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General Secretary's Circular to Candidates No:3

Dear Candidate,

Sub: Third instalment of speaking
points - Forthcoming
Parliamentary Elections

Attached is the third instalment; I hope these
notes have been of some help to you.

Yours sincerely,

(R.C. Cooper)

Att: *

ju/-

THE KENDU LEAF AFFAIR

There is every possibility that you may be asked questions regarding the above affair. Given below for your benefit are the facts :-

To exaggerate maliciously the decision to grant some rebate to the Kendu Leaves trade and to hold out the same as the reason of Jana Congress resignations after much false propaganda in this regard is another of Jana Congress's continuous but abortive moves in the direction of maligning the Swatantra Party. For the Deputy Chief Minister to go on issuing statements day after day without taking any steps to investigate the matter though vigilance was one of the Deputy Chief Minister's own portfolios and without even discussing the matter with the Chief Minister, cannot be hailed as nothing other than political chicanery, dishonesty and impropriety. When the Chief Minister had accepted the Deputy Chief Minister's proposal for the appointment of a Cabinet Committee to go into the matter and had ordered the appointment of the Committee under the chairmanship of the Deputy Chief Minister himself and pending the investigations of the Committee, rebate order had been stayed by the Chief Minister, and the decision having been hailed by the Deputy Chief Minister. Again to revive suddenly the Kenduleaf rebate issue and to hold out the same as the reason for resignation, is politically motivated. We are certain that the people of Orissa will not allow themselves to be misled by such platitudes.

Moreover, when the Cabinet was due to meet on the 6th January to take a decision on actions to be taken in furtherance of the recommendations of Mudholkar Commission, the Jana Congress to have decided to resign from the Ministry on the 5th January, on the eve of the Cabinet meeting is designed only to shield Sri Harekrushna Mahatab. The Jana Congress decision in obstructing action against corruption, amounts to cowardice, political dishonesty and escapism for which there is no parallel in the history of politics.

BETTER LATE THAN NEVER

The direction of Mrs. Gandhi's policies has been clear ever since the Congress split: a continued monopoly of power by manoeuvre, and by the use of the existing administrative authority for political ends. To remain in power, her Government has become increasingly authoritarian; and, to give a semblance of democratic sanction to this increasingly dictatorial practice, the Prime Minister has been trying to beguile the public with promises of socialistic participation. Inevitably, she has to seek her political support from parties whose socialistic conscience can readily reconcile itself with a steady diminution of democratic freedom. Hence an opportunistic combination of radical rhetoric and authoritarian practice; but, however opportunistic, its character is clear. The Prime Minister's opponents, on the other hand, have hitherto failed to display an equal clarity of purpose in presenting a combined democratic challenge to her clever but pernicious strategy. With the formation of an alliance of all the major democratic parties a clear challenge has at last been posed.

Admittedly, the challenge would have been much more effective if the parties in the alliance could agree on a common programme. Mr. Masani was entirely right in insisting on one; as he pointed out again on Friday, only a body of common aims, specifically formulated and openly stated, could have made a democratic alternative wholly credible to the electorate.

Extracts from the 'Statesman, Calcutta', January 10, 1971.

Extracts from an article - "20th Century Socialism" - by Dr.R.C. Cooper.

WHAT IS WRONG WITH INDIAN SOCIALISM ?

India is wedded to the principle of socialism for the last 25 years or more. During this period we professed to practice socialism. In effect, we have adhered to outmoded socialist dogmas which have done more harm than good.

Why, then, are we not prepared to change our thinking on socialism ? The answer to this is provided by the fact that the type of socialism practised by our leaders in this country has helped to create new vested interests through state capitalism in which the leaders have everything to gain and the public has everything to lose. For instance, the leaders who talk of economic equality, who are prepared to impose ceiling on property, ceiling on income and confiscatory taxation on the public, are themselves enjoying benefits and privileges which are far in excess of what they ever deserve. For instance a Minister of the Central Cabinet in this country, received by way of salary and perquisites, a pre-tax income of almost Rs. 450,000 per annum or about Rs. 37,000 per month. This is 848 times the per capita income of this country. What kind of socialism is this which could make such gross injustices possible in a democratic society ?

THE CHOICE BEFORE THE COUNTRY

When the economic policies pursued by this country have failed to improve our standards of living and to assure the requisite economic growth to solve the problems of unemployment and rising prices, the choice before the country is clear.

Socialism practised in India could be termed " a process of distributing poverty." It involves levelling down or destruction of those sections of society who own or control economic resources. But this process does not improve the standard of living of the lower sections of society. The Soviet Union, India and some other countries practised this process of distribution of poverty. It is only after destroying the upper strata of society that a start was made to improve the economic conditions of the masses. This is an extremely time-consuming process and would take several decades, or even a century, to bring about even a small change in the standard of living of the people, as we have seen at our own cost.

As against this, modern socialism does not seek to "distribute poverty" but it seeks to "distribute prosperity". It seeks to reduce the inequalities of income and wealth by bringing up the poorer sections of society rather than by destroying the relatively rich. At the same time, it tries to reduce disparities in income by progressive taxation, taking care to ensure that it does not become a disincentive for growth. It is therefore much less time consuming, progress could be much faster and the result of economic growth more apparent.

If a choice has to be made at this stage, it must be made by boldly rejecting the dogmatic socialism and substituting it for the concept of 20th Century Socialism.

Nine Distinguishing Features

A study in contrast between India and the developing countries of South East Asia which are practising the 20th Century Socialism reveals that there are nine distinguishing features worth noting --

- (i) All these countries practising modern socialism primarily rely on private enterprise for production and distribution.
- (ii) The governments of these countries are doing their best to create a favourable climate for private investment (both foreign and domestic) private initiative and private enterprise.
- (iii) The governments of all these countries are doing their best, to reduce to the minimum, controls, regulations, licensing and quotas which have the effect of paralysing economic growth.
- (iv) Unlike India, these countries are not attempting to concentrate economic power in the hands of the State through the bogey of the danger of concentration of economic power in private hands.
- (v) Unlike India, these governments do not believe in the outmoded socialism which primarily relies on nationalisation of trade and industry, state ownership of means of production and a dominating public sector. On the contrary, they consider a dominating private sector fully compatible with socialism.
- (vi) Unlike India, none of these governments resort to confiscatory rates of taxation which provides a powerful disincentive for investment and initiative and the strongest incentive for black marketing and tax evasion.
- (vii) While Indian Socialists cling to a 19th century Marxist form of socialism, notwithstanding the fact that almost every economic theory and prophecy of Marx has been falsified in the last hundred years, the democratic socialists of all the non-communist socialist countries of the world no longer concern themselves with theory but with the practical means of creating an egalitarian welfare state. They know not only that the Marxist economic programmes of the kind which our own socialists naively hope to implement by democratic means cannot in fact be executed except by ruthless authoritarian means, but also that communism has failed upto now to produce the affluent and egalitarian societies flourishing in many countries of the world today.
- (viii) Unlike India, these socialist countries encourage private enterprise to create wealth and derive their fair share of this newly created wealth through reasonable rates of taxation for the welfare of the society.
- (ix) Unlike India, the Governments of these countries believe that it is for capitalist enterprises to finance socialism by making the results of economic development available to the weaker sections of the society in the very process of development.

In short, whereas India has practised dogmatic and theoretical form of outmoded socialism, these developing nations have laid much greater emphasis on the welfare of the public. They have recognised what we have never done before viz., that socialism is for social good and public welfare. That unless this is achieved it does not serve any purpose at all. The practical approach of socialism must be to view each case on its merit.

Circumstantial Differences

Often, while discussing this subject, with Indian politicians, Ministers, bureaucrats, intellectuals and college professors, I have received the same stereotyped reply, viz., that conditions in India are entirely different from these countries. What happened in these other countries has no relevance whatsoever to India. While I concede that conditions and problems in our country are to a certain extent different from those in other countries and some of those problems are self created, I refuse to subscribe to the view that this could be the sole ground for not changing our methods. How does one account for the fact that a large body of those nations, having dissimilar conditions, who have all practised modern forms of socialism have achieved miraculous results? How is it, on the other hand, that countries like India, Burma, Egypt and Ceylon which have adhered to the dogma and outmoded form of socialism have similarly failed miserably in achieving similar growth?

June-July 1970.

IS THIS SOCIALISM?

In the course of his Speech in the Lok Sabha on the Finance Bill on May 4, the Party's Vice-President, Mr. N. Dandekar produced a devastating array of facts and figures to prove that Central Ministers draw a gross salary of 4.48 lakhs a year. No one challenged Mr. Dandekar's figures except a member of the SSP who felt that the figures were actually an under-statement! Mr. Dandekar's figures are authentic and based on detailed computation.

A tabulated statement on Ministers' Salaries allowances and perquisites based on Mr. Dandekar's figures published by the March of the Nation in its issue of 16th May, 1970 is reproduced below.

The figures speak for themselves and the gulf between the profession and practices of the Ruling Congress stand exposed for:

DO YOU KNOW

1. That a Cabinet Minister of Mrs. Indira Gandhi's Socialist Government receives Free of Tax Salary and Perquisites amounting to Rs. 70,900/- per annum, i.e. Rs. 5908/- per month?
2. That in terms of taxable income this comes to Rs. 448,000/- per annum or Rs. 37,333/- per month?
3. That the per capita National income of an Indian is only Rs. 525/- per annum i.e. only Rs. 44/- per month?
4. That, Therefore, the Cabinet Minister's income is 848 times the income of an average citizen of the country?
5. That this income of the Cabinet Minister is 2½ times higher than that of a topmost Company Managing Director?
6. That in the case of the Prime Minister, Mrs. Indira Gandhi, the income is very much more than the above figures?
7. That it is the same Prime Minister of the Ruling Congress Party who preaches day in and day out, the urgent need for a Socialist Society to improve the lot of the masses, and the need for imposing a ceiling on the income and wealth of everyone else except her and her 'honourable' Ministers? Why these double standards - one for the common citizen and another for the privileged Minister?

Should you not demand that, like other citizens of India, the salary and perquisites of a Minister be taxed at the same rate as any other tax payer?

These facts need to be conveyed to every Indian citizen as day in and day out the propagandists of the Ruling Congress have been dishing out the Big Lie that they are for the common man and proclaim themselves as the messiah of hope with their totem pole of socialism.

SOCIALIST PRINCIPLESCentral Cabinet Ministers' Salaries, Allowances and Perquisites

I:

Particulars	Rs. (Net: free of tax)	
1. Salary (Rs. 27,000/- Less Tax Rs. 5,280/-)	21,720	
2. Sumptuary Allowance	6,000	
3. Rent of Bungalow	7,800	
4. Rent of Furniture & Appliances	7,704	
5. Mali, Chowkidar & Sweeper (420 x 12)	5,040	15,040
6. Maintenance, Repairs & Decoration of Bungalow and Grounds, Furniture & Appliances (1/2 x 20,000)	say 10,000	
7. Electricity & Water	2,400	
8. Motor Car: Personal use		
Driver's Salary (200x12)	2,400	
Petrol (500x12)	6,000	
Depreciation (20% of 21,000)	4,200	
Interest (10% of 21,000)	2,100	
Insurance	600	
	(15,300 x 1/5th)	3,060*
9. Personal Travelling (30,000 x 1/5th)	6,000*	
10. Personal Telephone (6,000 x 1/5th)	1,200*	
TOTAL	70,924	

* 1/5th taken for Personal Use, this being well established practice in Income-Tax Assessments.

II:

N.B. If the NET (tax free) income is Rs. 70,920/- then the "grossed up" taxable income for the Assessment Year 1971-72 would be Rs. 4,48,000

Details of Working	Gross Income	Tax & Surcharge thereon	Total Tax	Net Income after tax
	Rs. 4,00,000	3,02,000+30,200	3,77,080	70,920
Plus	48,000	40,800+ 4,080		
TOTAL	Rs. 4,48,000	3,42,800+34,280	3,77,080	70,920

Reproduced below is an article which, when compared to our Minister's (1) will make interesting reading:-

An ideal President
By Bhikshu Chaman Lal

I have recently returned from Switzerland where I had gone to prepare a new edition of my book 'Switzerland Shows the Way'.

I reproduce a verbatim report of an interview I had in Berne in the President's Office with an official who has worked with him for ten years.

Q. Where is your President's palace?

A. Our President has no palace not even a house with a garden; he lives in a flat and pays his rent.

Q. How much?

A. It is rising every year.

Q. How many servants does he have?

A. In Switzerland you never ask "how many," one is a blessing, but he has only a part-time maid to help his wife who is a Professor.

Q. Then where does the President put up his guests?

A. He puts up guests in a hotel and entertains them there.

Q. What is the President's salary, may I ask?

A. Ten thousand and one hundred francs, including allowance for entertainment.

Q. How often does your President go on foreign tours?

A. Nowhere, he is not allowed to go out while he is President. This is the rule.

Q. How many Presidents or Heads of State do you invite each year?

A. Maximum two. This year we had only one-your President.

Q. How many opening ceremonies and reception does he attend in different parts of the country?

Ceremonies

A. Invitations are discussed in the Council (Cabinet) of seven members and one of them is appointed to attend the ceremony. The President attends only a few because he must attend to his duties here, he is also the Minister of Interior (Home).

Q. How many days a month does he stay in the capital?

A. More than 90 per cent except during the summer holidays.

Q. Does he speak on national or international subjects mostly?

A. Only national subjects but he may touch problems of science and then compare them with foreign problems.

- Q. Does he advise foreign countries on their problems and problems of war and peace in other countries?
- A. No. We don't advise other countries because we are neutral. We keep aloof from East-West troubles. It enables us to help countries who are not on speaking terms with each other. We handle these affairs.
- Q. Why is Switzerland not a member of the United Nations?
- A. Please ask the Political Department.
- Q. How many hours does the President attend to his duties?
- A. Official time is nine hours, from 7.30 a.m. to 12.30 and 2.30 to 6.30 p.m. daily; often he comes earlier, even before seven a.m. and the Private Secretary comes at 7.30. Sometimes he works upto 7.30 or 8 p.m. and even takes 'home work' with him.
- Q. Who carries the 'homework'?
- A. The President himself, we have no peons here.
- Q. How many cars does the Government provide for the President?

Duty time

- A. Not one, he is expected to use bus or tram to come to office, and return home. Usually he walks to office in the morning and goes home for lunch by bus.
- Q. If the bus is crowded what does he do?
- A. He stands like any other passenger. He offers his seat to a lady if she has no seat. He is very popular with ladies, generally men do not offer their seats to ladies, because they say "they have equal rights."
- Q. How many people come to see the President every day and do you issue a daily bulletin giving the visitors' list?
- A. No visitors when he is busy with office work, otherwise every half an hour. We don't issue any bulletin advertising names of visitors.
- Q. Do you have a grand party inviting 2,000 or 3,000 rich persons on your national day?
- A. None on the national day, the Government expects people to celebrate the day themselves at their expense and they do it with great enthusiasm in every village.
- Q. How many speeches does the President make on the radio?
- A. Two every year, one on August 1, our national day and one on January 1, to begin the new year.
- Q. Do you make films of your Presidents and print their speeches in book form?
- A. No. Never.
- Q. How many children does the President have and do they go on tour with the President?
- A. No, he has no children.
- Q. Does the President have two days holiday every week like all workers?
- A. The President works on Saturday too and comes regularly to office. On Sunday he goes to the mountains accompanied by his wife. He is very fond of nature.

Q. Do your Presidents have glamorous bodyguards as in England and India?

A. No. The President does not need a single man to guard him, not even a man in plain clothes. His popularity is his best guard. You see no policeman outside his office either. The office is situated in a small lane and anybody can walk into it and take the elevator to the President's Private Secretary's office. There are no guards with guns to stop you. Such is the President of Switzerland.

Extracts from 'Free Press Journal', Bombay dated 19th January, 1971

DISCOVER THE ISSUES AND THEN CHOOSE - By Prof. N.H. Sanjay

Though elections have become familiar to us, this election has certain unprecedented features. It is almost assuming the proportion of a fratricidal struggle for supremacy. Indian voters have got their first chance to choose between the rival claimants who profess to serve their interests best and their continued authority will depend upon the wisdom of their choice.

The task, however, will not be easy. People will have to carefully discover the issues behind and beneath the smokescreen of catchy slogans, campaign verbosity and clash of personalities. We should also not allow ourselves to be caught in the cobwebs of make-believe issues which are likely to be presented to the public in order to misguide the gullible.

The first major issue which people will have to choose is between economic radicalism and financial stability. We cannot have both. Reforms aimed at ushering a New Era will destroy the existing structure, while stability may degenerate into stagnancy. One would prefer to have both, but in this harsh world of realities, you cannot have your cake and eat it too.

PM's election tour

Sir,- A number of opposition parties have alleged in the past and they are alleging now also that Ruling Congress misuses the Governmental machinery for election purposes. There seems to be some truth in this if one were to study the election tour made by the Prime Minister.

A Minister can make a tour only for official purposes if he wishes to claim travelling allowances. More often it happens that when he is on tour which he shows to be official, he addresses party workers or even public and seeks support for the party.

Though the Prime Minister is touring the country now for electioneering she is staying at the Raj Bhavans. The Governors should politely refuse to see and host her when she is visiting places for party work. More than anything, Mrs. Gandhi has an additional responsibility in creating healthy conventions for the future Prime Ministers also.

Mrs. Gandhi claims and quite correctly that she has a strong following among the common masses. Looking to this fact it is surprising that she should not choose any of her party worker to stay with when she is travelling to strengthen her party. Is that too much to expect from People's Prime Minister?

Extracts from 'Indian Express' dated 23.1.71 - by S.Kuppuswami