर-कांग्रेसी सरकार कहती है कि भले ही हमारे पास नासिक का प्रेस नहीं है नोट छापने के लिए तुम भी समझ लेना कि हमारे राज्य से इनकम टैक्स और दूसरे कर जो तुम वसूल करते हो उस को हम भी नहीं दिलायेंगे, इस तरह से कोई मुख्य मंत्री जम कर कहता तो मोरार जी भाई के पास उस का क्या जबाब है ? इन सब चीजों के सिलसिले में सवाल आ जाता है एक चीज का जो कि राजनैतिक चीज है। आज इस तरफ जो हम लोग बैठे हैं एक चीज पर सब सहमत हैं कि आज देश की प्रगति में जो रुकावट है वह पूंजीपति, नौकरशाह और मंत्री यह तीन मिल कर डाल रहे हैं और यह तीनों मिल कर देश को बरबादी की तरफ ले जा रहे हैं। उसके लिए सबसे बड़ा जिम्मेदार कांग्रेस दल है और जब तक वह यह कांग्रेस दल केन्द्र से खत्म नहीं होता है तब तक हिन्दुस्तान की अग्र-गति नहीं होगी। हम लोग जो इस तरफ बैठे हैं इस चीज को समझते हैं और मानते हैं और इस तरह का साक्षात् बनाने के लिये हम आपस में विरोधी दलों में कोशिश कर रहे हैं। यह चीज हम देश के कोने कोने में फैलायेंगे और एक योजना बना कर, एक योजनाबद्ध कार्यक्रम बना कर

जब तक कांग्रेसी सरकार को केन्द्र से नहीं हटाते तब तक कोई भी चीज हो नहीं पायेगी। इसलिए पहली चीज यह है जो कि राजनैतिक चीज है। राजनैतिक कार्यक्रम जो है इसकी तरफ ध्यान देना है। और कांग्रेस की भलाई के लिए मैं कह रहा हूँ कि जब तक वह दिल्ली की गद्दी से नहीं हटते, कितना भी भला आदमी हो, इस तरह का अर्थ मंत्री नहीं आयेगा कि जो समाजवाद के आधार पर कोई चीज बना पायेगा।

मैं कहना चाहता हूँ कि ममता के आधार पर हिन्दुस्तान मम्पन्न बन सकती है। समता क्या चीज है ? पहली चीज मैंने आप को बताई। दूसरी चीज है कि जैसे आज हिन्दुस्तान में पढ़ाई लिखाई के बारे में है, मैं मोरार जी भाई का ध्यान आकर्षित करना चाहता हूँ, मुझे एक दो चीज उन की बहुत अच्छी लगी। एक चीज तो यह कि जब वह पब्लिक स्कूल में गए थे देहरादून जहां उन को बुलाया गया था, वहां वह कहते हैं कि हम पब्लिक स्कूल के खिलाफ हैं और मैं अंग्रेजी में नहीं बोलूंगा, आप मुनें या न सुनें। मैं कहना चाहता हूँ मोरार जी भाई से कि इम के बावजूद कि वह नहीं चाहते हैं कि गरीब लोगों के बच्चे तो म्युनिसिपैलिटियों के प्राथमिक स्कूलों में पढ़ें और बड़े लोगों के बच्चे देहरादून या ऊटकमंड में पढ़ने के लिये जायें जिन को कि पब्लिक स्कूल कहते हैं, इससे हिन्दुस्तान का जो समान नागरिकता का विम्ब है वह खत्म हो जाता है, बचपन से ही हिन्दुस्तान के लड़के और लड़कियों में यह भाव पैदा हो जाता है कि यह गरीब का बच्चा है और यह बड़े लोगों का बच्चा है।

मोरार जी भाई खुद मानते हैं कि पब्लिक स्कूल नहीं रहने चाहिए, लेकिन फिर भी पब्लिक स्कूल चलते हैं, फलते हैं, फूलते हैं और उन्नति करते हैं।

इसलिए मैं कहना चाहता हूँ कि समता का यह भी एक अंग है। इसको भी वह खत्म करें।

दूसरी चीज—दोनों सदनों में बड़े जोरों से आकर यह बोलते हैं कि हम पीपुल्स कार तैयार करेंगे। जो हिन्दुस्तान एक गरीब मुल्क है वहां किसी मंत्री के मुंह से कैसे यह निकलता है कि पीपुल्स कार, जनता की कार हम बनायेंगे? मैं कहना चाहता हूँ कि इस तरह की बकवास यह मंत्री लोक बन्द करें। आज हिन्दुस्तान को किस की जरूरत है? कौन इन गाड़ियों पर चढ़ता है जो व्यक्तिगत गाड़ियां होती हैं? जो बड़े-बड़े लोग हैं उनकी जरूरत को पूरा करने के लिए यह पीपुल्स कार बनाने की बात कहते हैं। साधारण जनता के लिये तो ट्रकों और बसों की जरूरत है। इसलिए उनके लिए यह कारखाने कर देने चाहिए कि ट्रक और बसें यह बनावें। प्राइवेट कार की बात करना और प्राइवेट कार बनाना बन्द कर दें। इस तरह की एक समता वाली चीजें होनी चाहिये। पीपुल्स कार के बारे में कोई सोच विचार तक नहीं होना चाहिये।

तीसरी बात समता के सिलसिले में रेल की आती है। आप जानते हैं और मोगर जी भाई भी इस में सहमत होंगे कि जो तीसरे दर्जे में चलते उनकी तरफ कोई ध्यान नहीं दिया जाता। हम लोग तो एम० पी० हो गए हैं, आप ने पास दे दिया है कि फर्स्ट क्लास में चलें लेकिन जो तीसरे दर्जे में लाखों लोग चलते हैं उनकी ओर किसी की निगाह नहीं जाती। सारे रेल मंत्रालय के अफसर लोगों का सारा दृष्टिकोण और उन का सारा ध्यान जो होता है वह फर्स्ट क्लास और एयर कंडीशन में जो चलते हैं उनकी ओर होता है। तो समता वाली चीज हम मानते हैं तो फिर हिन्दुस्तान में एक तरह का क्लास होना चाहिये एक क्लास चाहे वह जो भी हो और यह एयर कंडीशन तथा फर्स्ट क्लास जो है इन को खत्म कर के एक क्लास बनावें तब जाकर सारे के सारे जो रेल के अफसर लोग हैं उन का ध्यान साधारण जनता की तरफ जायगा।  
..... (अध्यापक) ..... स्लीपर का जो बड़ा दिया वह तो रेलवे बजट की बात है।

अन्त में उपाध्यक्ष महोदय, मैं आप से एक चीज कहना चाहता हूँ कि हमारे देश में एक चीज हम सब लोगों के दिमाग में है। हम विरोधी और कांग्रेस वाले सब इस के शिकार हैं कि स्थिरता, स्टेबिलिटी हो, स्थिर सरकार बनावें जैसे भी हो। इसके चलते क्या हो जाता है कि जब 35 करोड़ की तादाद में हिन्दुस्तान की जनता जो है, 5 करोड़ को तो छोड़ दीजिए, बाकी जनता भर पेट खाना नहीं पाती है और भूखी रहती है, जब इस तरह की स्थिति है कि करोड़ों लोगों को दोनों वक्त खाना नहीं मिलता है तो इस स्थिति में जब हम स्थिरता की बात करते हैं और परिवर्तन की बात नहीं करते हैं तो फिर हम देश के आर्थिक जीवन को सुधार नहीं पायेंगे। इसलिए मेरा कहना है अन्तिम तौर पर जैसा मैंने पहले कहा आज हिन्दुस्तान को जरूरत है बोली में नहीं, समाजवाद, सिर्फ बोली में नहीं, कर्म में जब हम अपनायेंगे और उम को अपनाने के लिये केन्द्र से कांग्रेसी हूकूमत को खत्म करेंगे तब हिन्दुस्तान का भला हो सकता है। इन शब्दों के साथ मैं अपना भाषण समाप्त करता हूँ।

SHRI P. RAMAMURTI (Madurai) : Mr. Deputy-Speaker, Sir, the Finance Minister has received applause from the big business press of this country for the Budget he has presented before the House.

SHRI J. B. KRIPALANI (Guna) : You give him a stone ?

SHRI P. RAMAMURTI : I do not want to give him a stone. I want to state certain facts.

It is very understandable that the big business press of this country should have given him that applause and I welcome that applause given by the big business press because it tears away the *prdah* that has so long been kept that the Government is for certain other interests, not the interests of big business. The Finance Minister, in concluding his speech, says :

"But I do feel that the situation is as hopeful as it is challenging. The utmost cooperation, discipline and even a

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measure of self-denial by all sections of the community will be necessary if we are to meet the challenge."

Of course, the present situation is a challenge to the entire people of the country. What hopes does the Finance Minister hold out to the people of this country? Hopes of unemployment, hopes of deteriorating conditions of life. These are the hopes that are being held out by the present Budget itself because there is not going to be any more industries in the public sector. About the Fourth Plan, nobody knows when it is going to come despite all the promises that it is going to come in 1969. The way in which we are going, I do not know whether we are going to have any Plan at all at any time in the future so long as this Government is there. That is a different matter.

Now, he talks of the utmost cooperation, discipline and even a measure of self-denial by all sections of the community that will be necessary if we are to meet the challenge. What is the self-denial as far as the big business interests in the country are expected to have? What is the self-denial that he is imposing on them? As far as the common people of this country are concerned of course, there is no question of self-denial. There is denial. The Finance Minister is denying them opportunities for employment which means denial of the right to exist even. Thousands of people are thrown out of employment from the Railways, from everywhere. Retrenchment is the order of the day. That is a sort of self-denial that the Finance Minister is imposing on the common people of the country whereas, as far as the big business interests are concerned, what is the self-denial imposed on them.

Sir, from one point of view, I should like to welcome this Budget. I welcome this Budget only for this reason that it tears as under the so-called dividing line between the Swatantra Party and the Congress Party as far as their policies are concerned. I am making the statement with a full sense of responsibility and understanding. In the last issue of the *Swarajya*, the Swatantra leader Rajaji writing on the Budget has given some beautiful things. He says:

"A word about 'Right' and 'Left'.

Everyone agrees that maximum production must be a nation's aim. In this, there

is no distinction of right or left. The division of opinion on this question is as to the motivation. To produce on a basis of individual incentive of profit, or on the basis of the patriotism of those engaged in production or on some form of Central direction and compulsion. The question is, which is the best and most efficient means to be employed. The next question is how to control the errors and excesses that may issue out of the means employed, be it the incentive of individual profit or compulsive direction. If we rule out the spirit of patriotism as not sustainable for a long time or on a mass scale...."

The Swatantra Party believes that patriotism cannot be the motive of the people of this country for a long time to come and that it cannot be sustained. What else should be there?

"...but to be initiated as an ancillary force of much importance when it is possible; it is easy to see that compulsion is far inferior to the incentive of personal gain provided this is kept under due control...."

That is, the motivation of patriotism can be utilised only on certain occasions. He concludes by saying:

"This is the real dividing line, not right or left, capitalist or socialist."

Therefore, the Swatantra philosophy, the basic approach to the problem of production in the country, is the motivation of incentive of profit to the individual. That is the basic philosophy of the Swatantra Party.

In this budget, that philosophy has been accepted *in toto*. Why? It is because of this. What are the wonderful concessions that have been given to the big business houses in this country? Not one or two, but a series of concessions have been given: no extra dividend tax, no tax there, that tax is being removed; surtax on profit of business houses is being reduced from 35 to 25 per cent. There are also certain other concessions and I do not want to go into them. It is all concessions for them. Why? It is because, they say, only if they give them that concession, if the private profit is more and more, then they will be able to increase production. Everything is done:

in the name of increase of production, incentive for the purpose of increased production. Who are the people who are engaged in the business of production? According to Mr. Rajagopalachari and according to my hon. friend, Mr. Morarji Desai, the people who are engaged in the business of production are not the workers at the wheel, are not the peasants, but it is the big business interests who invest some money and they must be given opportunities to a mass more and more money so that they will be able to invest money. This is the basic philosophy, the basic approach, in the entire budget. That is why, even with regard to agriculture....

SHRI K. SURYANARAYANA : It is not like that.

SHRI P. RAMAMURTI : I was talking of big business and not farmers. Even with regard to agriculture, what does Mr. Morarji Desai say here? He says :

"I propose to make a provision for the deduction, in the computation of business profits of companies, of an amount equal to one and one-fifth of the expenditure incurred by them..."

That is, 125 per cent. That is, something more than what they expended.

"...equal to one and one-fifth of the expenditure incurred by them in providing agricultural inputs such as fertilisers, seeds, implements and pesticides and extension services, in spheres related to the particular industry in which the company is engaged. This weighted deduction will be available..." etc., etc.

Therefore, even with regard to development of agriculture, the Government will abdicate its function. Mr. Morarji Desai says that the Government will not be able to do it. He says that the Government would be able to help the peasants by giving all these things, but only through the big business. He says, let the business concerns advance something, let them advance pesticides and insecticides, let them advance fertilisers and all other things, and we will give them; the amount spent on these by them will be subsidised to them. This is what it means. I cannot understand the entire approach. I can only very well understand this approach : even in the matter

of agriculture, the incentive must be given to the big business; the penetration of capitalists, even in agriculture, must go on a very big scale. This is the basic philosophy of the entire thing.

Therefore, these 20 years after Independence have not meant anything to our Government. All these 20 years, they have relied upon the big business houses. They have given them incentive after incentive all these years. What has been the result?

We are today facing a particular situation which we are facing today as a result of the fact that the people who have been in charge of production in this country have been the big business houses. In reality, they have been able to control the entire economy all these years. My friend, Mr. Morarji Desai, has always had a reputation for being a man who sticks to principles; he will never budge an inch from his principles. But this budget has belied that reputation.

Mr. Desai, in his last budget speech, stated so many things about avoiding deficit financing; he gave the reasons why deficit financing must be ruled out. All these things he said :

"Continual and large budgeted deficits over the past few years have contributed to the psychology of inflation."

It is true. During the last so many years, deficit financing has been of a very colossal order. There is no doubt about it. In 1960-61 it was Rs. 168 crores; in the next year it was Rs. 207 crores; in the next year it was Rs. 241 crores; in 1964-65 it was Rs. 381 crores; in 1965-66 it was Rs. 332 crores; and in 1966-67 it was Rs. 268 crores. Last year, after stating all that, Mr. Desai had to come before this House saying that in spite of his saying that he would not have to have recourse to any deficit financing, unfortunately Rs. 300 crores of deficit financing had taken place. I would like to ask this from the hon. Minister. When he had made a promise on the floor of this House and on the basis of that promise he got the budget carried, was it not incumbent on him later on during the course of the year when he found that he could not carry out his promise, to come before this House and place the

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facts? I say that it is a breach of promise to the House itself that the Finance Minister has resorted to this amount of deficit financing, without taking even this House into his confidence. (*Interruptions*). I quite understand his position. After all, despite all his proclamations, it is only after making it a *fait accompli* that he has come before this House. Why did he not come before this? Let the Finance Minister answer this. Why should Shri Sheo Narain or Shrimati Tarkeshwari Sinha try to answer for him? They are not the Finance Ministers. I know that Shrimati Tarkeshwari Sinha was a Deputy Minister of Finance once, but not now; so, let her not try to go to the help of the Finance Minister now.

Now, the point is this. I can well sympathise with the Finance Minister that despite all the promises he has had to resort to this amount of deficit financing. After all, the fact remains that he is a creature of the particular circumstances and the particular policies that Government are pursuing.

What are the reasons that he has adduced for this deficit financing last year? Actually, the figure will be much more, because the Reserve Bank calculates it at about Rs. 340 crores. But these are not the actuals but only the estimates. Hence, I am not very much bothered about it. But the fact is that Rs. 109 crores of deficit financing had to be resorted to because of the fact that the foreign aid utilisation has been less to that extent. This completely exposes the fact that even with regard to the budget of this country, let alone industrialisation, this, that and the other, Government are totally dependent upon foreign countries. This is the basic reality that is facing us. You can take this year's budget itself and you will find this to be true. The entire Central plan comes to about Rs. 1100 crores odd. From where does this money come? Rs. 725 crores comes from foreign aid and about Rs. 290 crores from PL-480 funds, and both of the together work out to about Rs. 1040 crores. Therefore, we find that the entire expenditure on the Central plan has got to be financed from foreign resources. If the foreign aid stops, then what is going to happen? Supposing foreign aid stops, inflation is not going to be what it is now because the deficit financ-

ing will become a colossal thing. That is why I say that during all these years, Government have planned their budgets and planned the economy also on the basis of getting more and more foreign aid. This foreign aid has been used not only for the purposes of seeing that industrial development takes place, but even for framing the budgets. This shows that they have been dependent upon foreign loans. Even in this budget, the same continuous position is reflected. If that be the position, then where are we going? That is the real question that comes before us. We say that we require this foreign aid in order to see that our exports increase. We have not learnt the lesson from the experience of these 20 years of our Independence.

SHRI UMANATH (Pudukkottai) : They have not learnt.

SHRI P. RAMAMURTI : Yes, they have not learnt any lesson.

Here is the conference of UNCTAD going on for the last one and a half months. The UNCTAD papers make it clear that during all these twenty years, the amount of aid that has been given to these under-developed countries has been far less than the amount of money that the imperialist countries have been able to swindle from the under-developed countries. The figures are there. I do not have the time and, therefore, I would not go into the details of those figures. *The Economic Times* carried an article which had pointed out these figures. In 1963, the contractual amount of fresh loans to all these under-developed countries was 3.12 billion dollars while the servicing payments amounted to 2.33 billion dollars, so that the net aid was only 0.79 billion dollars. This is how things are going on. In 1965, the contractual amount of fresh loans to the under-developed countries was 3.54 billion dollars, while the servicing charges were 2.96 billion dollars, so that the net aid was only 0.58 billion dollars. This is how things are going on. The figures are there to show that year after year, the terms of trade are turning against the under-developed countries. It has been computed that during the last 15 years the amount of money that these imperialist countries have been able to get as a result of lowering of prices of primary commodities that they are able to get from these countries has been colossal. During this very period, they have been able continuously to increase their own

prices. This is the only way in which things are working.

Even after this, the Government does not learn. Even after devaluation, it has not learnt any lesson. Shri Morarji Desai will, on the other hand, bravely proclaim : 'Who said I am dependent? I am an equal person. I will not go and bend my head before anybody'. I cannot understand this posture. After all, what is the relationship between this country and the USA? What is the relationship between this country and Great Britain? It is the relationship of a poor, indebted peasant who goes to the village mahajan for more and more loan, more and more credit. We all know how the village mahajan behaves towards the poor village peasant.

That was how two years ago they imposed devaluation on us. Does Shri Morarji Desai now come and tell the people of this country that devaluation was something which we accepted ourselves? Does he contend that it was our own decision, something done of our own volition? Is it not a fact that devaluation was imposed upon us by the World Bank and all those people? Even today, we are going more and more towards them. With the result what is going to happen? This is what is called neo-colonialism, neo-colonialism which has been defined in the Algiers Charter to which the Government of India are a party.

**SHRIMATI TARKESHWARI SINHA (Barh)**: Are you quoting Nkrumah's book?

**SHRI P. RAMAMURTI**: I am not. I am quoting from a document to which the Government of India have appended their signature. I would like to know what is their understanding of neo-colonialism? Or have they signed it without understanding what it is?

**MR. DEPUTY-SPEAKER**: Please address the Chair.

**SHRI P. RAMAMURTI**: Please excuse me. Due to my physical trouble, I have always to lean on one side in order to keep my balance.

**MR. DEPUTY-SPEAKER**: You are always leaning on one side.

**SHRI P. RAMAMURTI**: I cannot be on the Right side.

**MR. DEPUTY-SPEAKER**: May I request the hon. lady Member not to look that side?

**SHRIMATI TARKESHWARI SINHA**: At the present moment, he is leaning on the wrong side.

**SHRI J. B. KRIPALANI**: Why is the Deputy Speaker becoming jealous?

**SHRI P. RAMAMURTI**: This is the vanishing point to which foreign aid is getting reduced to now. Today our economy is so much dependent on foreign aid that for everything we have to depend on foreign sources.

The basic policy underlying this Budget, therefore, is this. Firstly, unless you give incentives to big business houses for everything, for our industrial development, for our agricultural development and even for exports, nothing can be done in this country. Secondly, unless you are able to satisfy the foreign interests, you will not be able to achieve anything. These are the two fundamental assumptions behind Government policy. I disagree with Shri Rabi Ray when he said that Government have no policy. Government have a very definite policy. It is the policy of the Swatantra Party that is now coming more and more to the fore.

**SHRI PILOO MODY**: After 20 years, we have knocked sense into them. In another twenty years, you will also get that sense.

**SHRI P. RAMAMURTI**: With regard to exports, for a number of years we gave them so many incentives. These budget figures are concealed in so many chapters. But if you go through these various Ministry papers, you will find that the total amount of incentives given to these exporters in the name of export promotion comes to nearly Rs. 100 crores. I do not want to go into details; nor have I the time to do so, but it comes to nearly Rs. 100 crores by way of tax relief, this, that and the other. After all this, by way of exports, where do we stand? Are our exports improving? They are not. Therefore, the result is that a colossal amount of money of the sweat of the people is being converted into black money, money

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that is being utilised for all sorts of purposes. We will not be able to tackle that. On the other hand, we will be giving them concession after concession. After all, is there any limit to individual private profit? If private profit is going to be the motivation, is there a particular ceiling beyond which the man will get satiety? There is no satiety, he will go on aspiring for more and more profits, and that is what is happening in our country.

MR. DEPUTY-SPEAKER : You have a second speaker from your group. Keep some margin for him.

SHRI P. RAMAMURTI : How can Government take action against very big people? I would like to ask Mr. Morarji Desai whether it was not a fact that somebody connected with Alembic Chemicals was hauled up for irregularities with regard to foreign exchange regulations? Is it not a fact that a police party went there to search his house in 1965, and he himself, because he could not escape it, has to say that the money was there? May I know whether any action has been taken against him, if not, why not?

SHRI MORARJI DESAI : 1965?

SHRI P. RAMAMURTI : 1965 or 1966. May I know whether the case has been withdrawn, if so why? Such cases are not one or two, a number of cases are there.

Mr. Morarji Desai, of course, will say that he is taking very strong action against some of these people, and in his budget speech itself he says that in order to see that this concealed income does not accumulate, he is taking some stringent measures. What are the wonderful stringent steps taken in the budget itself? He says :

"I propose to lay down very stringent penalties on those who continue to avoid taxes by concealing their incomes or wealth. For this, the penalties for concealment of income or wealth will be stepped up to a minimum of 100 per cent and a maximum of 200 per cent of the concealed income or wealth. In the case of persons defaulting in the statutory obligation to deduct tax at source and pay it to the credit of the Central Government, I propose to provide for punishment of rigorous imprisonment up to six months..."

But in regard to people who avoid tax, if they are detected, what is going to happen? They will be fined Rs. 100.

SHRI MORARJI DESAI : No.

SHRI N. K. P. SALVE : If he refers to sections 32 and 119 of the Finance Bill, for a concealment of Rs. 50 in income, the fine is Rs. 200.

SHRI P. RAMAMURTI : Rs. 200, Rs. 500, Rs. 1,000—it does not matter. If somebody steals something, you will send him to jail for six months saying that it is a crime. Here are people who are defrauding the country's exchequer. Are they not criminals? Why does not Mr. Morarji Desai provide for a criminal offence in their case and why does he not send them to jail for one or two years?

SHRI MORARJI DESAI : May I ask the hon. member to cool down? There is prosecution for them also.

SHRI P. RAMAMURTI : If there is prosecution, during the last 20 years since this Government came into existence, have they sent a single man to jail? You give the name of the one single man whom you had sent to jail all these 20 years for defrauding taxes to the exchequer? Absolutely not. They cannot do that. That is the reality of the whole thing. But, on the other hand, if poor workers go on strike saying that they are not able to live within their wages, they will say the country's interests are at stake. Those are the two different types of standards that you have got with regard to the rich people and the common people. I can go on giving instances as to how only the common people are called upon to make sacrifices.

Lastly, I would like to touch upon State-Centre relationship with regard to financial matters. The central direction of the economy of this country is in the hands of the Finance Minister of the Government of India. Who is to decide this Rs. 300 crores of deficit financing? It is Mr. Morarji Desai, the Government of India. We should remember that the States are to bear the burden. If prices go up and if the workers there demand more dearness allowance, Mr. Desai will say that it is none of his business and it is the concern of the State Government which must at any cost maintain law and order. Mr. Desai has come

forward with a proposal to have a Finance Commission much in advance of the normal time. So long as these policies continue and so long as the direction of the economy of the country remains entirely in the hands of the Central Government and so long as the States have nothing to do with that, whatever commissions may be appointed, the problems will remain. If they want harmonious relationship between the Centre and the States the powers of the States should be well-defined. People have elected a certain government in the States and they have also to deal with the problem of law and order which is directly connected with their economic life; it is a problem of life and death. If the State Governments are to deal with the law and order problem effectively, they must have a greater share in the direction of the economy of the States. Unless we are able to provide for a greater share for the States in shaping the economy of the country, no commission is going to solve the problem. It is not the problem of non-Congress or Congress Governments; it is the problem of relationship between the State and the Centre and the Finance Ministry is woefully unaware of this. Finally, I shall once again point out that the situation gives us some hope and there is the challenge also but these are not from the point of view of the Finance Minister. There is hope for the people and the challenge is also for the people. They can meet the challenge; they should unite and be able to throw overboard the basic policies which are underlying this budget. I am absolutely certain that the unity that is becoming greater among the working classes and peasantry in spite of all that you do gives hope for the people of this country. That will enable them to accept the challenge that is posed before them and ultimately these policies will be thrown overboard and a new policy will emerge.

**THE MINISTER OF TRANSPORT AND SHIPPING (DR. V. K. R. V. RAO) :** I thought that I might venture to intervene in this debate because to my mind the budget which the Deputy Prime Minister and Finance Minister had presented is one that should cause a lot of thinking in the country about the future of our economy and the major objective behind the proposals. I should like to begin by saying that the budget is always considered

to be the most flexible instrument of economic policy, here is no such thing as a set budget pattern or ideology or a balanced budget for all time or a surplus budget or a deficit budget for all times. Whether budget should be balanced or surplus or deficit turns very much upon the economic situation confronting the country. During the last three years, our country has been going through a serious economic crisis. The plan outlay has more or less stood still at the figure which was reached in 1965-66. And over the last few years, I am afraid, and also in the coming financial year, there is not going to be anything like a significant increase in plan expenditure. During this period also, there has been a recession in the economy. There has been an increase in unemployment, a rise in prices of a phenomenal character, a stagnation in investment, and I would also like to draw the attention of the House to the fact that the gap in our exports has begun to increase.

**AN HON. MEMBER :** What else is left ?

**DR. V. K. R. V. RAO :** Why don't you wait till I finish ? The gap in our exports has begun to increase in the context of the increasing debt servicing payment we have to make, and at the same time, the expectation of covering this gap by increasing the inflow of foreign aid is also not materialising. Therefore, the economy had reached the situation when it was extremely important within the constraints of the situation, to do something positive for restoring health to the economy.

**SHRI PILOO MODY :** Like deficit financing.

**DR. V. K. R. V. RAO :** Precisely. The bumper harvest in the current year and the need for continuing the motivation and the strategy which has brought about the current year's bumper harvest also has some part to play in framing the objectives behind the current budgetary policy. Above all, it was essential that in the context of the very difficult economic situation the country has been facing over the last three years, and in the context of the rather good harvest that we have had of both foodcrops and commercial crops, a serious, practical, and concrete attempt should be made to take the fullest advantage of what-

[Dr. V. K. R. V. Rao]

ever favourable factors exist in the situation to see that the economy gets out of its rut and begins to move forward towards progress.

I would suggest to the House that instead of going into ideological motivations of ideological undertones, the current year's budget would have to be viewed from a directly practical angle and in the context of what I have said, namely, that the economy has reached a stage from which it is absolutely essential to move forward. And if we do not move forward in the current year and if we are not able to overcome the recession and stagnation, which have been afflicting the economy for the last two or three years, I am afraid the economic situation in the coming years is going to be far more difficult than we can even imagine today.

I would, therefore, beg of the hon. Member to regard the budget not so much from the point of view of any special individual interest that has been satisfied, or not, whether any particular ideological desires, however legitimate they might be, have been implemented or not, but from the point of view of whether this budget will and is going to make a contribution towards moving the economy from its current state of recession and stagnation.

It is in this context that the Deputy Prime Minister, has, as he himself has stated, much against his own grain, indulged in deficit financing. This has been criticised. I would like to point out the reason for the deficit financing; it is not for the purpose of bringing about any significant increase in the expenditure for the year 1968-69. The expenditure for 1968-69 is marginally more or less the same as the expenditure for the year 1967-68. Deficit financing is not being used for the purpose of financing a large dose of extra expenditure. If the deficit financing were not there let us see what the alternative would have been. The Finance Minister would have been compelled to bring about a cut of Rs. 290 crores in the space of a couple of weeks, and one can just imagine what would have been the result of a cut of Rs. 290 crores. Speaking as the Minister of Transport and Shipping, I received a very great disappointment at the hands of the budget, because when I came to the Government, I thought I would have en-

ough money to undertake a very important and, what to my mind, a completely essential and productive means of transport development. But financial constraint has prevented me from getting anything like the resources that I need. If on the top of it, there has been a cut of Rs. 290 crores—one knows that there are certain items which can be cut and certain items which cannot be cut—the kind of recession that would have occurred in the economy would have been much worse than what we saw last year.

I was very glad to hear Mr. Masani saying one thing. On the one hand he deplored deficit financing and tried to twit the Finance Minister for not having been consistent and on the other hand, he also said that the cultivator should not be taxed, that after a long time the Indian cultivator has been able to get some good income and that everything should be done to see that he continues to get the encouragement. We on this side of the House naturally share the latter part of what he said. We are anxious to see that the cultivator continue to be properly motivated for taking full advantage of all the facilities placed at his disposal. We want to move in the direction not only of food self-sufficiency, but I hope also even the possibility of food exports. If at this time, there had been no deficit financing, there was a grave danger of a steep fall in agricultural prices.

15.46 Hrs.

[SHRI G. S. DHILLON *in the Chair*]

If my hon. friends opposite enquire from their friends in the mofussil—in Bihar, UP, Maharashtra or elsewhere—they will find reports of prices falling steeply. We urban consumers, with salaried incomes, would get some benefits, but all the motivation and encouragement that the cultivator got, the break-through we have nearly succeeded in effecting in the psychology of the cultivator to undertake new risks and going in for new technology—all that good work would have been ruined and we would have been back in the same agricultural stagnation in which we have found ourselves for so many years. Therefore, deficit financing was essential at the moment to see that there was no steep fall in agricultural prices and also to prevent any further increase in unemployment. I find from statistics that the rate of increase in public

employment has been steadily falling in the last 3 years. Last year it was much less than the year before and the year before it was much less than the year before that. We all know that public employment is one of the most important sources of employment, especially for the skilled and educated workers. We know the problem of educated unemployment, especially technological unemployment, which the country is faced with today. Therefore, if we had not gone in for deficit financing, we would have cut down enormously the employment potential, which has been more or less standing still from 1965-66 and we would also have helped to bring about a precipitous fall in agricultural prices, ruining all the good work done in the last two years and further contributing to an increase in other prices. Therefore, deficit financing was the only wise course to take and hon. members opposite, instead of trying to score a debating point that the Finance Minister is against deficit financing and has yet gone in for it, should congratulate him on the flexibility he has shown in responding to the needs of the economic situation.

Of course, deficit financing is not a good thing in itself. I would be the last person, speaking not only as a minister but as a professional economist, to become an ideologue for deficit financing. But there are economic circumstances under which deficit financing is a much better solution than a balanced budget. This was one of those circumstances. I am convinced that we have done a good thing by going in for deficit financing deliberately this year, instead of non-deliberately as we did last year, to the extent of about Rs. 290 crores.

I realise the anxiety of the House, and I agree with it, about a further rise in prices. We know that in the last two or three years, the thing which has upset most people in this country, apart from increase in unemployment and fall in production, is the rise in prices. The country will not tolerate any more rise in prices. We are very much aware of it. But we think that in the context of the very large harvest we have got just now, the risk of rise in prices taking place as a result of deficit financing is very much less this year than it would have been in any other year.

Further, we must not forget that if we analyse the composition of price increase

in the last three years we will find that the lion's share has been taken by food-grain prices. In view of the fact that we do have a bumper harvest of foodgrain we think also that deficit financing is not likely to lead to a rise in prices. Of course, deficit financing will prevent a steep fall in prices but, I am afraid, we cannot think in terms of going back to the 1965-66 price level. The increase in prices has already adjusted itself in increase in income, in increase in salaries and wages. It will be absurd now to think that we can go back to the price level that prevailed two or three years back. We have to think in terms of preventing a further rise rather than think in terms of going back to an idyllic period of low prices that the country had enjoyed at the expense of the farmers and cultivators for many years.

There is a second set of objectives that the Budget has undertaken. Shri Ramamurthi suggested that the Congress Party has adopted the Swatantra policy. I do not know what precisely the Swatantra policy is.

**SHRI PILOO MODY :** It is time that you learnt it.

**DR. V. K. R. V. RAO :** I wonder if they have a policy, because they are a 'free' party and I think their party is as free as the freedom that their members enjoy with respect to economic and political propositions.

I do not want to get into any controversy with my friends of the Swatantra Party. What I want to say is, if the conception is that the Swatantra Party stands for the welfare of private enterprise and therefore the Congress Party should do nothing for promoting the welfare of private enterprise I for one, even though I have been a life-long democratic socialist, and consistently so, would not for one moment accept the thesis that private enterprise and the welfare of private enterprise is the monopoly of my friends in the Swatantra Party. If you say, private enterprise of the higher echelons of industrial society, if you say welfare of the people whose incomes are above super-tax limits, that is a different matter; but if you talk of private enterprise, non-governmental enterprise, I would say with

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all confidence at my command that the welfare of private enterprise, welfare of the common man, welfare of the small man who undertakes non-governmental activities, whether in the agricultural, industrial or commercial sector, is very much the concern of the Congress Party.

I have no hesitation in saying that this Budget is intended to give a stimulus to private enterprise in this country, because we want to get investment moving, we want to get activity moving, we want to get production increasing. Activity and production can increase either by expansion of the public sector or by stimulation of the private sector. There is no third way of doing it.

**SHRI S. KUNDU (Balasore) :** Do not justify because you have to justify it.

**DR. V. K. R. V. RAO :** I am sorry, I am not a person, I can assure the hon. Member, who will stand up in this seat or anywhere else and say anything which I do not believe.

**SHRI S. KUNDU (Balasore) :** Do not justify because you have to justify it.

**DR. V. K. R. V. RAO :** If my kind friends will bear with me for a little, I will say this that there is no doubt about the fact that we must get out of this rut, we have to increase investment, we have to increase economic activity and production. Otherwise there is no chance of the economy getting out of the recession in which it has fallen. This can be done either by increase in public expenditure, increase in outlay on the public sector, increase in public production or by stimulating an increase in private enterprise.

I shall, before I conclude, a point out the difficulties that are facing us today in bringing about anything like a massive expansion in public sector activity as far as this coming financial year is concerned. As far as the private sector is concerned, my friends in the private sector, and this time I would also include my friends who belong to the Swatantra Party, have been complaining for so many years that the private sector is hamstrung, they are given no chance, no stimulation and that the public sector has so monopolised the economy that it is impossible for the private

sector to do the very good things that they are sure they are capable of doing.

In this mixed economy of ours, as I have said before, we have to see that the private sector also gets a proper chance to play a constructive and developmental role in economic activities. For this purpose, the Deputy Prime Minister has taken a series of measures. I want to list them so that the massiveness of their impact would be understood at one stroke. He has mentioned a series of measures such as removal of annuity deposits, reduction of the surcharge on corporate profits, abolition of excess dividends tax, exemption of the first Rs. 500 of the dividend income, reduction in bank rate, concessions for technical knowhow, giving tax concessions on research expenditure undertaken by the private sector. With all these concessions that have been given and with the fact that we now have a much more plentiful supply and availability of imported components and spareparts than was the case some time ago, and also taking into account that the current years agricultural harvest has given us ample supply of agricultural raw materials, also considering the fact that the current year's agriculture will give a bumper harvest with the consequent increase in real terms of our national income of more than 10 per cent which has raised before the private sector a large and expanded domestic market, and also considering the fact that it should be possible now for the private sector to go out to the countryside, sell more commodities to the countryside, get more savings from the countryside and mobilise it for the purpose of industrial investment, I think this budget is a challenge to my hon. friends, who are the spokesmen of private enterprise; and I hope they will be able to accept this challenge and that they will be able to see that our goal is achieved. Though I am not a champion of the private sector, as an Indian citizen and as one who is deeply obsessed by the fall in production in the Indian economy, I shall be extremely happy if the private sector, instead of indulging in carping criticism and asking for more concessions for them, take advantage of the opportunities that have been given by the Finance Minister and make an all-out effort to see that investment and production expand in the country thereby benefiting the whole

country which, like the quality of mercy, will benefit also the Treasury Benches because, then, they will also be paying more legitimate taxes.

The third objective which the budget has sought to further has been the subject of export promotion. Now, I do not know if all my friends in the House are aware of the very critical situation we are reaching in regard to balance of payments. We have come to a stage today when the imports which cannot be financed by any type of foreign aid that we could possibly get and yet which are absolutely essential for the economy, are of the order of 1.2 to 1.3 billion dollars, and the kind of exports that we are having, taking into account the debt service charges that have to be paid, will not amount to more than .9 billion dollars. So, we have got a gap, an export gap, of something like .3 billion to .4 billion dollars, which cannot be financed by foreign aid, which cannot be financed by further cuts in our imports and somehow we have got to find a way of producing from exports these 300 million to 400 million dollars. It is for that purpose, again, the budget has gone out of its way. Both in the budget speech and also in the measures that were outlined by the Finance Minister a few days earlier, there has been a reduction in export duties, special facilities have been given for export credit, increased tax incentives are being given for export purposes and increased tax concessions have been offered in the budget for expenditure specifically incurred in export promotion such as advertisement, market research etc. Again, I suggest this is a challenge to our friends, who are the spokesmen of the private enterprise. With the increased supply that we have got of raw materials, with the increased availability that we have at the moment at any rate of imported spareparts and components, and with the enormous stimulation that has been given by the motivation and incentive of the current year's budget, here is a golden opportunity again to the private sector to say that it lives up to its profession, that it is really not only 'private' but also 'enterprise,' and that it takes advantage of the situation. I hope it would rise to the occasion and meet the challenge. We are hoping that as a result of this budget the coming financial year will see

a massive increase in private production, in private investment, private savings and in private exports.

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Now I come to the last portion of my speech and I am not very happy when I come to this portion, because I will now come to the position that the public sector has in the coming year's budget.

The Finance Minister has made a bold attempt, as bold as he could under the circumstances in which he was functioning, to mobilise private savings and I heartily welcome his very imaginative proposal for a general provident fund. Many of us have been feeling, including Ministers, though we are salaried persons, we have no provident fund and we have no pension—not all of us have property. I think, it is a very good thing that the Finance Minister has done to provide a general provident fund. Those persons who do not get salaries or fixed income will be able to build up savings for themselves and the Finance Minister has given them incentive to do so. He has taken the credit for Rs. 10 crores in the current Budget. I have a feeling that in due course it is going to be a massive instrument of private savings.

The Finance Minister has also increased interest rates and other returns for private savings and we hope that this will result in some increase in public resources from private savings. But it is a fact that no massive tax effort has been made this time to mobilise private resources for the purpose of financing public developmental expenditure. Even then, some effort has been made. The hon. Members are extremely critical of the tax effort which has been made and have been demanding that some of the taxes which the Finance Minister has proposed should not be levied. But there has been no such massive tax effort as, for example, associated with three or four budgets in the past. This is because we have to realise today that we have come, so to speak, at the cross-roads that we have reached a stage in our public finance, where we find it increasingly difficult to satisfy the demands that are being made on public resources. Our attempts at mobilising public resources do not seem to be keeping pace with the demand that is being made, and very legitimately being

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made, on public resources, not merely for social purposes, not only for egalitarian purposes, but even for strictly developmental and productive purposes. Unless we solve this problem of mobilisation of resources for the public sector in the fairly near future, we are going to find it extremely difficult to carry on the kind of policy of economic planning or of, at least, a theoretical move forward in the direction of a socialist society, etc. etc. which we are talking about for the last so many years.

I think, the time has come when you have got to take a hard look. If you look at the Budget and find out the extent to which, for example, our expenditure on the capital side is financed either by P.L. 480 imports which are going to be in diminishing quantity or by foreign aid which again is not going to be in increasing quantity, with increasing demands of economic development, I think, we have to find some way by which the gap between the available public resources and the demand that is legitimately being made on public resources is bridged and bridged as quickly as possible. I think, in order to do this, it is very important—I am sure my hon. friends opposite, not excluding my dear friend, Mr. Piloo Mody, are not going to agree with me—and yet, I must say, it is important to realise that the most important instrument for mobilisation of public resources is taxation. Whether you like it or not, the most important instrument for mobilisation of public resources is taxation. (Interruption).

SHRI RABI RAY : Tax the upper bracket.

DR. V. K. R. V. RAO : My hon. friend, Mr. Rabi Ray, knows very well that even if you take away hundred per cent of income of all the upper classes, that is not going to provide the resources which are required for development. Therefore, instead of indulging in ideological bickering as by Mr. Piloo Mody and Mr. Rabi Ray, I think, it is important for us to realise the importance of it. The atmosphere in the country today is such that no political party is prepared to give any support to taxation. Taxation, like the policeman, has come to be regarded as

something which is anti-national. Opposing taxation is now coming to be considered a patriotic duty: That is the psychology which is being created. I can understand my hon. friends who belong to the Swatantra Party doing this but I cannot understand my hon. friends who belong to the socialist parties. If taxation is going to be made, *ipso facto*, unpopular, anti-patriotic, anti-national, and it is considered to be a good thing to attack taxation, not to pay taxes, to advance every possible argument against taxation, then, I submit, it is going to be very difficult for us to mobilise the public resources that we want and irrespective of which parties sit on the Treasury Benches, unless it is a dictatorial party—I am talking of democratic parties—it would be impossible to raise the kind of public resources that we need for meeting our developmental requirements, unless the atmosphere in the country towards taxation is altered from the present unhealthy atmosphere which has been deliberately created by my hon. friends on the opposite side. I would certainly agree with my hon. friends if they say “We do not mind paying more taxes, but how is it spent, what about economy in expenditure; there is so much of wasteful expenditure”; I can understand that. I think, it is a very important thing. But I would not say... (Interruptions) I do not know if I should say that sitting as a Minister... (Interruptions) I would not say that there is no room for economy in public expenditure. I should like to suggest that, when we think of economy, we should not think merely of retrenchment, we should not think merely in terms of personnel. My friend, Mr. Masani, talked of so many clerks and *chaprasis* in the Planning Commission. It is not... (Interruptions).

SHRI PILOO MODY : He said, increase of...

DR. V. K. R. V. RAO : Please listen to me. The House will understand that merely retrenching personnel is not going to solve the problem....

SHRI PILOO MODY : Nobody wants retrenchment.

DR. V. K. R. V. RAO : Unfortunately he was the only hon. member who referred to economy and he quoted figures. He said

that there was an increase of so many *chaprasis* in the Planning Commission. there were so many clerks in the Planning Commission, I would like to say that it is not by retrenching clerks and *chaprasis* that one can bring about a massive economy. . . (Interruptions). I would suggest that what we need is a functional approach. What we need is, what I call, the principle of functional expenditure. What we need is not the question of how many persons to be employed. What we need is whether a particular expenditure, apart from the basic criterion of its productivity, is functionally related, whether more has been incurred than is strictly functionally necessary for achieving the objective., whether, for example, it is necessary to have carpets or whether it is necessary to have large houses, and so on and so forth. There are so many things. I do not have the time to go into all the details. . . (Interruptions).

Mr. Piloo Mody was not born when this happened. Before Mr. Piloo Mody was born, there was a Commission—Taxation Enquiry Commission. I happened to have the privilege of being a member of that Commission, and we suggested that an Expenditure Commission should be appointed, not for the purpose of making retrenchments, but for the purpose of looking into the whole philosophy behind it, including developmental expenditure, from the functional point of view, because we are not in a position where we can afford to have luxuries, where we can have frills, where we can compete with the other people and so on. Therefore, a functional expenditure approach is what I believe is required for the purpose of saving funds and effecting economy. . . (Interruptions).

SHRI PILOO MODY: Will the Minister yield for a moment? Why is he afraid of us?

DR. V. K. R. V. RAO: Nobody is afraid of Mr. Piloo Mody. I hope, his Party will give him a chance to participate in this debate. . . .

SHRI PILOO MODY: He is afraid.

DR. V. K. R. V. RAO: Now I come to the third point. I am now looking at myself because the hon. Member opposite pointed out that I was rather touchy about

the public sector, because I have got a soft corner for the public sector. That is why, I am prepared to look at it carefully. I want to see that the public sector is healthy. This is very important. The efficiency of the public sector enterprises should increase. There is no way in which we can achieve a socialistic economy in this country, there is no way in which we can raise the massive resources needed for developmental purposes unless the public sector enterprises make a massive contribution to the developmental resources of this country. I do not have the ideological fanaticism of Mr. Piloo Mody. I would like to suggest. . . (Interruptions).

MR. CHAIRMAN: Order, order. There should not be a regular running commentary. It is very bad. Let him speak.

DR. V. K. R. V. RAO: It is precisely this kind of ideological prejudices that are preventing the economic development of this country. I was very happy to hear Mr. Masani say that the public enterprise economics is very important, it is above Parties, it is above sectional interest, it is something which requires a national approach. This has got to be listened to, understood and analysed carefully. The House will be glad to know that Government has been holding a series of meetings going through the recommendations of the Administrative Reforms Commission on public enterprises. I think, my colleague, Mr. Pant, when he intervenes in the debate, will perhaps give more details about it. But I can tell you that nobody is more anxious on this subject than the Deputy Prime Minister himself because he is a hard task master. He holds continuous meetings and sees to it that those who are members attend, and I think that before the current session ends, it would be possible for Government to come forward before this House and tell them concretely the steps that are being taken for improving the efficiency of the public sector enterprises.

But I must say one thing, namely, that the public sector enterprises cannot be improved only better organisation. There must be a proper and better atmosphere. Just as I said about taxation, in regard to this also there should be a better atmos-

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phere. What is the meaning of a public sector enterprise in a socialist economy? In a socialist economy or in an economy that is moving towards a socialist society, the public sector enterprises ought to have a much larger degree of identification. I think in a socialist economy or in an economy which is moving towards socialism, a public sector enterprise should be one which will be treated with tremendous affection and respect and which will have the involvement in it of the best people and the best talents of our country and where the motivation would not merely be monetary but something more than that. It is very important that we create a socialist psychology if we want to see that the public sector enterprises function at their best. We on the governmental side, as Ministers of Government or anything else, can try and see that the public sector is properly reorganised, but the needed psychology has got to be created not only by my party but by all the other parties which believe that we should move in the direction of a socialist society.

If we want to solve this problem of economic planning, if we want to have a Fourth Plan—and there is going to be a Fourth Plan—if we want to move forward with a more rapid rate of economic growth than the miserable rate of economic growth that we have had for the last few years with a national *per capita* of 70 to 72 dollars as compared to the international poverty line of 200 dollars *per capita* and the United States *per capita* income of 3,400 dollars, if we want to move forward, then there has got to be a much bigger mobilisation of private savings. I am afraid that this cannot come only from the wealthy classes, but it has got to come from everybody.

Therefore, I think that it is important that perhaps—here again I am expressing my personal view—it may be necessary and it may be relevant to think in terms of regulation of both private and public salaries and not only the salaries of government servants. It may even be necessary to think in terms of a voluntary and temporary ceiling on income for a given period during which we would all combine and make a massive effort at mobilisation of private savings. Today, the rate of savings in our country is about 8 per cent

or it has reached about 10 per cent. In any developing country, as hon. Members who are familiar with the history of economic development should know, for any worthwhile economic development, the rate of savings has got to be at least 19 to 20 per cent. Our rate of savings at the moment is only about 8 or 8½ per cent and it had reached a maximum of only about 10 per cent. This means, therefore, that our rate of savings has got to be doubled. How are we going to double the rate of savings? We cannot do it just by taxation. We have got to do it by mobilising savings, and for this it is necessary that the necessary psychology and the necessary background and the necessary atmosphere have got to be created to facilitate this.

Finally, I think it is very important to stop the growth of cost inflation in this country and not only monetary inflation, by increasing productivity and regulating the salaries of both the private and public sectors. It is also important to increase the efficiency of the tax machine. I forgot to mention earlier, though I should like to point out that the measures taken in this budget though they may not be so drastic as my hon. friend Shri P. Ramamurti may want, that it is in the current year's budget that for the first time measures have been taken to bring to book tax evaders. I do not know what difference there is if we send to jail for six years or for six months a man who never thought that he was going to be proceeded against at all. I think six months is a good enough beginning. Certainly, six months can become six years afterwards if persists in evasion. But it is for the first time in this budget that a massive attempt has been made to plug loopholes and to improve the efficiency of taxation and to make tax evasion much more risky and dangerous than has been the case so far, and I think all credit and congratulations should go to the Finance Minister for his having been bold enough to take these steps.

Before I conclude, I would go back to what my hon. friend Shri P. Ramamurti had said. I believe he wanted more expenditure on industry in order to increase employment. He also talked of the Congress Party having adopted the Swatantra party's policy. I would like to point out that if he wants more economic activity

in this country and if he wants more production, then it is extremely important that there should be peace and law and order maintained in this country. I know that my hon. friend the Railway Minister has been raising his voice in the course of his reply to the debate on the Railway budget about the amount of damage that has been caused to the railway economy by the disturbances of public order. I think that it is very important for us to realise that all these disturbances, all these strikes, and all these breaches of industrial truce, hartals, *morchas* and other violent activities, whatever may be the legitimacy or otherwise of the demands behind them, these particular methods which are being adopted, are killing the goose that can lay the golden eggs. It is not yet laying golden eggs. But this is killing the goose that can lay golden eggs. I think it is important that on this particular subject, there should be no question of political differences. By all means, political differences are there. The Opposition is perfectly entitled to topple us, even though they deny us the right to topple them. I have no objection to that at all. But I think it is important for us to realise that there are certain methods which have got to be followed in this process of airing political differences. Carrying the battle to the streets, interfering with transport, interfering with production, at a time when the economy is stagnating, when production is so low that we are not able to find resources enough for development, is, I think, certainly not an act that one can appreciate.

I would, therefore, like to appeal to my hon. friends in the opposite Benches that whatever may be the differences between us, whatever may be their opinion about the legitimacy or illegitimacy of this Government and its policies, today we should all realise that the economy needs an atmosphere of peace, the economy needs an atmosphere when quarrels will not lead to stoppage of production and there can be no espousal of any quarrel that comes in the way of production. Let us all realise that the economy is bigger than us and the nation is larger than all the parties it consists of. Therefore I would appeal to them to see that this year and in the coming year or two at least we go all out to establish, such an atmosphere in the

country when production in this country is not disturbed and nothing is done to prevent the stimulation of production.

I would conclude by saying that this Budget is a challenge to the private sector. It is also a challenge to those like me who believe in the public sector. On the way this challenge is met by people in the private sector, on the way it is met by those who believe in the public sector, on the way we all respond to this challenge and reorient our policies to see that the interest of the expansion of the public sector is not jeopardised, on that will depend the ultimate consequences of this Budget, of taking the country out of its present economic rut and moving forward to higher standards of living and a more egalitarian society, which we all desire.

SHRI P. K. DEO (Kalahandi): Mr. Chairman, in the background of rising prices, diminishing returns, growing deficit and a dwindling foreign exchange, all misdeeds of twenty years of Congress rule, the Deputy Prime Minister and Finance Minister has the difficult task of balancing the budget and at the same time giving an impetus to economic activity. In spite of the high hopes raised by him, an air of despondency surrounds Indian economy. The exhilaration which was there in the fifties when we first came here to see the nation on the move forward has disappeared. In season and out of season, we have been giving warnings from these Benches. Even today we reiterate that Government should (1) eschew all inflationary policies, (2) not resort to deficit financing, (3) stop all wasteful expenditure, (4) restrict utilisation of foreign loans to essential purposes, (5) reduce substantially both direct and indirect taxes and make a large supply of rupee finance available for investment in productive enterprises for the purpose of greater production, the only means to hold the price line, and (6) dismantle the huge structure of permit-licence-quota-controls, the biggest source of political corruption. All this good advice has been falling on deaf ears and the economy of the country has been brought to this mess.

In the Government we find a paralysed will which leads to gazing at the sky praying Providence for a good shower on which

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the present state of Indian economy completely depends. We cannot afford to consume what we cannot produce and we cannot invest what we cannot save. The disastrous failure of the Third Five Year Plan opened the eyes of Government, the postponement of the Fourth Plan is only the realisation of it.

Another malaise of the Indian economy lies in the fact that the real output is increasing at the rate of 4% per annum since 1955-56 while the demand has been increasing at 8% per year. This widening gap of supply and demand has created a situation that even a bumper crop like this year's, I am afraid, will not be able to revive the impulse of expansion.

In the last two years there has been severe drought and famine in the different parts of the country, and this year also, even though there has been rain, in some parts of the country there has been partial failure of the monsoon, and even though we expect a harvest of 95 million tonnes, it should be borne in mind that while food production increased by 7% our population had been increasing by 8% between 1964-65 and 1967-68. The national income which has been rising on an average at 4.3% during the decade 1951-52 to 1961-62, declined in the following year. This year, however, because of the bumper crop it is expected to rise by 11%.

Prices have been skyrocketing. In the week ending October 14, 1967 the wholesale price index reached the unrepresented level of 224 against the base of 100 in 1952-53. However, because of the bumper crop there has been a decline in the price level. That should not make us complacent, because it is a seasonal phenomenon every year after the harvest. We should not forget that the basic inflationary forces still continue to work.

In the past we have been told parrot-like that everything is all right in our front, it is because of natural calamity or natural disaster that things are not taking place as we first thought. Now, due to this accident of a bumper crop we should try to put our house in proper order and curb the inflationary forces.

This budget which envisages an over-all deficit of Rs. 290 crores, besides the addi-

tional taxes of Rs. 65.73 crores and the steep rise in post and telegraph rates yielding Rs. 24.70 crores more on top of last year's deficit of Rs. 300 crores certainly represents a major departure from Mr. Morarji's policy that there should be no deficit financing which he so vigorously described while presenting last year's Budget. This big dose of deficit financing will definitely affect the Indian economy, and steep rises in prices are bound to follow. This year the bumper crop provided us with a situation for a determined effort to stabilise prices, to counteract inflationary pressures like fiscal and monetary discipline and all efforts should be made to increase export. This good crop comes on an average once in three years, and if we miss this opportunity we all have to wait for another three or four years.

In this regard I would like to point out that India's economy is so vitally linked with agriculture that at long last we feel proud that the Swatundra Party has been able to bring this home to the mind of the Treasury Benches that without good prospects of agriculture, there is no possibility of reviving the Indian economy. Indian agriculture depends on the vagaries of the monsoon, which is always erratic like the mood of the Government, and India's economy flutters like a weathercock. Is it not time the kisan is assured of timely water supply for his crop and given some incentive for production from his fields? When we scrutinise the Demands of the Irrigation and Power Ministry which has to play a very vital role in reviving our economy, we get a very dismal picture. It is not consistent with reality, it is not consistent with the thinking which has framed the budget. There is a marked fall in the Demands of the Ministry of Irrigation and Power. In 1967-68 the total allotment was Rs. 53 crores and the revised estimate was 53 crores compared to Rs. 44 crores only which is budgeted for next year. In the capital outlay, there has been a sharp fall of nine crores under this demand. More allotment should have been made for this ministry. The Indian agriculturists are now-a-days willing to take to better techniques and use the latest and improved methods, fertilisers, insecticides and high-yielding and hybrid seeds and is prepared

to invest money in agriculture provided he is assured of water supply and cheap power. He should get a remunerative price for his produce and in certain cases he should get price support from the Government. Diesel oil, fertilisers and pesticides should be given to them at subsidised rates. There is also the problem of credit. In some ayacut areas of big projects, there is no proper drainage system and adequate flood protection work has to be done. At the moment an agriculturist has often to pay more for power for his energised pumps than what an industrialist pays for his aluminium plant. Above all, the outmoded, the primitive land revenue system has to go. Even the small gesture of the Orissa Government in the abolition of land revenue to give impetus for more production had been resented by our Deputy Prime Minister.

The budget speech has belied all our expectations. A big mountain has produced a small mouse. An examination of the proposals reveals that while some of the measures may be able to revive our economy to a very meagre extent, other measures will adversely affect the Indian economy to a much greater extent. The discontinuance of the dividend tax upto Rs. 500, reducing the rate of surcharge on company profits, concession of development rebate, abolition of annuity deposit and other measures are small incentives as pointed out by the previous speaker; they are a silver lining in the dark cloud of recession, idle capacity and accumulation of stocks. By these the D.P.M. is only tinkering with the problem and it will have only a marginal and psychological effect whereas the higher rate of income-tax and wealth-tax even in higher brackets will further diminish saving and erode capital formation. The income-tax exemption limit should be raised to Rs. 7,500. Mr. Bhoothalingam has done a very good job in suggesting that the limits should be raised to 7,500 for an individual and Rs. 10,000 for an undivided Hindu family. At the present moment the exemption limit is Rs. 4,000. What is Rs. 4,000 when rupee today is equivalent to 17 paise of the 1947 rupee? The implementation of his suggestion will not only provide relief to a large number of people and eliminate from the register a large number of assesseees leading a hand-to-mouth existence but will also lead

to better administration of tax laws and better collection. He says: on page 52 of his report:

"Some Revenue officials have estimated that if work on petty assessments is cut out, the improvement in the quality and speed with which the remaining work can be done, e.g. by expeditious disposal of appeals, better investigation, etc. will lead to increase of tax collections by Rs. 100 crores for some years besides an immediate increase of about Rs. 200 crores merely by finalisation of pending assessments.

Coming to prices, they have risen by sixty per cent in the last four year though there was a downward trend visible in the latter part of 1967. But it has hardly benefited the consumer. Over and above all this the Deputy Prime Minister has cast his net of indirect taxation on all conceivable items. The purpose of countering inflation is ill served by widening and deepening of the excise net. For example, take the case of the valves and transistors. These are the vital components of the radio, the only media of mass education, in a country where literacy is only 24 per cent. Valves and transistors are essential commodities. They are not a luxury. A radio is not a luxury today. It is an important means of mass education. The transistors and valves that are produced in the Bharat Electronics are not adequately produced to meet the demands of the country, and they also cost double of those which are imported. So, taking into consideration these facts, I submit that this import should go.

Coming to the uncured tobacco, though I have never chewed tobacco, I find that it is the only delicacy of the mazdoor and the underdog. It removes fatigue and cheers him up. So, the excise duty to be raised by 10 per cent on uncured tobacco is said to yield a revenue of Rs. 6.36 crores. We oppose this enhancement.

Then, the last straw to break the back of the poor as in the case of the camel is the proposal to increase the post and telegraph rates. It will create untold hardship to the poor. The reason given is that there has been a deterioration in the revenue of the post and telegraph department to the tune of Rs. 22 crores. The

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most surprising thing is that the deterioration is being shown every year. Stringent measures should be taken to effect economy and streamline the working of the post and telegraph department before imposing this enhanced rates on the posts and telegraph tariff.

Then, I find no reason for more excise duty on products of engineering industry, which are worst affected by the recession.

Similarly, if we tried to effect economy in expenditure, particularly in administration and other non-developmental civil expenditure, this deficit could have been wiped out to a great extent. A large scope for economy still exists, if only effective measures could be taken. The Government departments should not have been allowed to multiply and expand according to Parkinson's law.

In this regard, I would like to quote a paragraph from the 13th report of the Estimates Committee. It says :

"The Committee notes with concern the rapid increase in non-developmental civil expenditure from Rs. 337 crores or 3.5 per cent of the national income in 1950-51 to an estimated amount of Rs. 1,280 crores or 6.1 per cent of the national income in 1965-66. In 1966-67, the expenditure is stated to have gone up further to about Rs. 1,635 crores or 6.8 per cent of the national income due largely to higher service charges on external debt resulting from devaluation, increased subsidy on food-grains, increases in dearness allowance, etc."

So, you will find that they are all on the increase. They further say :

"In view of the difficult resources position and the adverse effect of the increases in non-productive expenditure on the price situation, the Committee strongly urges that Government should at least now take firm measures to bring down the present level of expenditure on the administrative services."

But nothing has been done.

If you will read pages 74 and 75 of the first PAC report, you will be shocked by the revelation it makes. It says that there has been a loss to the tune of Rs. 2 crores on the purchase of road rollers by the Sup-

ply Department. Uptill now nothing has been done to realise the sum of Rs. 2 crores which has gone down the gutters and the person concerned, I think, has declared himself a bankrupt and there is no chance of getting back the amount. In this way, our good money is being frittered away by unimaginative executive action.

Regarding defence, the Minister was saying that the "question of reducing the magnitude of defence expenditure without detriment to national security has been constantly receiving our attention." Even though he has said it, he has estimated an increase of Rs. 45 crores in the defence expenditure. In the sixteenth report of the PAC, in page 29, quite a different story is told : As a result of the Defence Ministry's frequent cancellation and suspension of their orders to the ordnance factories, they had to incur a loss of Rs. 1 crore. Had these Rs. 45 crores been spent for acquiring the latest Military hardware to increase our fire-power or modern gadgets to increase our efficiency either in logistics or elsewhere, we would not have grudged it. But what justification is there to promote 5 Major Generals to Lt. Generals, 10 Brigadiers to Major Generals, 15 Colonels to Brigadiers, 55 Lt. Colonels to full Colonels, etc.? Similar promotions have taken place in the Navy and Air Force also. What justification is there for these promotions even though they do the same kind of job? I do not think Mr. Morarji Desai has been true to his profession.

This abnormal increase in the military ranks seems to be a very cruel joke when we see 7000 unemployed engineers in this country, when we see a large horde of educated unemployed in this country, with millions and millions of people remaining unemployed in the live registers of the various employment exchanges. When I consider the question of unemployed engineers, I accuse the Government of India of being a party to it by creating unemployment. I will cite one instance from my State.

The Aero-Engine factory was installed in Koraput, and the Orissa Government was entrusted with the work. The Orissa Government gave 3500 acres of land free and in view of the urgency, the Government of India said, "You take up the work." The Orissa Government created a new orga-

nisation of civil, electrical and public health engineering, headed by a Chief Engineer, where 300 engineering personnel were employed. Now the Government of India has by passed the Orissa Government and called for tenders, in contravention of the previous assurance given by the Deputy Secretary to the Government of India in the letter dated 28th May, 1963 to the Orissa Government that all such works should be entrusted to this organisation. In view of the excellent work done by this organisation to the tune of Rs. 9 crores, that to at a concessional agency rate of 10 per cent as against the usual rate of 17 per cent, I find no justification to throw out these 300 engineering personnel. Is not the Government of India a party to creating new problems of unemployment and law and order in a non-Congress State? Is it not a discriminatory attitude of the Central Government? Then Orissa Legislative Assembly has rightly criticised it by a unanimous resolution the other day.

Coming to the public sector, I find that it is far from satisfactory. The money invested there is going to the gutters. It has provided a cushion to rehabilitate all the defeated Congressmen in the last poll, whether it be Mr. Malaviya, Shrimati Maimoona Sultan or Mr. Morarka. I would like to quote from the report of the Estimates Committee about the performance of public undertakings :

"The Committee is greatly distressed to find that the majority of the public enterprises have suffered from delays in execution of projects, high capital costs, long gestation and operational difficulties as a result of which the returns on capital have been much below expectations. It notes that even the manufacturing and trading concerns of the Central Government which are supposed to be guided by sound commercial considerations, have, in 1965-66, given a return of only 2.4 per cent Rs. 53.03 crores on a total investment of Rs. 2,225.88 crores. What is even more disconcerting is that, inspite of substantial concessions like supply of capital on easy terms, interest holidays, moratoriums on loan repayments, etc., the performance of industrial enterprises in the public sector has deteriorated perceptibly over the years."

Thus, in 1965-66, the running concerns in the public sector showed a profit of only 1.1 per cent against 2.9 per cent in the previous year. As the bulk of the investible resources available during the Second and Third Plans have been appropriated for the expansion of the public sector, the Committee feels that the declining trend in the rate of growth of the national economy is, in no small measure, attributable to the poor performance of the public sector enterprises."

This paragraph vindicates what we all have been saying on behalf of the Swatantra Party all these years.

Similarly, the Bokaro is a white elephant. This provision of Rs. 110 crores for the Bokaro plant should be scrapped. From a reply to a question put down in the list today you will find that the losses due to steel plants, cumulative loss up to 31st March, 1967, plant-wise are : Durgapur—Rs. 352.82 million, Rourkela—excluding the fertiliser plant—Rs. 288.47 million and Bhilai—Rs. 92.04 million. For this various pleas have been given. But the basic thing which should be understood is that the Government do not know how to run a steel plant.

Coming to overdraft by States on the Reserve Bank, I share the anxiety of the Deputy Prime Minister that there should be better financial discipline on the part of the States. But I must emphatically say here that for the deplorable financial position of the States the inflationary policy of the Centre is responsible to a large extent. Is it not a fact that rise in prices, scarcity and economic stalemate arise directly out of the Central Government's policy? Several State Governments have requested the Centre to bear the whole or part of the additional burden because of the enhanced rate of dearness allowance and such other inevitable enhanced expenditure due to rise in prices.

I would like to review the Centre-State relationship in administrative and financial matters. The Deputy Prime Minister while wishing success to the UNCTAD Conference of the United Nations hoped of early solution to the problem between developed and developing States soon. But he has failed to mention the regional imbalances in the development that has taken place in

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the country and the Centre's responsibility to plug the gap of imbalance by more central assistance, and location of central projects in the backward areas. In view of the changed political context after the 1967 election and further widening of the gap between the State resources, responsibilities as well as the needs, there is urgency for considerable improvement in the existing procedure for devaluation of resources and making a constitutional provision towards that end. I am happy that a Finance Commission has been appointed. I hope they will go into this aspect and bring about some solution. In this regard I would like to quote a paragraph from the Orissa Chief Minister's budget speech. He said :

"The present system has failed to secure the objective of balanced regional development and the last three Plans have widened the gap, making the rich States richer and the poor lagging far behind. Unless the relative financial weakness, social and economic backwardness of the population and the *per capita* income or *per capita* consumption levels of the State are taken into account in devising a formula for *inter se* division of share of taxes and duties, the situation cannot be remedied.

The tendency to concentrate control in a Central Planning Authority affecting every detail of State Plans has introduced an element of inflexibility in the execution of the State Plans not visualised by the Constitution."

The Planning Commission has become a super dictator. Against this background, there is unusual discrimination in Centre's treatment of Congress and non-Congress States. The usual political elbow twisting continues. Is there any justification in not reimbursing the expenditure of Rs. 16 crores in connection with Paradip Port to the State Government after the Central Government has taken over the entire project much before the project became a revenue yielding project? This reimbursement is necessary to repay the Central loan of Rs. 15.69 crores incurred by the Previous government. Sir, you must appreciate the fallacy of this Government in demanding repayment of this loan along

with interest from Orissa's hand to mouth budget when the revenue yielding project has been taken over by the Central Government and has been handed over to the Paradip Port Trust. If it is done, it would mean postponement of all Governmental projects in that State.

Finally, I would like to say that though the budget means well in its propensity, in practice it does not solve any of our burning problems, nor does it improve the lot of the common man. The Deputy Prime Minister has started nibbling at the fringe of the problem without solving the problem. So, on his 19th birthday—this is his 19th birthday because he celebrates his birthday only once in four years being born on the 29th of February, the birthday cake which he has presented to the nation is a very bitter pill to swallow.

**श्री मुन्निका सिंह (औरंगाबाद) :** सभापति महोदय, यह सर्वविदित है कि भारतीय आर्थिक व्यवस्था का मेरुदंड खेती है कृषि है : अर्थ मंत्री जी ने भी अपने बजट भाषण में कृषि के सम्बन्ध में जिक्र करते हुए कहा है कि इस वर्ष खेती की हालत अच्छी रही है, अन्न ज्यादा पैदा हुआ है और उस आधार पर उन्होंने बड़ी बड़ी उम्मीदें बांधी हैं। उनका ख्याल है कि खेती की पैदावार में इस वर्ष वृद्धि होने की वजह से जो इंडस्ट्रियल रिसेसशन है, मंदी है, उसमें भी सुधार आयेगा क्योंकि किसानों की क्रय शक्ति बढ़ेगी। लेकिन वह एक बात भूल जाते हैं कि यह मानते हुए भी कि इंडस्ट्री के उत्थान के लिये या विदेशी मुद्रा के प्राप्त करने के लिये चूँकि ज्यादा से ज्यादा विदेशी मुद्रा में हमें खेती से जो पैदा होता है, वहीं से उपलब्ध करते हैं। अभी तक खेती की ओर सरकार का जितना ध्यान जाना चाहिये वह नहीं गया है।

16.48 HRS.

[MR. SPEAKER in the Chair.]

इस वर्ष प्रकृति की कृपा से अगर कुछ पैदावार अच्छी हुई है तो हम बड़ी बड़ी उम्मीद बांध रहे हैं। इसका अर्थ है कि सचमुच इस देश के उत्थान के लिये खेती का उत्थान अत्यावश्यक है। बिना खेती के उत्थान के न

हम व्यवसाय की दुनिया में तरक्की कर सकेंगे और इंडस्ट्रियल क्षेत्र में ही। लेकिन खेती के लिये आज तक 20 वर्षों में जितनी कोशिश की जानी चाहिये थी वह नहीं की गई है। अभी भी जो बड़ी बड़ी उम्मीदें बांधी जा रही हैं आप देखेंगे कि एक तरफ खेती की जो पैदावार है अर्थात् जो खाद्यान्न है उस में बड़ी तेजी के साथ दामों में गिरावट हो रही है। कुछ दिन पहले जो चीज 50 और 60 रु० मन विकनी थी, आज जहां कहीं भी देखिये उसका भाव 30, 32 और 28 रु० आ गया है। सारे खाद्यान्न की कीमतों में गिरावट आ रहा है। ऐसी स्थिति में यह उम्मीद करना कि किसानों की क्रय शक्ति बहुत बढ़ जायेगी और उससे इंडस्ट्रियल रिसेशन में लाभ होगा और पोस्ट-कार्ड और रिस्कीफों का मूल्य बढ़ा कर भी हम कुछ अपने रिसेसॉज बढ़ा सकेंगे, एक निराधार सी बात होगी।

जहां तक खेती का मवाल है, मैं कहना चाहता हूँ कि आज दो वर्षों के अकाल की स्थिति से या उस के पहले जितना पैदा होता था हम उस से केवल 6 मिलियन टन ज्यादा पैदा कर सके हैं। दो वर्षों के अकाल के बाद 6 मिलियन टन ज्यादा पैदावार होने के बाद भी किसान की हालत यह है कि वह सरकारी कर्ज के बोझ से लदा हुआ है। इसके अलावा बाहर के कर्जों का बोझ भी है। उस की मालगुजारी बाकी है जिस की वसूली हो रही है और उस को देना है। प्रकृति की कृपा से, जिस में सरकार का कोई श्रेय नहीं है खेती की पैदावार बढ़ी है, परन्तु इतने से ही यह उम्मीद बांध लेना कि हमारी आर्थिक स्थिति सुधर गई है, हम आर्थिक स्थिति की बड़ी अच्छी रूढ़ि पर आ गये हैं और आगामी वर्ष तक सारी आर्थिक दिक्कत से बरी हो जायेंगे, यह ठीक नहीं है।

खेती की पैदावार को बढ़ाने के लिये किसानों को कुछ इन्सेन्टिव देने होंगे। वह इन्सेन्टिव यह हो सकता है कि उन को

मूल्य पूरा मिले और अन्न का इतना अच्छा भाव हो कि वे और भी उत्साह के साथ ज्यादा से ज्यादा पैदा करना चाहें। साथ ही ऐग्री-कल्चर इनपुट्स का प्रसार हो और हम सुविधायें प्रदान करें जिस में वे वैज्ञानिक ढंग से नये बीजों की मदद से खेती कर सकें। आज क्या हो रहा है इस को हम देखें। सारे ऐग्री-कल्चर इनपुट्स में हम जो सहाय्यते देते थे, जो सब्सिडी देते थे, उस को तो हम ने रोक दिया और साथ साथ सब्सिडी रोकने के बाद किसानों के लिये जो कुछ करना चाहिए था वह नहीं हो रहा है, लेकिन खाद्यान्न के भावों में जो थोड़ी लाभदायक वृद्धि हुई थी वह भाव तेजी के साथ गिर रहे हैं। ऐसी स्थिति में यह उम्मीद करना कि खाद्यान्न के उत्पादन में काफी प्रगति होगी, यह सम्भव नहीं है। इस लिये मैं सरकार से कहना चाहता हूँ कि चूंकि कृषि ही आप की आर्थिक व्यवस्था का मेरुदण्ड है, और इस को वित्त मंत्री ने स्वीकार भी किया है, तो फिर कृषि के उत्थान के लिये ज्यादा से ज्यादा सिंचाई का प्रवन्ध ऐग्रिकलचरल इनपुट्स की व्यवस्था उन्नत बीज और साथ उसके साथ साथ किसानों के पैदावार की चीजों के भाव न गिरें, इन की ओर ध्यान दिया जाना चाहिये। जहां तक हो सके हम को इस सम्बन्ध में मदद कर के आगे बढ़ाना चाहिये, नहीं तो हमारे सारे स्वप्न चकनाचूर हो जायेंगे और अगर किसानों का हीसला गिरा और यहां खेती की पैदावार में कुछ कमी हुई तो सिर्फ पी० एल० 480 की मदद से ही हम इस देश को जीवित नहीं रख सकेंगे।

डेफिसिट फाइनेंसिंग के सम्बन्ध में तरह तरह की बातें आई हैं। मैं कहना चाहता हूँ कि किसी विकासशील देश में डेफिसिट फाइनेंसिंग हो तो कोई आश्चर्य की बात नहीं है और न इस को अभिशाप ही मानना चाहिये। यह डेफिसिट फाइनेंसिंग अगर देश के विकास के लिये हो, हम धन को ऐसे कार्यों में लगाये जिस से जल्दी से जल्दी पैदावार बढ़े, देश की पैदावार बढ़े और देश धनी हो, तो उस को

### [श्री मुद्रिका सिंह]

ठीक मानना चाहिये। उस को अपनाना चाहिये। लेकिन साथ ही साथ हम को यह भी देखना होगा कि घाटे के बजट पर उतरने के पहले देश के जितने भी रिसोर्स हैं इनकम के, राज्य की आय में वृद्धि करने के जो भी जरिये हैं, क्या हम उन को टटोल और देख चुके हैं, क्या कोई भी दरवाजा और खुला नहीं है जिससे हम आय को बढ़ा सकते हैं। हम देखते हैं कि हमारे वित्त मंत्री जी ने इस ओर ध्यान नहीं दिया है और आय बढ़ाने की हर सम्भव कोशिश नहीं की गई है। सिर्फ पोस्ट-काई और लिफाफे का मूल्य बढ़ा कर 60-66 करोड़ रु० की वृद्धि से कोई भी बड़ा आर्थिक सवाल तो हल नहीं होगा वरन् हम जनता में अप्रिय होंगे और हमारे विरोधी दल के लोग इससे लाभ उठावेंगे।

अगर हम सचमुच अपनी आमदनी बढ़ाना चाहते हैं तो बैंकों का राष्ट्रीकरण करना चाहिये। अगर हम उन को नेशनलाइज कर दें तो बैंक इंटरैस्ट से ही आप 4 अरब रुपये की बचत कर सकते हैं और साथ ही मोनो-पोली का सवाल, बिड़ला का हंगामा आदि सारी बातें पार्लियामेंट में आयें। यही जरिये हैं जिन के कारण सारी बातें होती हैं। अगर बैंक ट्रेड हम अपने हाथ में ले लें तो हमारी आय काफी बढ़ेगी और हम को किसी तरह का कर लोगों पर नहीं लगाना पड़ेगा। बिना कर लगाये हुये ही हम अपनी आय बढ़ा सकते हैं और डेफिसिट फाइनेंसिंग से बच सकते हैं। इसी तरह विदेशी व्यापार का भी राष्ट्रीकरण करना चाहिये, इस से भी हमारी काफी आय बढ़ेगी और लाइसेंस परमिट का भी सवाल हल हो जायेगा।

इसी तरह से पब्लिक सेक्टर है। उस के सम्बन्ध में बहुत सी बातें कही जाती हैं। मालूम होता है कि विरोधी दलों, विशेषकर स्वतन्त्र पार्टी के दोस्तों को और कुछ कहने को है ही नहीं। जब भी बोलेंगे तो पब्लिक सेक्टर पर ही आघात करेंगे। इसका कारण यह है कि वह जो अपनी फैक्ट्रियां चला रहे

हैं उन में 10 परसेंट डिबिट देते हैं और हम अपनी आयरन ऐंड स्टील फैक्टरी घाटे में चला रहे हैं। अगर हम इस में कुछ तरक्की कर सकें, अगर हम 5 परसेंट मुनाफा भी कर सकें, तो हमारी आमदनी काफी बढ़ सकती है और हम अपने घाटे के बजट को पूरा कर सकते हैं। आखिर क्यों ऐसा होता है? सारा इन्तजाम गलत है। आज आई० सी० एस० और आई० ए० एस० वाले जो हैं वह सब जगह छाये हुए हैं। समाजीकरण या राष्ट्रीयकरण के माने यह तो कभी नहीं होते कि उस पर सिर्फ नौकरशाहों का बोल बाला हो, वे उस पर छा जायें। अजीब हालत नौकरशाही वालों की है। जब तक नौकरी में हैं तब तक पब्लिक सेक्टर चलायेंगे क्योंकि वे ही दक्ष हैं, सब मजों की दवा हैं। एक दिन फाइनेन्स सेक्टर है, दूसरे दिन डिफेंस सेक्टर है, तीसरे दिन किसी इंडस्ट्री में डाइरेक्टर हैं और चौथे दिन शिपिंग के डाइरेक्टर हैं। यह एक अजीब बात है कि हर जगह उन को बिठा दिया जाता है, मानो वह सब दुःख दर्द की दवा हैं, रामबाण हैं। यह रामबाण पहले तो पब्लिक सेक्टर चलायेंगे उस के बाद जब यहां से सेवामुक्त होंगे तो टाटा और बिड़ला के यहां नौकरी करेंगे, अगर वहां जगह नहीं मिली तो उन के लिये स्वतन्त्र पार्टी का प्लेटफार्म खुला हुआ है। वहां का टिकट ले कर झट से पार्लियामेंट में आयेंगे और पब्लिक सेक्टर पर आघात करेंगे। यह उन की रीति है। अगर इन आई० ए० एस० और आई० सी० एस० की मदद से, उन की राय से, हम पब्लिक सेक्टर में आमदनी करना चाहेंगे और उनको चलाना चाहेंगे, तो हम ऐसा नहीं कर सकते। हम को अपना केडर तैयार करना चाहिये। हमारा 28 अरब रु० पब्लिक सेक्टर में लगा हुआ है। इसके लिये हमारा अपना केडर होना चाहिये, एकानमिक केडर हो, एकानमिक मैनेजीरियल केडर हो। कोई भी केडर आप तैयार करें, जिससे इन व्यवसायों में लाभ हो, जिन को हम विदेशों में भेज सकें और उन से अयध्यन

करवा सकें, जिन को हम आगे बढ़ा सकें और साथ साथ जिन के लिये प्रमोशन का भी स्कोप हो। नीचे वाले व्यक्ति भी उन में काम करते करते अनुभव प्राप्त करते हैं, और ज्ञान हासिल करते हैं तथा उस इंडस्ट्री को चला सकते हैं। हम उन को तरक्की देकर सब जह पहुंचा सकें, न कि हम सेक्रेटेरियट से ही सब मजबूती दवा जो आई० ए० एस० और आई० सी० एस० हैं उन को ही सब जगह भेजें। अगर हम को इस देश का उद्धार करना है तो एक दिन नजदीक के गंगा या यमुना में हमें उनको डुबा देना चाहिये। तभी देश का भला है।

17 Hrs.

SHRI PASHABHAI PATEL (Baroda) : I think the hon. Member who has just concluded should come over to these Benches.

MR. SPEAKER : Then, the Members who are sitting there may have to go the other side. It may turn that way also.

SHRI MANOHARAN (Madras North) : At the outset, I must say that budget presented before us and which is under discussion reflects the rigid and regorous thinking of our Finance Minister and rules out the possibility of his getting into the embrace of flexibility himself. My hon. friend Dr. V. K. R. V. Rao while he was justifying the past twenty years' bunglings on the part of Government said that economic evils and maladies existed in our society and it might be that the present is unpleasant but the morrow is assured, and, therefore, he has said, let us go ahead. So, he has delivered his sermon, sat down, applauded by the Congress people, and his duty was over.

But I want to draw the attention of the Government of India particularly to the Finance Minister. If we read the Economic Survey for 1967-68 which he had presented to the House just three days before the presentation of the budget, I think it makes a sad reading.

Let me mention the most important aspects of our economy which have been commented upon in the Economic Survey, which would require careful assessment on an objective basis if correct measures are to be effected. It is not incorrect to say

that our economy has been exposed to terrific difficulties and dangers ever since the unwise decision taken by the Government of India that is, the time when the Indian rupee was raped or devalued. Notwithstanding the marginal increase in food production in the kharif crop, we would appear to be finding it almost impossible to get over the effects of drought of the last two years and the recession in the industrial activity which is still continuing.

Agricultural production in 1966-67 was only a shade higher than the poor record of the previous year and we are still well below the level attained in 1964-65. The foodgrains output of 76 million tonnes was still much below the level of 89 million tonnes recorded in 1964-65. The estimated total output of about 93 million tonnes for 1967-68 would not afford any substantial relief nor could it result in a sizable reduction in the import of foodgrains. Meanwhile, the combined pressures of growing population, increasing urbanisation and expanding money incomes in general would continue to exert a strong upward pull on food demands. The imbalance between the supply and demand has already noticeably reflected itself in the prices of food articles which went up over the last two years by no less than 45 per cent. No amount of window-dressing can conceal this fact, for the Economic Survey admits at page 26 that the pressure of demand with regard to food articles will go up in the year to follow. Admitting that in 1967-68, food production would touch the figure of 93 million tonnes, the credit for the same goes to the industry and the performance of certain State Governments. It is for this vital reason of increasing our food production, more than perhaps anything else, that there should be a recognition on the part of the Centre, of the need to delegate more financial resources to the States. In any case, a larger allocation by way of grants is certainly the need of the hour.

I think it is fitting for the occasion to quote from the Address of the Governor of Madras. He has said that :

The serious imbalance in distribution of resources in relation to responsibilities as between the Centre and the States has distorted the healthy relationship

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which should exist between the centre and the State in the larger federation. True federalism means that the Centre as well as the units should have adequate resources for the discharge of their respective responsibilities and the discretionary loans and grants from the Centre in respect of matters alling constitutionally within the competence of the States should play only a peripheral role.

"Till recently, they had at least the consolation that this discretionary central assistance was steadily rising from year to year, thus enabling the States to meet the needs of the people in a larger measure than would otherwise have been possible. But in the last two years, this trend has been reversed and central assistance to States, far from registering any growth, has in fact come down. The obligations of the States in regard to repayment of interest and loans given by the Central Government in the past have, however, increased appreciably with the result that the net Central assistance for the purpose of economic development is far less than in previous years.

"In terms of the Constitution, the States do not have adequate independent resources of their own. The transfer of resources from the Centre to the States on a statutory and non-statutory basis has also fallen short of needs, particularly in the last two years, thus disturbing the even tenor of progress in spheres in which the States are responsible. It is the firm view of my Government that in the light of the experience of the last 15 years, a high-level review of the provisions of the Constitution dealing with the delimitation of resources and powers as between the States is essential. Such a review will obviously take a little time, and the scope of the review will have to be defined with care in consultation with all concerned."

Also in his speech, the Governor observed :

"The spirit of the federal Constitution and the new political set-up in the country in which governments belonging to different political parties are in power

in the Centre and the States alike demand that the terms of reference of the new Finance Commission should be settled in full consultation with the States. My Government hope that the Government of India will initiate action for such consultation and settle the terms of reference of the new Finance Commission in the light of the views expressed by State Governments."

Instead of a frank discussion of the Madras Governor's speech, it has been dubbed as a controversial speech the greatest Rip Van Winkle in Delhi. The Governor expressed the true spirit and aspirations of the people of Madras State. It is a sad commentary on our Planning that in spite of the existence of a large organisation with a high-power Planning Commission at the apex, we have had to admit our inability to mobilise adequately by our irrigational and power resources and have to put forth the plea, whenever there is a shortfall in production, that we have been let down by the monsoon. It is high time that water resources were mobilised and conserved in an orderly and integrated manner so that nature's challenge could be met whenever called for.

The explanation given in the Economic Survey, namely, that the origin of the industrial recession of last year lies in the fall of agricultural output is not the whole truth. The two focal points of the present industrial recession are the old established textile industry and the newer engineering and capital goods industries. It was in a sense unfortunate that following devaluation, import licensing was liberalised considerably. Concomitantly for many engineering industries, the larger availability of imported components or other maintenance items following import liberalisation should ordinarily have removed an important constraint on higher production. As it is, we have witnessed the spectacle of inadequate utilisation of the import licences granted. The cumulative effect of the recession in these two focal centres has been the spread of recessionary tendencies to the transport industry and the engineering industries catering to the transport sector, such as the automobiles.

A third aspect of the economic situation is the generation of inflationary forces, particularly by means of the currency

notes in circulation. The note issue has crossed the three-thousand-crore-mark and we should not be surprised if in order to meet partly the gap of Rs. 300 crores in the revised estimate for 1967-68 more notes are printed this month. It has been admitted while presenting the Budget for 1967-68 that the uncovered deficit for the next year would be another Rs. 300 crores, part of which at least would have to be met by created money. So whatever improvement we may witness in food and industrial production in 1968-69, we may not expect any abatement of the rise in prices, much to the detriment of the common man.

I would now draw your attention to the categorical assurance of the Finance Minister several times on the floor of the House that his Government would never resort to deficit financing. But now he has come forward and said that there is no other option but to resort to it.

While on the subject of inflation I cannot help saying that our principal credit institutions, namely, the Reserve Bank of India, the State Bank of India and the other credit institutions providing long-term finance, have failed in their duty to provide technical advice from time to time. Let me hope trust that these credit institutions, whose overhead expenditure is colossal, would be properly guided by the Finance Minister with a view to making them efficient instruments in the field of credit policy.

Next, I would like to say a few words about foreign assistance, which has already become the scandal of the day. The list of countries from whom we are receiving assistance and which are listed in Annexure V of the Explanatory Memorandum does no credit to us. I hope I will be able to avail of another opportunity to comment on this, since, whether we like it or not, foreign loans are assuming a political complexion and the quantum receivable year to year varies with our foreign policy of this unfortunate Government of India. Pages 36 and 39 of the Economic Survey provide grim reading regarding foreign assistance. The balance of payments continues to be under pressure, export earnings and cash assistance or its equivalent did not suffice to cover debt servicing charges and pay-

ments for imports that could not be covered by external aid. The result of this position has been a moratorium, although this expression is not used in the Economic Survey. The outlook for foreign aid in the coming year remains very uncertain indeed. Unless our exports increase, any noticeable relief in the matter of balance of payments could be ruled out. As I said earlier, if the prices continue to rise notwithstanding marginal increase in the production of agricultural commodities, we would be witnessing a weakening of the competitive position in the export sector. Revival of exports in a big way does not appear to be feasible. Further, the quantum of free foreign exchange expenditure on food imports may only be marginally lower than in the previous year. The burden of debt service would, however, increase further considering that the level of foreign exchange reserves is already precariously low and we have substantial obligations to the International Monetary Fund.

As to the Budget proposals, my first comment is that notwithstanding the Finance Minister's public pronouncements that he did not believe in deficit financing because it resulted in inflation and higher prices, he has, by implication, admitted the need for deficit financing of the order of Rs. 600 crores between now and the end of March, 1969. I leave it to the House to judge the impact of such an increase in created money on the price level. In other words, while notes currently in circulation amount to Rs. 3130 crores, addition of the magnitude that might be necessary to cover the deficit might mean an increase of 20% in created money in the next 12 months. And so, my appeal to the Government in the name of the large masses of people, the toiling millions of the nation whose backs are already broken by the unwise and unimaginative policies followed by the Government is to take up expenditure control in a serious way. Defence expenditure has crossed the Rs. 1,000 crore limit. I would not say anything on this but would leave it to the judgement of the Defence Minister to prune the expenditure as much as possible, without endangering the security of the country. I would certainly urge that other non-plan non-development expenditure of the Central Government should be very substantially reduced. I do not agree with

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what is stated on page 20 of the Economic Survey, namely that a reduction in Government outlays would also lead further strength to the recessionary forces. I would plead for securing economies and avoiding waste in project expenditure and reducing considerably the expenditure on non-plan items. Rather than leave this to the Planning Commission, I would suggest the constitution of a Secretaries Committee for purposes of such expenditure control on the pattern of the Screening Committee which exists at present for the release of foreign exchange.

I have no serious quarrel with our Finance Minister. He tried his very best to squeeze the people of this country, but unfortunately he failed. He got only Rs. 65 crores. So, he left a gap to the tune of Rs. 300 crores to cover which he is resorting to printing currency. I have to offer two suggestions and I hope the Finance Minister who has some sympathy and humanitarianism in his approach, would consider these two proposals. One is to halve the levy on chocolate and confectionary and the other is to halve the increase in postal rates. With regard to the former, there is hardly any justification since one of the important ingredients going into chocolate and confectionery manufacture, namely, sugar, is already subject to a heavy excise duty. The increase proposed in the postal charges will hit the common man whose pocket is already hard hit because of the ever increasing spiral of food prices. This sacrifice could be more than made up if non-plan expenditure is curtailed.

A large number of institutions which are receiving grants in aid from the Central Government are listed in annexure II of the explanatory Memorandum. There are about 160 organisations. The most important organisation which arrested my attention comes under the Ministry of Information and Broadcasting; I refer to the Children Film Society, Bombay. Then there is the discredited Bharat Sevak Samaj, Indian Institute of Mass Communications. There are other institutions. I was told by some persons from Bombay that the persons in charge of the Children Film Society receive money from the Government by hoodwinking them that they had shot so many pictures for children while in fact not doing so. It is a scandal

which should receive the attention of the Finance Minister. I should appeal to the Finance Minister of the long list of such institutions in receipt of grants-in-aid.

To sum up, on behalf of my party, I suggest the following.

(a) A white paper should be presented on the Centre-State financial relationship. This paper should contain the principles on which allocations to the States are made year to year. It should contain the assistance under each head like Agriculture, Cooperation, Forests, etc. while listing the financial assistance to the States full account should be taken of the existence of Central Public Sector projects in the States and their contribution. Such a paper should enable decisions being taken for increasing contributions to those States whose food production drive is yielding results.

(b) Considerable reduction in non-plan non-development expenditure by vesting final authority for cuts in a Secretaries Committee.

(c) A review of the working of credit institutions like the Reserve Bank of India, the State Bank of India with a view to making them efficient instruments of credit and investment Policy.

(d) A white paper on the present position regarding foreign assistance and our indebtedness.

(e) A 50% reduction (a) in the new excise duty on chocolates and confectionery and (b) in the increase in the postage charges.

(f) A white paper on the principles on which grants-in-aid are given to various institutions. If some of these are not doing any useful work the provision of grants-in-aid to such institutions should be stopped forthwith.

(g) A white paper on the contribution so far made by Public Sector Undertakings to the Central revenues.

(h) There should be a performance budget. Alongwith the Demand Books there should be statistical data showing the provision for plan items and development and a study should be made each year of the actual physical achievements against targets envisaged. This would

enable us to judge whether the expenditure has been fruitful and whether the plans are being executed efficiently in physical terms and according to the schedule and within the provisions made.

There is a last request and the Congress Members should not mistake me. There should be a sizable reduction of ministers of all ranks and it should form part of the expenditure control policy because everybody knows that whenever there is any reshuffling or readjustment, there is an enlargement of the total membership. Today the Congress has about 280 Members in Parliament and of them sixty are ministers. It is the most untenable, obnoxious and alarming situation which should receive the attention of my esteemed friend, the Finance Minister, Mr. Desai.

The next point to which I wanted to draw the attention of the Finance Minister is this. That is a matter which affects my State and it is a problem which affects the people of my State. My attention has been drawn to the proposal to move the Defence Institute of Physiology and Allied Sciences from Madras to Chandigarh. This issue was considered by the Research and Development Council thrice and the Estimates Committee of Parliament has already okayed it and Madras was selected after careful consideration and not in haste. The State Government of Madras also allotted 30 acres of land free of cost. The case against the shifting of the institute from Madras was put forward by the Defence Ministry before the Estimates Committee of Parliament. A number of scientists working in the institute are reported to have viewed with concern this attempt to shift it from Madras to another place. Of all the considerations, the most important consideration is the security point of view, because Madras is far away from border areas. This has been explained to them, but unfortunately, a matter which has been already closed and settled once and for all has once again been raked up and revived not by anybody else but by the present Defence Minister, Shri Swaran Singh. It is unfair on his part because it is agitating the mind of the people of Madras State, particularly because of this: for the information of the House I can tell you that the Food Corporation has been shifted from Madras to

Delhi. And now, this Defence Institute of Physiology and Allied Sciences is being shifted or it is on the anvil and the people are thinking how best it could be shifted soon. So, I want the Prime Minister to probe into the matter and the Finance Minister to consider this point and see that unpleasantness and bitterness are not created in the mind of the people of the Madras State.

One more point and I have done. As usual, I used to speak on the language policy. I am very happy that the situation has come down to normalcy. The most controversial language resolution which was passed on the floor of this House created an uprising in my part of the country, not only Madras but all over the South. Mr. Morarji Desai might have mistaken the intention of my Chief Minister while he was asked by my Chief Minister not to come to Madras because the situation was tense. Probably the Finance Minister might have misunderstood it. But the moment he visited Bangalore, he might have understood the intensity of the feeling all over the South. He would have understood that.

SHRI MORARJI DESAI: That was also created from Madras.

SHRI MANOHARAN: I do not know. It is a wonderful discovery. He deserves to be given the Nobel Prize for this discovery. But he should understand the general feeling.

SHRI MORARJI DESAI: I shall be happy to receive it. (*Interruption*).

SHRI MANOHARAN: After the resolution was passed and the Act was passed, the Home Minister declared—in regard to the two-language policy, in a sense, English and Hindi—and assured the non-Hindi speaking people that the Hindi version will be automatically followed by an English translation. So, the *bona fide* of the Government of India was mistakenly accepted by the non-Hindi speaking States, because, here comes the direction: The Government of India has flouted flagrantly the assurance given to the non-Hindi speaking areas. The question was asked by one Mr. K. M. George of Kerala Assembly, for which Mr. E. M. Namboodiripad has given this reply. The Chief Minister, Mr. Namboodiripad, told

{Shri Manoharan}

Mr. K. M. George of the Kerala Congress that the State Government had to request the Union Home Ministry in October last for an English translation of the proceedings of the discussion on the seventh report of the Linguistic Minorities Commission. The copy of the proceedings had been sent to Kerala in Hindi. The Chief Minister said—the Union Ministry had replied to him and here is the mischief generated—that the Home Ministry had replied that the proceedings could be got translated into English with the help of the Hindi department of the Kerala University. There can be found no more amount of arrogance than this. Mr. Namboodiripad says—such a nice man—that he then wrote to the Union Home Ministry pointing out that the procedure suggested was opposed to the policy accepted by the Union Government that the English translation would be provided if the non-Hindi States asked for it. He further said—it is not a question of infection of the DMK party, he should understand—that Kerala which had not been anti-Hindi till, then, would be forced to become anti-Hindi. That is the view of the Kerala Chief Minister. Then the report says :

“Mr. Namboodiripad said that the Union Home Minister had replied to him stating that some mistake had crept in and that the matter would be set right;”

This is the attitude of the Central Government.

Day before yesterday, I received a copy of a circular from the Government of India, Ministry of Railways (Railway Board) dated 7-3-68. It says :

“It has been reported that Shri so and so, working in your branch has not joined Hindi Class at all to which he has been nominated. In terms of Railway Board's letter No. Hindi/62/8/2 dated 25-1-62 wilful absence from Hindi classes should be treated as absence from duty. You are, therefore, requested to direct him to join the Hindi class with immediate effect. You are requested also to obtain a written explanation from him explaining the reasons of his failure to join Hindi class and forward the same to ERB3 within

a week from the date of receipt of this letter.

Sd/- V. P. Joshi,  
Under Secretary, Railway Board.”

I want to ask, is this a classical example of persuasion or a brutal example of compulsion? These people are telling without any sense of shame—I am sorry I have to use that word again—to the non-Hindi people that there would not be any compulsion, because compulsion is a dirty thing, which is quite unnatural and so it will be through persuasion. I want to ask whether this is persuasion or anything but dirty compulsion.

While I was speaking in this House sometime back, I still remember I had raised this issue when Dr. Seth Govind Das was sitting. I said, here is a veteran Congress leader, a well experienced man, telling in one of the public meetings that the army should be marched into Madras to protect the people to meet the challenge to the introduction of Hindi. Suddenly he got up and said, “I did not speak at all”. After 15 days or so, again the issue was raised and suddenly he got up and said, “I did not speak at all”. I believed him. But now I have to revise my opinion about this gentleman, who has already thrown to the winds his Padma Bhushan. Here is a report in the *Indian Express* dated 23-2-65. I can tolerate the utterances of even the Finance Minister, but not of such kind of people. Let the House hear this and conclude whether this sort of speech is in the interests of the unity of the country and whether it could be tolerated. I could have dismissed it as non-sense immediately, but he was addressing the creaming talents of country, the future generation of students. The report reads thus :

“Mr. Govind Das, MP and Chairman of the first governing body of the Hindi Sahitya Sammelan, today announced that if English was not totally eradicated by the end of the current year from all the six Hindi-speaking States, the Chief Ministers would be ‘gheraoed’ in a non-violent way.”

I thought Mr. Govind Das belonged to the Congress Party, which does not believe in gheraoing. The report goes on :

"Mr. Govind Das, who was addressing a packed student meeting at Allahabad University, declared that Chancellors and Vice-Chancellors of the Hindi-speaking States would also be 'gheraoed' if English were not banned as a medium of education."

This is a sort of threat. Still, he is outside enjoying full freedom under the protection of the Government of India!

The report adds :

"Mr. Govind Das listed U.P., Bihar, M.P., Rajasthan, Haryana and H.P. as the Hindi-speaking States."

He is introducing a sort of demarcation or division of the country. I want the Deputy Prime Minister to pay serious attention to this. Who are the people who are sowing the seeds of separation today? Several times I have categorically explained here and I take this opportunity to reiterate our party stand. So far as DMK is concerned we have given up the philosophy of separation and buried it deep in unfathomable depth. It will never be revived unless and until these people themselves decide to reopen the issue and create such conditions. So far as we are concerned we have forgotten that. For heaven's sake, I tell you, do not sow the seeds of separation in this country. I will tell you who are all the leaders who are sowing the seeds of separation, not from the south but from the north. I request the Deputy Prime Minister to book all these people under the Defence of India Rules.

**SHRI KAMALNAYAN BAJAJ** (Wardha) : I would like to correct one statement made by the hon. Member.

**SHRI MANOHARAN** : No need to correct me; correct yourself.

There is another thing also. Seth Govind Das urged traders, lawyers and doctors to carry on their work only in Hindi by January 1st next. So a time-limit has been fixed by this gentleman. He threatened a social boycott of chief defaulters. He was, however, prepared to make concessions to lawyers and doctors for the use of English for the time being. Lastly, as usual, he came to Madras without invitation pointing out that opposition to Hindi as the sole official language of

the country was confined only to Madras. Shri Govind Das is reported to have said that in the interest of national integration the army should march into the State. I want to know whether he is the Chief of the Army. I cannot understand. Every time he speaks of the army. Is he suffering from a sort of obsession of the army? Such sort of irresponsible pronouncements should be stopped forthwith, otherwise it would create still more complications in our State.

Lastly, I want to seek one clarification. I want to know the correct guide-lines of the Deputy Prime Minister of this country. Very recently you might have read from newspapers that tamil pictures being screened in Bombay were resisted. Why? It was because certain students created some trouble in my State not allowing Hindi pictures to be screened and as a retaliatory measure they decided that no Tamil pictures, no Malayalam pictures, no Canarese pictures and no Telugu pictures would be allowed to be screened. Though I cannot appreciate this stand, logically I can understand this much. But our producers who produced Hindi films tried to screen them in Bombay. This was also terribly resisted by Shiv Sena. It means that they are not against language; on the contrary, they are against South Indians. I want to draw the attention of the Home Minister to this fact because he assured the House that something will be done whereby this misunderstanding will be removed and ultimately the unity of the country will be saved.

Before concluding, I request the Finance Minister to consider the proposals which I have given on behalf of my party and try to appreciate the sentiments I have expressed on behalf of South India. Let us try to understand each other very closely. For heaven's sake do not entertain any sort of misgivings and misunderstandings towards the DMK Members of Parliament. We are essentially for the unity of the country. We are for the security of the country. I would go a step further and say, we are second to none in upholding the integrity and unity of this nation.

**SHRI R. K. SINHA** (Faizabad) : Sir, I patiently heard the speech of our hon. friend, of the DMK Party. It was very patriotic of him to have affirmed his loyal-

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ty to the Indian nation, but I think when he arrogated to himself the right to speak on behalf of the whole of South India he was wrong. He is still to speak on behalf of the whole of South. When he spoke about the Hindi films produced in Madras being boycotted in Bombay, saying that it is shameful that the Shiv Sena is doing it, this is an argument that Hindi films can be produced in Madras, the best children's films in Hindi, the best children's magazine in Hindi is being produced in Madras. . . . .

SHRI MANOHARAN : So what ?

SHRI R. K. SINHA : Please wait. I will come to that. The people of Madras, the publishers of Madras, the film magnates of Madras, when it is good business, will go in for Hindi but otherwise they will resist it. When they criticise the Shiv Sena for their parochial outlook, I want my friends of the DMK to look back. While I was hearing his peroration against Hindi, when he was advising the people of the North, in Bihar, UP and other States, that Hindi should not be forced on the people of the North, is it right that they must continue to use only English ?

SHRI MANOHARAN : I am not at all against Hindi.

SHRI R. K. SINHA : Just like he objected to interruptions, I also do not want interruptions. He advised the people of the Hindi region "this is the code of conduct you must follow". I wanted to hear from our friend, the illustrious friend of the DMK, what he has to say about the philosophy of the DMK, which burned the national flag. What had he to say against the demonstration of those students who burnt railway property ? Whose property did they burn ? Whose country was being ruined ? This country belongs to us, as much as to the friends of the DMK. Do they want, do all the friends of the opposition want, to think that this country belongs to them, to all of us ? Their action does not show that.

The other day when a question was raised in this House with the Praja Socialist friends about their alliance with the Shiv Sena, Shri Natu Pai who waxes eloquent about nationalism and internationalism, when it comes to alliances with parochial

tendencies, forgets this. They go to Shiv Sena in order to get a few electoral votes. When one of us advised Shri Hem Barua why not go to Assam and organise Lachit Sena. We were told by our friends from the Jan Sangh : we have come to the valley of frustration. We have not come to the valley of frustration. For ten months you did not see any fault in going ahead and you brought the country to the valley of destruction. The communal riots that the Bharatiya Jan Sangh instigated and encouraged, did it bring any laurel to the country ? Yet, it is one of the speakers of the Bharatiya Jan Sangh who pointed at us and said fellow travellers. Who is fellow-travelling with the Communist Party ? The Bharatiya Jan Sangh. What have they to say about the alliances which they are having at the State level ? They speak with one voice at the State level and another voice at the national level.

Our friend, Shri Hiren Mukerjee, advised us that there is danger of neo-fascism. Who is encouraging neo-fascism ? Neo-fascism is encouraged by those who want to destroy parliamentary traditions. When we see that the Chief Minister of a particular State, when he is about to vacate his seat and is only a care-taker Chief Minister, if he goes and flouts section 144 imposed by his own Government, when two Ministers of another State come to Delhi and flout the law and order of the country, when they flout the traditions of parliamentary democracy, these are the people who are in the dock. I wish that we from the Congress Party who are here, who stand for the unity of the country, tell these friends that the question of nationalism and loyalty to parliamentary traditions is not their monopoly.

Our friends of the Swatantra Party are today talking of the common man : When they speak it appears that the common man is the rich capitalist of India. It is good that the annuity deposit is gone; it is good that a scheme of public provident fund has come. It is good that there is relief from surtax. But the common man for the Swatantra Party, the common man for the capitalist lobby is the richest capitalist of the country. Where is the poor man of the country ?

SHRI S. K. TAPURIAH : What has happened to your ten-point programme ?

SHRI R. K. SINHA: I am coming to that.

The common man for the Swatantra Party is the rich man of the country. I would appeal to our Finance Minister and Deputy Prime Minister to come out boldly with the heritage of Nehru and the continuation of the Nehru revolution which was stopped at the time of the Chinese aggression. Our friends in the opposition forget that there were two droughts and two wars on the soil of this country. That is why the economy of this country went wrong.

Today one of our Socialist friends said about Mr. Myrdal that Mr. Myrdal has said that in this country revolution was stopped. Our Socialist friends always seek only West European certificates; it might suit them. So, they showed the certificates of Mr. Myrdal. But he forgot that Mr. Myrdal said that in this country a Hindu raja affiliated Kashmir to India for the unity of the country. What does Mr. Myrdal understand of the tradition of the country, the heritage of the country and the future of the country? Why should we go to foreigners for certificates for our country? We have a future for which we have to go ahead. I would suggest to the Deputy Prime Minister that he should remember the 10-point programme which the Indian National Congress has given. We must look to it. There should be a massive mobilisation of resources so that in this country we are neither dependent on America nor we are dependent on the Soviet Union. With the image of a future India, we should be able to go ahead.

Today, the valley of frustration comes because of unemployment among the youth of the country. The valley of frustration comes because we do not give proper education to them; the valley of frustration comes because we are unable to train the youth of the country towards their patriotic responsibilities. I would appeal to the Deputy Prime Minister that he should have plans for budget to educate the youth of the country. The youth of the country is not only the student of India—he is in the field and in the factory—and tradition has to be given to him, a direction has to be given to him, and then only he can defend the security and the future of the country.

When our friends criticise the Bharat Sewak Samaj or other charitable organisations which have been aided by our Government, it might appear that we might feel shaky in launching non-partisan broad-based organisations. But I would like to appeal to the Deputy Prime Minister that the future of the youth of the country, the students of the country, those who are going to be the future soldiers and the future leaders of the country, is being forgotten. Year after year, there are students' demonstrations and there are irresponsible politicians who take advantage of the agitation, the unemployment, the resentment among the youth of the country. The youth of the country is not told about the history of the country the destination of the country and the basic constitutional principles of this country. Will not the Government of India take upon itself the non-partisan line to launch the youth of the country in the direction in which we can rescue them from those parochial tendencies, from those communal tendencies, which destroy the property of the country, which destroy the future of the country? It might appear that we might be needing some more financial investment. But it will be for the future of India. This is what the Finance Minister should take note of.

There is one other point which I want to place before the House and that is about the P&T Department and the Railways. Every Department must be self-sufficient by itself. There appears to be something fundamentally wrong with these two Departments. This should be examined. If the employees of the Railways and the Posts and Telegraphs Department do not behave properly, there should be a single federation of units which should be given an advisory status and we should see to it that there is efficient service. For one telephone call, sometimes, we have to wait for hours together, for days together, and it does not go through. For that, the national exchequer suffers.

We say that there is competition between the Railways and the road transport system. The personalised service which the Railway officials should have given to the country is not there and, therefore, the man who should go to the Goods Department of the Railways goes to the roadways and to the private operators. In this way, the

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public sector is brought into discredit. The Swatantra Members would like to take over the Indian Army, the Indian Railways, and for them everything in the public sector should go in to their pockets and into the pockets of capitalist. That is not my outlook. The future of this country cannot be mortgaged to a few corrupt officials; the future of this country cannot be given to those who are going to harm the people of this country.

About the rates on the post-cards and the envelopes, I would like to appeal to the Deputy Prime Minister that they should be brought down sufficiently. There should be an examination of the economy in these two Departments so that these two Departments are self-sufficient on their own. In this fashion, if we mobilise the resources on a massive scale, if the social control fails, then we should come with nationalisation of banks and we should come, as fast as possible, with the abolition of privy purses.

Lastly, I want to say about the monopolists. It is said—I quote from the Manusmriti,—that if an individual has to be sacrificed for the village, it has to be done; if the village has to be sacrificed for the State, it has to be done and if the State has to be sacrificed for the country, it has to be done. What are these few monopolists? Put them into one house and they shall not be equal to the rest of India. India is a parliamentary democracy. Socialism has to come by peaceful means. The socialism must come because an alternative from the Opposition does not come. The Communist Parties do not unite them; they cannot give an alternative. The socialist parties do not unite. They cannot give an alternative Government. The Swatantra and the Jan Sangh, the so-called rightists, cannot give a future to this country. Only the Congress Party can, but it has to reorganize itself and look to the poor man, in which direction the future of this country lies.

**SHRI ERASMO DE SEQUEIRA** (Marmagao) : From a look at this budget, it appears that there has been a shift in emphasis. Leaving defence alone, may I quote a few figures as an example? There is a cut, compared to last year, of Rs. 91 lakhs on projects for utilisation of man-

power. There is an increase of Rs. 64 lakhs on PWD buildings. Then, on loans to State Governments, agricultural production is down by Rs. 1 crore, minor irrigation is down by Rs. 3 crores, soil conservation is down by Rs. 1½ crores, forest schemes down by about Rs. ½ crore, Husbandry (animal variety) down by Rs. ½ crore, fisheries schemes down by Rs. 1 crore, a 50% drop; agricultural production in total is down by Rs. 7 crores; schemes for utilisation of rural man-power are down by close to Rs. 1 crore; irrigation and power projects down by over Rs. 4 crores. On the other hand, on capital spending, investment in Government companies and corporations is up by Rs. 32 crores. I wish to ask whether we can afford this gamble of shifting the emphasis from agriculture and irrigation and rural programmes, to industry and projects of long gestation. We have had two bad years on agriculture, and one reasonable year. We have no buffer stock of foodgrains. If the next monsoon fails us, with the present shift in emphasis, we shall place ourselves in the soup for, may be, a whole generation. If, on the other hand, we postpone additional long gestation investments this year and place all the emphasis on reducing our dependence on the monsoon, I submit that we shall buy a bit of insurance and still be late by only a year on industrial development.

On agricultural improvements and research, only 20 per cent of the budget for the current year will actually be spent. There is an increase next year, but this is mainly a postponement of investment, and not fresh input. On the other hand, on Delhi capital schemes, investment on buildings alone this year will be increased by Rs. 2½ crores. I do not mind not having a bungalow for one or two more years, but I would hate to lose my weight by having to miss meals...

**SHRI KAMALNAYAN BAJAJ** (Wardha) : If he loses some weight, it will be better...

**SHRI ERASMO DE SEQUEIRA** : That is my personal thing and I would rather take my own advice.

**SHRI KAMALNAYAN BAJAJ** : I suggest consult a doctor. Otherwise, he will repent.

SHRI ERASMO DE SEQUEIRA : I would suggest that the same level of capital investment in 1968, on investments of long gestation, should be maintained as in 1967, and the major emphasis should be on irrigation and rural projects.

I was looking at the Railways and I find that there is a subsidy for transport of coal by sea from Calcutta to Madras. If the Railways have got excess capacity on that line of coal wagons, may I suggest that the look at this, and see if they can take over that business.

Speaking of agriculture, in case, as we hope, the next monsoon is good, has Government made provision to step in to support prices, in case the prices do not stabilise at reasonable levels, but keep falling? If not, perhaps a little more money to agricultural refinance and less to the industrial lending institutions, would be a step in the right direction. I would like to draw pointed attention to two figures. Nagaland development schemes are down by Rs. 95 lakhs and border area development schemes are down by Rs. 41 lakhs. Can we afford to go slow on development of these sensitive areas? If not, the answer is clear. If 'Yes', let us use all these funds in Naxalbari and the hill areas of Assam, and not anywhere else.

I turn to taxation now. I am glad that the Finance Ministry will be having a fresh look at taxation, and I make these suggestions early, so that they may consider them. The excise on articles of mass consumption means that Government are picking a larger share of the poor man's pocket. As I mentioned last year, we must tax much more on luxuries, and exempt, progressively, the necessities of life. Taxes on consumption, together with a high availability of large funds for large enterprises through Government financial institutions, have encouraged entrepreneurs to own and control very large enterprise, with only small investments in equity. I suggest a change in this policy. Unfortunately, I have no figures to do a precise exercise. Therefore, the figures that I am quoting are merely figurative, for easier illustration. With the real figures, I dare say, even to maintain the same revenue, we could have lower rates of tax, and higher quanta of deduction.

For corporate taxation; I suggest a standard flat rate of tax for all companies, let us say, 50 per cent for domestic companies and 65 per cent for foreign companies. For manufacturing companies, I would suggest two alternative rates, 10 per cent higher for profits distributed and 10 per cent lower for profits reinvested, a preference of 20 per cent. To compensate the small shareholders—and if I may I identify these by saying that they are those who earn a total personal income up to Rs. 50,000 a year—and also to effect a direct transfer to these small shareholders from the larger ones, I suggest a deduction from personal tax payable, based on 60 per cent tax on income distributed, of 40 per cent of corporate tax paid on dividend income included in the assessment. I submit that this will accelerate the growth of corporate productive capacity, and at the same time increase the availability of funds for investment, in the hands of the smaller shareholders.

To get these funds back into the corporate sector and change the pattern of ownership of that sector, I would suggest three steps, namely (i) reduced availability of funds from Government financial institutions like the IDBI and Industrial Credit and Investment Corporation through lower taxes, especially on mass consumption, (ii) a directive from the Reserve Bank setting out a lower lending ratio than at present as percentage of assets, and a higher lending rate on large loans than on smaller ones, and (iii) a deduction from personal tax payable by persons earning up to Rs. 50,000, or even Rs. 75,000 per year of an amount equal to 20 or 30 per cent of the amount invested by such person in the previous year in equity shares of a public limited manufacturing company, subject to a maximum deduction of 10 per cent of income taxable, or even Rs. 3000 whichever is greater.

17.54 Hrs.

[MR. DEPUTY-SPEAKER *In the Chair*]

I am suggesting that the availability of money through the lending institutions be reduced to the extent of only 50 per cent of the total benefit that will be available in the concession for corporate investment. I do this based on the safe assumption, I believe, that 50 per cent of this facility

[Shri Erasmo De Sequeira]

will be utilised by the smaller shareholders, to reinvest. Anyway, there is a large amount of funds available in such institutions which could still provide a cushion, if this assumption is not correct.

This, I believe, would force the entrepreneurs to increase their equity base. It would force them to go into the money market to the smaller shareholders for money. We are a large country, we require large enterprises. What is important is who owns them. Only when these are owned by a large number of small shareholders will we have the evenness of income, the professional management and the mass consuming capacity that we need, to be economically a great country.

May I say a word about the public sector? There is general agreement amongst all of us, that the management of this sector is not as good as we would like it to be. I would appeal to the Government to stop thinking even of top jobs in this sector for retired public servants or rejected politicians. I would request them to change the present system of having executives in these large enterprises on deputation. Deputation normally restricts the vision of the deputationist to the time of his period on deputation. I would request Government to build a separate cadre for each of these enterprises and to pay these boys who are working there just as much as they can get for doing the same job anywhere else in the private sector.

Having created a separate cadre, may I also request that no Ministry should play the over-zealous nursemaid with them?

SHRI KAMALNAYAN BAJAJ : Until the cadre is created, what should be done?

SHRI ERASMO DE SEQUEIRA : I said 'having created'.

Government should also request these cadres to determine the ratios of stock of finished products to sale, of raw materials to sale, and of man-hours to output and insist that they follow these ratios tightly.

On the question of audit, I understand that in quite a few public enterprises, the Director of Accounts is from the Audit and Accounts service. What happens is that

the man who goes to audit him may next year be his subordinate, when he is transferred back into his original service. The inhibitory nature of this is quite obvious. Separate cadres, will, I think, be one of the ways in which you can solve this problem. If they do not accept that, perhaps they will have to find another solution.

Still on the question of audit, I would request that the independent auditors of public enterprises should have a technical member attached to the audit team. I say this because I believe that we need a financial, but also a managerial audit of public sector enterprises.

I would like to say a word about the new enterprises we are now having, because this year there is a considerable investment going into the public sector.

SHRI RANDHIR SINGH (Rohtak) : Say something about Goa also.

SHRI ERASMO DE SEQUEIRA : Everybody knows I come from Goa.

I would suggest that before an enterprise is built right at the planning stage, Government should have a close look at how much of the investment is going into productive capacity, and how much to auxiliary facilities like administrative buildings, gardens, housing colonies and so on.

If I may conclude on this note, I would say : let us have our public temples, but let not the temples of modern India have golden altars.

श्री तुलसीदास जाधव (बारामती) :  
उपाध्यक्ष महोदय, वित्त मंत्री महोदय ने हाउस के सामने जो बजट रखा है उस बजट के बारे में मैं कुछ कहना चाहता हूँ। यह बजट सम्माननीय अर्थ मंत्री श्री मोरारजी देसाई ने रखा है और मैं समझता हूँ कि देश की जो अवस्था है उस अवस्था में इस तरह का बजट रखने के अलावा और कोई दूसरा चारा नहीं है। इस बजट को देखने से मालूम होता है कि जो कामन मैन है, मामूली आदमी है अपने शरीर से परिश्रम करके जीने वाला जो आदमी है, उस के ऊपर इसमें ज्यादा बोझा नहीं रखा गया है। हो सकता है कि इन्डाइरेक्ट टैक्सेशन

से कहीं कहीं कोई थोड़ा सा बोझा पड़ा हो लेकिन आम तौर से ऐसा नहीं है। जैसा उप-प्रधान मंत्री ने कहा पेट्रोलियम के बारे में कि वह उस का भार कल्प्युमर पर नहीं डालेंगे, लेकिन दूसरी चीजों के अन्दर कहां तक ऐसा होता है यह देखने की चीज है। अगर यह न हो तो इस बजट में कमन मैन के लिये कोई तकलीफ नहीं रखी गई है।

18.00 HRS.

एक दूसरी चीज कई भाइयों ने बहूनी है और मेरे मित्र श्री कृष्णमूर्ति ने भी अपने विचार रखे हैं, मैं उनसे कहना चाहता हूँ कि समाज की अर्थ-व्यवस्था का जो सोशललिस्टिक पैटर्न हम ने अख्तियार किया है उसमें जो फंडामेंटल चीज है वह इस रीति से होनी चाहिये जिसको हम राष्ट्रीय पंचशील कह सकते हैं। हर समाज का फर्ज है, दुनिया के हर राष्ट्र का यह फर्ज है उस पंचशील का पालन करे। मैंने जो पंचशील कहा है उसमें कम से कम यह होना चाहिये कि हर व्यक्ति के लिये कपड़ा, मकान, अन्न, शिक्षा और दवा सहज रीति से मिलनी चाहिये। इस के लिये सब मन में विश्वास हो कि वह मिल ही जायेंगे इस तरह की अवस्था नहीं है। जिस तरह से हम लोग यहां 500 रु० तनख्वाह पाते हैं और हमारे दिमाग में ख़ाब में भी यह बात नहीं आती कि हम को कल खाने के लिये पैसा कहां से मिलेगा, उसी रीति से हिन्दुस्तान के मामूली आदमी के दिमाग में भी यह बात नहीं आनी चाहिये। जब ऐसा होगा तब ऐसा वह सकेंगे कि हमारी अर्थ-व्यवस्था हेल्दी अथवा निरोगी है। इसके बाद जो अर्थ-व्यवस्था बनानी होगी उसको हम सुख-वस्तु जीवन कह सकते हैं और इस के बाद का जो जीवन है उस को चैन का या लज्जरी का जीवन कहा जा सकता है। इस तरह से जीवन के तीन स्तर हैं।

मैं चाहता हूँ कि हिन्दुस्तान में कम से कम इन पांच चीजों के सम्बन्ध में किसी को भी मुसीबत न हो। ऐसा जावन यहां पर हो। इस जीवन को बनाने के लिये दुनिया में कौन कौन

सी अर्थ-व्यवस्था है, इस को देखने से एक तो कैपिटलिस्ट अर्थ-व्यवस्था है जैसे कि इंग्लैंड, अमरीका, फ्रांस, इटली आदि देशों में है, जिस को हम वेस्टर्न भाग कह सकते हैं और दूसरी अर्थ-व्यवस्था रूस, चीन, हंगरी आदि देशों की है। हम लोगों ने जो अर्थ-व्यवस्था अख्तियार की है वह मिक्स्ड एकानमी है, ऊपर की दोनों अर्थ-व्यवस्थाओं के बीच की। आज अमरीका और इंग्लैंड आदि देशों में किसी भी मामूली आदमी को तकलीफ नहीं है, यह सही है, लेकिन तब भी यह चीज नजर आयेगी कि वहां पर एक्सप्लायटेशन बिल्कुल बन्द नहीं हुआ है। दूसरी तरफ की जो कंट्रोल हैं, जहां पर डिक्टेटरशिप आफ दि प्रोलेटेरियट है, वहां जीवन-स्तर बढ़ा जरूर है, लेकिन चूँकि वह डिक्टेटरशिप है इसलिये डिक्टेटरशिप के जरिये से ही वह इस स्थिति को ला सके हैं। हमारी अवस्था इन दोनों से भिन्न है। हम ने मिक्स्ड एकानमी अख्तियार की है और उसकी वजह यह है कि यह डिमोक्रेटिक देश में डिक्टेटरशिप के जरिये, कि इतना तो उत्पन्न करना ही है, इतना काम तो करना ही चाहिये, ऐसा नहीं हो सकता जैसा कि रशिया और चीन में है।

आज पब्लिक सेक्टर और प्राइवेट सेक्टर की बहुत बात होती है। कहा जाता है कि पब्लिक सेक्टर को नैचुरल प्रोग्रेशन होनी चाहिये। अभी तीन दिन पहले की बात है, अर्कैंड में अमरीका का जो डेलिगेशन आया है उसके प्रमुख आदमी से मुझ को चर्चा करने का मौका मिला। उन्होंने कहा कि दुनिया में पब्लिक सेक्टर नैसर्गिक रूप से आ रहा है जिसमें कि हर आदमी अपना जीवन दूसरे आदमी से अच्छा बना सके। दूसरा पड़ोसी जो है वह भूखा प्यासा मरे इस में आज कल को दुनिया ज्यादा आनन्द नहीं लेनी चाहती। इस लिये अमरीका में भी आज 22 परसेंट पब्लिक सेक्टर है, जब कि हमारे यहां पब्लिक सेक्टर सिर्फ 10 परसेंट है। वहां पर नैसर्गिक रूप से यह चीज आ रही है। रशिया और चीन में इस को लाने के लिये

### [श्री तुलशीदास जाधव]

लाखों, करोड़ों आदमियों को इस दुनिया से बाहर जाना पड़ा, और आखीर में अब वहां भी चेन्ज हो रहा है। आप ने देखा होगा कि ऋष्यचैव आ गये। उस के बाद कोसीजन आये आज वहां जो पब्लिक सेक्टर है उस में मैनैज-मेंट को इन्सेन्टिव देने की कोशिश हो रही है। इस तरह से वहां उत्पादन बढ़ पाया है। इतना ही नहीं रशिया को भी गाड़ियों सोना देकर अमरीका से अनाज मंगाना पड़ा। हम ने जो अर्थ-व्यवस्था अपनाई है वह डिमोक्रेटिक सांचे में बैठ कर शान्ति से काम करने की है। अगर इस दृष्टि से देखा जाय तो इस बजट में ऐसी कोई बात नहीं है जिससे मामूली आदमी के ऊपर कर का बोझ बढ़े या उसको तकलीफ हो।

### 18.04 HRB.

#### [SHRI G. S. DHILLON in the Chair]

दूसरी बात यहां पर अनप्रोडक्टिव और प्रोडक्टिव एक्सपेन्डिचर की कही जाती है। प्रोडक्टिव एक्सपेन्डिचर में कोई पैसा डालता है तो उस से उत्पादन होता है। इस देश में यह हालत क्यों पैदा हुई। पिछले बीस सालों के अन्दर अनुभव की गलती निकालने और उस गलती के लिये किसी को दोष देने की दृष्टि से मैं ऐसा नहीं कह रहा हूं। लेकिन जो कुछ भी हुआ उस से लेमन लेने की दृष्टि से देखा जाय तो बेसिक इंडस्ट्रीज में हम ने अपना पैसा डाला लेकिन उन बेसिक इंडस्ट्रीज के लिये जहां से रॉ नैटोरियल पैदा होता है, यानी खेती, उसकी ओर जितना ध्यान हमको देना चाहिये था उतना नहीं दिया। इस वक्त हालत यह है कि दो अकाल हुए और पाकिस्तान भारत का झगड़ा हुआ, चाइना ने हमला किया, इससे हमारी कमर टूट गई। इस हालत के हो जाने के कारण अभी हम काश्तकारों की तरफ ज्यादा ध्यान नहीं दे पाये। हमारी यह कमी रही है। नहीं तो हमारे पास पैसा ज्यादा होता और हम पाकिस्तान से और अच्छी टक्कर लेते। अब डिफेन्स के लिये 1015 करोड़ ६० रक्खा गया है जब कि पहले 300 करोड़ ६० खर्च होता था।

युद्ध होने के पहले जब इतना खर्च होता था तब आचार्य कृपालानी इस हाउस में उस की टीका टिप्पणी करते थे कि हम इतना ज्यादा खर्च करते हैं। लेकिन अब वह कोई टीका टिप्पणी नहीं करते। मैंने देखा कि दो दिन से जो डिबेट हो रहा है उस में किसी ने भी डिफेन्स पर ज्यादा खर्च करने की बात नहीं कही।

**श्री रणबीर सिंह :** कहना भी नहीं चाहिये।

**श्री तुलशीदास जाधव :** ठीक है, यह विचार की बात है। इसमें किसी को मतभेद भी हो सकता है क्योंकि यह एक्सपेन्डिचर अनप्रोडक्टिव होगा। कोई कह सकता है कि प्रोडक्टिव खर्च होना चाहिये क्योंकि मिलिटरी केवल बैठी बैठी खाती रहे तो इस तरह से दुनिया नहीं चलेगी।

**श्री रणबीर सिंह :** वह खाली बैठी-बैठी खाती नहीं है, मिलिटरी देश की रक्षा कर रही है।

**श्री तुलशीदास जाधव :** वेलफेयर स्टेट की बात अलग है। यह प्रोडक्शन की बात है। मिलिटरी ने इतना ध्यान वहां दिया इस लिये हम यहां सुख से बैठे हैं, चाइना ने जो हमला किया था उस को रोकने का क्रेडिट उन्हीं को है। लेकिन मेरे कहने का तात्पर्य यह है कि यहां जो खर्च होता है उग के सम्बन्ध में इस डिपार्टमेंट में भी और दूसरे डिपार्टमेंट्स में भी कमी करने की बात कही फाइनेन्स मिनिस्टर ने। जिस दिन उन्होंने अपना डिपार्टमेंट हाथ में लिया उसी दिन उन्होंने खुद उम के कर्मचारियों में रिडक्शन किया क्योंकि वह पहले खुद कोई काम करते हैं उसके बाद दूसरों से करने के लिये कहते हैं। यह चीज उन के जीवन में है। मेरा ब्याल है उन्होंने हर डिपार्टमेंट में ऐसा किया होगा। नहीं तो काम करने वाला एक और उस की जान को इन आदमी घर पर बैठें तो समुद्र में पानी कभी कम नहीं होगा और नदी में बालू भी कम नहीं होगी। इस लिये ज्यादा से ज्यादा पैसा प्रोडक्टिव कामों में दिया जाये ऐसी मेरी रिक्वेस्ट है।

अब मैं डिफिसिट फाइनेंसिंग के बारे में कुछ कहना चाहता हूँ। यह ठीक है कि यह डिफिसिट बजट है। लेकिन अगर घर में शादी करनी होती है या कोई और बड़ी चीज करनी होती है तो बाहर से पैसा उधार लेना ही पड़ता है। विदेशों से पैसा हम लेना नहीं चाहते हैं और अन्दर से ही अपना काम चलाना चाहते हैं। अन्दर से पैसा लेने में और बाहर से पैसा लेने में अन्तर है। बाहर से पैसा लेने का मतलब यह होता है कि देश को गुलाम बनाया जाए। तब पैसा हमें घर से ही निकालना होगा। मैं कहना चाहता हूँ कि जो पैसा आप निकालें इस तरह से वह ज्यादा से ज्यादा प्रोडक्शन में लगना चाहिये ताकि प्रोडक्शन देश का बढ़े। इसको आगे चल कर आपको बन्द भी कर देना चाहिये। अब तो बीस बरस हो गये हैं। प्रोडक्शन के कामों में आप पैसा डालें ताकि एक बरस या दो बरस के अन्दर उसका यील्ड आ जाए। ऐसा न हो कि ऐसी जगह पर इसको इनवैस्ट किया जाए कि दस, बारह या पंद्रह बरस तक पैसा समाज में खेलता रहे। और कोई यील्ड न आए और वह प्रोडक्टिव कामों में न लगे। अगर आप ऐसा नहीं करते हैं तो इससे गरीब लोगों को बड़ी तकलीफ होगी। वे भूखे मरने लग जायेंगे उस वक्त जब इसकी वजह से कीमतें बढ़ेंगी। मैं चाहता हूँ कि जो डिफिसिट फाइनेंसिंग आप कर रहे हैं उसका इस रीति से लाभ उठाया जाना चाहिये।

फिर आप डिफिसिट फाइनेंसिंग को इस दृष्टि से भी देखें कि 160 करोड़ रुपया तो अनाज खरीदने के लिये रखा गया है। यह पैसा आपको जब आप अनाज की बिक्री करेंगे तो वसूल हो जायेगा। साथ ही आप 243 करोड़ रुपया स्टेट्स को दे रहे हैं।

प्लान के लिये रिसोर्सिस की बहुत ज्यादा जरूरत है। टैक्सिस से, लॉज से, फारेन ऐड से, डिफिसिट फाइनेंसिंग से, सेविंग्स से इनको रेज किया जा रहा है। कुछ चीजों पर फाइनेंस मिनिस्टर ने टैक्स माफ किया है। ऐसा करते वक्त उनका इंटेंशन यह था कि लोग जो बचा हुआ पैसा है उसको प्लाऊ बैंक करें,

उसको उद्योग धंधों में लगायें। मैं चाहता हूँ कि यह जो उनकी आशा है यह पूरी होनी चाहिये और इसमें सब को सहायक होना चाहिये।

जहां तक फारेन ट्रेड का सम्बन्ध है मेरे पास बहुत से आंकड़े हैं लेकिन वक्त न होने के कारण मैं उनको दे नहीं सकता हूँ। जिस तरह की चीजों का एक्सपोर्ट भारत से होता रहा है उसमें आजकल फर्क आ गया है और भारत जिन चीजों का परम्परा से निर्यात करता आ रहा है उन चीजों के कम्पीटीटर दूसरे देश भी मैदान में आ गए हैं। टी और काफी में उसका कम्पीटीशन दूसरे देशों से हो रहा है। लेकिन इसके साथ-साथ इंजीनियरिंग आदि गुड्ज जो यहां तैयार होते हैं उनके खरीददार दूसरे देश भी पैदा हो गए हैं। आंकड़ा देखने से पता चलता है कि ब्रिटेन और यू० ए० ए० को तो कम हुआ है लेकिन नए नए देश इस में आ गए हैं जैसे यू० ए० ए० ए० आर०, यू० ए० आर०। मैं समझता हूँ कि इस तरह के जो देश हैं उनके साथ हमको ज्यादा ताल्लुक रखना चाहिये।

साथ ही हमारा जो माल विदेशों को जाता है उसके बारे में हमें एक बात का बहुत ज्यादा खयाल रखना चाहिये। मैं दस दिन पहले सिंगापुर और मलेशिया गया था। वहां पर मैंने सुना और पीछे भी जब मैं फारेन में गया था तब भी और लोगों ने मुझे यह बताया था कि हिन्दुस्तान से जो माल वहां जाता है उस पर विश्वास रखना उन देशों के लोगों के लिये मुश्किल है। काजू जो यहां से जाता है मलेशिया उसका सैम्पल तो एक बताया जाता है लेकिन जब काजू भेजा जाता है तो वह दूसरी ही क्वालिटी का भेज दिया जाता है, लो क्वालिटी का भेज दिया जाता है। इसके बजाय इंग्लैंड से जो काजू जाता है वह जिम क्वालिटी का बताया जाता है उसी क्वालिटी का भेजा जाता है और उसका पैकिंग भी अच्छा होता है। इसको दुस्त करने की जरूरत है। जो अफसर हैं, जो इम्पेक्शन करने वाले लोग हैं उनसे मेरी विनती है कि वे खुद इस चीज की देखभाल

[श्री तुलशीदास जाधव]

करें और इस बात का ध्यान रखें कि अच्छी क्वालिटी की चीज बाहर जाए ताकि हमारा वहां नाम हो। हर जगह आज यह बात होती है। इसको दुरुस्त करने की जरूरत है।

जिन इंडस्ट्रीज में आइडल कैपेसिटी है उसका भी इस्तेमाल किया जाना चाहिये। नई-नई इंडस्ट्रीज खोलने के बजाय इस चीज की तरफ ध्यान देना बहुत जरूरी है।

आज कई मिलें बन्द पड़ी हैं। टैक्सटाइल-मिल्ज को बहुत बड़ा धक्का लगा है। मैं एक मिसाल देता हूँ। हमारे शोलापुर में शोलापुर स्पिनिंग एंड बीविंग मिल चार बरस से बन्द पड़ी है। दो करोड़ की यह मिल धूल चाटती फिर रही है। हाई कोर्ट में भी यह मामला गया था। कोई इसको देखता नहीं है। न सरकार देखती है और न कोर्ट देखती है। उसके अन्दर कौन दोषी है पता नहीं। दोषी को तो आप बाद में भी ढूँढ सकते हैं लेकिन सब से जरूरी बात इस समय यह है कि धूल चाटती हुई जो मिल इस तरह से बेकार पड़ी है उसको फिर से चालू किया जाए।

यह ठीक है कि खेती की पैदावार इस साल बढ़ने जा रही है। आंकड़े भी मेरे पास हैं लेकिन समय नहीं है कि मैं उनको दे सकूँ। पहले सालों में हमारे यहाँ अनाज कम हुआ है, चाहे ड्राउट की वजह से या किसी दूसरी वजह से। मैंने शुरू में कहा है कि खेती की तरफ अगर हमने पहले से ज्यादा ध्यान दिया होता तो आज हमारी वह हालत न होती जो हो रही है या जो पिछले साल हुई है। आपने जो कंसेशन दिये हैं फटिलाइजर के मामले में तथा दूसरे मामलों में बजट में वे अच्छे हैं और मैं इसके लिये आपकी सराहना करता हूँ। इसके लिए मैं आपको धन्यवाद भी देता हूँ। लेकिन एक चीज है जिस की तरफ मैं आपका ध्यान दिलाना चाहता हूँ। जहाँ तक शूगरकेन और शूगर का सम्बन्ध है, शूगरकेन की प्राइस की एक दीवाल आपने खड़ी कर दी है और दूसरी तरफ

शूगर की जो प्राइस ओपन मार्केट में है उसकी दीवाल खड़ी कर दी है। इन दोनों दीवारों में जो कंज्यूमर है वह पिस रहा है। मैं चाहता हूँ कि एग्रिकलचरिस्टों के हितों का संरक्षण आपको करना चाहिये और उनको एक फिक्सड प्राइस दी जानी चाहिये, जो उनका कास्ट आफ कल्टिवेशन है, उसको ध्यान में रखते हुए उनको उनकी फसल की कीमत दी जानी चाहिये। उपभोक्ताओं को ठीक भाव पर इन वस्तुओं को देने के लिये अगर आपकी सबसिडी देनी पड़े तो आपकी उसके लिए भी तैयार रहना चाहिये। अमरीका इतना महान देश है कि वहाँ पर जमीन को आइडल रखते हैं सिर्फ इस वास्ते ताकि वहाँ पर जो प्राइसिस हैं वे फसल ज्यादा हो जाने से गिर न जायें। हमारे देश में अस्सी प्रतिशत काशतकार हैं। कंज्यूमर और प्रोड्यूसर में कोई क्लेश नहीं होना चाहिये, कोई संघर्ष नहीं होना चाहिये लेकिन सब से मुख्य बात यह है कि काशतकार को उसकी उपज की कीमत ठीक मिलनी चाहिये।

जहाँ तक पोस्ट कार्ड इत्यादि का सम्बन्ध है, मैं मानता हूँ कि दुनिया में जो पोस्ट की कीमत है उससे हमारे यहाँ कम है। पोस्ट कार्ड की कीमत दुनिया में भारत में सबसे कम है। पाकिस्तान में वह ग्यारह पैसे का है। जापान में पंद्रह पैसे का, आस्ट्रेलिया में 42 पैसे का, यू० के० में 23 का, रशिया में 23 का, अमरीका में तीस का और भारत में छः पैसे का है। लेकिन फिर भी मैं समझता हूँ कि गरीब आदमी इसका उपयोग करता है। इसकी कीमत नहीं बढ़नी चाहिये और अगर बढ़ानी ही है तो इतनी नहीं, बहुत कम आपको बढ़ानी चाहिये।

देश में आज देखने में आ रहा है कि भाषा के सवाल को लेकर, कम्युनल सवालों को लेकर बहुत फसाद हो जाते हैं। मैं चाहता हूँ कि इन सवालों की जड़ में जाकर जो इन के कारण हैं उनको दूर करने की काशिश आपको करनी चाहिये। भाषा को लेकर फसाद हुए हैं।

बिलासपुर में अभी कुछ दिन हुये पांच हरिजनों को, सतनामियों को मार डाला गया था। मेरठ में फसाद हुये हैं। करीबगंज में हुए हैं। इस तरह से कई जगहों पर ये हुये हैं। जितनी पोलिटिकल पार्टीज हैं उनसे मैं प्रार्थना करता हूँ कि वे इस पर गम्भीरता से विचार करें। इतने साल हमें स्वाधीन हुए हो गये हैं। गांधी जी का भी खून इस बीच हुआ है। क्या अब भी ये फसाद खत्म नहीं होंगे। क्या सब पार्टियों के लिए इसके बारे में सोच विचार करने का समय नहीं आ गया है? जातीय या लैंगुएज के झगड़े यहां पार्लियामेंट में किये जायें, या पब्लिक मीटिंग्स में किये जायें, रास्तों में किये जायें और हाथों में हथियार ले कर इंसान इंसान को खत्म करे, वह तो डैमोक्रेसी नहीं है। इस वास्ते सभी लोगों को मैं रिक्वेस्ट करूंगा कि वे इस पर विचार करें और सरकार से भी मैं कहूंगा कि वह इस तरह के तत्वों से सख्ती से पेश आएँ।

अन्त में मैं कहूंगा कि इकोनोमिक प्रगति की जो स्पीड है, उस की जो गति है उसको बढ़ाया जाना चाहिये। इस देश में अन्न की बड़ी गरज है, दूसरी चीजों की कमी है। बाहर से इनको मंगा कर हमारा उद्धार नहीं हो सकता है। सिगापुर को आप देखें। वहां पर कारें तो काफी हैं लेकिन वहां पर कार पार्क करने के लिये स्थान नहीं मिलता है, उसकी अड़चन है। इस वास्ते सात सात और आठ आठ मंजिली वहां इमारतें हैं जहां पाकिंग होता है। इससे आपको पता चल सकता है कि उस देश ने कितनी आर्थिक प्रगति करली है यहां पर तो कार मिलना ही मुश्किल होता है। इस वास्ते मैं कहूंगा कि ग्रामोद्योगों को तो आप चलने दीजिये। लेकिन इकोनोमिक प्रगति की स्पीड को आप तेज करें। बिना इसके बढ़े दुनिया के बाजार में हमारी कीमत नहीं होगी।

SHRI R. S. ARUMUGAM (Tenkasi) :  
Sir, I welcome the budget in general. To meet the gap in the deficit budget, our hon. Deputy Prime Minister has proposed certain measures. He wants to raise the

prices of postcards, inland letters, covers and telegram rates. Particularly the rise in the price of postcards will affect the masses.

I request the hon. Minister to re-consider the proposal to increase the price of postcards. I think chocolates and tobacco are not good choices for the purpose of levy of excise duties.

I congratulate the Central Government for having allotted more money for the Tuticorin Port project. But the Salem Steel Plant is a long desire of the people of Tamilnad. I request that this demand also may be considered in the Fourth Plan period.

Before going to some other subjects I want to say something about the language policy. To fulfil the assurances of the late Prime Ministers the Official Language (Amendment) Bill along with a Resolution was brought in the last session of this Parliament. In the initial stages that Bill and the Resolution were accepted as a compromise between the non-Hindi-speaking people and the Hindi-speaking people. Shri Anbazhagan, the leader of the DMK Party, also spoke in a tone which indicated that he was not against if they were passed without any dilution. I also thought the same way. But in the end it was diluted which has created a sort of confusion in the mind of the South Indian people, particularly the people in the non-Hindi-speaking areas. Some of the leaders including the Home Minister felt that there is an unequal burden on the non-Hindi-speaking people. Until that burden is removed, I request the hon. Minister, I request the Government to suspend the implementation of the Resolution.

Some more funds may be allotted to agriculture sector. I am glad to note that there will be increase in agricultural production. Even then we have to import foodgrains. A majority of the population in our country consists of agriculturists. If they get more incentives I am sure we can get more agricultural production in this country.

The hon. Minister also agreed that agriculturists must get more remunerative pri-

[Shri R. S. Arumugam]

ces for their produce. Even now there is a big gap between the market price and the procurement price in the Madras State. In the neighbouring States the procurement prices are higher than what is given in the Madras State. There is a levy system for procurement in Madras State. The authorities are coercive in their procurement. In some places the authorities have sent levy notices demanding of the farmers more paddy than what they expect to produce in their fields. In Tenkasi and Sankaran Koil Taluqs, and also some other areas of Tinneveli District, the monsoon has not been very good this year. With great difficulty paddy is produced. Water is drawn from wells by bulls, in some places by pump sets. This type of production through irrigation is a hard one. The procurement authorities are harassing these agriculturists also for procurement. May I know from the hon. Minister whether this sort of action will be an incentive for more production? Regarding the distribution of rice, the previous Madras regime distributed rice through family ration cards to all villagers. The present government has discontinued this system. Therefore, the people who are living in the rural areas have to purchase rice by giving higher price. Also, the present government have failed to give three Madras measures of rice for a rupee according to their promise. They have introduced a rupee a measure scheme only in Madras and Coimbatore. They assured that it would be extended throughout the State on 15-1-68, that is, the Pongal day in Tamilnad, but unfortunately this scheme became a stillborn child.

Coming to the unemployment problem, it is an ever increasing problem. Unemployment even among the educated people is increasing. If the present trend is allowed to continue, it will lead to chaos in the country. In some States there is no growth of industries. In Madras State, under the previous regime there was considerable growth of industries when Shri R. Venkatraman was the Industries Minister, resulting in more employment avenues. The present government may also be taken some interest in setting up industries.

At this stage I would like to make an appeal to both the State and Central Gov-

ernments not to retrench any of the existing employees. In my district of Tirunelveli 8 Deputy Collectors are reverted as thasildars and the thasildars as deputy thasildars. Throughout the State thousands of clerks have been retrenched. In the police department there were so many reversions. Hundreds of junior engineers have been thrown out of job besides reversions. I want to know whether this action of the State Government will solve the unemployment problem in the country. Hundreds of thousands of students who are now studying in technical and other colleges, hoping that they will get employment, what will be the future of these young people?

Then, I am sorry to state that the Madras Government have asked the Central Ministers, including the Prime Minister of India, not to visit Madras State as they were not able to maintain law and order there. Recently, Dr. V. K. R. V. Rao, the Central Minister, wanted to pay a visit to Tuticorin. Though elaborate arrangements have been made by the citizens of Tuticorin for his visit, he was asked not to go there. He was prevented from visiting Tuticorin. I am sorry to say that there is deterioration in the administration of law and order in Madras State.

It is a convention all over the world that once a person is elected as Speaker he will be above all party affiliations. This convention is a very healthy one for the growth of democracy. In Madras State, in Sankarancoil there was a meeting of the DMK. At that meeting Congressmen were warned by one gentleman that they will be beaten by the police until their bones are broken. In Tiruchendur taluk the same gentleman challenged that if the DMK Government will give rice under the cheap rice scheme before 15-1-68 as per assurance, will the Congress Party be dissolved, at least in the Tiruchendur taluka area or he would be prepared to resign. Demanding this assurance, the people, on 27-1-68, gathered and they were attacked with deadly weapons. I am referring to the gentleman, the hon. Speaker of the Madras Assembly. I want to request our hon. Speaker to convene the Speakers' Conference to take steps to establish the conventions.

Recently, I visited Bombay. Hundreds of Tamil people met me and they were under the grips of fear of Shiv Sena people. I was very sorry for that. Shiv Sena activities are seriously condemnable. I request the Government to give full protection to those people who are in fear of Shiv Sena. Whoever it may be, this sort of activity will not do any good to the country. No one should be allowed to do anything against the unity of the country. Unless we are united, we cannot prosper.

The other day, one D.M.K. Member who was speaking on the Railway Budget, demanded that the name of the railway station Dalmiapuram should be changed. Before making his suggestion, I wish, he should have pondered over for a minute. It is a known fact that Mr. Dalmia is a big industrialist. He has established a cement industry near Tiruchirappalli. More than 4000 labourers are working there. He has constructed a colony for his employees known as Dalmiapuram and the Dalmiapuram railway station is situated in that area and is mainly used by the factory and employees. Because Mr. Dalmia is a north Indian, the D.M.K. friends want that the name of that railway station should be changed. It is not a happy approach. The D.M.K. Party professes that they have dropped the idea of north-south differences and the secessionist tendencies in their approach. Does this attitude of the D.M.K. Member not reveal what they preach is different from what they practise?

Again, in Coimbatore, about 5 tourist buses came, named after Indian rivers, Ganga, Yamuna, Saraswati, Narmada and Cauvery, and all the names, other than Cauvery, were turned to pieces. This job was done by the Secretary of the D.M.K. Party of that area. What does this mean? Does this prove that they have dropped the secessionist policy?

Finally, Sir, the other day, the hon. Chief Minister of Madras, Mr. Annadurai, said that the incidents of burning of a National Flag and the copies of the Constitution was not sponsored or inspired by the D.M.K. people. I request the D.M.K. people to keep at least to these words sincerely in future.

With these I conclude.

**SHRI TENNETI VISWANATHAM** (Visakhapatnam): Mr. Chairman, reverting to the subject mentioned by the speaker who has just preceded me, I must say one thing. I do not want to go back to all the controversies on the language issue. When Mr. Manoharan was speaking, somebody from the Congress Benches said, "Do not arrogate to yourself to speak for the South". As Members of Parliament, we arrogate to ourselves to speak for the entire country. What is the harm in Mr. Manoharan speaking for the South?

**AN HON. MEMBER:** He was speaking for all the four States.

**SHRI TENNETI VISWANATHAM:** I would request the hon. Deputy Prime Minister to understand the spirit of what he was speaking. Today it is true that the D.M.K. is more vocal than the others. But if the situation is not remedied—now there is time enough to remedy—the situation may grow worse. As an instance, I may say that in the Andhra Pradesh Assembly, a Resolution was passed on this language question and they suggested certain alternative to the Resolution passed by the Parliament, and they added a paragraph at the end, a rider, that "if this is not done, we shall have to think of another course". What does this mean? It only means this: Even the people of Andhra Pradesh are thinking almost in the same terms as what these DMK Party are thinking. Why? I will tell you one incident... (Interruptions). One may repudiate so many things. Only recently, there was a question in the Andhra Pradesh Assembly as to the number of days for which the General Discussion on the Budget should be allowed. Some members said that in other States five to six days are allowed and asked why should they also not have the same thing. The Secretary of the Andhra Pradesh Assembly wrote to several Legislature Secretariats; the answer which came from the Bihar Legislature was not accompanied by an English translation but was, from top to foot, only in Hindi. This incident, speaking here in the secluded atmosphere of Parliament, will not have much significance, but in the atmosphere there, you can realise, as men of this world, what kind of impression it creates. I leave this subject here, as the Prime

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Minister has said sometime ago that she will convene a conference of all those who are concerned to consider and do whatever is possible to remove the unequal burden which was imposed on the people coming from non-Hindi States.

Coming to the budget, I would like to say that wherever we go, apart from the budget proposals, several people put their hands on the shoulder and ask us: "Where are you going?" Another man says: what is happening to our country; some incident is reported from Parliament or from New Delhi or from Bengal or Punjab or Haryana or somewhere in Kerala or Coimbatore. They ask: 'What is happening to our country?' This question is now most prominent and I would ask the Deputy Prime Minister to consider this. The common people are not able to approach him, but the thing is, everywhere the people who are asking these questions are the people coming from high quarters—professors and some high class businessmen and high class intellectuals. Everybody is asking: 'What is happening to this country?' It is upto this Government, by its conduct and practice, to create a better impression in the minds of our own countrymen, that there is nothing very much wrong and that we are quite hopeful. The answer which I gave was not different from what the Deputy Prime Minister would give. The answer which I gave was: 'Do not be pessimistic'. It may be that the older generation has failed. I belong to the older generation. It may be that the next generation are trying to compete with us. But I am sure that in the coming young generation there is enough talent and enough patriotism and enough sense of values that someone will come up who will certainly save the country. All that we have to do now is to fight for the integrity and unity of this country and nothing more than that.

But whatever steps we take and whatever we believe in particularly at the top level should always be directed towards this end. It is true that here we always say that integrity is greater than everything else, but we must also see that whatever we do also goes in that direction.

Much has already been said about the fact that the Deputy Prime Minister had

made a promise that there would be no deficit budget and yet he has presented one. It only shows that he is very resilient and I do not think people need point an accusing finger at him saying that he is rigid. What else could he do under the circumstances?

He is not able to reduce expenditure. He is not able to see where the expenditure could be cut down. That stage is over. Expenditure is a closed book to the Finance Minister. I think the Departments say or the Finance Ministry says, "This is the expenditure, and produce the money." Like a docile father in the hands of some troublesome children, the Finance Minister tries to produce the money; he is not able to ask the children, 'My dear fellows what have you done with this money? What are you going to do with this? Where did you put this money? Why did you spend so much where you should have spent only half of it?' and so on. He is not able to say it. That is the reason why we are now in this great mess.

Several persons, those who are engaged in Government contracts, those who were in charge of public works, irrigation works and electricity works have often told me that many works can be done nearly at 60 per cent of the cost which Government are obliged to pay. I can give a number of incidents. But I shall mention just one. It is an old incident, but it will still give an insight into what is happening.

At one time, I happened to visit the Engineering College at Anantapur. It required funds for some expansion and repairs. The principal who is himself an engineer said 'There is a big scheme for Rs. 20 lakhs, but do sanction Rs. 3 lakhs'. I asked him 'Why only Rs. 3 lakhs?'. He said 'I shall get immediate repairs done'. Then, the sum of Rs. 3 lakhs was sanctioned. But then he said in my ear 'Do not entrust it to the PWD. Give it to me. I shall get it done for Rs. 3 lakhs; I shall get work done for 3 lakhs, for which the PWD would charge Rs. 6 lakhs. That was what the principal of an engineering college had told me. That was the opinion of an engineer about engineers who are engaged in our public works.

If a special committee were appointed by the Deputy Prime Minister to go into the working of civil construction and the costs

that are being incurred in our construction programmes and there is no development work which has no civil construction about it—he will find that actually we need not have gone into this huge public debt or huge deficit budget.

Generally, the officers who are in charge of these things are big people. They come at the last moment to the Prime Minister or the Deputy Prime Minister in a very courteous and docile mood; they do not even sit fully in the chair, but they sit on the edge of the chair and at the last moment say 'This amount must be sanctioned; otherwise, the sum of Rs. 7 crores or whatever it is, which has already been spent will become a waste.' Then, the Deputy Prime Minister would have to say in a hurry, 'Oh, is that so?' and then the amount gets sanctioned. Generally, this is the fate of Finance Ministers in India. They have been put into a framework, a framework of administration which had been built up by the British Government in the hope that they would endure for ever.

But, now, my appeal to the Deputy Prime Minister is that in the interests of this country, let him look into this matter; he will have a good name if he should appoint a special committee to go into the cost structure of the works that are being undertaken and to find out whether the money that is debited is actually going to the work, and if not, how much of it actually goes to the work. Everybody would say that not much of it goes to the work actually. But as the Deputy Prime Minister and Finance Minister, he must have more actual facts. Therefore it is that I have made this suggestion. I have absolutely no doubt that if he inquires he will find that what I say will be true, if not cent per cent, at least 99 per cent. When the Institute of Public Administration was being inaugurated, I think the then Prime Minister of India made a statement that he learnt that nearly Rs. 500 crores which were supposed to have been spent on public works were a sheer waste. Look at Rs. 500 crores. This was ten or twelve years ago.

There are several people who will always say that P.W.D. means Public Waste Department. Without hurting the feelings

of the engineers concerned or of those who are in charge of their supervision, it is still necessary in the interest of the economy of our country that we should go into this matter rather than simply satisfy those officers by producing the money. If we cannot produce it, we cannot borrow or steel, but we create money by printing more notes. We cannot proceed like this. It is because we had proceeded like this so far, we are in this sad state.

Here it is all right to talk in air-conditioned comfort. But go into the towns. The entire budget is a dialogue between the Finance Minister and some members representing industry. Is the budget intended for them only? There is absolutely nothing for the others. Go into the countryside. See the sunken cheeks and the still more sunken eyes of people. Send your doctors and look into the conditions of nutrition of people. Ask them whether the boys in schools, colleges and universities are getting proper nutrition. You will find that in the elementary schools, nearly 70 per cent are ill-fed, in the secondary schools 60 per cent and in the universities about 40-50 per cent are under-fed. How can we expect an under-fed nation being balanced in thinking? Since the outbreak of the last world war, this nation has been under-fed. The unrest of today is the direct result of the continuous under-feeding of our young men for the last 20 years.

As I said once, a hungry man is always an angry man. It is not always easy for people to be balanced when there is no food and when the next meal is in doubt. Take, for example, a number of government servants. Some of them have got, of course, a bush-coat and a pant and a cropped head. They look as being well off. But in nearly half the houses, you will find that the food which is taken in the night meal is not even one-fourth of what they take in day time, because they cannot afford it. That is the whole position. Hundreds of thousands of people are in this condition.

Go to the villages. In our coastal districts, they thatched houses which had been there for hundreds of years are still thatched sheds. We talk of growth of economy, foreign assistance, Rs. 6,000

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crores of assistance and all that. But the dirty hovels which were there to house these poor people are still there in the same condition, subject to the hazard of fire once or twice every year. We are unable to get them any fire-proof material.

Go into cities and small towns full of slums.

MR. CHAIRMAN : The time allotted to Unattached Members is 1 hour and 5 minutes. There are 8 names...

SHRI TENNETI VISWANATHAM : I am only pouring out my anguish at conditions in the country. I will stop the moment you desire.

MR. CHAIRMAN : It is a very interesting story he is relating. But against the eight members, there is a small note saying that not more than 12 minutes to each Member may be allowed. He has already taken 15 minutes. Let him conclude in another 5 minutes. I am very sorry.

SHRI TENNETI VISWANATHAM : I am also equally sorry.

This is what is happening in our country. What is the use of this Budget for 80 per cent of the people living in our country? Is the entire budget intended only for the rest 20 per cent? I would ask the Finance Minister to direct his attention to them. The office can take care of the industrialists.

We have excise duties. What are they? They are duties to take away the money of the poor man. There is no relief to him. What is the policy behind excise duties? What is the policy behind taxation? I would like the hon. Deputy Minister to consider this aspect. Why should they impose excise duties on commodities produced by Government organisation, where the production is utilised by the Government itself? There is the Security Press. It produces paper. Why should there be excise duty on that, I really cannot understand. It is the legacy of a thought given by the old capitalist businessmen. They say on business principles you must do all this. It is wrong. The Government must have the advantage of its own properties. It cannot go on taxing itself and finally increasing the cost.

Similarly, take the Food Corporation of India. If you set apart say Rs. 20 crores to the Civil Supplies Department, there is no interest charged upon it, but if you transfer it to the Food Corporation, which is entirely a Government organisation doing Government work, the Corporation has to pay 7½% interest. That adds to the cost of the consumer. So, my submission is that the left hand should not tax the right hand and *vice versa*. This must stop if we want to reduce the cost to the consumer.

People ask : what is going to happen? Nothing will happen. You give me 20 honest Ministers at the top and in six months everything will be quite all right. That is my remedy, because everything else will adjust, itself if there are 20 honest Ministers at the top who are above board, against whom there is no black record, then the others who are not honest will simply shrink like darkness before rising dawn. Therefore, the most important thing is that, whatever budget you make, whatever ideology you may have, whatever proposals you may make, they all depends upon the honesty of those at the top, and then honesty will trickle down. Therefore, I plead for an honest Government as the best remedy for all these things. If there is no honesty, there will be no courage also.

Dr. V. K. R. V. Rao, who was associated with the Second and Third Plans, today made a very great speech, and he said everything, but is not the present condition the result of all his plans? And today, still he repeats exactly what the Planning Commission has been saying all these years, what the Government of India have been doing all these years. The fact is this will not do. There must be a totally new approach. Please think about 80 per cent of the people of India, and not about 10 or 20 per cent to whom the budget and the Minister's speeches are all directed. All this discussion is about concessions to the industrialist, to this man and that man. What about the 80 per cent of the people whose life is the same as it was for the last twenty years? Let the Government think of them honestly.

SHRI M. B. RANA (Broach) : I rise to support the Budget.

There are two forms of taxation in some of the countries. One is the taxation on utility goods, and the other is on luxury goods. In England, for example, taxation is on luxury goods and a proper subsidy on utility goods. If that is done, I am sure there will be no hue and cry about taxation by this budget.

A suit for example in London one can get for about £ 5. It is an item of utility goods. You can get a pair of shoes for about £ 1 or one guinea, it is utility, no taxation on that. But if you go in for an expensive suit costing about 17 or 18 guineas, you have to pay very heavy taxation on that. So if we balance our budget that way by taxing luxury goods and giving subsidy to utility goods, I am sure we shall be able to do better. Utility means things which are necessary for every-day life. Food, clothing and shelter are to be provided by the Government or at least subsidy should be given, and if it is done I am sure we shall be able to do very well by taxing luxury goods. Another way is to reduce the expenditure on administration. I have always said that the expenditure on administration is always getting top heavy and in most cases we can do with a little less expenditure on administration and spend more on things like agriculture and irrigation. We have also a craze for buildings. For example, a small seed farm started in a

small kutcha building and gradually six buildings have come in front of it, each costing about Rs. 30,000. These are things which we can do without, especially at a time when we have not got a surplus budget. We cannot afford such luxurious buildings. People who do research in the seed farms can very well do that in small hutments.

One of the hon. Members from Madhya Pradesh spoke as Narmada belonged to Madhya Pradesh and said that they did not want to let its water go to Gujarat. It is a very bad way of looking at things. After all, the rivers of India belong to the people of India and we should get the best out of the rivers. This is a river which runs for 700 miles and I am sure that there is sufficient water in Narmada to provide full irrigation facilities to Madhya Pradesh, Maharashtra, Gujarat and possibly to Kutch and Rajasthan. This is an all-India project which should be taken in hand by the Government of India.

MR. CHAIRMAN: He may continue his speech tomorrow.

19 Hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, March 13, 1968/Phalguna 23, 1889 (Saka).*