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Visible Decay

It is easy to understand Mr E. M. Munshi's despair over the "distressing" developments in the Swatantra Party. It has failed miserably in recent elec-

toral contests in Gujarat, Rajasthan, Haryana and Bombay city. What has been even more damaging to the party's image is the rank indiscipline of some of its provincial units. In two of its strongholds—Rajasthan and Gujarat—it no longer appears as viable an alternative to the Congress as it did after the last general election. Indeed, it is no exaggeration to say that the party is in a state of visible decay. Mr. Munshi seems to regard indiscipline as the root of the trouble. In fact, this is only a symptom of a more deep-rooted malaise. Although the party has a distinctive programme on paper it wants to base itself on certain elements in India's rural and urban society which still depend upon the Congress to deliver most of the goods. It has also a major problem in reconciling the divergent interests and political cultures of the rural and urban elites which it wants to represent. It is perhaps a matter of some significance that the kind of indiscipline in the party which worries Mr. Masani and Mr. Munshi appears as an unavoidable part of the political game to others in the party who represent the interests of the landed gentry and the rich peasants. Whether the Madras session of the party's general council will be able to resolve its inner contradictions and restore a unity of purpose remains to be seen. At the moment the prospects appear rather bleak to most of its top leaders.

Mr. Munshi's assertion that the Swatantra Party is not a confederacy of autonomous units but a centralised organisation is a bit removed from reality. He has himself said that all the major parties of India are gradually losing the courage to enforce discipline on recalcitrant State units. In fact, this is not as new a phenomenon as he suggests. The history of the last twenty years shows how the central organisation of the Congress came when it had

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The other was a paper on performance of the H.S.L. presented to Lok Sabha on 5th April, 1968. What are these documents? The entire paper on performance of the H.S.L. is nothing but an explanation and justification, trying to cover up inefficiency of the H.S.L. rather than confessing the draw-backs and the inefficiency of the H.S.L. on various counts.

Now, I would like to come to some of the points raised by the hon. Minister in the document on performance of the H.S.L. The first explanation given by the hon. Minister for inefficient working is that larger provision for depreciation and interest has to be provided in these public sector projects. I am amazed and somewhat amused to listen to this particular argument of the hon. Minister. It is an admitted fact all over the world, not in India, that whenever there is a new plant, a modern plant, the capital base has got to be wider, the depreciation has got to be larger and the interest has got to be larger. If this theory is accepted, then, for all times to come, the modern technology, the new plant, will always be inefficient and less efficient compared to the old plant. But this is not correct. In spite of the wider capital base, in spite of the high interest charges, in a new plant, the compensating economies are so large that they not only off-set the high charges of depreciation and interest but they bring about more efficiency and, in the end, a product of the new plant is always cheaper and more economical. I am, therefore, amazed at this argument of the hon. Minister.

After all, there is something like gestation period also. All the steel plants were commissioned for production in 1960-61. It has become a set argument with the Ministry, year after year, in reply to every single question put to them, that they are losing because the capital base is larger and because the depreciation and interest charges are higher. At what stage, are you going to end that? Is it not enough that all these steel plants have run for 7 to 8 or 9 years? To what extent is the gestation period going to last? Therefore, I am amazed, whereas the depreciation and interest charges are higher, they have not been able to achieve those compensating economies by which a modern plant can be developed.

I would briefly deal with these compensating economies which are justified in a modern plant. The first is the saving of man-power. It has been admitted on the floor of the House by the hon. Minister himself that man-power engaged is very large. On a comparable plant producing 1 million tonnes a year, in other countries, the man-power has been estimated at 6000. Looking to the Indian conditions, it was originally estimated that the man-power of 10 000 should be sufficient. What is the position today? As against 6000 in other countries as against 10,000 anticipated in this country after taking all things into consideration, in Bhilai, we have 13,000 man-power directly for production and in Durgapur and Rourkela, we have 15,000 man-power directly for production. It does not end here. On the top of it, we are making huge sums of overtime payments. In Durgapur alone, in 1965-66, overtime payments have been made to the extent of Rs. 4 crore and 6 lakhs. In 1966-67, for 10 months, overtime payments have been made to the extent of Rs. 55 lakhs. In Bhilai, every month, practically, an amount of Rs. 10 lakhs is paid towards overtime payments which is nothing short of approximately 10 per cent of the total wages that are paid. Excessive man-power and, on top of it, excessive overtime payments eat up into the profits.