



5a

March 16, 1992

30

Hon'ble Sir,



NOTICE OFFICE

44

44

44

44

44

44

44

44

Yours sincerely,
John B. [unclear]
Miss Turkey 31 277

ONE of the most mischievous and misleading Press reports is the one that caused a flutter in Parliament over the alleged action of the Finance Minister in "leaking" details of the Budget to the World Bank.

Nothing more preposterous could be alleged. What actually happened was that as far back as November 1991, when India desperately needed loans from the World Bank and the International Monetary Fund, the Finance Minister did his duty by informing the banks of the main measures for liberalizing the economy which had already been announced and were in operation. To call this a "leakage" of the Budget is ridiculous. If this gentry is right, the Finance Minister would have to observe grim silence throughout the year!

The Budget has been, unnecessarily, dragged into this matter by people who have been gunning for the Finance Minister and the new liberalization policies because they eat into their authority and the illegal purposes they have been serving in the name of "Socialism". These frustrated gentlemen got hold of this misleading report in the Indian Express when they should have known better.

I must express my disgust at this mean conspiracy between the newspaper and these frustrated politicians. They are the counterpart of those who staged the coup d'etat in Moscow last year against Mr. Gorbachov. Like that other conspiracy, this too has failed. Thank God for the World Bank and the IMF who have been telling us what to do in our own interest. Mr Swaminathan Aiyar was quite right in the point he made in his article entitled, "Liberalization through Bankruptcy".

FOR many years when I was in the Lok Sabha, I had the privilege of opening the debate on the Budget as a spokesman of the Opposition and I was given 45 minutes for the purpose. Though there were many Congress members who probably did not agree with me, they listened in complete silence and I was never interrupted. When the Finance Minister introduced the Budget a few days earlier, he was listened to in pin-drop silence and there was no occasion for controversy that day.

Imagine my horror, therefore, when I tried to listen on February 29 to the Finance Minister on TV and was faced instead by a mob of howling hoodlums who tried to prevent the Finance Minister from speaking by raising once again the red herring of the alleged "leakage" to the World Bank. It was a disgraceful show of indiscipline and hoodlumanism on the part of the Communists and their allies, from which I hope citizens throughout

the country learnt what kind of people some Members of Parliament are.

The Speaker, however, managed the situation very well and after about 15 or 20 minutes were wasted, order was restored and the Finance Minister was allowed to proceed. From then on the situation changed completely.

Dr Manmohan Singh's was a magnificent performance. For an-hour-and-a-half, without allowing time for interruption, he proceeded to elaborate the proposed Budget. What impressed me most, however, was that he had not allowed his sense of humour to be deflected and even those who had come to interrupt him, joined in the general laughter at quips like, "By W.B. I mean the West Bengal Government, not the World Bank". Once he started, the floor was his and he deserved a standing ovation, which, however, is not a practice known to this country.

Now about the Budget. I am not a financial expert and I must confess there are aspects of the Budget which I still have to understand. But from what I can gather, it is a beautiful effort at striking a balance between the two seemingly conflicting objectives of stimulating growth on the one hand and keeping down prices on the other.

I welcome, in particular, the cutting down of deficit finance though I, for one, would have liked to see a total refusal to accept this deplorable practice from which we have now suffered for 40 long years with resulting inflation.

Also to be welcomed is the reduction in direct taxation. I listened to the Budget speech in the company of a couple of industrialists and was interested to hear their enthusiastic response to the announcements made by the Finance Minister.

Among the aspects which we all welcomed was the measure to allow limited import of gold in a legal manner with consequent cutting down in smuggling of gold which has been so rampant.

The limited convertibility of the rupee also appears to me a step in the right direction. In fact, there is nothing in the Budget to which I feel I can take legitimate exception.

I admire the speed with which Mr M. R. Pai, that indefatigable public servant, has managed to read the voluminous documents put out by the Mahanagar Telephone Nigam, in the form of their new telephone directory.

The suggestions that he has made in his letter dated February 27 to the telephone authorities commenting on the defects and merits of the new directory, testifies to his diligent reading. Shabash!