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DRAFT MINUTES OF THE MEETING OF THE GENERAL COUNCIL
HELD IN JEHangIR WADIA BUILDING, FORT, BOMBAY, ON

JUNE 30, 1964, AT 10 A.M.

Present: Prof. N. G. Ranga, M.P. (in the chair)

ANDHRA

Mr. G. Latchanna, MLA
Mr. G. Hanumantha Rao
Nawab Amir Ali Khan
Mr. N. Ranga Reddi

BOMBAY

Mr. K. M. Munshi
Mr. M. R. Masani, M.P.
Sir H. P. Mody
Mr. Madhu Mehta

GUJARAT

Mr. Bhailalbhai D. Patel, MLA
Mr. Dahyabhai V. Patel, M.P.
Mr. Himmatsinh, M.P.
Mr. Vamanrai Hathi

HIMACHAL PRADESH

Mr. Bishan Singh

MADRAS

Mr. C. Rajagopalachari
Prof. M. Ruthnaswamy, M.P.
Mr. K. Sundaram
Mr. S. S. Mariswamy, M.P.
Mr. Sadasivam
Mr. M. Santhosham

MAHARASHTRA

Mr. N. Dandekar
Mr. V. N. Patil
Mr. K. R. Koshti
Mr. B. B. Walvekar
Mr. R. D. Kulkarni

MYSORE

Mr. V. T. Sreenivasan
Mr. J. M. Lobo Prabhu

ORISSA

Mr. R. N. Singh Deo, MLA
Mr. G. C. Roy
Mr. Ghasiram Majhi, MLA

PUNJAB

Sardar Basant Singh

RAJASTHAN

Mr. Lakshman Singh, MLA
Mr. Devi Singh, M.P.
Prof. Madan Singh
Mr. Chiman Singh
Mr. Raghubir Singh

UTTAR PRADESH

Mr. Bhanu Pratap Singh, MLA
Choudhary Layaq Singh
Mr. Virendra Shah, MLA
Mr. Ram Singh, M.P.

The proceedings began with the observance of a minute's silence in memory of the late Prime Minister, Jawaharlal Nehru.

2. The Council then adopted a resolution mourning the loss sustained by the Swatantra cause and the country by the untimely death of the freedom fighter and public worker, Shri Raghavendra Pratap Singh of Mankapur, member of the Central Organising Committee and the Leader of our Party in the U.P. Legislative Assembly, and conveying its condolences to the members of the bereaved family and of the Party in U.P.

3. The Council then considered two amendments to the Constitution of the Party arising from the Report of the Sub-Committee appointed by the III National Convention in Bangalore to consider certain constitutional amendments and adopted unanimously the following two amendments to the Constitution:

"12(a) The first elections to the primary bodies, District Committees, State or Regional Council and General Council under the revised rules shall be held before the end of 1964 and thereafter by the end of every alternate year."

"12(b) Workers and Life Workers duly enrolled by July 31, 1964, and Life Members enrolled on or before December 31, 1963 will be entitled to vote in the first elections to the bodies referred to in sub-clause (a)"

4. While considering the timetable for elections to Party Committees adopted by the Central Organising Committee the previous day, the Council decided that, for the purpose of these particular elections no notice need be taken of any delimitation of constituencies that may be decided upon by the Delimitation Commission. The view was also emphasised that the normal enrolment of Workers for the Party was to continue after July 31 and that the enrolment of non-dues paying members should also not be neglected.

5. Mr. G. Latchanna then proposed and Sardar Basant Singh seconded a resolution on the 17th Amendment. After considerable discussion, during which Mr. Lobo Prabu moved an amendment, the resolution was adopted as amended in the following form:

"(1) The General Council deplores the enactment of the 17th Amendment to the Constitution, despite all public protests and the Swatantra Party's efforts, and pledges itself anew to protect peasant proprietorship and to secure the repeal of this Amendment at the earliest possible moment.

(11) The Council reiterates that the Party stands for true and good land reforms for ensuring security of tenure and fair rents without taking away any of the Fundamental Rights guaranteed in the Constitution before the 17th Amendment."

6. Mr. K. M. Munshi proposed and Mr. B. P. Singh seconded a resolution in regard to food scarcity and high prices. After considerable discussion the resolution was unanimously adopted in the following form:

(1) The General Council of the Swatantra Party holds that the current rise in prices and shortage of supply of food grains are the outcome of the doctrinaire policies wrongly followed by the Congress Government over the past decade flouting the laws of economics.

(11) In the name of land reform laws were passed putting a ceiling on the size of farms owned by individuals, leading to fragmentation of holdings and uncertainties in the great and basic industry of agriculture.

(111) The basic fact to be borne in mind is that it is the larger farms that supply a marketable surplus and if that supply is hit by thoughtless legislation with unworkable socialistic ideas in mind, the urban markets suffer a loss of supply and distress results. These ceiling laws were struck down by the Supreme Court as unconstitutional on several grounds, but the 17th Amendment has been enacted to validate all these unconstitutional laws. These laws discourage the investment of private capital on farm production, a disincentive aggravated by the increased and unbearable taxation all round. The 17th Amendment has created the fear that the Government is bent on the double policy of fragmentation of ownership in land and artificial collectivisation both of which are vicious in effect and increase uncertainties.

- (iv) Apart from the ill-conceived agrarian policies, the steep rise in the price of food grains is the result of the general rise in all prices due to the inflationary policies of the Congress Government. These inflationary policies have taken many forms, among them being deficit finance, heavy excise duties and sales taxes, enhanced land revenue and other levies and, above all, the false order of priorities in the II and III Five-Year Plans where quick yielding activities such as agriculture, road building and rural processing industries have been neglected in favour of low and slow yielding heavy projects.
- (v) Faced with the catastrophe that must inevitable result from such misguided policies and priorities, the Congress Government are now seeking to find scapegoats. The General Council finds no evidence to justify the sweeping charges against peasants and traders.
- (vi) The General Council warns the country against the proposals for State Trading in food grains and compulsory levies on the peasants, which are being advanced by certain elements in the Congress Party. Such measures, far from solving the problem, would aggravate it and lead to increased blackmarketing and corruption of all kinds and take the country to the brink of chaos. The failure of controls is so obvious that it would be perverse to ignore it. No solution short of decontrol of prices and movements and the removal of compulsory procurement will, therefore, suffice. The Swatantra Party should intensify its efforts to educate the people and warn them to resist such disastrous policies.
- (vii) In the opinion of the General Council, the long term solution of the food problem in India is the rehabilitation of agriculture which is and will continue to be the means of livelihood of the majority of the people for many generations to come. The needs of the peasants, whether in regard to irrigation, fertilisers, seeds and roads or the necessity for a guaranteed floor price or cheap credit, must take priority over other measures of economic development. While such a reversal of the order of priorities will in itself act as a brake on further inflation, other inflationary policies of the Government, such as deficit finance and high excise duties on the necessities of life, should be abandoned.
- (viii) In so far as the short term aspects of the problem are concerned, the General Council is convinced that immediate action on the following lines would greatly reduce the hardship of the people, both in rural and urban areas:
- (a) The Centre and State Governments have been the biggest hoarders of food grains during the past few months. Although bufferstocks were available, these were held back from the people, thus contributing to panic and a rise in prices. The Government should disgorge these hoarded stocks and distribute, through fair-price shops and the trade, substantial quantities from these buffer stocks. This measure would immediately allay panic, hold prices down and lessen the people's distress.

- (b) The zonal arrangements should be terminated and a common free market in food grains restored. While some phasing may be necessary so that this adjustment may be smoothly made, the General Council is convinced that there is no need for the survival of any part of the zonal system beyond the next three months, whether in respect of rice, wheat or other grains or pulses.
- (c) The attempt to make a scapegoat of peasants and traders should be abandoned and those with knowledge and experience of the supply and distribution of food grains should be taken into confidence. There should be consultative machinery established so that there may be exchange of information and ideas between Government, farmers and the food grains trade, both at the Central and State levels.
- (12) The General Council calls upon members of the Party throughout the country to spread among the people an awareness of the realities stated above and to see that the legitimate rights and interests of peasants, food grain traders and consumers are not trampled upon in an attempt at justifying and perpetuating the wrong policies of Government which have brought the country to this unfortunate pass.'

7. Mr. M. R. Masani proposed and Mr. Dahyabhai Patel seconded a resolution on the situation in South East Asia. After Mr. Lobo Prabhu and Sir Homi Mody moved certain amendments, the resolution was unanimously adopted in the following form:

'The General Council takes note of the appeal made by Prime Minister Tunku Abdul Rahman of Malaysia to the conscience of the free world and in particular the countries of the Commonwealth to act in providing support to Malaysia in defence of its territory and freedom against aggression. The Council recalls the prompt and spontaneous support given by the Prime Minister of Malaysia on the very day that the Chinese Communist troops invaded this country in October 1962. The Council calls upon the Indian Government to declare publicly and without delay its full support for the defence of the security and freedom of Malaysia and its readiness to give all possible aid to the Malaysia Government.

The Council expresses the hope that in the defence of the independence of Laos against Communist subversion and aggression the Government of India will shed its past policy of non-interference and turning a blind eye to Communist aggression will join other democratic countries in demanding the withdrawal of Communist forces from the territory they have recently occupied and failing such withdrawal give the Government of Laos every assistance that may be possible. In this context the Council deplores the failure of the Indian representative in Laos to associate himself with the representatives of the United States, Britain, Canada, Thailand and South Vietnam in calling for the withdrawal of Communist forces from the territory seized by them by force and asks that this unhelpful and equivocal attitude should be abandoned.'

8. The President then placed before the meeting the recommendation of the Central Organising Committee in regard to the action to be taken on the Parliamentary Board's resolution of May 17 on Relations with Pakistan. After prolonged discussion, during which various points of view on this subject were expressed, the General Council, after considering the resolution on Relations with Pakistan adopted by the Parliamentary Board on May 17, 1964, unanimously endorsed the statement of policy outlined in it.

The Council on Mr. Munshi's suggestion, decided that the word 'particularly' in paragraph 7 in the text of the Resolution be dropped.

9. The meeting then terminated with some concluding remarks by the President and Rajaji.
