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SWATANTRA PARTY.

Resolution of the National Executive on the
Economic Situation adopted at its meeting on
November 1, 1965.

The National Executive of the Swatantra Party takes note of the fact that the recent hostilities between India and Pakistan and the needs of Defence have greatly aggravated the already parlous economic situation of the country. As a result of the disastrous economic policies of Government over the past decade involving, in particular, inflation, a false order of priorities in planning, the neglect of agriculture, excessive taxation, needless controls and over-regulation along with the attendant corruption and waste, the national economy had already been brought to a perilous state involving an excessive dependence on foreign aid. If the Home Front is to be strengthened in support of the country's defence, the need for abandoning these discredited policies becomes all the more urgent. It is only if the present stagnant conditions are ended that the needs of Defence can be met without altogether abandoning the goals of economic development. The Swatantra Party, while fully supporting the defence effort, considers it a national duty to continue to oppose all such policies as are against the national interest. The war psychology provoked by Pakistan's aggression ought not to be allowed to bring about a cessation of this opposition. In this connection, the National Executive notes with approval the stand taken by the U.P. and Andhra Units of the Party on the subject of a surcharge on land revenue.

2. The Party's National Executive emphasizes the need for:

- (1) Measures to put Agriculture on its feet so as to end the present over-dependence on imported foodgrains, including -
 - (a) the highest priority in all Plans and allocations for water, credit, roads and providing incentives and facilities to farmers like the availability of fertilizer, good seed, electric power, implements, diesel oil and kerosene at reasonable prices;

- (b) an end to compulsory procurement, and the acceptance of the right of the farmer to sell his grain in the free market without any maximum price being imposed;
 - (c) the abolition of all zonal and local restrictions on the sale and movement of foodgrains, gur, groundnut and all edible oils and the re-establishment of a common market throughout India;
 - (d) a price support policy, whereunder the Government will be an unlimited buyer of foodgrains from producers at remunerative prices, determined according to clearly stated principles to be enunciated by an Agricultural Prices Commission, functioning not as a departmental organisation but as an independent statutory commission; and
 - (e) as a temporary measure, until production catches up with the demand, the supply of foodgrains to the poorer sections of the population to be subsidized by Government, and for this purpose the purchase of grain by Government from the larger farmers at remunerative prices.
- (ii) The repeal of the Seventeenth Amendment which hangs like a Damocles's sword over every farmer in respect of his lawfully owned land.
 - (iii) A substantial reduction in non-productive Civil Expenditure.
 - (iv) A substantial reduction in all taxation, both direct and indirect, so as to relieve distress and provide an incentive to savings, productive investment and employment and thereby strengthen both the internal economy and the home front.
 - (v) Progressive de-control and the dismantling of the bureaucratic apparatus of Permit-Licence Raj and its attendant corruption and the freeing of the enterprise and energies of the people from their present shackles.
 - (vi) The repeal of the Gold Control Act.
 - (vii) The creation of a climate and conditions to attract in a big way foreign equity capital which, unlike foreign loans, comes to India at its own risk and without any political implications.

SWATANTRA PARTY

I.

Resolution on Foreign Policy in the context of the recent hostilities between India and Pakistan, unanimously adopted by the National Executive of the Swatantra Party on November 2, 1965.

/the The National Executive of the Swatantra Party congratulates the Armed Forces on/valour with which they have defended the Country. It rejoices in the fact that the unfortunate memory of the reverses suffered by our arms at the time of the Chinese Communist attack in 1962, which were due to the bad political leadership given to our Armed Forces at that time, has been wiped out and respect for India's soldiers has been restored both in India and outside.

2. The Executive congratulates the people of India on rallying in defence of the country and on the unity in action shown by them. Pakistan had greatly depended on the breaking out of communal conflicts and therefore the communal harmony maintained during the recent hostilities between India and Pakistan is a matter of particular gratification.

3. The Executive expresses its satisfaction at the way in which members of the Swatantra Party throughout the country have cooperated in Defence measures.

4. The Executive notes with regret that by reason of Pakistan's non-cooperation, the cease fire called for by the United Nations' Security Council and accepted by both Governments has not properly come into effect. The Committee expresses the hope that the U.N. may still find it possible to make the ceasefire effective.

5. The Executive takes note of the fact that during the recent hostilities, with the solitary exception of Malaysia and Singapore, India found itself isolated as a result of the deplorable foreign policies pursued by the Congress Government. This isolation of India, particularly in the face of the continuing menace of Communist China, needs to be ended by a radical revision of the country's foreign policy, the discarding of dogma and the adoption of realistic diplomacy.

/of 6. The Executive wholly disapproves/the proposal that India should cut adrift from the Commonwealth.

7. The Executive is of the view that Communist China holds out the major threat to the security and independence of India. In the face of this continuing menace, the Executive reiterates its plea made last June that the Indian Government should take the initiative in organising the defence of democracy in Asia.

8. The Executive calls upon the Government to desist from supporting Communist China's admission to the United Nations and urges the establishment of diplomatic relations with the Republic of China in Taiwan. It urges that all possible steps should be taken towards the liberation of Tibet, and that the Dalai Lama should be recognised as the head of a free Tibetan Government in exile. The Committee is gratified at the considerable improvement in the situation over the defence of South Viet Nam as well as the defence of Malaysia and calls for a more clear and courageous stand by India in favour of South Vietnam and

Malaysia which is not only called for by considerations of justice but is also demanded by India's own vital interests.

9. Every step should be taken to combat aggression and to guard against further infiltration in Kashmir. At the same time, the door should be kept open for the day when normal and friendly relations may be restored between the two countries as soon as the Government of Pakistan makes amends and manifests a desire to cooperate in that endeavour and when this would not be misconstrued as having been brought about by Pakistan's military adventures.

10. In conditions of infiltration, the goodwill of the people of Kashmir will, in the long run, be of decisive importance. While the armed aggression by the Government of Pakistan has disqualified it from any further locus standi in the Kashmir problem, it cannot reduce the obligations undertaken by India towards the people of Kashmir. A 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 would be in the interest of both. In this context, the Committee regrets the arrest and detention of Kashmiri leaders who, whatever their views concerning Kashmir, have been opposed to its accession to Pakistan. The Committee therefore calls for a policy of conciliation in Kashmir.

II.

Review of Detention Cases

The National Executive of the Swatantra Party, while recognising the need for security measures in the present situation, calls for a careful review of the cases of all those detained in that connection and the release or placing on trial of all such detenus so as to eliminate cases of injustice.

III.

Exploitation of Present Crisis

The National Executive deplors the Congress Party's efforts to exploit the present situation in order to strengthen itself and perpetuate its rule. The Congress Government should abstain from following such partisan exploitation at all levels and avoid controversial measures being pushed through while asking for national support and unity during this emergency.

IV.

Manufacture of Nuclear Weapons

The National Executive approved of the stand taken by the spokesmen of the Party in both Houses of Parliament in opposing the manufacture of nuclear weapons in India.

V.

States Rights

The National Executive decided that guidance should be given to the Party's Group in Parliament to oppose a Private Member's Bill coming up in the Lok Sabha for the drastic truncation of States' Rights and the Federal structure.