

14.32 hrs.

DISCUSSION RE: PLANNING MINISTER'S VISIT TO U.S.A. AND CANADA

Shrimati Benu Chakravarty (Barrackpore): Mr. Speaker, Sir, I have asked for this discussion on the statement of Shri Asoka Mehta who has recently returned after talks on foreign aid from Washington because for sometime past there have been very serious inroads made upon our economic independence. We all know that on our economic independence ultimately rests our political independence. The talks, speeches and the statements about which we have read in the papers besides the statement which he has placed before Parliament—from these we find that Shri Asoka Mehta has during those talks used certain phraseology which had naturally given rise to various interpretations and various misgivings. One of them was the phrase 'back-seat driving'.

The Minister of Planning and Social Welfare (Shri Asoka Mehta): In the statement?

Shrimati Benu Chakravarty: He has also talked about "guided economy" and about "structural transformation". The words "structural transformation" are there in his statement to us. This was rather unfortunate phraseology but it would not matter so much if at least arising out of his statements or his speeches certain actions had not taken place in concrete form. The Madras fertiliser deal is the concrete form of what "back-seat driving" actually means. Also the liberalisation of controls over a wide field without having made any independent assessment and the big concessions given to foreign private capital—all these have given rise to serious misgivings whether we are not changing policies, whether these changes are in our national interest, whether it is not really bartering away our national independence, leading us to the verge of bankruptcy and in the process

making us sink more and more into subservience to the USA. It is from this yardstick that I would like this House to take this statement into consideration. Further, it is now clear from his statement before the House that the Fourth Plan is going to be shaped by the World Bank and its appraisal and considerations will be necessary before we finalise our fourth plan. There was a time, I remember, when the Second Plan was considered, all leaders of parties were invited for their comments and ideas before the formulation of that plan. Since then something has happened. The tentative plan that is before us is being eroded away and we are told that they propose to invite the World Bank as leaders of the consortium to arrange for its early consideration. It is clear that the plan will be shaped by the world bank and if its shape is disliked by them, we shall have to change its shape. It is clear also that President Johnson has said that he would be guided by the opinion of the World Bank and the World Bank will be guided by the Bell Mission's findings of which, Shri Asoka Mehta in one of his statements says, he is not aware; it does not concern him. We know that the Bell Mission's Report exists and is with the Planning Commission whether Shri Mehta cares to admit it or not and one could have a look into it and see clearly how much it has influenced our Government's thinking. Therefore, it is important for this House to make its position very clear and not to allow its prerogatives to be eroded. That is why I have raised this discussion. First and foremost, it is time now that we should take note and clearly state what we think about foreign loans both private and otherwise and we must lay down clearly our attitude if we want to safeguard our freedom. During the last year and a half the World Bank and the Bell Mission and the U.S. aid mission were carrying on a policy of "a carrot and stick policy", of one agency saying aid will be given, another saying: you cannot have it unless you give concessions, which have been euphemistically called by

Shri Mehta the "necessary structural changes for strengthening India's economic development and the attainment of self-reliant growth". Actually a little while before Shastriji died in July 1965 in a public speech he reacted strongly regarding this constant asking for foreign aid. He raised serious doubts regarding reliance on foreign aid for development plan. While emphasising the need to reduce progressively the degree of dependence on foreign aid, he particularly pointed out that our "incurring of foreign aid should be in the ratio of our ability to repay". This problem comes now when we are standing at a critical juncture in our history, when we are facing the question of heavy repayment of the loans which we have already incurred and there has been a demand for rescheduling of loans. If we refuse to be cautious we shall land ourselves in a position where the vicious circle of loans and further loans will drive us into the quagmire of never being able to raise ourselves up again. That is why it is a matter of concern that when Shri Mehta left for Washington, before he left, he got the Prime Minister to agree to raise the original fourth plan sum of Rs. 4000 crores of foreign exchange to Rs. 4800 crores. I am told that no agency of our government or the Planning Commission or the Ministry of Finance or Commerce undertook a detailed study as to why it was necessary to increase it suddenly from Rs. 4000 to 4800 crores. Actually there was the US aid body's study but there was no counter-check on that study and even with respect to the original figure of Rs. 4000 crores, if we take into consideration, that we can only incur loans in the ratio of our ability to repay, it would mean we would have had to earn foreign exchange to the tune of Rs. 5100 crores. This itself was a little high. Now, suddenly this amount has been increased to 4,800 crores of rupees. That means we shall need at least Rs. 6,000 crores by way of export earnings, and if we look not only at the present state of things, but the position during the last 12 years, we will see that there

has been an increase in foreign earnings on an average of less than five per cent. And for the last three years, there has been stagnation. Therefore, if Shri Asoka Mehta is allowed to have his own way, by the fifth or the sixth Plan, we fear that we may get into a position like Indonesia, whose loans and annual repayment and interest charges exceed her national income. If it comes, God for bid, it would mean complete bankruptcy. I do not want to stand over pessimistic but these are trends about which we have to think from now on and let us, therefore, take heed in time, while the going is good.

I would like to say that there is only a very thin line of difference between what Shri Asoka Mehta has called, "guided economy"—as opposed to what we would normally like him to work for, namely, planned, socialist economy—and "guided democracy." That is why I say that we have to look at what is happening to the Plan, and how the percentage of aid to total outlay has increased or decreased. In the second Plan, it was nine per cent; in the third Plan, the amount of foreign loan that we incurred worked out, in relation to the total outlay, to 20 per cent which was a big increase. In the fourth Plan, it is 22.3 per cent. From 20 to 22.3 per cent, the increase may not be great, but in terms of the official market rate of the dollar, it would be two or three times more.

14.42 hrs.

[MR. DEPUTY-SPEAKER in the Chair!]

Shri Sachindra Chaudhuri, the Finance Minister, has said only the other day, and has rightly said, that the yardstick of self-reliance achieved will be, how far foreign aid has declined in the total outlay. I would beg of the Finance Minister in this House to take very great care regarding this, and to really think once again whether we are not going pell-mell towards a precipice.

[Shrimati Renu Chakravartty]

Not only that. For every dollar we are incurring for foreign aid, we need three to four dollars by way of rupees and this is higher in project aid and lower in non-project aid. To meet this, India is going in for a reckless deficit financing. I would point out that the provision of deficit financing in the third Plan was about Rs. 550 crores, when it was expected that the national income would be round-about 30 per cent while actually, the national income has been only 15 per cent in the matter of its increase. If in such a situation, I am told that in disguise and open from deficit financing has reached the figure of Rs. 1,200 crores, is it not a highly dangerous situation? So, while physical output has declined by half, we have gone in for this reckless deficit financing. While I do not say that this is the only reason, I must say that among other reasons, high prices, black-marketing, black-market rates and rocketing prices have been contributed by this reckless way of going in for deficit financing. That is why I ask this Parliament, in this debate, to take serious note of these things and change the direction in which things have been permitted to go. I have raised this debate from a much wider point of view, because of the fact that this Parliament, as Shri Tyagi has said the other day, should lay down a ceiling on foreign loans. We have to put down a ceiling on foreign loans. This House has to do that. We are not going to permit any Minister of Government to go and decide on any figure that he desires and to barter away the freedom of this country. No one is opposed to taking of loans. Let me make it very clear. But it must be limited, firstly, to the ratio of our capacity to pay; secondly, it must be of a discriminating character; thirdly it must not have any strings which will act as a noose around our necks or to retard the goal which we have set before ourselves.

I now come to the second important

point which is dealt with more or less as the bulk of the statement which Shri Asoka Mehta has made to us, and that is regarding the liberalisation of imports. The first question that I want to put is, has there been any detailed study regarding this liberalisation of imports which we have permitted. Has there been any such independent survey and study made by the Government of India or the Planning Commission by our own experts before they went in for getting this non-project aid, the new loans which we shall have to repay? Firstly, we agree that we should not have controls for control's sake. Certainly, controls are not a necessary part of a socialist society. But certainly controls have to be a necessary part of any undeveloped country where we have such a large degree of shortages in many, many things. Therefore, I would like to know if there has been an independent study and, if so, in what sectors are they going to permit this maintenance import.

Mainly, we find that most of the maintenance imports for which we are incurring these loans will go into manufacturing goods and in those manufacturing goods, quite a big chunk of them will be luxury goods in the form of motor-cars, more refrigerators, more air-conditioners and such other things the arenas where there are big gaps in capacity, because of our import policy. That is why we feel that the way: Shri Asoka Mehta has argued in his statement that "if sufficient non-project aid was available to us in a form which permitted greater flexibility in allocation of foreign exchange, whose scarcity necessitates the elaborate use of administrative controls today, it would be to our advantage to secure the proper direction of resources through the more generalised instruments of tariff, fiscal and credit policies than of detailed administrative allocation". Would it always be to our advantage? After all we are living in a situation where we have

such a large amount of black money in our country that, I am sure black money would break through these fiscal controls also. That is why, we have to be very careful.

Let us not forget that these maintenance imports also will be going into the manufacturing industries for which even in the export field, there are very high tariff walls in the west. So, the amount of foreign exchange that we shall expect to earn in order to pay back the bill will also be a very hard thing to get. Secondly, if we had an independent study and proceed from that promise, we would realise that it would also hamper the initiative for import substitution. We know that our industrialists are all too reluctant even now to go in for this import substitution and to set up research for these substitutes so that we can become more and more independent. But the force of circumstances were impelling them to do this. Now, this liberalisation will hold back our own country from becoming self-reliant. So, in all these things, we have to see that we make it clear that the imports are limited to export-oriented industries, to the industries that help agriculture. But that has not been made clear. It is for this House to make it clear. It is only in such industries that we shall allow maintenance imports and import liberalisation. We are not going to incur loans which again will further draw us into that quagmire from which we cannot rise.

I would next like to say a few words about the phrase which my hon. friend Shri Asoka Mehta has used—that is, "structural revolution and structural transformation". Now, I am not very good at English, but I would be really very much surprised if one were to use the words "structural revolution" just to connote import liberalisation. Structural revolution is a revolution in the super-structure of society, or the breaking up of the concentration of power; such things can be termed as

structural revolution. The World Bank's refusal to give any aid where private capital is willing to come in, especially in strategic industries, has made us agree to terms, especially in respect of the Madras fertiliser deal which goes against our national interests. The vague word "structural changes" is not so innocent when seen against what has actually emerged from the fertiliser deal. With regard to the concession given to foreign private capital, our policy clearly was that the foreign capital would not be allowed majority shares. Now, it is true that we can in exceptional cases, allow majority shares in their hands. In the time of Pandit Nehru, we can quote one instance, we can identify one example, and that is, with regard to the electronic computer, which also, I think, is a very bad thing. We did not know about it at that time. Even in all such cases we allowed majority participation for foreign capital for a limited period but never in case of minority participation did we give full management control. I again say "full management control" because I have gone through the terms of the fertilizer deal given to us only yesterday by Shri Alagesan; it is more or less full control of management, where the Government has only a weak voice. The Cochin refinery has also got many bad features. Are we going to take the bad features and make them the regular features for future agreements? In the case of the Madras refinery we see a classical example of how the screw has been put on by the United States of America.

Sir, I remember, originally AMCO was willing to come in on much less stringent terms. Then came the Risk Guarantee Scheme of the United States as a result of which the AMCO wanted a bigger share in the capital for the refinery as also for the fertiliser project. Then they pushed out the Iranians and got 49 per cent and the Government of India held 51 per cent. Then there was Mr. Wood's letter asking for 51 per cent foreign

[Shrimati Renu Chakravartty]

capital for both public and private sector. Then the Government said that we shall agree to this in private sector in exceptional cases but not in the public sector. Then what did we hear? Having denied the right of foreign majority participation in public sector, they have now given over management control. So step by step this has happened. Now we find that an American Managing Director has supreme command in technical and operational matters, and decisions regarding pricing, marketing, investment, expansion, dividends etc., will rest with American partners and if any changes are to be made it will require a 75 per cent majority which we have not got because that is not the composition of the Board of Directors. If in any case we want to change what is going on we shall have to apply to a summit where again it is one representative of ours versus another representative of the Americans and if there is a deadlock we do not know what will happen.

Therefore, it is a shameful deal and if latest technique is not available unless we give concessions of such far-reaching consequences, this House must make up its mind at this stage that we must do with less sophisticated technology when it is absolutely necessary to get the know-how from abroad, and we cannot get it except by bartering away our freedom. I remember a speech by my hon. friend Shri Malaviya, where he spoke about coal-based chemical industry as outdated. True, but the whole of Europe is still having only that. I say it may be an outmoded technique. But if we have to pay and give such huge concessions for getting the latest technology, well, we shall have to do for some time with a not-so-latest technique, with a more out-dated technique for the time being.

I want a very clear, categorical statement from Minister that this bad, anti-national fertiliser deal is not going to be made a precedent for the

future. I am happy, yesterday my hon. friend, Shri Alagesan said that in the Haldia refinery they are getting better terms. I agree that this is possible because it is a French loan and the Rumanians are going to put up that refinery. In this combination it is possible. If it had been from the United States of America, it would not have been possible. Therefore, I would like the Government to tell us that this will not become a precedent.

There is already an agreement where the Birlas are going in for some chemical project. It was almost finalised, but now they are reopening the whole question and wanting that some more concessions should be given on the lines of the Madras fertiliser deal. I was told there is a complex coming up in Gujarat. There also they have come up against the same difficulty and this question of the Madras fertiliser deal is being made a test case. That is why I say that it is a dangerous thing, it is a harmful thing.

It is not that we give such concessions in the case of strategic industries only. There is the Fisheries Corporation in which I am told American capital is being allowed to have a major place. This is not a strategic industry. Why is it we are allowing this concession there? Therefore, it is not a "structural revolution", it is a "Counter-revolution", if anything, and I think it is time that this House should really express its disapproval and not allow its own prerogative to be taken away by any Minister however eminent he may be. I would, therefore, like this House to lay down certain important policies for the Fourth Plan. By the time we come back they may have formulated it and within a few months it will be vetoed or accepted or re-shaped by the World Bank. Where will the Indian Parliament be? Therefore, first, ceiling of foreign loans should be fixed by Parliament on a realistic assessment of capacity to repay.

Secondly, it should lay down that import liberalisation will only be for those industries which will be export oriented and that non-project loans which we are incurring will be in the ratio of our being able to pay from our export earnings. Thirdly, in the case of loans from West which will be refused if we do not give them far-reaching concessions of the type we have seen in the case of the Madras fertiliser deal, we shall have to decide that we shall do with less sophisticated techniques. Fourthly, every agreement with majority foreign capital participation with special concessions should be laid on the Table of the House.

One last word, Sir, and I have done, and that is with regard to the discussions which my hon. friend, Shri Asoka Mehta may have had regarding pegging defence expenditure at least on the Pakistani front. Sir, this House must clearly state that there can be no pegging of defence expenditure on the Pakistan front and a completely open chit for expenditure on the Chinese front. As far as our defence is concerned it is an inter-linked whole. We have to defend all borders if exigencies arise. If it is necessary on the Pakistani front we may have to defend it by taking all that we have from the northern frontier *vice versa*. We cannot say we shall not use the aid for this front and shall use it for another. We cannot allow this as far as our defence is concerned. I read in one paper that they were very happy that Shri Asoka Mehta's mission has strengthened Johnson's hands. I would only beg of this House to consider, that while we are so much over-anxious to strengthen Johnson's hands, let us not weaken our legs.

Mr. Deputy-Speaker: We have to close this discussion at 5.00 p.m. Hon. Members may take ten minutes each.

Shri A. C. Guha (Barasat): Mr. Deputy-Speaker, Sir, the speaker who

preceded me has mentioned some broad principles, apart from raising objections to this particular statement. With some of those broad principles I have my full agreement. According to Article 292 of the Constitution, this House should have framed an Act for regulating the borrowing power of the Government. That has not been done. And, this House should have some say about the quantum of the borrowing power, not only external but also internal borrowing power of the Government. I think that is a lacuna left, according to the Constitution, in the power of this House. I hope the new Finance Minister will have a fresh look into the matter and come forward with a Bill either in the life of this Parliament itself or in the Fourth Parliament, so that this House may have proper authority to regulate the borrowing power of the Government. There should also be some provision enabling this House to scrutinise the proper utilisation of the borrowed money.

Apart from this, I do not find any basic objection to this statement made by Shri Asoka Mehta or the principle underlying this statement. It is a stern fact that India needs foreign aid. Our export earnings fall short by over Rs. 400 crores of our import commitments and about 40 per cent of the installed capacity of our industries are lying idle for want of maintenance imports. Shrimati Renu Charavartty has raised a point that these maintenance imports will be mainly for luxury goods. I think she has referred to inflation also. One of the reasons for inflation is lesser supply of consumer goods. Supply of consumer goods has remained much below the increase in circulation of money. So it is necessary for checking the inflationary spiral with the supply of more consumer goods. This is one of the factors which this statement has mentioned. Some non-project aids, I think will be most urgently necessary for larger production and supply of consumer goods.

I am sorry to say that in this House and also in the country there is a par-

[Shri A. C. Guha]

particular psychology developed that anything coming from the west or anything coming from the United States of America or the World Bank is to be tabooed.

15 hrs.

The other day also the World Bank was abused like anything in this House. We should realise that out of the total aid that we have received from abroad, from the USA we have received more than 50 per cent of the aid and from other countries altogether less than 50 per cent. From the east European block we have received only near about 10 to 12 per cent of the total foreign aid.

Apart from the question of aid, there have also been certain grants received from certain foreign countries and most of these have come from the USA and the western block and almost nil from the eastern block. It is not so very dignified for this House or for the nation, that we shall be talking these aids and grants from foreign countries and at the same time, we shall be criticizing them. Let the House make up its own mind. If it decides that we shall not take any aid, then it should be stopped from all countries, but I do not think the House will have the courage to make that decision because everybody knows that we need foreign aid. In this matter party politics should not be introduced.

In this regard I would like to mention a few things from the history of USSR. I think, nobody will grudge Lenin being considered one of the most sincere, energetic revolutionaries of this century. In spite of his very earnest desire for Communism or fully socialist society, he had to agree to give concessions to foreign capitalists, not foreign countries or governments but foreign capitalists. He was willing even to give 51 per cent share in most cases; he agreed to give even 75 per cent of shares to foreign investors and retain-

ing only 25 per cent for the Russian State. He said;

"A concessionaire is a capitalist."

A foreign party which has been receiving concessions from the Government is usually called a concessionaire. He goes on to say:

"He (the concessionaire) conducts business for profits. . . . We have hundreds of enterprises, e.g., mines and forests. We cannot develop them, because we have not enough machinery, food and transport. The moderate and cautious introduction of concessions will rapidly improve the state of industry and the position of workers and peasants—of course at a price of certain sacrifice, surrender to the capitalists of tens of millions of poods of most valuable products."

He even conceded the exploitation rights of some mines and minerals. Then he said:—

"Capitalism is an evil in comparison with socialism, but a blessing in comparison with mediaevalism and backwardness . . ."

This is the position for us also more or less. If we are to decide that we shall continue in that traditional mediaeval state of the economy and social order, then we can do away with foreign aid; but, if we have to decide that we have to go on with rapid industrialisation to raise the living conditions of the Indian masses, then we shall have to take foreign aid, as Lenin also agreed on for more hard and objectionable term.

In this regard I should say that there should not be any hesitation on our part. It is more or less an international obligation of the affluent countries to help the underdeveloped and developing countries and it is the right and privilege of the developing countries to get this aid from the affluent and developed countries. There is no-

thing wrong in that. There is nothing insulting or humiliating in that. Otherwise, there is no sense in or justification for so many international organisations and police of international collaboration.

In this connection I should like to refer to another matter. Much has been said about the CIA activities in different countries. Any aid coming from USA is suspect as having the touch of the CIA. International espionage is an accepted and known thing throughout the world. Every country has got its international espionage system. But the *New York Times* could have published these things because in the USA, as there is a free press. In India there is a free press and many things come out in the press against the Government of India. In a free press this thing is possible. In a regimented and controlled press, these things could not have been possible. So, we should not conclude that in other countries also a similar system of international espionage is not working.

I would endorse one opinion given by the Finance Minister a few days ago, namely, that almost every aid has got its strings. No country comes forward to aid us out of any altruistic motives. We remitted some years ago Rs. 20 crores due from Burma on account of the pre-partition claims. Did we do it for altruistic motives? We had our own international politics and interests. Similarly, every country gives aid to serve its own policy, but it is for us to see that the string is not used to hang ourselves; the string may be used as a rope ladder to lift ourselves from the pit of poverty and backwardness to the modern stage of society.

There may be one or two things which may not be quite desirable in this whole statement, but in general this statement has nothing objectionable and there should not be any scruple in accepting aid from the USA. I hope, the Government is strong enough to protect the interests of the country.

Shri N. Dandekar (Gonda): Mr. Deputy-Speaker, Sir, I was not present here last Friday to see the unedifying spectacle of the kind of opposition that was demonstrated against Shri Asoka Mehta. I think, it was most unfortunate.

Shrimati Renu Chakravarty: You did not see Shri Asoka Mehta shouting also.

Shri N. Dandekar: I think, much of the opposition to what he has done and what his statement contains is out of the fundamental allergy of some people here to the United States, on the one hand, and to an acute sense of mortification that Shri Asoka Mehta's mission did not altogether fail. I would like, therefore, to go on record to say that within the ambit of the task which had been set for him, I think, his mission has in fact succeeded rather better than may had expected or hoped.

From being merely an exercise in vague and amiable generalities, which is where the Prime Minister had left it after her visit, he has brought the discussion down to brass tacks, to a definition of the nature and scope of our requirements, on the one hand, and to concrete figure work, on the other. And it is on that basis that I propose to examine the achievement and the implications of Shri Asoka Mehta's mission in relation, firstly, to the current year's situation and, secondly, to the larger question of the Fourth and subsequent Plans.

In regard to the current year, it seems clear that an agreement has been reached, apparently, both as to the nature and scope of the aid and also as regards the quantum of the aid, both for non-project purposes and project purposes. But I would like at this point to interject three comments concerning the aid in relation to the current year. The first comment relates to the subject of "tied" aid; the second, to the use of non-project aid in public sector enterprises and the third to project aid in relation to the current year.

[Shri N. Dandekar]

The expression "tied aid" refers to two directions in which foreign aid can be tied. It can be tied, in the first place, to the objectives of the aid in this country; that is to say, it may be specifically for a particular project or a particular purpose. To that kind of tying there can, I think, be no objection. But the other kind of tying, namely, as to the country—usually, it is the aid-giving country,—from which the imports represented by the aid shall be made, I regard this with considerable apprehension because experience shows that it is usually far more expensive than if the aid were capable of being spent in that market where we could buy at the best prices.

That has been, in effect, my objection, as I voiced during the debate on the Commerce Ministry's demands for grants, to the rupee payment trade, namely, that we get tied in the name of easier financing of imports, to importing from Russia and the East European countries. I have no objection whatever to importing from those countries. What objection I have is to be tied to importing from the particular countries that give us aid.

I recognise, Sir, that there is a limit to which we can impose counter conditions or refuse to accept the conditions imposed by those who are giving us aid. But I would respectfully inform Mr. Asoka Mehta that it has been my experience in concerns which have had to use such tied aid that very often,—indeed more often than not,—the cost of importation from tied-aid sources is generally more than if the importation was allowable from anywhere.

Secondly, I suggest, there is very great need to arrest extravagant demand upon non-project aid by Government for its own general purposes and by public sector enterprises in particular. One of the characteristics of the last 10 years management of this country has been the extravagant demand upon foreign exchange resources

made by Government for general purposes, and in particular the extraordinarily extravagant demands by public sector enterprises upon untied or rather upon, what is called, non-project aid, with the result that they are all choked up with enormous inventories, some of which are becoming entirely obsolete and it would take years to use up most of it.

In fact a good deal of the drain on foreign exchange resources, I might inform Mr. Asoka Mehta, has been the consequence of extravagant spending by public sector enterprises in using what is now being called non-project aid.

Finally, Sir, as regards the current year in so far as there is any element of project aid at all in the current year's foreign exchange aid, I would very strongly suggest that its use be limited to the admirable objectives that Mr. Mehta has himself indicated in para 3 of his statement which I will take the liberty of reading:

"...on such questions as agricultural development, population control, acceleration of the programme for fertilizer production within the country, enlargement of export earnings, facilitating more intensive and more efficient utilisation of the production capacity we had already built up in several sectors..."

I hope that the current year's programme will be limited to the objective of that kind.

I would like to turn now, from a long-term point of view, to the more important problem of external aid in relation to the Fourth Five Year Plan and possibly the subsequent Plan, in a perspective sense. But before I do that, I feel it necessary to get on record some outside measurements so that one can see the thing in perspective, as to just exactly where are we today in the matter of burden of

foreign indebtedness and in the matter, more particularly, of the burden of repayment of foreign indebtedness and the interest on foreign indebtedness. Here are the figures: At the end of 1950-51, our foreign indebtedness was practically nil. At the end of the First Five Year Plan, our outstanding foreign indebtedness was Rs. 114 crores only, at the end of the Second Five Year Plan, our outstanding foreign indebtedness was Rs. 761 crores, at the end of the Third Five Year Plan, that is to say, as on 31st March, 1966, it stood at the monstrous figure of Rs. 2629 crores. (In case Mr. Asoka Mehta is wondering where I get these figures from, there has been recently published an admirable survey of this problem of foreign aid in a journal known as *Tata Quarterly—Review of Economic and Financial conditions in India*). If that were all, it would still not give us the true magnitude of the burden.

The true magnitude of the burden of this foreign debt,—I am talking about public foreign indebtedness,—can only be measured when we consider what is the annual obligation in terms of repayment of debt and for payment of interest on the debt. The total bill during the Third Five Year Plan, the total foreign aid burden, was Rs. 2316 crores, and the repayment of loans amounted to Rs. 332 crores, and the payment by way of interest was Rs. 288 crores, thus making a total of Rs. 620 crores. That is to say, out of 25 per cent of the total foreign indebtedness we incurred at Government to Government level over a period of five years was used for repayment of debt and towards payment of interest.

Finally, the magnitude of the Fourth Five Year Plan proposal in terms of external borrowing is something like this. New borrowings contemplated are to the tune of Rs. 4000 crores, of which I estimate that 40 per cent would be utilised for repayment of debt and payment of interest. It is that kind of burden that one is to look at, when asking ourselves what

it means to the economy of this country to the public finances of this country, to the export-import balance of this country and so on. And in order to get that measure right, the first thing one has to do is to put the thing in proper value. The value today, of the dollar is nearer Rs. 10 than the bogus price of Rs. 5 at which the dollar is at the official rate of exchange, which means that over the next five years, in the Fourth Five Year Plan period, the true burden, in rupee terms, of additional foreign indebtedness (at current prices) is going to be increased by Rs. 8000 crores, and the true burden of interest, repayment, and so on, in rupee values of the dollar we shall have to bear, will be about Rs. 3200 crores. On the basis of those figures, on the basis of some relationship towards national income, on the basis of some relationship of one's capacity to pay in terms of net earning of foreign exchange,—by whatever test one likes to measure this,—I am sorry to say, I come to the conclusion that this is not the kind of magnitude of Government to Government indebtedness that should ever be imposed upon this country.

I would like to conclude by stating a few practical conclusions which seem to me to emerge from an examination of the burden of indebtedness that is proposed to be built up on the shoulders of the people of this country, now and for the future. I would suggest that foreign aid on Government-to-Government basis should be strictly geared, first, to maximum utilisation of the installed industrial capacity and, secondly, to finishing the unfinished business of the Third Plan and, thirdly, to taking on the projects to which I have just referred from para 3 of Mr. Asoka Mehta's statement. The rest I would cut out without slightest hesitation, because the rest of it is not, in any sense, at all,—whether in national accounting terms, or in terms of earning necessary surplus of foreign exchange over foreign expenditure, or in terms of the returns, or by any

[Shri N. Dandekar]

other test of "cost—benefit" analysis, justifiable.

I do not want to suggest by that that we ought to shut off the investment of foreign capital in this country. On the contrary, I am of the very definite opinion that, judging by every test that I have just mentioned, it is desirable to encourage private foreign investment in this country on person to person basis, not on Government to Government basis. It is only when that is done that both the borrower and the lender take a close look at the project, at its general feasibility, at its technical feasibility, its financial feasibility, its profitability, its capacity to repay, applying every conceivable test that ought to be applied, and only then will the borrower borrow, and will the lender lend. Only then will the foreign investor invest. And when they do that, then it is a self-paying proposition which is in the interests of the borrower, which is in the interests of the lender and which is also primarily in the interests of this country. That indeed, is why person-to-person investment is from the national accounting point of view cheaper. That is also why person-to-person investment is at the risk of the investor and not at the risk of the country. And I would go further, I would extend that mode of foreign borrowing and investing to public sector enterprises as well.

I know perfectly well that some public sector enterprises would be entirely capable of attracting foreign investment on that brass-tacks basis. The Hindustan Machine Tools is one, the Indian Telephone Industries is another, and the Indian Shipping Corporation is a third one. Undoubtedly, there are projects in the public sector enterprises group which can stand the tests that I have just mentioned and which can stand on their own feet in the matter of attracting foreign investment to this country on this self-paying basis. But any project that is not capable of making out a case of that

kind ought not to be bolstered up at tremendous cost to the nation such as is involved in Government-to-Government borrowing for their benefit. I would, therefore, say to Shri Asoka Mehta, while congratulating him on the general success of his mission in bringing it down to brass-tacks level, I would beg of him to bear in mind that there is a burden of foreign aid which is already excessive, and he should not impose a further burden that might break our benches in that case, instead of a self-generating economy, he may well have on his hands a self-degenerating economy.

Shri K. D. Malaviya (Basti): For the time being, I want to forget the statement which is under discussion....

Shri K. C. Sharma (Sardhana): What has he forgotten?

Shri K. D. Malaviya: The statement that is under discussion.

Shri S. M. Banerjee (Kanpur): Not forgive it.

Shri K. D. Malaviya: The basic things which are before us are these. Are we deviating from the economic policy which we have been following for some years? Some of us feel—I am not amongst them—that the economic policy that has been pursued for some years in the First, Second and Third Plans needs a change and that enough was not done for agricultural activities, and perhaps there was a lopsided activity dominating the entire developmental activities so far as the industrial programmes were concerned. I think it is not a fact. I also think that the economic policy that has been pursued for so long should persistently be continued.

without any feeling that we have been doing something wrong.

What is basically wrong with us is, as I think, that we have been inefficient in the implementation of our programmes and also are rather complacent in the approach to the implementation aspect of our programmes. We should now be more efficient and less complacent within the framework of a target of programme that we set our ourselves. And if we are restless with regard to gearing up our administration and preparing a cadre for handling the technical work that faces us and also liberalising our outlook on accounting and assessments, then I am sure that within the framework and the limitations of the help that we get and we have been getting, we can show much better results. Therefore, our emphasis should not be so much on getting more aid in order to contain more activities within the time-limit that we have set for the Five Year Plans, but we should try to become more efficient and less complacent in utilising the money and the machinery and the men that we have at our disposal.

Shri Ranga will also agree with me. I emphasise, that we have to gear up all our activities. Our American friends also have that sort of complaint against us. It is no good saying that the American leadership approves of our work and programme and the activities thereof. I do not think that they are very happy. One of them, Mr. Lewis, is here, and I have read one of his books where he has said that Indians are good planners but bad doers.

Shri Ranga (Chittoor): We are bad both ways.

Shri K. D. Malaviya: Of course, we are good planners. But we have failed in certain aspects of our activities. It is high time that the Planning Minister, the Finance Minister and the entire Cabinet concentrate their energies on this matter and see where we are erring in the utilisation

of the resources that we have already at our command. From that point of view, some heart-searching has to be done inside rather than an effort to make minds meet outside. Minds met previously also with understanding of differences in our outlook. And our American friends and the American Government and the World Bank too refused to give us help so far as a large gamut of public sector activities were concerned. I am referring to mining, oil exploration, the steel industry and all that. I remember that even up to date coal development activities in the public sector have been a taboo for them. But we agreed, that is, both the parties, the Americans and the Indians, that we would not object to their not helping us and we would not pursue that point, and they said that they would not be able to give us aid for developing our public sector activities in mining, whether it was coal or diamond and so on, or oil exploration or steel or many other industries like that. So, let us not pursue that line of thinking too seriously.

Shri A. C. Guha: I think the World Bank gave loans for the development of coleries.

Shri K. D. Malaviya: That is true, but not in the public sector. They gave us a loan to develop the coal industry in the private sector, which has not yet been utilised. That is what I would like to point out. I am only making out a case that the two parties agreed that they would not give us resources for the public sector, and we agreed that we would not take it and we would go on pursuing our policy. In the new policy that we had adopted under the Industrial Policy Resolution, there was no difference of opinion. It seems to me now that some people want a change in that aspect of our thinking. Let us not do that. Let us not get impatient with the less work that we have done, thinking that perhaps we have not been able to proceed well enough because of lack of resources. I feel that more so-

[Shri K. D. Malaviya]

sophisticated industries which will certainly contribute to the developmental activities of the nation can wait for some time, they should wait for some time and it is not necessary that we should be in a hurry to catch up with most modern nations so far as those industries are concerned. There are ways and means to make a small beginning in that direction also. It is a question of determination that even though we want to start those industries, let us not try to be in the forefront, because if we have to be in the forefront naturally we shall have to modify our concept and what is feared most is that the disparities in the country will increase thereby, further that our purchasing capacity will go down and that inflation will increase beyond proportion and production will not increase proportionately.

In order to assure ourselves that production catches up with our circulation of money and also that inflation is not encouraged too much and also that our purchasing capacity does not go down, we have got to restrict our activities which will not immediately show results in production . . .

Shri Ranga: Now, he has acquired wisdom.

Shri K. D. Malaviya: Therefore I would submit that we should not be very impatient in borrowing money in order to introduce more and more industries, but our public sector activities should grow . . .

Shri Ranga: How?

Shri K. D. Malaviya: For, we have enough resources here. We have got enough men here who know about it. We have only to encourage them. We have to encourage their initiative. We are not encouraging their initiative today, and we are trying to depend on foreign aid and foreign technical know-how rather than utilise what is already existing

in the country; we have not tried to release that energy which is already there latent in the youth of this country; we have not encouraged it. I therefore submit that the little effort at deviating from our old concept—we thought that we made some mistake in the past—should be done away with, and that we should pursue the old policy which is still fresh for us and which has a lot of dividends to give to us.

Shri M. N. Swamy (Ongole): I have read the statement of the Planning Minister over and over again but could not make out any point in it except one, that the ideas that the Minister puts forth are couched in such a language that normally one fails to find out what is really intended to convey. One plain fact that he has made out at the beginning itself is that since the foreign assistance is not certain, therefore we could not finally make out our Fourth Plan. The Planning Minister says, 'first let us know what resources will be available from abroad; then we can cut the size of the Plan according to that'. This theory, this very outlook, is wrong and is going to do serious harm and damage to the national interest.

As the hon. Member over there pointed out, first let us depend primarily and essentially on our own national wealth and resources. We have got our own resources. Perhaps the biggest resource of this country is manpower. We do not have the technology, technical know-how. But manpower, skilled and unskilled, is abundant in this vast country of ours. It is as yet unutilised, true. It is in science and technology in which we lag centuries behind. The untapped national resources to which we should direct our attention primarily and make the best use of them.

Secondly, we must know our needs also. Besides the big industries and other projects, there are primary needs like employment, drinking

water, Orissa famine and so on. Therefore, we must turn our national resources to our national needs and thus make the plan an Indian Plan and not a plan that will primarily depend upon resources we can get from the aid consortium countries. If we look at the position, in the First Plan, we started with 5.8 per cent foreign aid which came to about 25 per cent in the Third Plan. Now, we do not know where we stand. The Plan is not ready. Therefore, the foreign assistance content is not known; perhaps it will be very much bigger.

As regards the import of foreign capital and foreign assistance from the aid consortium countries and the World Bank, it has been the sad experience of the Afro-Asian countries, if we go through the discussions of UN-sponsored and several other regional gatherings of Commerce and Finance Ministers; that foreign capital has not helped them much to advance industrially, agriculturally and in other ways. This has been the painful experience of the Afro-Asian countries

Shri Asoka Mehta has been good enough to tell us that there are no conditions, no demands and no strings attached, that President Johnson did not make any demands on India. All these things, of course, he said. May I ask: what about the fertiliser plant deal which has been repeatedly discussed here? Perhaps when the Minister was about to start on his trip abroad, pressure came from the USA and other aid consortium countries that 'we want more shares, we want more managerial powers.' While he was in Washington and New York, we had agreed to those terms and we find that though we hold the majority shares, we have given over the management and price structure and other aspects to a foreign monopolist. This is against our Industrial Policy Resolution. Perhaps the Minister might say that this is an exception. But it is not going to be so. The foreign Press and the Indian Press have reacted and it is said that more

and more pressure is going to be exercised and the Government would be made to yield. This is what the foreign and Indian papers are saying. This pattern is going to be extended to other fields.

For the Fourth Plan, our foreign exchange requirement seems to be about Rs. 4000 crores. It may go up as perhaps time passes. Out of this, one third is to be devoted to servicing the loans, repaying loans with interest charges.

Here again, it has been the experience of Afro-Asian countries that where they have taken loans from western countries, they have had to pay half out of it back to them by way of these service charges. This is what the February issue of the *Westminister Bank Review* has to say about India, that India is one of the heavily indebted countries in the world. It goes on to say:

"Some countries with debts maturing in the next five years can repay them only by diverting funds from development, plans and others cannot repay at all unless they have rephased their plans".

This is the experience. Therefore, it is no good our talking about and inviting more and more foreign aid when we see that we have to devote half of the loans thus taken for repayment. It is calculated that in our case, one third of the loans that we get is to be paid back for servicing.

Again, we want to earn more and more foreign exchange by way of export of primary commodities. Again it has been calculated, roughly, that 20 per cent of our export earnings would go to repay the foreign loans. Thus repayment of the loans received from the aid-India consortium countries has become a big problem. Whatever we get, one third or half of it is to be paid back on this account.

Again, the aid-givers have so planned our economy that most of our industries today are partially

[Shri M. N. Swamy]

or totally idle because we get no imports. In some of the commodities today imports have been reduced, and industries have been partially closed. The unutilised capacity of such industries works out to about 40 per cent.

Again, all this foreign aid has got its own implications, in fact, on our foreign policy and on our domestic policy. Since the days of our independence struggle and particularly after attaining independence, India has been anti-imperialist pleading for the cause of freedom, but today where are we, and what about our non-alignment policy? Today when the war in Vietnam is going on, we do not speak out, we do not condemn we do not ask the foreign troops to withdraw. So, foreign capitals is playing its role on our foreign policy and also on our domestic policy. This Indo-U.S. Foundation is one of the things which is going to make heavy inroads into our national life and on our foreign policy. This has to be fought and we should restore our freedom economic freedom, for it is well known that without economic freedom you will not have political freedom. That is the truth, that is the reality, that is known to one and all. Therefore, today we are very much indebted to foreign countries, and this has to be fought back to regain our full economic freedom, and for this the people of this country will fight to the end.

श्री बड़े (खारगोन) : उपाध्यक्ष महोदय, मिनिस्टर ग्रौफ़ प्लानिंग ऐंड सोशल वेलफेयर ने 13 मई, 1966 को अपनी हाल की वाशिंगटन और ओटावा की यात्रा पर स्टेटमेंट दिया है उसके ऊपर प्राज्ञ सदन में डिस्कशन चल रहा है। हमारे प्लानिंग मिनिस्टर जो उन देशों में घूम कर और दौरा करके आये हैं और उस बारे में जो विवरण रक्खा है उससे यह नहीं मालूम पड़ता है कि वह कितने डालर्स वहां से लाये हैं। दरअसल क्या सहायता वह वहां से प्राप्त कर सके है इसका पता नहीं चलता है।

Honourable Members will recall that recently the Canadian Government announced the cancellation of the repayment of 10 million Canadian dollars due to them in the current year. The Government of Canada have also substantially increased their shipments of wheat aid to India.

वह हमें व्हीट देने वाले हैं जिस पर कि हम स्वयं आत्मनिर्भर होने वाले हैं। हम को वहां कनाडा से गेहूं मिलने वाला है। 10 मिलियन डालर्स का जो कर्जा या भारत पर वह राइट ग्रौफ़ कर दिया है। कितना पैसा मिलने वाला है उसकी कोई फीगर्स उन के स्टेटमेंट में नहीं है केवल वह सहायता देने वाली बात बड़े सुन्दर शब्दों में लिखी हुई है। ऐसा प्रतीत होता है कि एक बड़ी गाथा लिखने जा रहे हैं और लोगों को और हमको समझा रहे हैं कि वहां जाकर कामयाब हुए। लेकिन ग्रन्थकारों में समाचारपत्रों में ग्रूप के खिलाफ टीका टिप्पणी की जा रही है। एक तो हमारे प्लानिंग मिनिस्टर के बारे में यह टीका की जा रही है कि फोर्थ प्लान का पूरा पूरा विवरण सामने न रखते हुए उसे वह बगल में दबा कर अमरीका में क्यों ले गये? क्या वहां उनसे सौंक्षण कराने के बाद उसे फिर मंत्री जी पार्लियामेंट के सामने रखेंगे जब तीन प्लानों को पहले यहां पार्लियामेंट में रखा गया तब यह चौथे प्लान के मिनिस्टर साहब ने यह नया तरीका क्यों निकाला है? यह सवाल प्राज्ञ देश के सामने है। हर जगह उस बारे में टीका टिप्पणी हो रही है लेकिन मंत्री जी ने अभी तक उस का कोई जवाब नहीं दिया है। यह क्या इस देश के आत्म-सम्मान के अनुकूल है कि इस तरह से अमरीका के सामने हाथ पसार कर डालर्स की भीख मांगें? अब अमरीका का इंटरैस्ट इसमें है कि भारत चीन के खिलाफ लड़े और काश्मीर पाकिस्तान को दे दिया जाय। यह जो प्राबलम उन के सामने है। इस वास्तं मि० जानसन ने यह सवाल पूछा था और

जो कि अखबारों में आया है कि क्या आप पाकिस्तान और हिन्दुस्तान का ज्वाइंट प्रोजेक्ट रखियेगा ? उसके बारे में आपका क्या कहना है ? अब उसके पीछे क्या उनका मतलब है वह तो आप समझ ही गये होंगे क्योंकि आप तो बड़े होशियार व्यक्ति हैं । उसी वक्त आपने सोचा होगा कि अमरीका के डालर्स देने का जो तरीका है वह यही है कि पाकिस्तान को मदद की जाय और हिन्दुस्तान को उस के साथ में रखना नहीं तो हिन्दुस्तान और पाकिस्तान का ज्वाइंट प्रोजेक्ट करने के वास्ते कहने का मंशा क्या था ? इस पर आपने कहा कि हां हम तैयार हैं तो मैं पूछना चाहता हूँ कि क्या आपने यह भी कहा कि पाकिस्तान वाले तो मानते नहीं हैं, हमेशा इतने साल से काश्मीर की रट लगाये हुए हैं और काश्मीर को लेकर बराबर हम से झगड़ा करते रहते हैं । पाकिस्तान वाले और जनाब भुट्टा तो कहते हैं कि काश्मीर के लिए हम हिन्दुस्तान से ता कयामत तक लड़ेंगे और काश्मीर बगैर लिये हम चीन नहीं लेंगे तो क्या मंत्री जी ने अमरीका वालों से कहा कि हम कैसे पाकिस्तान से ज्वाइंट प्रोजेक्ट कर सकते हैं ?

दूसरा सवाल यह था कि 285 मिलियन डालर्स जो कि इंडो-पाक वार में उपयोग में नहीं लाये जा सके हैं और अमरीका ने उन्हें फ्रीज कर दिया है उसके बारे में अमरीका ने क्या जवाब दिया उसके बारे में स्टेटमेंट में कोई जानकारी नहीं है । मैं मंत्री जी से जवाब चाहूंगा कि क्या अमरीका ने फिर से वह ऐड देने का बचन दिया है ? मेरा तो कहना है कि इस बारे में अमरीका ने जैसा कि हिन्दी में कहते हैं हमें झगूठा ही बताया है ।

मंत्री जी ने कहा कि अमरीका नोन प्रोजेक्ट ऐड देने को तैयार है लेकिन इम्पोर्ट रैस्ट्रिक्शंस लिबरलाइज किये जायें और रैस्ट्रिक्शंस निकाले जायें यह अमरीका ने कहा था । इसका मतलब यह है कि वह अपना माल यहां हिन्दुस्तान में भेजने में इंटरस्टेड

है । मैं माननीय मंत्री से पूछना चाहता हूँ कि क्या वह हिन्दुस्तान को इसी तरह से अर्थमन्थर बनाना चाहता है ? हालत यह है डेफिसिट बजटिंग और कर्ज के कारण भारत-वर्ष की जनता अस्त हो गई है । टैक्सों की भरमार हो रही है और महंगाई दिन प्रति दिन बढ़ती जा रही है । जनता बहुत अधिक पीड़ित है और जनता यह चाहती है कि कुछ अर्थ के लिए टैक्स हौलिवे हो जाय और साथ ही प्लानिंग के काम को होल्ड अप कर लेना चाहिए । जनता इसनी अधिक अस्त हो गई है कि उसे आपकी प्लानिंग की कोई चिन्ता नहीं है और वह कहती है कि लड़े में जाय आपकी प्लानिंग । अर्कत इस बात की है कि जनता को राहत पहुंचाई जाये और उसकी बनियारी प्रावश्यकताये पूरी की जायें ।

मंत्री जी अमरीका में महायता के लिए पैसे मांगने के लिए मोती फँसा कर गये तो मैं चाहूंगा कि वह अपने जवाब में आज बतलायें कि अमरीका ने उन्हें कितना पैसा देने का वायदा किया है ? मंत्री जी ने कहा कि वह लोन देने को तैयार है अर्थात् अमरीका फॉर प्लान के पहले साल के लिए कर्जा देगा बाकी उसके तीन चार साल के वास्ते कोई निश्चित बात नहीं कही है । फिर यही कहा है कि बाकी के तीन, चार साल के लिए विचार करेंगे । उन्होंने जो कहा है कि हम विचार करेंगे तो उसका मतलब क्या है ? क्या अमरीका की उम में जर्न है यह आपका जानना चाहिए । इस तरह से अमरीका के पास जाकर जानसून, रस्क और वुड के सामने भीख मांगी गई उस से हिन्दुस्तान की इज्जत नहीं बढी । आपको उन्हें प्राजादी के साथ कह देना चाहिए था कि अगर आप हमारा महायता नहीं करेंगे तो फिर हम चीन से सहन के वास्ते तैयार नहीं हैं । हम और जगह से मदद ले लेंगे । रजिया से हम मदद ले लेंगे । आप को मालूम है कि रजिया और अमरीका में आपस में झगड़ा है और अमरीका कुदरती

[श्री बड़]

तौर पर चाहता है कि हिन्दुस्तान रशिया की तरफ न जाये। लेकिन मेरा तो कहना है कि यह कर्जा लेना कोई देशहित में नहीं है क्योंकि कर्जा एक तरह की कोढ़ की बीमारी है कि अगर बापको होती है तो लड़के को होती है और पुस्त दर पुस्त कर्ज के बोझ के नीचे दबती चली जाती है। इस वास्ते हमें आत्मनिर्भर बनने का प्रयास करना चाहिए। मैं पूछना चाहूंगा कि जो सरकार ने जय किसान और जय जवान का नारा लगाया था वह कहाँ चला गया? क्या जय किसान और जय जवान के बदले जय अमरीका और जय कनाडा देश से कहलाने वाले हैं मरा तो कहना है कि सरकार को इस तरह से कर्ज के पीछे नहीं दौड़ना चाहिए और आत्मनिर्भर बनने का प्रयत्न करना चाहिये। जितनी चादर हो जितना कपड़ा हो उतना ही हमें हाथ पांव पसारने चाहिए। इन्हीं शब्दों के साथ मैं प्लानिंग मिनिस्टर साहब से कहूंगा कि जो स्टेटमेंट उन्होंने दिया वह पूरा नहीं है और उन्हें पार्लियामेंट के सामने स्पष्ट रूप में बतलाना चाहिए कि अमरीका ने कितना पैसा देने का वादा किया है?

Shri V. B. Gandhi (Bombay Central South): To be fair in this discussion we should begin by conceding that the mission of Shri Asoka Mehta has been a difficult enough one without our wanting to make it more difficult by this kind of criticism. I think we ought to give a full measure of our appreciation to Shri Asoka Mehta when we discuss a subject of this kind which involves negotiations between India and the other countries. We ought to raise it above party considerations. Of course we are free to discuss it but it should be done more objectively. Indeed we know, Sir, that this attack on Shri Mehta's statement has been spear-headed by our friends, the communists in this House and it has also been supported by some innocents

from other parties. To judge by any standard we should concede that Mr. Asoka Mehta's mission has been a difficult one, and a moment's one in view of all that depends on the success of this mission in terms of the future of our planning and the future of our economic development. There was a time when the prospects for aid looked rather bleak and that was the time when the conflict with Pakistan broke out. Economic aid from the United States and other consortium countries was suspended and we were really not prepared for such suspension but we had to go through the ordeal as best as we could. Now, luckily a great change has come over the situation which has largely been the result of our Prime Minister's visit to Washington now followed by the visit of Shri Asoka Mehta. The change is quite clear to us. For instance we have if mentioned in Shri Asoka Mehta's statement: George D. Woods did not wish to make any demands on India. There are no demands to be made on India. We also remember the statement that President Johnson made after his meeting with the Prime Minister of India where he said: we have asked nothing to each other. In view of this it is difficult to understand all this noise that is being made here about Shri Asoka Mehta's statement, all this noise about clearance with the world bank, commitments to the world bank and all that. Now, Sir, it is still very difficult to understand this attitude of the communist party, especially when we remember that the Russians themselves did not mind aid that we have been receiving from the US and the western countries. In fact Russia has welcomed the fact that India is able to make progress with the help of the US and western aid in addition to its own aid. We must also say here that Russia on its own part has been doing its best to help in its own way. Now, I shall quote just a few figures. Since the beginning of our planning in 1951, Russia has authorised the payment to India of Rs. 485.5 crores and of this

amount India has utilised Rs. 245.3 crores. That is a very significant amount coming from Russia. The result today is that both from the western countries and from the eastern countries there is a parallel flow of aid to India. We should also remember that Mr. Mehta is going to visit Russia before very long. There is no appearance between these two groups of countries of any competition or rivalry between them and the pattern of aid that flows from each is distinctly different. Here in India our friends, the communists, look upon everything which comes from America with suspicion and alarm. The other day Shri H. N. Mukerjee said something about the people of this country running like chicks under the wings of mother hen, that is, the United States. I think he was not very just to this country or very fair to the people of India. It is difficult to understand this attitude of the communists. Why should they do so when the Russians do not mind and in fact look upon with favour any aid that we receive both from the Eastern and the Western countries? I would only say that the behaviour of the communists is such that they are trying to be more loyal than the king. Mr. Mehta had a problem to deal with in Washington. He had to deal with the problem of ascertaining the extent of assistance which we can hope for and what has been the result of his mission to Washington. He has achieved a greater appreciation of our efforts. He has achieved assurances of aid from the world bank and a greater recognition of the need to India for non-project assistance.

Mr. Deputy-Speaker: Hon. Member must conclude now. Dr. Ram Manohar Lohia.

डा० राम मनोहर लोहिया (फर्रुखाबाद): अध्यक्ष महोदय, जिस माननीय मंत्री के बयान पर हब बेहस कर रहे हैं, वह जनतन्त्र के लायक नहीं हैं, क्योंकि 12-13 मई को उन्होंने सदन में बार बार कहा है कि जब तक उन्हें प्रधान मंत्री जी का विश्वास प्राप्त है, वह वहाँ पर हैं।

किसी मंत्री को यह बात सदन में नहीं कहनी चाहिये। जो भी मंत्री यहाँ पर हैं, वह तब तक है, जब तक राष्ट्रपति की खुशी है और सदन का विश्वास है और तीसरे किनी चीज की जरूरत नहीं है।

Shri K. C. Sharma: The membership or the Ministership of the hon. Member is not in dispute. His statement is under discussion. He cannot plead that the hon. Minister should go out.

Shri S. M. Banerjee: He said it on the floor of the House.

Mr. Deputy-Speaker: Order, order.

डा० राम मनोहर लोहिया: अब ऐसे माननीय मंत्री के बयान पर बहस करते बकत सब से पहले तो मुझे यह कहना है कि खुद इन्होंने अपने बयान में प्रोजेक्ट-सहायता और गैर-प्रोजेक्ट सहायता के फर्क पर अपना सारा मामला खड़ा किया है। आज माननीय सदन मुझे माफ करेगा कि यदि अंग्रेजी के कुछ शब्द मेरे बोलने आजायें, क्योंकि जल्दी जल्दी मुझे बोलना है और इस सदन के लिये कहना है।

तो एक वाक्य इनके बयान से मैं पढ़ कर आपको सुनाता हूँ, इन्होंने कहा है कि—

"... will participate in a substantial manner in the provision for our non-project aid requirements besides continuing to entertain requests for project assistance."

इस में नान-प्रोजेक्ट के मामले में तो बिल्कुल सफ़ है कि उस में सहायता देते रहेंगे, लेकिन प्रोजेक्ट-सहायता के बारे में कहा गया है कि जब आपकी अर्जी आयी तो हम उसकी अच्छी तरह से देख आल करेंगे। इस एक वाक्य से भारत के भविष्य का सारा आका माननीय मंत्री जी ने खींच दिया है और अब मैं आपको बिना शैद्धान्तिक तर्क किये हुए कुछ अपने अनुमान बताता हूँ कि अगले

[डा० राम मनोहर लोहिया]

तीन-चार सालों में क्या होने वाला है। खाली उन कारखानों के नाम गिना दूंगा जिनकी चर्चा इस समय देश में हो रही है और जो बनने वाले हैं, जिनमें से कुछ नहीं बनेंगे। मैं यह नहीं क्ता कि सब नहीं बनेंगे, लेकिन कुछ नहीं बनेंगे।

एक तो बैलाडैला में फौलादा का कारखाना बनने वाला था, दूसरा निबेली में लोहे या एलाय का कारखाना बनने वाला था, तीसरा अलिदया में तेल और पेट्रोल को साफ करने का कारखाना बनने वाला था, चौथा भारी बिजली के लिये पिजौर में बनने वाला था, पांचवां भारी बिजली के लिये एक नया कारखाना केरल में बनने वाला था। छठा कोयले का कार्यक्रम जो सोचा गया था कि जिससे भारत के कोयला उद्योग का प्राधुनिकीकरण करने वाले थे, जिसमें 446 करोड़ रुपया नया लगाया जायगा, जिसमें 151 करोड़ रुपया विदेशों से लगाया जायगा, उसको भी अब क्षति पहुंचेगी, सातवां हैवी प्लेट्स का बैसल्ट के लिये और ब्वायलर्स के लिये बनने वाला था, उसके ऊपर आंच प्रायंगी, आठवां रॉलिंग मिल की मशीनों के लिये और नवां इन्जिनियरिंग के रेशनलाइजेशन के लिये हागा, इन 9 में से कितने बन पायेंगे मैं नहीं कह सकता, लेकिन यह तय बात है कि नये कारखानों के लिये जिस तरह से प्रापकी योजना थी, नये कारखानों से मेरा मतलब है बड़े कारखाने, कारखानों की मशीनें बनाने वाले कारखाने, उन में अब सुस्ती आ जायेगी, यह निश्चित बात है और यह भविष्य प्रापको दिखाने वाला है।

असल में हम सारे बयान में क्या इच्छा है और क्या उम्मुकता है कि जो गैर-प्राजेक्ट सहायता है व् दी जाय, उसका कारण क्या है कि जितने पूंजी-शाही कारखाने थे, चास तौर से सितम्बर के बाद से कुछ माल की कमी के कारण या हिस्सों यानी कम्पोनेन्ट्स की कमी के कारण ठप्प होने जा रहे थे। ये पूंजी-

पति पीछे पड़ गये, क्योंकि उन्ही की यह सरकार है, कि किसी तरह से पूंजीपतियों के जो कारखाने पहले से चल रहे हैं, उस में कच्चा माल और हिस्से मिलते जायें, कम्पोनेन्ट्स मिलते जायें, इसलिये यह सारा नान-प्राजेक्ट एड के लिये बयान है। इसका मतलब क्या है? मैं उन लोगों में नहीं हूँ, जैसे रेणु चक्रवर्ती समझती हैं कि यह समाजवादी सरकार है, यह सरकार तो हमेशा पूंजीवाद सरकार रही है। यह सरकार हमेशा या तो एक तरफ चाणक्यपुरी नौकरशाही के लिये बनाती है और दूसरी तरफ मथुरा सड़क पूंजीपतियों के लिये बनाती है, नौकरशाही और पूंजीपतियों की सरकार है। अभी तक कम से कम एक चद्दर डाल दिया करते थे समाजवाद की, समाजवाद के नाम की माला जपा करते थे, और वह माला भी अब मुझे लगता है, कुछ वर्षों में छूटने वाली है, क्योंकि उसके लिये भी इस बयान से मैं साफ बता देता हूँ, बड़ी चालाकी से कहा गया है, माननीय मंत्री से चालाकी की उम्मीद की जा सकती है

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प्रापके पुराने साथी हैं।

डा० राम मनोहर लोहिया : हमारे साथी तो प्राप भी रहे हैं, हमारे साथी तो कितने ही हैं, गड़ढे में गिरने देखा है प्रापको।

Mr. Deputy-Speaker Order, order.

डा० राम मनोहर लोहिया : प्रापने सदस्यों से प्राप कहें कि ये रूप रहे।

इस बयान में यह कह रहे हैं—

"If sufficient non-project aid was available to us in a form which permitted greater flexibility in the allocation of foreign exchange, whose scarcity necessitates the elaborate use of administrative controls today . . ."

एडमिनिस्ट्रेटिव भ्रूलों की बात का मैं हिमायती नहीं हूँ। नौकरशाही सरकार को शान से

रहने का भौका मिल जाता है। इस बात की कोशिश खास तौर से की गई है कि वर्तमान कारखानों के लिये काफी भ्रमरीकी सहायता मिल जाय, जिन से ये कन्ट्रोल वगैरह खत्म हों। ऐसी ग्रथं व्यवस्था यहां पर कायम की जाय, जो दूसरो को भाये, और मामला ठं क तरह से चलता रहे, चाणक्यपुरी, मधुरा सड़क ग्रहमदाबाद, बम्बई, कलकत्ता वालों का सारा कामकाज चलता रहे, ऐसी व्यवस्था हो इस लिये इस बयान में जो भविष्य दिखलाया गया है, उसके बारे में सारे देश को पूरी तरह से सावधान हो जाना चाहिये।

16 hrs.

[SHRI SONAVANE in the Chair]

भ्रमरीका हमें जो मदद देने जा रहा है, वह प्रति व्यक्ति हर साल 15 हजार रुपये से ज्यादा की दौलत पैदा करता है, यह बात भूल नहीं जानी चाहिये। जब कि भारतवर्ष प्रति व्यक्ति प्रतिमाल 350 रु० की दौलत पैदा करता है। 350 और 15000 का अन्तर है। मैं यहां पर वितरण की बात नहीं कर रहा हूं, कितना नौकरशाही खा जाती है, लेकिन मैं यह कहूंगा कि इस 350 रु० में से 150-200 रु० नौकरशाही और सेठ लोग खा जाते हैं, इस समय तो मैं कुल दौलत की तुलना कर रहा हूं। उत्पात के मामले में साम्राज्यशाही तभी खत्म हो सकती है, जब कि ये कारखाने, जिनके कि मैंने नाम गिनाये हैं, इनको पूरी तादाद में हम बना लेंगे। मैं समझता हूं कि ये जितने भी यूरोप के विकसित देश हैं, उनको प्रच्छा नहीं लगता कि कोई उनकी होड़ में बराबर का देश उनके समतल घा जाये। इस लिये वे यही चाहते हैं कि हम अपने यहां ज्यादातर उन्ही कारखानों को चलाते रहें, जिनमें खाने-पीने की, पहनने की चीजे पैदा होती हैं, कहीं इतने धाम निर्भर न बन जायें कि जिनसे उनके हथियार नाकारा

हो जाय, जिससे उनके कब्जे से निकल जायें। लेकिन इसके बावजूद भी मैं यह कहूंगा कि इस में भ्रमरीका को दोष देने का क्या फायदा, भ्रमरीका क्या, हर देश ऐंभो कोशिश करेगा, जिसके पास ताकत है। दोष देना चाहिये वर्तमान सरकार को। घाज कम्युनिस्टो के मोचने के में यह सब से बड़ी गलती पाता हूं। जब कभी इस तरह की बहस चलती है, तो वे भ्रमरीका को दोष देने लग जाते हैं। भ्रमरीका मदद मांगने पर देता है, तुम क्यों जाते हो, मदद मांगने के लिये? दोष देना चाहिये इस वर्तमान सरकार को, जो अपने कर्तव्यों को भूलकर भ्रमरीका के चंगुल में फंस जाया करती है। भ्रमरीका खुद थोड़े ही अपनी जान नाद रहा है, बजन नाद रहा है, वह तो जब हम भ्रमरीका की गुलामी स्वीकार करते हैं, तब घागे धाता है। मैंने अभी कहा था इसी महीने में कि कारखाने चल ही नहीं सकते जब तक भ्रमरीका और उसके दोस्त हमारी मदद न करें...

सभापति महोदय अब माननीय सदस्य ममाप्त करे।

डा० राज मनोहर जोधिया : श्री भी मुझे कुछ बातें कहनी हैं।

जो तस्कर व्यापार है, उसको घाप देखें जो हम लोगों की खपन का सामान है वह अपने देश में कितना धाता है, इसका घाप हिसाब नहीं लगा पाते हैं। मैंने इसका हिसाब लगाने की कोशिश की है। कुछ बोड़ा या घांकड़ा मुझे मिला है उन में जो तस्कर व्यापार करते हैं। उनके अन्दर राष्ट्रीय संगठन है। उन के जरिये से मैंने पता लगाने की कोशिश की है। उन व्यक्तियों के जरिये से भी कुछ पता लगाने की कोशिश की है और मैं सुन कर रंग रह गया कि छः सौ करोड़ रुपये का मलाना तस्कर माल हमारे देश में धाता है, सोना, घड़ियां वगैरह धाती है। वे चीजे धाती हैं जो सिर्फ हमारी खपन में धाती है। छः सौ करोड़ का

[डा० राम मनोहर लोहिया]

माल लाने के लिए भी शायद यह बयान बहुत कुछ मवदगार होगा ।

इसके अलावा जो हमारे ऊपर कर्जा बढ़ता जा रहा है, उसको भी ध्राप देखें । उस कर्ज में भी यह नई योजना मवदगार साबित होगी, उसको यह ध्रौर भी बढ़ायेगें । करीब चौदह सौ करोड़ रुपया तो देना पड़ेगा । उसके हिसाब से देखा जाए तो साल भर में जो हम पैदा करते हैं उसमें से दस सैकड़ा खाली कर्ज का हिस्सा जाने लग गया है । वह बढ़ता जा रहा है । मैंने कई बार कहा है कि हम से ज्यादा मालायक कोई पीढ़ी नहीं हो सकती है कि ध्राण ध्राने वाली पीढ़ी जो है, पांच पांच, सात सात ध्रौर दो दो बरस के नन्हें बच्चे जो हैं उन के कंधों पर इतना जबर्दस्त बोझ लादे दे रही है । यह सब ध्रपने खुद के खाने पीने के लिए हो रहा है । ध्राने वाली पीढ़ी इसको सम्भाल भी नहीं पाएगी ध्रौर देश बिगड़ा जा रहा है ।

इसलिए ध्राप मुझे खाली इतना ध्रौर कहने दीजिये नीति के बारे में कि इतनी यह ध्राथिक नीति खराब है कि जिस का कुछ ठिकाना ही नहीं । उसी के साथ साथ इसके सबब से लाजिमी तौर से कुछ राजकीय नीतियां भी ध्रायेंगी । मैं समझता हूँ कि ध्राज हमारी राजनीति का बिल्कुल निकम्मा, गरीबी ध्रौर बेहूदापन का कारण यह है कि हम ध्रपने दिमाग से सोचते नहीं हैं । कम्युनिस्ट हैं, उनके लिए शीघतनाम सबसे बड़ा सवाल है । कांग्रेसी हैं, खुदा जाने उनके लिए क्या सवाल रहता है । वे ओकेबाखी के सवाल ले लिया करते हैं । लेकिन यह सवाल कि किसी तरह से भारत ध्रौर पाकिस्तान का एका हो जाए जोकि भारत की वैदेशिक नीति का सर्वोपरि सवाल हो जाता है, इस तरफ कोई ध्यान नहीं देता है । इस बयान के बाद ध्रौर ध्रमरीका के कारण से

वह कभी हो नहीं सकता है । हमारी वैदेशिक नीति बिक चुकी है ऐसी चीजों के साथ ।

मैं निजी रूप से एक सफाई दे दूँ क्योंकि हम लोगों के बारे में कुछ माननीय सदस्यों को गलतफहमी है । गलतफहमी यह है कि हमारे ध्रादमियों ने लखनऊ में किसी ध्रौरत की साड़ी खींची थी । ध्रगर ऐसा किया हो (ध्रबधन) क्योंकि इसको इस सदन में कहा गया है, इसलिए मैं इसकी सफाई देना चाहता हूँ । हमारे स्वयंसेवक जमीन पर लेटे हुए थे ध्रौर लोगों को जाने से रोक रहे थे । ध्रौरत स्वयं सेवक थे । जब कोई एक ध्रौरत गई तो साड़ी का कुछ हिस्सा खिच गया होगा ऐसा हो सकता है । लेकिन फिर भी मैं इस बात की निन्दा करता हूँ कि चाहे श्री चन्द्रभान गुप्त ने जितने भी ध्रनुचित काम किये हों, हमारे ध्रादमियों की तरफ से उनके ऊपर कोई जबर्दस्ती नहीं होनी चाहिये थी (ध्रबधन) सुनो तो मैं क्या कह रहा हूँ । हमारे ध्रादमियों की तरफ से उनके ऊपर कोई जबर्दस्ती नहीं होनी चाहिये थी, उनको जबर्दस्ती नहीं करनी चाहिये थी (ध्रबधन) हमारे दल के बारे में न जाने क्या-क्या बातें कही गई हैं । मैं उन बातों को नहीं कह रहा हूँ । मैं यह कह रहा हूँ कि श्री चन्द्रभान गुप्त के साथ जो श्री ध्रबधन हुआ, मैं समझता हूँ कि श्री राज नारायण जी ने उनकी टोपी दिखा कर कोई ध्रच्छ काम नहीं किया । इसलिए मैं कहता हूँ कि सुना करो मेरी बात को (ध्रबधन) मैं कह देना चाहता हूँ कि हमारे ध्रादमी कैसे हैं, उनको समझ कर चला करो । हमारे लोग ध्राप लोगों जैसे उचक्के नहीं हैं, जैसे ध्राप लोग हैं, वैसे नहीं हैं ।

श्री योगेन्द्र झा : (मधुबनी) : "उचक्का" शब्द हटा दिया जाये ।

Shri Bhagwat Jha Azad (Bengalpur): Sir, I rise to a point of order.

श्री राबेलाल व्यास (उज्जैन) :
उन्होंने कहा है कि घुम जैसे उचक्के नहीं हैं।
यह घनपार्लिमैटरी है।

श्री भागवत झा आजाद : लोहिया साहब
ने कहा है कि घ्राप लोगों की तरह से उचक्के
नहीं हैं। क्या घ्राप समझते हैं कि यह पार्लि-
मैटरी शब्द है? घ्राप इस पर अपनी रुलिंग
दीजिये। बर्ना हम घ्रागर कहेंगे कि ये सभी
चोर हैं, तो क्या यह घच्छा होगा?

Mr. Chairman: Shri Nath Pai...

Shri Bhagwat Jha Azad: Sir, you
have to give your ruling.

इन्होंने कहा है कि घ्राप लोगों की तरह से
उचक्के नहीं हैं। हम कहें कि घ्राप लोगों की
तरह से चोर नहीं हैं तो क्या यह ठीक होगा?
घ्राप रुलिंग दीजिये कि यह शब्द पार्लिमैटरी
है या नहीं है? घ्रागर यह पार्लिमैटरी है तब
हम कहेंगे कि कांग्रेस पार्टी के सदस्य इन लोगों
की तरह से चोर नहीं हैं।

Shri Rameshwar Sahu (Rosera):
Sir, what is your ruling? It is a very
objectionable term.

श्री सुरेन्द्रनाथ द्विवेदी (केन्द्रपाड़ा)
उचक्के का क्या अर्थ है?

श्री राबेलाल व्यास : चीज को लेकर
भागने वाला, उचक्के का अर्थ है।

Mr. Chairman: I think he has said
it in a general way. He has not re-
ferred to any particular individual.

Shri Bhagwat Jha Azad: Do you
mean to say, Sir, that without naming
anybody I can say that some of the
Members are goondas? Does it con-
form to the standards set up by the
House?

श्री सुलजीवास जाधव : (नांदेड़)
इसके माने क्या हैं?

श्री राबेलाल व्यास : घ्रापने कहा है कि
इन्होंने जनरल वे में कहा है। इन्होंने सबको

कहा है कि घ्राप लोगों की तरह से, कांग्रेस
पार्टी के मेम्बर्स की तरह से उचक्के नहीं हैं।
घ्रागर घ्रापने यह प्रेसीडेंट कायम किया तो
हम लोगों को भी इसी तरह से कहना पड़ेगा
और तब देयर विल बी नो एंड टू इट।

Mr. Chairman: The learned Doctor
did not mean that.

Shri Shree Narayan Das (Dar-
bhanga): It is not a question of
meaning, it is a question of what has
been said.

Mr. Chairman: I have given my
decision. Let us proceed now—Shri
Nath Pai.

Shri Nath Pai (Rajapur): Mr.
Chairman, it is a pity that this very
important debate has been vitiated by
ideological overtones. I was a little
pained to see that the cold war which
is, luckily for us, raging between the
two main contestants found its ex-
pression on the debate on aid. I think
the whole problem of aid needs to be
examined and looked into totally free
from any kind of ideological con-
siderations, and the only touch-stone
will have to be whether aid or loan or any
other assistance we may seek from
any source serves our purpose or not.
I am afraid, to that extent this debate,
at least to me, was a disappointment.
I shall try, during the few minutes I
have at my disposal, to restore a
perspective.

The only perspective and frame-
work in which we can examine the
whole thing is the national interests
of this country. I should like to
express a little disappointment that
Shri Mehta when he landed in United
States of America, apart from the
general purpose of collecting maximum
aid, made two declarations: that under
no circumstances, pressure or no pres-
sure, whatever the quantum of aid
given or withheld, he is going to
change the policies of the country;
and, secondly, at another meeting he
said, that he was not going to accept
devaluation. Both sounded good, and

[Shri Nath Pai]

I think he was honest about both the statements he made. But I think it would have been better, since he is a very fine student of economics, if he had looked at the facts rather than reiterated what have been his long-standing beliefs.

I shall first take the question of devaluation. I think his statement in this House was that this Government is not going to accept devaluation. Shri Mehta surely—there are his old books, his studies, his speeches in this House—knows what devaluation means. It is the depreciation of the purchasing power of the rupee. I shall only make a brief reference because in his case it is not necessary to elaborate this point. I have got statistical tables beginning with 1952-53. The value of the rupee in the base year 1952-53 is 100. Now what do we find? Because of the rise in the living cost index there is a reciprocal depreciation in the purchasing power of the rupee. Beginning with 1952-53 we find that the living cost index, according to official statistics, is 169 or 170. What remains of the rupee today is this, that in the open market of the world the rupee is devalued and devalued miserably. Shri Mehta, I do not think had time to go and see what his rupee could purchase at Zurich, Geneva or any other world exchange. He knows that howsoever loud may be the proclamations of the Government of India that they are not going to devalue the rupee, in practice the world has pronounced devaluation of the rupee.

That takes us to the very root of the economic policy which is felt in this major sector, that of holding the price line. I know, he has always said that there will be unavoidable increase in the cost of living index in a developing country but that does not justify all the rise. One of my papers is missing in this confusion of papers, otherwise I could have shown how in the years under review the rise in prices has taken place in Japan, Germany, U.S.A. and England—four

countries—and I would have taken examples of one or two developing countries and how that price rise compares with the rise in prices in this country.

What is more important for Shri Mehta and this Government is not to go on saying, which I think in his case is perhaps honest and sincere, that we are not going to devalue. What about the unofficial devaluation of the rupee? What about the back-door devaluation of the rupee? What about the world devaluating the rupee? It is these facts which he must find himself and try to remedy rather than go on saying that the rupee will not be devalued.

Then, he has said that we are not going to change our policy. I think, a man of his standing and stature should face this issue a little more courageously and in a straightforward manner. For 18 years we have been trying certain policies.

Shri Asoka Mehta: In order to avoid any misunderstanding, may I point out that what I said was that we are not going to change our policies under pressure? We can change any policies we like here, inside our own country. It is a question of whether we would do anything under pressure from outside.

Shri Nath Pai: I am glad about this explanation. Actually, the wording was as he has pointed out. I agree, the wording was what you now correct me. The latter part was also in his original statement. I concede that to him. But I have to say something about this.

We heard Shri Malaviya. Shri Malaviya's was an unusually mild speech. I expected some thunder and fire from him, but it was not anything like that from him. I hope he is here. His was a simple and cogent plea, "These are the policies which we had been following; we made mistakes but we felt that as the policies are old,

let us follow them." The patient is deteriorating, the medicine does not serve any purpose, but it is the old medicine, the more we have the better for us. That seems to be the attitude.

I think, the Government also falls in the other extreme of this kind of attitude. If you think that policy changes are necessary, statesmanship and success of those changes demand that courageously you adumbrate, explain and tell what those changes are and try to justify them in the light of your experience. It is no use the Government going on saying that. Everyday we hear that. The other day we heard the spokesman of the Government, the Prime Minister, say that there are no changes. You are introducing changes. Why are you shy about that? We may disagree about the changes, but what is gained by saying that there are no changes in the policy of Government? The Industrial Policy Resolution is being changed. It may be for the better or time may prove that it is for the worse, but it is necessary that we do not try to hide the basic truth either about the aid or about the changes in policy.

Having said this about these two basic statements, I will turn to another thing. What is baffling with regard to this statement is this. We were told by Shri Bali Ram Bhagat in reply to a question with regard to the total quantum and lay-out of the Fourth Five Year Plan that it cannot be said because we do not know the quantity of the aid and in this statement we find:—

"While the precise quantitative discussions on the measure of aid from Consortium countries had to await the decisions on plan magnitudes and plan allocations on our part, there was a clear appreciation of the fact that, over the next five years, substantially greater assistance than in the past would have to be provided both for more efficient utilization of the productive capacity already

built-up and for addition to such capacity."

What is happening is this. We get into the vicious circle in a statement like this. Apart from the slight contradiction about it, Shri Mehta has made, I think, a virtue of ambiguity. I know the reasons for it. Perhaps he was not free to indicate it, but it would have done a lot of good to his mission . . .

Mr. Chairman: Would you not like to hear the reasons from him?

Shrimati Renu Chakravartty: He is speaking on behalf of Shri Mehta.

Shri Nath Pal: When I do that, I will have the guts. Shrimati Renu Chakravartty should know that.

He should have said what are the failures. That he could not do.

Shri Asoka Mehta: Could not do what?

Shri Nath Pal: Consistently you avoided and evaded this issue regarding the quantum that you expected from them. You have given the appreciation of the quantity expected as Rs. 4,800 crores, but you have never indicated, apart from such substantial aid. Why? I know, perhaps there were reasons for you, but how has it helped us after your visit? We remain where we were. The Planning Minister, his deputy or his colleague tells us that we cannot adumbrate the plan because we do not know the quantum of assistance. We hear from the Americans that they cannot announce the quantum of the aid because they do not know the quantum of the Plan. We are getting into this, one side points to the other, and the House and the country remain where they were. Mr. Asoka Mehta's statement does not shed any light on this.

Now, there is another thing which I would like to point out here which, I think, Mr. Mehta should not be offended at, pointing out it is no use saying that it is inevitable. Where do we stand with regard to the debt of this country? Originally, a reference

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was made by Mr. Dandekar and I would like to point out what steps Mr. Mehta propose to take. I know the Prime Minister's statement, aid to end aid, and that reminds us of another proclamation, war to end war, and that war did not end the war.

We have made our position quite clear that we do not fight shy of aid, that we do not see the ideological colour of the aid. We only see what is the aid we need and for what purpose. Stiring is a word I dislike. But here again, what has happened with regard to the Government? There are conditions. Why deny them? Why not confess them? What is wrong about them? No aid is given without such conditions whatever the source may be. You and some of your friends did oppose the Soviet Union who did tell us with regard to the magnificent Bokaro project which we owe to them. We had two sides of it. The Americans laid down conditions—I remember, Mr. Chairman, you also asking a supplementary—that this will have to be done in the private sector if the aid is to come. We remember that very well. Then, we got the Russian aid. What was it? At the very first instance, it was clearly stated—and we fought on this—that the Indians had to be associated. At one stage, it was stated that everything will be done by the Russians including the quantum of the total cost which cannot be challenged. It does happen. Are you to condemn them? What is happening is this that the conditions are being accepted by this Government. What the Government is guilty of is that courageously and honestly the Government is not coming before the Parliament and telling, under these circumstances, these are the conditions. We want to accept them, but I will say I do not think these are justified.

Mr. Chairman: He should try to conclude now.

Shri Nath Pai: Yes, I am concluding.

Then, about the aid, I am sure about the aid. My serious complaint is, though Mr. Asoka Mehta talks in his essay of the maximum effort, that we are determined to put the utmost effort in the task of assuring the structural revolution. I am afraid, if we look at the total quantum of the aid, it has been changing like this. In the aid expectation, the Plan Memorandum, in October, 1964, talked of a requirement of foreign aid of Rs. 3200 crores. In September, 1965, it became Rs. 4000 crores and the Planning Minister now says it is Rs. 4800 crores. If we deduct service charges of Rs. 1350 crores, that leaves us Rs. 3450 crores and if we deduct another sum of Rs. 450 crores, it leaves us Rs. 3000 crores of aid.

What about the resources that we have to raise internally? Mr. Chairman, I do not know what is happening about the building, the collecting, of the resources internally. I am afraid, we will be condemning ourselves to perpetual aid, perpetual dependence instead of aid declining gradually, dependence being brought down gradually, unless the question of internal resources is tackled more manfully than what the recent policies of the Government indicate. I would like to point out to Mr. Mehta that this has an alarming significance. During the Third Plan, in 1961-62, the total amount borrowed was Rs. 2316 crores and service charges were to the tune of about Rs. 620 crores, that is, nearly 25 per cent were the service. In every Plan, we depend for 25 per cent on foreign aid. Is there any hope? I would like to make an appeal to him.

Recently, in a war with Pakistan, this country demolished one of the slanders against India that five Indians are equal to one Pakistani. This we did on the field of battle. But unless we can prove it in the factory or in the field where rice is grown, we have no future. Today, we have not the

equals of the Russian factory worker in our factory, nor is one Indian peasant equal to a Japanese or a US or an Italian or an Egyptian peasant. Unless there is an effort to increase productivity and the resource-building capacities increase, I am afraid that this debate today will be surcharged with ideological overtones or just be a barren thing, and we shall not be getting anywhere. I hope the Planning Minister in his reply will try to answer all these questions.

Mr. Chairman: I think we have to conclude this discussion at 5 p.m. So, I would request the hon. Minister to reply now.

Shri S. M. Banerjee: I want to ask just one or two questions.

श्री प्रकाशबीर शास्त्री (बिजनौर) : सभापति महोदय, भाषण के रूप में नहीं बल्कि प्रश्न के रूप में ताकि मंत्री महोदय हो उत्तर देने में आसानी हो, प्रश्न के रूप में दो बातें पूछता हूँ। एक बात तो यह पूछनी है

Shri Asoka Mehta: I am afraid that sufficient question have been asked already, and I must have time to reply to them.

Mr. Chairman: The hon. Minister may just note the question and then he can answer.

श्री प्रकाशबीर शास्त्री : नहीं, नहीं, एक मिनट की बात है मेहता साहब, आपको आसानी हो जायगी उत्तर देने में।

पहली बात तो मैं यह जानना चाहता हूँ कि सितम्बर 1965 के अन्त तक हमारे देश के ऊपर विदेशों का लगभग 55 अरब रुपया ऋण था सब मिलाकर के यानी प्रत्येक भारतीय के ऊपर 128 रुपये विदेशी ऋण लदा हुआ था, तो योजना मंत्री अपने भाषण में थोड़ा इस बात का अवश्य स्पष्टीकरण करें कि तृतीय पंचवर्षीय योजना के अन्त तक हमारे ऊपर कितना ऋण होगा और प्रत्येक भारतीय कितने ऋण से दब जायेगा? दूसरा

प्रश्न यह है कि जो विदेशों से हम ऋण लेते हैं उसमें दो हिस्से हैं। एक तो वह लोग हमको ज्यादातर ऋण सामान की शकल में देते हैं। तो जब सामान की शकल में देते हैं तो बापसी में हमसे फिर सामान ही क्यों नहीं लेते? पैसे के रूप में लेते हैं तो उससे हमारे ऊपर भार बढ़ता है। दूसरे जो सामान देते हैं वह अन्तर्राष्ट्रीय रेट पर क्यों नहीं देते हैं? जो अन्तर्राष्ट्रीय रेट है उसके ऊपर सामान मिले जिससे हमारे ऊपर ऋण का भार अधिक न हो। मैं चाहता हूँ कि योजना मंत्री अपने भाषण में इन दोनों प्रश्नों का समावेश कर लें।

Shri S. M. Banerjee: The hon. Minister has stated that he is not going to change and India is not going to change its policies because of any pressures. I would like to know whether he still feels, after the fertiliser deal and after his visit to the USA and the assurances given by the World Bank and the US Government for helping this country on a non-project basis, that our Industrial Policy Resolution will be safe in his hands or there will be an erosion into it, and whether this aid from America is not a new East India Company in our country to capture our economy.

Shri Asoka Mehta: I am grateful to the hon. Members for the valuable contributions that they have made to this discussion. We have been trying to formulate our Plan and side by side, trying to find out in what way and to what extent we can be sure about the external assistance that we need. The two processes have been going on side by side.

You will recollect that the first memorandum on the Fourth Five Year Plan was published in October, 1964. After that, last year, in May, 1965, when the Prime Minister of India visited Moscow, it was felt that we should take advantage of that visit and explore with the Soviet Union the possibilities of their assistance for the Fourth Plan. Recently,

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the Prime Minister visited the USA and it was, therefore, felt that opportunity should be taken to explore with the U.S. Government and with the World Bank and to find out to what extent we can count upon their assistance for our Fourth Plan. This does not mean that either the Soviet Union was invited to tell us what our Plan should be or that we are inviting anybody else to tell us what our Plan should be.

Last year, I had gone to the Soviet Union, and various projects were agreed to. It has taken one year for them to be technically examined and we find that some of the projects that we had agreed to may not be feasible. For instance, last year, one of the projects or one of the industries for which we were most keen on getting co-operation from the communist countries was the fertiliser industry. We were assured that we would get a fertiliser plant, at least one fertiliser plant in the Fourth Plan. We are now informed that it will be possible to put up a fertiliser plant only in the beginning of the Fifth Plan. It is always useful to explore, to discuss, to find out what is possible and what is not, and what will be the difficulties in future.

A question has been raised by my hon. friend from the Jan Sangh, 'How is it that documents not available to us, to this Parliament or to this country, were taken to the World Bank and shown to them?' Not one single scrap of paper which is not available to you was taken there. With what we have, we are willing to sit down and discuss with them, and whenever they ask questions, we try to clarify what our point is, whether it is in Moscow, Washington or any other capital of the world where this kind of negotiations have to be carried on.

My hon. friend, Shri Nath Pai, said that we seem to be caught in a vicious circle. There is no vicious circle

in it. The Plan is being drawn up, we are going ahead with it. If we had come to you with the whole Plan ready with Rs. 4,000 or Rs. 4,500 crores of external assistance provided for in it, you would have rightly asked, 'How do you know you will get it'. You would have characterised it is a 'paper' plan. Where are all the statements. My friend, Shri Nath Pai, and other very able and eloquent members on the other side would have brought in any number of press clippings which go to show that the aid-giving countries have been saying that they are fatigued and they are not interested in this. We would have been told that we were proceeding on the basis of an unrealistic plan. When we go about to make sure that the necessary amount of understanding and assistance will be forthcoming, we are told, 'You are deciding things without consulting us'. I just do not understand. Please lay down the procedure, how we should proceed about it. I say all final decisions will be taken by you and by you alone. But whether for a particular project or for a particular scheme, the World Bank wants to assist us or not, that we must find out and surely the World Bank has the right to decide what they want to assist or not. They will appraise it and decide that. We may come to the conclusion that our Plan is satisfactory to us, but there are parts of it which they do not like.

My hon. friend, Shri Malaviya, said that the World Bank and the US Government do not help public sector projects. That is not so. They do not help certain kinds of public sector projects. In the case of all infrastructure projects, whether it is the question of ports, or the question of railway transport or the question of power stations, the World Bank and USA are willing to help. Industries they are not willing to help.

We are seeking cooperation from various countries because our needs are varied. We try to fit their response

within, as it were, the whole broad framework of our requirements.

So there is no point in saying that they decide. That we will do. But surely they have the right to choose in the plan we draw up in which area they will assist, in which segment they will not. That is all that is being sought to be done.

Again it is asked: Why are we asking for so much aid? Are we not becoming dependent on other countries for aid? I realise that we are asking for a substantial amount of aid. Shri Nath Pai quoted a number of figures if I had the time, I would have explained to him as to how there is not much inconsistency in these figures. Why are we asking for this substantial amount of aid? Because if we look at the whole cycle of our development, beginning with the First Plan and ending with the Fifth, the total transformation of our economy has to be brought about within this period of 25 years. When I talk about structural transformation I am talking about a stagnant economy being converted into a dynamic one capable of moving forward continuously on its own steam, a self-reliant economy. Whether agriculture has been changed, whether it is the industrial structure that has been changed, whether it is the transport system that has been changed, everything has to be provided with that basic wherewithal whereby future developments are possible on its own.

Take modern transport. In the next five years, for any development we want to make of modern transport, we do not have to look to outside for assistance, because we shall be able to produce all the requirements in our own country. Likewise, take power. Any expansion of power programme. We want to put through can be completed on the basis of self-reliance during the next five year plan.

In sector after sector we are achieving self-reliance, which means independence from foreign sources. But in order to achieve it there is a period of what one calls bunching of investments. Today we have to steel and we have to import steel because we do not produce enough. We have got to set up steel mills, we have also got to set up industries which will produce steel plants in the country. This kind of simultaneous investments have to be made.

Shri Dandekar suggested: let us only finish the projects that we have in hand and not worry about future projects. What would happen? Where will we if our fertilizer requirements exceed one million tons, if it becomes 1½ or 2 million tons as the economy picks up? If you are not planning, if you are not building your steel plants, your fertiliser plants, or the plants to build your fertiliser plants, where will you be?

Immediately there is the big problem, paucity of foreign exchange, an acute balance of payment crisis. In order to get out of the balance of payment crisis, in order that we are not constantly hamstrung by our inability to get the things that we need to provide new tools, to evolve new techniques, to increase productivity, to achieve that rate of growth that some of our friends have referred to, it is absolutely necessary that we build up in this country the capacity to produce all the material that we need, all the machines that we need, all the chemicals that we need, all the engineering goods that we need for the purposes of this self-generating economy. Self-generating economy, self-propelling economy, is not just an expression of patriotism, it is an expression ultimately of an effort at transforming the whole structure and the character of our economy. That is what we are trying to do.

In order to do that, we have reached what I call the hump, the most difficult period, where two things are happening. The earlier loans that we

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had taken were short-term loans, ten-year loans, which are called hard loans. Why were they hard loans. Because the aid-givers also were not prepared to understand that it would require long-term loans for a country like India or any other developing country to move forward. We also were not fully aware that it takes a long time for us to develop the capacity to pay back these loans. So, many of these early loans were for a period of ten or twelve year with a high rate of interest. That is why our repayment liabilities are going to be very large in the fourth plan. That is their reason why the very nature of the aid, the terms of this aid, are being re-negotiated. When it is said that pressure is being put on us, hon. Members should realise that we are putting far more pressure upon those who have given us assistance and making them not only agree to give ampler assistance to us, but on terms which are far more favourable to us, and on conditions which would suit the real needs of our economy. So, when we do that, we have to realise that in the fourth plan period the repayment liabilities are very large as also the requirements to carry the economy forward.

What has happened? Before we started planning, our rate of growth was about 1 or 1½ per cent per year. As a result of our planned efforts, our rate of annual growth is 4 or 4½ per cent. We seem to be reaching a plateau there. We want to have a breakthrough. In the fourth plan it is absolutely necessary that our rate of growth is 6 per cent. Without a 6½ per cent rate of growth, all the dreams that we have of social justice, all the vision that we have of a changed society, will remain unattended to. Even the democratic structure of India cannot be guarded, and the liberties that we cherish cannot be preserved unless we have a rate of growth of 6½ per cent. In order that we have that rate of growth, it is necessary at various places—it may be putting more fertilisers in agriculture, it may be

pushing forward some of the projects of industrial transformation—to see that these are pushed forward rapidly. Till then we will be depending more on foreign aid. During the fifth, sixth and seventh plans not only we shall be dependent less and less on outside sources, but after the fifth plan we shall be self-reliant and we shall start paying back what we have borrowed. But you cannot expect in a country inhabited by one-seventh of humanity with such grim poverty, that we can bring about this basic transformation which has taken many generations in other countries, that we can bring it about within a period of less than 25 years without any economic assistance from outside. We can do it if you so want, but then everything we produce in this country must be exported, we must be prepared for rigours, for hardships, for sacrifices which it is not necessary for the people to make. In the world community in which we live today, it is not necessary to ask our people to make sacrifices beyond those which are absolutely necessary.

Then, Sir, the next question raised is . . . (Interruptions.)

श्री मधु लिमये (मुंबेर) : प्राप किनको कह रहे हैं कि त्याग करें, छोट लोगों को या बड़ लोगों को, उसका तो जवाब दीजिये ?

Mr. Chairman: Let us listen to the Minister first; then you can ask questions.

Shri Vasudevan Nair (Ambalapuzha): The people of this country are asked to make sacrifices. They are dying of starvation.

Shri Asoka Mehta: Therefore, let us realise that the external assistance that we are seeking is not a substitute for internal resources. We are determined to raise internal resources needed for the plan. The internal resources needed will be raised by the effort of the Indian people. The external assistance is being asked for

purpose of meeting balance-of-payment difficulties. Unless we are able to import a variety of these goods, a variety of these machineries and commodities our development forward will be impeded and will be pulled back into stagnation. Let me here refer to two or three points. Firstly, when we are asking for more non-project aid, we are asking it not because we want to liberalise, we want to produce everything in the country, consumer goods or luxury goods there is no question of liberalising imports to produce luxury goods. Imports are to be liberalised in order to fully utilise the capacities that we have built up to produce

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machinery in this country, engineering goods in this country. Surely, we are not going to permit our ability to build up projects, our ability to build up machines, to set up industries in this country to be impeded because we have not got non-ferrous metals or alloy steel or special steels. We are liberalising imports primarily to achieve self-reliance so that where the components are needed, we can get components and build machineries ourselves, build big power plants ourselves. Bhopal would remain an empty shell if we do not get all the maintenance imports to get the best out of Bhopal. We are at the midpoint of development. Hon. Members must realise that India is no longer undeveloped economy but it is not set a fully developed economy. We are at the mid-point of development and our strategy internally and externally is to be of a kind which will make it possible for us. . . . (Interruptions.)

श्री मधु लिमये: तीसरी योजना के समय भी प्राप यही कहते थे ।

अध्यक्ष महोदय : प्राप सुनिये ।

श्री मधु लिमये : कोई मतलब तो होना चाहिए ।

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अध्यक्ष महोदय : प्रब क्या इसका फैसला प्राप करेंगे कि क्या सुनेंगे और क्या नहीं सुनेंगे ? प्रब जब उनकी बारी आई है तो प्राप को उसे सुनना होगा ।

श्री मधु लिमये : लेकिन जबाब तां ठीक तरीके से दें ।

अध्यक्ष महोदय : प्राप बैठ जाइये ऐसे नहीं होगा ।

Shri Asoka Mehta: Therefore, we are at the mid-point of development and our aid requirements will be tailored to our needs. Dr. Lohia suggested that what I have done is to give up all projects and only get non-project aid to help the Indian capitalists. It only shows that Dr. Lohia has allowed himself to get out of touch with the realities.

श्री मधु लिमये : डा० लोहिया ने प्रोजेक्ट्स के नाम गिनाये थे उनके बारे में कहिये कि कितने प्रापने हाथ में लिये हैं ? लेने वाले हैं ? उनके बारे में कहिये ।

Shri Asoka Mehta: Will you kindly listen to me, Sir?

Shri Kishon Pattnayak (Sambalpur): You have no right to speak like that. He should learn parliamentary manners. . . . (Interruptions.)

Shri Bhagwat Jha Azad: What about his parliamentary manners? Let us enjoy a good lecture.

श्री राधे लाल व्यास : यह लोग इस तरह से बीच बीच में बोल् कर डिबेट को बिगाड़ते हैं ।

श्री बोध (भरुगढ़) : भुक्तमरी कब खरम होगी हमें तो यह बतना दीजिये . . .

अध्यक्ष महोदय : जो बहम हुई है उसका जबाब उन्होंने देना है । यह तो नहीं हो सकता कि जो बात प्राप चाहते हैं वही वह बोल दें और दूसरी कोई बात न बोधें ।

Shri Asoka Mehta: Let me first point out a list of projects that was read out by Dr. Lohia.

श्री मौय्य : जवाब नहीं दे रहे हैं ।

अध्यक्ष महोदय : तब भी आप को सुनना होगा ।

श्री मौय्य : वह छोड़ें और सब बालों को खाली यह बतला दें कि भुखमरी कब खत्म हो जायगी ?

अध्यक्ष महोदय : यह जरूरी नहीं है कि जो आप उनसे कहलवाना चाहते हैं वही वह कह दें । यह उनकी मर्जी है कि वह आप को जवाब दें या न दें लेकिन चूंकि उनकी बारी है इसलिए जो भी वह कह रहे हैं उसे आपको सुनना होगा ।

Shri Asoka Mehta: Sir, Dr. Ram Manohar Lohia read out a list of projects. Those projects are not before the World Bank, have never been before the World Bank. In respect of these projects, we are pushing ahead with assistance from other countries or with our own resources. Those projects have been conceived by us. They have not been thought of by Dr. Ram Manohar Lohia. Those projects have been thought of by us, as part of the structural transformation that I am talking of. These projects have been thought of by the Members of the Government, sitting on this side of the House, and those projects are the children of our dreams and our imagination. We are not here to listen to denunciations from the other side, to acquiesce in the denial of opportunity to push forward with those projects. These are the projects conceived by us. He thinks that these are other's projects, which we propose to struggle. They are our projects and these we will build up. (Interruption).

Mr. Speaker: Order, order.

श्री मधु लिमये : मंत्री महोदय यह कहते हैं कि ये उनके प्राजक्ट्स हैं ? प्राजक्ट्स के लिए पार्लियामेंट पैसा देती है । क्या ये उनके घर के प्राजक्ट्स हैं ?

श्री बजरंग सिंह (बरेली) : अगर मंत्री महोदय इस प्रकार की बातें करेंगे, तो देश में डिविजन पदा हो जायेगा । ये प्राजक्ट्स उनकी पार्टी के नहीं हैं ।

श्री किशन पटनायक : क्या ये प्राजक्ट्स उनके ससुराल की जायदाद हैं ? क्या वह उनको ससुराल से दहेज में लाये हैं ?

Shri Asoka Mehta: Therefore, I was answering the question specifically put by Dr. Lohia and repeated by Shri Limaye. I have answered those questions: that those projects are safe in our hands.

Anyone who has any knowledge of current events will bear me out that to persuade the World Bank to agree to give non-project aid or assistance is a very, very difficult thing, because the World Bank was established for the purposes primarily to assist projects. That, they have been able to do, because the logic of events and our efforts at expanding our resources has convinced the World Bank as also other aid-giving countries. The Soviet Union was not prepared to give non-project assistance; we have had to convince them, because very few countries have today understood the requirements of a country which is at the mid-point of development; very few developing countries in the world today have understood that. We are today the pioneers of thinking on this subject and when we do that, what we get is, misunderstanding, misrepresentation, distortion. I can assure you that in these matters the projects will go ahead and the non-project assistance is to the community as a whole, and it is not to help any capitalist; it is to get the best out of our economy so that we may become self-reliant. We want to produce in this country, the machinery and equipment

today; not after five years. That is why I want non-project aid.

Shri S. M. Banerjee: Go to Ramlila ground and lecture.

Shri Asoka Mehta: On this question of external aid, it is argued that it will distort the economy, the structure of our economy to that, my reply is, "No, Sir." Firstly because our 70 per cent of the project aid, according to my calculations, will flow into public sector, and it is going to be our endeavour and it will be the effort of this Government to see that in the coming five years, the public sector is constantly expanded. The one profound guarantee about socialism lies in the fact that the public sector will expand faster than it has expanded in the past. Secondly, the second big chance that we have about socialism is that our public finances will be so organised that we shall have priority given only to investment which will give us a much faster rate of growth. As I said, side by side, we shall give priority to the needs and the requirements of the poorer sections of the people, for the comfort and the convenience that they need. Every time my colleague, the Finance Minister comes forward with a demand for some higher taxes—the economy grows more and more and the national income grows from year to year—and if we want to move towards a new kind of social order, it is necessary that a high proportion of what is being produced is saved, is reinvested or is re-distributed,—and when this effort is made, when higher taxes are being levied, who are the people who oppose higher taxes? Who are the people who challenge the effort through fiscal measures, to bring about the development of the country and the transformation of the country?

I can assure you, Sir, that we have been able to get the understanding support of the Soviet Union, we have been able to get the understanding support of other eastern European

countries, we have been able to get the understanding support of the western countries, we have been able to get the understanding support of the World Bank. We have been able to get that support because they have realised that there is a logic, there is a relevance, there is an immediately about whole programme relating to the real needs of the country. No amount of ideological arguments have made it possible for them to find any kind of loopholes in what we are doing. We have gone to these institutions and to these countries not with a begging bowl but in order to convince them that what we are doing is in the interests of one-seventh of humanity. If they help us we will be able to do this faster, if they do not help us we shall do it by our own efforts. The course on which we have decided to go, we are determined to go forward. If we are assisted we shall welcome assistance from every friendly source; if we are resisted we shall move forward in spite of that.

I can end up by saying, Sir, that as far as this House is concerned, the Congress Party has its course clearly laid down. We are determined to move along that course of development, of rapid dynamic growth, of basic transformation of the social changes that we desire. We shall do it with the cooperation of the Opposition Benches if it is possible, and in spite of them if it become necessary.

16.58 hrs.

**CORRECTION OF ANSWER TO S.Q.
 No. 1669 RE. QUOTAS OF RAW
 MATERIALS TO BLACK-LISTED
 FIRMS—Contd.**

Mr. Speaker: In the morning, questions were put and the House wanted to know the name of the Minister at that time about whom a criticism was made in the report of the Public Accounts Committee. That communication has now been sent to me by