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LONDON PRESS CONFERENCE
(Morning of 15th Feb. 61)

Background to emergence of Party:

1. Discontent with excessive controls
Consequent corruption, etc.
Gulf between profession and practice
but no proper basis since business class
small and isolated.
2. Nagpur Resolution of January 1959 provided
such basis (*Resolution attached*)
52 per cent of India's population ^{own} ~~went~~ some
land; for every landless family in villages
five with land.
3. Party established at the initiative of All
India Agriculturists' Federation at a meeting
in Madras in June 1959.
Professor Ranga nominated President
Stress rural character of Party
Comparable with Smallholders' Party in Hungary

Philosophy & Policy :

4. Outline philosophy and basic policies
Faith in the people
Incentives to hard work and enterprise
Peasant proprietorship - c.f. Japan
Industry: mixed economy. *No laissez faire*
Consumer preference and competitive market
predominant (Quote New Manifesto of
Social Democratic Party of Germany)
5. Dissatisfaction with current policy of excessive
controls, disincentives to investment and
production through excessive taxation and

inflation.

Obsession with heavy industry denying agriculture its pride of place.

Opposition to Monopoly - State or Private

6. Centralised planning (Command economy) and political democracy cannot coexist for long (Quote A.P.Jain, President Rajendra Prasad and Andhra Land Ceilings Bill)
7. Swatantra Party thus presents clear alternative
Hitherto all Parties identical
Large number of constituencies disfranchised in 1957.
8. Since establishment, point of departure in regard to National defence also developed
Chinese invasion
Collapse of Panchshila
(Quote S.P. Statement of Policy)
c.f. Laxman & Nag - D. Laxman - N. Gupta
9. Personalities : C. Rajagopalachari, Ranga, Munshi, Ramgarh, Paliwal and Mody.
10. Achievement:

Second thoughts on economic policy

End of conspiracy of silence

Congressmen and businessmen shed fear

11. Outlook:

Public response encouraging - potential majority
But organisational problem colossal

Membership over 300,000 - *(c.f. Western Europe)*
U.P. & Bihar & Ben.

Strength in Parliament : 9 + 7

Strength of State Assemblies : 106 + 16

Men & money scarce

Businessmen timid in controlled economy
(e.g. Debate on Companies Bill)

12. National Convention in October will adopt
Election Manifesto
13. If Swatantra Party can achieve position of
alternative Government in 1962 in
Parliament, political situation in India
would be transformed - personally
optimistic.