SPEECH OF SHRI M.R. MASANI, M.P.,
INAUGURATING THE ALL INDIA BANK
DEPOSITORS ASSOCIATION IN CALCUTTA
ON 26TH FEBRUARY, 1968.

ALL INDIA BANK DEPOSITORS ASSOCIATION
54, Ezra Street,
Calcutta-1.

Speech of Shri M.R.Masani,M.P.,
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Depositors Association in Calcutta
on 20th February,1968.

Chairman, Ladies and Gentlemen,

I am very glad to be able to be with you this evening and to extend to you my felicitations on having taken this step and my good wishes for your success. When it was announced that banks would not be nationalised, there was naturally some sense of relief,but it went much too far and developed into a kind of complacency as if all threats to banks had receded and there was nothing to worry about any more. The fact,of course,is that the threat has not receded at all; only the language of the threat has changed. Instead of using the word 'nationalisation', the word 'social control' is being used. Perhaps it is a more subtle and more sophisticated manner of achieving the same purpose. To that extent one may congratulate the Government for being clever, but for those whom they desire to liquidate,for those whom they desire to take over, this should not be a matter for congratulations but for greater vigilance.

Now, this Bill, the Banking Laws Amendment Bill, 1967, which is due to come up for discussion in Parliament in the next few days, is a very stifling measure. Your President, Mr. Patodia, has given you already the salient aspects of these measures. He is one of the most studious and conscientious members of our present Lok Sabha, who has come to Parliament for the first time, and one expects him to do his home work which very few of our collegues in Parliament are known to do. He has already given you a gist of what this Bill amounts to. As I have said, all this has been done in the name of social control. But I think this needs to be examined a little more closely. He has quite rightly pointed out that there was ample power in the hands of the Reserve Bank to exercise all the social control that was necessary. The Reserve Bank did not ask for any more powers. It was quite satisfied with what it had. In fact this Bill is not the response to a felt need, it is the response to a set of demagogues in the Congress Party who came up with the doctrine of nationalisation and to placate whom this kind of half-way house has been invented, like throwing scraps of meat you throw to a beast which threatens to devour you, hoping thus to put off the evil day.

The control which was partial has now become total. I think it is right to say that there is nothing that a bank cannot be asked to do, provided the Government and the Reserve Bank think it expedient to ask it to do so. From now on, the management of banks will be totally at the mercy of the Reserve Bank and its master, the Finance Ministry of the Government of India.

In so far as the shareholers are concerned, they are going to be deprived of their function, i.e., the function of constituting the Board of Directors, controlling it and supervising it. These fundamental powers by which the shareholders control a company are now to be more or less made nominal because in each respect either the action of the shareholders will require the approval of the Reserve Bank or the Reserve Bank can act on their behalf without their permission. For instance, the Chairman of a bank cannot be appointed unless the Reserve Bank approves of that nomination. If directors are appointed without securing the approval of the Government and the Reserve Bank, then not only can they be blocked, not only there is a veto on their appointment, but the Reserve Bank can itself appoint directors as if they are elected by the shareholders. It is like telling my people of Rajkot that Mr.Masani is not acceptable to us in Parliament as your M.P. So we shall now nominate somebody in his behalf - one of our tried Congressman - to represent you. You can imagine what my constituents would feel if this could be done. But that is exactly what those of you gentlemen who may happen to be shareholders also are going to endure. Apart from the stranglehold that the Government is seeking to acquire over the Board of Directors of the banking companies, there is a very stifling power of giving directives to the management of a bank. That power already was there. For certain narrow and stated purposes the Reserve Bank already could give directives to a bank. Some limitations were there and the powers were more or less reasonably exercised. But now the right to give directive has been expanded. Clause 10 of the Bill makes a very simple change. To the reasons for which the Reserve Bank can give a directive to a banking company one more is added. So long as the directive is within the language of this amendment it cannot be challenged. Now I will read to you the language of this amendment from which you will see its nature. The words are: "In the interest of banking policy". Quite simple - in the interest of banking policy, that is, whenever the Government thinks that something should be done,all it is to tell the bank is:'in the interest of banking policy you do this or not do that'. There is no argument about it. Banking policy is anything the Government feels like doing in regard to banking and once it does it,it becomes banking policy,and therefore it becomes a legitimate directive. It is just one little sentence - five or six words - by which the Government has now acquired or seeks to acquire over a banking company a total power of dictation not less than what Hitler or Mussolini had over the economies of their countries when they were in power. When the Government acquires total powers of this nature, then it ceases to be a democratic Government, it acquires the nature of a fascist or communist dictatorship. This is one point of view, the shareholders' point of view,from which the Bill is objectionable.

A more important point from the shareholders' angle is that if the Bank does not do something that the Government wants it to do,then the Government can take it over. This sword of Democles will always be there over the head of a bank. When the Government takes over a bank,then again the shareholders are at the mercy of the Government. Yes,some compensation will be paid. There is a clause which says that,according to certain principles,they will be compensated for the price of their shares. Normally under the Constitution reasonable compensation has to be paid,and the compensation can be tested in a Court of Law. This Bill takes away the right to go to a Court of Law.If for your share which you think is worth Rs.1000,the Government pays you Rs.100 then, provided that a certain number of the shareholders of that company can get together all over the country to protest, the Government in its kindness will appoint a Tribunal of its own people. That will be the final court of appeal. If the Tribunal appointed by the Government does not share your feeling that Rs.1000 and Rs.100 are different and that Rs.900 are still due to you, then you cannot go to a Court to challenge this compensation. In other words, the Bill,while it is not a Bill for nationalisation, opens the door to expropriation without compensation, which is worse than even nationalisation. In this particular respect,the Bill is not in any way less dangerous than an outright act of expropriation because the threat of expropriation will be there like a dagger pointed at the back of a bank.

So far I have mentioned only the shareholders but there is one consideration even more important than shareholders and that is the national economy, the interest of the nation. What will this Bill do to that? I can only put it in this way that banking is one of the most delicate mechanisms in the economic framework of society. Credit is a very delicate thing. Credit depends on reputation. It depends on confidence. Confidence is not something that you can dictate by Act of Parliament. This is one thing which Parliament cannot do. It cannot make bad people good by passing laws and it cannot create confidence where it is lacking. This Bill will destroy confidence in banking. It will do so because, as your President has already pointed out, in place of those in whom the depositors and shareholders have confidence, it will impose the dictation of people who will not possess and who will not deserve the confidence of either the depositors or the shareholders, because that lot of people have already shown in the past twenty years their complete lack of capacity, their complete unfitness to be allowed to dabble in economic affairs. I refer to the politicians and bureaucrats in office. If today our country is bankrupt, if today we are suffering from rising prices, if today there is a food shortage, all this is due to the criminal incompetence and irresponsibility of the politicians and bureaucrats to whom economic power has been given from the time of Mr. Jawaharlal Nehru. It is this gang of people who are now going to be put in charge of the banks. The consequences for the national economy, for the well-being and welfare of our people, and for the progress of our country are simply apoalling.

In France, they had nationalised the banks, but having done so they were much wiser than our Government shows itself by this Bill. The banks in France belong to the Government, but the Government there has good sense. It knows a little bit about banking and so, having nationalised the banks, I think it must have been at the end of World War II in the confusion that had taken place in France during the German occupation, the French Government very wisely appointed the Boards of Directors of the banks and told them to forget about the Government and run them as private banks should be run on purely commercial banking principles. It is interesting that, while the Government owns the banks in France, it has passed a self-denying ordinance not to do any of the things that our

Deputy Prime Minister wants that he and the Reserve Bank should do. In France there would be no need for such a Bill because it is considered to be quite wrong. Though the Government owns all the banks, it has given over the right of management to those who are considered to be competent to run the banks, i.e. the bankers, and the bankers and the depositors now have formed their own relationship of confidence and the French banking system has retained its stability.

Now, you gentlemen here are depositors. So you may say: "What about us?. So long you were talking about the national economy and shareholders. Where do we come in?". Well, I am afraid you come in also. Let me first say that I think the depositor, however small he may be, plays an important role. It is not the size of the deposit that matters. It is the act of putting money in a bank for productive investment that is praiseworthy. It is the thrift of the small man on which all prosperous nations have raised their economic structure. It is not the tycoons and the millionaires who have made America prosperous or Germany or France or Japan prosperous. It is the small men, middle class men who with their millions of deposits in banks - deposits of small amounts - have created the pool out of which productive investment takes place. So the bank depositor performs a very constructive and social purpose. He is the man on whose contribution industrial advancement can be made possible. Now what the proposed law does to the bank depositors is this. Up to now the banks were the trustees of the depositors. It is true that the depositors do not own the banks, but the banks behaved in a manner that made the depositors feel that their money was safe with them. It made them feel that, to the best of their knowledge and capability, the banks were going to invest the money in a way in which it would not be lost but would earn the maximum return. This trustee has now been pushed aside or rather has been kept there but told: "Now you will not worry about the depositors' interest, but you will worry about what we say, because we are king."

What will this mean? I have already read to you the language of the directive - 'Banking Policy'. Under cover of banking policy, a bank can be asked not to give money to a good project. It can even be coerced to give money for an unworthy or a bad project. We already know how much political influence is now working from Delhi and elsewhere to interfere with the management and the disposal of the funds of companies of various kinds. Under cover of 'social control' what will happen will be that it will provide a place for the hangers on of the politicians in office for the time being, whoever they may be, and this would be equally objectionable if my own Government were there. If the Government of Orissa, of which I see a leading Cabinet Minister sitting here, wants to exercise such power, I would ask you to oppose them, not because they are not good people - our Chief Minister of Orissa is one of the wisest and most honest of India's politicians and today the Orissa Government has an exceptionally high reputation and prestige in contrast to all others - but even so, I will say: don't give them those powers. For, the temptation to patronise your friends and the temptation to punish your opponents is a very strong instinct in human nature and I would not like to be trusted with those powers of economic life and death. But this is what 'social control' in place of trusteeship for the depositors is going to mean. Again, as the President has told you, all kinds of people are going to have representation on the Boards of Directors of banks. Half the Board is going to be reserved for people who have no stake in the bank - accountants, agriculturists, representatives of co-operative societies, economists - like Professor Mahalanobis, no doubt - law, small industry. All these people who have nothing to do with banking are going to dominate Board of every bank. But not one seat has been kept for the depositors. The one class of people who have a stake in the bank nobody has even thought of. It never occurred to the advocates of 'social control' that this class of people have to be protected. Obviously they are not people to be protected at all. They are people to be fleeced. So depositors will have no place on the Boards of banks where they put their money, big or small.

Now who are these depositors? It seems that the impression in Delhi is that these are pot-bellied capitalists with millions of rupees. Let me explain to you who these depositors are. You, of course, know, because you happen to be depositors. The class of depositors has been growing quite satisfactorily in the last few years. More and more people, thanks to their confidence in the banks, have been developing the banking habit. I am told that recently the banks have gone out with more aggressive and active public relations to sell the idea of depositing money in banks. As a result, where in 1963 there were 75,80,000 deposit accounts, in 1966 that number went up to 1,20,56,000.

Now in case you think that these are big people with big balances, let me correct that impression. The number of accounts has gone up by 59%. But of these 12 million odd depositors, only 0.9 million are businessmen of any category at all. Industry and business have less than one million accounts out of 12 million. 10,815,000 accounts belong to individuals like you and me - teachers, lawyers, doctors, postmen, clerks, shopkeepers - all small people and not business accounts nor firm accounts nor company accounts. 10,815,000 small men, that they are small is proved by the figure of the balance. I worked it out today from the figures supplied to me and I find that the average amount of deposit of these 10,815,000 is Rs.1585 - 1585 devalued and depreciated rupees, which twenty years ago would have meant Rs.250 or Rs.300. This is all that the depositor on an average puts in - some put in more, some less, but the average is Rs.1585. This is the class of people about whom we are talking and who have been treated in this ruthless manner of being ignored completely. I am very glad that it has been made clear that this Association is not a capitalist institution, but an institution of small men - the small depositor who wants to see that his deposit is not misused or thrown away.

Unfortunately, although there are 12 million depositors, there has so far till today been what I may describe as a deafening silence from all 12 million of them. It was only a few days ago that the President of your Association invited me to stay an extra night in Calcutta and to inaugurate this institution. I am very glad to respond because I am glad to note that at least a few depositors have awakened to their own self-interest, to their obligation and right to defend their deposits. It is something disappointing that when 12 million peoples' interest are attacked, nobody speaks up. It is a reflection on our entire democracy, if I may say so. I am very glad that Calcutta, about which so many critical things, and quite rightly, are being said these days in the press in Bengal and outside, about its sense of citizenship, its political leadership, has at least taken the initiative in this very desirable move. Not my city of Bombay, nor the capital, nor Madras, but Calcutta. I congratulate you on being the first in India to stand up for your rights.

There are the bank employees. They seem to be better educated and better citizens than you are. There are only 155,000 of them in the whole of the country as opposed to your 12 million. In other words, for every 80 depositors, there is one employee. The ratio of depositors to employees is 80 to 1. But this one man who is less educated and would perhaps be considered more backward by you, is much more aware, rightly or wrongly, of his rights. There is one clause in the Bill, Clause 15, which is quite harmless. All it says is that you must not put up demonstrations and create disturbances outside banks which would injure the creditworthiness of the banking institution, you must not shout obsence and insulting things, and you must let the people get on with their work. This is one thing about which there is nothing to object to. I do not understand why trade unions should think that there is anything wrong with it, unless it is a trade union of hooligans. But it will be interesting to know that the bank employees' Union have ganged up all over India, are sending letters and telegrams to Members of Parliament and are now organising a strike to protest against this very harmless clause, while all the rest of the harmful clauses which attack you, you gentlemen have done nothing about it at all so far. I have received only two or three communications about the Banking Bill. Every time I open one, it is from a trade union saying: "Sir, Clause 15 must be dropped, otherwise, we will demonstrate, we will shout and create disorder". But as to the right of the depositors to guard their own deposits, uptil now nobody has thought it necessary to raise his voice, which just shows how belated and how necessary this move you have now made is.

This is an interesting and encouraging meeting, but considering that there are over 10 million individuals among the depositors, you, Mr.President, have a long way to go to organise even 10 per cent of them, or to organise a majority of them, if you are capable of doing it. But I do hope that in this city you will now spread out. You ladies and gentlemen have been given an enrolment form. I cannot believe that any of you do not have at least a home savings deposit account and I hope you will fill up these forms and leave them behind as a token of your own solidarity with this move. But this is not enough - thousands in Calcutta and lakhs all over India will have to be mobilised. There are many things for you to do.

You can, for instance, start writing to us MPs and worrying us about this Banking Bill. If you write to me, youcan do it to my 520 other colleagues in Parliament. Lobbying is a very necessary part of democracy. Classes that do not stand up for their rights will be wiped out, because in a democracy only that man survives, only that group survives who is capable of speaking up for itself. There is a Select Committee of Parliament appointed to consider this Bill. I am glad that it is so. We shall try and arrange that evidence is taken from all those who are concerned. It will be for your Association to ask to be heard, to prepare a good memorandum, to send good witnesses from all over India, to send small people who are real depositors to argue that this Bill is doing injustice to the depositors. I can assure you that Select Committees are somewhat open-minded, unlike the Cabinet, and that members of all parties sit together and do listen to people who have come to tell heir story. So all these things have to be done and I do hope that you will spread out now all over the country, open branches all over the country and makethis a real all India institution.

What we are fighting today is a very bad trend in our national life, a trend to politicise all aspects of life, a trend for the politician to poke his nose into everyone's affairs instead of minding his own affairs, which he is incapable of doing. See what a minister or politician has made of his own job, whether it is in Parliament, or in the State Assembly or at the State Government level. And yet he has the presumption to say that he will run the banks better than you know how to run them. You of course are not the only victims of this attack by the politicians on every aspect of life. Education is the major victim of the politicians in India today. It is political interference in the universities, colleges and schools that has led to the kind of mass indiscipline that you find all over the country. The Vice-Chancellors have passed a resolution asking us to keep out of the Universities and let them run their own show. I am entirely in agreement with them. All this controversy on the media of instruction should never have come to such proportions and divide the country as it is doing today. Medium of instruction is something for the educationists, the parents and the children to decide and not for the politicians, Parliament and Government. Similarly, in the field of sports, even that is not left alone by the politicians in India today. They are trying to infiltrate into every aspect of life which has nothing to do with them.

Your resistance to this Bill therefore becomes part of the vital resistance of the ordinary citizens against the interference of Government in private affairs. You may say: "We are small people. What we can do? They are in power. They can dictate to us, they can do this to us, or they can do that to us." Let me say with all respect that this is not the right approach. We are still a democracy. We still have free elections, we still have free discussion, we have a live opposition and we have a free press. There is no lack of democratic facilities. All these facilities are open to us but if the common citizen does not avail himself of these facilities, then he has only himself to blame. It is no good only blaming the politicians. After all, who sent these politicians to Parliament and who sent these people into Government? It is no good saying that they are responsible. We also are responsible as citizens. It is no use grumbling privately and doing nothing. That stage, I hope, is now passed after the agony through which you in Calcutta and Bengal have gone during the past year. I would like to see the starting of this Association as only one symptom of a greater awakening among the citizens of Calcutta and the people of Bengal to stand up for their rights, to keep the politicians in their place, and they have a legitimate place.

I am a democrat; I am a believer in Parliamentary democracy. But when the politician tries to aggrandize, tries to aggress, then he does something terrible. He not only destroys the rights of the citizens but brings the whole system of parliamentary democracy into hatred and contempt. It is this behaviour of the politicians that destroyed democracy in Pakistan. It is the same story more recently in Indonesia and Greece, because the people got sick of the politicians and their interference in their lives. They preferred Generals and Colonels to politicians, at least in their mood of desperation. We do not want those things to happen in our country. If you want our free way of life, our right to discuss, our right to speak and our right to vote to be preserved, which you have lost temporarily in Bengal, thanks to the enemies of freedom in your own State, then it is time that you gentlemen, private citizens, also started talking and shouting. Do not leave it to the trade unions to shout; you do a little shouting also. Form a trade union, as you have done now of depositors. Argue in a militant and aggressive way for your rights. I can assure you that we do not have a fascist Government. In fact, our Government is so weak today that it yields to every pressure and every threat of force. That is what is wrong with it. It has abrogated its right to maintain order. It cannot even ban the Communist Party, treacherous as it is, because it is frightened. Such a Government will not stand up to pressure. If you really exercise it, if you really assert yourselves and make yourselves felt, I assure you that Mr. Morarji Desai, who is a fairly reasonable man, will take note of your discontent.

But of course if you keep quiet, then you can't blame him. He will take silence for consent. If you want to continue to be able to keep your money safe and feel secure, then please support this new Association. Give it your full support, make it live and dynamic, come to Parliament, lobby the Members, appear before the Select Committee, and demonstrate in every way you can. I assure you that you will be able to make some dent into the armour of those who are today attacking you.

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In France, they had nationalised the banks, but having done so they were much wiser than our Government shows itself by this Bill. The banks in France belong to the Government, but the Government there has good sense. It knows a little bit about banking and so, having nationalised the banks, I think it must have been at the end of World War II in the confusion that had taken place in France during the German occupation, the French Government very wisely appointed the Boards of Directors of the banks and told them to forget about the Government and run them as private banks should be run on purely commercial banking principles. It is interesting that, while the Government owns the banks in France, it has passed a self-denying ordinance not to do any of the things that our

Deputy Prime Minister wants that he and the Reserve Bank should do. In France there would be no need for such a Bill because it is considered to be quite wrong. Though the Government owns all the banks, it has given over the right of management to those who are considered to be competent to run the banks, i.e. the bankers, and the bankers and the depositors now have formed their own relationship of confidence and the French banking system has retained its stability.

Now, you gentlemen here are depositors. So you may say: "What about us?. So long you were talking about the national economy and shareholders. Where do we come in?". Well, I am afraid you come in also. Let me first say that I think the depositor, however small he may be, plays an important role. It is not the size of the deposit that matters. It is the act of putting money in a bank for productive investment that is praiseworthy. It is the thrift of the small man on which all prosperous nations have raised their economic structure. It is not the tycoons and the millionaires who have made America prosperous or Germany or France or Japan prosperous. It is the small men, middle class men who with their millions of deposits in banks - deposits of small amounts - have created the pool out of which productive investment takes place. So the bank depositor performs a very constructive and social purpose. He is the man on whose contribution industrial advancement can be made possible. Now what the proposed law does to the bank depositors is this. Up to now the banks were the trustees of the depositors. It is true that the depositors do not own the banks, but the banks behaved in a manner that made the depositors feel that their money was safe with them. It made them feel that, to the best of their knowledge and capability, the banks were going to invest the money in a way in which it would not be lost but would earn the maximum return. This trustee has now been pushed aside or rather has been kept there but told: "Now you will not worry about the depositors' interest, but you will worry about what we say, because we are king."

What will this mean? I have already read to you the language of the directive - 'Banking Policy'. Under cover of banking policy, a bank can be asked not to give money to a good project. It can even be coerced to give money for an unworthy or a bad project. We already know how much political influence is now working from Delhi and elsewhere to interfere with the management and the disposal of the funds of companies of various kinds. Under cover of 'social control' what will happen will be that it will provide a place for the hangers on of the politicians in office for the time being, whoever they may be, and this would be equally objectionable if my own Government were there. If the Government of Orissa, of which I see a leading Cabinet Minister sitting here, wants to exercise such power, I would ask you to oppose them, not because they are not good people - our Chief Minister of Orissa is one of the wisest and most honest of India's politicians and today the Orissa Government has an exceptionally high reputation and prestige in contrast to all others - but even so, I will say: don't give them those powers. For, the temptation to patronise your friends and the temptation to punish your opponents is a very strong instinct in human nature and I would not like to be trusted with those powers of economic life and death. But this is what 'social control' in place of trusteeship for the depositors is going to mean. Again, as the President has told you, all kinds of people are going to have representation on the Boards of Directors of banks. Half the Board is going to be reserved for people who have no stake in the bank - accountants, agriculturists, representatives of co-operative societies, economists - like Professor Mahalanobis, no doubt - law, small industry. All these people who have nothing to do with banking are going to dominate Board of every bank. But not one seat has been kept for the depositors. The one class of people who have a stake in the bank nobody has even thought of. It never occurred to the advocates of 'social control' that this class of people have to be protected. Obviously they are not people to be protected at all. They are people to be fleeced. So depositors will have no place on the Boards of banks where they put their money, big or small.

Now who are these depositors? It seems that the impression in Delhi is that these are pot-bellied capitalists with millions of rupees. Let me explain to you who these depositors are. You, of course, know, because you happen to be depositors. The class of depositors has been growing quite satisfactorily in the last few years. More and more people, thanks to their confidence in the banks, have been developing the banking habit. I am told that recently the banks have gone out with more aggressive and active public relations to sell the idea of depositing money in banks. As a result, where in 1963 there were 75,80,000 deposit accounts, in 1966 that number went up to 1,20,56,000.

Now in case you think that these are big people with big balances, let me correct that impression. The number of accounts has gone up by 59%. But of these 12 million odd depositors, only 0.9 million are businessmen of any category at all. Industry and business have less than one million accounts out of 12 million. 10,815,000 accounts belong to individuals like you and me - teachers, lawyers, doctors, postmen, clerks, shopkeepers - all small people and not business accounts nor firm accounts nor company accounts. 10,815,000 small men, that they are small is proved by the figure of the balance. I worked it out today from the figures supplied to me and I find that the average amount of deposit of these 10,815,000 is Rs.1585 - 1585 devalued and depreciated rupees, which twenty years ago would have meant Rs.250 or Rs.300. This is all that the depositor on an average puts in - some put in more, some less, but the average is Rs.1585. This is the class of people about whom we are talking and who have been treated in this ruthless manner of being ignored completely. I am very glad that it has been made clear that this Association is not a capitalist institution, but an institution of small men - the small depositor who wants to see that his deposit is not misused or thrown away.

Unfortunately, although there are 12 million depositors, there has so far till today been what I may describe as a deafening silence from all 12 million of them. It was only a few days ago that the President of your Association invited me to stay an extra night in Calcutta and to inaugurate this institution. I am very glad to respond because I am glad to note that at least a few depositors have awakened to their own self-interest, to their obligation and right to defend their deposits. It is something disappointing that when 12 million peoples' interest are attacked, nobody speaks up. It is a reflection on our entire democracy, if I may say so. I am very glad that Calcutta, about which so many critical things, and quite rightly, are being said these days in the press in Bengal and outside, about its sense of citizenship, its political leadership, has at least taken the initiative in this very desirable move. Not my city of Bombay, nor the capital, nor Madras, but Calcutta. I congratulate you on being the first in India to stand up for your rights.

There are the bank employees. They seem to be better educated and better citizens than you are. There are only 155,000 of them in the whole of the country as opposed to your 12 million. In other words, for every 80 depositors, there is one employee. The ratio of depositors to employees is 80 to 1. But this one man who is less educated and would perhaps be considered more backward by you, is much more aware, rightly or wrongly, of his rights. There is one clause in the Bill, Clause 15, which is quite harmless. All it says is that you must not put up demonstrations and create disturbances outside banks which would injure the creditworthiness of the banking institution, you must not shout obsence and insulting things, and you must let the people get on with their work. This is one thing about which there is nothing to object to. I do not understand why trade unions should think that there is anything wrong with it, unless it is a trade union of hooligans. But it will be interesting to know that the bank employees' Union have ganged up all over India, are sending letters and telegrams to Members of Parliament and are now organising a strike to protest against this very harmless clause, while all the rest of the harmful clauses which attack you, you gentlemen have done nothing about it at all so far. I have received only two or three communications about the Banking Bill. Every time I open one, it is from a trade union saying: "Sir, Clause 15 must be dropped, otherwise, we will demonstrate, we will shout and create disorder". But as to the right of the depositors to guard their own deposits, uptil now nobody has thought it necessary to raise his voice, which just shows how belated and how necessary this move you have now made is.

This is an interesting and encouraging meeting, but considering that there are over 10 million individuals among the depositors, you, Mr.President, have a long way to go to organise even 10 per cent of them, or to organise a majority of them, if you are capable of doing it. But I do hope that in this city you will now spread out. You ladies and gentlemen have been given an enrolment form. I cannot believe that any of you do not have at least a home savings deposit account and I hope you will fill up these forms and leave them behind as a token of your own solidarity with this move. But this is not enough - thousands in Calcutta and lakhs all over India will have to be mobilised. There are many things for you to do.

You can, for instance, start writing to us MPs and worrying us about this Banking Bill. If you write to me, you can do it to my 520 other colleagues in Parliament. Lobbying is a very necessary part of democracy. Classes that do not stand up for their rights will be wiped out, because in a democracy only that man survives, only that group survives who is capable of speaking up for itself. There is a Select Committee of Parliament appointed to consider this Bill. I am glad that it is so. We shall try and arrange that evidence is taken from all those who are concerned. It will be for your Association to ask to be heard, to prepare a good memorandum, to send good witnesses from all over India, to send small people who are real depositors to argue that this Bill is doing injustice to the depositors. I can assure you that Select Committees are somewhat open-minded, unlike the Cabinet, and that members of all parties sit together and do listen to people who have come to tell their story. So all these things have to be done and I do hope that you will spread out now all over the country, open branches all over the country and make this a real all India institution.

What we are fighting today is a very bad trend in our national life, a trend to politicise all aspects of life, a trend for the politician to poke his nose into everyone's affairs instead of minding his own affairs, which he is incapable of doing. See what a minister or politician has made of his own job, whether it is in Parliament, or in the State Assembly or at the State Government level. And yet he has the presumption to say that he will run the banks better than you know how to run them. You of course are not the only victims of this attack by the politicians on every aspect of life. Education is the major victim of the politicians in India today. It is political interference in the universities, colleges and schools that has led to the kind of mass indiscipline that you find all over the country. The Vice-Chancellors have passed a resolution asking us to keep out of the Universities and let them run their own show. I am entirely in agreement with them. All this controversy on the media of instruction should never have come to such proportions and divide the country as it is doing today. Medium of instruction is something for the educationists, the parents and the children to decide and not for the politicians, Parliament and Government. Similarly, in the field of sports, even that is not left alone by the politicians in India today. They are trying to infiltrate into every aspect of life which has nothing to do with them.

Your resistance to this Bill therefore becomes part of the vital resistance of the ordinary citizens against the interference of Government in private affairs. You may say: "We are small people. What we can do? They are in power. They can dictate to us, they can do this to us, or they can do that to us." Let me say with all respect that this is not the right approach. We are still a democracy. We still have free elections, we still have free discussion, we have a live opposition and we have a free press. There is no lack of democratic facilities. All these facilities are open to us but if the common citizen does not avail himself of these facilities, then he has only himself to blame. It is no good only blaming the politicians. After all, who sent these politicians to Parliament and who sent these people into Government? It is no good saying that they are responsible. We also are responsible as citizens. It is no use grumbling privately and doing nothing. That stage, I hope, is now passed after the agony through which you in Calcutta and Bengal have gone during the past year. I would like to see the starting of this Association as only one symptom of a greater awakening among the citizens of Calcutta and the people of Bengal to stand up for their rights, to keep the politicians in their place, and they have a legitimate place.

I am a democrat; I am a believer in Parliamentary democracy. But when the politician tries to aggrandize, tries to aggress, then he does something terrible. He not only destroys the rights of the citizens but brings the whole system of parliamentary democracy into hatred and contempt. It is this behaviour of the politicians that destroyed democracy in Pakistan. It is the same story more recently in Indonesia and Greece, because the people got sick of the politicians and their interference in their lives. They preferred Generals and Colonels to politicians, at least in their mood of desperation. We do not want those things to happen in our country. If you want our free way of life, our right to discuss, our right to speak and our right to vote to be preserved, which you have lost temporarily in Bengal, thanks to the enemies of freedom in your own State, then it is time that you gentlemen, private citizens, also started talking and shouting. Do not leave it to the trade unions to shout; you do a little shouting also. Form a trade union, as you have done now of depositors. Argue in a militant and aggressive way for your rights. I can assure you that we do not have a fascist Government. In fact, our Government is so weak today that it yields to every pressure and every threat of force. That is what is wrong with it. It has abrogated its right to maintain order. It cannot even ban the Communist Party, treacherous as it is, because it is frightened. Such a Government will not stand up to pressure. If you really exercise it, if you really assert yourselves and make yourselves felt, I assure you that Mr. Morarji Desai, who is a fairly reasonable man, will take note of your discontent.

But of course if you keep quiet, then you can't blame him. He will take silence for consent. If you want to continue to be able to keep your money safe and feel secure, then please support this new Association. Give it your full support, make it live and dynamic, come to Parliament, lobby the Members, appear before the Select Committee, and demonstrate in every way you can. I assure you that you will be able to make some dent into the armour of those who are today attacking you.
