

6701 Resolution re: Discontinuation of grants of Scholarships to Students on Community Basis

2 AUGUST 1967

Resolution re: Appointment of a Committee to examine the Regional Disparity in average per capita income

[श्री विमूक्ति मिश्र]

मिलती है कि वह उस जाति को बिलाय नहीं करता है। मैं चाहता था कि दोनों को स्कावरशिप की बराबर सुविधा होनी चाहिए क्योंकि स्कावरशिप इकोनोमिक ग्राउंड पर मिलता है। उस प्रावनी को जोकि पढ़ना चाहता लेकिन पैसे के अभाव में, गरीबी के कारण पढ़ नहीं पाता है पीछे रह जाना पड़ता जबकि दूसरे भागे निकल जाते हैं।

Shri Manay: On a point of order, Sir. The hon. Member is trying to justify his resolution. He was given an opportunity to withdraw the resolution whereas he is replying to the debate.

श्री विमूक्ति मिश्र : बहुत से भाइयों ने कहा है कि प्रस्तावकर्ता का कुछ धीर ही मकसद दिखाई देता है। मैं आपको बतलाना चाहता हूँ कि जाकि रही भावना जैसी प्रभु मूर्ति देखी तिन तैसी। जिसकी जैसी भावना होगी, वैसी ही बात उसको दिखाई पड़ेगी। मैं कभी यह नहीं चाहता कि शैड्यूल्ड कास्ट के भाइयों को या दूसरों को जो सङ्गलियतें दी जा रही हैं उनको बापिस ले लिया जाए।

एक भाई ने जिनका मैं नाम नहीं जानता हूँ उन्होंने ५०० रुपये का चिक्क किया है। मैं इसके बारे में कुछ न कह कर इतना ही कहना चाहूँगा कि सभी भाई यह चाहते हैं कि हरिजन भाइयों का कल्याण होना चाहिए और कोई भी इस प्वाइंट को डिस्प्यूट नहीं करता है।

मैं प्रधान मंत्री जी की बात को मानते हुए अपने प्रस्ताव को वापिस लेता हूँ।

Shri B. K. Galkwad: Sir, I withdraw my amendments.

Shri Thimmaiah: I also withdraw my amendment.

Shri B. C. Kamble: I also withdraw my amendments.

Mr. Chairman: Have the hon. Members leave of the House to withdraw their amendments?

The amendments were, by leave, withdrawn.

Mr. Chairman: Now, has the hon. Member leave of the House to withdraw his Resolution?

The Resolution was, by leave, withdrawn.

An Hon. Member: Will the House sit till 6 P.M. today?

Mr. Chairman: There is no necessity now; we will conclude at 5-30. Now, we will take up the next item.

RESOLUTION RE: APPOINTMENT OF A COMMITTEE TO EXAMINE THE REGIONAL DISPARITY IN AVERAGE PER CAPITA INCOME

Shri Mahanty (Dhenkanal): Sir, I beg to move:

"This House is of opinion that a Committee of experts be appointed to study and investigate into the regional disparity in the Indian Union in the average per capita income and in the stages of development, and to recommend ways and means for bringing up the regions that lag behind to the standard of other advanced regions."

This Resolution is so urgent in its application and so innocuous in its intentions that the House will need very little persuasion on my part to accept it. It suggests the appointment of a committee of experts to study the existing pattern of regional disparity in the Indian Union and suggest ways and means for bringing up the States that lag far behind, to the level of other advanced States.

I can well anticipate the critics to point out that the Planning Commission and the Government are no less concerned about this problem, and that the Planning Commission in their Second Plan had considered the matter at some length and also the matter was considered in the National Development Council from time to

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time. We will perhaps be told that this is a continuing process and therefore the Resolution need not be considered at this stage.

In spite of that, if I am moving this Resolution it is only because of the fact that the Planning Commission had diagnosed the disease but prescribed no remedy. The Commission merely touched the fringe of the problem. The Commission have said in chapter 2 on page 37 of their report on the Second Plan, that greater attention should be given to this problem in the Plans to come. In the First Plan this matter was not considered at all. In the Second Plan, the under-developed areas have merely been assured that their case will be considered in the Plans to come. Moreover the Planning Commission have considered this matter in a vicious circle. There can be no doubt or controversy as the Planning Commission has observed that the solution of this problem has to depend upon the availability of resources. As developed States are mere accidents more and more resources are available the benefits of investment will flow into these under-developed areas. But the fact has to be borne in mind that as the development goes on expanding the disparity goes on widening.

I will substantiate what I have stated just now with facts and figures from the review of the First Plan a report on which was circulated to us. Before I do that, I want to invite the attention of the House to the fact, that the under-developed or developed States are mere accidents of history. It is a well-known fact that the British developed India as a colony for their own commercial purpose. The British had their commercial centres and built their factories in three coastal towns in Calcutta around Fort Williams, in Madras around Fort Saint George and the Bombay around Fort St. George. The entire attention of the British Empire was concentrated on these three port towns and the rest of India was exploited as a hinterland for the prosperity of these three towns. It pains

me to find that the same pattern still continues even today.

16.58 hrs.

[Mr. SPEAKER in the Chair]

It will be evident if you look at the history of the Indian railways. In the late nineties of the 19th century for military reasons it was considered necessary to link up Calcutta and Madras by a railway. That is how a skeleton railway line passes through the coastal strip of Orissa. Since then not a single mile of railway track was added to the railways there. It is so about Assam. When we come to Madhya Pradesh, another huge sprawling area with mountains and forests, not a single mile has been added. Yet, during the discussion on the Railway Budget, the Railway Minister spoke of electrification of the railways in certain sectors. While in these areas people are grouping in darkness and are suffering a great deal for lack of communications, no railway lines are opened, yet, electrification of railways is taken up in certain particular sectors, served by a net-work of railways.

17 hrs.

What I was just saying was that the developed States and under-developed States of the Indian Union were mere accidents of Indian history. It has to be remembered that planning does not mean abject surrender to certain blind, socio-political forces. Planning means controlling these force for the balanced development of a country effectively.

But the Planning Commission do not seem to have appreciated that fact? We find that the targets of the First Five Year Plan were formulated on one basis, namely, the capacity of the State Governments to bear the strain and stress of developmental expenditures. If the Commission had in view this question of regional disparity then, certainly, some other standard should have been evolved, and this basis of formulating targets according to the capacity of State Governments to pay would have been rejected.

[Shri Mahanty]

In the First Five Year Plan we find that central assistance to the under-developed States has been the minimum. I will quote some figures to substantiate this. West Bengal received central assistance from the Government of India to the tune of Rs 26.5 crores. Bombay, another prosperous State, received central assistance to the extent of Rs 16 crores. Madras received central assistance to the extent of Rs 19.4 crores. When we come to Orissa it goes down to Rs 10 crores. When we come to Travancore-Cochin, where probably the pressure of population of land is the highest and poverty is also bitterest, central assistance was to the extent of only Rs 7 crores. To Rajasthan, another huge under-developed State, it amounted to Rs 9 crores.

I am not considering for the moment the capacity of the State Governments to bear the developmental expenses out of their current revenues. I am considering only the extent of central assistance which has been rendered to the various States of the Indian Union during the First Five Year Plan. I would like to know, and the under-developed States of the Indian Union also expect to be told, on what objective basis quantum of these contributions were determined, and why the under-developed States received much less than what the highly developed States received.

It will also be found from the budgetary position of the States which I have just named—Bombay, Madras and West Bengal—than they were able to mobilise substantial resource out of their own current revenue, for the execution of the First Five Year Plan, whereas States like Orissa, Assam and others could not even find the means to carry on their day-to-day administration.

Therefore, in the face of all these, we would like to be told,—if the Government is not paying only lip-sympathy to the concepts of removal of regional

disparity,—why States like Bombay, Madras and West Bengal received Central assistance much more, than the under-developed States like Orissa, Kerala, Saurashtra, Rajasthan and others.

As a result of this imbalance, we find that per capita expenditure under the First Five Year Plan was the highest in States like Bombay and West Bengal, while it was the lowest in States like Orissa. I have not got the figures for Kerala, Madhya Pradesh and Assam, I have got the figures here only for Bombay, West Bengal, Madras and Orissa. The per capita expenditure under the First Five Year Plan in the State of Bombay was Rs 44.8, in West Bengal it was Rs 31.3, in Madras it was Rs 25 and in Orissa it was only 13.1. Therefore as the development goes on expanding this regional disparity, also goes on expanding.

Therefore, even if after 20 years the national per capita income would be doubled, we would have been confronted with a situation where in some States the per capita income would be double whereas other States would be lagging behind the national average in the matter of per capita income. If it is not the intention of the House that in a socialistic India certain sections of the people

Shri Naushir Bharucha (East Khandesh) Sir, may I point out that there is no quorum in the House?

Mr. Speaker: Therefore, we will have to adjourn is it so? The bell is being rung—Now there is quorum. The hon. Member, Shri Mahanty, may continue.

Shri Mahanty. Sir, before I was, unfortunately, interrupted by the irresponsibility of the Treasury Benches, I was trying to point out to the House

Mr. Speaker: Hon. Members also, whoever tables a resolution, should get their friends here.

Shri B. K. Galkwad (Nasik): His friends are with him.

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Shri Mahanty: It is the responsibility of the Treasury Benches to maintain quorum; it is not my business to collect my friends to listen to me; it is not a mutual admiration society; Sir.

What I was trying to submit is, as the development expenditure goes on expanding the regional disparity also goes on widening. I tried to substantiate that by quoting some figures of per capita expenditure under the First Five Year Plan.

It is said that the national per capita income is Rs. 281 in the Indian Union in the beginning of the Second Five Year Plan. But there are States like West Bengal where it has been recently calculated that the per capita income is of the order of Rs. 350. I do not know what the figure for Bombay is. I do recognise that there are some States where the per capita income is higher than the national average, but there are others like Orissa where the per capita income is below Rs. 100.

It is no surprise when I say that the per capita income in Orissa is less than Rs. 100. It is because of the fact that 85 per cent of the people in Orissa have to depend on agriculture. Even though the First Five Year Plan is over and one year of the Second Five Year Plan has also been completed, the occupational structure in Orissa, has undergone no appreciable change to bring away persons on the land to the secondary or tertiary sectors of our economy. As days, months and years roll on more and more people become dependent on lands where the law of diminishing returns has started its operation. Therefore, there can be very little controversy about the fact that the per capita income in States like Orissa and Assam is much below the national average of per capita income. It is in this context, I said that, the Planning Commission had approached the subject in a vicious circle.

When we come to the impact of all these in the execution of the Plan, what do we find? I will quote some

figures which I have tried to calculate from the Review of the First Five Year Plan which has been circulated to us. I shall give the figures only for Bombay, West Bengal, Madras and Orissa. In some cases, the figures for Bihar also will be given. Now, let us take the case of agriculture. It is known that there are some States which are predominantly agricultural States and other States which are predominantly industrial States. The industrial States like West Bengal or Bombay are constantly in food deficit. The agricultural States like Orissa or Madhya Pradesh have to supply foodgrains to those industrial States at a cheap price, where the people enjoy a much higher per capita income. Therefore, in the interests of social justice and economic justice as well, it has to be seen that there has to be a parity in the income between the people of those industrial States with a higher per capita income and the people of the agricultural States with a lower per capita income.

It has also to be seen that political equity demands that there should be a parity in the development of these industrial States and the agricultural States. What pattern has emerged out of the first Five Year Plan? I will give you the figures for agriculture. Bombay has spent during the first Five Year Plan Rs. 1,361.6 lakhs. For Madras, it is Rs. 654.6 lakhs, whereas for Orissa it is Rs. 97.1 lakhs. Yet Orissa has been considered not rightly though, not only in the course of the post-election period but during the post-Independence period also, as the granary of India. Whenever there has been famine, the peasants and the farmers of Orissa have been asked to starve and to give away their grains and their rice to the rest of India at a price which is even much below the market price that is ruling in India today.

I am speaking in no spirit of frustration. I am making no grievance, but the fact has to be remembered that even though Andhra is not releasing its rice stocks to Kerala, the Government of India have purchased the entire rice of Orissa at a price

[Shri Mahanty]

which has created resentment to a section of the people. In spite of all this, what have we gained? Three-fourths of Orissa is thirsting to-day for lack of irrigation facilities. We should have spent more on agricultural States like Orissa, so that they might have been enabled to produce more, not in their own parochial interests but in the national interests of India. We have spent only Rs. 97 lakhs for Orissa whereas for Bombay we have spent Rs. 1,361.6 lakhs in the matter of agriculture.

When we take co-operation, we find that in Bombay, we spent Rs. 74.3 lakhs; for Bihar, it was Rs. 27.1 lakhs; for Orissa it was only 2.8 lakhs.

For rural development, for a highly industrialised State like Bombay we spent Rs. 58.3 lakhs; in Bihar we spent Rs. 79.3 lakhs; for Madras, it was Rs. 34 lakhs. For Orissa, we spent nil. At least that is the figure given in the review of the first Five Year Plan. I doubt that. It cannot be nil. Something must have been spent. But it has been shown as nil.

For local development works, for Bombay, the figure is Rs. 196 lakhs; for Bihar it is Rs. 153 lakhs; for Madras, it is Rs. 335 lakhs; for Orissa, it is Rs. 99 lakhs. These agricultural States should have been given greater facilities not for big irrigation projects only but for small and minor irrigation projects so that these States would have been able to produce more and that too not in their own interests but in the interests of the entire Indian Union. But then what did our Planning Commission do? The expenditure which was earmarked for these two predominantly agricultural States, Orissa and Madhya Pradesh, was much less than what was allotted to West Bengal or Bombay. The expenditure which was incurred for Bombay was Rs. 1,645.2 lakhs; for West Bengal, it was Rs. 1,045.5 lakhs; for Madras, it was Rs. 1,494.9 lakhs; for Orissa it was only Rs. 196.3 lakhs.

Then I take up village and small-scale industries. When we come to this item, I do not lay much store by these village and small-scale industries. They are not going to solve the problem or change our occupational structure very much. The problem is now to mechanise and improve the technology in the village and small scale industries, in which sector a large number of people are depending on prehistoric modes of production. We naturally would expect that, some attention should have been paid to States where there have been no large-scale industries. But the Planning Commission, in their wisdom, decreed otherwise.

For village and small-scale industries, Bombay State which, according to the report of small-scale industries corporation, is one of the highly industrial States of India, where there is the greatest concentration of small scale industries received Rs. 46.7 lakhs whereas for Orissa it was Rs. 21.3 lakhs; for West Bengal it was Rs. 45.9 lakhs—another highly industrial State. For Madras, it was Rs. 48 lakhs and for Bihar it was Rs. 25.1 lakhs. Similar is the case with regard to education, public health etc.

What I am trying to bring out by quoting these figures at length is that the first Five Year Plan was conceived with no long-term socio-political objective. It was just a catalogue of some programmes which were packed together. In formulating various priorities and the targets, no attention was paid to the question of underdeveloped States. In the Second Five Year Plan, even though the Planning Commission accept that the regional disparity is there and that pattern must change, they have not touched even the fringe of that problem. They have merely diagnosed the disease, but have prescribed no remedy. Therefore, I have suggested that a committee must be appointed to investigate this question.

This is not a question for politicians like us, or Ministers or Secretaries or

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for the bureaucrats It is a question to be studied in its technological aspects For instance, we cannot remove this regional disparity until we change the occupational structure In countries like the United States of America, it has taken them about 30 years to bring about any change in the occupational structure In Japan, Germany and other countries, it has taken about 20 to 30 years to change the occupational structure there So, unless we change the occupational structure we cannot remove the regional disparity prevalent in our country today

For instance in India, more than 80 per cent of people are dependent on agriculture This has brought another problem in its wake Is it being suggested that these agriculturists, who are depending on agriculture, will be howers of wood and drawers of water? How many times is the difference between what a village farm worker gets and the income received by a factory worker? Our philosophers, have consoled us by the concept of fate Similarly, the leaders of Government have consoled us by saying that agriculture is a way of life, and therefore agriculture cannot be compared with industry The way of life is to put up with starvation, the way of life is to put up with all kinds of privations, the way of life is to burn in the implacable fire of human desperation That is not the right approach Because, planning does not mean abject surrender to the existing conditions which are outmoded and antiquated Planning means taking control of these factors and directing all effort towards an overall balanced development of the country, and society We find that 80 per cent of the people are dependent on agriculture This kind of concentration on agriculture, you will find only in certain States like Orissa, Assam and Madhya Pradesh Unless the occupational pattern is changed, it is moonshine to talk of removing the regional disparity

But the Planning Commission have said on page 37 that this question will

receive attention in the Plans to come. It has been stated that

'These considerations have been kept in mind while formulating the second five year plan, but they are certain to claim even greater attention in the plans to come'

But no attention has been paid to this problem in the Second Plan If any attention had been paid to this, if the Planning Commission had recommended any tangible remedy, probably, I would not have tired the House with this Resolution But in the absence of it, what this House is going to promise to the under-developed States? Are these States to be left in the existing condition, to bear the burdens of inflation, deficit financing and all that, and suffer from the further extension of regional disparity? No

The hon Minister will excuse me, I question the very *bona fides* of the Government so far as their intention for removing regional disparity is concerned Let me take the case of the oil refinery in Assam In the Second Plan on page 37 it has been stated

'Secondly it has been suggested that in the location of new enterprises whether public or private, consideration should be given to the need for developing a balanced economy for different parts of the country'

Therefore, the location of new enterprises in the public sector should be guided by one consideration and one consideration alone and that should be to bring up the under-developed States on a par with the other developed States There may be other considerations as well But, this should be the overriding consideration What do we find in the case of the oil refinery in Assam? The Government has maintained an attitude which does not encourage us, those who come from the under-developed States, to hope for any better future under the existing state of affairs It pains me to say that

[Shri Mahanty]

such matters have been caught up in overall political questions that are prevalent in the country.

I have, therefore, suggested that a committee of experts be appointed to suggest ways and means for removing this regional disparity. This morning, I was surprised to see in the Press that the Congress Party, without hearing me, has decided to hang me. They have decided to oppose this Resolution as if some one is asking for the moon through this Resolution. We are not asking for the moon. We are merely suggesting to appoint a committee of experts, of those who have a grasp on the subject, of those who have experience of this problem, to study, investigate and suggest ways and means. I believe in all humility, that this Resolution which is so innocuous in its intention and which is so urgent in its implication, will commend itself to all sections of the House and will be passed.

Mr Speaker: Resolution moved

"This House is of opinion that a Committee of experts be appointed to study and investigate into the regional disparity in the Indian Union in the average per capita income, and in the stages of development, and to recommend ways and means for bringing up the regions that lag behind to the standard of other advanced regions."

Dr. K. B. Menon (Badagara) Mr Speaker, I thank the Mover of the Resolution for bringing a problem which is so vital and important, to the fore and giving this House an opportunity to express its opinion.

The problem of the States has been haunting us for some time. Even during the British days we had been complaining about the disparity between the States in various ways, and we had been saying that that was due to the fact that the States were allow-

ed to grow up without any guidance whatsoever.

After we gained independence, the problem again came up, and the issue was forced by Andhra. After that the Prime Minister was driven to the logical necessity of appointing a States Reorganisation Commission, and on the basis of the report of that Commission, the country has now been reorganised on a linguistic basis.

If I am asked my personal opinion, I would say that the regrouping of States on a linguistic basis has not solved any problems. From this particular point of view of the resolution, it has only emphasized one aspect of the problem, I am speaking from my personal experience of my own State, Kerala.

The regrouping of State on a linguistic basis has shelved Kerala to the position of the smallest State in the Union. There was Vidarbha, but it has now been absorbed in Bombay State. Kerala with her heavy population of over 14 millions is now huddled up in 14,000 odd square miles. She is now confronted with the problem of living space, apart from the other numerous problems that she is facing and will have to face.

There is the problem of unemployment, chronic unemployment because of the fact that industries have not been developed in that State. Kerala has been fortunate from the point of view of literacy. In the past therefore the children of Kerala could go abroad and take appointments in various parts of India, but that position also is going to be difficult because the States are divided on the basis of language. Each State is going to build up a *cordon sanitaire* around her, and those who are not proficient in the language of the State are not going to get appointments. That means, the people of Kerala who have been going outside or seeking employment outside will be driven back home without employment elsewhere.

Kerala then is going to face the serious problem of earning a living. Even as it is, income of Kerala as compared to the income of other States is very low. If we draw a graph, we will get a steep gradient graph from the income point of view from Northern India to the South. Even if it be an income graph for the South alone, Kerala, I think, will be at the bottom. The per capita income of Kerala is only half of that of Tamil Nad or Andhra.

Of the States as regrouped by the States Reorganisation Commission, I feel that the only States that is sound economically is Andhra. Tamil Nad may become, but it will be difficult for her because of her smallness in size. This disparity in income is only a consequence. I take it to be only the result of other factors, and when we are talking of disparity between States, we should also take into consideration the political repercussions of this disparity.

When we have small and large States in the Union, the citizens of the smaller States are driven to the position of inferior citizenship. After all, democracy means counting of heads, and in a House of 505, how can the voice of Kerala which has only 18 Members be heard unless those 18 cry at the top of their voice?

Apart from this, there are other political repercussions which are very serious.

Perhaps, it may be out of the scope of the resolution, if I were to deal with that aspect of the problem. I would say that in a Union, unless the States are all of equal size, the political reactions and the political results from it are not going to be very favourable. Take, for instance, the case of the Union of the United States or the Soviet Union.

In the United States, for example, there are small States like Maryland, as compared to big States like Texas or California. But to balance the discrepancy of political rights in the States, there is the Senate which has two representatives from each State irrespective of the population.

Mr. Speaker: The hon. Member may continue his speech on the next day.

17-31 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Saturday, the 3rd August, 1957.