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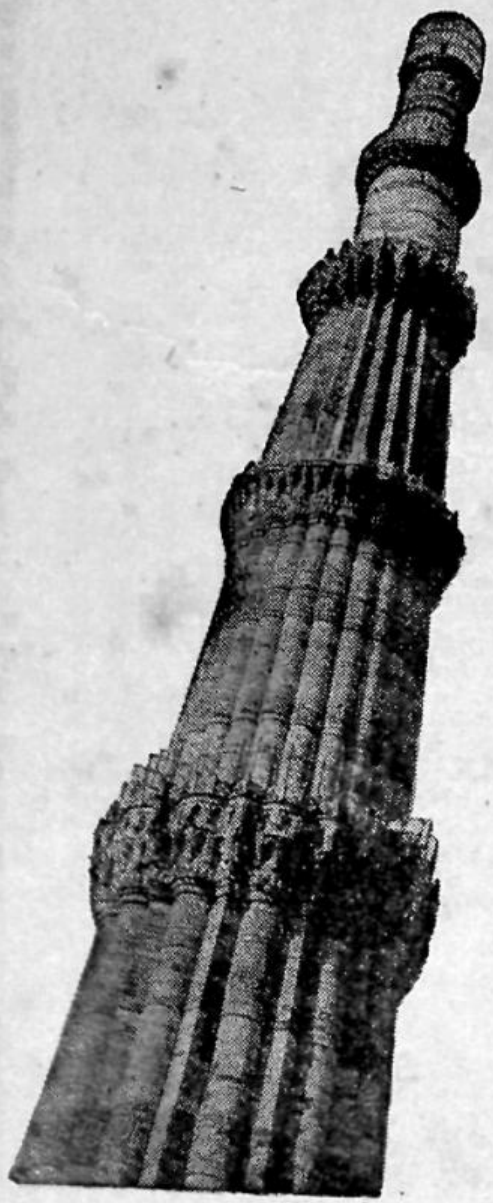
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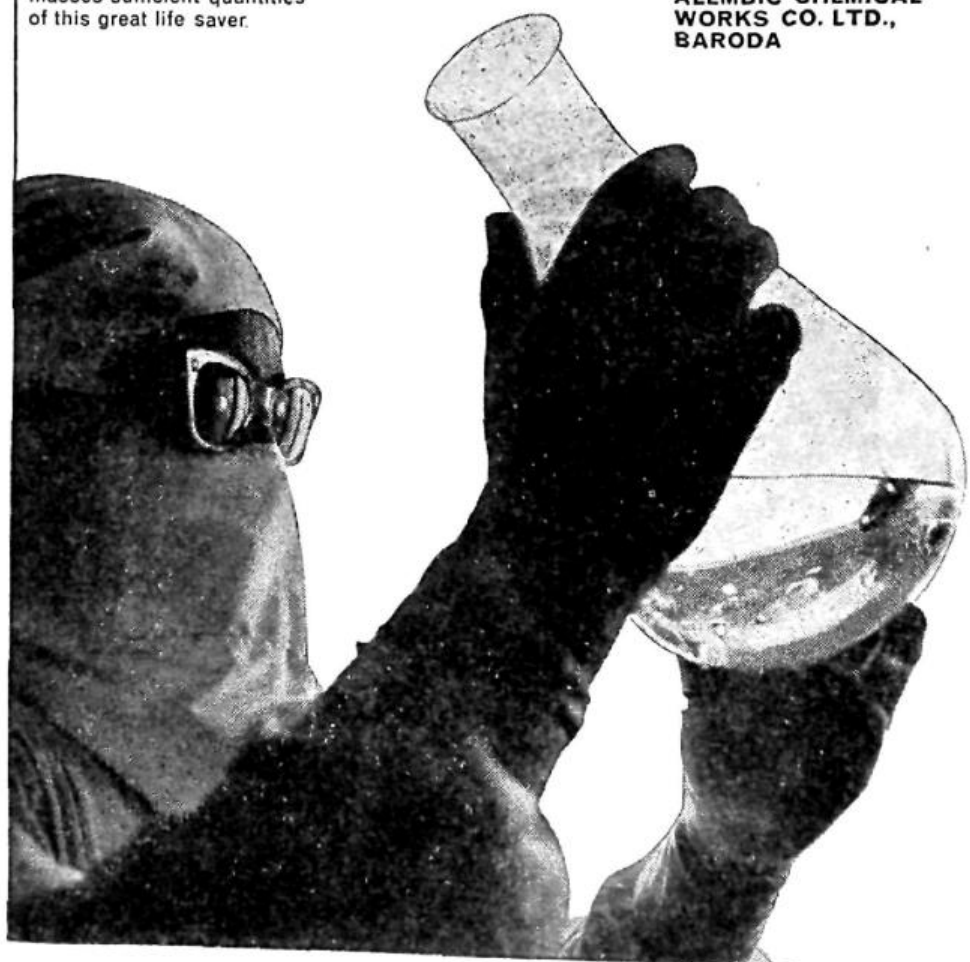
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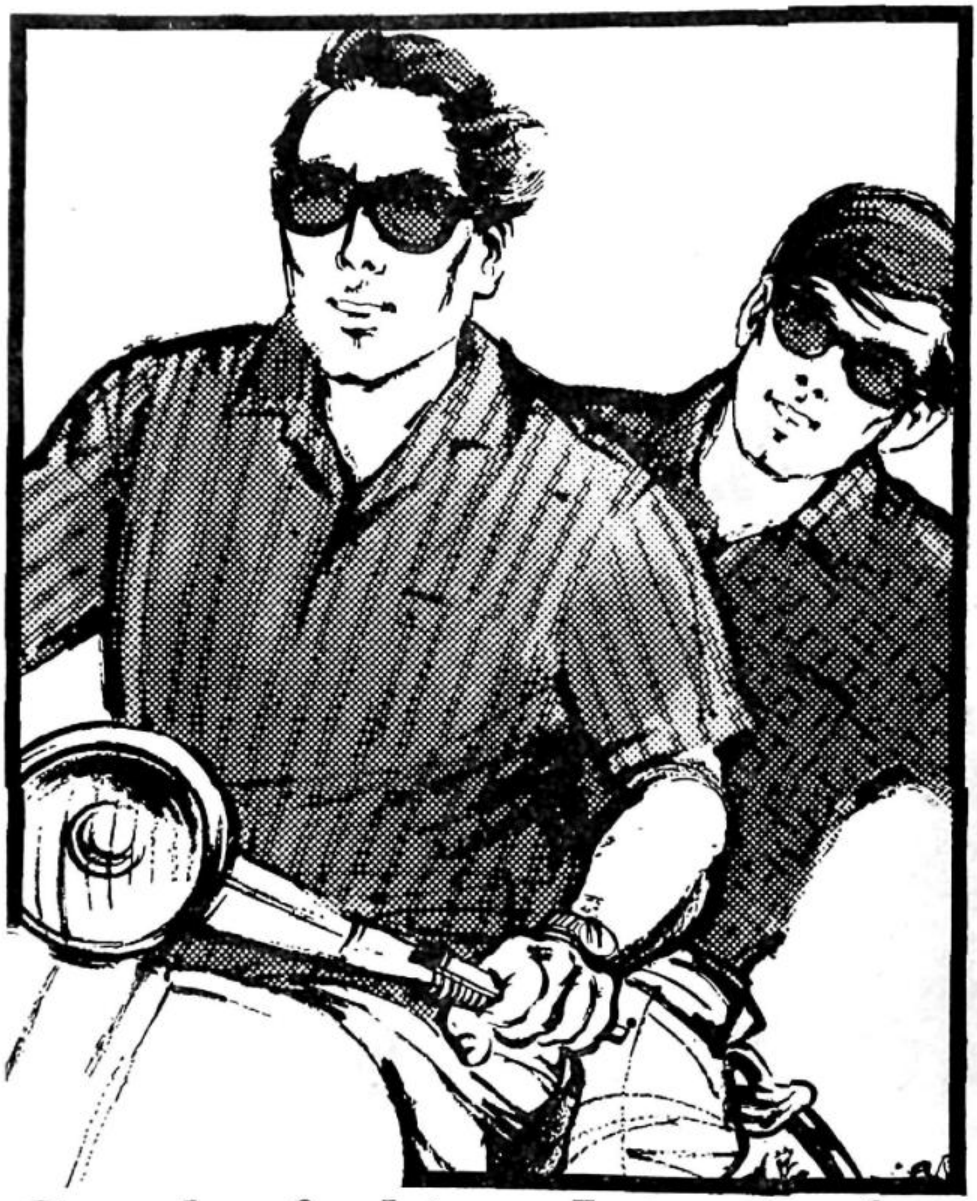
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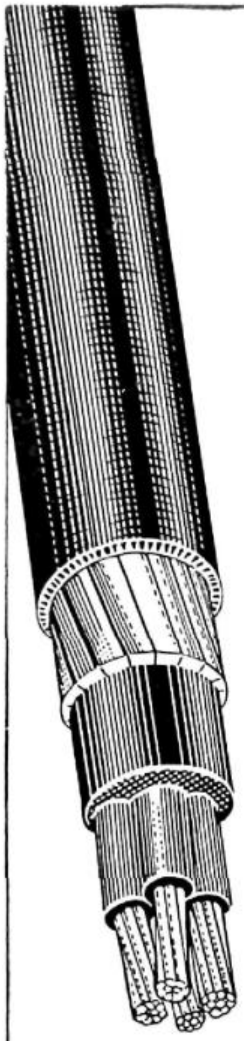
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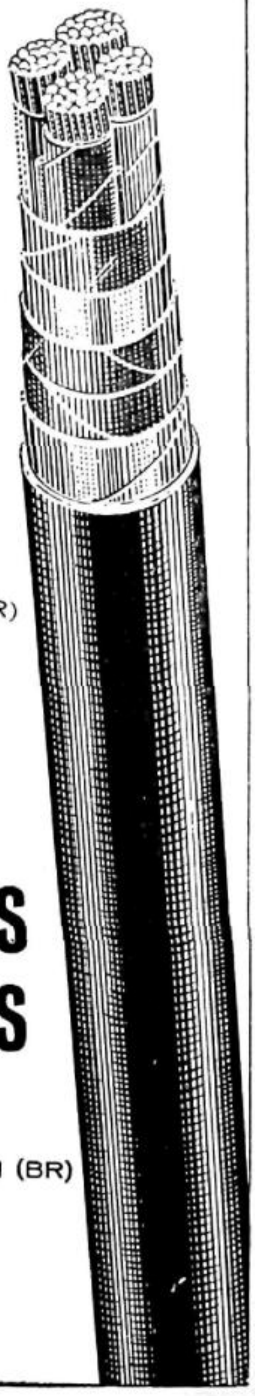
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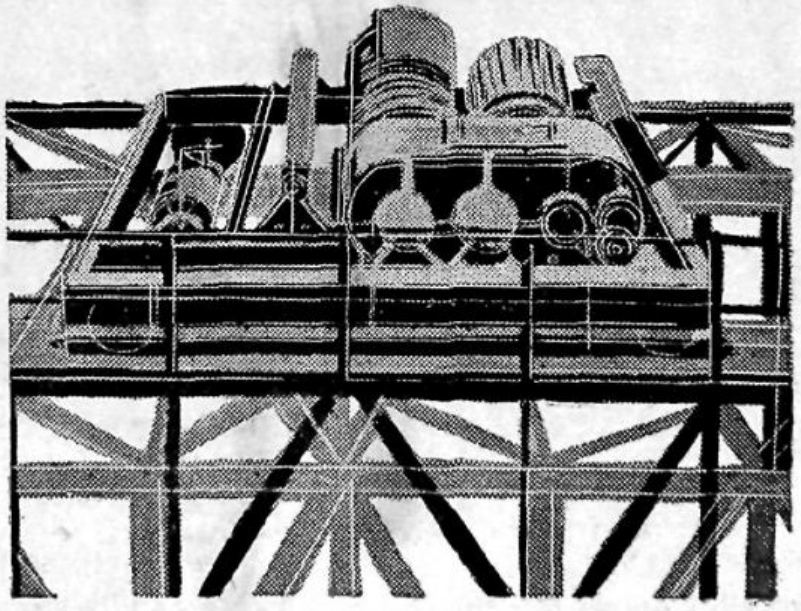
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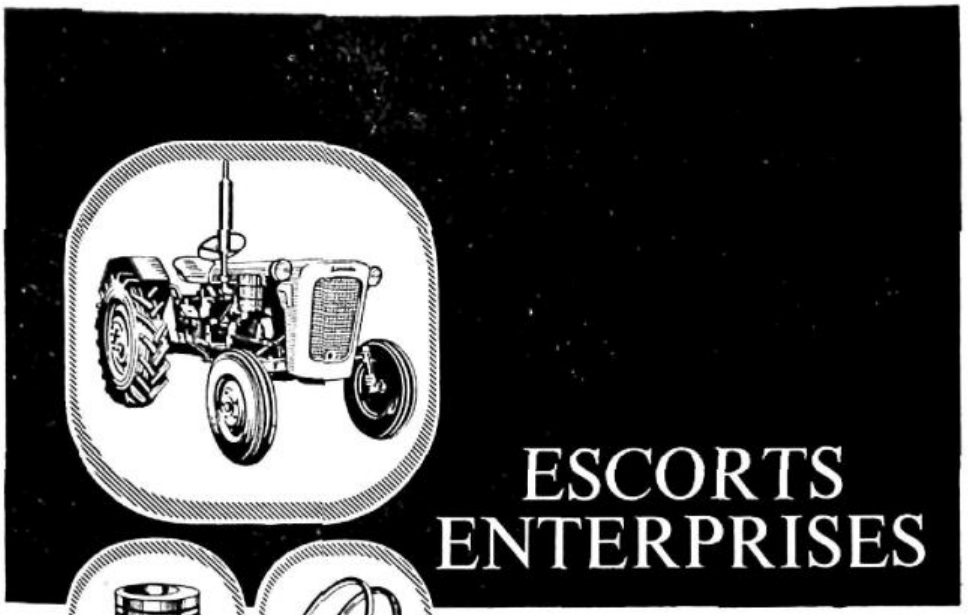
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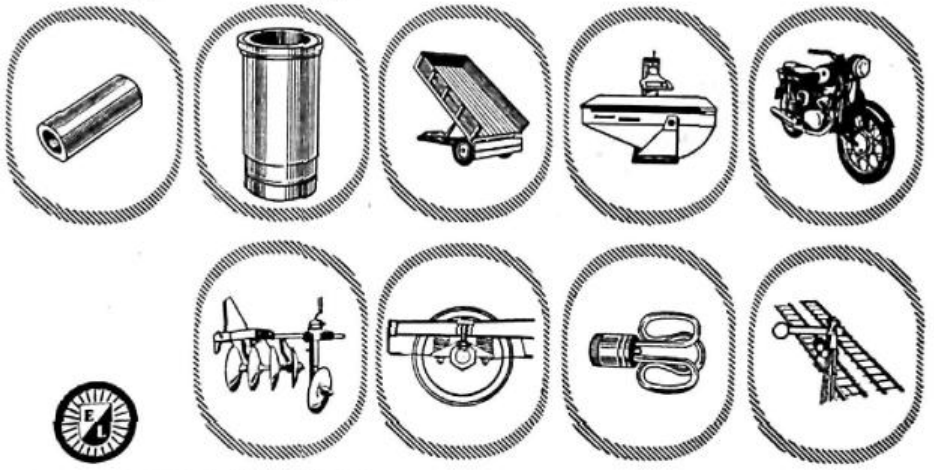
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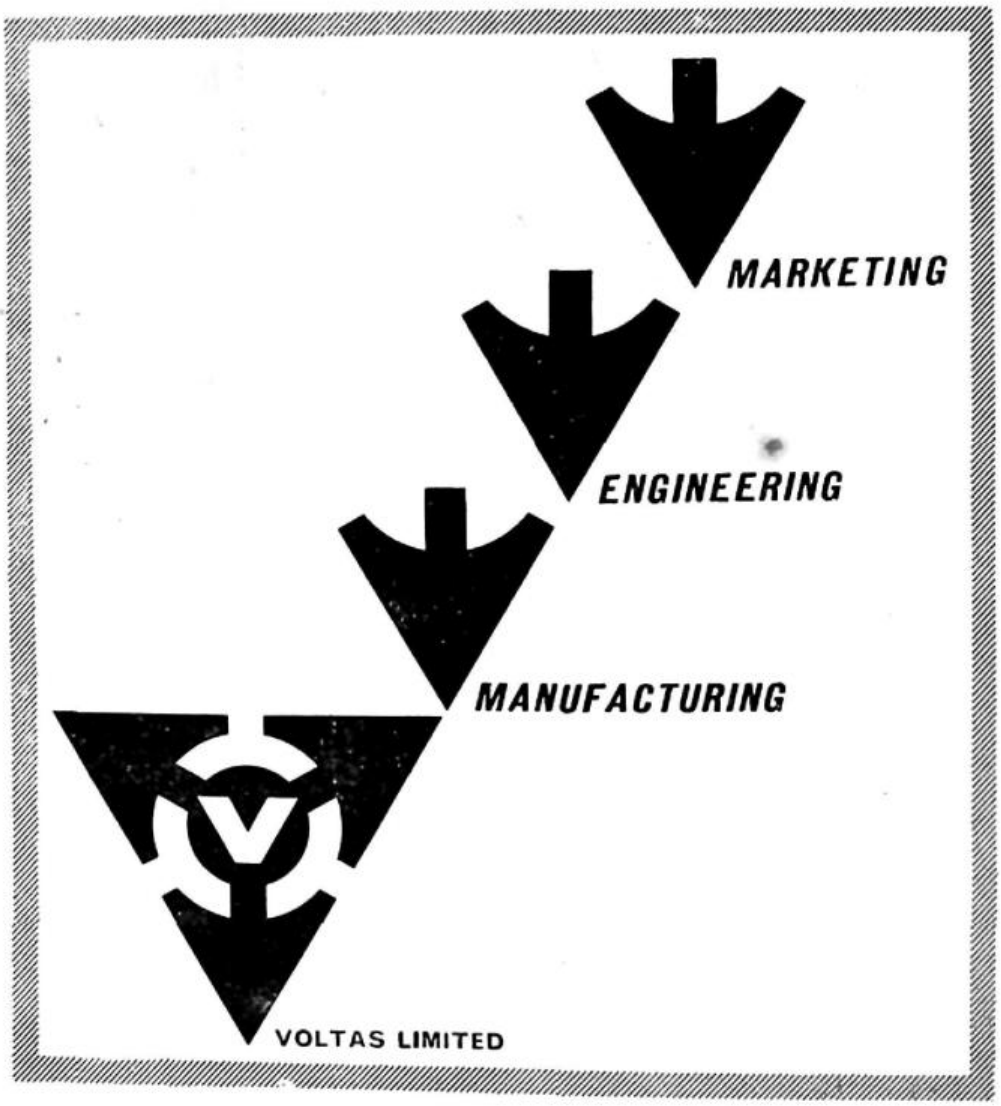
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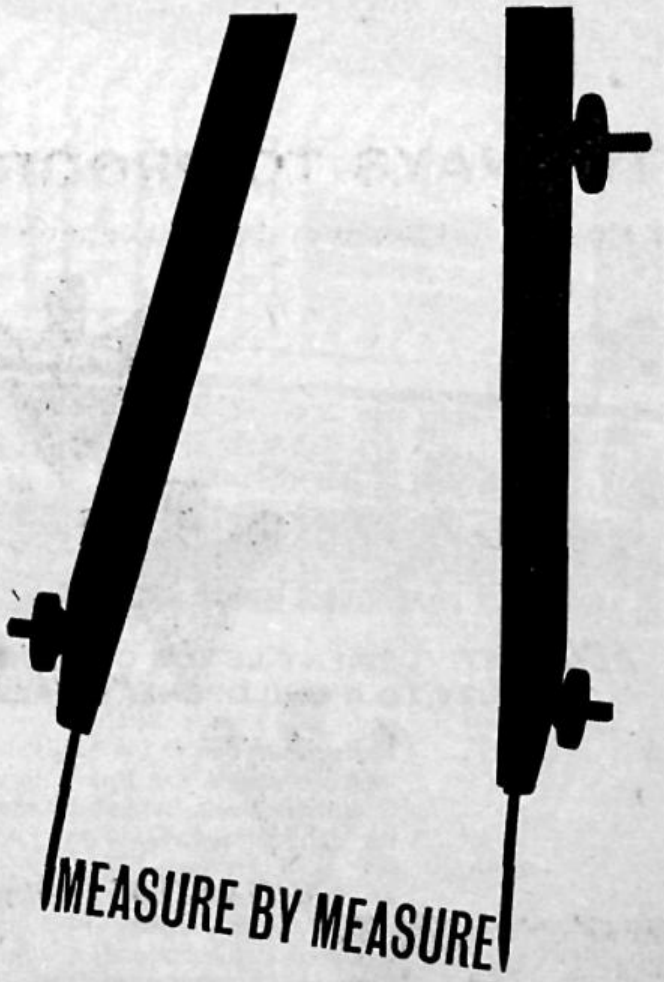
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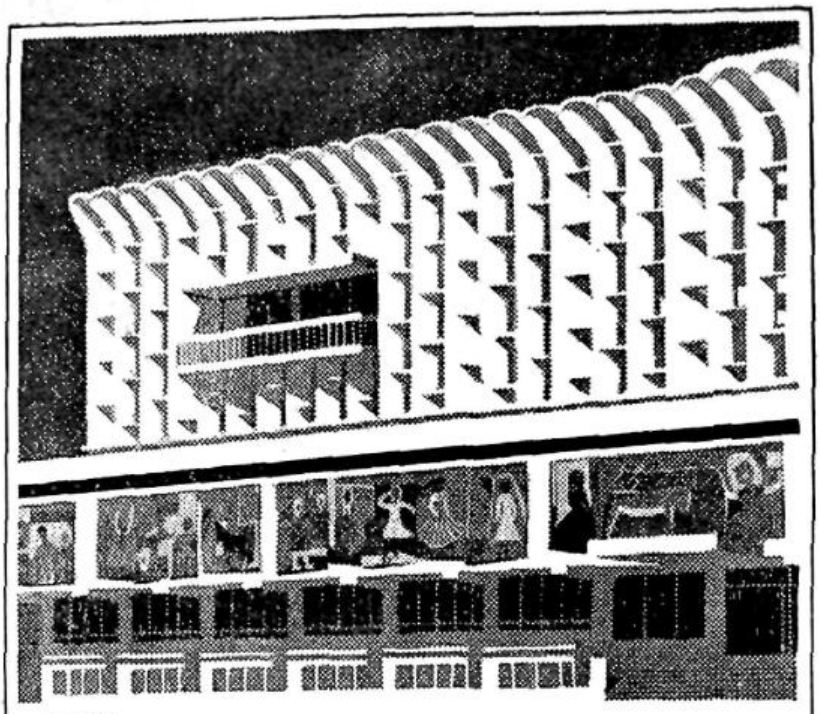
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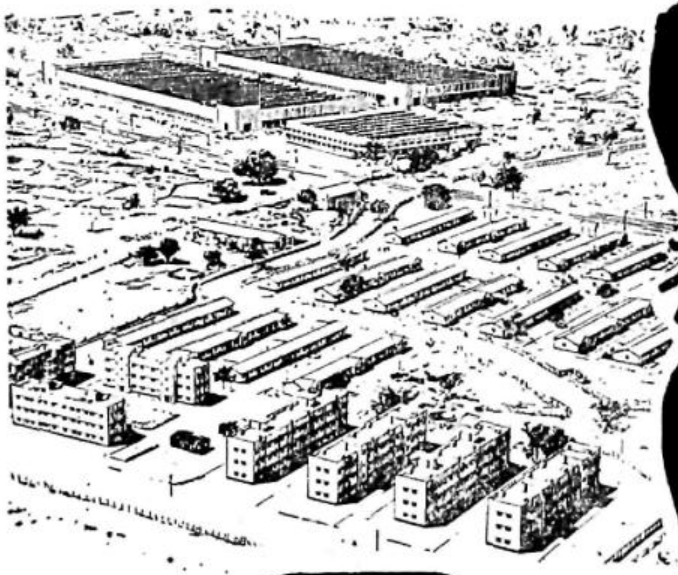
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SWATANTRA PARTY

Fourth National Convention

NEW DELHI

December 12 & 13, 1966



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The Indian people will have in the ensuing elections an opportunity to save India from demoralization and bankruptcy by voting against the Congress party. The people's distress is all due to the mad policies of the Congress government. If this opportunity is lost, one-party dictatorship will be perpetuated beyond remedy.

28th October, 1966

C. Rajagopalachari

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Preface

WE are meeting for the first time in India's Capital, New Delhi. This is as it should be. Perhaps it is even symbolic of our determination to dislodge the ruling party from its seat of power.

Much water has flown down the Ganges since the Swatantra Party first saw the light of day on August 1, 1959. The condition of our people is far from happy. Independence has not brought with it the fruits we looked forward to. Why? Is it because our people are not deserving of prosperity? Is it because our people are incapable of striving for that prosperity? The answer is a resounding NO! Our people are as intelligent, as capable, as hardworking as the people of other nations. Then why is it that today, 20 years after we threw off the yoke of foreign domination our people are worse off than they were under the British regime.

The answer is there for all to see. The culprits are those who are in Office today and have been in office for the last twenty years. They were so deeply wedded to dogmas and shibboleths that they refused to accept the reality around them. Even today, when our economy is in ruins, when our prestige in international forums is at its lowest ebb, when our people are underfed, underclothed and more often than not without a roof over their heads, the ruling Congress party stubbornly refuses to change its discredited policies—policies, which even the countries from which the Congress copied are now busy revising. In short the Congress party has acquired a vested interest in holding on to policies which have proved to be disastrous.

There is only one way out. And that is to "throw the rascals out". There is need for fresh thinking. There is need for pragmatic policies which are not based on 'isms' but on the needs of the people. And that is what we of the Swatantra Party promise the people. The draft Election Manifesto which will come up before the Party's representatives at this Convention spells out what Governments backed by the Swatantra Party will do. It says:

"Governments backed by the Swatantra Party will:

Pull the economy out of the ditch in which it has been landed by those in office during the past twenty years.

Cut Governmental expenditure.

Cut taxes, direct and indirect, and abolish land revenue.

Check rising prices by increasing production in field and factory and provide a stable and honest rupee.

Help the Farmer to grow enough to feed the people.

Free agriculture, trade and industry, as also Panchayats and co-operative societies, from the fetters of needless State control and interference.

End Permit-Quota-Licence Raj.

Dissolve the Planning Commission and scrap the disastrous Fourth Plan.

End all monopolies, whether in the State or free sector.

Restore fair and free competition in the service of the consumer.

Give back to the people what is theirs.

Restore Respect for India in the eyes of the world.

Ensure free and compulsory elementary education.

Provide a better life to the people here and now.

Make today's prosperity the foundation of tomorrow's growth."

This then is the Swatantra Party's pledge to the people of India. We are at the crossroads of our Nation's history. If the Congress party is returned for another period, the future of democracy itself is in peril. It is therefore our sacred duty to meet the challenge of 1967 with a sense of mission and save the country from total ruination.

This Convention therefore must demonstrate its determination to defend the liberties of the people and their right to progress towards prosperity. Our performance in the last elections was by no means a small achievement. But our achievement in February next year must be much greater if our country is to survive as a nation. We must fulfil Rajaji's hopes when he formed the Swatantra Party.

We take this opportunity to thank all those who have contributed articles for this Souvenir. Our special thanks to Prof. Shenoy and Mr. Ghatalia who though not members of the Party readily responded to our request. The Souvenir itself has been able to see the light of day with generous support of the advertisers to whom we extend our grateful thanks.

The General Elections

C. Rajagopalachari

THE Swatantra Party has played its part within the scope it could secure for itself in the parliamentary life of the country during the last seven years. It has by its work earned a title to make an earnest appeal to the nation during the general elections of 1967.

From the outset the Swatantra Party has been warning the Government and the nation against the fatal mistake of placing total economic power in the hands of the State and thereby in the hands of a particular political party. From the beginning, and unceasingly, it has been warning the nation against the moral and political consequences of maximum government and minimum freedom which the Congress Party decided to adopt as its policy in order to make the nation reach the illusory goal of socialism. The Swatantra Party has been warning against giving up the Gandhian principle of first priority to *Dharma,* and against the erosion of the true basis of prosperity and progress, viz., national and individual self-reliance. It has been warning against the policy of unending and reckless unplanned borrowing from governments abroad (unplanned as regards repayment), against investments that meant disastrous inflation, against over-taxation which destroyed the incentive to work, to save and plough back savings into capital. It has been warning against disorganizing national agriculture in the name of 'land reform', as a result of a morbid contemplation of inequalities to the exclusion of other inescapable requisites for increased production along with just distribution of the product among all those who contribute to that production. Foreign observers are successfully fooled by spurious talk of land reform.

Reform of farm conditions does not consist in creating conflicts and a spirit of non-co-operation and mutual hostility among those who must all contribute and co-operate for bigger production. Reform as well for justice as for bigger production must consist in the furtherance of harmony and the creation of improved conditions for co-operation among all the elements concerned. The Congress Party and the Communists have vied and continue to vie with each other in cultivating conflict and hatred for the miserable object of gathering political votes from the larger number among those engaged in the cultivation of land. This is a shame. The pumping in of fertilizers will not achieve anything when harmony and co-operation are effectively destroyed and replaced by illwill and hatred.

Those who are engaged in the essential basic activity of national life, viz., agriculture, should not be victimized for the sake of supporting the industrial complex. They should not be punished, so to say, for their efforts, but, as Gandhiji protested more than once, rewarded and furnished incentives for greater output. There should be no restrictions on the farm products obtaining their free market prices through the State imposing directly or indirectly impediments and restriction on movement of goods or through coercive control of prices. The only way to reward all those concerned in agricultural production in a just and automatic manner is to abolish every kind of restriction on movement of goods in parochial and political interests

and to allow all agricultural products to obtain their best market price. All other devices to help agricultural production will fail and produce only benefits to particular sections of the people without any beneficial effect on production. The political bias of the Congress Party prevents this truth from being appreciated or given effect to even if understood.

The Swatantra Party has been warning against the futile efforts at holding the price line by Government coercion and hunting for scapegoats. Economic law has produced the soaring prices as a result of the erroneous policies followed with reckless indifference to all good advice. The taxation policies and the direct and indirect levies imposed, have led to soaring prices which have made the life of all sections of the people most difficult.

The Swatantra Party ceaselessly warned the Government against the moral deterioration that was coming over the nation as an inevitable consequence of the policies enforced by the ruling party. The ruling party having realized the truth that the nation has lost faith in the Congress Party as a result of its disastrous failures, now seeks to continue in power by presenting the image of Sri Nehru's daughter as its figurehead and by making false promises to please chauvinistic groups. The idea of reconquering areas of national territory lost to aggressive neighbours long ago, after years of no effort in that direction, is patent fraud. These meaningless promises will however undoubtedly result in increased foreign purchase of military armaments without rationalizing foreign policy, leading to currency printing and a further downward slide into bankruptcy.

The people have been deceived into thinking that if the Congress is voted out there will be only chaos. This is not the case. It is false propaganda in the interest of a political party which is now no more than a mutual benefit association. A desperate effort is being made to recapture public confidence which has been hopelessly lost as a result of what the crucible of events and the unchangeable laws of economics have brought about, instead of frank and humble confession and honest change of policy.

The Congress slogan is for party unity instead of political or administrative reform in the interest of the nation. The party has been riven asunder everywhere and broken into mutually conspiring groups. We see the consequences of the obvious and fatal error of putting *Dharma* down in the scale of values. We see the economic consequences of putting the national resources of the present and many future generations into the bottomless pit of socialism, endless foreign borrowing taxation and inflation. The issue for the voter now is whether the country should be handed over for another period of five years to a political party which has definitely resolved on continuing the same ruinous policies as have brought the nation to the present plight. We cannot allow the nation to be thus ruined. We shall become participants and accomplices in the great crime if we do not vote the Congress Party out.

The Swatantra Party's basic principles and policies have been clearly set out ever since the founding of the party. These principles and policies stand fully confirmed as the true path to prosperity and social welfare not only in the opinion of the party but in that of most statesmen uncommitted to the party. The Congress after some vacillation has mulishly decided to hold on to the past disastrous policies symbolized by the Fourth Plan. This must be deemed the main question for the nation to consider and decide what to do with the Congress Party. It must be voted out.

If in spite of all that has transpired to its

discredit, the huge election funds gathered and yet to be gathered for the party by the Congress bosses in office bring about success to it at the coming elections and it is returned once again to hold office, it may be taken for settled that India is doomed to one-party government and that the dictatorship of a particular organization replaces democracy. Democracy as we knew and dreamed of is not to be the way of India's governance. To avoid this horrible end the electorate must make up its mind not to look this or that side, but determine to vote against the Congress candidates whoever they may be and vote for those who oppose them, so that India may have a chance for good government and spiritual regeneration.

—*Swarajya*, Nov. 5, '66

"If the individual ceases to count, what is left of society? Individual freedom alone can make a man voluntarily surrender himself completely to the service of society. If it is wrested from him, he becomes an automaton and society is ruined. No society can possibly be built on a denial of individual freedom."

GANDHIJI, *Harijan*, 1-2-'42

Swatantra Movement and Kisans

N. G. Ranga

RAJAJI declared within the first two months after laying the foundation for the Swatantra Party, that it is *par excellence* a Peasants Party. I am glad to assure our Peasants and other sections of the masses that it has lived up to that assurance given by the Founder of our Party.

In fact the emergence of the Swatantra Party is the answer to the call of the evil times conjured up by Nehruen reactionary policies and programmes against the freedom and self-employment of our masses working on land, whether they be the landed peasants or land-hungry agricultural workers.

So long as the Nehru-led State Governments were content with their unjust and uneconomic policies of raising surcharges on land revenue and imposing increasing burdens of excise duties, sales taxes and irrigation and so-called betterment levies in the areas of new irrigation projects, compulsory consolidation of holdings acts, those of us who have been devoted to the cause of agriculturists and belonging to different organisations serving the Rural People and working in or around the Congress Party did not feel impelled to come once again into open political rivalry with the Congress, in view of our failure to rouse peasants and other masses to strengthen us in the Krishikar Lok Party (K.L.P.) in 1952 and vote against the control regime (Amkush Raj) of the Congress.

When Jawaharlaljee and Congress President and Rashtrapati Rajendra Prasad joined hands with the leaders of the Communist, P.S.P., Socialist Parties in buttressing Vinobhajee's Gram Dan offensive against peasants, I was able to rouse peasants in 1957 in the Kisan Sammelan to raise their voice of protest against it and to warn Nehrujee that we would dare even that all too powerful all-party combination, if the ownership of land by peasants would come to be endangered. Neither the Congress leaders did go beyond talking of disciplinary action against me for hurling that challenge nor did I attempt to revive once again the Krishikar Lok Party as a political leadership to rival the Congress.

It needed the Nagpur Congress resolution demanding a National Campaign by the Government to co-operativise all land holdings and drive the Peasant Masses into the Government-sponsored Co-operative Farms to awaken some of the most distinguished national leaders and experienced and conscientious intellectuals to these and other Communistic trends initiated by the Congress and the need for their offer of support to the Campaign of Protest initiated by so many of us, notably Sardar Lal Singh, K. M. Munshi, M. R. Masani, Jinaraja Hegde, B. Ramachandra Reddi, and Udham Singh Nagoke.

(1) Actually that Congress challenge to our agrarian economy and peasant's fundamental right to hold their land in permanent ownership and for self-employment proved to be so crucial as to spark off a nation-wide political protest against the cumulative inroads that the Congress Governments were making against Fundamental Rights of not only Peasants but also other classes. More and more Public men began to feel that it was high time to revolt

against the controls-regime being developed by the Congress.

(2) We all searched and found in Rajaji, the greatest and senior-most national leader, outside the ambit of the Ruling Circles just the leader we needed to piece-together the various strands of people, who were upset by Congress Policies and plans and programmes and give them a political shape and swing. On the 4th of June 1959 he agreed to found the Swatantra Party and to work with the Leaders of Peasants as well as other sections who met together on that day and who expressed their willingness to co-operate with his moves in the Swatantra movement and to fight for Humanism and Fundamental Rights and freedom from the Statism of the Congress Regime.

(3) The 1962 General Elections came so soon after the foundation of the Party that we could not reach the masses half as well as we could have wished for. Yet, Rajaji's triumphant march through most of the States woke up the intellectuals and some sections of urban peoples to the dangers of Statism of the Congress and his clarion call to fight the control, permit and license raj roused the students and politically minded people.

(4) But the failure of the so-called Independent Press to adequately present our alternative to the masses and our failure to develop atleast one local-language Daily in each of the principal States to project our point of view and contradict the lies and misrepresentations hurled at us by the all-too-powerful Nehru were largely responsible to let Peasant masses to continue their habitual support to the Congress. Hence our disappointing show in 1962 elections.

(5) I bear testimony to the record of this Swatantra Movement in championing the cause of Peasants during these seven years.

(6) Having found out, how Peasant Masses would not allow Co-operativisation and collectivisation of their beloved holdings, without offering the stiffest Political and Economic resistance thanks to the emergence of Swatantra Party, their new Political Champion, Jawaharlaljee and his advisers schemed to achieve their nefarious objective of gaining Political Control over Peasants holdings, by a Constitutional Strategism. So they introduced a bill in 1963 with only one clause, to amend the Constitution and thereby to classify all Peasant holdings and even their house-sites and grazing lands as Estates. Since the Constitution had already given power to Parliament and Assemblies to nationalise all Estates by paying nominal compensation and all such legislation has been withdrawn from the jurisdiction of the Courts, the Congress and Nehru desired to assume similar arbitrary and confiscatory authority over all Peasants' holdings by this dangerous strategem of classifying them merely as the hated "Estates".

(7) True to its mission, Swatantra Party was the first to discover this unscrupulous and disguised anti-Peasant move. It exhorted and helped, lakhs of Peasants in Co-operation with the Kisan Sammelan to send their petitions of protests to Parliament against this bill, incidentally putting life into this Parliamentary means of mass protests. A number of State-level and Zonal Conferences were held all over the Country to awaken all sections of the Public to this undemocratic challenge posed by the Nehru Government to the most important fundamental right of self-employment and ownership of Peasant holdings. The late V. P. Menon in Bangalore, B. R. Reddi and G. V. Subbayya in Andhra and Nagoke and Basant Singh in Punjab took the lead in this direction.

(8) Such a stiff resistance was offered to it in Parliament and so great was the furore raised by public agitation that the Congress Party was obliged to make the Government agree to send the Bill to the Joint Select Committee. So effective was our Campaign

that the Select Committee was forced to give a detailed study and prolonged opportunity to peasants and their organisations to present their cases against the Bill. It became my privilege to arraign Nehru's regime as the worst enemy of peasant masses and of their right to continue to enjoy the modicum of economic freedom and functional self-employment, vouchsafed by the ownership and cultivation of their holdings. As a Party, we refused to join the Committee, as a protest against the Congress cum Socialist cum Communist manoeuvre against peasantry. So, the Select Committee was constrained to restrict the application of this Bill to only those holdings which are above the Ceiling Limits. When the Bill came to Parliament, I challenged the Congress to deny the possibility of the Ceiling limits being sedulously reduced from time to time thus nationalising by stages additional slices of holdings of more and more Peasants.

(9) We organised a National Protest Day and led nationally representative Protest March to Parliament of 5,000 Peasants with the blessings of Rajaji, when the Bill was being considered. When finally the vote came to be taken so many Congress M.Ps felt so much conscience-stricken that the requisite quorum could not be ensured by the all-powerful Jawaharlaljee and so, the bill fell through. But Jawaharlal would not give them rest, nor would he relent in his passion to dispossess our peasants of their holdings. So he ordered that a Special Session of Parliament should be convened to incorporate this infamous clause 31 in the Constitution. That Session met, the Bill was again introduced, despite my protests. But, we had only time, as we walked out of the House for the first time as a protest against his move to learn that he was stricken down with heart-attack and to rush to his place to express our sympathy despite his cruelty to our peasants and their freedoms.

(10) This Nation-wide struggle over such a prolonged period against the 17th Constitutional Amendment, carried on both inside and outside Parliament with the additional momentum provided by the Satyagraha offered to it, in Andhra by 750 valiant peasants who welcomed incarceration and lathi charges has now awakened large sections of our peasant masses, despite our continued weakness in the Press and Radio and other institutional means of propaganda.

(11) Our State Legislature Groups in the State Legislatures have also offered similar stiff opposition to the repeated moves made by State Congress Governments to impose surcharges on Land Revenue, Sales Taxes, Betterment-Irrigation-dues. The Andhra, U.P., Mysore, Bihar Gujarat, Madras Groups strengthened the extra-Parliamentary campaigns. Everywhere, we succeeded either in delaying or reducing these burdens.

(12) In Andhra, the Kisan Sammelan as well as our Party have braved the rigours of Courts and invoked thousands of writ petitions thanks to Sardar Latchanna and G. V. Subbayya's initiative and Advocate P. A. Choudari's legal dynamism, and questioned the Constitutional right of the State Government to impose both the Land Revenue and the Additional Assessment, without any specific power from the Constitution. They have so far succeeded in this novel and costly struggle through Courts that the Full Bench of the Andhra High Court has struck down the Andhra Land Revenue Additional Assessment Act. This signal success achieved by our movement, through such Constitutional means, without its group being even the single largest opposition has awakened the Peasants all over India to both the potentialities of Constitutional Opposition in and outside legislatures and also to the genuine peasant-wise activity of our Swatantra Party.

The Communist-Oriented Parties have been advocating the imposition of ceilings upon land holdings in rural and urban areas and also on the salaries and incomes of professional sections. The Congress had adopted this slogan with a view to disarm the Socialist Parties. At the same time, it did not wish to weaken itself with the currently powerful urban classes. So, it began its offensive against the rural people only. The majority of the members of Parliament in the Congress Party were mobilised by some of us against this glaringly discriminatory move. This Opposition was resented by Jawaharlaljee because he really did not wish to apply Ceilings to the Professional and Industrial sections as he knew such ceilings would act as a disincentive to all enterprise and initiative. He however wished to break the backbone of rural leadership provided by the fairly well-to-do peasants who are neither absentee landlords nor hereditarily exploiting beneficiaries of the Permanent Settlement of the British regime.

The Kisan movement realised that this sinister move was calculated to deny peasants, equality of opportunities vis-a-vis other classes and rob them the chance of obtaining adequate supply, of leaders from among their own enterprising and successful agriculturists. So, the Swatantra Legislature Groups offered strong opposition in all Legislatures to the Ceilings Bills and tried their best to minimise their rigours. Yet the Bills were passed. True, quite a large number of the erstwhile substantial agriculturists with large holdings have partitioned their holdings and managed not to have to surrender substantial portions of their lands. The Swatantra Party protests against such a development, whereby agriculturists are made to feel guilty, where and when they have not done any harm to anyone or to the Country.

On the other hand, Congress Party has come to suffer from guilty conscience for having discriminated against the present and future generations of Peasants by imposing ceilings only on them and thus condemning them to be dwarfs, while allowing all others to grow to be gigantic heights of property and prosperity. So it has begun to mouth the slogan of Ceilings upon Urban Properties also. The Communists are happy over this since the wrong move of the Congress against Peasants is leading them yet to another move in their expropriatory directions. The Swatantra Legislators in all the legislatures in Mysore, Madras, Andhra, Gujerat, Bihar, U.P. and even in Delhi are keeping guard for peasants on this front also.

The Swatantra Party is heir to the Kisan Sammelan's consistent and prolonged fight against Controls, from the time of their introduction by the British in 1939.

Peasants have been the first set of victims of the insufferable controls. After Gandhiji, Rajaji has become the most powerful ideologist of our people, especially peasants to educate the nation about the evils of the Controls regime. He has been able to reinforce the natural resistence of our peasant masses against the compulsory procurement levies of food grains at controlled prices and the Food Zones and restrictions on the movement of food grain from Zone to Zone, even from District to District and in some States from Taluk to Taluk.

The Swatantra Party has been carrying on relentless struggle against these controls imposed upon our peasants, their freedom to hold, store, transport and market food grains and the resultant enslavement of peasants, merchants, consumers and others to the corrupt, arbitrary administration at all levels. We have maintained that besides converting peasants into law-breakers and making them afraid of every visit to their villages of Police, Revenue and even Panchayati Raj Officials, these Food Controls have adversely affected food production by inhibiting peasants' keenness to produce

more food grains and by the flight of land into non-cereal crops. Believing as it does that free peasants would be willing and keen on devoting their maximum land and other resources to production of foodgrains, provided remunerative prices are assured for their grains, Swatantra Party has been demanding the removal of Zonal and other bans on the movement of food grains, Compulsory Procurement levies and control of prices. Besides its activities in the Legislatures to this end, the Swatantra Party in U.P., Andhra, Gujerat, Punjab and Orissa has organised and led Peasants Marches, in alliance with the Kisan Sammelan to the State and District headquarters and presented peasants demands to the officials. It was my privilege to inaugurate these marches in Punjab led by the venerable Pheruman and in Andhra led by P. V. K. Naidu.

In Andhra, these marches have obtained some successes, by way of the rice levy being lifted from the level of peasants and restricted to the rice-factory owners, but that too in a few Districts.

There is yet another move of the Party which has met with better fate. In Gujerat, the Government put a ban on the sale for export of groundnut, with a view to depress its price. The Kisan Sammelan raised its voice, under the inspiration of Shri R. Patel against this, with the support of the Swatantra Party and the Government was forced to lift the Ban.

For decades, the Kisan Sammelan has been asking for a nation-wide network of Marketing Co-operatives with adequate funds to compete with grain traders and thus ensure healthy competition in grain trade and protect our peasant masses. The Congress Government has on the other hand, thought of establishing its own monopoly by organising the Food Corporation of India and thus impinge upon the freedom of our peasants to market their produce. The Swatantra Party's Opposition to this totalitarian move forced the Government to be content with the first step in that direction by saying that the F.C.I. would operate side by side with the free grain trade. But it let out its trade objective, when the Food Minister confirmed, when taunted by me in Parliament, that whenever possible, it would be the policy of Government to favour the Corporation as against the Free Grain Traders. The Swatantra Party is bent upon fighting this monopolist policy. It believes in effective competition between such Corporation and grain traders to prevent exploitation of peasants and ensuring the best possible competitive price being paid to peasants. Besides Government, traders, peasants and cooperatives should be welcomed as its partners in shareholding and management.

In actual practice, the F.C.I. has already begun to pay 25% less than grain trade to peasants and charge 20 to 25% more to consumers, thanks to its monopoly over procurements and too high overhead expenses.

The Government wanted to take advantage of the worsening food situation and outbreak of famine in Orissa, Rajasthan, Andhra and elsewhere to gain confiscatory rights over peasants' food grains. So it introduced its bill to amend the Essential Commodities Control Act. It wanted to empower its officials of revenue, police and panchayat departments, to seize food grains, the carts, bullocks or lorries, conveying foodgrains and confiscate them, if the owners and their agents are found to be storing, moving or using them contrary to controls.

This surreptitious move, made without any proper publicity in the press or on the Radio; almost reminding us of what Nehru did over the 17th Amendment, was opposed at the very First Reading by Shri Masani and fought by us at every later stage with all available Parliamentary means and opportunities. Even the Congress members hailing from peasantry were made aware

of the extremely reactionary and Communist nature of this Bill. Except the Communists every other party rallied to the cause of peasants, as expounded by us; with the result that the Government had to agree to release the actual producers from its clutches. Moreover, it had to yield to our demand that even in the case of merchants and factory-owners who may come to be prosecuted for breaking its unholy controls, the seized food grains or oilseeds cannot be confiscated but paid for at market prices and an appeal should be open to the Courts and not to the politically oriented administration.

This is indeed a signal victory for our party in Parliament.

So far as the food situation is concerned, the Swatantra Party has agreed with the general thesis of the Kisan Sammelan that if, Swaraj Government had begun since 1950 to supply fertilizers, seeds and insecticides as well as adequate and cheap credit to peasants at reasonable or subsidized prices and if remunerative prices had been arranged to be paid, and reasonable wages had been assured to agricultural workers, India could have been helped to become self-sufficient in food by now.

It is because of this conviction that the Swatantra Party has been demanding with the guidance of Rajaji the most experienced Statesman, the abolition of Land Revenue. As is well-known the Congress Party has increased this burden by more than 100% in some and 200% in other States since 1947, all so contrary to Gandhiji's assurances. Whatwith the enhanced water and electricity rates and higher prices of diesel and kerosene oils, these direct tax-burdens have become too oppressive over and above the swollen burden of Central and State excises.

In every State, the Swatantra Party has led *peasant marches* and has even offered Satyagraha in order to strengthen this demand. At long last the Congress President and his Tamilnad Congress Convention have realised in September 1966, the correctness of our Party's demand and its electoral prowess and have therefore decided to make our demand their own. The Madras Chief Minister has hastened to assure the readiness of Madras Government to implement this demand. I am sure this contagion will overtake all other Congress Governments, thanks to the approaching General Elections. I claim this, as an outstanding truimph of the Swatantra Party on the Kisan front.

These unholy controls inhibit every move towards greater production. Government has been trying to depend upon food imports as the major factor to keep down food grain prices, despite the ceaseless inflation and consequent rise in price-levels for all other commodities and services. The continued failure of Government to realise the urgency of peasants need for adequate and cheap credit and for real economic freedom from compulsory levies, and procurement and price-controls and their inevitable concomitant of corruption have all queered the pitch for the country on this most essential front of food. The Swatantra Party is convinced that it would be possible for it to tackle the food situation, as it firmly believes in the willingness and capacity of our peasantry to respond to the call of the nation and as it is bent upon giving the top most priority to all that is needed by our peasantry in the pursuit of their productive activities.

There is also the equally painful problem of the areas vulnerable to periodical floods in Assam, Coastal Andhra, Orissa and inundation of Punjab, Bihar, West Bengal and Assam. The British and Swaraj Governments have failed to appreciate the urgency of Planning and projecting drainage schemes simultaneously with the development of irrigation projects with the result that as much area was being lost for production as was being newly irrigated.

The Swatantra Party has been rightly demanding a proper re-orientation of our national plan in this regard. It is possible that our current national resources are inadequate for these protective purposes. Therefore, the Swatantra Party would try to appeal for and try to obtain the assistance of International Agencies for these essential humanitarian and developmental projects.

The plight of agricultural workers has not been mitigated during the past 19 years. The Minimum Wages Act has been ineffective due to the failure of Government to prescribe and ensure the minimum prices for agricultural products. Such a comprehensive and interdependent approach to both sections of peasantry will become possible when the most essential infra-structure and protection from draught and floods are ensured. The Congress Government has failed to come to grips with all this. It would be the sacred function of Swatantra Party to work for development and the fulfilment of such a programme.

The drought has damaged the crops in Rajasthan over the past 3 years and extreme scarcity of drinking water for people and cattle and cattle-feed made the position very critical. Both Gayatri Devijee and her husband, Maharajah of Jaipur as well as our Party rendered yeoman service to the afflicted. Smt. Gayatri Devi inveighed in her speeches in Parliament against the Government's failure to take adequate preventive and relief measures. The Saurashtra draught claimed many heads of cattle and caused much damage to peasants and their crops and our party voiced their needs in the Gujerat Assembly.

1965-66 has witnessed the worst famine caused as much by the draught as by the negligent and vengeful Governments of Orissa, Madhya Pradesh, Rajasthan, Andhra and U.P. R. N. Singh Deo, Shri P. K. Deo of Orissa and P. Rajagopal Naidu and myself toured most of the affected areas of Orissa and Andhra and pleaded in Parliament and outside for adequate famine-relief works, Gruel-Distribution Centres and cheap, grain shops, besides gratious relief and feeding to the old and infirm. Judging from the admissions made by ministers themselves, it is clear that they and their administrations have failed to heed the timely warnings given by our Party's spokesmen in legislatures and when overtaken by out-break of scarcity on a colossal scale, they tried in vain to under-play the misery of the people and under-estimate the number of the victims claimed by out-break of epidemics and prolonged under-feeding. The Swatantra Party's Workers distinguished themselves by their services at all the Relief Works and by organising orphanages and gruel centres and collecting and distributing private relief.

As a result of these happenings and the experiences gained by our workers in all these Famine-Zone areas on the Central Plateau of our Country, the Swatantra Party has come to the conclusion that special efforts have to be made by Government to set apart vast funds in the Central and State budgets for organising a concerted Protection from Famine and Relief Programme for the protection and development of all the vulnerable plateaunic zones in Rajasthan, M.P. Maharashara, Andhra, Saurashtra, Mysore, U.P. and Bihar. What is being done in Dandakaranya Project is an indication of what has to be done on a much larger scale for the protection of more than 100 million peoples of this plateau in the Famine Zone.

Free and adequate house-sites and the free supply of tiles for roofing are the minimum that any democratic and humanitarian Government can be expected to plan to achieve over ten years so that every family of agricultural workers can be assured of security regarding its house-site and housing. The Congress Government has failed to develop any programme for Rural Hous-

ing and the Swatantra Party will pay special and urgent attention to this crying need.

There is equally urgent need to protect the tenants under the Patta-holding peasants! The Swatantra Party cherishes the precedent created by Rajaji, when he was the Chief Minister of Madras in 1952-54 by conferring permanency of tenure and reasonable and non-exploitative rents. The Swatantra Party hails the demand of the Kisan Sammelan that while the Peasant-owners rights over their holdings should be respected, the rights of tenants also should be protected. In all the legislatures, the Swatantra Groups have been pleading for such a settlement of the respective rights of these very essential groups of peasants.

The Land hunger of agricultural workers has been recognised since 1936 by the Kisan Sammelan as a national problem. The Swatantra Party has been urging the State Governments to evolve and enforce a just policy in regard to the distribution of the 40 million acres of cultivable land belonging to the Government and which has not so far been allotted to anyone on Permanent Patta. Unfortunately the State Ministries have been treating this land as their private property and allotting it only to such people as are expected to promote their political interests. The Swatantra Groups in legislatures, especially in Andhra and the Party in the Country have been leading popular movements to force the Governments to allot these lands only to the families of landless agricultural workers and owners of inadequate holdings and Ex-Military Personnel. The Swatantra Party will try to give preference to these families and see that their proprietorship is made as inviolable as that of all other peasants.

The Swatantra Legislators are aghast at the new social evils coming into rural life in the wake of this Panchayati Raj and Co-operatives. They have had to criticise bitterly the Partisan misuse of funds, abuse of newly assumed powers over teachers and public health authorities and shameless neglect of the most deserving claims and crying needs of the minorities (Political and Social). They have exposed how so many Samitis Chairmen made ill-gotten profits by selling in black-market, rice-fertilisers and even CARE supplies intended for the disabled and children. In some cases, our legislators had to face violence from these chairmen. The Congress Ministries have been making scandalous misuse of their powers over Co-operatives and turning them into instruments for their political hegemony. So our legislators have everywhere been demanding freedom for Co-operatives from the deadening Governmental Control.

They have voiced the public dissatisfaction over the failure of Congress Governments to implement the promise held out by the Constitution that by 1960, there would be free compulsory, elementary education on a national scale and there would no longer be illiteracy among the rising generation. They have condemned the Congress for having turned the continuing illiteracy of majority of our masses into a political vested interest to ensure their hold over legislatures. Our legislative Groups have championed the demands of teachers, especially those in elementary schools for higher salaries, housing allowances and security of employment and free education for their children. They have also demanded that administrative control and supervision of elementary school teachers should be transferred from Panchayat Samitis to Education Ministry.

As soon as the Gold Control was announced, Swatantra Party was the first to condemn it, as much in the interests of peasants as in that of goldsmiths because, we have realised how all the accumulated gold-trinkets of crores of peasants, and held as insurance against famines caused by draught and floods and conflagrations would come to be demonetized. To protect

these two special victims and also to sustain the general economic stability of the country, our Party has offered Satyagraha on its own and supported the Goldsmiths Satyagraha against this control.

It is significant that more than 95% of the Swatantra legislators happen to be either peasants or rural people, as against the 70% in the Congress Party. Whereas the Congress rural legislators are generally tonguetied when the priorities are being settled by the Congress High Command, the Swatantra leaders themselves compete with their rank and file legislators in giving priority to rural India's needs and peasants' problems. This is exemplified in the Swatantra Party's condemnation of the gigantism of the Congress Plans and obvious preference shown for medium and small-scale irrigation and drainage schemes, agro-industries and even in the sphere of industrial development. Conscious as they are of the key-role of large scale industries in modern societies, Swatantra legislators have dared to prefer small and medium scale concerns, in the first instance. Since anyhow, the nation has been made to divert so large a proportion of its resources to gigantic schemes it is anxious that they should be run efficiently and profitably and if need be, in partnership with private entrepreneurs.

The Swatantra Party wishes to give the first priority to the development of agriculture; and the infra-structure needed by agriculture such as roads and bridges over rivulets and rivers protected water supply, simple hygenic and public health facilities adequate production centres for fertilizer and green manure, production and agro-industrial centres for the supply of agricultural implements and spare parts for pumping equipment etc. The Party realises the key role that the spread of adult literacy can play in improving the productive capacity of peasants. The pity is that so far, the Four Plans of the Congress Governments have neglected just these most essential and urgent needs of our rural masses. The Swatantra legislators have been stressing these needs.

It is because the Congress Rulers have refused to reorient their plans on these lines, Shri Masani at the National Level and Bharati Devi at State Level have refused to join the so-called Planning Conferences with the Chiefs of Governments so long ago as 1961. It is gratifying that other Opposition Leaders have also followed the same line in 1966.

It can thus be seen that though wedded to Constitutional approach and Parliamentary means, as becoming a truly Liberal Party, Swatantra movement has gladly welcomed the Gandhian tradition of extra-Parliamentary but peaceful means of Satyagraha Marches and mass demonstrations. It has made bold to defy the Governments, whenever it has found any Government Order or Practice intolerable and opposed to the fundamental freedoms of people. It has made the fullest use of invoking the Writ of Courts against so many Government decisions, considered unconstitutional, discriminatory or opposed to freedom. The Swatantra Party has demonstrated its capacity and readiness to champion the cause of the toilers, especially peasants in a dynamic and constructively revolutionary manner.

Appendix

How vigilant and dynamic are the efforts being made by our groups in Legislatures to protect and promote the cause of agriculturist can be understood by noting the following activities of the Andhra Swatantra Group of Legislators led by Sardar Latchanna, P. Rajagopala Naidu and Smt. Bharati Devi during the past seven

years. Sarva Shri Bhanu Pratap Singh in U.P. Laxman Singhjee in Rajasthan, R. N. Singh Deo in Orissa, Bhailalbhai D. Patel in Gujerat and Sa Ganesan in Madras Assemblies have been equally zealous of the rights of our peasantry and other classes.

For instance Swatantra Party in Andhra Pradesh Assembly Legislatures opposed (i) Land Ceiling Bill (ii) Additional Land Revenue Assessment Bill (iii) Agricultural Marketing Bill which makes selling of agricultural commodities by peasants a crime (iv) Imposition of Compulsory Levy of Food-grains (v) Controls on Food-grains (vi) Banning of movement of food grains to and from the Belt areas on the borders of neighbouring States and (vii) Compulsory levies on peasants for repairing water sources (viii) Collection of Contributions and loans from poor peasants for the so-called plan schemes. Defence fund and National Savings Schemes and they fought for (ix) the inclusion of Dry Lands receiving water since 10 years under irrigation sources in their ayacut permanently and succeeded in making the Government accept the proposal (x) In regard to our demand for the splitting up of Joint Pattas as and when peasants set up separate family units. They made the Government to come with a bill for the purpose and got it passed (xi) They fought for the distribution of banjar lands to the landless poor (xii) They forced the Government to agree to let Sugar Crop factories elect their directors instead of nominating them (xiii) They achieved the abolition of 'Tol Gates' in Telengana (xiv) They made Government agree to the payment of arrears to the Pattadars in Telengana for tapping toddy trees (xv) They pleaded for continuation of educational concessions to all the backward classes and also for their classification as per their Caste-enumeration in Census reports (xvi) They opposed Government exploitation of the Panchayat Co-operative and educational institutions for the benefit of Ruling Party (xvii) They pleaded for protection of Village Revenue Officials and teachers (xviii) They pressed for more and better hospital and Public Health Facilities (xix) They demanded timely and adequate relief to those afflicted by famines, floods and outbreak of conflagration in summer (xx) They fought for free grazing rights in forests (xxi) They worked for the removal of social and economic disabilities of Harijans, Tribal People especially in regard to education, drinking water, Places of Worship employment and house-building materials (xxii) They exposed several instances of black-marketing by Co-operatives, Panchayat Samitis (xxiii) fought against the official misdeeds in superseding Co-operatives. Panchayats led by Opposition Parties and in encouraging B.D.O's and Panchayat or Co-operative Executive Officers to obstruct and disobey their elected Chiefs. (xxiv) demanded the abolition of prohibition as it has failed and its replacement by the temperance propaganda (xxv) opposed nationalisation of Road Transport, School Text Books and exposed the corruption and mismanagement in their State Administrations. (xxvi) brought to the notice of Government the need for developing or repairing every local irrigation and drainage works; and the Campaigns against agricultural pests and cattle epidemics.

What Swatantra has Achieved

K. M. Munshi

WHEN the Swatantra Party was founded, the Congress leaders concentrated all their wrath on it. They poured ridicule and scorn on the Swatantra aims and objects; they caricatured the Party's leaders as "frustrated old foggies." Like the Sage Durvasa, they wanted to burn it up by one wrathful glance. However, the Swatantra Party has not only survived these concentrated onslaughts, but has emerged strong from the ordeal.

Today the position is that, the policies of the Congress having failed, its leaders are pilfering many items from the Swatantra Party's programme.

In our manifesto, the needs of the common man were placed in the forefront. Of late, the Congress leaders have started talking about the common man, whom they had forgotten so far.

The Swatantra Party has been saying from the beginning that in this country agriculture should have priority over other demands; that so long as agriculture is not put on a proper foundation, we cannot achieve any economic progress. The Congress is only now beginning to realise the importance of agriculture after wasting crores of rupees on hastily conceived and clumsily executed industrial ventures.

When the Swatantra Party pointed to the corruption rampant in the Congress ranks, in the higher as well as lower echelons, as also at various levels of the bureaucracy, they laughed at us. We were accused of having a political motive in making the charge. Now, it is proved beyond a shadow of doubt that corruption reigns supreme among the ranks of the Congress and efforts made by some of its leaders so far to get rid of it have failed or were foiled.

In recent Parliamentary sessions, the opposition has exposed the doings of several Ministers. For years, the Opposition has been saying that an Ombudsman should be appointed to root out corruption in the higher ranks of politicians, as also in the higher ranks of the services. The Administrative Reforms Commission headed by Sri Morarji Desai has only now echoed it saying that there is no salvation for the country unless and until such an Ombudsman is appointed.

We vigorously pointed out the impracticability of gold control. Now, after years, having brought ruin to thousands of goldsmiths, gold control has been practically withdrawn.

We warned that if grandiose schemes, ill-conceived planning and extravagant governmental spending continued unabated, the upshot would be spiralling prices, inflation and consequent devaluation. This was pooh-poohed then. Now, when it was too late, they had to resort to devaluation, in a half-hearted manner.

We have all along stoutly opposed the policy of licence, quotas and controls. Now when production and exports have fallen and stagnation has set in, as foretold by us, they have started delicensing industries.

The founding of the Swatantra party, among other factors, can be traced to the Congress decision to establish co-operative farming. We drew attention to its impracticability and its dangerous implications. After the first flush of enthusiasm over this experiment, the Congress has

cooled off. But it has not yet fully seen the wisdom of our plea for encouraging the peasant-proprietor, even though Communist countries are veering round to the justice and necessity of recognising and giving incentives to individual farmers.

We criticized the Planning Commission and its role as a super-Cabinet, not responsible to Parliament. The Congress now realises the validity of our stand. Or does it even now?

The Swatantra Party has pledged to the country that when it comes to power, it will remove the land tax. Recently some Congress leaders have seen light; they now feel that the land tax should be abolished.

The Swatantra Party is a constitutional party. We consider the Constitution as originally drafted and adopted in 1950, as sacrosanct.

The Prime Minister and the new Home Minister now deprecate unconstitutional activities and exhort the people to forswear violence and adopt constitutional methods for redress of grievances. This comes from the ruling party which has not respected the sanctity of the Constitution; over 20 amendments in 16 years steam-rolled by party majority.

The Swatantra Party has discountenanced the *Bundhs* and *Morchas* and other coercive demonstrations in a parliamentary democracy. We have set our face against exploiting students to gain political advantages. Today there is near anarchy in the country because the Congress and other political parties have not adopted towards the demonstrations the firm attitude which the Swatantra Party has uniformly taken up.

By the use of its power and the huge funds unabashedly raised by the exercise of such power, the Congress has all along prevented, and still prevents, the formation of a constitutional party, and thereby puts our democratic structure in jeopardy.

The ruling party has failed to meet the challenges which face the country.

First, as a result of its faulty foreign policy, the party in power has raised two enemies on our frontiers. It accepted the non-alignment policy; the result has been an enduring danger. All the non-aligned nations remained non-aligned towards us when we were attacked and lent us no assistance when we needed it.

Secondly, the ruling party has not been able to meet the challenge of our deteriorating economy. The cause of it has been the pumping of unlimited money into the economy without ensuring that the money has the necessary backing and is put to productive uses through competent personnel. The result is corruption and waste.

Thirdly, we have planning, and plenty of it, as words of wisdom. For the last seven years, we have prophesied the collapse of the economy if the ruling party continued to follow its present economic policy and Soviet-type planning. This prophecy has come true. Neither the Planning Commission nor the ruling party yet realises that they have pushed the country into bankruptcy, from which it will take years of strenuous efforts to lift it.

Fourthly, nineteen years of uninterrupted Congress rule have resulted in all-round mental and moral degeneracy. The devaluation of the rupee is nothing compared to the devaluation of moral and ethical values, of discipline and of national character.

Fifthly, worst of all is the deterioration in the law and order situation in the country. As we see around us, law and order does not exist in several parts of the country. The Communist Party and its allies have been gaining control of the people by *Bundhs* and *Morchas* and *Ghera Dalo* movements with a view to seize power. The ruling party has not been able to control them.

The question is: Has the Congress Party, which cannot meet these challenges, a right to rule the country?

From the beginning the Swatantra Party has accepted the policy that democracy cannot be maintained in the country without a two-party system working within the Constitution. The Congress fought us in defence of its monolithic power. I am clear in my mind that if a strong two-party system does not emerge from the next Election, democracy will be in peril.

The Congress claims to be against monopolies. And rightly monopolies breed inefficiency, irresponsibility and corruption. Unless the Congress monopoly of power is curbed, there is going to be no salvation for the country.

There is only one way to save the country from disruption. We must strengthen the Swatantra Party and make all-out efforts to enable it to send a large contingent to the Parliament and the State Assemblies so as to form Governments in at least two or three States.

"When people come into possession of political power, the interference with the freedom of the people is reduced to a minimum. In other words a nation that runs its affairs smoothly and effectively without much State interference is truly democratic. Where such a condition is absent, the form of Government is democratic in name".

—GANDHIJI, *Harijan*, 11-1-'36

Swatantra and Education

M. Ruthnaswamy

IN keeping with the Swatantra Party's policy of building up the progress of India on the foundations of life and economy well and truly laid, its policy and programme on education is first of all to promote the rapid extension of primary education and literacy. It believes that essential to the progress, social, economic and even political of any people is universal literacy. Unless the farmer is educated upto at least the standdards of the three R's he will have no access to the general and scientific information that will help him to adopt new and progressive methods of cultivation and organising his farm life. Unless the artisan is able to read about new tools and new techniques, he will not be able to get out of the roots of tradition. Unless the common man is able to read and write he will be at the mercy of the official, the money-lender, the trader who can get away with it to his loss or confusion. And as we cannot wait for the boys and girls to grow up into literacy any programmes for the promotion of literacy must take the millions of adult men and women who have not acquired this key to knowledge and progress.

The Swatantra Party will have to make up for the gross negligence of Congress Governments in this matter. What is the record of the Congress Governments in regard to the promotion of literacy? After 18 years of Congress rule we have reached a literary rate of 20 per cent with a higher percentage for the more advanced states like Kerala (46 per cent) Madras (31 per cent) going down to 15 per cent (for Rajasthan) 17 per cent for U.P. and Bihar. And literacy is creeping at the snail like pace of 1 per cent per year—at which rate it will take 75 years for India to become totally literate. As for girls education it advances at half the rate of that of the boys. With women's literacy as low as 5 per cent in Rajasthan and 7 per cent in the U.P. and 13 per cent in India as a whole how can any social or economic progress be possible? Have not our Congress ministers heard of the educational maxim "if you educate a boy you educate an individual, but if you educate a girl you educate a whole family"? As for the Congress Governments' record in the promotion of adult literacy only 5 per cent of the total outlay on education is provided. For primary education only 26 per cent of the total outlay on education of Rs. 1200 crores is provided in the Draft Fourth Plan. We cannot expect a more rapid rate in the growth of literacy than the present miserable rate of 1 per cent a year.

In contrast, the Swatantra Party will devote the bulk of the expenditure on education at least 50 per cent on the promotion of literacy and its budget on education will not be 5 per cent of the total budget, but at least 20 per cent. And of the remaining 50 per cent of the educational budget it will devote at least 25 per cent to the promotion of technical education. Not so much to the establishment of more University grade engineering and technological institutions but junior and senior technical and agricultural schools so that the large numbers of boys who aimlessly proceed to university education for which they are not intellectually fit, (whence the plethoric numbers at our universities and consequent disorder and indiscipline, and the large number of unemployed and unemployable university graduates) will have been siphoned off at

the middle school stage into junior technical schools. These subaltern technical schools in addition to those established in connection with factories whose owners will by law as in England be obliged to establish such technical training will be able to convert the millions of unskilled workers into skilled workers and skilled workers into technicians of higher grade required by the large number of village and small scale industries which will be fostered in the programmes of industrial development of the Swatantra Party. Elementary and secondary agricultural colleges favoured by Congress Governments only produce graduates for appointment in the State and Central agricultural services.

As for university education, the Swatantra Party will aim at improving its quality. Its programme of multiplication of technical schools will allow only those that are fit for higher education to proceed to the universities. With smaller numbers a higher teachers -student ratio (1 to 10) whereas it is now 1 to 20) will be made possible. And decent residential hostel life with one room for each student instead of 3 or 4 students in one room which is the prevalent practice in university hostels at present will make for comfortable and satisfactory life. And one hostel for every hundred students in the place of the huge caravenserais which it is the pride of university authorities to erect will make for that quiet, intimate family self-governing life which should be fostered in our university hostels. To finance university education Swatantra Government will offer incentives and encouragement to Industry to make large endowments to university education and scientific research in imitation of their fellows in England and the U.S.A.

Quality will be improved not only in university education but also in primary and secondary education. Primary education deserves well-built schools with separate rooms for each class, with educational pictures on the walls, with shelves of nature specimens of the locality, presided over by a trained teacher assisted by an educated wife who reside in a house built for them and attached to the school. The large number of unemployed graduates could after a year's training be attracted by the salary, residence and other amenities as a bicycle all provided for by the State. Such an improved school building could also be used as a community centre for the village or the ward of the Municipality with the community radio set as a means of entertainment and instruction for the adult population of the village. Secondary schools should each have a well equipped library and laboratory and play ground and a workshop where the pupils could be given some elementary manual training which will train them to use their hands in simple productive work and which would also be of great psychological and moral training as is now acknowledged by psychologists. In rural areas a vegetable garden attached to the school could take place of the workshop. That the Swatantra Governments would have much leeway to make in the improvement of the quality of primary and secondary schools is shown by an inspection report of schools in the development block of a State. This is how the report ran: "There were schools without desks or benches or chairs or even a single piece of furniture, schools without clocks, schools without maps or charts, schools where science was taught with the help of a piece of chalk but with no apparatus or equipment, schools without libraries, schools with not even a square yard of playground, schools with broken doors, schools with absent windows, schools with leaking or unattached roofs; among the 76 elementary schools of the block, not even one had a urinal, not even for the girls."

While in regard to literacy the Swatantra Government will organise a mass attack so that the rate of increase may be lifted from

the Congress Government achievement of 1 per cent per year to 2, 3, 4, 5 per cent per year progressively so that within 15 to 20 years India may become totally literate. And in regard to technical education the programme of the Swatantra Party will go far beyond the 100 and odd junior technical schools of Congress achievement to the 1000 at least that the industrial development of the country requires. And the university graduates that will come out of the universities will be men trained to be the leaders of the people in politics, social life and industry. Here in education as other programmes of the Swatantra Party priority will be given to the strengthening of the foundations the essentials, the necessaries of progress. The luxuries will come in due course of themselves. In education as in the economy, the Swatantra Party will first develop the infrastructure so that an ever improving super-structure may be built on it.

And then finally in education as in other sections of life the Swatantra Party will give wide scope for private initiative and activity. Not only in obedience to its fundamental principle of giving scope to the enterprise of individuals and groups or corporations of individuals but taking into consideration the facts of the financial position of Governments in India, the Swatantra Party will seek the cooperation of private voluntary effort in the sphere of education and other social welfare services. It realises that Government cannot do it alone in education. The area to be covered by schools, technical institutions, adult literacy movements, is so vast that it is sheer folly for governments to establish a monopoly in education. Competition in education will be good for educational institutions of Governments as well as for private schools and colleges. And Governments in India cannot afford the finances that will enable them to provide all the education that the people need. And so the Swatantra Party will repudiate the policy of providing free elementary and secondary or university education (the latest educational stunt of the Congress President announced in time before the general elections) to all and sundry. The offer of free education to the rich as well as to the poor is a cheap electoral device and will prove to be nasty educational stuff. Swatantra Governments will offer free education only to the poor in the shape of scholarships covering tuition and even hostel expenses. It will make well-to-do parents to pay for the education of their children. Education in the eyes of the Swatantra Party is not a bribe for the winning of votes and popularity but a road to progress. Nor will the Swatantra Party Governments undertake to do things in education which Government is not competent to do. For instance, they will not undertake to write and publish text books as more than one Congress Government and even the Central Government have done. In a free State Government made-text-books are a farce as in totalitarian governments they are a tragedy. Free enterprise which allows competition in the making of text-books every where has produced the best in that line. One has only to compare the children's books (not only story books, but nature study books) produced by private publishers in England with those produced by Governments in India to see the tragic contrast and to refrain from following the dangerous path of governmental action in the making of text-books. Blue books not text-books are within the competence of Governments.

In education as in other spheres of life Governments must realise what they can do and what they cannot and therefore must not do. Swatantra Government will observe and abide by this law of limitations.

"For God's Sake, Go"

M. R. Masani

MANY members here are perhaps heaving a sigh of relief that this is the last time this particular Lok Sabha will have to go through this exercise, and I would not blame them, because the result is foregone. It is not true, as a matter of fact, that we can hope that this house has lost confidence in the Council of Ministers. I wish it were so, it should be so; but we know that the result is a foregone conclusion. In any event, this is a lame-duck Parliament, whose mandate is nearly exhausted, and whatever value this discussion has is as an educative preamble to what is to follow. Because the real vote of no-confidence is not going to be passed this November nor this December but it will be passed by the people of India next February, and I for one have no doubt whatsoever that, when that time comes, the Congress Party will be soundly defeated at the polls. And it will be a well-deserved defeat; of that there can be no doubt.

Consider for a moment the state of our country today. Consider the state of the nation. On the constitutional front, the Constitution, which many of us were proud to have joined in framing, has been violated over and over again and amended on 18, 19 or 20 occasions. On many of those occasions the amendment was brought in for the simple purpose of trying to undo a judgement of the Supreme Court of India. In the process, the Fundamental Rights have been eroded and whittled away. For the last so many years, the state of Emergency has been made permanent, although there is no question of any clear and present danger to the security of this country. The Defence of India Act and the Rules have become a kind of crutch on which those in office have to rely, without which they cannot carry on the day-to-day administration of a country living in peace.

This state of affairs reminds us of what happened under British Raj, and I shall quote the words of Jawaharlal Nehru under the British to show how very close to that we have come today and how we, on this side, feel that the position is as intolerable as he had in the days of the Rowlatt Act under the British. This is what Jawaharlal Nehru said:

> "A Government that has to rely on the Criminal Law Amendment Act and similar laws, that supress the press and literature, that ban hundreds of organisations, that keep people in prison without trial, and that do so many other things that are happening in India today, is a government that has ceased to have even a shadow of a justification for its existence. I can never adjust myself to those conditions; I find them intolerable."

We in the opposition find ourselves in the same position.

On the front of national unity, far from progress being made, we are steadily going backwards. The country is being fragmented today by encouragement given mainly by members of the ruling party, and even those in government, to all kinds of linguistic controversies, territorial claims of one State against another, the imposition of zonal barriers dividing this country into many sovereign independent States and class warfare of various kinds.

Public Morality

Public morality is the biggest casualty of these last 19 years of Congress rule. We have corruption, jobbery and inefficiency, which have become an established way of life. This kind of corruption has an inextricable link with the regime of statism and controls to which reference has been made. You cannot abolish corruption like this unless you decontrol and wipe out the permit-licence raj and restore economic freedom to our people.

The latest example was given by Shri Trivedi when he mentioned how, while this Government talks of economy and saving of public funds, it creates in the Punjab a Cabinet four times as big as the last one although the territory of Punjab has shrunk to one-third – in a House of 87, 24 members of Government – and in Haryana with a Party of 41 MLAs, 18 have been inducted into the Cabinet! It would seem, the smaller the State, the bigger the size of the Cabinet must be! No wonder that a report from Chandigarh says that those in charge of affairs are wondering how to find 42 rooms of sufficient status for these 42 gentlemen, 42 cars and 42 bungalows in a city which was not prepared for this kind of locust invasion.

I want to challenge even the formation of these two governments. I want to say that the very formation of these two governments is an impropriety. There was no reason whatsoever why these self-created governments, responsible neither to a Legislature nor to public opinion, should have been installed at this stage. Governor's rule should have continued till February and then a new government should have come after the elections. Here is an example of how the power of patronage and bribery is going to be employed to try and doctor the elections.

Finally, as Shri Trivedi has said, even the Das Commission's recommendations have been ignored and four guilty men, unfit to hold office, have now been given the Cabinet rank again.

On the one hand there is corruption, jobbery and patronage, on the other there is abdication of authority, of the responsibility to maintain law and order. Criticism made in this House and elsewhere, which is reasoned and constructive, whether by politicians or by the press, is ignored. How very little of what we say has ever evoked a response from these gentlemen, but when somebody pulls chains, loots godowns and attacks property and person, that very demand is conceded. Now the people have come to realise that with the Congress governments at the Centre and in the States the only way to get something done is to resort to violence and force. This is a tremendous blow to public morality in any society.

I was in Bombay during the Bundh which created a Cabinet crisis in Maharashtra. I have seen and heard people who wanted to exercise their lawful right to go to their jobs or colleges, who asked for police protection but who were refused it. The police stood by while goondas were not permitting men and women to go about their normal avocations. Citizens of Bombay were denied the protection of the law because the Congress Government in Maharashtra, the Home Minister, had said that the police should keep out of it and watch. This created a Cabinet crisis in the Maharashtra Government. It is true that most of those concerned climbed down, but I would like to pay my tribute to one honest Congress Minister who had the guts finally to resign. Shri Shantilal Shah, a veteran Congressman and trade-unionist, stuck to his guns because he was ashamed of belonging to this corrupt, degenerate Congress Government.

Dr. M. S. Aney: Did he say so?

Mr. Masani: He has resigned; he is out. He did not use these very words but that

was the meaning of his resignation; the words are mine.

This morning one of our most experienced, mature and responsible commentators has written an article entitled "The Grimmest Situation in 19 Years", a few sentences of which, I think, I must put into the record of this House. Shri Moolgaonkar, the Editor-in-Chief of the *Hindustan Times* writing under the initials "S.M." – I hope I have not identified him incorrectly –

> "We see today the results which were always obvious to the meanest intelligence of the criminal abdication by Congress Governments at the Centre and in the States of their responsibility for maintaining law and order.
>
> "The situation we are facing in the country today is the grimmest in the 19 years since independence.
>
> "The future of the country is dark for many reasons all of them directly attributable to 19 years of Congress rule."

He goes on:

> "And all because a government which has lost all moral authority to rule is not capable of taking simple precautions in time because of incompetence abetted by the fear of losing a few votes."

Now we have come to this stage of our wonderful system of planning and statism that the location of a steel plant has to be decided not by the laws of the market, not by the needs of the consumer, not by economic considerations but by hunger strikes, burning of trains and uprooting of tracks.

International Sphere

Turning to the international sphere, the mover of the motion has done a great job in delineating in clear language the contemptible nature of our foreign policy. He has referred to the failure on our part to discriminate between friends and enemies, the Himalayan blunders we have committed which have invited aggression and lost us large amounts of territories to the Chinese Communists. We have in Vietnam the failure of this Government to realise that the boundaries of this country lie on the River Mekong and if Communist China cannot be contained there, we shall be encircled by China and its friends all the way from Karachi down to Singapore.

There is a failure to build any kind of a regional collective security system in Asia. Smaller countries are getting together to protect themselves from the Communist bandits. In Seoul there was a Conference where Japan, Malaysia and even so-called non-aligned countries went along with the others and we were conspicuous by our absence. Instead of that we had this pathetic summit the other day about which Shri Trivedi was so critical.

Mr. Indrajit Gupta: Not like the Manila Conference.

Mr. Joachim Alva: Why do you not tell your American friends not to arm Pakistan? They gave massive arms aid to Pakistan which has brought the Chinese at our doorstep.

Mr. Masani: I see, Sir, that my Communist friends on both sides of the House cannot take it.

I was saying that we had this pathetic summit here. Shri Nath Pai, quite rightly, asked the Prime Minister this morning. "Why did you not go beyond pious platitudes?" The answer is obvious, namely, because the three governments that had met are all weak, down-graded governments – governments dependent on somebody or other for economic and military support. There is no strength in their legs. If three weak people come together, they do not become any stronger; they still remain as weak as they were. This was a miserable flop of three discredited governments trying

to bolster one another by helping each other's morale. The result has been a complete failure.

The results of our foreign policy, briefly, are that today we are utterly isolated in the world. We have not got one friend to whom we can turn in time of need. The second result is that we have lost international stature. Our Government's name is mud in the rest of the world because of two things – our self-righteous posture on the one side and our economic mendicancy, going with a begging bowl all over, on the other.

Our Economic Plight

Finally, look at our economic condition today. I saw in the *London Economist* of a few weeks ago a paragraph summarising our economic plight. The *London Economist* is a very sympathetic paper where this Government is concerned.

> "India today", it wrote, "is a land of disillusion. The country has had its self-confidence badly shattered first by the ignominy of defeat at Chinese hands, and subsequently by the persisting economic crisis....The disillusion is aggravated by the fact that things at home have turned out very differently from what the people had been led to hope. Planning is in bad odour because of constant shortfalls. The public sector, far from being a lever of growth, has soaked up resources on which it yields hardly any return. Inflation, which has grown in step with higher plan investments, has increased the gap between income groups and thrown the burden of development on the shoulders least able to bear it."

Can we deny that this is a fair summary or picture of what is going on in this country? This picture is the result of the perverse policies in which this Government still wants to persist. The primary obligations of this Government are neglected. Our telephone service is a scandal. Letters now take three to four days to move from one city to another although there is air transportation. This morning we read a message from Ghaziabad which shows the rock bottom to which this Government has descended, saying that a notice has been put up in the Ghaziabad post offices that no postcards and stamped envelopes are available. The newspaper report goes on to say that they have been out of stock for already three days! Did this ever happen under British rule? This is the first time that this country is sinking to the level of Congo or some backward African State.

While all these basic jobs of carrying out the functions of Government are being neglected, this Government is busy putting up steel plants and trying to make everything that it should not. Now they want to put their hands on foodgrains and the distribution of food, and finally, like a desperate gambler who has lost everything, they are looking with ugly, avaricious eyes at the money of the small depositors – lakhs of them – in the banks of India and wanting to spread their tentacles on them by talking of the nationalisation of banking.

Now what happened about devaluation? We were told that devaluation was for the sake of boosting our exports. Will one of the economic Ministers in his reply tell us in what way our export position has improved since we devalued the rupee? Will they tell us what has happened and to what extend our devaluation has been justified because, when we asked them what it was about, they said that it was primarily for the sake of exports. Our neighbours in Pakistan, whatever we may think of them otherwise, are more practical. The *Pakistan Observer* recently gave the export figures for the last two months in Pakistan. Exports during September, 1966, rose by 29.44% as compared to the previous month of August and, compared to the corresponding month

last year, the exports for September, 1966, are 50.44% higher. While they are doing this, we are wallowing in the aftermath of devaluation because our Government did not have the courage or gumption or intelligence to take the correct follow-up measures.

Then comes this horrible Fourth Plan. This Fourth Plan, if ever it is implemented, will spell the doom of this country. It has all the evils of the Second and the Third Plans in an exaggerated degree. We are told that there is to be no deficit financing. That is a lie. Deficit financing is implicit in this Plan; it is inherent in this Plan. It has already taken place; already in the last six months, which are the first six months of the Fourth Plan period, it is admitted that there was deficit financing to the extent of Rs. 200 crores. Yet, they go on saying in their Resolutions and Manifestos that there will be no deficit financing. If this is not a fraud on this country, I do not know what is.

Then let me say this. Prices are to rise; so long as the Congress Government is there, prices will rise. So long as the Congress Government is there, food shortage will continue. I do not like to be a prophet of doom, but let me put this to the House. If this Government is returned next February, God help us, there will be famine in the country in the middle of 1967 and thousands of people will die.

Shri Ranga: Mr. Subramaniam has said so.

Mr. Masani: Thousands of people will die, if the people return this Government to office next time.

(*Interruptions*)

Shri Ranga: You will see the people's graves.

Shri Raghunath Singh: Famine will depend on Indra.

Shri Ranga: That will be an epitaph written on your Government.

Mr. Masani: A few days ago, my respected friend, Mr. Jayaprakash Narayan, sent a letter to the Press where he endorsed the views of Professor Shenoy in regard to the destructive and deplorable character of the Fourth Plan and asked our Government and our Prime Minister to call him in and listen to his counsel. My friend, Mr. Jayaprakash, is a very noble man, a great optimist.

An Hon. Member: He was the hon. member's colleague.

Mr. Masani: He is still my colleague; I am very proud to be his colleague. He is an optimist. He believes in the goodness of human nature. But I would like to tell him that there is no chance of this set of people ever calling in an honest economist like Professor Shenoy. It may interest this House to know that Prof. Shenoy is today in Ceylon, where a more intelligent government has chosen to call him to listen to his views and benefit by his advice. But this Government of ours will go on listening to those economic mountebanks and charlatans who are sitting in the Planning Commission and who have brought this country to this pass.

Paper Tiger

This is the picture of our country. The verdict should be clear. Such a Government is unfit to exist even a day longer. But there are two fallacies prevalent which may prevent it from being thrown out and I would like to refer to them before I conclude.

The first fallacy is the one which is widely held mostly by the urban intelligentsia: "the Congress is invincible and you cannot defeat it." I have heard this from hundreds of highly educated people, graduates, people with constructive genius, people who have done things: "What can we do? They are hopeless people; they are a menace; they are destroying this country; but you cannot do anything against them." This is a big fallacy.

This Congress is a paper tiger; it is a big balloon with gas in it. It only needs to be pricked. I say that because the facts are that this is not only a paper tiger, but it is also a shrinking tiger. This Congress Party never got a majority of the Indian people to vote for it. Ever since India became independent, not even in one election, even under the leadership of Pandit Jawaharlal Nehru, did they get 50% of the votes polled for the Lok Sabha. The highest they got was 48%.

An Hon Member: What was your percentage?

Mr. Masani: We did not exist at that time! The highest they got was 48%. The lowest was in the last elections, 44.72% for the Lok Sabha elections and yet, with that, they got 72% of the seats, and they have got this fraud of a bogus majority. It only exists because of a fluke in the electoral system. This 44% is not going to exist next year. At the very highest, I would give them 39%, and nothing more. Now the gallup polls...

(*Interruptions*)

Let them listen to a few words. They may work a little harder; they may buck up and get more votes.

The gallup polls that have been carried out this year show a very clear trend....

An Hon. Member: By whom?

Shri Joachim Alva: By one who is the henchman of big business.

Mr. Masani: They have been carried out by the Indian Institute of Public Opinion which is an affiliate of the Gallup institution of America which enjoys international prestige and which our own Government uses when it suits them. The Indian Institute of Public Opinion has polled a cross-section of opinion in the four metropolitan cities, Delhi, Bombay, Madras and Calcutta. In January-February, the Congress support was 60% of those polled. In May-June, it had dropped to 41%. Perhaps we may have thought that this was a temporary decline or trough which would be got out of, but the latest figures for September-October are very conclusive. They show that it still remains 41%.

Shri Shinkre: He is diagnosing a dead disease.

Mr. Masani: I am trying to be helpful. The September-October figures show that it is still 41%. In other words, in the last three months, not even one per cent of the lost ground has been regained and it looks as if that is where they are going to remain. I was asked as to what was the support to our Party. I will give that answer. According to the same poll, the non-socialist parties, which include my Party and the Jan Sangh, and may be other groups, got about 20%; the non-leftist or non-socialist support was 20% in January-February but by May-June it had risen to 42%, i.e. double.

Shri Tyagi: It may be a clerical error.

Mr. Masani: There was no clerical error. According to this poll, the support of the Swatantra Party and the Jan Sangh combined in the four big cities is equal to that of the Congress Party.

This morning the *Indian Express* starts an analysis of the Madras situation with the remark: "People are with the Opposition, but the Congress may yet win." This sums up the prospects in Madras. This is true of the whole country. That is why I am sounding this note of warning to the people who think that just because the people are against the Congress, the position for the Opposition is favourable, and they will be thrown out of office. This may happen or may not happen because of the reasons given for Madras. This is because of the British electoral system which we have adopted, the system which very few 20th Century Constitutions have touched.

Almost all the new countries and the new Constitutions have adopted some system of Proportional Representation, but we in our wisdom chose the British one. The result is that Britain, which has a two-party system, is able to work the British electoral system, but we are not Anglo-Saxons with a spirit of compromise like Englishmen or Americans. We are Latins in our temperament. We are argumentative; we are quarrelsome; we split; we splinter; we form more parties rather than unite. The result is that in our country we have six or seven parties rather than two. When we have six or seven parties, with the group system of the Latins and the British electoral system, we get the distortion which is represented in the composition of the Lok Sabha, that is, 44% of the people electing 72% of the members, and *vice versa*. This is the evil and this has to be eliminated next February. This Government can hardly be expected to bring in a Bill for proportional representation to put an end to their Government and their monopoly of power. But the remedy lies on this side. The remedy lies on this side and the remedy is that we should have what they call in France a "second ballot." In France, when a member does not get a clear majority in his constituency, 50 per cent or more, the two senior candidates are sent back to the polls the following Sunday and the man who gets 50 per cent or more is duly elected. We saw that in the case of Gen. DeGaulle's election as President only a few months ago. Because he could not get 50 per cent, he had to stand again against Mr. Mitterand, and he got 55 per cent and he was declared elected as President. What we have to do on this side, if we have the gumption, the intelligence and the patriotism, is to hold a second ballot in advance, to consider who is the strongest democratic Opposition candidate, and for the other democratic Opposition parties to withdraw and leave him alone in the field for a straight fight between the ruling party and the democratic Opposition.

An Hon. Member: It will not happen.

Mr. Masani: It is happening. I am very glad to say it is happening. I am very glad to say that this process has partially succeeded already. In Gujarat, in Rajasthan and in Orissa – these are the State which we hope to carry–there is a complete agreement between the Jan Sangh and the Swatantra Party about the allocation of seats. And we ought to do this all over the country. We hope that the socialist parties and the other democratic parties will come into this kind of arrangement. This is not an alliance, because there are many things on which we do not agree. It is a second ballot that I have advocated and its only purpose is to remove the inequity of our electoral system and to create a Lok Sabha which really represents the will of the majority of the people and not a minority as this Lok Sabha which is functioning. It is our first target, therefore, to bring into existence, a new Lok Sabha where the balance of power is changed and where the monopoly of power is ended, because that is the will of the Indian people. Then, people ask: "What will happen?" That is not my business. It is the business of the President of the Republic, with the help of the newly elected Lok Sabha, to create a Government that enjoys the confidence of the majority of the Lok Sabha and of the people, and I think we can leave that to the President and to the new Lok Sabha itself.

Fallacy of Stability

This was the first fallacy to which I was referring. Then, there is another fallacy. That fallacy is that the interests of stability require the continuation of the Congress Government. Many of my rather cowardly business friends have been misled into believing this. It is complete nonsense.

There is one situation alone in which the stability of this country and the continuation of our democracy can be secured and that is by a change of government in Delhi next February-March. If that does not take place, I warn the House that this country will drift in the direction of Ghana and Indonesia. For, if 60 per cent of the electorate rejects this Government and yet it comes back with 55 or 60 per cent of the seats, then I say with all responsibility that, though I may accept the verdict of the Constitution such as it is, and I may bow to the quirks of the electoral system, the common man is not such a sophisticated democrat and he would not understand this, and he will not understand a discredited and demoralised government, after nineteen years of misrule, being rejected by 60 per cent and yet coming and sitting here, saying: 'I shall rule for five more years'.

Shri K. D. Malaviya: Would my hon. friend allow me to put a question? In a public limited company where there are thousands of shareholders, will my hon. friend accept a change in the system of election of the directors and will he adopt the system which he has now advocated?

Mr. Masani: Most certainly. I believe in the rights of the shareholders to change the board of directors at any time when the majority of the shareholders want it.

Shri Raghunath Singh: What about proportional representation?

Shri Shinkre: Should my hon. friend compare our country to a public or private limited company?

Shri Raghunath Singh: Will he accept proportional representation in joint-stock companies?

Mr. Deputy Speaker: The hon. Member should try to conclude now.

Mr. Masani: I hope I would have another five minutes without these constant interruptions.

I was saying that this is not the party on which the country can rely for stability. This is not the party that will protect the country from chaos or communism.

Shri Ranga: See what is happening all over.

Congress Invitation to Reds

Mr. Masani: The Congress President publicly invited the communists to get back to the Congress. Was that a way of protecting the country from communism? During and after his visit to the Soviet Union, he made some amazing statements which I would like my my hon. friends opposite sitting there, who are not communists, to consider. First of all, he was impressed even by Soviet housing and agriculture. What a joke! Anyone who follows the Soviet press knows that one of the biggest criticisms is that there are two fields to deliver the goods; one is homes for the people and the other is food for the people. That is why the Soviet Union is selling millions of dollars and pounds of gold to buy food for their people. This is what our wonderful Congress President has learnt. Then, he made a remark after announcing this wonderful success:

> "On seeing your progress we are enthused that we can make similar progress in the same way as you have done. Your planning can be a guide to our own material advancement."

This is from a party that is going to protect the country from communism! Then, he misread history and would have liked to rewrite it, for, Mr. Kamaraj Nadar said:

> "The Soviet Revolution undoubtedly inspired India in its struggle for freedom."

Poor Mahatma Gandhi, poor Mahatma Gandhi who abhorred communism and who had no use for the October Revolution,

evidently got inspiration from Lenin and Stalin! And then we find Mr. Kamaraj was eager in Budapest to learn how the democratic process of electing Members of Parliament was managed in a one-party State, namely, Hungary. Was that a preparation for democracy or for a one-party dictatorship in 1972?

Fascist Tendencies

Our Prime Minister too has been showing very unfortunate tendencies of a Fascist kind. In Srinagar, according to the *Hindustan Times* of October 2, she said that there was no need for a second party in Kashmir, talking about Bakshi Ghulam Mohammed's Opposition. If there is no need for a second party in Kashmir, she may now go on to say that there is no need for a second party in any part of India, and in fact, she said so. At another meeting in India, she said that the slogan should be 'One nation, one team.'

Shri Ranga: What a shame!

Mr. Masani: What does 'One nation, one team' mean?

Shri Tyagi: Unity.

Mr. Masani: 'One nation, one team' is a totalitarian slogan. In any democracy, the slogan should be 'One nation, two team', one in office and one in the Opposition. That is the very basis of parliamentary government enshrined in our Constitution. I hope this remark does not indicate a consistent Fascist tendency on her part also.

If this Government does not go, then it is not only going to destroy the Congress Party and the Government but it will destroy the country. It will bring down the pillars of the stability of our country, of its economy and social life.

I remember in this very House, in this very Chamber, as a Congress Member of the Opposition, during the days of the RIN Mutiny, I made a speech here, and I said to the British Government once sitting there: 'For God's sake, go. Get out of this country while there is still order, administration and some stability, because if you hang on to power in India any longer, there will be no authority left; there will be chaos and you will destroy this country before you go.' And I say this today to these men also: 'For God's sake, go while there is some administration and some order. Do not destroy the country before you go.'

(Based on speech delivered in the Lok Sabha on November 2, 1966 during the debate on the No-Confidence Motion.)

"I look upon an increase in the power of the State with the greatest fear, because although while apparently doing good by minimizing exploitation, it does the greatest harm to mankind by destroying individuality which lies at the root of all progress."

—GANDHIJI, *The Modern Review*, 1935, p. 412

Swatantra and Planning

N. Dandeker

EVERYONE must obviously plan his affairs as far ahead as may be practicable; that includes also the affairs of a nation and of its Government. What is important, however, is the nature and character of such planning. The Swatantra Party believes in non-authoritarian and wholly consultative planning; also, in planning within available resources. That is to say, Government must be primarily concerned with planning its own functions within the limits of solvency; and insofar as planning for the development and economic growth of the country outside the sphere of the infra-structure of Public (Service) Utilities and Public (Physical) Utilities is concerned, this should be done almost entirely in consultation with industry and organised labour.

The result of planning in this truly democratic way,—which is what the Swatantra Party supports,—would be what the French call "concerted and indicative planning" that is to say the concerted effort of all concerned and indicative of the aggregate main "sector targets" of growth to be achieved and also the break-down of such targets of growth into all the numerous subsectors of the economic structure. The result would be number of sector and subsector plans for all the major fields of national economic activity. Such planning is non-authoritarian in the sense that the State does not either impose targets or enforce their implementation. Thus, the Swatantra Party is more inclined towards planning on the French pattern, known as the "Monnet" approach to planning.

The role of the State in achieving planned national growth falls into three categories, in three priorities. First, there is an enormous field to be covered and investment to be made in the infra-structure of physical utilities, notably road transport, railways and harbours, power, communications and so on. The major primary effort of the State must go into developing this infra-structure not only rapidly, but to the point at which it is always ahead of the requirements by a margin of at least 5 to 10 per cent. The second priority for State activity in relation to planned growth would be largely in the field of service utilities as law and order, education, particularly technical and management education, family planning by all available methods, water supply, hospitals and medical education, sanitation and public health. These are essential "social overheads", which also add to the national income and to family income. Thirdly, and this should come last even in an under-developed economy, the State may *if resources were available* occasionally and very sparingly undertake exceptional industrial projects of a kind which may be regarded as essential to self-reliant industrial growth, but which require heavy capital outlay and involve long periods of gestation before reasonable return on capital can be expected. Projects of this kind, e.g., steel plants or oil exploration should not, however, be undertaken with a view to achieving prestige or self-sufficiency. Under this category should also be included those projects of great urgency where it is necessary quickly to supplement private efforts by projects in the government sector; for example, the installation of fertiliser plants.

Thus if the Swatantra Party came into

power, there would be a number of material changes, compared with the present methods of achieving planned growth and development. In the first place, planning would become far less authoritarian and more consultative. Secondly, its implementation to achieve indicated targets would be more voluntary than compulsory, especially insofar as growth in the private sector is concerned. Thirdly, there would be great emphasis on agriculture, particularly in the matter of doing away with ceilings on land holdings, abolishing land revenue and restrictions on the free marketing and movement of foodgrains, making ample supplies of better seeds and agricultural tools and implements available all over India, providing ample supplies of fertilisers of appropriate kind in the various parts of the country, and particularly in making a drive for the maximum utilisation of existing irrigation capacity, which at present is utilised only to the extent of 60 per cent. In all these and many other directions there are grave deficiencies all over the country; so too in the matter of minor and medium irrigation works at the village, taluka and district level. Fourthly, there would be greater emphasis on consumer industries and the multifarious range of light engineering industry, rather than on heavy engineering industry. Fifthly, there would be greater scope and freedom for growth in the private sector than in the government sector; and Gold Control would be abolished. Sixthly, so far as the government sector is concerned, there would be emphasis on the growth and development of the infra-structure utilities. Lastly, there would be a steady and purposeful drive gradually to dismantle the whole pernicious apparatus of controls and licenses, permits and quotas. There would be planning, nevertheless; but it would be more on the French pattern than on the pattern, largely Russian, hitherto followed in India.

As regards existing planning machinery and processes, the Swatantra Party would like to see changes in several directions. First, the Planning Commission, which has become a super-governmental organ responsible to no one would be abolished. It would be replaced by a number of Small Planning Committees, whose position and functions would be entirely advisory. The Main Planning Committee would, at the outset and in consultation with the "Economic Affairs" Ministry, the Reserve Bank of India, Economists, organised industry and organised labour, indicate the first approximations to the general (overall) targets *thought to be attainable*, such as those of national income-growth, consumption growths, savings and investment growths, gross-national product growth, etc. This would furnish the initial framework within which detailed plans would have to be worked out. Secondly, there would have to be a large number of separate Planning Committees, similarly constituted, for the planning of the infra-structure in the public sector, the planning of public sector functions in agriculture, and the planning of specific (main industries) in the private sector. These Planning Committees would be tripartite, consisting of representatives of Government, Industry, and of organised labour assisted and advised by experts. It is these committees which should really draw up the detailed sector-wise plans. Thirdly, there would have to be another independent Resources Committee for estimating and planning of resources, especially for the planned growth of infra-structure and of public sector functions in agriculture and industry. This Committee could usefully function only after the other planning committees had reported. Fourthly, there would have to be corresponding machinery and processes at the State level also. The reports of all these various Planning Committees, including that of the committee for resources, would

then go back to the main Planning Committee to decide priorities, to take final decisions on conflicting recommendations, to collate the results into a draft (outline) plan, and in doing so, to consider what modifications would be necessary in the initial general framework of the main targets for the Plan. The limiting factors would specifically be resources in men and money, organisation and administration; and all wishful thinking, divorced from realities, would be eschewed; so, too, the curse of deficit financing and excessive borrowing. The resultant draft plan would then be published for general public comment and suggestions, whereafter final plan would be drawn up by the Central Government incorporating such modifications of the draft plan as might be considered desirable and feasible.

As regards the Prime Minister's association as Chairman of the Planning Commission and also the practice of other members of the Cabinet as members of the Commission, neither the Prime Minister nor even, perhaps, the Finance Minister, should come into the picture at the first stage, i.e. when planning the main tentative framework of the plan. At the second stage, i.e. of detailed plans to be drawn up by the various planning committees, only the Ministers concerned should come in. The Finance Minister should come in largely, if not entirely, at the third stage, namely, in connection with the planning and estimating of resources. And it is only at the final stage, when the reports of the various planning committees, including that of the committee for resources, go back to the main Planning Committee, when decisions would have to be taken, priorities to be determined and a comprehensive draft plan to emerge, that the Prime Minister should come in. In other words, the Prime Minister ought to come into the picture for deciding between conflicting claims, determining priorities in the light of available resources, according acceptance to the final plan as a whole, and above all, to lend his weight to the implementation of the plan rather than to the early process of planning as such.

As for participation by Parliament in planning, at present it acts merely as a rubber stamp in endorsing a plan that has already been evolved and finalised. It hardly comes in at the formative stages, although the Congress Party as such does come in to some extent by way of furnishing the background aims and objectives. Planning is a highly technical matter and should proceed as a technical exercise in the way indicated earlier. Otherwise, if Parliament came into it at the formative stages of the Plan, it is likely to become a battlefield motivated by political considerations, rather than a technical exercise in the difficult business of planning for economic growth. To put it in another way, Parliament in the sense of the ruling party will have already indicated the general socio-economic objectives of planning; and that should be enough. The detailed drawing up of the plan, including the sectoral plans, the mode of financing it, the problem of resources, and all other various problems that will necessarily arise in the course of drawing up the plan and implementing it over the years are not really matters in which parliamentary procedures would be proper or calculated to achieve the best results. It follows that, as at present, Parliament must of course approve the plan as a whole in general terms. But its main functions would be concerned with periodical "stock taking" at the time of the annual budgets.

Planning is a highly technical matter and the idea that the Planning should be composed wholly of experts is attractive; but it is not practicable, especially in a democracy. The experts should be concerned more with the "How's" of achieving certain major objectives rather than with "What" those objectives should be, even though the

"attainability" of given objectives at a *practical level* should also be a matter for the experts to advise upon. For example, it is probably right that it should be a political decision as to what rate of growth should be initially aimed at. But it is equally true,—but which is being ignored in India, —that the question whether such a rate of growth is achievable or practicable in a democratic framework, even with the best of effort and at reasonably constant price level, and if so how, are matters upon which only the experts can advise.

The present method of setting growth targets, which are largely political, have ignored these limiting conditions completely. The feasibility aspect of a given rate of growth, e.g. such question as: what is likely to be the achievable rate of growth on a consideration, by "regression analysis", of the rate of growth actually planned and achieved during the preceding 15 years, at constant prices?—is even now being completely ignored. Secondly, the question whether, even with the best will and effort in the world, a given magnitude of resources can be raised in a democratic context by taxation supplemented by external and internal borrowings, without other foreseeably undesirable and contrary consequences (e.g. inflation, disincentive to saving and/or investment, etc.) is also being ignored. The result is a great deal of wishful thinking on the subject of plan size and resources, and filling up the "gap" between the two by excessive external borrowing (for foreign exchange) and deficit financing (for rupee finance), or leaving it "uncovered". Furthermore, deficit financing having now acquired a great deal of disrepute, the result of non-expert handling of these issues is a strong tendency to play down the estimates of plan expenditure and outlays and therefore the estimates of resources required on the one hand, and to exaggerate the resources likely to be available, on the other, so as to deliberately minimise the "gap" between the estimated resources and likely outlay. This happened with the Third Five Year Plan and is definitely happening now on the Fourth Five Year Plan, which is based on the fradulent claim that there will be no deficit financing at all. In respect of all these matters, it should be the job of the experts, not politicians, to lay down the law. Judgements of these matters cannot safely be left to political decisions without serious danger of under-estimating plan expenditure and outlays, over-estimating resources, and thereby minimising the extent of deficit financing required to bridge the (underestimated) gap between the two. While leaving an "uncovered-gap" has its own grave dangers, the pretence that there is no gap at all is plainly fradulent.

"We must have the ability and courage to subsist on what our soil can give us rather than depend on foreign charity. Otherwise we shall not deserve to exist as an independent country."

—GANDHIJI, *Harijan*, 6-10-'46

Which is the Rich Man's Party?

H. P. Mody

THIS is a really intriguing question which involves mathematical calculation of the number of Maharajas, Rajas, Nawabs, Talukdars and Business tycoons who have thrown in their lot, either with the Congress or with the Swatantra Party. Before I engage in any such exercise, it is necessary to consider what exactly constitutes a rich man. Is it the mere possession of wealth that counts? Are we not to include in that category the new class which has sprung up in the last two decades – men who may not possess a fat bank balance, but who still live like those who have.

First in this category we must place our Ministers. In the technical sense, they cannot be classed amongst the rich. Most of them had no particular occupation or means before they came to office, and their salaries may be said to be comparatively low and inadequate for the needs of the large families which were the fashion, amongst rich and poor alike, in the good old days when family planning was unknown. But does that really matter, so long as they can manage to live in fine houses, have free use of expensive cars, run up large electric, telephone and telegraph bills, and enjoy unlimited facilities for rail and air travel? Wherever they go, these servants of the people have to be heavily guarded; District and Police officials are in constant attendance and there is an unending succession of receptions, entertainments and public meetings. In such circumstances, what Ministers would mind being poor? They have all the advantages which wealth can give without having to pay for them.

A little lower down in the scale are the Ministers of State, Deputy Ministers, Parliamentary Secretaries and the like. They, too, have all manner of privileges and seem to be doing very well with their poverty.

This pomp and pageantry are not confined to the rulers of the land. The President of the Congress, for instance, while he has no official position, seems to enjoy a status of his own next only to that of the Prime Minister. His tours are a most elaborate affair, and when he recently went abroad, a Minister of a State Government was included in his entourage, and plenty of foreign exchange was made available for the occasion.

We now come to Maharajas, Rajas and others of that ilk who have hitched their wagon to the Congress star. I have before me a list, specially compiled, of their political affiliations, and it is a revelation of the extent to which the old Princely order has been absorbed by the Congress. From the point of view of wealth, income or position, these followers of the Congress greatly outnumber those of their class who are to be found in the ranks of the Swatantra Party. What fun it would be, if an occasion were to arise to let off at one time all the salute guns to which these Congress supporters are entitled; Delhi and its environments might suffer from a severe concussion!

We now come to the Business tycoons in our country. Whether the predominant motive is that of fear or expectation of favour, practically the whole of this class has been feeding the Congress with funds, which have helped it to consolidate its position, and more especially, to fight the Elections. The political history of these last few years might have been very different,

if Big Business had known how to assert its position and employ its resources. As things are, the Congress has been soaking the rich and at the same time living on them, thanks to the paralysis which has hitherto overtaken that class.

As in other walks of life, there is a section of businessmen which has done great damage to the image of that class. It consists of tax dodgers, manipulators of companies' funds and practitioners of other kinds of fraud. They seem to have a working arrangement with the bosses of the Congress; their sins are often overlooked, or lightly dealt with, in spite of public exposure. The inference to be drawn from the special tenderness shown to this tribe is pretty obvious. And yet, the Home Minister has the nerve to keep on asserting that the Government is doing all it can to root out corruption and has largely succeeded.

Coming back to the question, "Which is the Rich Man's Party", I think I have said enough to show that the "commanding heights" in the kingdom of the rich are held by the Government and the Congress, and that the Swatantra Party is leagues behind in the race. But the Party is rich in other ways. It has a devoted body of workers who passionately believe in the fundamentals of Freedom and Democracy, and who hopefully look to the Electorate for giving them a chance to restore law, order and good government in the country.

CONTROLS

"The authority directing all economic activity would control not merely the part of our lives which is concerned with inferior things; it would control the allocation of the limited means for all our ends. And whoever controls all economic activity controls the *means for all our ends, and must therefore decide which are to* be satisfied and which not. Economic control is not merely control of a sector of human life which can be separated from the rest; it is the control of the means for all our ends. And whoever has sole control of the means must also determine which ends are to be served, which values are to be rated higher and which lower, in short, what men should believe and strive for."

—F. A. HAYEK, in *Road to Serfdom*

Swatantra and Businessmen

Charanjit Rai

SOME of the political parties have intentionally tried to identify Swatantra Party with businessmen. Swatantra Party is not chary of this identification. The only regret is that this identification is being made a subject for a shameless sneer with an aim to malign Swatantra Party.

I would like to analyse how this identification has come about and why it is completely superficial.

The Swatantra Party and the Businessmen have been correlated because the Party has advocated, in every possible way, from every forum, a comparatively much larger freedom of activity for this class, for it believes that the businessmen are capable of playing a positive role in our society. This section of the community has a vast potential to uplift the economy of our country. The Party is convinced that for this class to play its part properly, a congenial atmosphere has to be provided.

It will be erroneous for anyone to bracket the Swatantra Party exclusively with the businessmen. That has been done maliciously by some vested interests. This correlation is applicable as much to every other class of people (say, peasants, doctors, lawyers, engineers, architects, in fact, all self-employed people) as with businessmen, because the Party advocates greater freedom for every individual. It is much more apt or reasonable to identify Swatantra Party with the people of India in general. The Congress has intentionally tried to bracket our Party with business class whom it has constantly condemned in public as anti-national. The purpose is obvious. The Congress faces a genuine threat to its supremacy from this Party.

Let me further explain why Swatantra Party advocates this freedom. It does so because of its firm conviction that denial of freedom to any individual to engage himself in any economic activity is a negation of democracy. Congress is denying this freedom and still talking of democracy. This it is doing just to mislead the people. Swatantra Party completely depends for its philosophy and ideology on democracy. Congress, on the other hand, stands for gradual state monopoly of means of production and distribution, which in turn necessitates curbing of individual economic activity. Swatantra Party stands for free enterprise of which freedom is an essential concomitant.

But that does not mean that Swatantra Party favours businessmen. It may seem paradoxical but it does not.

I do not mean to offend anyone but Swatantra Party's interest in the business community is only indirect or incidental. A businessman in the eyes of this Party is only a means to an end. The Party is interested in the welfare of the consumer. Coincidentally, the interest of the consumer is best served by allowing the businessmen substantial freedom to start industries and engage freely in any economic activity.

In the event of uncontrolled economic activity, there is bound to be competition, which is necessary for economic growth. Where there is competition, the consumer has a choice to pick and choose his necessities. There will be a number of people producing the same articles. In a competitive market, only the best in respect of quality and price will survive.

The businessman in his own interest has to be scrupulous and efficient. The unscrupulous and the inefficient will automatically go to the wall. Under the present system, where there is a more or less monopolistic market, when there are only one or two sources of supply of goods, the common man is the sufferer. The businessman alone gains. He can push any quality at any price because he knows that people have only one door to knock at and that is his. Swatantra Party stands for breaking this abominable totalitarianism in economics, whether it be in the Government sector or the Private. Monopoly in any sector stinks, and the system of licensing breeds this unhealthy atmosphere. This system adopted by Congress of permitting only a few to embark on the manufacture of a commodity creates sheltered coasts (for those few) in the sea of economy. The worth of a vessel can be known only when it is left on the roughness of the sea along with others.

Our Party despises monopoly because it tends to bring inefficiency and complacency in production. It can make the manufacturer unmindful of the cost of production or in other words, it raises the cost of production. The manufacturer is not obliged to worry so much about quality too.

It is, therefore, evident that Swatantra Party's advocacy of the businessmen springs from the Party's concern for the consumer or the common man. That is why I call the identification of the two not as real as it is made out to be. The label of the Party that is a spokesman of the businessmen is a deliberate twisting of the truth of the correct motive of the Party. The motive of the Party is the well-being of the people. It does not mean in any way a concern for the businessmen as businessmen. It has at heart the welfare of the consumer and freedom of economic activity for the businessmen is only the means. The end before the Party is the common man; the means to achieve that end lies in the businessman.

We plead freedom of economic activity, and businessman, like any other self-employed person becomes the agent who translates this precept into practice. Let me make it clear that if these agents do not undertake to do the job in the spirit in which it is intended and instead create monopolies amongst themselves, do profiteering or black-marketing, we do not stand for them. The common man, the consumer, must be protected. We mean to stand by it and any interest that clashes with it is of no consequence.

The Swatantra Party agrees that there are some businessmen who vitiate the atmosphere of scrupulous business. It, however, does not, like Congress, condemn the business community as a whole because the Party knows that life is an admixture of good and bad, smiles and sniffles. Every class of humanity has diversity of shades in its constituents, right from milky white to pitch-black. All generalisations are half-truths and the Government's condemnation of the business community is less than a half-truth.

One must rationalise why some people do not behave honestly. Such a section of the community is unsocial because it finds the ground fertile for their nefarious dealings. Temptation is the most degrading influence, and controlled economy is the biggest temptation for anti-social economic activity. The Swatantra Party knows this and is, therefore, against it. It does not believe in first germinating one thing and then destroying it. The attempt should be not to allow the initial growth. The Party prefers preventing rather than curing. That is why it advocates a freer economy. A businessman can take advantage of the consumer only because he knows that by virtue of his licence, he is at the vantage point. If he were to know that he is up against many

others, he will have to survive by virtue of his efficiency.

Knowing this, why is Congress pursuing this policy? Or let me put it in a different way. Knowing that Swatantra Party stands for breaking the shackles in which the businessmen are caught today, why do businessmen favour Congress? I have said it in two different ways because here the traffic is two-way. The businessman, who has got used to making easy money in the controlled economy, dreads the competition of a free economy. And Congress, which has an eye on political power and elections, can oblige businessmen only in a controlled economy to take their share of the easy money. It has become something like a 'mutual-benefit-society.'

If anyone has an impression that all businessmen are generally in support of the Swatantra Party, he is greatly mistaken. It is only a small number that is sympathetic towards it. As a businessman myself, I should know.

The collusion of the Congress and the businessmen enjoying licensing and quotas is really an unholy one. It is an odd combination of the hounds and the hare. But this connivance is a two-way attack on the poor masses. The common man is being squeezed both ways. Congress Government protects businessmen from competition by issuing licences, permits and quotas, thus allowing the unscrupulous amongst them to make large illegal profits at the cost of the consumer; in return Congress gets a part of the illegal gains to remain in power. The worst part of it is that all this is done in the name of Socialism. Swatantra Party categorically rejects such Socialism. The Swatantra Party knows that professing this kind of socialism is a short-cut to power but it will not barter the betterment of the people for a political end. It presents a different, definite and much better alternative to the people.

If the object was to seek popularity, one could adopt so many slogans. But this is not our goal; we must, unlike the present rulers, be sincere and honest. It is only then that the masses would have confidence in us.

Socialism is a catchy slogan, but the Party would not adopt it, for it is convinced that the Party's principles are the only ones that will lead the country towards prosperity. It would not change its ideology for the sake of getting quick popularity.

We would rather choose to fight a long holy war than win a short ignoble battle. The Congress and the businessmen, under the present system of controlled economy, are together to benefit each other at the cost of the common man. The Swatantra Party and businessmen, under a system of open competition, would mean an alliance in the interest of the common man.

Swatantra and the Minorities

B. P. Singh

THE Swatantra Party is a national party and has been founded for the moral, social and economic uplift of all classes of the Indian people. It has a firm faith in social justice, as its first principle states:

"The Swatantra Party is pledged to social justice and equality of opportunity for all people without distinction of religion, caste, occupation, or political affiliation." It recognises the fact, that since times immemorial India has been a land of many religions, languages, and cultures, which have been flourishing side by side and which still hold the affection of the people. The Hindus form the majority of the Indian population, and the principal minorities include Muslims, Sikhs, Parsis, Christians etc. Both the majority and the minorities, though loyal to their motherland, are not prepared to give up their own distinctive ways of life. Swatantra Party appreciates this fact and consequently does not want to thrust upon them a certain type of religion, language and culture.

There has arisen a school of thought in India, which insists that for national integration cultural integration is essential. They forget that integration, whether national or cultural cannot be forced; it can, if at all, be brought about through tolerance and mutual respect. The cry of "one nation, one culture, one language" is perhaps the greatest impediment in the way of national solidarity. If loyalty to country of the various cultural groups is not in doubt, there is no harm in having many cultural groups existing side by side. Our country should be proud to look like a garden, in which flowers of different colours blossom at the same time adding to the beauty of the garden.

The Swatantra Party is of the opinion that the present Congress Government has been guilty of injustice to minorities with regard to their rights as a few examples taken from the treatment of Muslims will show. The Muslims, being the principal minority of India, and with most cogent reasons of complaints against the Congress government, I have confined my examples to them in this article.

There are people who suspect the loyalty of the Muslims, but they should remember that loyalty like love cannot be extorted. They should realise that loyalty is a feeling born of gratitude for the generous treatment received from others. The behaviour of the Muslims at the time of the last war with Pakistan has shown that they are as loyal to their motherland, as any other Indian community. Those who accuse Muslims of disloyalty should search their own hearts and ask themselves whether Muslims in India have received generous treatment at the hands of the majority government since independence.

Is it not a fact that Urdu, one of the Indian languages mentioned in our constitution and spoken by substantial proportions of all classes of people in certain Indian States and in which for certain historical and pragmatic reasons Muslims are especially interested, has been systematically suppressed by the majority controlled governments? Is it justice that this language has not been legally given even the status of a secondary regional language in the states mentioned above, while all other modern Indian languages, mentioned

in the 8th Schedule of our Constitution, have become regional languages in various States? Is it also not a fact that the distinctive character of their most important institution, Aligarh Muslim University, has been sought to be changed, much against their wish in spite of the assurances given to them in the Constitution of India? Or can it be denied that Muslim children have been forced in U.P. to study stories of Hindu Mythology, which are objectionable even to the rational elements of the Hindu society? Such treatment cannot inspire confidence amongst the minorities.

Whatever may be the historical reasons for mutual distrust between the two communities, wisdom now demands that both should live in peace and harmony. There is really no alternative to friendly co-existence. The Hindus cannot liquidate the sixty millions Muslims in India, nor can the Muslims now hope to get another homeland.

When we think of loyalty, we should not forget that there are others in India, whose loyalty is not beyond doubt. For example, will the Communists of India, most of whom are Hindus, remain loyal to the country in face of an attack from China? India has communist enemies across the border, it has communist saboteurs inside the country. Can it afford to antagonise the sixty million Muslims and throw them into the lap of the communists? Indian Muslims, being deeply religious, are not natural friends of the communists. But if they continue to feel suppressed on account of narrow-mindedness of the majority community, then there is every chance of their joining hands with the communists who are promising to give them all kinds of linguistic and cultural rights.

What do the Muslims want? Are they making impossible demands? Do they want another partition of the country? If so, we can plainly tell them to go to Pakistan. But at the same time, we cannot deny them the right to preserve their way of life, which has been guaranteed to them under the Constitution.

All India Muslim Majis-e-Musharawat, which represents the feelings of a large number of Muslims in the country, is not a fanatical organisation. It has issued a Manifesto containing apparently demands of the Muslims, but actually they represent the demand of all the Indian minorities. Their nine point Manifesto is not a list of impossible demands. It only seeks to preserve in India the Muslim way of life. Unless one is opposed to the very existence of Muslims in India, one cannot deny them the right to preserve their Personal Law, the distinctive character of their institutions, and the right to educate their children in their own language.

In Musharawat's demand for proportional representation is also one which most opposition parties will find acceptable. The present electoral system is distorting democracy by allowing the formation of majority Governments on minority votes. Securing only 36% of the valid votes cast in Uttar Pradesh in the 1962 General Election, the Congress party captured 58% of the seats in the State Assembly and has formed the Government which does not enjoy the confidence of the remaining 64%. Democracy cannot function properly, if the majority of the people and the Government do not find each other in tune. Such a situation can be prevented, if we adopt the system of proportional representation.

Other demands of the Mushawarat such as payment of compensation to victims of riots, provisions of pensions etc. are quite innocent and no civilized Government or political party should have any difficulty in accepting these.

The Swatantra Party can take the credit for having conceded the rights of the minorities, which the Mushawarat now demands, long before the latter had come into existence, and formulated these demands.

Swatantra Party in its Statement of Policy has said....." The party believes that every citizen has the fundamental right to educate his children according to his choice in a free atmosphere untrammeled by official directives. The party will work for full facilities for such education without discrimination, such as by refusing grants or putting restrictions and handicaps where religious education suitable to various denominations is given."

It has further said..... "In pursuance of its fundamental principles, the Swatantra Party will make no discrimination against benefactions and charitable endowments made by donors and testators for the benefit of any community or communities of their choice but will encourage the spirit of giving for the benefit of the less privileged when the giving is either in general terms or for particular communities or for particular purposes."

Swatantra Party is sympathetic towards the minorities not only for the sake of their votes, but also because it stands for an ideology, which gives maximum freedom to the individual. A party which concedes to individual the right to choose his own way of life cannot deny the same to a group of individuals or the minorities. A true Swatantriate can never accept that the majority or the State has the right to obliterate the distinctive features of the different cultural groups of the country. Mr. Masani M.P. the General Secretary of the Swatantra Party had correctly represented the Swatantra point of view when, speaking in the Lok Sabha on the Aligarh Muslim University Bill, he had said:

"Articles 30 of the Constitution conferred the right on all minorities to establish and administer educational institutions of their choice. It should not be diluted, because ours was the strength of unity in diversity, ours was the strength of multi-national, multi-racial and multi-religious denominations being assimilated into one. That synthesis could not be achieved overnight. That being the case, it was very important, that we did not do anything to weaken this multi-denominational nature of our Constitution and our society."

"Hindustan belongs to all those who are born and bred here and who have no other country to look to. Therefore, it belongs to Parsis, Beni Israels, to Indian Christians, Muslims and other non-Hindus as much as to Hindus. Free India will be no Hindu raj, it will be Indian raj based not on the majority of any religious sect or community but on the representatives of the whole people without distinction of religion. I can conceive of a mixed majority putting the Hindus in a minority. They would be elected for their record of service and merits. Religion is a personal matter which should have no place in politics."

—GANDHIJI, *Harijan*, 9-8-'42

Swatantra and the Common Man

J. M. Lobo Prabhu

THE Congress has been creating the impression that the Swatantra Party is of the rich and for the rich. With confidence in its principles and perhaps with some contempt for misrepresentations, the Swatantra Party has not emphasised that more than any other party, it stands for the common man. In fact, it was established mainly because the Government was encroaching, through laws and plans, on the freedom of the common man, on the presumption that he was a fool or a knave. The Swatantra Party has since tried to restrain the inroads in the constitution, administration, agriculture, trade, industry, and even the common ways of life, which the Congress Party has been making, ostensibly on ideological grounds but essentially to strengthen its power and finances. Its principles and personalities are polarised for perpetuation of the party. Any examination of the principles shows that they serve the rich and powerful while the opposition of the Swatantra Party is on behalf of the common man.

The Swatantra Party has opposed the Permit, licence, quota raj because it replaces the competition from the common man in favour of monopoly of licencees, who invariably support the Congress. Without competition, licences restrict investment to those who already have them or who can obtain them with money to officials and partnership to politicians. The involvement of ministers in the Jeep Scandal, the Mundhra cases, the Sirajuddin frauds and recently in the Jayanti Shipping forgeries and embezzlements are only examples of money and jobs traded for political and official favours. Not only is other enterprise and finance lost to the economy but the cost of favours is added to the overheads and passed in the prices that are paid by the common man. Secondly, the lack of competition affects production in respect of quality and price. Our prices are, even after devaluation, 200 to 300% above world level; for instance our deisel engines priced at Rs. 3,000 being available abroad at Rs. 1,000. The extraordinary premium on imported items is a reflection on comparable articles of our production.

If our consumers have to put up with such production, they have no other alternatives in the circumstances of the protection provided for all our industries except agriculture. In respect of distribution, the lack of competition provides opportunities for blackmarket for those with licences and for smuggling for those without them, with higher prices to be paid by the common man. Food is the worst example of this. In 1952, after controls were suspended, production rose by 33% in three years and prices fell by 30%. Nonetheless, because of a price spurt from the ambitious Second Plan, controls were reimposed which have raised the wholesale food index from 86.6 in 1955-56 to the present index of 200 and more rising everyday. Even after a most favourable monsoon like the present, the Government is not content with a levy at source but must maintain zonal and other controls because as T. A. Pai, a previous Chairman of the Food Grains Corporation explained, the State Governments want to favour blackmarketeers and smugglers. Similarly rationing is entrusted to dealers in return for political and financial support

of the party. Competition, for which the Swatantra Party stands would have assured an economic price both to producers and consumers, without favouring middlemen, including Co-operative Societies, who are creating scarcities from scares. In opposing permits, the Swatantra Party is therefore with honest producers, distributors and consumers against persons enabled by the Congress to enrich themselves and it at the expence of the common man. It is a shame that our press, experts and others who know this, should join the Congress in a conspiracy to deceive the public that controls are in favour of the poor when they are only in favour of the rich and the Congress Party which they maintain. If the Swatantra Party was for the rich, it would have made common cause with licencees, who are now the richest on their accounted and more on their unaccounted incomes. In opposing controls, the Swatantra Party indubitably establishes that it does not care for wealth coined from the woe of the people.

Secondly, the Swatantra Party has opposed the Statism of the Congress Party, particularly Nationalisation, because it creates a monopoly for Government for extravagance, at the expence of the common people. In Agriculture, by deceiving the tillers that the land is for them, the Land Reforms have only transferred land to the Government. Sri Mohite, Deputy Minister maintained that in Maharashtra, the most advanced State in Land Reform, only 15% of the tillers have become owners. In the Mysore State, the Land Reforms Act, which came into force a year ago has led to nearly every owner asking for resumption of land, which following Rajaji's lead in Madras, other States had assured to the possession of tillers since 1937. Because the provisions of the law are ambiguous, there will be protracted legislation for many years about which land is resumable. In the meanwhile both owners and tillers will be more engaged in courts than in cultivation so that Mysore Land Reforms will create, as Sri T. A. Pai stated, only uncertainty and loss of agricultural productivity. Even if the tillers win and the land is declared unresumable, they gain very little, because they will continue to be tenants of government under more strict terms which include eviction for failure to personally cultivate for two years, for subdivision, transfer and for permitting fallows. They are not much better off, if they elect to become owners because the premiums to be paid by them for twenty years will be assessed at the present high prices and in any case will add to a total payment much higher than the rent they now pay to the owners. In any case, their ownership will not mature till twenty years which gives their land no special value for sale, mortgage or even for borrowing from co-operatives. Thirdly, the Mysore Act exposes the tenants to loss of their existing rights in case owners take advantage of the provisions to gang together to form a Co-operative Society, which is exempted from the provisions of the Land Reforms Act. Any detailed examination of the Mysore Land Reforms Act will show that it is in favour of the adventurers, who dominate the villages on behalf of the Congress. They have already anticipated the provisions of the Act which reduce their holdings by subdivision and sales to near relations. Honest owners, particularly the medium ones, who are in other employment and honest tenants, many of whom are relying on possession and not on record, are going to be sacrificed. The Swatantra Party believes in simplicity. It has always stood for the permanent tenure of the tillers and fair rents. At its Bombay Sessions in 1966, it has added that this tenure should have an under-proprietory status enabling the tenants to borrow for improvement of the holding. This means that it spares the tiller and the owner from the Government, the

adventurers and lawyers for whom the Land Reforms Act has been enacted. The Land Reform Acts of other States are not different. They are hoaxes which have served to deceive the tillers for the last three elections. They may not continue to do so because the very delay of 19 years to assure the tillers of even security is making them suspicious if the Congress is for them or for rich and powerful, who deceive the poor and weak to support it in the elections.

In Industry, State Enterprises are an undeniable failure. With a return of 0.35% on an investment which now exceeds 2,000 crores and is more than a third of the total industrial investment, people are already familiar. What they have not realised is that first the Government enterprise by its failure, is first putting up prices. This is not only penalising the consumers but favouring the private enterprises in the field which can similarly raise their prices on their smaller investment and better management. Secondly, Government investment implies taxes and loans, which the common people have to find instead of the rich who would have taken their own strain and risks. It is most tragic that a Government which expresses solicitude for the common people should burden them like this, when thereby their little incomes are subject to inflation which confiscates the little margin on which they manage to survive. Thirdly, to the extent, government taxes and loans encroach on private savings which would be invested. Government not only loses taxes, which would have spared the poor but creates public debt which has risen from 1,189 crores in 1939-40 to more than 15,000 crores at present. The foreign portion of this debt has been escalated by 57.5% by the recent Devaluation. The home debt is neither fair to the creditors or the debtors, who are the common people, each carrying Rs. 300 at least of the National debt. It is not fair to the creditors because securities, including Insurance payments are devalued by the constant fall in the value of money, to a fraction of the original contributions. Lastly State Enterprises have not assured self-sufficiency to the country because they require more imports, which place the country at the mercy of lending countries, which as the current World Bank mission shows, have decided to investigate and supervise our economy.

Nationalisation of trade has been worse as it is an interference not only with the economy but also with producers and consumers, who are sacrificed to the licencees selected by government. In food, no State Government can point out one single measure in the direction of State Trading which has not put up the prices. It is so anomalous that the Government should blame the trade for increasing prices and then engage persons from that trade, whom it wishes to favour, as its agents for State Trade. Since Government appears to have realised this, it is turning to Co-operatives which may not be an improvement first because they do not have capital staff and experience for the trade and second because, they represent again the same business interests as Minister Alva of Mysore has just pointed out. In international trade, the State Trading Corporation, operating similarly through trade nominees of its own, has not only lost business as in Manganese but has lost valuable foreign exchange by barter deals with Communist countries, which have re-exported our commodities to the real consumers. In respect of imports, the State Trading Corporation has indulged in the worst type of profiteering, for instance, its prices for betelnut being 300% above landed costs.

The Swatantra Party has opposed Planning not only because it is borrowed from the Communists who have no regard for the interests of the common people but also because it has failed, even in Communist countries, where it is complete and totali-

tarian. In India, Planning has been a failure both in conception and execution. Under the Third Plan, through more funds than provided were spent there was a 50% failure to reach targets. What has been achieved was also uncoordinated, for instance varieties of steel which we cannot use and cannot even export with subsidies, while we have to import more steel than we did before we had State steel factories. Similarly the Russian Heavy Engineering factory has a capacity, which for many years to come, cannot be used except in a small part. On the other hand there are not enough deisel engines, insulators, and transmission wires to use the irrigation and power potentials of the country. Secondly, most planning is away from the needs and means of the people, whose employment and standard of living are constantly falling. American experts employed by Government reported that unemployment and under employment added to a total of 70 million without work, for whom Planning has done little or nothing. Thirdly, Planning has involved scandalous waste of money and material, which Public Accounts Committees have constantly reported. Sri Nanda, himself once the Vice Chairman of the Planning Commission has stated "Today, the state of affairs is such that money is spent but from that expenditure no money is obtained. The expenditure is useless. We execute our plans by getting large sums from abroad. But inspite of our spending vastly, output does not increase as it should. The amount alloted to any project is not spent on it and a large part of it is eaten up. In any project 25% is alloted for construction, 20% is misused. Only 5% is properly spent". In opposing such planning and pressing that Government should only do what the public is unwilling and unable to do, the Swatantra Party was only thinking of the Common Man who has paid the bill in higher taxes and prices.

Swatantra Party has opposed excessive Taxation first because Government cannot spend money as usefully as those who have earned it, second, after a point taxation is regressive, not only fetching less from conscious reduction of incomes but also reducing investment on which the employment of the people and the improvement of their standard of living depends. Thirdly, taxes are not borne, except in a small part, by those on whom they are imposed but are passed on to the consumers in higher prices. The average of corporate profits have not shown a decline, related to the increase in taxes. It is easily accepted that indirect taxes are paid by the people but it is not so easily realised that in a closed economy, with general scarcity, even direct taxes are passed on to the consumers. It may even be possible that the higher the direct taxes, the greater the increase in prices in order that the assessees retain the same net balance of profit. In the circumstances, the Swatantra Party has tried to serve the common man by opposing government expenditure which in the Centre alone has risen from 405 crores (Revenue Account) and 104 (Capital Account) in 1950-51 to nearly 2750 crores and 2010 crores respectively in 1966. With State Government and Municipal and Panchayati expenditure added, the total spent by public authorities is more than a third of the National Income. Since this is spent wastefully and dishonestly, there is no production or services to balance it, with the result that Inflation increases.

The Swatantra Party has opposed Inflation, also on account of the Common man, who suffers both absolutely and relatively more than the rich. This is because the largest proportion of the people have inelastic incomes and even those who receive dearness allowances are compensated inadequately and tardily. The benefit of rising prices goes therefore to large producers, stockists and owners of property and plant to the extent they do not have themselves

to pay higher prices and taxes. One class surely benefits, the class of adventurers who rely on inside information. The distress of the common people from high food prices is well known. What is less clear is that high prices by reducing the market prevent the proper growth of the economy and thereby preclude more employment. By its own extravagance therefore Government has contributed more to inflation than to the economy, favouring thereby those who have, at the expence of those who have not. The complete indifference of the government to the conditions of the people is demonstrated by the Fourth Plan which more than doubles the Third Plan expenditure when inflation has already doubled retail prices in the last three years.

Inflation is made a justification by government servants for their corruption. This has not reduced the anxiety of the Swatantra Party to save the common man from corruption. It has opposed Controls because while they favour party supporters on one side, they provide opportunities for public servants for their own pickings, on the other side. It has opposed the growing interference of the government in the daily life of the people because of opportunities for corruption which arise in illiterate and helpless population. It has held that unless corruption is prevented at higher levels by the appointment of Ombudsman, responsible only to Parliament, it is impossible to check the lower government employees. It has opposed collection of election funds from Corporations which now mainly finance the Congress. All this is because whoever takes illegal gratifications takes it not only from the giver but from others who have better claims. Corruption has also meant delay and default in services which the common people want promptly and completely.

The Swatantra Patry has stood for a foreign policy serving only the interests of the country, through alliances with democratic countries and without gratuitous garrulity about the affairs of other countries. The failure of the non-alignment Policy of the Congress involved the country not only in war but in loss of its territory. At the same time, the Defence Expenditure which has quadrupled has strained the capacity of the common people. A masterly inactivity in foreign policy till we cease to be a beggar nation, (one of the ten poorest in a total of 128 nations), may restore the moral position we once held. At the same time, the President's advice that we do not attribute motives to our neighbours, Pakistan and China may enable us to settle our disputes with them according to the Constitutional provision of arbitration. In any case, the vast majority of the people, whose world is bounded by their village, do not want war or international importance if taxes confiscate the little on which they starve more than live. A reliance on the U.N. and the conscience of the world is the best defence India has against those who may be disposed to attack us.

If the principles of the Congress favour the rich, the personalities of the Congress prove that there is no place for the poor. Currently anyone who scans the lists of applicants for Congress seats will find that not only those who have become rich through the Congress but also others rich in their own rights are the only applicants. It is almost as if elections are examinations for positions of wealth and power. Comparatively, the candidates of all other parties have only the wealth of their service, those of the Swatantra Party, of service in Government, which has given them not only knowledge of administration but understanding of the common people they protected from the rich and the strong, which was the meaning of the Indian Civil Service. The gibe that the party is of rich is not meaningful as far as retired Civil Servants are concerned because their meagre pensions and savings are slashed by

inflation, while the majority of them have no other sources of income.

The supporters of the Congress are also rich. When one industrialist disclosed his intention to give the Swatantra Party a third of what he gave to the Congress, Mr. Nehru was most indignant. If there are any contributions to the Swatantra Party, they are the smallest fraction of those received by the Congress and are from Industrialists who believe that there must be a good opposition for democracy to work and not from industrialists who do not want opposition to their work from the government. The Swatantra Party has no supporters like the Congress who have been enriched or hope to be enriched by it. Sri Sanjivayya, when he was President of the Congress declared that paupers become multi-millionaires in the Congress. Kamaraj is never tired of saying that the rich have become richer and the poor poorer, though he does not add that the rich belong to the Congress. Even in villages, there are no rich who are not of the Congress and in towns and cities, the few rich who do not belong to the Congress have to hide their views. The Congress does not care to conceal its wealth. At the recent Ernakulam AICC Session dinners costing Rs. 40 were served to 400 guests and dinners costing Rs 18 to 1,000 guests. Dr. Lohia had charged that Mr. Nehru cost the country Rs. 25,000 daily. Though this was denied his figures were not contested. The Auditor General had calculated that Central Ministers cost Rs. 9,000 monthly. Because of the subsequent fall in the value of money, these figures may now be enhanced. They leave no doubt that if there is any conspicuous extravagance in the country, it is in the Congress Party and if there is undeserved wealth it is, in and from the Congress Party.

"I have no doubt that if we have democratic Swaraj as it must be if the freedom is won through non-violence, the Kisan must hold power in all its phases including political power."

—GANDHIJI, *The Bombay Chronicle*, 12-1-'45

Why I Left the Congress

Vadilal Lallubhai

THE immediate cause that precipitated my leaving the Congress was the educational policy of the Government of Gujarat. But, there were greater reasons than this for my leaving the Congress and joining the Swatantra Party. These were wrong policies followed by the Congress Leadership in Gujarat regarding the interest of Gujarat and also their indifference to the wishes of the general public in Gujarat. The economic situation in the country has also gone from bad to worse during the last 10 years. All these combined led to my decision to leave the Congress and join Swatantra Party.

The Congress Leadership in Gujarat is hot-headed and selfish, looking to its own interest as is the case today in all parts of the country. Maha Gujarat agitation and the subsequent firing that took a toll of few young lives made the Ahmedabad Public to go against the Congress. In such a situation, the Congress High Command practically forced me to bring round the public of Ahmedabad in favour of Congress, though I was not prepared to do this job. For a time, it seemed, the people were veering round the Congress but the wrong handling by the Leadership and the hitches placed by some of them in this constructive work, ultimately thwarted those efforts of mine and my colleagues.

The Educational Policy of Gujarat Congress has considerably harmed the interest of the children of Gujarat. Their policy is to lower the standard of English teaching to such an extent that English may ultimately disappear from Gujarat. One of the top leaders of Gujarat has said, he will be happy to see all the books in English being thrown in the sea. All over India, English is being taught from III, IV, V and VI standards and there is no ban to start English medium schools. While in Gujarat, the Gujarat Congress persists in teaching English from VIII standard. It is a well-known fact that due to this policy of Gujarat Government, Gujarati boys have been at a disadvantage in getting services all over India and even in Gujarat itself. In U.S.A. admissions have become more difficult.

I took up the cause and told the Congress as early as 1957-58 in a public speech that this policy was wrong and I would fight against it. I fought against this policy from inside but failed. I, therefore, considered it my duty towards the children of Gujarat and of this country to oppose this policy in public. This policy of Government of Gujarat is quite contradictory to the educational policy of English of All India Congress Committee. On this ground, they suspended me from Congress for 3 years.

When Ahmedabad Municipal Corporation Election came, I and my colleagues went to the people asking them not to vote for Congress, if they do not listen to the public with regard to the teaching of English. This appeal had a tremendous response and from a huge majority of the Congress for the last many years in the Corporation, it came to a minority of 13 out of 74 seats.

The main reason for my leaving the Congress and joining the Swatantra Party was the economic policy followed by the Congress. The country has given a trial of nearly 20 years to the Socialistic policy of the Congress. In this, the Congress has

miserably failed and the country has been the sufferer. Prices are rising and no end is yet seen to it. Inflation is rampant. Deficit financing is going on merrily as if the Congress Leadership does not care to what serious situation we are heading into by printing of notes indiscriminately. The ultimate result was devaluation and its consequent further rise in prices. There has been shortage of all goods all round. No basic needs of people is satisfied in full. Our cost of production is one of the highest in the world, inspite of uptodate new factories having come into existence. This is due to Controls, Quotas and permit system. No article of every-day life is allowed to be produced in sufficient quantity. The result is shortage, corruption, black marketing, high prices, for which it is the Government which is responsible and not the people. If, all these had to stop, and the basic necessities of the people are to be satisfied in sufficient quantity and at low prices a change of Government is necessary. There should be competition in the Government as there is competition in life. Without this, the country is suffering for the last 20 years.

All this resulted in the decision which I and my colleagues took after long deliberations, of leaving the Congress. The next question was what to do after leaving the Congress. We took a decision that if democracy is to survive and is to be strengthened, there should be at least a few parties and if possible two strong parties. We, therefore, decided to join the Swatantra Party. We feel that if two party system is not well-established early, the country may either go the way of Communism or some other kind of dictatorship.

"If the Congress wants to continue as a people's organization, the ministers cannot live as *sahib log* nor use for private work facilities provided by Government for official duties."

—GANDHIJI, *Harijan*, 29-9-'46

Swatantra and Taxation

H. M. Patel

WHAT is attempted in this brief article is to indicate my own approach to taxation. It is possible that it approximates closely to the thinking of the Swatantra Party. If that is so, it should be regarded as fortuitous.

Taxation is necessary and unavoidable. A State has to discharge certain functions which the individual citizen is not capable of performing. It must clearly be the responsibility of the Government to take such steps as are necessary for ensuring the defence of the country; the Government again must assume responsibility for safeguarding political and economic interests of the country, and for this purpose to formulate its foreign policy and to manage its external affairs; the State again must necessarily accept responsibility for meeting the currency requirements of the country and for formulating monetary and fiscal policy. In order to perform such and similar functions, it must have resources which can in the main be provided only by taxation.

What should be the principles that should govern a country's taxation policy? Consistently with its general approach to economic and social problems, the Swatantra Party's aim would be to see that the taxation policy is so devised that it imposes upon the individual as little burden as possible, or rather, only so much burden as would not act as a disincentive to him to put forth his best.

Swatantra Party thus recognises the fact which, in spite of fifteen years of planning in the country, the Congress Party would appear to have failed to realise, that taxation is capable of playing an important and constructive role in the country's economic development. Countries where economic growth has been impressive, fiscal policies have been used with advantage to give direction and to accentuate the tempo of economic activities. Indeed, in modern fiscal systems, taxation as a source of revenue plays only a secondary role.

Taxation has been, and ought to be, used to stimulate or to discourage economic activities accordingly as they are considered to be of value or not at any given point of time for achieving the economic growth of the country at the desired pace. Even from the point of view of revenue collection, for instance, a long term view has to be taken. There is a point beyond which measures of taxation give diminishing, and some times even negative, results. It is generally acknowledged by informed persons in India that we have already reached that stage, or at least are not very far from it. It is in this context that many of us fear that the imposition of any additional burden of taxation, much less a burden of the order of Rs. 2,700 crores, envisaged in the Fourth Five Year Plan, would cripple the country's economy. It is also doubtful, indeed, if the objective of collecting much additional revenue is likely to be fulfilled. However, that may be, we shall not have used taxation as an effective instrument of economic planning. Were Swatantra to be in power, it would take a longer term view of taxation, and review proposals for taxation not only from the income yielding potentiality angle, but also and essentially from the point of view of the effect it would have on the economic growth of the country.

It ought to be our endeavour to see that as much incentive is given through discri-

minatory taxation as would promote productive activities. This does not mean that we should be indifferent towards the other objectives of social welfare and common good. What we should seek to do is to ensure the maximisation of social welfare by first maximising production. Following this line of thinking, it should be our aim to tax more heavily earnings which are used unproductively, and relatively lightly, earnings which are used productively, that is, ploughed back into production. What is happening today is the reverse of this: productive efforts are penalised on the one hand, and, on the other, wasteful and conspicuous consumption goes on unabated, and unpenalised.

The second major reform that needs to be instituted urgently is to simplify the entire system of taxation. Taxation laws must be simple and easily understandable. They should also not be revised too frequently. The taxation machinery would then function in a speedy and efficient manner. As in other fields of economic and social activities, in the field of taxation also, great care should be taken to see that our anxiety for the best does not make us lose even the good.

To be more specific, in the field of agriculture, I would remove the inequitable burden imposed on agricultural producers, especially on the weaker section, who have to pay tax in the form of land revenue irrespective of whether they are making any profit or not. This unfair situation will be corrected by treating agriculturists on a par with other productive workers. Without going into the controversy whether agriculture is heavily taxed or not, I would lay emphasis on the fact that taxation has to be related to the tax-paying capacity on the one hand and the amount of the nation's resources devoted to that particular sector on the other. This principle holds good for direct taxes as also indirect taxes. If agriculturists are not paying proportionate money to the State coffers by way of indirect taxation, it only means that they are not consuming certain items as much as the city dwellers do. In a shortage economy, this is all to the good.

In regard to the taxation of industry our major guideline should be, as already indicated, to penalise wasteful expenditure and to encourage capital formation. It is now fairly well established that expenditure incurred by the public sector as well as by government in the plan and non-plan activities is more wasteful than expenditure incurred by the organised corporate sector. Taxation in the corporate sector also needs to be reviewed from the point of view of providing maximum incentive for saving and for capital formation.

Another aspect on which considerable rethinking will have to be done is the field of subsidies and rebates which are, so to say, the counterpart of taxation. The present system of subsidies and rebates is chaotic and at best indiscriminate. Subsidies are being granted on the basis of sectional pressures and are continued long after their initial utility is over. On the other hand many deserving productive activities languish, due to lack of proper encouragement during the initial period. There is great need for evolving objective norms for this purpose and the provision of such norms ought to be among the first task of reform I would undertake.

In short, what is proposed is that taxation should be used as an instrument to give direction to, and to regulate, the tempo of economic activity. Thus, we would aim at taxing more heavily conspicuous consumption and wasteful use of resources; we would seek to ensure that there is no discrimination as between productive workers, pursuing different occupations whether in agriculture or in industry; and we would seek to ensure that savings which are likely to be used for capital formation are not taxed heavily.

The First Tests of Foreign Policy

Cushrow R. Irani

"THE world has been made familiar with the basic foreign policy of the Congress through its powerful advocacy by the late Jawaharlal Nehru," says the foreign policy plank of the Congress Party Manifesto for the 1967 Elections. Just what were the tests laid down by Nehru himself for a successful foreign policy. Speaking in the Lok Sabha on the 17th March 1960, not so long before the Chinese attack which he and his Government refused to consider possible, he said "The foreign policy of any country concerns itself primarily with the protection of that country, with the protection of its freedom, of its sovereignty, of its integrity. These are the first tests of a foreign policy and insofar as it is unable to do so, well it has failed." No one can have any quarrel with these "first tests". Let us now proceed to apply them.

The "important aspects" of our foreign policy, continues the Manifesto, are "peaceful co-existence and non-alignment". The policy was enunciated when we became independent, when we saw the post-war world divided into two power blocs, the Communist, and the Democratic, and we did not wish to aggravate the situation by taking sides. Nehru stressed however that "where freedom is menaced or justice threatened or where aggression takes place we cannot be and shall not be neutral." Brave words, if only they had been backed by brave action!

How did we apply this policy in practice? When the Chinese first attacked Tibet openly in 1960 we were not satisfied with doing nothing ourselves to answer Tibet's call for help but we actively persuaded the world to do likewise. Our delegate told the United Nations on the 24th November 1950 that "we were certain that the Tibetan question could still be settled by peaceful means," and the Indian Government felt that the best way of attaining this objective was "to abandon for the time being the idea of including that question in the agenda of the General Assembly". For this act of betrayal of a small and peaceful neighbour we shall yet pay a heavier price in blood and iron than was exacted from us in 1962. Again in Hungary in the face of naked Russian aggression we were quite unable to say who was aggressing against whom. This was not judging each issue on its merits, it was being non-aligned in a loaded and unfair manner. And yet we were very upset when following the Chinese attack the non-aligned countries practised the non-alignment that we had taught them against us, and could not or rather would not choose between India and China. Then it was Nehru himself, the High Priest of non-alignment, who complained bitterly against these countries saying that "what was obvious to us was not so obvious to them". It was left to Nehru's closest confident, Mr. Krishna Menon, to expound the true nature of our non-alignment. To suggest that non-aligned countries should side with us against China said Mr. Menon "sounds fantastic. The essence of non-alignment is to be non-aligned."

It was not as though the Chinese Communists suddenly lost their heads and attacked us. The same Communist bandits attacked South Korea in 1950 through their satellites the North Koreans. In October the same year they attacked Tibet after faithfully promising our Government that they

would not do so. In 1954, they attacked Indo-China. It was only thereafter in 1962 that they attacked us and if we were surprised at the time we had only ourselves to thank. This attack came after many years of careful probing of our Government's intentions and their will to resist. In June 1955, came the first major intrusion into our territory in Barahoti. From 1955 until the massive attack of 1962 there were no less than thirtyone major intrusions, each one carefully planned. Our Government only sent protest notes and when the facts could no longer be hidden from the Indian people they tried to justify their inaction by the argument that India, a peaceful country, would not start a third world war. One cannot blame the Chinese Communists therefore for coming to the assessment that India would not fight. The N.E.F.A. Enquiry Report will never be made public so long as this Government is in power but Defence Minister Chavan's statement in the Lok Sabha on 2nd September 1963 admitted that "our training of the troops did not have a slant for a war being launched by China." No wonder that our restrained and scholarly President was moved to say at Tezpur on the 8th November 1962 after a visit to the front that "our Credulity and our Negligence have cost us some initial reverses."

There were other warnings also. At least Mao-tse-tung has never bothered to hide his real intentions. In his book Yu-chi-chan published in 1937 he expressed his conviction that "political power grows out of the barrel of a gun." We were brought up to believe that it comes out of a ballot box but that is not what the Communists believe. In 1949, he said "Neutrality is a camouflage and a third road does not exist." This was his characterisation of the foreign policy of which we were so proud. But we did not choose to listen. The Red Guards are today forcing everyone in China to study the works of Mao-tse-tung closely. One of the quotations that is very closely studied is the following clear warning:

> "In defeating China in war the imperialist States have taken away many Chinese dependent States and a part of her territories..... England seized Burma, Bhutan, Nepal....."

But we still refuse to listen. To listen would be "to deviate" and fossils cannot deviate, only live organisms can.

A little over a year ago on 2nd September 1965, China spelt out its intentions even more clearly as to how to remake the world in Peking's image. In a 20,000 word article called "Long live the victory of the people's war", Marshal Lin Piao now the No. 2 man in China and Chairman Mao's "closest comrade in arms" described the task of People's Revolutionary Wars as the encirclement of cities from bases in the countryside. Marshal Lin Pio put it this way. "If North America and Western Europe can be called the cities of the world, then Asia, Africa and Latin America constitute the rural areas of the world. In the final analyses the whole course of world revolution hinges on the revolutionary struggles of the Asian, African and Latin American peoples." This briefly is the Chinese Communist aim of world revolution and their immediate objective is the establishment of rural bases, i.e. the establishment of Communist puppet regimes in these countries. Marshal Lin Piao further explains how the struggle for national freedom is to be used to further the cause of Communist Imperialism. He says "the national democratic revolution (i.e. the struggle for independence) is the necessary preparation for the socialist (i.e. Communist) revolution and the Socialist revolution is an inevitable sequel to the national democratic revolution. The more thorough the national democratic revolution the better the conditions for the socialist revo-

lution." Here in unmistakeable language is the warning and the threat to our security and the security of the other free countries of Asia. But whereas in Europe and elsewhere national boundaries are becoming less and less important and interdependence is freely admitted – President Kennedy used to say that even the United States could not stand alone – we in Asia are still engaged in quarrelling amongst ourselves without regard to the overall total threat to our very existence and to the free way of life in which we believe. The answer to this challenge must therefore be to rally the free countries of Asia to contain this new imperialism. We have to realise that in Vietnam a war is being fought in defence of democracy and freedom and against infiltration and subversion from North Vietnam. Thailand is actively threatened with subversion and Burma is already softened up. If South Vietnam were to be abandoned, Thailand would be very difficult to defend and there would be nothing then to stop the Communists from attacking us from the East where they do not have the same difficulties of unfavourable terrain. The war in Vietnam is therefore a war of India's defence but all we can do is to keep repeating on an average of once or twice a week that the Americans should stop bombing North Vietnam forgetting that it is also necessary at the same time for the North Vietnamese to give up their attempts to take over South Vietnam by fraud and violence. It is useful to remember that if Hanoi is forced to the conference table it will be because it has accepted that it cannot win the war.

For the last fifteen years therefore we have taken no steps to protect our freedom, our sovereignty and our integrity because we were afraid that any action on our part would start a third world war and because of basic pro-communist bias in our foreign policy. We failed to understand the threat of Communist Imperialism and spent our time chasing the will-o'-the-wisp of Afro-Asian solidarity. Leaving this country's vital interests to look after themselves we became pre-occupied with anti-Colonialism and Socialism. We called three major conferences not to discuss the imperialism practised by the Communists but to discuss the Colonialism of the old imperialist powers which in any case was in full retreat by the time the first conference was called in March 1947. The later conferences including the one at Bandung in 1955 were called to indulge in harmless little debates "to promote good-will and co-operation", "to establish friendly mutual relations", "to take a special interest in Asian and African problems" and to discuss "social, economic and cultural issues."

"If we could know where we are and whither we are tending" said Abraham Lincoln, "we should know better what to do and how to do it". Based on the foregoing analysis of our situation, our policy should be clear.

1) Recently Malaysia advanced the idea of an Association of South East Asia. We should join Malaysia and the other free countries of Asia in such an association. There has to be an Asian answer to Asian problems.

2) Working through the Association of South East Asia, we must forge a mutual security arrangement among the free countries of this region. When Mr. Nehru was asked at a press conference on the 14th August 1962, whether he would convene a conference of non-communist countries of South East Asia to contain the Chinese communists he gave the contemptuous answer "I should like to see the list of those countries and know how much strength they have to contain anything including themselves."

A mutual security arrangement must extend from Israel in the West to Japan in the East. Ambassador Itagaki of Japan agreed with Indian newsmen on the 18th March this year that Japan and India could together do a lot to save Asia from the spread of Communism and the Chinese threat.

3) We must give up the obsession to arbitrate and make pronouncements in matters that do not concern us directly. We must also give up the fear of what President Nasser may say or do. We must recognise Israel. This small and friendly country is both ready and able to help us in agriculture and industry.

4) But political arrangements are not enough. We must work towards a common market of the free countries of Asia. On 14th August 1959, President Ayub said in a broadcast to the people of Pakistan, that he advocated not only joint defence but a confederation and a common market which should be extended to include Japan and the other free countries of Asia. This is a proposition that we must encourage.

5) The emphasis on Asian problems does not mean that we must turn our back on the world but it does mean that we refix our priorities and do first things first. We should play our full part in the United Nations and all its Agencies but to call for complete disarmament every few months in the world body, in the face of determined attempts at subversion and open aggression not very far from our own borders, is simply to bury our heads in the sand.

6) It is very important that we recognise the principle of interdependence in the world of today. Talk of being self-reliant and buying all the equipment that we must have for our own defence is to exhibit an inferiority complex of the worst type. This complex has characterised the attitude of the Indian Government for the last fifteen years and there is no sign yet that we have grown out of it. On 11th September 1959, when asked at a news conference whether in case of a large-scale attack from China India would seek allies in the world the Prime Minister said "This vague thinking of searching for allies is a sign of utter weakness of character in an individual and a nation. I hope our country will not suffer that weakness of character." Again on the 22nd August 1962, in a debate in the Rajya Sabha, Nehru said "Taking military help meant being practically aligned and a few crores that we may save if we get that equipment as a gift would be far outweighed by the tremendous loss of prestige and position and even in sympathy which we have had from other countries." One wonders what particular gain there was in our prestige and our position when our policies led to the Chinese attack of 1962. On 23rd October 1962, three days after the attack Nehru was still insisting that "India would not ask for military aid and would prefer to buy the equipment she needed." Five days after the attack, addressing the Congress Parliamentary Party, Nehru said that "there was no question of India seeking military aid but friendly countries were welcome to offer what help they could." This is not an argument in favour of seeking a bilateral arrangement with the United States whereby we transfer to that country all our obligations for our own defence. Such an arrangement could not work nor would the United States be interested. But there is nothing wrong in the free countries of Asia

coming together and after a careful analysis of requirements decide that we collectively need further assistance if we are not to invite disaster at the hands of a ruthless and totalitarian power.

Let us therefore give up the policies we have followed so far which have proved to be disastrous. Our people and our country deserve better than this. Let us learn to recognise our vital interests, to choose our friends wisely and having chosen them to stand by them. Above all, let us learn to identify and isolate our real opponents so that we, and all, like-minded countries in this region can face them with courage and determination and ensure that the free way of life shall thrive in Asia.

"A free democratic India will gladly associate herself with other free nations for mutual defence against aggression and for economic co-operation. She will work for the establishment of a real world order based on freedom and democracy, utilising the world's knowledge and resources for the progress and advancement of humanity."

—GANDHIJI, *Harijan*, 23-9-'39

Swatantra and a Welfare Society

P. H. Seshagiri Rao

THERE is universal desire to reduce the gap between the standard of living of the affluent and that of those at the bottom of the scale. Communists tried to achieve it, through revolution, at one stroke but failed. In fact, they created more problems than they solved. Socialism seems to mean many things to many people and has now lost popular appeal as it is felt that it is halting and unsuccessful. The concept of a Welfare Society with no 'isms' attached to it, is the attempt to tackle the problem of providing the basic needs of the weaker sections of society in a pragmatic manner.

Experience has shown that the mere provision of equal opportunities is not of much help to those who are endowed with less than average talent by nature. They need positive assistance by the State. The Scandinavian countries are reputed to be ideal welfare states which care for the citizen from the cradle to the grave. This conjures up visions of free maternity service at child birth, free supply of milk and baby food, free kindergarten, primary, secondary and even university education, full employment, old age pension and finally, free burial! But the citizens of these *eldorados* have realised that man does not live by bread alone and needs something far more precious if his life is to be full and he is to grow to the full stature nature intended for him.

The realisation has dawned on them that the State is only one of the factors in building a Welfare Society and that its role is by no means the predominant one. Welfare cannot be imposed from outside, it has to flower from within and therefore, the enthusiastic and dynamic role played by the free enterprise of the individual is by far the major element in building up a Welfare Society.

It was the fashion for the Indian patriot to complain that the British government in India paid fabulous salaries not only to the Britishers employed here "to carry the white man's burden of empire" but even to the Indian in the higher echleons and that these salaries were far in excess of those prevalent in U.K. and Japan. The reply used to be: "If we can be sure that the same social and economic conditions that prevail in U.K. and Japan would prevail in this country also and that our children will be assured of good education, reasonably competent medical aid at fair charges and full employment, we would not require high salaries at all. For, we need not then bother to save and leave a handsome estate for our children who now have to struggle for existence in a society based on 'Each for himself and the devil take the hindmost'. That about reflects what a reasonable man expects the State to do for him. Briefly: *Security is what is looked for in a Welfare Society.* No self-respecting citizen would like to be a burden on the State; and he knows that too much concern of the State for his welfare inevitably carries with it control by the State of most of his activities.

Cynics observe "Whatever miseries are suffered by the poor, they do not suffer from political neglect" meaning that every political party pretends concern for the poor, but, in practice, they are neglected. It is therefore as well to spell out in definite terms what Swatantra's concept of a Welfare Society is. Welfare is worthless if

it cannot be had in an atmosphere of freedom. The Swatantra Party gives the highest place to individual liberty and will not countenance any scheme of things which will unduly restrict it. It keeps "the individual citizen with his unquenchable impulse towards self-expression in the centre of the picture" and will usher in an economic system where "the free choice of the producer, the investor, the worker and the consumer are given due place and importance." The party considers cultural freedom important and recognises "the fundamental right of every citizen to educate his children according to his choice in a free atmosphere untramelled by official directives". The aim is to ensure that the provision of welfare does not lead to regimentation and a curb on fundamental rights. There is always this danger when the State trespasses too much into the private life of the citizen in its concern for his welfare. For example, while it is the duty of the State to provide the climate for full employment that should not mean the State assuming powers to direct each person where he shall work and at what wages. There should be ample opportunities for self-employed artisans, etc. as it is the self-employed citizen that has the highest social status and it is he who contributes most to research and economic advancement.

Swatantra's concept of a Welfare State is one which provides the social overheads in abundance and at cheap price. The citizen should be assured plenty of clean drinking water, efficient public health services and full employment opportunities. Unemployment, old age and disability pensions should also be provided for. Having done all this, the State should leave the individual alone so that he may develop according to his natural talents. Secure under these guarantees the individual will be free to give full play to his initiative and energy to contribute to the prosperity of the society in which he finds himself. It should be remembered that welfare provided by the State is always at the expense of the citizen who is taxed for this purpose. It is therefore best to restrict this sector as far as possible.

"Those who are engaged in productive and distributive activities will be released from the fetters of bureaucracy (and controls) so that their dynamism may take the country forward faster and *more happily* than is now the case." The means of achieving progress are more important than progress itself. Prosperity achieved through individual effort in a free atmosphere gives more satisfaction than that achieved under the lash.

Swatantra's picture of a Welfare Society, especially in a predominantly rural society as in India, is one in which the villager lives a full life free from fear and uncertainties. Agriculture in this country has been plagued by draughts and floods and, if the agriculturist is not for ever to be the victim of the vagaries of the monsoon, an insurance fund should be set up to compensate him for such natural calamities. With the rise in the general level of prices in recent years there has been a clamour for controlling the prices of agricultural commodities because they figure most in the poor man's budget. Government has yielded to this clamour and fixed the prices of these commodities at an uneconomic level. This is unfair to the agriculturist. In the absence of similar control on industrial and other commodities which the agriculturist has to use either in production or for his personal consumption it is particularly harsh on him. Prices of agricultural commodities should be fixed in parity with the prices of industrial commodities required for rural life. It is hard to imagine a more basic form of material welfare than the food a society produces for itself. It should therefore be suicidal to place disincentives in the path of agricul-

tural production by forcing the farmer to sell his produce at uneconomic prices. Such a policy will lead to a falling off in production.

The lot of the landless labourer is the hardest, as he is employed only during a part of the year. His lot can be improved only by starting small-scale modernised industries in the countryside so that he can find employment in those establishments. Village economy is languishing and large scale migration to the cities continues because adequate modern facilities are not provided in rural areas. Supply of protected water and electricity will considerably improve living conditions in rural areas. If in addition, ample facilities for higher education are provided at least for compact groups of villages the migration to the cities can be checked to a large extent. Till full-scale upto-date medical facilities are provided, at least fully equipped medical vans should be provided so that sophisticated medical aid can be rushed to the villages at short notice. In this country where over 75% of the population is rural, no programme of welfare is worth its name which does not make the lot of the villager tolerable as indicated above.

The Party totally rejects statism as a means of providing welfare. Gigantism practiced in establishing State enterprises has resulted in concentration of industries, the migration of populations to cities and the creation of slums. Swatantra's plan of decentralisation of industries will halt this process and usher in real welfare by distributing prosperity evenly over the country. The ownership of these industries will be distributed as widely as possible through the establishment of investment societies and trusts through which the small man may make his investment, and by facilitating the provision of employees' shares so that a large body of employees may share in the ownership of the concerns for which they work. Welfare cannot be attained by concentrating on the distribution of the existing 'goods'. It can be achieved only by taking all steps necessary to increase production of as wide a range of consumer goods as possible in as short a time as possible. We must strive first to produce a bigger cake before we can even dream of having a thicker slice as each man's share.

Statism, as experience has shown, leads to heavy taxation and governmental borrowing for providing resources for State enterprises. The reduction in indirect taxes, as a result of the State keeping out of trade and industry will be a great boon to the common man as it he who is paying these taxes through the high prices of the commodities he is purchasing.

The path to welfare is not through creating class conflicts. There can be no real welfare unless the relations between the landlord and tenant, employer and employees are cordial. Legislation which selects for special privileges one class of great voting strength and penalises another class with special burdens only creates class-conflict without in any way helping welfare.

It should be remembered that the term "Welfare" has an ethical content also and that man is much more than a bundle of unsatisfied physical needs. His spirit is far the more important element of his make up. Swatantra will therefore "introduce in education a spiritual element alongside of the humanities and sciences in order to provide an adequate background of human value for the citizens of the future".

In short, Swatantra's concept of a welfare society is a *FREE SOCIETY* where, in the atmosphere of security provided by the State, the individual works for his welfare and that of society giving free play to his initiative unhampered by irritating restrictions by the State.

Progress and Welfare are the flowers of freedom – Swatantra.

Fourth Plan Finance

B. R. Shenoy

I

Domestic Savings and Foreign Aid

WHETHER an economy is free, mixed or regimented, finance for investment, in real terms, is ultimately drawn from, and is limited by, the sum of domestic savings and foreign aid. Revenue surpluses, floatation of loans, collection of small savings, custody of superannuation and provident funds, and investment of insurance premiums in government debt, are among the various devices of mobilising savings for public sector finance; the issue of shares and debentures through the stock exchange, borrowing from commercial banks, private bankers, financial institutions and other parties, and self-financing by ploughing back profits are among the devices of mobilising savings for private sector finance. The aggregate real resources thus mobilised can, under no circumstances, exceed the sum of domestic savings and foreign aid.

As our experience of the Second and Third Plans has demonstrated, any attempt to invest beyond this sum through deficit financing, must necessarily cause inflation, malinvestment of resources, retarded savings and, therefore, a declaration of progress. Most of our major economic ills of the past 1½ decades—rising prices, deepening mass poverty and distress, the growing opulence of the thin upper crust of the privileged, semi-stagnant or declining per capita income, lagging exports relative to production, chronic balance of payments difficulties, mounting reliance on foreign aid, and so on—directly or indirectly stem from this futile attempt to invest non-existent resources through credit creation. Though these are universally applicable, inviolable economic truths, it is not clear how serious is the Planning Commission's regard for them.

II

Wishful Resource Budgeting

A budget of Fourth Plan finance should, therefore, begin by an assessment of the possible magnitudes of domestic savings and foreign aid during the period 1966-67 to 1970-71, aggregate investments being limited by the sum of these two. The Draft Outline of the Fouth Plan essays the reverse. It begins by outlining the "principal aims" of the Plan, then formulates the "physical targets" for achieving them, and, on the basis of the latter, derives the "size and pattern" of financial "outlays and investments". This exercise has yielded a total Plan outlay of Rs. 23,750 crores at "June 1966 prices", the share of the public sector being Rs. 16,000 crores and of the private sector Rs. 7,750 crores.

We are next treated to a "scheme of financing" this investment outlay. In respect to public sector finance, the resource requirements are to be collected from the three broad categories of Revenue Surpluses of the Centre and States, foreign aid and private savings. It is proposed to raise Rs. 7,420 crores through Revenue Surpluses; Rs. 3,880 crores from drafts on private savings, through loans from the public, small savings, unfunded debt, compulsory and annuity deposits, and miscellaneous capital receipts; and Rs. 4,700 crores from foreign aid including P.L. 480 aid.

The provision for private sector finance seems no less arbitrary. Total private sector savings during the Fourth Plan period are placed at Rs. 9,670 crores, with households providing 87 per cent, and the remaining 13 per cent coming from corporations and co-operatives. Deducting from this sum government drafts on private saving (Rs. 3,650 crores) and adding to it net foreign aid to the private sector (Rs. 685 crores), depreciation of the corporate sector and the Reserve Bank surplus retained for private investment, the resources available for private investment are placed at Rs. 7,750 crores, at 1965-66 prices.

This scheme of financing implies that domestic savings would amount to Rs. 18,365 crores—Rs. 7,420 crores representing Revenue Surpluses or public sector savings and Rs. 10,945 crores, private savings. It is proposed to supplement domestic savings by foreign aid of Rs. 5,385 crores, to permit the total investment outlay of Rs. 23,750 crores.

This is not a realistic budgeting scheme; it is a programme of wishful thinking. The scheme arbitrarily assumes that national income will rise by the aggregate of the individual production targets, or at a compound rate of 5.5 per cent per annum; that savings will be forthcoming at an annual rate of 13.8 per cent of the national income, in order to raise the quantum of savings visualised in the scheme; and that the financial needs of the Plan in excess of the presumed flow of domestic savings would be made good by foreign aid. This dubious series of interlinked assumptions is hardly supported by past performance.

The projected rise in national income at an annual rate of 5.5 per cent (compound) contrasts with the average rate of increase of 2.7 per cent (compound) in the Third Plan and of 3.3 per cent (compound), during the Second and Third Plans. The expectation of a rate of saving of 13.8 per cent contrasts with the finding of a recent survey by the National Council of Applied Economic Research, that the rate of saving in the first four years of the Third Plan had fallen to 8 per cent from the Second Plan rate of 10 per cent. On the basis of the Reserve Bank surveys of savings, national income statistics, and other related data, the present writer had conjectured that in 1965, the rate of saving may have been of the order of 7.5 per cent. With a sharp decline in per capita income by 5.9 per cent in 1965-66, and an economy nearly prostrate, the nation deserves more serious forecasting than the Plannning Commission has thought fit to display.

III

An Estimate of Available Resources

To assess the possible magnitude of savings, it may not be safe to assume a rate of increase in national income larger than 3 per cent per year; and a rise in savings to more than 8.5 per cent of the national income at the close of the Fourth Plan, from the current rate of around 7.5 per cent. On this basis, total savings of the Fourth Plan period, at 1965-66 prices, may be of the order of Rs. 9,800 crores—as against the Plan figure of Rs. 18,365 crores. The availability of this amount of saving presupposes an increase in the national income at the assumed rate, control of inflation, and the prevention of an undue rise in taxation, since both inflation and taxation erode savings.

The contrast between realities and the estimates of the Planning Commission applies to all the sub-heads of domestic savings. Revenue Surpluses of the Centre and the States under the Third Plan aggregated Rs. 985 crores. The Planning Commission believes that it may collect Rs. 7,420 crores under this head during the Fourth Plan.

It is well to recognise that foreign aid has

already reached its peak. About 60 per cent of our aid comes from U.S.A., 8 per cent from West Germany and 6 per cent from U.K. In all three countires opinion against aid has been hardening. In the context of persisting balance of payments difficulties in U.S.A. and U.K. and periodical pressures on the dollar and on sterling, we must be prepared for a possible diminution in the quantum of aid. Utilised aid, including P.L. 480 aid, during the Third Plan, amounted to $6.0 billion. The Fourth Plan expects $8.4 billion.

If we may place foreign aid at about the same order as utilised aid under the Third Plan, aggregate resources—comprising domestic savings and foreign aid—available for the Fourth Plan may be of the order of Rs. 16,100 crores, (foreign aid being converted into rupees at the prevailing exchange rate). It is grossly misleading to assert, as the Planning Commission has done, that an investment programme of about Rs. 7,500 crores in excess of the above sum may be financed "without deficit financing" and "on a completely non-inflationary basis". Why should we insist on presenting this false picture of Fourth Plan financial prospects, since a little study reveals its utter untenability?

IV

Need for Policy Reorientation

We cannot make big progress by making a big Plan, as nothing can render actual investment larger than the available savings and foreign aid. Nor is massive aid a sufficient condition for rapid progress. To accelerate development, the urgent need is a basic policy reorientation designed to maximise output from scarce esources; not yet another innings of continued regimentation of the economy under misguided policies, miscalled planning. If the prevailing policies continued, we would have little to show by way of mass well-being, for all the mounting investment activity. Much of investment funds may continue to disappear into the construction of excess production capacities, over-capitalisation, extravagant structures, mammoth projects which are misfits in the prevailing economic landscape, corruption, luxury living, concealed capital exports and so on. Massive aid may partly or wholly cover up the ill-effects of these developments. Correct policies alone can succeed in placing the economy along the right road to progress.

V

Public Sector Appropriations

The Fourth Plan Finance provision for an investment outlay of Rs. 16,000 crores in the public sector represents, at first sight, 67 per cent of total plan outlay, the private sector accounting for the remaining 33 per cent. But the actual percentage of resource appropriation for the public sector is even larger, as we shall now see.

Firstly, foreign aid is valued in the Fourth Plan scheme of financing at the official exchange rate of Rs. 7.50=U.S. $1. At the prevailing free market exchange rate, the rupee-worth of aid is about 40 per cent higher. Valuation of aid at the free market exchange rate gives the true worth of aid, as the goods imported against aid are then reckoned at their Indian market prices. Secondly, Plan figures of investments in the private sector, especially in agriculture, are largely conjectural, and are believed to be considerably exaggerated in this as in earlier Plans. If adjustments are made for these two factors, the public sector's share of total investment resources, may be well over 70 per cent.

Among the most unfortunate features of Indian economic policy over the last 1½ decades, is the drafting into the public sector of unduly large proportions of invest-

ment resources. The food crisis is traceable to this, as we shall see. Public sector undertakings account for less than 5 per cent of Indian national income, the contribution of the private sector being 88 per cent. If the flow of this contribution is to continue unaffected, resource appropriations into the two sectors must bear some relation to their respective shares in the national product.

When over 70 per cent of total resources gets drawn into the sector which yields but 5 per cent of the national income, and the rest of the economy is called upon to "make do" with the remaining 30 per cent, disaster must strike, sooner or later. With the best will in the world, the sector that was thus starved of investment resources would be unable to make its due contribution to the national product; as it would then suffer from the neglect of the necessary repairs and replacements, or from a slowing down in the rate of capital accumulation. This would seriously impair its productive efficiency, to the detriment of the national product, of mass well-being, and of the expansion of employment.

The industrial and tertiary sectors have been able to claim an increasing proportion of the private sector's share of investment resources. Firstly, being the favoured sectors of the Planning Commission, they receive a weighted proportion of essential supplies, of capital-issue permits, and of import licences to meet their import needs. Secondly, they have had the benefit of the traditional attention of the organized money market, the stock exchange and certain specialized financial institutions. The privileged position of these sectors is reflected in galloping industrial production, which more than doubled during the past decade, though the national product had risen simultaneously by but 40 per cent.

VI

Decay in the Capital Base of Agriculture

This arrangement has impinged heavily on the rural sector, especially agriculture. Evidence of capital starvation of agriculture is writ large in the findings, given in the table below, of the *Rural Credit Survey, 1954,* and the Rural Debt and Investment Survey, 1961-62, both conducted by the Reserve Bank of India.

Gross Capital Formation of Rural Families

(Crores of Rs.)

	1951-52	1961-62
1. Farm Business	300	167
2. Non-Farm Business	100	150
3. Residential Housing	250	31
Total	650	348

The table highlights the detrioration, which is in process, of the capital base of the agricultural sector during the decade 1951-52 to 1961-62. While total investment in the economy rose nearly 3 times, from Rs. 750 crores in 1951-52 to Rs. 2,000 crores n 1961-62, gross capital formation in farm business declined by nearly one-half by the end of the decade. As agricultural population, in the meanwhile, went up by 22 per cent, gross expenditure on capital in farm business, should have gone up at least by an equal percentage, even under stagnant economic conditions. In a developing agricultural economy gross expenditures on capital should have gone up by a commensurately higher proportion. But the sharp decline in the pace of capital formation demonstrates decay and *de facto* capital consumption in agriculture, the most important national industry from which 70 per cent of the population derives its livelihood.

As the needs of one's livelihood have priority over housing comforts, it was

natural that, in a sinking economy, farmers should have conserved their meagre capital funds for farm business. Residential housing, therefore, received even less attention than capital formation on the rest of the farm.

Alone in the rural sector, non-farm business showed striking progress, capital formation here going up by 50 per cent. Non-farm business comprises non-agricultural production, transport and non-farm buildings, all of which form a part of the favoured sector of the Planning Commission.

We have corroborative evidence of the capital starvation of agriculture in the fantastically high interest rates on farm loans. *The Rural Credit Survey, 1954,* placed these interest rates at around 25 to 50 per cent per annum, on most borrowings, with even higher rates for many of the remaining borrowings. Since then the flow of savings into agriculture has diminished as a ratio of total investment funds and the farm credit position continues to be bad. This is confirmed by the *Rural Debt and Investment Survey,* 1961-62.

VII

Danger of Famine Conditions

The loss of productive efficiency in agriculture, the outcome of capital starvation, is reflected in the near stagnation of agricultural production since 1960-61; the improvement in 1964-65 due to good weather conditions was more than negated by the much sharper fall (about 16 per cent) in production in 1965-66. The new policy of pressurised diversion of resources into industry gathered momentum after 1955-56. Apparently, it took about five years for the resulting damage to capital maintenance in agriculture to show up in agricultural production. Official spokesmen wish to father poor harvests on poor rains and bad weather conditions. While this may provide part of the explanation for sharp drops in production in individual years, it is no answer to continued stagnant production.

As 70 per cent of agricultural activity relates to food production, retarded agricultural output has necessarily involved retarded food production. The net effect of this is evidenced by the statistics of food imports. The recovery in agricultural production that followed the acute scarcity conditions of 1951 had led to a decline in food imports to a negligible level in 1955. With the coming of the new policies involving neglect of agriculture, food output suffered and food imports mounted higher and higher, from 0.60 million tonnes in 1955 to 7.45 million tonnes in 1965. Imports in 1966 may be 9.7 million tonnes.

Today, food imports help to feed one in every eight of the population, and the rate of increase in these imports is several times higher than the rate of increase in population. It follows that mass starvation may be the outcome of stopping food imports. The remedy to this does not lie in any so called "agricultural bias" to "planning", if by this is meant mammoth projects in rural sectors in place of more such projects in urban sectors, though this is the direction in which policy makers seem to be moving. This would only shift the geographical location of resource misdirection, extravagance and wastages. What the situation calls for is increased capital formation in the farm sector through adding to the availability of credit to 70 million farmers. This reform is not feasible unless public sector appropriations are drastically scaled down.

If we pursue the scheme of reckless development of mammoth projects, miscalled "infra structure" industries, at the expense of further decay of the capital base of 70 million farms, we may be rushing headlong into famine conditions, though we may blame it on the weather, the human and

bovine populations, capitalism, and perhaps also the inadequacy of foreign aid. May we hope that, considering the human suffering involved, the policy makers and the benevolent financiers of these policies in the aid-giving countries, would hold their hand in good time and turn over a new leaf of more sensible policy measures?

VIII

Need to Abolish Exchange Control and Import Restrictions

Two other fatal errors of Plan finance are exchange control and import restrictions. Contrary to popular belief, these do not add to investment resources. They may, in fact, cause resource wastages and mal-investment, and hold back development. As import licences are documents of enormous value, they shift incomes into the pockets of those who traffick in these licences, at the expense of the rest of the community, and thus accentuate income contrasts, with the poor remaining poor and the privileged few growing even more opulent. Exchange control and import restrictions do not provide any satisfactory solution to balance of payments difficulties. They are easily the worst form ever of economic intervention.

The magnitude of national savings and their most effective investment are what make for accelerated economic growth. Dissection and restriction of imports cannot add to the one, nor contribute to the other. Imports are like the purchases of a trader. We cannot contribute to his income, his savings, or the expansion of his business, by dissecting and curtailing his purchases.

We may see how import restrictions automatically reduce potential exports. Import curtailment does not reduce the flow of money incomes seeking to purchase goods, as this flow is a counterpart of, and hence determined by, the national product. When imports are curtailed, the money incomes hitherto directed to the purchase of import goods, which are now no longer to be seen in the market, are diverted to feed on exportable goods; alternatively, resources are diverted from export production to home fabrication of goods to meet the unsatisfied demand ensuing from import curtailment. The net outcome in either case is the same: every time imports are axed, exports shrink. Trade statistics of country after country, which has been adopting import controls, illustrate the working of this principle. Though Indian national income rose by 44 per cent (at constant prices) from 1955 to 1964, Indian exports (also at constant prices) declined from Rs. 7.8 billion in 1955 to Rs. 6.12 billion in 1964.

Since exports decline in response to import restrictions, it follows that any pre-existing gap between imports and exports would continue; and the balance of payments difficulties would remain unsolved despite import restrictions. It is thus a delusion to suppose that curtailment of imports may provide a remedy to the balance of payments problem.

Import restrictions impinge adversely on the national product through the resource wastages involved in the home fabrication of manufactures to replace the foregone import goods. Domestic substitutes are, on an average, of an order of 75 per cent to 100 per cent more costly than the import goods they replace. Under such conditions, every time imports are curtailed, and the consequential import substitution takes place, the aggregate national product suffers.

IX

Conclusions

Thus, the financial provisions of the Fourth Plan need drastic recasting. We must begin by an assessment of the possible

quantum of domestic savings and foreign aid and adjust the investment programme to the sum of the two. Disaster must result if we pursued the Fourth Plan scheme of making first a programme of investments and then assert that we would be able to collect the requisite investment resources through domestic savings and foreign aid. This untenable procedure has led to the Fourth Plan magnitude of investments being about Rs. 7,500 crores larger than the likely resource availabilities.

The second fatal error of Plan finance is the appropriation of over 70 per cent of investment resources into public sector undertakings which contribute less than five per cent of the national product, leaving the minor part of 30 per cent of the resources for the private sector, which accounts for 88 per cent of the national product. This would worsen the decay in the capital base of agriculture which has already gone too far as a result of the similar investment appropriations of the earlier Plans. The net outcome of this has been stagnation of agriculture, lag in food production relative to population growth and dangerous dependence on food imports. If we pursued the Fourth Plan scheme of resource appropriations, we may be rushing headlong into famine conditions. The remedy to this danger does not lie in any so-called agricultural bias to Planning, by which is meant construction of mammoth projects in the rural sector. What the situation calls for is larger availability of credit and capital to 70 million farmers so that the decay in the capital base of agriculture may be stopped and reversed. This is not practical without a drastic scaling down of the ratio of resources appropriated for public sector undertakings.

Abolition of exchange control and import restrictions is a reform of no less urgency and importance. Exchange control and import restrictions do not add to the available supply of investment resources. Through causing resource wastages and resource misdirection, they may, in fact, retard the pace of development. Through shifting enormous incomes into the pockets of the beneficiaries of import licences, exchange control and import restrictions may accentuate income contrasts. They not even help to correct the balance of payments problem. They are easily the worst form of economic interventionism. Removal of exchange control and import restrictions is a necessary pre-condition for accelerated economic and social progress.

Excessive Taxation

S. V. Ghatalia

I

TAXATION in our country has reached commanding heights, and consequentially, the economy of our country has fallen into commanding depths. We are in the midst of man-made economic crisis for which excessive taxation is responsible in a large measure. Taxation, instead of being used as an economic instrument, has been used as a political instrument by our rulers who are more of politicians and less of economic experts. Like politicians, they have their eye on the next election rather than like statesmen having their eye on the next generation.

II

High Rates of Taxes

The highest rates of tax on marginal income etc. are as under:

1. Individual:
   - Earned Income 82.23%
   - Unearned Income 89.38%
2. Partner of registered firm (combined rate of the firm and individual tax)
   - Earned Income 88.57%
   - Unearned Income 95.72%
3. Private company:
   - (a) on company's income 77.25%
   - (b) combined rate of company and *shareholder* 97.58%
4. Public company:
   - (a) *on company's income* (excluding dividend tax) 70.50%
   - (b) combined rate of company and shareholder 96.91%

If a tax-payer has income of Rs. 70,000/-, after meeting household expenses of Rs. 25,000/- and insurance premium of Rs. 5,000/-, the savings, after annuity deposit, come to Rs. 9,040/-. In order to collect a capital of Rs. 1 lakh, he must earn an annual income of Rs. 70,000/- for about 10 years. Thus it will be seen that a self-made man who has come up in life by his own efforts, initiative and merit can never hope to start an industry, because the savings will be so small that he can never command sufficient capital to start an industrial undertaking.

At the present rates of tax, if the return on capital is 10%, then, the "zero point" is reached on a capital of Rs. 30 lakhs. On this amount, a person would earn Rs. 3 lakhs and pay income tax and wealth tax of Rs. 3 lakhs.

The most incomparable feature of our tax laws is the multiplicity of taxes. During the past few years, there has been a great experimentation and a spirit of innovation in respect of direct taxes. In the last seventeen years, we have an imposing list of direct taxes which is as under:

A. *Taxes on Income*

1. Income-tax
2. Super-tax (now merged with income-tax)

3. Capital Gains Tax
4. Dividend Tax
5. Companies (Profits) Surtax
6. Additional income-tax
7. Annuity Deposit Scheme
8. Business Profits Tax *
9. Current Profits Deposits for Depreciation *
10. Bonus Tax (Bonus tax on company) *
11. Super Profits Tax *
12. Capital Gains Tax on Company's shares *
13. Compulsory Deposit Scheme. *

B. Other Direct Taxes

14. Estate Duty
15. Wealth Tax
16. Gift Tax
17. Expenditure Tax *

In the matter of computing income, on account of inequitable law and unreasonable administration, deduction for legitimate expenses are not allowed with the result that the taxable income is much more than the actual income. Since there is no correlation between the real income and the taxable income, the actual incidence of tax is very much higher than the apparent incidence of tax.

The hardships arising out of inequity of legal provisions are not heeded and no steps are taken to amend the law, even though it is admitted that, in actual practice, the law as enacted is not in consonance with the intent and object of legislation. This is adding injustice to inequity.

On top of heavy incidence of tax, there is multiple penalisation under a complex law which neither the law-makers nor the law-keepers adequately understand. On top of multiple penalisation, there is a constant tinkering with the tax law. In the Finance Act, 1964 and thereafter, until to-day, 587 different provisions of direct laws have been changed.

The tax administration in this country lacks judicial approach and hence honest tax-payers are harassed beyond description and seeing their plight the dishonest are laughing up their sleeves. We have the distinction of having more and more and stricter and stricter laws but lesser and lesser compliance. Usually law and order go together but in our country it will be apt to say that, wherever there is a law, there is disorder. These factors are responsible in a good measure for the growing disrespect and hatred towards the law which is the first step towards transgression of the law.

III

Real Income

The real income can be reckoned after taking into account the tax and the purchasing power of money. The combined effect of escalation of cost of living and rise in taxation is responsible for the erosion of disposable income. The comparative figures of erosion of income are as under:

Income	Disposable Income	
	1950-51	1965-66
Rs.	Rs.	Rs.
10,000	9,508	6,243
20,000	18,060	11,158
40,000	30,289	18,282
70,000	43,414	26,000

The above figures clearly show how far there has been an improvement in the economic lot of the people. We are caught in the mirage of artificial figures of income and wealth, which, when converted into real terms, reveal their illusory nature.

* The taxes marked with asterisks are not in force now.

IV

Evasion of Tax

The high rates of taxation have led to wide-spread evasion of direct as well as indirect taxes. Some indication of the evasion of direct taxes is available from the response to the various schemes of disclosure. The yield under the various schemes is as under:

1. Gold Bond Schemes	18 crores
2. National Defence Remittance Scheme	70 crores
3. 60-40 Scheme of disclosure 4. Disclosure under Finance (No. 2) Act, 1965	146 crores
	Rs. 234 crores

The above figures clearly indicate that Government has failed to discharge its responsibility to collect the tax according to the law of the land. Many social evils in the country can be traced to high rates of taxes and corresponding evasion of tax. We are witnessing a phenomenon of charging more and more on less and less. In the field of direct taxation, the scope for further increase in revenue is extremely limited, and hence any argument about additional revenue from this source is a political argument and not an economic argument.

The government has completely failed to recognise the real aspects of unaccounted money. The black-market transactions and other ancillary activities which gave rise to unaccounted money have a tremendous effect not only on the economy of the country, but, more important, on the character of the people. It is well known that if money is lost, it can be regained; but, character, once lost, is very difficult to regain. The twentieth century has witnessed assassinations of two great men of the century, and history will record a third equally important assassination, namely, that of the character of the Indian people under the economic order created by the Government policy.

Our rulers *ad nauseam* go on stating that tax evasion should be heavily penalised. In the recent years, stringent penalty provisions have been introduced in the law, but the last two years have witnessed three schemes of disclosure for tax evasion in which not only penalty was completely waived, but a concession in tax was granted to those persons who, with impunity, successfully defied the law for the last ten to fifteen years. The Government is blowing hot and cold. It has one set of policies for the honest, and another set of policies for the dishonest. The dishonest are rewarded and the honest are penalised. If an honest tax-payer were to be a little late, for good reasons, in submitting the return of income, he is subjected to unconscionable penalty. In one case, for a delay of few days in making payment of tax of Rs. 1 lakh, a penalty of Rs. 10,000/- was imposed.

There is no connection between what is preached and what is practised. The persons who talk of tax evasion are the very persons who turn a Nelson's eye when cases of evasion come to light.

V

Inequality of Wealth and Income

In the past seventeen years, the biggest political slogan has been the demand for the reduction in inequality of wealth and income. The highly unjust tax measures are justified on this ground. This slogan requires a closer examination. The official figures of wealth and income reveal that it is a small problem which has been magnified and exploited for political purposes.

On the basis of available statistics, according to the assessments in the year 1961-62, there were 26,160 individuals and Hindu

Undivided Families having wealth of over Rs. 2 lakhs, and the wealth assessed to tax amounted to Rs. 1,418 crores. Our ministers, who are making so much of "inequality of wealth", can be posed with a straight proposition that, even if they confiscate the wealth of 26,000-and odd persons holding Rs. 1,400/- and odd crores, how far will it go to improve the economic lot of the common people, or do good to the country's economy.

In respect of income, according to statistics of the assessments in the year 1961-62, the distribution of income is as under:

Total of all persons having income of more than: Rs.	No. of persons
25,000	49,776
50,000	12,198
1,00,000	2,649
2,00,000	543
5,00,000	83

The above figures reveal that the persons in the high income bracket group are very few, representing a minor fraction of the total population. Even in respect of such persons, the confiscatory rates of taxation take away a large slice of income and in some cases, the total incidence of direct tax is more than the income.

Thus, the pretext of reducing the inequality of income and wealth is nothing but a cheap political slogan, and, in point of fact, as well as in substance, there is no force behind the argument.

In the Third Plan period, there has been no reduction in inequalities in wealth and income in the manner envisaged. However, no doubt, there has been a re-distribution of income and wealth on a large scale, but it is a transfer of wealth and income from the scrupulous to the unscrupulous, from the persons with merit to persons without merit; from the efficient to the inefficient; from the honest to the corrupt; and from the productive sector to unproductive sector. The large public expenditure, coupled with wasteful expenditure, has promoted a social structure in which money has come in the hands of people who deserve it the least.

Under the ostensible facade of re-distribution and equitable distribution, in fact, what has happened is that income and wealth of the people, in a large measure, have been transferred to the control of the State. Under this pretext, everyone has been robbed – whether he is rich or poor – and the control over the resources is gradually, but certainly, passing in the hands of the State and consequently in the hands of the politicians. The control of resources is abused, in the sense, there is no competent management of the resources and the persons who are in charge of large amount of moneys are not necessarily honest, as has been shown by recent disclosures in Parliament.

VI

Additional Taxation

Under the Third Plan, the target for additional taxation was Rs. 1,710 crores against which actual taxation amounted to Rs. 2,880 crores, resulting in excess over the plan of Rs. 1,170 crores, that is, 68.42%. This is a case of one of the very few targets overreached in the Third Plan.

In the Fourth Plan, the additional taxation is estimated at Rs. 2,730 crores, out of which, in the current year, additional taxation of Rs. 930 crores has been already imposed, leaving further taxation of Rs. 1,800 crores to be imposed in the remaining four years.

In the last six years, against estimated additional taxation of Rs. 2,256 crores, the actual additional taxation has been Rs. 3,810 crores, showing an excess of Rs. 1,554 crores over the original estimate – an increase of 68.88%.

The ratio of tax receipts to national income was 6.6% in 1950-51, as against 14% in 1965-66, and it is expected to be 15% in the year 1966-67. During the Fourth Plan period, this ratio is estimated to rise to about 17%.

The additional taxation envisaged in the Fourth Plan is sought to be imposed on the existing heavy tax structure. The confiscatory rates of taxation have injured the vital impulses of economic enterprise and organization; destroyed the incentive to work and save; paralysed the capital market; hampered the industrial growth and disrupted the entire economy. To-day, our country is the most heavily taxed in the world, having regard to the capacity to bear the taxes. Taxable capacity of our people has reached the breaking point, and, therefore, the expectation of any additional revenue from tax can be based only on the revival of economy and acceleration in the tempo of economic activity. The Fourth Plan is likely to achieve exactly the opposite effect, namely, it will constrict the economic activity and restrict development.

VII

Fruits of Investment

Even if people can be persuaded, out of national spirit, to bear the high burden of taxation, the question is, "What is being done with the hard-earned money of the tax-payers?" The citizens can be persuaded to bear crushing taxation only on the guarantee that the resources so provided would be fruitfully employed. A study of the rate of growth in the three Plan periods shows that the rate of growth is in inverse proportion to the amount of outlay. In other words, the higher the outlay, the lesser the rate of growth, and *vice versa.*

Secondly, in respect of investment in the public sector, the return on capital employed has been 1.8% indicating a high degree of inefficiency and incapacity to manage. Taxation converts private property into public property, and it is common knowledge that such public property is treated as if it is private property by our rulers. There is wastage, inefficiency, mismanagement and dishonesty at all levels in dealing with the hard-earned money of the citizens of the country.

FUNDAMENTAL ECONOMIC RIGHTS

First consideration must be given to the freedom of every citizen to live his life according to his financial circumstances, personal desires and values. This basic principle of freedom for the consumer must logically be counter-balanced by freedom for the producer to make and sell what he believes to be marketable, that is, what he has found, after studying individual needs, to be essential and likely to succeed. Freedom for the consumer and freedom to work must be explicitly recognized as inviolable basic rights by every citizen. To offend against them should be regarded as an outrage against society. Democracy and a free economy are as logically linked as are dictatorship and State controls.

—Ludwig Erhard in *Prosperity Through Competition*

Swatantra and Trade Unionism

G. B. Sukhee

SINCE the days of Mr. N. M. Joshi and other early pioneers of the Indian Trade Union Movement, it is indeed true that the Indian working class has made strides. Be it in the public sector or in the private, today the workers are organised and are no longer the victims of the exploitation and arbitrary action of unscrupulous employers. They are in a position to bargain for better service conditions. But – it is an important but – have they been able to reap the full benefit that could be derived from their organised strength? While trying to extricate themselves from the clutches of the unscrupulous employer, have they not fallen prey to unscrupulous politicians?

When we look back, the history of trade unionism in India would certainly reveal a highly deplorable trend – the increasing control exerted by political parties. In fact trade unions function as if they were an integral part of one political party or the other.

This inevitably creates many unhealthy things, both from the point of view of the body politic as well as a sound T.U. movement. Many a time because of the political ambitions of the party concerned–sometimes of even individuals – trade union issues become secondary and political aims are pursued more vigorously. Many a time agitations are launched apparently for the workers' demands, but in fact are camouflaged moves to test the party's strength or only to humiliate rival parties. Political control of trade unions also creates problems of leadership. It hampers the growth of leadership from among the working class, creates a sense of dependence in the workers and makes a trade union organisation a tool in the hands of ambitious politicians and 'outsiders'.

Political influence is to a large extent responsible in making the trade union movement "a house divided against itself". There is a continuous scramble for power in the trade unions. There is a continuous effort on the part of political parties to grab as many trade unions as possible. There is also a continuous effort to weaken rival trade unions by fair means or foul. There are sometimes efforts to subvert the leadership in an established trade union. At times there are glaring cases when slanderous campaigns are carried on by rival trade unions against each other. There are also cases where unrecognised trade unions resort to unhealthy and even violent tactics in their fight for recognition. And there are pathetic cases of puny trade unions without any support from the workers getting recognition because of the patronage of the ruling parties.

All this goes to show that there is something inherently wrong in allowing political parties to control trade union organisations.

The trade union by its very nature is meant to fight for the workers' rights without being biased by any political ideology. It is and should be an organisation of workers, run by the workers for the workers. Any extraneous influence is bound to detract it from pursuing the legitimate path of trade union struggle. It should function only for the benefit of the workers and not borrow its ideas from either party bosses or from textbooks of political ideology. A trade union can operate freely and successfully only when it is unhampered by out-

side influence and political dogmas. Unhealthy and sometimes almost shameless practices adopted by some of the trade unions are symptomatic of the deep malady that afflicts the working class movement today.

This should be the concern of all those interested in the democratic growth of trade unions.

Promoted by such a desire the Swatantra Party has taken the initiative to encourage and strengthen independent trade unions. The following will bear out the enlightened stand of the Swatantra Party.

Swatantra Trade Unionism

Swatantra Party accepts workers' right to organise Trade Unions. The Party believes that strong and responsible Trade Unions are an integral part of a democratic industrial order. Swatantra Party helps and encourages workers to build up their own strong unions so that they have a better collective bargaining strength to improve their living conditions and employment conditions.

Swatantra Party is opposed to the domination of Trade Unions by outsiders and political parties. The party is not satisfied with the present day plight of Trade Union movement in our country.

The Party has a programme and it helps the Trade Unions to be Independent of all politicians and outsiders.

Since Swatantra Party advocates a strong and independent Trade union movement, the Party will not join the race in controlling Trade Unions but shall work for liberating Trade Unions from the grip of politicians and outsiders.

Industrial Relations & Swatantra Party

The Party believes that closer association and consultation between labour and management will help in resolving major industrial disputes. It advocates internal and mutual settlement of all issues concerning Labour and Industry.

While interference from the State is not desirable, the State should set up a machinery, if both labour and management turn for conciliation or mediation for any unsettled issues. If necessary, the State may also appoint a Court of Inquiry or an Arbitrator to judge the merits and justification of demands on the part of workers or denial on the part of management. The right of strike is guaranteed to workers if the dispute is not settled by mutual consultation or negotiation. Both parties are free within the Law to adopt their course.

Workers Education

Swatantra Party has a programme for educating workers. If a wider outlook is instilled through education, workers would realise their rights as well as responsibilities towards work and industry they belong to as well as towards society. Swatantra Party is spreading such education through Trade Unions and their Co-ordinating Committee.

Your Questions Answered

The Junior Chamber of Commerce in Ahmedabad and a meeting of businessmen, professionals and other intelligentsia in Bombay provided Mr. M. R. Masani and Mr. N. Dandeker with an opportunity to clarify many issues concerning the Swatantra Party and its policies. We give below the questions put to them and their answers.

Q. Farm, Family and Freedom is a good slogan. How will you implement it?

A. Well, this slogan was put forward by Rajaji many years ago. It means that you try to stress your priorities. You try to hold up your objectives.

We believe that the farms of India, which are our basic industries, have been neglected. They must be put absolutely first. Until agriculture is put on its feet, to talk of industrial and economic progress is moonshine.

Family, we stress because our Party wishes to modernise India, wishes to transform India into a twentieth century modern society, but it wants to do so without breaking with the tradition of India. We do believe in the home. We believe that the form of society which has been developed is something on which we should build. We do not believe in Communes. We do not believe in Collective Farming. We do not believe that children should be brought up by the State and that the parents can escape their responsibilities and wash their hands off them. So, we believe that a family is an institution in society that needs to be preserved and strengthened.

Finally Freedom. Here I can only say that you will kindly read the Party's Statement of Policy "To Prosperity through Freedom." This is our basic creed. We believe in freedom. The name of our Party itself tries to express this. What does "Swatantra" mean in this context? Swatantra, as I understand it, means self-direction, self-determination, automotivation, being motivated from within. It is freedom in a deep sense of the word. When I go to Germany and when they ask me what is the name of your Party, I say Frieheit Party. Frieheit means freedom. But it is little more than freedom. Freedom means to us not being bullied from outside, not being told what to do, but to tell yourself what to do. "Swatantra" means some power within us which makes us move and which makes us exercise those choices which I referred to this morning. The direction comes from within, Now, we know what is self-determination. We talk of the right of a people to self-determination. The Swatantra Party believes that the right of self-determination belongs not only to a nation, but to every individual. There are limits beyond which this must not be pushed. I actually expressed this in my speech, when I quoted the Bible, Abraham Lincoln and Mahatma Gandhi. Swatantra means that each one has to decide for himself. There are limits beyond which you cannot go. If I stretch out my arm and it meets my friend's eye or nose, then my freedom to stretch out my arm must be restricted. But if I don't hurt him, then my right to stretch my arm must not be interfered with. The

Swatantra Party believes in maximum individual liberty. One of my friends told me the other day: "We are democratic individualists. We are individualists, but we believe in the fullest individual freedom subject to the interest of society." That great man, the present Chancellor of Germany, Dr. Erhard, has written a book called "Social Enterprise." which means free enterprise conditioned by social obligations. My good friend Jayprakash Narayan is going round India holding seminars and discussions on the social obligations of business. I have participated with him in two such seminars, one in Delhi and one in Calcutta. I believe that what he is doing is a wonderful job, trying to make free enterprise aware of its social obligations. But, Jayprakash, like me, also believes that this social motivation must come from within. It must not be imposed by the regimentation of the State or governmental machinery or from outside. This is what, if I may say so, Farm Family and Freedom means to us.

—M.R.M.

Q. Is it true that your party is merely a collection of Kings, retired Government servants and frustrated political leaders? I don't think the Swatantra Party gives any new political ideology. Please comment.

A. My answer is that it is a cheap type of jibe. I don't agree with it. The facts do not warrant such a categorisation. We have a few retired Government servants, we have a few ex-princes, we have a few retired politicians. All this is true, but the way it is put is not true, because there are more retired politicians in the Congress Party. For every Maharaja that we have the Congress Party has twenty Maharajas. For every politician that we have, there are 100 politicians on the other side. So, that I don't think such a question needs any answer. It is a cheap type of jibe.

—M.R.M.

Q. You compared your Party with the West German Democratic Socialist Party as it stands at present. But you would agree that perhaps the West German Socialists would not have adopted this present policy and programme if they had to face the same problems, as faced by India? Is not the comparison somewhat irrelevant?

A. Well, it is a very intelligent question and I have come across it earlier. It is true that the Social Democrats in Germany—and some of them are my personal friends, Willy Brandt Mayor of Berlin is a personal friend of mine, Carlo Smith is another friend of mine—that in 1947 or 1948 when Germany became free after the war, they did not take the stand they take today of discarding their Marxist baggage and becoming a Liberal Party. Does it prove that they were right? No. It only proves that they came to their senses a little late. There were other people who had come to that policy even at that stage. When Germany was in ruins after the War, Ludwig Erhard of the Christian Democratic Party and a great liberal thinker, took our line even when Germany was in ruins and not when it is prosperous. There was a very dramatic incident. When the new German Government was formed, he was made the Minister of Economic Affairs. At that time, four Allied Generals were still there, watching the new Government and having a veto over its policies. Erhard went to them and said: "I want decontrol, I want to scrap all regulations and controls over the economy overnight". They said: "You are mad. You can't do that. You need socialism. You need regimentation. Gradually you may do it, but we cannot let you do it now. When he found he was flouted, he played a trick. He went to the radio one night and announced that all controls had come to an

end at midnight. Next day he was called before the four Generals who said: "How dare you do this"? He said "this is my country and I am the Minister for Economic Affairs of a free Government. You can dismiss me but I am not going to go back on it. I have taken a stand and I am going to see it through." The Generals were so shaken by the defiance of this man, who had the courage of his convictions, that they backed down, and said: "All right. Now that you have done it, try it out. But we think you will fail". The result was the German Miracle. So, with all respect to my friends Willy Brandt and Carlo Smith, I would say that they were ten years late. Though the Christian Democrats and Dr. Erhard stole the show that has brought Germany to its present prosperity, the poor Socialists, now having nothing to do, are following. So I would say that while today the German Socialists have caught up with the Erhard–Swatantra Party Line, we do not have to waste ten years to come to the same conclusion.

—M.R.M.

Q. Does the Swatantra Party believe in having our own Nuclear Bombs or a Nuclear Umbrella?

A. No. We do not believe in having our own nuclear bomb. We have debated this in Parliament in the days of Mr. Lal Bahadur Shastri and we shall do it again. The basic reasons why we take this line are as follows:

First of all, we do not believe that it is economically feasible for India to make the Bomb without destroying the country. Our leading atomic scientist, who is the Head of the apparatus that we have set up in this connection, in a statement some time back has said that the delivery system and the Bomb would cost the Exchequer billions of dollars every year. If we convert it into Rupee currency, it would mean crores and crores of rupees. Now let me make this point clear, that the production of the Bomb is less expensive than delivering it. The production of the Bomb would cost a lot of money. But the delivery system would cost us much more. In France, they estimated that delivering the Bomb would cost as much as making it. Now, in our case, this delivery of the Bomb is complicated because of the logistics. Our enemies, the Chinese Communists can drop a bomb, an Atomic Bomb on us from Tibet. They could even do it in a Dakota, if they could get through and bomb Calcutta or Jamshedpur or Delhi. But our Bomb is not to be dropped on Tibet. We do not want to massacre the few remaining Tibetans who have survived Chinese imperialism. Our bomb is to be delivered on Peking. Now, Peking happens to be, I believe, about 2500 miles away from India. The only kind of plane that could deliver that Bomb on Peking would be a supersonic Jet, which has to get through to Peking, drop the bomb and come back. Now, supersonic Jet aircraft would cost us many times more than what it would cost us to produce a Hydrogen Bomb or a nuclear weapon. Therefore, we rule it out as an utterly mad thought which simply is not within our means. Supposing, I ask a person: "would you like to construct a palace when you have not got even a hundred rupees" and the man says: "yes, I would like to build a palace," but I have not got the money to afford it; I would say that it is utterly impossible because of the economic situation. This should be enough because if you have not got anything, naturally, you cannot do it. There is no point in arguing this any further.

I would go further and say that there are political reasons why it would be better not to make a bomb. What you need today is not this Bomb for dropping purposes. The need for the bomb is to deter an attack on you. In other words, the nuclear system is only useful not for retaliation but

to act as a deterrent. We are not interested in bombing Peking. Why should we be interested in that? What are we to gain by dropping a bomb on the poor people of Peking? What we want is to stop Mao Tse Tung and his bandits from entering or bombing India. That is all we want. So, the purpose of making a nuclear weapon would be to stop the bandits of Mao Tse Tung from entering our home. It is not to go and pursue him in his own territory. Now, how can we best do that? If we make one of these bombs and do not have a supersonic Jet aircraft, Mao Tse Tung will not be deterred.

There is a way of deterring him without spending a single rupee of the Indian tax payer. That deterrent has been offered to us by those who possess it. President Lyndon Johnson, on the 18th of October, 1964, made a public and categorical offer to us and others menaced by the Chinese threat. He said—I am only paraphrasing what he said—that if any nation in Asia feels threatened by the Chinese nuclear blackmail, they were prepared to give them a guarantee of protection and defence against that threat. I suggested in Parliament to Mr. Lal Bahadur Shastri that that offer should be immediately accepted. I was speaking in November, 1964. Unfortunately, Mr. Shastri did not feel like that. He neither said 'yes' nor 'no' to that proposal, although he supported my economic argument in regard to rejecting making our own Bomb. He said "I agree hundred per cent with Mr. Masani's argument for not making the Bomb". But, about my suggestion of taking the American deterrent, he was silent. That is the story as it stands today. So, I would say that my Party's policy is against making the bomb. We are all for getting free of cost to the Indian people the offer of a foolproof guarantee held out by President Johnson which we have not accepted. If there is no guarantee today, the responsibility for it lies entirely on our own Government.

—M.R.M.

Q. Population control is a very important problem of this country. If your party comes into power, how do you intend to solve it faster?

A. In Calcutta, a year ago, I was asked a very similar question, viz. your party is against all kinds of controls, then why are you for birth control? To that question, my answer was that we are against all controls which are exercised by bureaucrats and politicians, but we are for controls that can be exercised by people in their own homes and of their own free will.

I accept the major proposition that population control is a major necessity in India. I know there are certain eminent members in my Party who do not share that view. But most of us, I think, hold it strongly. I would, once and for all, say that if this population explosion cannot be controlled within the limits of what our food resources and economic resources can produce, then certainly no system or society can give the Indian People a higher standard of life.

When the third five year Plan was formulated, at that time, the Government of India appointed a Population Sub-Committee and they recommended that one per cent of the total outlay of the Plan should be devoted to spreading the knowledge of contraceptives and supplying the people with material which would result in the control of growth of population. I would have thought it a very reasonable proposition that one per cent of the plan allocation was to be spent by Government in the next five years for this purpose. And yet our late Prime minister, who was a kind of Marxist, and therefore, an anti-neo-Malthusian, he and the Planning Com-

mission rejected this proposal saying that our Socialist country does not need birth control! It seemed that the Socialist country would provide milk and honey so much that every one in the country could go on breeding. It is a fashion that has been shared by other Marxists like Lenin and Mao Tse Tung earlier. But, they have given it up in the face reality in China and Russia. Then, we learnt that Mr. Nehru and the Planning Commission cut it down to half a per cent. So, half a per cent of the resources of the third Plan was allocated to Family Planning. But even that half per cent was not spent. I forgot the figure, but I think, less than 50 per cent of what was actually allocated was spent during the last five years and the other money lapsed! Now, this shows the utter lack of seriousness on the part of this Government in dealing with this problem. So, my answer would be that the Swatantra Party would certainly, in its administrative policies, give greater weight to the considerations which you have urged and try to make the knowledge and material available to our people much more seriously than the Central Government thinks fit.

—M.R.M.

Q. Your party intends to have a settlement with Pakistan on 'Kashmir Issue' What shall be the terms of such a settlement? Don't you think that a policy of appeasement towards Pakistan shall be dangerous to India's security.

A. I am afraid the questioner is a little out of date. It was our policy till the middle of 1965 that India, Pakistan and the people of Kashmir should find a solution to the Kashmir problem which would be acceptable to India and Pakistan and which would ensure the freedom and welfare of the people of Kashmir. That ceased to be our policy when Pakistan aggressed in August 1965. As soon as that happened, we reviewed and changed our policy, because policies are made to suit the facts of the day and are not to be the same even if situations change. We then took the line that Pakistan, by resorting to violence and aggression, had forfeited whatever *locus standi* it had when Pandit Nehru referred the matter to the U.N. Security Council and made Pakistan a party to the dispute. Since the Pakistani aggression, our stand is very clear that Pakistan has nothing to do with Kashmir and has no *locus standi* in so far as the Kashmir problem is concerned.

While the armed aggression by the Government of Pakistan has disqualified it from any *locus standi* in the Kashmir problem, this cannot reduce the obligations undertaken by India towards the people of Kashmir. The National Executive of the Swatantra Party, which met in Delhi on the 2nd of November, 1965, after the hostilities with Pakistan had come to a stop, passed a long resolution on the international situation in the context of Indo-Pakistani hostilities, of which I shall now read the last paragraph:

> "In conditions of infiltration, the good will of the people of Kashmir will, in the long run, be decisive and important. While the armed aggression by the Government of Pakistan has disqualified it from any *locus standi* in the Kashmir problem, it cannot reduce the obligations undertaken by India towards the people of Kashmir. The solution of the problem should, therefore, be worked out on our own initiative and at the proper time such as would be mutually acceptable to India and the people of Kashmir and which should be in the interests of both".

Now, I think the questioner will agree that the whole assumption on which his question was based does not exist. The Swatantra Party does want to settle the Kashmir problem with our own fellow-

citizens in Kashmir in a way that is acceptable to the rest of India and the people of Kashmir. This can be done by free elections next year in which all the leaders of the Kashmir people should be free to participate and show what support they have.

—M.R.M.

Q. Please clarify your Party's policy on Kashmir?

A. I have read already from the resolution we passed. We think that Kashmir is a part of India, but we want it to be a happy and contented part of a family. We do not believe that any part of the nation can be ruled by force, neither the Nagas nor the Kashmiris, nor anyone else. Therefore, we have got to win the hearts of the people. National integration does not merely mean passing laws. It means that the people must feel that they belong to this country. A man must feel that he is an Indian, and it is no good forcing him to say he is an Indian. Therefore, our whole approach is one of conciliation. We want to sit with the people of Kashmir, we want to sit with their leaders and make them *feel* that their interest demands that they be part of India. Smt. Indira Gandhi is doing that with the Nagas and we support her in the negotiations the Government of India is carrying on with the "Naga Federal Republic". We want the same spirit and same approach to be applied to Kashmir so that we have in Kashmir a Government that is a real part of India, which *feels* part of India, which is loyal to India and which would defend India with its life. We do not believe that a policy of repression or imposition by people from Delhi from time to time is the way to make Kashmir a permanent part of India. On the contrary, we feel that such a policy may easily defeat itself. We may lose Kashmir as a result.

On the other hand, if we have in Kashmir a happy, well contended people, that in our view is the only way in which that part of Kashmir which is today occupied by Pakistan can be got into a free Kashmir that is part of India. There is no other way to get Pakistani occupied Kashmir into Indian Kashmir and into India than that of showing that Indian Kashmir is free, Indian Kashmir is happy, Indian Kashmir is at peace, while the same cannot be said of the part of Kashmir that lies across the international border. That I believe is the only statesmanlike way in which we can attract them to the Indian Union, into the family, the free family to which we belong. We cannot hope to take it by force of arms without a major war. So both for the sake of Indian integration and even for the sake of getting back into India that part of Kashmir which is today occupied by Pakistan, I would say that the policies of the Swatantra Party of carrying the people of Kashmir, their leaders, their patriots along with us into a feeling that they are part of India, as we are doing with the Nagas, are the statesmanlike policies from the point of Indian democracy and Indian nationalism.

—M.R.M.

Q. We have many inter-State disputes? How does your Party propose to solve them.

A. I have not given thought to this problem. There are certain problems which you do not have to face till you get into the Government. They are of an administrative nature. I wish I could answer the question. I am quite frank that I have not thought about it nor has our Party deliberated on it. When I was in Bangalore, a couple of months ago, attending the State Convention of the Mysore Unit of our Party, this problem came up. I was gratified to see that my Mysore colleagues passed a short resolution saying that this was not the time to get excited over our border disputes. They deprecated the excitement that had been created between Maharashtra and Mysore

over this matter. They were quite prepared to let things lie until the more vital problems facing the country viz., the food problem, bankruptcy and devaluation, were handled, well-being was restored, and they said that after that border problems could be ventilated. So let me put it this way that we are not excited about border problems. In fact, they do not excite us. We feel that they are a bit of a red herring distracting our of attention from the real needs of the people which are of a different order.

—M.R.M.

Q. What guarantee is there, given the opportunity to be in Office, the Swatantra Party would be any better than the Congress Party?

A: While we would like to think that our people would behave better, given the opportunity, than the Congress people have done, I think it would wrong to assume any righteous superiority on the moral level. After all, we are from the same soil, the same nation and the same family, and it is quite likely that the ills that have affected the Congress Party will affect any other Party similarly situated. To that, we have an answer and that is this. We believe that the bulk of the corruption today stems from the regime of controls, licences and permits which goes by the name of socialism in this country. We stand for the complete dismantling of the entire apparatus of licences, permits, quotas and all patronage that is put in the hands of the politicians. We want to give economic power back to the people. Once economic power is handed back to the people, even if the Swatantra politician is liable to be corrupted there will be very little to be corrupt about. When we go back to a free and competitive economy, corruption can be kept down at a very low level. Today, the bulk of corruption in India comes from the distorted kind of socialism that is being practiced. Therefore we will disband it, and put it beyond the reach of our own people to emulate the exploits of the Congress people. This is the fundamental answer that we have to the problem that has been posed.

—M.R.M.

Q. Supposing you form the Government in one State and the Congress was in power at the Centre, would your government be able to function and show some result?

A: A very good question. I think the answer is Yes, it can be done. The Federal Constitution has allocated power between the Centre and the States. Up to now the Federal Constitution has been a dead letter because there have not been State Governments of a different political complexion from the Union Government. And the so-called Congress "High Command" or caucus is able, by motivating the State Governments on the one hand and the Union Government on the other, to enforce uniformity. The moment you have a Party like ours forming one or two State governments, the Federal Constitution will begin to function for the first time. There is a Supreme Court to decide what the limits of the Union Government are and what the rights of the State Governments are. I have no hesitation at all in saying that if we could form a government in Orissa or Rajasthan or Gujarat tomorrow, we shall have the capacity to hold our own against any interference from the Centre beyond the domain of the Centre. If there is any such interference, there will be the verdict of public opinion on the one side and of the Supreme Court on the other to which we would appeal. So I am not at all worried about any hanky panky from Delhi to make our own State governments ineffective. It is true that the Communists in Kerala were put out of office with the support of the Centre. But then the Communists are different; a large section of public opinion quite rightly

regards them as a "Fifth Column", who should not be trusted with power. I do not believe the same situation would exist in the case of the Swatantra Party.

—M.R.M.

Q. What will you do about the illiteracy problem?

A: I think it is a very important question. More money should be spent, instead of all these industrial Taj Mahals all over the place in the public sector, on basic elementary education, which requires training teachers, building schools and things of that kind. I believe I have almost come to accept what Prof. Ranga used to tell me from the very time I entered parliament that the Congress Party has a vested interest in illiteracy. Because otherwise they wouldn't come to power. People are not able to read my speeches. They are not able to read our Manifesto. If you talk to them the idea remains in their mind for five days, or five weeks it disappears after that. But if you have a piece of paper on which the thing is printed you read it over and over again it fixes in your mind. And I believe that if people were more literate they would have thrown out the Congress Party far sooner than under the present situation where they are illiterate. It would be one of our basic endeavours to try and remove illiteracy as fast as we can and not as slow as the Congress is trying to do.

—N.D.

Q. Is there not a law to prevent contributions by Joint-Stock companies to political parties? If there is'nt one, don't you think that this is an unhealthy practice.

A: There is no constitutional or legal bar to those who are in office collecting subscriptions for their Party. But it should not be done. In England, for instance, Ministers abstain from going round collecting subscriptions from businessmen or others. Now, this is a matter of convention and of a real feeling for democracy. You can't pass a law about it because, as we know, each law has its own evasions. But Rajaji has been urging that this is wrong, undemocratic, immoral and that those in office have a moral obligation not to join in this kind of activity because they have the patronage to reward those who may give them the money. His proposal therefore is that six months or three months before every election, the government of the day must step aside and the President should rule through administrators, so that at the time when the funds are being collected nobody is in office and nobody is in a position to make promises of reward.

—M.R.M.

Q. Have you been to Russia recently for a first hand knowledge of Soviet housing and agriculture before you disagree with Mr. Kamaraj?

A: There are ways of knowing what is happening in a country without visiting it. I happen to be a very close student of Soviet and Chinese developments. I read a great deal of what their press and their own spokesmen say. And I do know two facts: one, that Mr. Khrushchev and his successors have made no bones about the deplorable condition of housing in the Soviet Union. The second that the Soviet Union is selling large amounts of gold in the international market in order to buy wheat for their people who would otherwise starve. Now I should have thought that a country like the Soviet Union which, 45 years after the Revolution, is not able to feed its people and is bankrupt on the agricultural front, as we are, certainly cannot boast of agricultural development and if somebody praises them he is obviously

talking through his hat or whatever else he wears instead of a hat.

—M.R.M.

Q. Sir, speaking about defects of your Party, you said it is not proper to criticise a party from outside. The best way is to get in and improve it. Could you please do the same by getting in the Congress.

A. I think this is a very interesting question. As it happens, I followed the questioner's advice many years ago and failed! I was a Congressman for about 25 years. I tried to do what you are suggesting from inside. Certainly from 1945 upto 1952, when I was a Congress M.P., I tried to do exactly what you are asking me to do today. I tried to resist the policy of appeasing Chinese communism. I resisted the betrayal of Tibet when Pandit Jawaharlal Nehru put it across. I fought it on the floor of the House. We had a debate on Korea, Tibet, on planning and so on. At the end of those five years I decided that the Congress Party was incapable of improvement or saving. Other people came to their own conclusions in their own time. Rajaji came to the same conclusions a few years later in 1959. So did Prof. Ranga, who was the Secretary of the Congress Party in 1959, and who gave up his attempt at that stage. Mr. Munshi did it at the same time. So, one has to go through this experience for oneself. If my questioner would like to join the Congress Party and try to reform it I wish him good luck. Well, after a year or two if he comes to me and says that he has failed in his mission, I shall open my arms and welcome him to my Party.

—M.R.M.

Q. Should we not support honest Congressmen, to get elected to Parliament so that they could influence their party's policies from within?

A. There are people who have tried it in the last ten years to my knowledge and have not got very far. If anyone wants to try it, he may do so. I can promise him that he will get no dividends from this kind of deal. The reason is that the Congress Party is so clearly wedded to certain dogmas and doctrines, is so much under the thumb of its so-called "leftist" elements that the right kind of people who can be sent to Parliament in return for financial assistance are only too often found to be pulverised into silence and are no use to anyone at all. In other words, you can't get behind the reality that the Congress Party stands by its Manifesto. Their Manifesto is a bad manifesto, it is a wicked Manifesto. It would do great harm to the country. It means the Congress Party wants to extend its predatory operations to the field of banking, trade, and so on. Now, if two or three honest people get into that Party, what are they going to do? They have some honest people and we know how little they are able to do. Therefore, I for one who worked 25 years in the Congress and found out that this was not possible, can hardly endorse this remedy, nor would Rajaji who worked for twice as long, nor would Mr. Munshi nor Prof. Ranga be able to say that you can get into the Congress and cure it from within. I think the Congress is so much on the verge of disintegration that not even fifty good men can now stop the rot. I would therefore suggest that the more profitable thing is to throw them out and put in a new government rather than try to reform them from within.

—M.R.M.

Q. I do agree that the Congress regime for the past 20 years has brought more trouble than good. It could get us slowly into a communist state of government.

A. I appreciate the question. I think this is perfectly true. When we attack the Congress policy or the Congress Party, we do not believe for a moment that all Congressmen

hold those views or are to be rejected. We have many friends in the Congress Party whom we respect. But the trouble is that they are not as powerful as some people make out. Unfortunately the "Right Wing", as it is called, of the Congress Party is a broken reed. You will find that in every clash that arises a handful of vocal "Leftists" are able to intimidate the so called "Right Wing" or liberal people in the Congress into silence or defeat. But I entirely agree we must try to carry them with us. And I can tell you one thing that, ever since 1957, when I went back to Parliament as a member of the Opposition, I have always considered the bulk of Congress back benchers to be my audience. I have always tried to talk to them and to find common ground with them to take them along with me. I can assure you that the speeches that Prof. Ranga or Mr Dandeker or I make evoke a considerable response in the hearts of these people but unfortunately that response is only exhibited in the Central Hall or the Lobby. When it comes to the floor of Parliament or the division lobby, then of course that response vanishes and dissolves itself into conformity.

—M.R.M.

Q. There is a growing feeling that strengthening the Swatantra Party will in fact strengthen the communists. Therefore I support the Congress.

A: I take this up following what Mr. Masani said in answer to the previous question because I think they are more or less opposite facets of the same problem. There is a feeling that if we strengthen the Swatantra Party the forces of reaction will automatically strengthen the Communist Party. Now in point of fact the position in the Congress Party really is that approximately 2/3rds certainly about 60% of the members of the Congress Party in Parliament, and I *think elsewhere* are more inclined towards our view of things and about 40% more towards the left and leaning towards the communist view of things. And I do believe that if this 1967 election is to be decisive as I think it will be —I think it will be the most significant election in the history of India since we acquired independence—what is almost certain to happen and should happen is the polarisation of the politics in this country into these really well known opposing camps. You might say on the one hand downright Socialism no holds barred—none of this namby-pamby stuff about Democratic Socialism, Praja Socialism and Samyukta Socialism—really left polarisation of all left wing elements and the polarisation on the other side of the conservative elements of those who think like us and who think that progressing in a solid methodical way is the right way for this country. To the extent that the results of the next election may help in polarising political views and policies in that way one might negatively say that strengthens the forces of the left. But I think it would be the movement of politics in the right direction, instead of this awful hotchpotch called the Congress which ranges from utter communists on the one side to perfectly sober Swatantra Party view people on the right. I think if the balance of political parties in the next general elections could change we are really the only competent party to bring about that change because we are the only alternative to this hotchpotch situation of the Congress Party. And in that sense while the polarisation in the left strengthens the left wing, it also really strengthens the political view that is the more sensible view that we think. And I don't view with any apprehension the possibility of this polarisation. I think indeed it is desirable that this type of thing should occur. That we have what is necessary for the working

of Parliamentary democratic system viz two reasonablly clear cut political parties and political ideologies. And therefore if as the wind blows now and if we get the support we think we will get now more than ever from the people of the sort gathered here it will help this process and I can well imagine a situation in the next Lok Sabha where although nominally the the Congress may perhaps have an absolute majority, it will be so narrow that inevitably a split will have to come about in the Congress Party with consequences which I think will be altogether desirable and you may have emerging a real two-party system ultimately.

—N.D.

Q. If you come to power, would you ban the Communist Party?

A. This is a very interesting question. I would not like to answer you with a yes or no, because it is not a question which should be answered in an abstract way, but only in a concrete situation. Let me explain. I have no doubt at all about the right of the community to ban a Fascist or Communist party any time when the community decides that it is essential for its safety and survival. About the moral rights I am absolutely clear. The Communist Party has no right to exist. It may be tolerated for the ends of democracy, but not because of its own rights: In other words the banning of the Communist Party or a Fascist Party because they are the same should be tested not by the rights of the party but by the desirability of taking such a step in a particular context. The American Supreme Court decided the issue by saying "Is the danger clear and present"? If the danger to democracy is clear and present, then the danger must be cut down; But if it is an academic, remote danger, then a strong democracy can take it in its stride and can contemptuously tolerate the existence of a Communist Party and say: "Do your worst, let us see how far you get." This is my approach.

Now, I will exemplify it by what is actually happening. In Brazil and Germany, to take two examples, the Communist Parties are banned by Law. That Law was tested in the Supreme Court of both the countries and upheld on the ground that the Communist Parties of Germany and Brazil are the Agents of Moscow, that they do not believe in democracy and they are out to destroy democracy in those countries. They have been legally and judicially banned. I support this. If the German and Brazilian people feel that way, they have a right to do so. The British on the other hand, have not banned the Communist Party. The answer to this is very obvious. The answer is that the Communist Party there is such a ridiculous non-entity that it is not even worth banning. So, the Communist Party carries on its propaganda there and they bang their heads against the stone wall of British Commonsense. Now, in Britain, I would certainly not ban the Communist Party, but I would certainly ban it in Vietnam which is at war. So, I would answer this question according to a particular situation at a particular time.

The Swatantra Party publicly advocated the banning of the Communist Party in India in 1962. During the Chinese attack, we demanded that the Communist Party of India should be banned as a Fifth Column whose sympathies were on the side of those who were attacking our country. Let me explain here that it is a fundamental dogma of the Communist Party that, when a Communist army enters any country, it enters to "liberate" that country and it is the sacred duty of every honest Communist to welcome this liberating army and overthrow their own Government. This is absolutely fundamental. There can be no doubt on that subject. Therefore, it is the

duty of every Communist to welcome a liberating army wherever it comes in. If he does not do it, he is not being honest. Now, when your country is attacked by a Communist army, certainly the Communist Party should be banned. Also in other conditions, namely when the Communist Party indulges in a civil war or when it creates choas, certainly it should be banned. It was banned in 1948 during the Telangana insurrection. So, I would say that the Communist Party should be banned at such points of time when its existence becomes a clear and present threat to our democracy, and it should be tolerated with contempt when it does not constitute such a clear and present threat.

—M.R.M.

Q. How do the Swatantra Party and Jan Sangh differ in policies?

A. There are differences in the policies of the Jan Sangh and Swatantra Party. Some of these differences are disappearing because, as I have said, the Jan Sangh which was inclined to be soft on State Planning and soft on controls is now becoming more clear, to the extent that they adopt more and more of our vigorous opposition to State Capitalism and our advocacy of competitive free economy. I think, purely on the economic plane, the policies of the two parties are pretty near, and I would imagine in the coming years, with the lesson of facts, the Jan Sangh will not have specific differences with our economic stand. There are however, differences in regard to what we may call sentimental or emotional issues. That is, differences arising from a different background, a different approach, which are natural in a free society.

We are, as I said earlier, entirely a non-denominational party. Being non-denominational, we are very clear about our attitude to the minorities and their rights. We are recognised throughout the country by the minorities as their friends. We are even recognised as friends by the Nagas and Mizos and the Assam Hill people and the people of Kashmir, because they feel that we have a greater understanding of and sympathy for their problems as against the broad official point of view of Delhi. Now this is something that comes because of the fact that Rajaji and the rest of us are broadly Liberals; we have taken from Gandhiji his tolerance for minorities, for the underdog, which is also part of Liberalism. In other words the Swatantra Party's approach to these problems is something of a synthesis of Gandhian thinking and Western Liberalism. Therefore, we are basically a non-denominational party, sympathetic to minorities, prepared to listen to others' points of views. We shun aggressive chauvinism and jingoism of any kind. As Liberals, we can't be jingoists.

Now, there is this difference, that the Jan Sangh comes from different roots. They feel much more acutely about the problems of our borders, of our neighbourhood and of our minorities. There is a gulf. But I do not think this is a fundamental gulf which makes us "untouchable" to each other. We accept their patriotism as they accept ours, as Mr. Balraj Madhok was able to see. He was good enough to say that just as his party is nationalist and democratic, he accepted us, the Swatantra Party, also as nationalist and democratic. I say the same thing in return that we accept them as nationalist and democratic. But, that does not mean that we don't disagree with them. There have been differences. There will be differences between us in future. But we agree to co-exist. We accept it as a Party with which we can deal, just as we accept the Socialist Parties, who have the same national democratic character. We believe that the P.S.P. and the S.S.P. are also basically nationalist and democratic parties. We shall be prepared to deal

with them, even if we do not deal with the Communist allies of Dr. Ram Manohar Lohia. He and I do talk; we do try to approximate our understandings. We may even enter into electoral adjustments. That is all. What happens between Dr. Lohia and Mr. Gopalan has nothing to do with me. So far as I am concerned, Mr. Gopalan does not come into my picture. So, what I would say is this. In a democracy, one has to accept the fact that there are differences, but without getting angry about them, without getting bitter, without attributing motives, they should be settled. Sometimes people forget about these things and get annoyed. But we believe that we are mature people and we must take those attacks in our stride and hope that better understanding will come about between all democratic opposition parties.

—M.R.M.

Q. Don't you think the economic policy of the Jan Sangh and the economic policy of the Swatantra Party run on the same lines.

A. I have answered that already. Probably what you say is true. It is not cent per cent true, because I remember that when we voted against the Third Five Year Plan in Parliament, the Jan Sangh voted with the Government of Mr. Nehru. There have been other occasions when we have found that their understanding of the economic situation is not quite the same as ours. That applies also to the question of devaluation where the stand of the two parties is slightly different in the sense that we do not condemn devaluation. The Jan Sangh says that devaluation was brought about by American dictation and is therefore wrong. So, I would say that the Jan Sangh's economic policy seems to approximate to that of the Swatantra Party, and we hope in course of time there will be no difference between the economic policies of the two parties.

—M.R.M.

What are the obstacles to forming a solid bloc of all parties excepting the communists to fight the Congress. Are the obstacles unsurmountable?

A: This has been thought of, but it is difficult to achieve for the reason that those who are in opposition, apart from the communists, also have substantial disagreements among themselves. For instance, the socialists, the PSP and the SSP, on the one side and we on the other disagree quite widely on economic policy. They are Statist, they are for controls, they are against competitive enterprise. We hold other views. It would be very difficult for us to merge in one bloc and to speak with one voice. Similarly, between us and the Jan Sangh, there is not very much difference on economic affairs but there is a difference on emotional issues *vis-a-vis* minorities, Pakistan, and so on. It would be difficult for us to speak with one voice. Supposing we all tried to do it in our desire to throw out the Congress, we would become rather faceless men who had nothing to show except an outline, because I couldn't say what my socialist or Jan Sangh friend don't like, they couldn't say what we didn't like, and in the end we would reduce each other to silence. It is not a healthy thing to try to suppress honest difference of opinion. What we are trying to achieve is what another questioner asked about—electoral adjustments. What we are trying to do is not to make alliances but to try to get out of each other's way. There are too many candidates in each constituency. They divide the votes and the Congress sneaks in through the backdoor. What we are trying to do is to allocate territory and say: I am strong here, you please get out of the way, you are strong there, I shall not get in your way, and have

a straight fight with the ruling party. Now, if we can do that, a great deal of what my friend wants from a bloc against the Congress would be achieved and at the same time our own Party would be free to put across our point of view without any inhibitions. This is our approach. Electoral adjustments—but no alliances.

—M.R.M.

Q. Would your party welcome a joint democratic front against the communists? Would you welcome joining hands with Congress for that purpose?

A. Certainly, for these coming elections, we would not join hands with the Congress Party against the Communist Party. The Congress Party represents the third face of communism in our country and therefore, could not be supported as an anti-communist force.

But there are situations where my answer would change. If tomorrow our country was attacked by the Chinese and the Congress Government showed sincerity in defending our country by entering into an alliance with America and the Western Democracies to throw the Chinese out and to liberate Tibet, I would certainly join hands with the Congress Party in fighting Communists in India. In fact, in 1962, when the Chinese attack came, I do remember that I called on my old friend and political opponent, Jawaharlal Nehru, and told him that we who had been fighting him for the last ten or fifteen years in politics were entirely behind him to the extent that he led the Indian people against the Chinese invasion and anything that we can do, we were entirely at his service. It is in that, spirit that, I think, if such a situation recurs, if Indian democracy were in danger or the Sovereignty of India were in danger from Communist aggression at home or abroad, we would certainly help the Congress Government or the Congress Party to withstand the totalitarian threat. But that is not the situation today. And, therefore, the immediate answer is "no". I hope I have added something which may meet the questioner's needs. My answer 'no' today is in the present situation in which we are placed but certainly, if democracy is in danger in an acute way both from within and from outside, then it would be the duty of all democrats to rally in defence not of the Congress Party but of the Constitution and the sovereignty of our country.

—M.R.M.

Q. If your party becomes a ruling Party, how will you solve the food problem? Do you believe in the zonal system?

A. It is a very good question.

First, we do not believe in zonal restrictions. Now to solve the food problem, obviously agriculture has to be placed on its feet. Agriculture is India's destitute industry. It is the Cindrella of Governmental policy. It has been starved of capital and it has been grossly neglected. In our Second and Third Five Year Plans, crores of rupees that should have gone to develop irrigation, to build tube wells, to produce fertilizers, to give the peasants modern tools, to encourage methods the Japanese method or whatever you call it – of rice cultivation, have been swallowed by great White Elephants like Durgapur, Rourkela, Bhilai and other big factories. These big projects have done nothing. They have made big losses for the Indian tax-payers and Indian people. This is known as Stalinist planning. In Russia it has created a backward agriculture which has not enabled them to meet the food needs of the Russian people. Just as in China, the Communes have resulted in starvation and shortage of food grains, so also in India this kind of Stalinist planning has resulted in food shortage. What we would do is to put agriculture first. That would mean that

instead of 21.8% of the total resources of the Fourth Five Year Plan being devoted to it, we would probably say that about 50% of the entire outlay of Government expenditure should be put in the land. This would mean encouraging the farmer instead of discouraging him as he is discouraged to day.

Today the farmer is persecuted. He is not allowed to get a fair price for his product, but he is expected to go into market and pay very high prices for kerosene, cloth, corrugated sheets or whatever else he has to buy. If he does not conform to this, if he does not hand over to the Government whatever the compulsory levy requires, then he is treated like a criminal. Recently they introduced in Parliament the Essential Commodities (Amendment) Bill, which gives the Government more powers than they had taken under the Defence of India Rules which have now lapsed for economic purposes. One of the clauses of the bill says that if the farmer is found to be contravening the compulsory levy or a ban on the movement of foodgrains, then the entire materials which he was transporting would be confiscated, the vehicle in which the foodgrains or edible oil or ground-nuts were being transported would be confiscated, even though no charge was preferred against him. This could be done by the administrative decision of the District Magistrate. In other words, the peasant is reduced to the position of a potential criminal.

We think that the peasant should not be without honour in our country. He should be the foundation of our entire economic structure and any question of industrialising India has no meaning if its main industry, India's basic industry is agriculture, is not put on its feet. So, we would invest money in the land, we would give the farmer cheap credit, we would give him a floor price, and we would allow him to take what he gets in the market so that the production of food can increase.

But here one problem would occur to you. Since you are staying in a city you will say: "What about those consumers in the city who cannot afford to pay those high prices? We are not oblivious of this angle. Our answer is that the city poor and the village poor must be given food and edible oil at subsidised prices. For the sake of 10% of the people, 90% should not be penalised. Today what is happening is that in the name of the consumers a large majority of the Indian people who are agriculturists are being kept at destitution level.

Similar is the problem of ceilings. Ceilings have been so fixed by the Planning Commission that no peasant's family, no farmers' family, can hope to make more than three hundred rupees a month. That is the official figure that a man should be allowed to keep as much land as will give him and his family of five—three hundred rupees a month or Rs. 3,600/- a year. When the Government of Andhra tried to raise this ceiling to Rs. 420/- a month or Rs. 5,400/- a year, the Planning Commission fought the Government of Andhra for one year saying they would not allow any farmer to retain more than three hundred Rupees a month for a family of five. What does it mean? It means creating a new class of Harijans in our country, hewers of wood and drawers of water who may never aspire to live, never aspire to sleep on a bed, eat at a table, send their sons to colleges or their girls to schools, have a radio set, have a television set. None of these things must be given to them. They must be kept like *coolies* for the benefit of the new Ruling Class in Delhi. So, my answer is that all persecution of the peasant must stop. He must be given the central place and until he is on his feet, wasteful expenditure in heavy industry must be suspended. If all these things are done, we do not believe that

we would require more than two or three years to make India self-sufficient in meeting its food needs.

—M.R.M.

Q. I have a feeling that the Swatantra Party is repeating the same jargon as the Congress. Agriculture's importance has been emphasised by both. What is the specific diversions and specific programmes that your Party advocates? Complete reversal of existing Government programme? Will they not lead to chaos and confusion.

A. That is also a good question, because during the last twelve months, the Congress Party has started talking about an emphasis on agriculture. My friend, Shri Lal Bahadur Shastri, started that talk. I had a debate with him in Parliament. This was a debate during his brief tenure of office. After the 4th plan document had been laid on the table of Parliament, I said in my speech that even the 4th Plan showed no shift from heavy industry. This was on my motion of No Confidence. I made the charge and he said "No, in our 4th Plan we have provided more money for agriculture". He then read out the figures which showed that twice the number of rupees had been allocated as in the Third Plan for agriculture. That amount was doubled in the Fourth Plan. Then some Congress members cheered and thought that he had made his point, as obviously you think that the point was made. Well, I followed him immediately because mine was the right of reply on my no confidence motion. As soon as he sat down I said, "Just a moment, Mr. Prime Minister, you have been throwing dust in the eyes of Parliament. This is not true. You have the figure in rupees. There are two things you did not point out. One was that the rupee had depreciated by 35% during the past five years since the Third Plan was made. Therefore, when you say that the amount is doubled you will have more or less to concede that it is only one and half-times. Secondly, you forget to mention that your Fourth Plan is twice the size of the Third Plan and you are going to spend twice the number of rupees. Now, if these facts are brought into play, the result is this that while in your Third Plan 21.2% of the total outlay was devoted to agriculture, in the proposed Fourth Plan only 21.8% was given to agriculture. "Is this what you, the great Prime Minister, have brought forth this little mouse? So, my answer to the question is this. The Congress Party talks about putting agriculture first, but it has no intention of doing so. That assurance is given to fool the American Government, the World Bank and the Indian people.

—M.R.M.

Q. Is the Swatantra Party against Planning? If so what is the alternative it has to put before the country?

A: The first proposition is we are not against Planning. This is one of those repeated falsehoods that has been put about that the Swatantra Party is opposed to Planning. It would be a ridiculous sort of person today who is opposed to planning I plan my own personal affairs, I plan the affairs of the companies with which I am associated. Everybody must necessarily plan unless he is one of those stupid persons who just lives for the day and doesn't bother about what's going to happen tomorrow. Now quite plainly in that sense of planning in the direction in which one is going, a planning of the way in which one wants to go in that direction, a planning of the resources available to go in that direction all that obviously has to be done. I don't want to elaborate that further except to repeat that it is a repeated lie that the Swatantra Party does not believe in planning as such. Now specifically in relation to the fourth Five Year Plan I would only like to mention some of the outside dimensions

which are so totally wrong that the first thing we will have to do is to get down to put those dimensions right. The first dimension that is totally wrong is this: Whereas over the last 14 years omitting the last year of the third Five Year Plan after admittedly the utmost striving, bending over backwards, taxing mercilessly, borrowing endlessly, going bankrupt the best rate of progress we have achieved is something of the order of 3.3% per annum rate of growth of national income. If that is the result of this enormous, tremendous effort over 14 years what would you say about somebody who says over the next five years we are going to plan for progress at the rate of 5½% compound. It's just plain nonsense. That's the first outside measurement that we will put right. We would really take a look at our performance and look at our capabilities, look at our resources, look at our technological manpower, administrative, managerial and other resources, our not merely incapacity to borrow very much from outside, but the undesirability of borrowing very much from outside and we would say now look we have to get this magnitude down to something sensible. What that something sensible would be is a matter of careful study. But if I were to make a guess I would plan for a rate of growth starting at somewhere like 3½ per cent per annum and ending, one hopes, at the end of the Plan at 4% per annum.

The second outside dimension that is totally wrong is this enormous expenditure which again experience of the last three five year plans indicate that expenditure is not the measurement of achievable progress. 2,500 crores in the first Five Year Plan, we achieved 18% growth in the national income. Nearly 5,000 crores, double, in the second Five Year Plan we only achieved 20 per cent growth in the national income; double that again in the third five year plan viz. little more than 11,000 crores, we have had over the four years alone achieved something like 16% rate of growth. It isn't money in other words, indeed it may well be it is this monstrous expenditure that makes progress impossible. And I will tell you why and that is the third outside dimension. Where are the resources today? How did you get the resources? Where is going to be the vast sum like 2,500 crores that is going to be surplus from government budgeted current rate of taxation. We know it is impossible. They have never achieved anything like this. Where are they going to get an additional something like 2,000 crores by way of additional taxation. Not the present taxation. The level of taxation that will yield an additional 2,000 crores. Where are they going to get the enormous number of millions of dollars required by way of foreign loans; how are they going to repay those foreign loans. And my quick answer would be that I would to take a look at that resources problem. I'll say let's cut this down to size. Let's bring it down to something that is achievable.

I would only like to summarise by saying we *do* believe in Planning, we don't believe in this kind of planning, we don't believe in planning the impossible. Because we are convinced that planning for the impossible makes things worse. Finally I would like to say this that we think apart from many other things that are wrong there are in-built into the Plan a whole lot of contradictory objectives. How can you on the one hand say I am not going to allow the growth of industrial units beyond a certain limit at the same time I want an enormous growth in production. How can I say I am going to mercilessly tax with the specific objective of reducing inequalities in income, inequalities in wealth etc., and I still expect 7,500 crores of investment in the private sector. These things are totally contradictory. That's another thing I would take out of

this plan. In other words we would like to get down to realistic planning for a change.
—N.D.

Q. What are your prosposals to put before the electorate to fight inflation and continuous rising prices.

A: It has taken the Congress 20 years to bring us into this mess. I don't suppose we shall be able to get the country out of the mess in anything under three to five years. Let me be quite clear about this. I am not a peddler of nostrums. I do not have any kind of magic remedy that I can administer or neither Mr. Masani nor any one of us, so that if we came into power in say even in the Central Government in March by this time next year I can say to you; see what we have done; everything is clear, there is no rising prices, there is no inflation, there is food shortage or anything of the kind. It would take quite a bit of time, I can only indicate to you the lines on which we would endeavour to work. And they happen to be particularly the lines on which government today is not proposing to work, whatever their professions. Take this question of inflation and rising prices. You will have inflation and you must have inflation so long as you propose to spend far more than your income.

Now the income of government (it may seem very complicated but it really isn't) is only from three sources. One is any profit it may make from its enterprises which the present Government doesn't. Second what it can raise by way of taxation that is to say compulsory savings from you and me. And the third is borrowing from you and me, public borrowings. These are legitimate ways of raising money. But when you have got expenditure so colossal in proportion that you go on taxing people until they bleed and yet the money isn't enough you go on borrowing until you can't get anymore and you have to keep on raising rates of interest and you have to force people to save by way of income tax, annuity deposits for one thing and various things of that kind and then the money isn't enough then you borrow up to the hilt from foreign governments and then the money isn't enough and then finally comes your doom when you resort to what is called deficit financing—you make money out of a deficit. You and I can't but the governments do. You and I, if we spent more than we had we would go bankrupt. The governments don't go bankrupt they just keep bleeding you through inflation.

The answer therefore is this and I said this in parliament: we really have to slash down expenditure of government mercilessly. And there are four types of governmental expenditure I think I should mention here. All kinds of new phrases have been developed. One is called Plan Development expenditure. Most of it goes in these monstrous public sector projects which swallow money and yield no return. Then there is a thing called Plan non-Development expenditure. That means money that goes down the drain with no assets to show for it. Then there is non-Plan development expenditure. And that means what State Governments and Ministers go round promising—a school here, a dispensary there, never mind if there are no doctors or medicine in the dispensary, never mind if there are no teachers in the school. They are all called non-Plan that is they were not really planned that is admitted. Then of course there is the thing called non-Plan non-development expenditure. Now that means non-sensical expenditure. We propose to cut all these things down. You ought to know that 15 years ago the total expenditure of all the governments put together was 1,000 crores. Last year the total expenditure of all the Governments put together was 5,500 crores. Now can you imagine what you can do with a 10% cut only in that expenditure. Can you imagine what we can do with that 550 crores of

savings. We can reduce taxation, keep more money in the hands of the people so that they can do with their enterprise what the government is unable to do with its so-called enterprise. We could also repay a lot of borrowing and reduce the burden of indebtedness, interest and so on. Let me give you some figures about indebtedness. Our foreign indebtedness at the present rupee value of the dollar is approximately 4,000 crores or a little more. That is a hundred rupees per man, woman and child in this country. Our internal burden of debt is nearly 17,000 crores. That means 400 rupees per woman, man and child in this country. It is fantastic. No individual can live that way, no family, no company and certainly no government. And that is the way we are going to fight inflation. And when you fight inflation, when you have expenditure under control, when you stop deficit financing because you stop the need for deficit financing then you stop inflation. And when you stop inflation you stop rising prices.

Now food. Everybody thinks that the food problem today is the problem of the drought and the monsoon. The food problem today is not in its magnitude due to the drought. In 1961 when there was no such thing as a drought we were still importing 3 million tons of foodgrains; in 1962 it was 3½ million. In 1963 it was 4½ million. In '65 it went up to 5 million and a little more. In 1965 when we had the best monsoon it was 7½ million tons, in 1966 it will probably be 14 million tons. I am prepared to say that the difference between 7½ and 14 million is due to the drought. Not the 7½ million basic. And so I tell you the basic agricultural policies are wrong and require to be remedied. Not overnight. If I have to pick up one single factor in the agricultural policy or two single factors in the agricultural policy I would tell you first there ought to be a long-term price support policy for those who grow food. Hitherto, except this year when I said in parliament in 1964 my first maiden speech in parliament that I think that the whole of this planning is wrong because we are overemphasising industry and heavy industry, public sector industry and paid no attention to agriculture, there were shouts from all sides of parliament "I suppose", one person said, "you would not mind importing steel" I said I would not mind importing steel at all but I am ashamed to import one ton of foodgrain. And why don't people grow more foodgrains. What's wrong with the farmers. Don't they want profits. Don't they want to live well. Why can't they grow more foodgrains. Because they are never sure of two things: they are not sure what price they will get for it. There are controls, there are zonal controls, movement controls.

This country is like a mosquito-net. It is divided up. That is what it was in 1949. There were 500 and odd Indian States in the country besides what was known as British India. And it was my job in 1949 to integrate this lot into one country. I was then in government service. And one of the things I found is exactly what I find today. Restrictions on the movements of foodgrains. You couldn't move foodgrains from here to there, district-wise restrictions, State-wise restrictions, zone-wise restrictions on everything that we know of today. And everybody said I did a wonderful job abolishing the whole thing and making the country one economic unit. And today we are not one economic unit. We are a disparate broken-up country. That's what we would do. We would remove these restrictions make it worthwhile for the farmer to grow. We would also have a price support policy.

—N.D.

Q. What would the Swatantra Party do with Government sector Corporations.

A: It is a very good question because very often people don't quite know what

exactly our opposition to the entry of the State into industry really means. Frankly while I am opposed to the entry of the State in industry and trade, banking and commerce and so on I am quite clear in my mind that whatever investment Government may have already made in public sector projects we have got to do the best we can. And that is my second complaint against government. They have embarked on these gigantic projects of one kind or another in the public sector the management of which is about as bad as you can have it. All these projects if you really examine, their estimating and their performances are wrong in everything. And it would be our endeavour having these with us as our national investment to try and get their managements all lined up so that we may at least get some reasonable return out of the enormous investment that's made in it. We won't wind up those projects if that's what somebody suspects we would do. Rightly or wrongly they represent an enormous national investment and therefore quite rightly we ought to take responsibility of making that national investment efficient, as least expensive as possible, as most profitable as possible.

—N.D.

Q. To do away with the evils of Capitalism, the best way is to make it 'broadbased' i.e. to make it reach the masses, so that the rich may get richer, but the poor also get richer. Any comments?

A. My only comment is that I agree heartily with the sentiments expressed. We believe in what we call "peoples' capitalism" and "economic democracy" which we find developed in countries like the United States of America, where a large part of the working class own a large part of the capital invested in Joint Stock Enterprises, where an average worker is also a shareholder. This is our idea of economic democracy.

—M.R.M.

Q. Don't you think the free enterprise policy propounded by your party will encourage economic exploitation instead of eliminating it?

A. Well, this is very good question because I think this kind of doubt is entertained by many people. Now, what you call "free enterprise policy", we call competitive free enterprise, with the emphasis on competition. Competitive free enterprise means that anyone should be free to produce what he wants to; to sink his capital in it and to take his chance of making a profit or loss. Now, how can he do that? He does it by trying to assess the condition of a particular commodity in the market. We call it "Market Research". There is an institution in Delhi called the Market Research Corporation of India which advises businessmen as to what the market in a particular commodity is likely to be in the next five, ten or fifteen years. But there is a lot of market research that goes on without going to the Market Research Corporation of India. Every firm has its own cell with staff known as "Marketing Department", which is certainly in touch with the consumers. The work of the Marketing Department is to find out what the consumers want, why the stocks are not sold in the market, why one particular thing is more popular than another, what are the remedial measures for it, and so on. All these are the everyday problems of enterprise. Competitive free enterprise does not exploit the people. It gives them the maximum service at the minimum price. Competitive free enterprise is economic democracy. It takes the process of the ballot box for Parliamentary elections, which comes once in five years, to the bazars and the markets of our country. In competitive free

enterprise, the consumer goes every day to the market. Sometimes he goes five or six times a day to the market, sometimes his wife goes to the market for shopping. They exercise a choice every time they buy an article.

Now, how is this choice exercised? When a consumer goes to the market – whether he goes with Rs. 10/- or Rs. 5/- or 50 paise in his pocket – he goes to vote in the bazar. He casts his vote on a particular commodity and not on another commodity just as he votes for the Swatantra Party or for the Congress Party. When he buys a particular commodity as against another commodity, he casts a vote. He may also cast a negative vote. He may come back without buying anything, like many ladies who go shopping – they just look at things, ask a number of questions to the salesman and come back without spending any money. That is a good thing. We should all encourage it. In that case, the lady casts a negative vote. She is not tempted enough to spend her money on any particular commodity. So, she comes back with her vote in her pocket. That is a negative vote.

Now, it is this consumer's preference exercised by men, women and even children pencil, ball, pen, sweets, cosmetics, etc. it is this consumer's preference exercised in a free society that adds up to the pattern of production in the country. It is just like going to a race where the tickets are bought on various horses. Then, they are totalled up by the Tote. Then, you will see the figures on the board that so many people have backed some favourite, so many people have backed this or that horse. Now the Tote totals up mechanically the preference of the race goers in regard to the horses which are going to run. In the same way, all of us go to the market and put our money on a particular horse or on a particular commodity. This is how economic democracy works and the biggest capitalist has to respond to the urges of the consumer. Anyone who wants to make a profit has to respond to the wishes of the consumers just as Parliament and Government have to respond to the wishes of the electorate. The difference is this. In an election you have to cast a vote once every five years and in the bazar your democracy works every day and at every hour. It is for this that the Swatantra Party stands for.

The alternative is the Command Economy exercised through a Planning Commission in Moscow or Delhi, where ten or fifteen people assert to themselves the right to become God, Almighty God, and to decide what is good for us, whether we like it or not, and to say that such and such a thing should be produced, but such and such a thing should not be produced. This is an alternative system of totalitarian dictatorship. That is why the Swatantra Party takes a very clear stand that we believe in competitive free enterprise. We are against monopoly, whether it is private monopoly or State monopoly.

–M.R.M.

Q. Free Enterprise appears to be very attractive in theory but our experience is that with a very few notable exceptions, our businessmen and capitalists take every opportunity to exploit the consumers. Now will you control their anti-social activities and safeguard the interests of the consumers when you come to power.

A. My answer is that those who are today exploiting the consumers are doing so as part of the Congress economic policy. They are given a kind of shelter – a private monopoly. So long as they play ball, they are allowed to share the loot. I have said earlier the answer to monopoly is competition, not regulation. The answer to monopoly is anti-trust-laws. dispersal of monopoly conditions, and throwing the field open to competition. Today that class of Indian business to which you refer is an exploiting class and is

thriving on Licence Permit Raj. They are part of the "New Class" of corrupt politicians, corrupt officials and corrupt businessmen. They are no friends of ours. We would like to put an end to their behaviour.

This matter came up in Parliament when Mr. T. T. Krishnamachari was the Finance Minister. There was a debate in Parliament on the 3rd of March, 1964, and I said: "We are proud of our friends in business. But can the people on the Treasury Benches say they are also proud of their business friends?" I went on to mention Serajuddin as a typical example of the kind of friends they have. I am glad to tell you that neither Mr. Krishnamachari nor any single member of the Congress Party dared to get up and challenge my statement that we were proud of our friends, whereas they had every reason to be ashamed of theirs. These are our friends: Tatas, Mafatlals, Khataus, Walchands; there are many more. I am sorry I do not want to make invidious distinctions. Once I rattled some eight or ten names in Parliament and I got a letter from the wife of one of our best friends saying that: "You forgot us"!

What I am saying is it is precisely enlightened Free Enterprise which we want to strengthen. It is precisely these black-marketeers, monopolists, licence-wallahs we want to destroy. When I say, destroy, I don't mean destroy them in any physical way, but only to take away their monopoly. Let them face competition or get out of the market, but we shall not do it so long as we talk of socialism and controls. It can only be done by Competitive Free Enterprise. We shall be happy to join in bringing in an Anti-Monopoly Law applying both to State enterprise and private enterprise in this country by which any attempt to corner a market should be stopped, as they do in Germany and America. So, we are anti-monopolists. We are competition wallahs. I will go on to say that the only way to stop the exploitation of the consumer is by having free enterprise and competition throughout the field of economic production.

—M.R.M.

Q. Don't you think that narrow-minded policies of the capitalist class has pushed working class towards communism?

A: I think its true. I think there is a good deal of unenlightened capitalism of the 19th century, which is as dead as a dodo all over the rest of the world, still lingering in this part of the world. And it is probably the biggest enemy of freedom and the biggest friend really ultimately of extreme leftist socialism and communism. One of the lectures I am very fond of giving is what I call Ethics of Business Management. I think its time that Free Enterprise in its proper sense must be enterprise that is informed with certain ethical considerations of what is right and wrong. Not for instance just money making for the sake of money making. For instance not having your pricing on the basis of the principle of charge what the traffic can bear. Not competition which takes this line everyone for himself and devil take the hindmost. In other words restraints on 19th Century capitalism is very necessary and essential. And it is in fact one of the things by which many of the kind of people who rail against the Congress Government are nevertheless assiduously digging the grave of free enterprise. I think it is time to realise that 19th century *laissez faire* capitalism is dead.

—N.D.

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General Secretary:
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ASSAM

PROF. MARTIN NARAYAN
Central Representative:
Swatantra Party,
Laitumgarh,
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BIHAR

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Swatantra Party, Central Office,
Bihar Branch
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Grams: SWATANTRA

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BOMBAY - 1 Tel: 253085

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Jind City,
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Convenor:
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HIMACHAL PRADESH

Swatantra Party, Himachal Pradesh,
P. O. & Dist. Chamba,
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Grams: SWATANTRA

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General Secretary:
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Central Representative:
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THUMBNAIL SKETCHES

NATIONAL EXECUTIVE MEMBERS



C. Rajagopalachari

Elder statesman, savant and guiding spirit of the Swatantra Party, Rajaji was born in a village near Hosur, Salem District. Educated at Bangalore and Madras he joined the Bar in 1900. In 1919 he joined the Satyagraha campaign, and in 1920 the Non-cooperation movement. During Gandhiji's imprisonment Rajaji edited the former's paper, *Young India*. Rajaji was the General Secretary of the Indian National Congress in 1921-22 and a member of the Congress Working Committee from 1922-42 and again from 1946-47. He served sentences of imprisonment on five occasions in freedom movement campaigns.

Rajaji was a member of the Council of the All-India Spinners' Association from the beginning upto 1935, Secretary, Prohibition League of India and also Vice President of Dakshina Bharat Hindi Prachar Sabha.

He became Prime Minister of Madras in July 1937 but resigned in October 1939 with other Congress ministries. He resigned in April 1942 from the Congress on account of difference of opinion. In the Gandhi-Jinnah talks in September 1944 he assisted Mahatma Gandhi.

He was a member of the Governor-General's Council from September 1946 to August 15, 1947, holding the portfolios of Industries and Supplies, of Education and Finance for different periods. He became Governor of West Bengal in August 1947. Acting as Governor-General of India from November 1947 he became Governor-General of India in June 1948 and held that high office till January 26, 1950, when he retired. However on Mr. Nehru's special request he again joined the Union Cabinet as Minister without Portfolio in December 1950. Later he took over as Home Minister and retired in November 1951. The discomfiture suffered by the Madras Congress after the 1952 elections made it seek Rajaji's help to form a ministry. He thus served as Chief Minister of Madras for another two years from 1952 to 1954.

He was among the first recipients of Bharat Ratna and has a number of books to his credit.



Prof. N. G. Ranga[1]

The immensity of Prof. Ranga's public life can be gauged if only we take a look at his varied activities.

Born on November 7, 1900 Prof. Ranga, an Oxonian, was Chief Professor of Economics and Political Science, Pachaiyappas College, Madras from 1927-30; Member, Congress Working Committee 1947-51; President All-India Kisan Sammelan and Rural People's Federation; ex-President, Andhra Provincial Congress Committee; one of the founders of International Federation of Agricultural Producers and member of its Executive and member of Colonial People's Freedom Front (H.Q. London) and African, Asiatic and European People's Congress (Paris); Founder, Indian Peasant Movement; member, Congress Economic Policy Committee; Agrarian Reforms Committee, National Labour Committee, and Hindustan Mazdoor Sevak Sangh. He led the Indian delegation to the London (1946), the Hague (1947), and the Cuelph (Canada 1949) Conferences of International Federation of Agricultural Producers; participated in I.L.O. Conference (San Franciso), Commonwealth Parliamentary Conference (Ottawa), F.A.O. Conference (Copenhagen) etc. toured extensively in Europe and America, spreading Gandhian philosophy and ideals. He was specially invited to address the Fourth Congress of International Peasants' Union, New York, in 1954. He resigned from Congress in April 1951 and formed a new Party, the Bharat Krishikar Lok Party in 1951. Rejoined the Congress in 1955. He is a member of National Executive, Bharat Sevak Samaj and Vice President, All India Co-operative Union. He was a member of Indian Parliamentary delegation to USSR, and Yugoslavia, 1955. Visited U.K., France, Greece, Italy, Switzerland, Egypt, etc. in 1955.

Ever since the formation of the Party Prof. Ranga has been its Chairman. He is a sitting M.P. and is the Leader of the Opposition group in Parliament. He is also an author and has nearly fifteen books to his credit.

[1] Prospective Parliamentary Candidate for Chittoor (Andhra Pradesh) Parliamentary Constituency.



Dr. K. M. Munshi

Be it in the field of literature or education, law or administration, the versatile Dr. K. M. Munshi has left in them all his imprint. As an educationist, besides founding the Bharatiya Vidya Bhavan, Dr. Munshi has been associated with a number of Indian universities and as a litterateur his achievements have been outstanding. In the field of law and administration, Dr. Munshi's attainments have been praiseworthy. Playing a leading role in the freedom struggle, he was the Home Minister of the old composite Bombay presidency for a while and joined the Central cabinet in 1950 as Food and Agriculture Minister. Later in 1952 he became Governor of Uttar Pradesh, which post he held till 1957.

Ever since the Swatantra Party came into being Dr. Munshi has been nursing it and has been a pillar of strength for the young party. He is one of the Vice-Presidents of the Party.

Gayatri Devi[2]



Born in a well known royal family and married into another, Maharani Gayatri Devi of Jaipur did not wonder, unlike Queen Marie Antoinette, why people could not eat cakes if they had no bread. Instead she plunged into politics and joined the Swatantra to serve the people and preserve their freedom. In joining the Swatantra Party she showed a rare courage and refused to be browbeaten by the new oligarchy, while many of the princely order did not hesitate to play sycophant to the Congress bosses.

Educated at Shanti Niketan, London and Lausanne, Maharani Gayatri Devi is founder President of the Maharani Gayatri Devi Public School, Jaipur, the only existing girls public school in Rajasthan. She is also a keen sportswoman.

She is one of the Vice-Presidents of the All India Party as also that of the Party's Rajasthan unit.

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2 Prospective Parliamentary Candidate for Jaipur (Rajasthan) Parliamentary Constituency.

Mr. M. R. Masani,[3] M.P.



A graduate of Bombay and London Universities and a Barrister-at-Law of Lincoln's Inn. Mr. M. R. Masani, MP, General Secretary of the Swatantra Party can, at 61, look back on a life of varied achievements. His abilities have found public recognition in his election as Mayor of Bombay in 1943, as a Member of the Indian Legislative Assembly in 1945 and then of the Constituent Assembly and the Provisional Parliament of India from 1947 to 1951. From 1948 to 1949, he was India's first Ambassador in Brazil. During 1950 and 1951, Mr. Masani was Chairman of the United Nations Sub Commission for Prevention of Discrimination and Protection of Minorities.

The wide range of Mr. Masani's interest are indicated by the fact that he is also a patron of the Liberal International, on the Governing Body of the National Productivity Council, a member of the Executive Committee of the All-India Management Association and a member of the International Executive of the Congress for Cultural Freedom.

Among his many publications are *Our India* (1940) India's largest circulated book in modern times; *Our Growing Human Family* (1950) and the *Communist Party of India – A Short History* (1954), the latest addition being *Congress Misrule and Swatantra Alternative.*

Mr. Masani has been the Party's General Secretary from 1959.

Mr. N. Dandeker,[4] M.P.



Born in June 1908 at Baroda, Mr. Dandeker had his primary education in old Junagadh State, his secondary education in Madras, and went to the University in Colombo. He got the B.Sc. degree from the London School of Economics and became a Chartered Accountant, before he successfully competed for the I.C.S. in the United Kingdom, in 1930. After more than 23 years of Government service in various capacities including the post of Member of the Central Board of Revenue, Mr. Dandeker resigned in 1953. He then practised for some time as a financial consultant, before Rajaji speeches and writings made him decide to enter politics. He was the first President of the Management Association and later the President of All-India Management Association. He is also the director of a leading bank and a few industrial organisations.

Mr. Dandeker is at present the Joint Secretary of the Party.

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[3] Prospective Parliamentary Candidate for Rajkot (Gujarat) Parliamentary Constituency.
[4] Prospective Parliamentary Candidate for Jamnagar (Gujarat) Parliamentary Constituency.

Sir H. P. Mody



An author and outstanding leader in the world of commerce and industry, Sir Homi Modi (born 1881) was elected a member of the Central Legislative Assembly in 1929, where he held his seat till 1943. During this period, he was a representative at the Indian Round Table Conference held in London during 1930-31. In 1947, Sir Homi Mody was appointed Acting Governor of his home State, Bombay. This was followed by a 3-year term as Governor of Uttar Pradesh.

One of the founders of the Party Sir Homi is at present one of its Treasurers.



Dr. R. C. Cooper

A prominent Chartered Accountant and Economist, Dr. R. C. Cooper had been taking active interest in public life for the past several years. He is a member of the Senate of the University of Bombay, Honorary Treasurer of the India Red Cross (Bombay State), a member of the Central Council of the Institute of Chartered Accountants of India and a member of the Managing Committee of the Indian Merchants Chamber. He is also a fellow of the Institute of Chartered Accountants of India and a fellow Honoursman of the Society of Incorporated Accountants of England.

Holding a masters degree in Commerce and a doctrate in Economics he is an authority on taxation and finance. Dr. Cooper is a regular contributor to various important commercial and economic journals and is author of several important books on fiscal law.

Charanjit Rai[5]



Sports, business, writing and politics make an unusual but difficult combination, but Mr. C. Rai has harnessed them all equally and prodigiously. Born in 1917, in a middle class family of the Punjab, Mr. Rai spent his youth in Multan. Soon after graduating from the Government College, Lahore, he took up service with the Calcutta Port Trust, only to enter the business field soon in a modest way. In a surprisingly short time he has established himself as one of the leading and progressive industrialists of the country. As director or chairman of a number of companies, Mr. Rai pilots his companies with clear thinking and foresight and above all with a human approach.

[5] Prospective Parliamentary Candidate for Dausa (Rajasthan) Parliamentary Constituency.

Harihar Das

Mr. Harihar Das hails from a well known family of Ganjam District. Son of Mr. Biswanath Das, the present Governor of U.P. and a former Chief Minister of Orissa, Mr. Das graduated from the Benaras Hindu University in engineering. He was an M.L.A. representing Kodala Constituency in the Orissa Legislative Assembly. He resigned from the Congress and was one the founders of the Swatantra Party in Orissa.

P. K. Deo[6]



Belonging to the more enlightened group of the Indian rulers, Maharaja P. K. Deo was among the first few Rulers who introduced constitutional reforms in their States. Born in 1919 and educated in Bhawanipatna, Cuttack and Patna, Maharaja Deo transformed his State into a modern-looking one and took a keen interest in the field of education also. He was a fellow of the Senate of the Utkal University and President of the General Council of Rajkumar College, Raipur.

After his States merger, he plunged into politics and was President of the Ganatantra Parishad, which subsequently merged in Swatantra Party, for two terms. Elected to Orissa Assembly in 1952, where he was Deputy Leader of the Opposition, he was later elected to the Parliament where he served in various committees. He lead the parliamentary delegation to the Commonwealth Parliamentary Conference, Lagos in 1962 and again in 1965 another parliamentary delegation to Australia and Fiji. He has visited the U.S.A., Europe and Africa. Maharaja Deo, is sitting M.P. and a member of the National Executive of the Party.

[6] Prospective Parliamentary Candidate for Kalahandi (Orissa) Parliamentary Constituency.



Dr. (Mrs.) Shantabai Gulabchand

Educated in Ahmednagar and Furgusson College of Poona, Dr. (Mrs.) Shantabai Gulabchand passed M.B.B.S. from Grant Medical College, Bombay, securing scholarship and distinguished prizes. After taking her F.R.C.S. Degree, she started practice as Gynaecologist and was appointed as Medical Adviser for the lady employees of the Bombay Municipal Corporation and Examiner of Health Visitors' Midwifery Course and Final M.B.B.S. Examination.

Married to the well-known industrialist, Seth Gulabchand Hirachand, she is at present Director-in-Charge of Central Stores Purchasing Dept. of Walchand Group Industries and a Member of the Board of Directors of the Hindustan Construction Co. Ltd.

At present, Vice-President of Swatantra Party, Bombay Region and Maharashtra and a Member of the National Executive and General Council of All India Swatantra Party, she is taking an active part in the Party's affairs.

K. B. Jinaraja Hegde

Born in the year 1903, educated in Mysore and Banares Hindu University, Mr. K. B. Jinaraja Hegde was elected to the Central Assembly in 1938 and was a member until the Assembly was dissolved in 1946. He resigned from the Congress just before 1951 general elections.

He is the General Secretary of the All-India Agriculturists Federation formed in 1958 to protect the agriculturists from the ill-conceived land reforms contemplated by the Planning Commission. Later in June 1959, Mr. Hegde convened a meeting of various political leaders of the country at Madras on June 4, 1959 which, under the Chairmanship of Rajaji, decided to form the Swatantra Party under the leadership of Acharya Ranga. Mr. Hegde and the late Mr. V. P. Menon were then nominated as Joint Secretaries.

Mr. Hegde is presently the President of the Mysore State Unit of the Swatantra Party.

G. Latchanna

A born fighter for the cause of Kisans and backward people, Mr. G. Latchanna naturally found himself in politics early in life. He was with Swaraj movement and underwent detention during 1942-45. During 1946-50 he was joint secretary of APCC. Founder of the Andhra Pradesh Trade Union Congress, he was also its president and a member of the Madras Trade Union Board. He was a Minister in the Prakasam Ministry but resigned after a brief two-month period. He was again a Minister in the Gopala Reddy Ministry in 1955-56. He was Secretary of the Andhra Krishikar Lok Party founded by Prof. Ranga and joined the Swatantra Party in 1959 and is presently the President of the Party's Andhra Pradesh Unit. Mr. Latchanna also edits *Bahujana*, a monthly devoted to the uplift of backward classes, published in English and Telugu.

Bhailalbhai Patel, M.L.A.



"Since the 1962 elections," he observed recently, "I have not rested for a day." This, it must be said, is too modest a claim for we know he has not been resting even during nights, having vowed to end the Congress monopoly of power.

Engineer, educationist and now Leader of the Opposition in Gujarat Assembly, Bhaikaka, as he is popularly known, resigned the Vice Chancellorship of Vallabh Vidyanagar University and flung himself into politics, joining the Swatantra Party six years ago. After three months of intense electioneering Mr. Bhailalbhai Patel stormed through the Congress stronghold of Gujarat and bagged 38 seats to the surprise of the congressmen. "Do you know," he said after the Rajkot victory by Mr. Masani, "that in the Rajkot by-election of Mr. Masani we demolished 40 years of Congress work in 28 days." At 78, there are few in the country who can catch up with him in the matter of electioneering. As head of the Gujarat unit of the Party he has made it organisationally so strong that the Gujarat Congress is in a jittery state.

J. M. Lobo Prabhu[7]



Mr. Lobo Prabhu, born on February 24, 1906, was the first Mangalorean to join the I.C.S. after a lapse of 35 years.

Throughout his official career, he consistently championed the cause of the common people, whose welfare he tried to promote through schemes like the Neyveli Lignite Project and his blue prints for 24 Food Processing Industries, which created new employment opportunities for thousands of people. His scheme for spotlighting delays by means of visual checks (now followed by the Centre and most State Governments), has also helped the average man to secure a better deal from the administration.

He won prizes from the Government of India for his thesis on Democratic Decentralisation & Grain Marketing, and from the Forum of Free Enterprise for his essay *Democracy in India*. His book *New Thinking*, his plays, and his fearless articles in *Insight*, the political weekly owned by him, reveal his outstanding literary ability. As a sportsman, he excelled at polo, cricket and golf, and still plays a hard-hitting game of tennis.

He is Vice-President of the Kanara Catholic Association, and the Milagres Parish Council. He is also a member of the National Executive of the Swatantra Party.



Ramachandra Reddi

Born in 1894, Bezwada Ramachandra Reddi after graduating from Madras University in 1919, took to public life starting as Panchayat Board President. He became member of the Taluk Board and District Board and was President of the District Educational Council, Nellore, till 1929 when he was elected as President of the District Board.

He was elected to the then Madras Legislative Council in 1923 and in 1930 was unanimously elected as its President which position he held till March 1937. During 1942-1946 he was member of the Andhra University Syndicate. In 1952 he was elected to the first Parliament and served as a Deputy Leader of National Democratic Party.

He took a keen interest in the problems relating to agriculture and agriculturists. In 1948, the All India Agriculturists Federation was constituted with late Sardar Bahadur Lal Singh as President and himself as Vice-President, which organisation paved the way for the formation of the Swatantra Party. On the advice of Rajaji an All Party Meeting was convened by him on June 4, 1959 when the Swatantra Party was formed. He is thus a founder member of the Swatantra Party.

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[7] Prospective Parliamentary Candidate for Udipi (Mysore) Parliamentary Constituency.

Sardar Basant Singh



Born in 1920 in a well known Sikh agriculturist family of Gujranawala District, Sardar Basant Singh entered public life and became office bearer of several public committees in his home district, soon after completing his education at Lahore University. Partition created new problems but this did not deter him. Starting life afresh he reclaimed the waste lands alotted to him and developed it into a good mechanised farm.

In 1955 he pioneered the founding of the Kashtkar Union to educate the peasantry on the disastrous effect of land ceilings on agricultural production. Again in 1959 he brought together some prominent agriculturists and rural leaders to oppose co-operative farming of the Congress party. Mr. Singh has visited America and some countries of Europe and the Middle East as a member of the Farm Leaders Study Group sponsored by the U.S.A. He joined the Party in 1959 and at present is General Secretary of the Punjab Unit of the Party.



B. P. Singh[8]

Mr. B. P. Singh, who was born in 1917, had his university education in Lucknow. A keen agriculturist, he has visited England, France, Switzerland, United States, Mexico, Egypt and Japan, and has studied agricultural organisation in these countries. He is a member of the State Agricultural Board and the Managing Director of the Basti District Co-operative Banking Union. He has also been Manager of the People's Inter College, Domariaganj. Besides being a writer, having published books entitled, *Krishi Men Unnati, Gahan Kheti, Wanted a New Agricultural Policy, Kheti Ki Durgati, Sahkarita*, etc., Mr. Singh has also been editing magazines such as *Gaon Ki Pukar* and *Krishak Vani*. He at present represents Domariagunj in the U.P. Assembly. Mr. Singh is the President of the U.P. Unit of the Party.

[8] Prospective Parliamentary Candidate for Domariaganj (U.P.) Parliamentary Constituency.



Lakshman Singh of Dungarpur

Maharwal Lakshman Singh of Dungarpur, who succeeded to the gadi in 1918 and assumed full ruling powers in 1928 when he was only twenty, was an enlightened Ruler. He introduced many reforms in his State and played a notable part during the pre-Independence days to negotiate the entry of the Indian States into the Constituent Assembly.

Since Independence he has been in active politics and was member of the Rajya Sabha from 1952 to 1958. In 1962 he was elected to the Rajasthan Assembly and is leader of the Swatantra Party in the Assembly. He is also President of the Party in Rajasthan. A good sportsman and cricketer, he has led the Rajasthan XI against the MCC and Australian XI on four occasions.

Sardar Ram Singh[9]



Ram Singh's election to Rajya Sabha did not come as a surprise to those who know him intimately. A true gentleman Mr. Singh is associated with a number of public organisations. He was President of Youngmen Sikh Association, Director, Treasurer and Secretary, Kanpur Rotary Club, Honorary Secretary of the Cawnpore Club, and an influential member of U.P. Chamber of Commerce, acting as its Joint-Secretary since 1962. He founded the Air Pollution Association of Kanpur and is its Chairman. He is also the President of the Kidwainagar Games and Sports Club, Kanpur.

Mr. Ram Singh has served the Party as Treasurer and then Chairman of the Kanpur Branch. He is a member of the State Executive and also a member of General Council of the All India Swatantra Party. Mr. Ram Singh takes a keen interest in education and was Vice-Chairman of the Reception Committee of All India Educational Conference held in 1962 at Lucknow. He worked as Chairman of the Second Convention of Private Primary Schools held at Kanpur in 1962.

Born in 1925 at Kanpur, he was educated at Kanpur and Benaras. He has visited England, Germany, France, Switzerland, Japan, Hongkong, Singapore and Ceylon.

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[9] Prospective Parliamentary Candidate for Baharaich (U.P.) Parliamentary Constituency.



K. Sundaram

An enlightened employer, a keen sportsman and a philanthropist Mr. K. Sundaram was an ardent politician even in his student days. He joined the Indian National Congress and participated in the Vedaranyam Salt Satyagraha along with Rajaji and underwent imprisonment in 1930 for six months, when he was only 16.

After two years of university education at Madras in 1935 he went to U.K. to study textile technology. As a student he made an extensive tour of England to gain practical knowledge of the field in which he was undergoing training. On his return to India in 1939 he took charge of Lakshmi Mills as Manager. He is at present a director in several industrial undertakings and the Managing Director of United Bleachers Ltd., Mettupalayam, a textile processing concern. He was the Secretary of the South India Mill Owners Association for two years. He is President of Indian Chamber of Commerce, Institute of Management and the Coimbatore Productivity Council and member of South India Textile Research Association.

Mr. Sundaram is a member of the Rajya Sabha.

THUMBNAIL SKETCHES

PROSPECTIVE PARLIAMENTARY CANDIDATES*



Y. Gadilingana Goud

Kurnool (Andhra Pradesh) Parliamentary Constituency

Mr. Y. Gadilingana Goud was elected unanimously as the President of the Gudikal Union Board when he was only 17 in 1926 and held the post for 27 years continuously till 1953. He defeated Shri H. Sitaram Reddy, Minister of Revenue and Industries in the then composite State of Madras with a majority of 45,000 (forty five thousand) votes. During the past few years he has held various honorary posts of public importance. He was Vice-President, District Educational Council, Bellary; Secretary, Cooperative Union, Adoni; Joint Secretary, Provincial Union of Panchayats, Madras for 6 years; and Member, Adoni Taluk Board. Presently he is President of the Adoni Cooperative Marketing Society Ltd., Adoni; President, the Kurnool District Cooperative Societies Union; President, Kurnool District Swatantra Party; Member, Irrigation Advisory Committee, T. B. Project, Kurnool; and Member, Executive Committee, the Kurnool District Cooperative Marketing Society Ltd., Kurnool.

T. Krishnamma

Narsaraopet (Andhra Pradesh) Parliamentary Constituency



Educated at Andhra and Madras Universities, Mr. T. Krishnama, practised as an advocate for 6 years. He was a member of the Guntur District Board for a period of 3 years from 1932 to 1935 while practising as a advocate. Recruited as a District Munisiff in the composite Madras State in 1936 and he served as a Sub Judge, Judicial District Magistrate and District and Sessions Judge and ultimately retired as the District Judge of Hyderabad in Andhra Pradesh Government in 1958. He joined the Swatantra Party in 1959 and served as the General Secretary of the Andhra Pradesh unit of the Party for more than 3 years from 1959 to 1962. At present he is a member of the General Council of Central Party.

* The list of thumbnail sketches given here is incomplete.



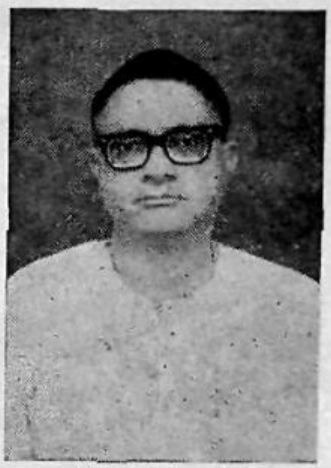
C. V. Siddiah Murthy

Tirupati (Andhra Pradesh) Parliamentary Constituency

A good speaker and a writer in Telugu, Mr. Siddiah Murthy was born in a Harijan family in 1934. In 1953, he was elected Vice-President of the State Students Union and between 1955 and 1957 he served in the District Board. He was elected Secretary of the Chittor District Unit of the Party in 1959 and became a member of the State Unit's Executive in 1962. In 1964 he was again elected General Secretary of the District Unit.

V. V. Ramanna

Anakapalle (Andhra Pradesh) Parliamentary Constituency



The 43-year old Mr. V. V. Ramanna, an M.A. of Andhra University, took active part in 1942 August movement even while a student. In 1946, at the call of Prof. N. G. Ranga, entered into active public life in organising kisans' associations. In 1947 became member of Provincial Congress Committee and continued a Member of Provincial Congress Committee till 1951. He resigned from Congress along with Prof. Ranga and worked with him in organising Krishikar Lok Party. He was elected to Rajya Sabha in November 1953 and was again re-elected to Rajya Sabha in 1956 for another six years. During this period he served in various select committees.

He has written articles on various subjects such as cooperation, agriculture, etc., both in English and Telugu. He has also been taking an active part in the organisation of Labour Unions in his areas besides organising Cooperative Societies.

He participated in the International Seminar on Cooperative Business Management in Baguio, Philippines, in August-September, 1965 representing National Cooperative Union of India. He visited Hongkong and Singapore during his visit to Philippines.



Durga Dutt Sarawgi

Ranchi (Bihar) Parliamentary Constituency

Apart from business, Mr. Sarawgi's activities cover a wide range such as, sports, flying, theatre and politics. Mr. Sarawgi, who is 57, is an office bearer in a variety of public organisations and also the Deputy Leader of the Ranchi Nagarik Samiti in the Ranchi Municipal Corporation.

J. K. Sinha

Patna (Bihar) Parliamentary Constituency

After his education at Darbhanga, Hazaribagh and Patna, Prof. J. K. Sinha went to the University of Southern California, where he obtained an M.A. degree in Cinema and Audiovisual Education. He was Director in the Films Division of the Government of India. Founder member of several colleges, schools and libraries, Prof. Sinha has also widely toured in the European countries, Far East and America. During student days, he was an active student leader and later took an active part in Bihar politics also.





Rev. A. D. Chaudhary

Mandvi (Gujarat) Parliamentary Constituency

Born in 1909 Rev. A. D. Chaudhary is conversant with at least ten adivasi dialects, besides Gujarati, Marathi, Hindi and English languages.

Since 1930 he has been carrying on social work amongst the Bhils, Kokabi, Vesave, Padavi and other tribes. As a teacher to start with, then as a preacher, and later on as a Rev. Pastor, in that wild region, he has brought relief to many poor people and was instrumental in opening a number of Marathi and Gujarati primary schools and also some boarding houses.

Rev. Chaudhary is the president of the Adivasi Seva Sangh. He has been a member of the Navapur Gram Panchayat a number of times and the Chairman of the Karanji Khurd Gram Vikas. Since 1947 he has also been elected a number of times to the Dhulia District Local Board as an Independent Candidate and since 1962 he has been a member of the Zilla Parishad. In 1957 elections he was elected to the Gujarat Assembly.



C. C. Desai

Sabarkantha (Gujarat) Parliamentary Constituency

A fine example of a self-made man, Mr. C. C. Desai was never a burden on his parents even for his education right upto his passing the I.C.S. examination in England which climaxed a brilliant academic career.

In 1923, he was posted in Central Provinces in Berar, soon made his mark and became Secretary to Government in charge of Local Self-Government. Transferred to Delhi he joined the Department of Supply. Towards the end of the war, he became Controller-General of Civil Supplies and soon after First Member and Secretary of Tariff Board, to become its chairman subsequently. He later gravitated to the States's Ministry, then he became Commerce Secretary and was subsequently transferred to Works, Production and Supply Ministry to ultimately become High Commissioner for India in Ceylon in 1953. In 1955, he went to Karachi as our envoy where he remained for four years and retired.

Since retirement he has been in business associated as he is, with more than twenty companies.

Piloo Mody

Panchmahals (Gujarat) Parliamentary Constituency



A practising architect for the last 13 years, the 39-year old Mr. Piloo Mody worked under Le Corbusier in the new capital of the Punjab at Chandigarh during 1951-53. Mr. Mody took his Masters' degree in Architecture from the University of California. He is the Vice-President of the Indian Institute of Architects, Member of the Board of Governors of the School of Planning and Architecture, New Delhi, and Member of the Committee on the Technical Studies of the All India Board of Technical Studies in Architecture and Regional Planning.

Mr. Mody, who is the Executive Vice-President of the Swatantra Party, Bombay region, also edits an English weekly, *March of the Nation*.

Dahyabhai Parmar

Patan (Gujarat) Parliamentary Constituency

A staunch public worker, Mr. Dahyabhai Parmar could not contain himself in the routine job of an overseer in the Baroda State Government and therefore resigned from service. He was elected as Vice-President of Mehsana District School Board in 1957 and held that office till 1962. He was also President of Pachhat Varga Kelvani Mandal for eight years. Besides actively associating himself with many educational institutions, he has also been instrumental, with his knowledge of civil engineering, in promoting many housing cooperative societies. To stop the exploitation of money lenders he organised the Kalyan Cooperative Bank Ltd., of which he has been the honorary Managing Director ever since its inception. Mr. Parmar's work for the uplift of the Harijans has been outstanding.



H. M. Patel

Anand (Gujarat) Parliamentary Constituency

A product of London and Oxford Universities Mr. H. M. Patel joined the Indian Civil Service in 1926 when he was just 22. After his training in England he was appointed Assistant Collector of Larkhana District in Sind. His work earned him higher assignments and he was appointed Trade Commissioner of India at Hamburg in 1937. In 1940 he was made Deputy Secretary in Supplies Department only to soon take over as Joint Secretary of the Industry and Civil Supplies Department. In 1946 he became Joint Cabinet Secretary and soon after he became Cabinet Secretary, the first Indian to hold that post. In 1947 he was appointed Defence Secretary. He took up in 1954 the Secretaryship of the Economic section of the Central Finance Secretariat and a short time later took charge as Principal Finance Secretary.

Since his retirement from the ICS he has been devoting a major portion of his time to the field of education.

He became Chairman of the Gujarat State Electricity Board in 1960, which post however he relinquished in May last.

He is a member of the State Parliamentary Board, State Executive, State Council and the General Council of the Party.

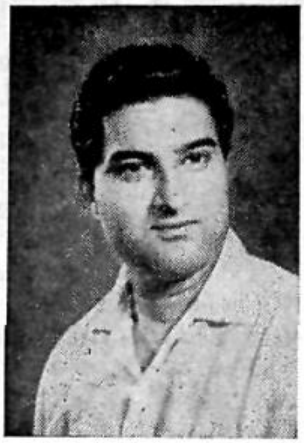
Lalit Patel

Dohad (Gujarat) Parliamentary Constituency



Born in a scheduled tribe family, Mr. Lalit Patel is a graduate in Economics and Law of Gujarat University. Mr. Patel's family has a good record of public service, his father having been the Sarpanch of Garbade for 17 years and his brother having succeeded his father as Sarpanch. Mr. Patel himself is in constant contact with the people of the area and is devoting a great deal of his time to public service.

Mr. Patel was also in the NCC and secured the Best and All-Round Cadet certificate.



P. H. Solanki, M.P.

Nadiad (Gujarat) Parliamentary Constituency

The 31-year old Mr. P. H. Solanki had his early education at Panchgani and graduated from L.D. Arts College, Ahmedabad. Later he went to London and studied at Middle Temple Inn for Bar-at-Law. He is also a Diploma-holder in Journalism and Transport. He is a member of the National Shipping Board and President of the Baroda division of the Railway Union of Commercial Clerks. He visited South Vietnam, Formosa, Japan, Hongkong and Thailand in 1964.

Budhi Prakash Sharma

Chamba (Himachal Pradesh) Parliamentary Constituency



A lawyer by profession, the 32-year-old Mr. Budhi Prakash Sarma, enjoyed the status of Rajguru in the erstwhile Chamba State until it was merged in Himachal Pradesh. Giving up a flourishing legal practice in September 1965, Mr. Sharma has been since devoting his full energies to the Party and he is one of the founder members of the Party in the State. He is the Vice-President of the Himachal Pradesh Unit of the Party.



Dr. H. V. Hande

North Madras (Madras) Parliamentary Constituency

Dr. H. V. Hande who was born in 1927 at Coimbatore, received his diploma in Indian Medicine in 1950 and set up his practice straightaway. He took active part during 'Quit India Movement' in 1942. An active social worker he took to politics and entered the Madras Legislative Council in April 1964 with a thumping majority contesting as an independent candidate from the Madras District Graduates Constituency in the vacancy caused when Dr. P. V. Cherian resigned to become Governor. He joined as a life member of the Swatantra Party in March 1965 and is an active worker of the Swatantra Party.

V. S. Ramaswamy Iyengar

Nagapattinam (Madras) Parliamentary Constituency



Born in a poor Vaishnavite Brahmin family in 1895 Mr. Ramaswamy Iyengar, with an extensive legal practice today, is a self-made man. After a brilliant academic career he served as a lecturer for a brief period before he was called to the Bar in 1919. He was appointed Government Pleader for East Tanjore district in 1946. For a brief period he was also practicing in the Madras High Court. Since 1964 Mr. Iyengar has been President of the Bar Association of East Tanjore.

Mr. Iyengar, who is a keen student of Economics and Finance, is also an agriculturist adopting modern methods of cultivation.



Dr. M. Mathias

Nagerkoil (Madras) Parliamentary Constituency

Born in 1902 and educated at the Maharajah's College Trivandrum and Madras Medical College, he took his M.B., B.S. Degree in the year 1927. In the course of a few years Dr. Mathias commanded a very extensive practice. He has established a Nursing Home at Nagercoil which has all modern amenities and equipments, and what is worth mentioning a Free Ward for the poor patients where all treatments are free.

Dr. Mathias' is a farmer, too. His extensive estates in Balamore Hills has become a model estate with plantations of Rubber, Pepper, Tea, Cardamom, Arecanuts and Coconuts. He visited the U.K. and U.S. in 1955.



C. Muthuswamy

Karur (Madras) Parliamentary Constituency

Mr. C. Muthuswamy, born in 1917, belongs to a well-known family in Karur. His father was a member of the taluq and district boards, his paternal uncle a member of the Lok Sabha and another uncle a judge of the Madras High Court. He himself is a keen agriculturist, having qualified himself in agricultural science. Formerly a P.C.C. member, he resigned from Congress in 1957 and became Joint Secretary of the National Democratic Congress, which later merged with Swatantra Party. Since 1964 he has been the President of the Trichy district unit of the Party. A good social worker, he was recently elected Vice-President of the Trichy District Co-operative Central Bank.

A. Subramaniam

Salem (Madras) Parliamentary Constituency



Born in 1903, Mr. Subramaniam has been in public life ever since 1919 and joined the Non-Cooperative Movement in 1921. He also became a labour leader and was the General Secretary of the Madras Tramway Company Union for five years. In 1923 he joined the Swarajya Party. From 1925-1947 he was a member of the TNCC. In 1937 he was elected to the Madras Assembly from which he resigned in 1941 on the advice of Rajaji. He was again elected to the Assembly unopposed in 1946. In 1951 he started the Tamil Nad Toilers Party. From 1952 until last April he was a member the Madras Legislative Council. Mr. Subramaniam joined the Swatantra Party in 1965. All through his public life Mr. Subramaniam has been working for the uplift of the backward classes also.



S. Xavier

Tirunelveli (Madras) Parliamentary Constituency

Mr. S. Xavier, who was born in 1920 in a harijan family, entered Government service in 1941 after graduating earlier in the same year. In 1952 he took his B.L. degree and enrolled himself as an advocate in 1953. He was President of the unions of postmen and telephone exchange employees in Tuticorin for a few years. He is presently the Vice-President of the Catholic Union of the Tuticorin Diocese and also the Secretary of the Catholic Union, St. Anthony's Parish Church Unit, Tuticorin.

Mr. Xavier has been a member of the Party ever since its inception.



V. N. Patil

Buldana (Maharashtra) Parliamentary Constituency

Mr. V. N. Patil, who was educated in Poona, Cambridge and London, is a Barrister and was called to the Bar in 1926. He was appointed Government Pleader and Public Prosecutor of East Kandesh in 1933 in which capacity he continued till 1945. He was a member of the Bombay Bar Council.

Mr. Patil was elected to the Bombay Legislative Council in 1930. He was elected to the Bombay Legislative Assembly in 1937 and later again in 1951. Since 1930 Mr. Patil has served in various public committees. He has also been associated with a number of educational and public institutions.

J. M. Imam

Chitradurga (Mysore) Parliamentary Constituency

J. M. Imam, born at Jagalur in 1897, served as the President of the Municipal Council, Jagalur, from 1933 to 1936 and was President of District Board, Chitradurga, from 1936 to 1940. He was a Member of the then Mysore Representative Assembly and Legislative Council from 1930 to 1952 and a Minister of Public Works in the Government of Mysore from 1941 to 1945. Elected to the Mysore Legislative Assembly in the General Elections in 1952 he served as Leader of Opposition in the Assembly. He was elected to Lok Sabha in 1957, but lost in 1962 by a narrow margin.





Sudhir Chandra Majhi

Mayurbhanj (Orissa) Parliamentary Constituency

Born in a well-known Sardar family, Mr. Sudhir Chandra Majhi took to active politics in 1960. He is at present the Chairman of the Panchayat Samiti, Bijatala.

Dr. N. C. Samant Sinhar

Bhubaneshwar (Orissa) Parliamentary Constituency



Born in a well-known Kshatriya family in 1912, Dr. N. C. Samantsinhar plunged into the stream of public life even as he was a student courting imprisonment more than once. After organising a kisan movement under Netaji Subash Chandra Bose's leadership he became Secretary of the Orissa Swaraja Party for a while.

He was an active member of the team that compiled the Odia Bhashakosh in the thirties and was Editor of the *Nayak* from 1947-50.

He was elected to the second Lok Sabha in 1957 and served in various committees including the Public Accounts Committee. He has visited Japan and Thailand.



Mr. Mithalal Meena

Sawai Madhopur (Rajasthan) Parliamentary Constituency

Mr. Mithalal Meena was born on November 5, 1938. After Intermediate he studied for Prabhakar Sahitya Ratna and Vigyan Ratna. Besides being an agriculturist, Mr. Meena is also a businessman.



H. Mahant Swami

Gulbarga (Mysore) Parliamentary Constituency

Brought up as a monk Mr. H. Mahant Swami discarded this age-old tradition of their family at 26 and took to public life inspired by Gandhiji's Swadeshi Movement. He joined the State Congress and after actively associating himself with the Congress for a few years resigned from it in 1951.

He joined the Swatantra Party in 1961 and contested the Third General Elections in 1962, defeating the Congress candidate, an Ex-Deputy Minister of Hyderabad State.

Starting his career as the President of the Primary Agricultural Cooperative Credit Society Hunasgi in 1950, today he is President, Taluka Cooperative Union, Shorapur; President Gulbarga, D.C.C. Bank, Shorapur Branch, Director Taluka Agricultural Produce Cooperative Marketing Society Shorapur; Director, District Cooperative Central Bank, Gulbarga; Director, The Mysore State Cooperative Bank, Bangalore; and Director, Cooperative Spinning Mills, Raichur. He is a sitting MLA and is a member of various public committees.

Brundaban Das

Bhadrak (Orissa) Parliamentary Constituency

Born in 1910, Mr. Brundaban Das joined the Independence Movement even when he was a student in 1930. In 1936 he was nominated as a member of the Balasore District Board where he continued to be till 1939. In 1946 he was elected unopposed to the Orissa Assembly to which he was again elected in 1952. He resigned from the Congress in 1957 and fought the Congress in 1961 mid-term election.





Anirudha Dipa

Phulbani (Orissa) Parliamentary Constituency

Having had to abandon studies at an early age due to financial difficulties Mr. Anirudha Dipa turned to public work and joined the Ganatantra Parishad in 1955 when he was only 25. Soon after he was elected to the Orissa Assembly, representing Boudh constituency, which constituency he continues to represent in the Orissa Assembly.



Shiv Ratan Deo Singh

Alwar (Rajasthan) Parliamentary Constituency

Educated at Lahore, Agra and Ajmer, Raja Shiv Ratan Deo Singh, who is now 41, defied the British during pre-Independence days and actively supported the Congress. He was a social reformer, too, having fought the evil of untouchability.

Disillusioned with the Congress he gave up politics altogether until he was again kindled into public activity by the birth of the Swatantra Party.

Syed Mohammad Ahmed

Farrukhabad (U.P.) Parliamentary Constituency

A lawyer by profession Mr. S. M. Ahmed was born in 1910 in Lucknow, where he had his education also. He was Honorary Bench Magistrate from 1937 to 1939 and was selected Municipal Commissioner of Farrukhabad in 1945 which post he held till 1953. During this period he was also elected senior Vice-Chairman of the Municipal Board.





K. D. R. Pandey

Gonda (U.P.) Parliamentary Constituency

The 37-year old Mr. K. D. R. Pandey hails from a well-known family whose historical connections date back to Akbar's court. Educated in Lucknow, Mr. Pandey has been in public life since 1957 giving stiff fight to the Congress. Ever since its inception Mr. Pandey has been a worker of the Party.

Trivikram Narain Singh

Ghazipur (U.P.) Parliamentary Constituency



Born in 1931 and educated in Lucknow, Raja Trivikram Narain Singh has been a philanthropist, having founded a high school, a primary school, besides giving regular financial help to poor students. Besides being a social worker he is also keenly interested in classical music and photography. He is a good sportsman and a shikari too.



Haji Abdus Sattar

Malda (W. Bengal) Parliamentary Constituency

Born in 1902 and educated at Malda, Haji Abdus Sattar was, before Independence, Commissioner of the Malda Municipality, for which post he was re-elected in 1947. He was a member of the Malda District Board for one term and Founder Member of the Malda Merchants Association of which he was the Assistant Secretary also for a few years.

Haji Abdus Sattar is a manufacturer of soaps, paints and varnish.



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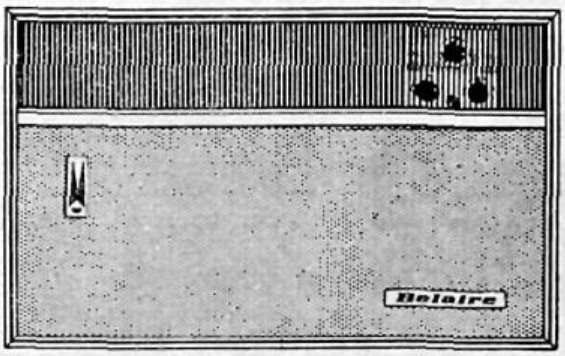
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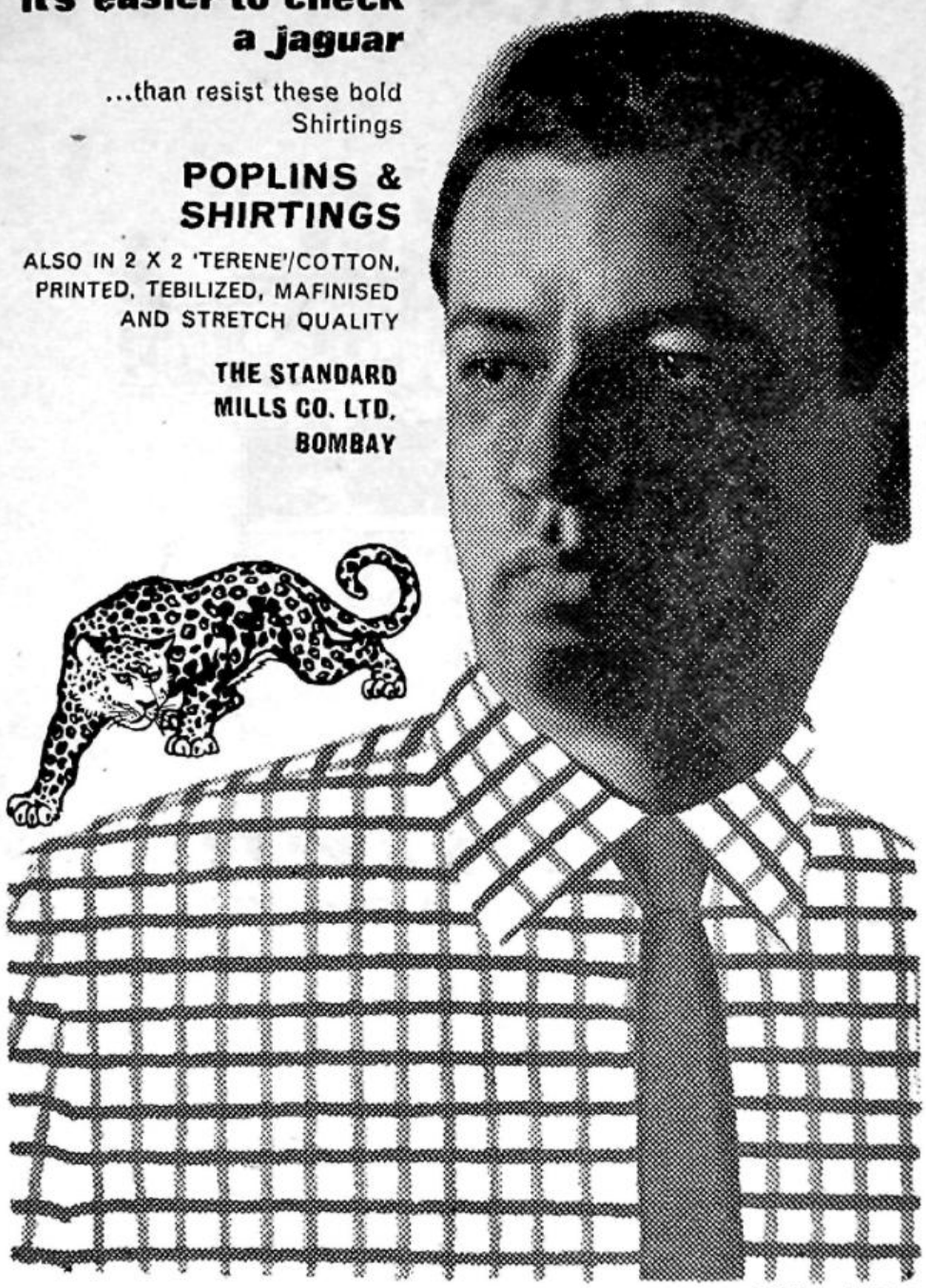
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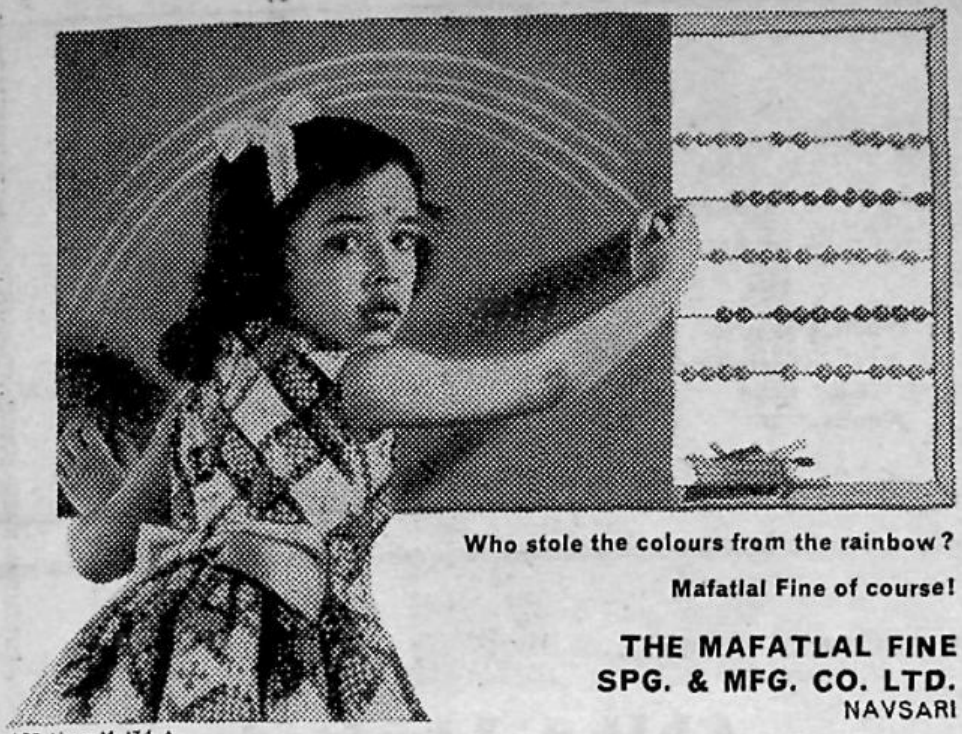
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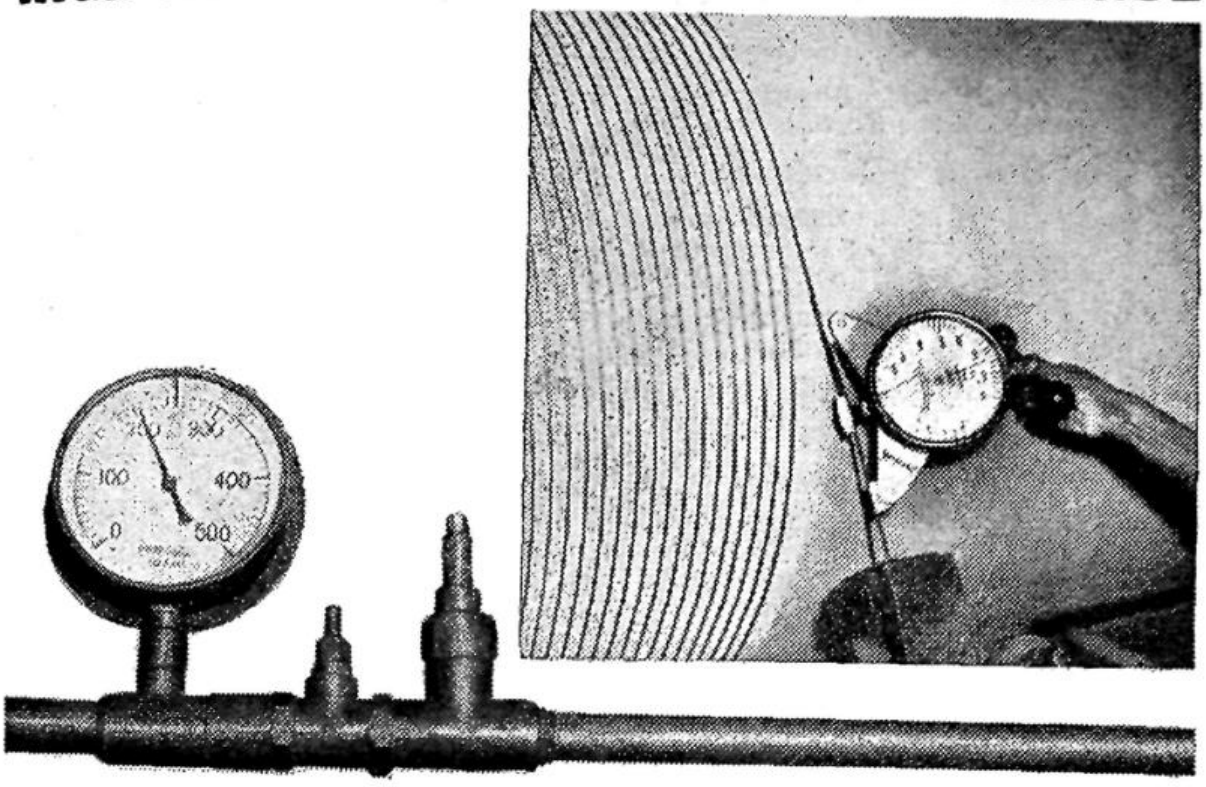


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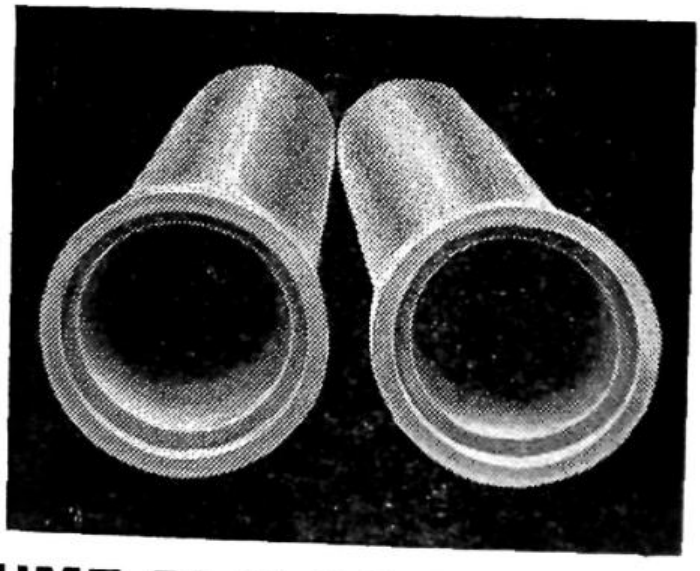
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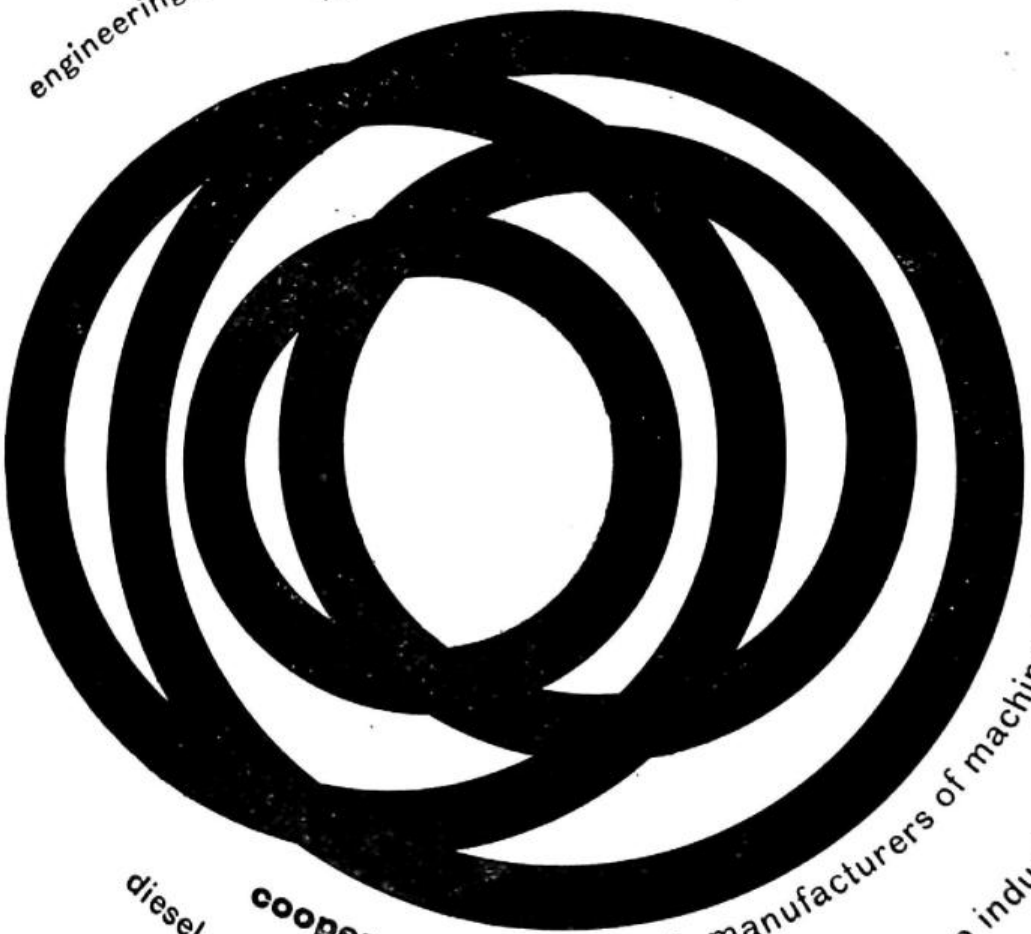
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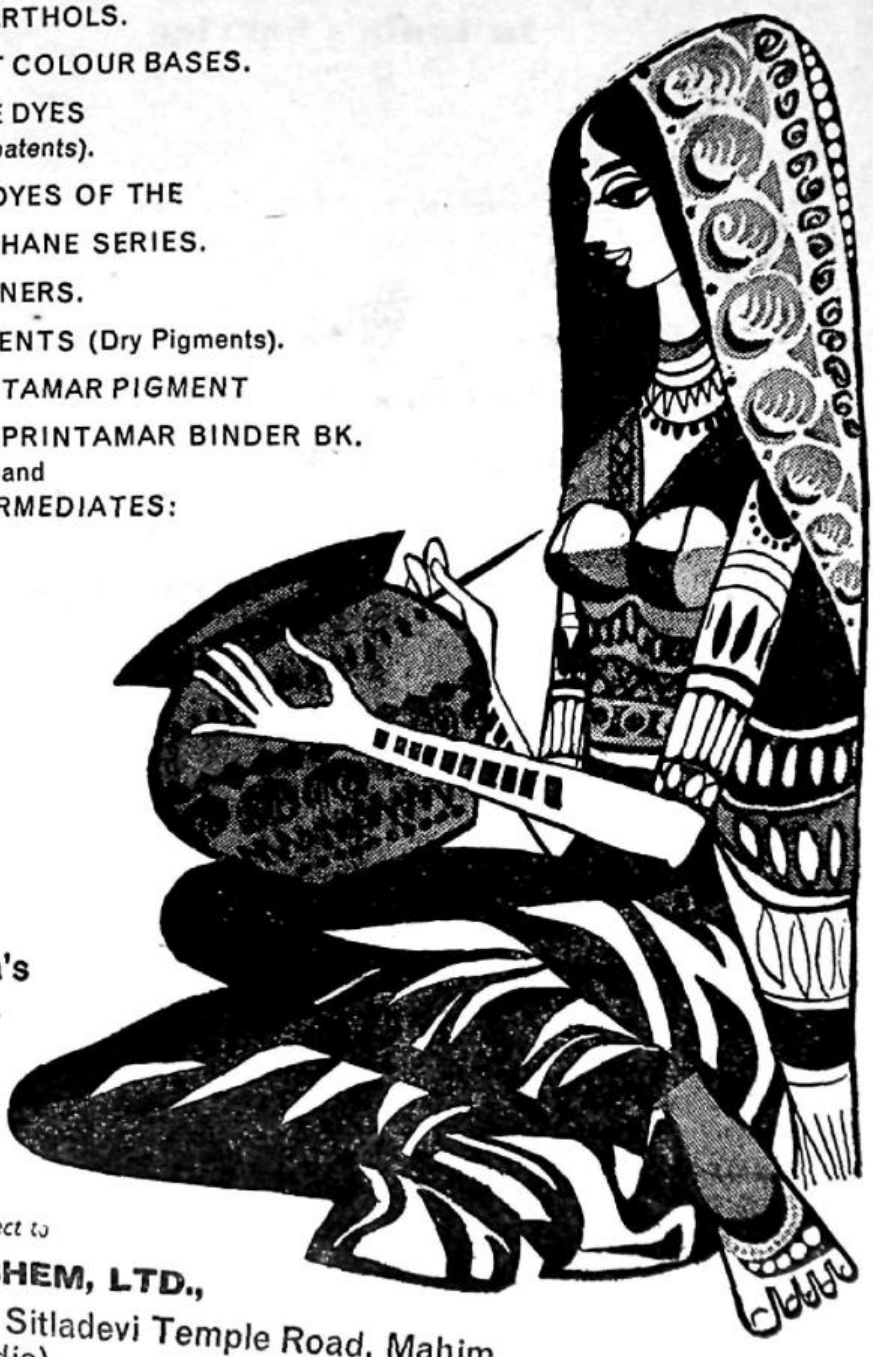
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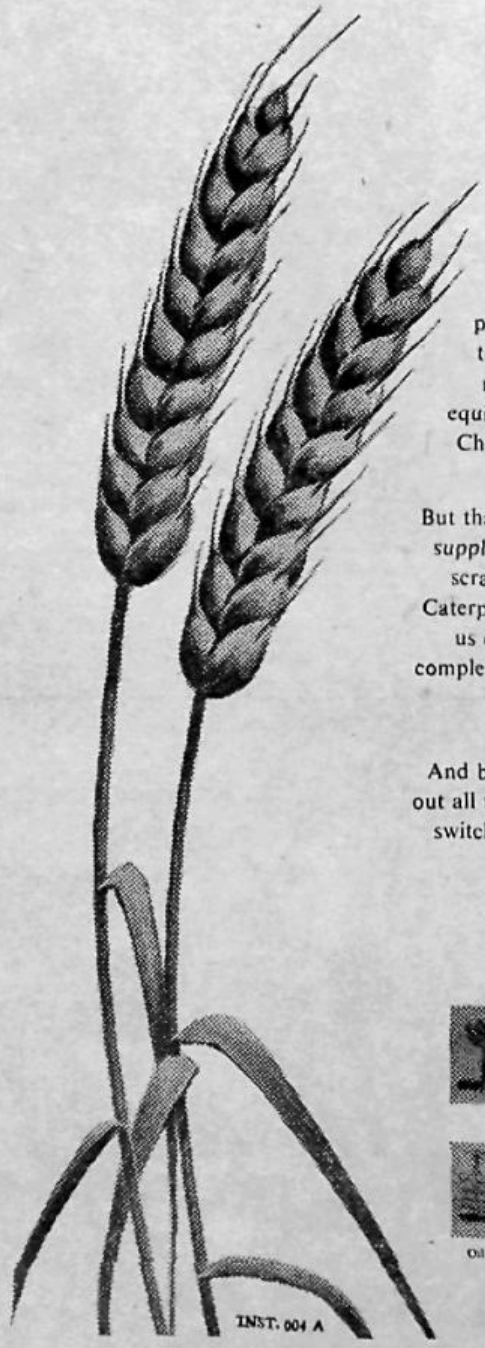
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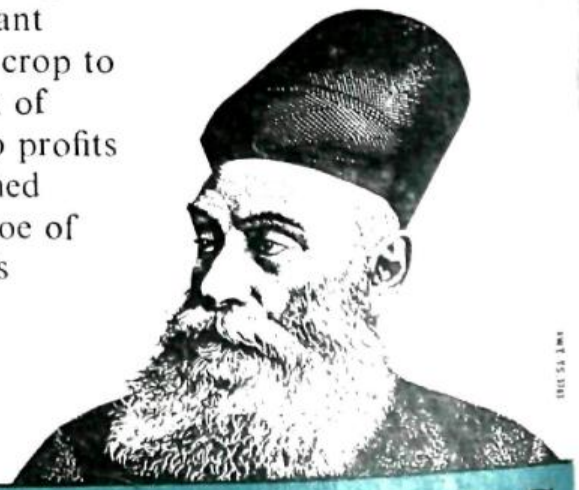
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