

Mrs. Karkaria

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If you will kindly let me have four or five copies of the attached typescript clean typed but with double spacing and fairly broad margin, I shall abridge it in order to make it suitable for an article in Freedom First. You may inform Mr. Raman Desai accordingly.

Bombay,  
19.8.1964

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(M.R. Masani)

## Food Shortage and High Prices

Transcript of a speech delivered by Mr. M.R. Masani, M.P., General Secretary, Swatantra Party to the Commerce Graduates Association on August 6, 1964 in Bombay.

In a discussion on food shortage and high prices, ~~I think we should start by considering a few facts.~~

One or two <sup>stand out</sup> facts are conspicuous. The first is that our production of food has not kept up with ~~our~~ population growth. The figures of total foodgrains produced are that in 1960-61 we produced 80.97 million tons; in 1961-62, 81.04 million tons; in 1962-63, 78.75 million tons; and <sup>in</sup> 1963-64, 79.35 million tons. You will see from this that food production is more or less stagnant, at least over the last four years.

On the other hand our population <sup>has</sup> grown in recent years by about 2.4 per cent per annum, and has therefore grown nearly ten per cent during the time that our food production <sup>has</sup> stagnated. This is <sup>one</sup> basic fact.

It certainly shows that we are failing to cope with the needs of food production in our country, and that the first failure is that of production.

The second part of the story is told <sup>by</sup> in the rise in prices. This again shows a very sad picture. The rise in ~~wholesale~~ prices, taking 1952-53 as a hundred, shows that in 1960-61 the level of ~~wholesale~~ wholesale prices was 124.9; in 1961-62 it was 125.1; in 1962-63 it was 127.9 and in 1963-64 it rose to 135.3. If you total up the percentage increases you will find that the level of wholesale prices has gone up by as much as 15% in the last four years. A very steep rise. Food prices <sup>even</sup> have risen a little more than the general level of wholesale prices. <sup>then</sup> Not these are the two basic facts. The failure of production and inflation.

~~inflation.~~ What are the causes of these two phenomena?

~~I would mention some major causes.~~ The major cause is the neglect of agriculture. ~~The neglect of agriculture~~ over the last seventeen or eighteen years ~~isince~~ independence. This has been due to a faulty pattern of priorities in our so-called planning. This ~~is~~ faulty pattern of priorities so far has followed the following order: first, heavy capital-intensive industries; then consumer and light industries; and last, agriculture. This has been the pattern since the Second Five Year Plan. The ~~first~~ <sup>persuasive</sup> Plan was an exception. That is, for the last eight years there has been a ~~deliberate~~ neglect of agriculture and a diverting of resources that should have gone to agriculture to what is called <sup>"the</sup> heavy capital base.

~~To cut a long story short~~ this order of priorities has been bodily lifted from Soviet Russia and communist planning. It was lifted by our late Prime Minister who had a tremendous ~~admiration~~ <sup>but</sup> misguided admiration for that wretched dictatorship. ~~And he~~ thought that he would take India along the same path of progress which has led Russia today to go begging for food from capitalist countries. So, following that pattern, out of all proportion money has been poured into heavy machinery and steel plants; money that could have gone into food production and given manifold returns.

Now, ~~as I said even~~ in China and Russia, the chickens have come home to roost. The neglect of agriculture in those countries has produced <sup>near</sup> famine. ~~And so~~ <sup>abroad</sup> the Soviet and Chinese governments go/gold in hand to buy grain. <sup>conditions</sup> The fact that we are following in their footsteps <sup>from so-called capitalist countries</sup> should not therefore surprise us. This <sup>could have</sup> been foreseen. I at least, in all humility <sup>can</sup> will claim that for about seven or eight years now I have been forecasting what has happened. That is to be found in my

*catastrophic*  
speeches in Parliament and outside. This ~~was~~ inevitable. In a communist-oriented economy, agriculture is always neglected and, in the end, the ~~entire~~ <sup>entire</sup> whole economy collapses because of this neglect.

Much more so is it with the case in India which is a peasant country <sup>a</sup> and will remain so for ~~a few~~ <sup>a</sup> centuries, in spite of our rulers, a country of peasants. Therefore it is this basic, false order of priorities, this obsession with steel and machinery; this attempt to grow overnight into an industrial giant; this laughable attempt that is at the root of our problems today. ~~Now~~ <sup>It</sup> This has acted in two ways. On the one hand, it has starved agriculture of the capital that was needed for investment in the land, <sup>and therefore</sup> food production has not risen <sup>adequately</sup>. On the other hand, it has created inflation. ~~Perhaps I should explain this.~~ Why does investment in steel and machinery and not in food create inflation. This is due to the fact, which Mr. Lal Bahadur Shastri for the moment seems to have glimpsed <sup>a</sup> but then forgotten in the last two weeks again.

~~When~~ <sup>He</sup> he went to visit the National Planning Commission for the first time, ~~maybe~~ <sup>then that</sup> three or four weeks ago, he said, we must now invest in quick yielding projects. And one thought, 'Thank God at last this basic truth has at last gone home'. But, as I shall show, more recent statements of his colleagues show that this <sup>perhaps</sup> intelligence is so far confined to our Prime Minister only.

Now, why is it that investment in heavy industry creates inflation? Let me put it this way. Heavy industry is the most capital-intensive industry or <sup>expensive</sup> occupation for money. It employs the least number of people, and it gives the ~~least~~ <sup>lowest</sup> and the slowest return on <sup>one's</sup> your capital investment. Here are some <sup>figures</sup> ~~figures~~ <sup>debts</sup> I am quoting from a speech of my own in parliament: "Steel has the poorest ratio of output... multifold employment and multifold returns to the country."

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Now this is the reason why inflation follows from this wrong order of planning. The amount of money in the economy increases. But the ~~amount of volume~~ of goods and services does not keep pace with the amount of money in circulation. In agriculture, you sow in one month and four months later you get your crop. Roads give <sup>ample</sup> return in twelve months time. But ~~the~~ steel plant will not give you its return for ten years if then. Same <sup>Similar is the</sup> with the heavy machinery plant in Ranchi, and so on. And it is in these wasteful projects, these white elephants as I call them, that the major part of our <sup>development</sup> planned expenditure has been sunk. The proof of the pudding is in the eating. Hindustan Steel makes heavy losses for this country. It has not given one rupee of return on the capital ~~your~~ capital and mine which has forcibly been invested in Hindustan Steel. As far as I can recall, <sup>a</sup> on the total capital expenditure, <sup>of Rs</sup> so far Hindustan Steel <sup>cross</sup> ~~has~~ upto 1962 had made a loss of over 40 crores <sup>of Rs</sup> of rupees. So, instead of <sup>getting</sup> making many times high profits in land, in road building, in opening up the countryside in producing fertilisers and giving it to the farmer, <sup>chauban</sup> we are sinking our money in wasteful projects. This is the basic cause. I am ~~very~~ glad that my esteemed friend Mr. J.R.D. Tata in his statement as the Chairman of the Tata Iron and Steel Company makes this same point. He says: "I venture to suggest.....consumer". "Unfortunately", he says, "there seems to be no recognition as yet.....deficit finance and foreign borrowing." I think Mr. Tata is undoubtedly right. He is right because recently statements have been made which show that Mr. Lal Bahadur Shastri will have to look out if he wants his ideas to be put into practice. I give two examples to justify Mr. Tata's pessimistic forecast; one is the kind of hot air emitted in our own city <sup>recently</sup> by his colleague Mr. Gulzarilal Nanda. The headline being "Large Plan Outlay Vital". And the same stupidities

that they have practised for eight years is being repeated by the  
Number Two man in our Government. <sup>Even Lighter</sup> And more in detail is a message  
from New Delhi, of which I shall only read two sentences: "A massive  
programme of expansion of heavy engineering industries is envisaged  
by the Planning Commission for the next Plan. The most important of  
these is to double the output of heavy machinery needed for setting  
up new steel plants <sup>15</sup> and so on. You can see from this, that like the  
Bourbons, <sup>Don Quixotes</sup> these mad men of the Planning Commission have learnt  
nothing and forgotten nothing <sup>as a result of</sup> by our disasters. They must learn  
to walk before <sup>they</sup> can fly. A country like ours should be proud to  
export wheat and rice and sugar and raw materials based on our  
agriculture. We should import steel very cheerfully and export our  
agricultural produce <sup>in return</sup>. I was in Formosa last October. That country  
has now been declared by the Americans to be unfit to receive any  
more aid <sup>21.1</sup> because they have made such good use of their aid that  
they don't need it any more! And they have done it by importing  
steel, by importing machinery <sup>the</sup>, and exporting pineapples, mushrooms,  
sugar and every kind of agricultural produce with which they  
earn foreign exchange and hard currency. That is the path to  
prosperity.

<sup>The</sup> Here is the basic thing. A communist order of priorities imposed  
on the country by Mr. Nehru and his colleagues is ruining this  
country and will take this country right into the gutter in the  
next few years if this mischief is not stopped. I can assure you  
that <sup>what</sup> we have touched today is not the low-water point <sup>mark</sup>. If these  
policies which the National Planning Commission is forecasting are  
adopted in the Fourth Plan, we shall look back to 1964 and say what  
pleasant times we had. <sup>then!</sup> <sup>think</sup>

*The* This inflation has been aggravated by two or three other ~~minor~~ factors. One is ~~excise~~ *document* duties on the needs of life, and the other is deficit finance. Deficit finance is known to be an evil, *so* The Third Plan laid down a target that under no conditions should deficit Finance exceed Rs. 550 crores during the whole of the Third Plan. And ~~most people thought that that was at least~~ reasonable. Mr. Morarji Desai, *I think*, was very proud of this ~~achievement and this ceiling that he had set. Well it may interest~~ you to know that the target has already been exceeded. In the first three years of the Plan, *must* and two more are still to go, deficit finance has exceeded Rs. 600 crores *by today*. The safe limit has *thus* been crossed. Not only that, but we seem to be accelerating deficit finance right up to this very day. *The* latest statement of the Reserve Bank for the six weeks ending 10th July, 1964, shows that in those six weeks our Government indulged in more deficit finance than in any other six weeks in the history of independent India. Since 1947 we have now reached the highest point of irresponsible deficit finance. The figures given by the Reserve Bank are that during ~~that time~~ *the* the end of that period, Treasury Bills outstanding rose by 149 crores, *though not all* and most of this is uncovered deficits ~~thought not all~~. Now this shows that, like the *lake's* progress, we are still going down the slippery slope. In such a situation, the men in office come forward with some suggestions. The first suggestion they make is that there should be more controls. The second is there should be nationalisation of rice mills. The third is there should be compulsory monopoly procurement from the peasants at fixed prices. And the last and most idiotic is that there should be *State* trading monopolies in foodgrains. As if they have not done enough harm with *these mad measures*, they want to go

further in the same direction. I have no hesitation in forecasting that, <sup>if</sup> these measures are adopted in the coming weeks and months we shall go down to famine and chaos within a very short time. These are the best programme for chaos and starvation that I can invent. <sup>anyone</sup> A ~~variety~~ combination of these three or four measures which are so popular with certain quarters in Government. <sup>Let another</sup> And a fifth measure they suggest is that Cooperatives should be favoured and given the lion's share of trade in these commodities. Now a few days back speaking at ~~Sunderbai Hall~~ I made a statement that Jowar brought at 41 rupees to 43 rupees per quintal, was being sold by the Maharashtra State Cooperative Marketing Society at Rs. 61 a quintal. I saw in one of this morning's newspapers a headline saying "Masani's Statement Contradicted. The Maharashtra State Cooperative Marketing Society has denied the statement made by Mr. Masani that the Society had ~~purchased~~ purchased Jowar at about Rs. 41 to Rs. 43 per quintal and sold at Rs. 61 in the open market. <sup>They</sup> In an attempt to authenticate this denial, <sup>it goes on to say</sup> "The Society had purchased Jowar at Rs. 41 ( they have confirmed the purchase price at least. I am glad for that)" and sold it to the Government at Rs. 43 per quintal in new gunny bags at Government Godowns." Well, this may be true. But I was not discussing the price at which they sold <sup>Jowar</sup> it to the Government. My statement at ~~Sunderbai Hall~~ was very clear. That it was being sold to the buyer in the market at Rs. 61. And I am not at all interested in the price ~~in~~ at which the Cooperative Society sells to the Maharashtra Government. Now I therefore find nothing in the denial to stop me from repeating the charge I had made of profiteering against this organisation. Here is the original of a voucher ~~issued~~ issued by the Maharashtra State Cooperative Marketing Society Limited on June 16 in the city

of Bombay. It states that it sold 808 <sup>kgms</sup> or 8 quintals, 8 bags of a hundred kilograms each ~~and~~ and an odd amount of 8.5 kilograms in addition~~xx~~ at the rate of 61.10 ~~naya~~ <sup>Rs</sup> ~~pausa~~ and the total ( and you will find the arithmetic correct) <sup>was</sup> is the man paid the amount of Rs. 493.99 ~~naya~~ <sup>Rs</sup> ~~pausa~~. I therefore repeat ~~x~~ my charge of profiteering against this little satellite of the Maharashtra Government.

Let us be quite clear. Cooperative Societies are no longer Cooperative in that sense. They are just little stooges and satellites of the Government run by the bureaucrats and the politicians in office.

I myself am a great believer in cooperation. My little bank account is with the ~~Maharashtra State~~ <sup>a</sup> Cooperative Bank. I ~~am~~ <sup>was</sup> one of the founders of the ~~Maharashtra~~ Industrial Cooperative Society in the State. But I regret to say that Cooperatives ~~xx~~ are becoming more and more the handmaids of those in power. They are losing <sup>their</sup> all voluntary and non-official character and they are becoming <sup>instruments</sup> the stooges of those who can manipulate them from office.

Since this issue has been raised and this denial has come, I shall press the charge further. I shall now <sup>mention some facts</sup> ~~make a new charge~~ against another cooperative. And that is the "Mumbai Kamgar Madhyavarti Grahak Sahakari Mandal Limited" (The Bombay Workers Central Consumers Cooperative Society Limited). Yesterday, someone went to this Society's shop and was given some ~~grain~~ wheat. This wheat was imported from Madhya Pradesh at a price between 43 <sup>of Rs</sup> and 48 rupees per quintal or between 43 and 48 ~~naya~~ <sup>Rs</sup> ~~pausa~~ per kilo gram. This man bought 2½ kilograms~~xx~~ for which he was charged at the rate of Rs.1.34 per kilogram, and he paid as a result Rs. 3.34. Grain that was bought from Madhya Pradesh at 43 to 48 <sup>in Bombay</sup> ~~naya~~ <sup>Rs</sup> ~~pausa~~ was therefore sold/yesterday by this ~~other~~ Cooperative Society for Rs.1.34 ~~Rs~~. A profit of about 200%. If any grain dealer had done it, he would have been called a black marketeer~~xx~~ and a hoarder and an

anti-social element. What are we to call Cooperative Societies that enjoy the patronage of Government, that are given <sup>every</sup> priority <sup>and</sup> every facility, and then exploit the consumer in this manner.

I want to ask the Maharashtra Government and the Society what they have to say on this. So I withdraw nothing I <sup>have</sup> said. I repeat, and press the charges of profiteering against the Cooperatives run by the Maharashtra Government.

I am very glad that something happened <sup>a couple of</sup> two days ago which will make the people of India realise that this is the wrong path. The attempt has been made to find scapegoats. And two scapegoats have been suggested to us by our rulers. So that the attention that would legitimately go to them <sup>be diverted at</sup> may be diverted to other quarters. The first scapegoat is the peasant. The peasant holds on to his grain and he eats too much. These are the charges levied against the poor peasant. The man works in the field, he grows his own grain on his own land. And it is now considered a crime that he doesn't sell at your price, which is disgracefully low in terms of what he has to pay for kerosene, shoes, cloth and other manufactured goods. And then of all things you blame him for eating it <sup>or</sup> And not starving himself and his children so that you can eat! I am reminded of Mahatma Gandhi's words when he said: "We of the cities will do everything for the peasant except one thing - get off his back". Today it is the Congress Government in Delhi and the Congress Government in Gujarat, Maharashtra and elsewhere that <sup>are</sup> trying to ride on the back of the poor peasant. The peasant has every right to hold back his grain and every right to eat it. I am sure if we were peasants we <sup>would</sup> ~~would have grown this grain~~ will say: 'Well we have grown this grain if I can't get a decent price for it, let <sup>us</sup> eat it at least. <sup>or</sup> ~~Won't~~ we do that? What's wrong

with that. For generations the peasant is going short, we have been living on his sweat, blood and tears, and then we say we will keep down your price but our price will go up as high as we like. Today the parity of prices is such that a peasant would be a fool if he sold more than he had to. Why should he sell grain cheap when he can't get cloth cheap, kerosene cheap and ~~the~~ <sup>other</sup> all his needs?

So the first culprit is the peasant who grows the grain.

And the second one is the trader. I am very glad that in a rather foolish attempt, a cheap stunt tried out by Mr. Nanda the other day in Delhi, the truth has been found out about who is hoarding and who is not hoarding. Mr. Nanda thought he would be popular with his Leftist friends by raiding godowns and grain dealers offices and shops in Delhi. And sure enough on the first day we saw very alarming headlines. The police sold our newspapers a bill of goods. They lied. And the headlines on the first day were: (Indian Express July 30) "Huge wheat stocks seized in Delhi". Times of India - 200,000 maunds of wheat and rice seized. Hindustan Times - 2 lakh maunds of foodgrains seized in Delhi. Biggest ever swoop. Everyone said, 'At last we know that these horrible hoarders were there. The goodgrain dealers were cheating. Now at last the Government has woken up.' But then, it didn't take more than 24 hours for the truth to come out. Truth marches on. Next day the Hindustan Times ate its words. Hindustan Times of 31st July - "The extensive raids however resulted in a lean catch. Only one case had been registered until late in the evening. The authorities admitted it was only a technical offence. The officials say the raids will continue tomorrow. " So one instalment. We waited for the next chapter of this thriller. Mr. Gulzarilal Nanda as the hero chasing the villain. Alright the

next day, <sup>in the</sup> ~~Hindustan Times~~ <sup>of</sup> August 1 ~~now~~ <sup>was carried</sup> the story goes one step ~~far~~ further <sup>have</sup> "The Delhi police/decided to suspend their drive against grain food/hoarders. The authorities declined to say why the drive has been called off. But the reasons are not far to seek. After three days of extensive checking the police could find no major discrepancy in the records kept by grain merchants. " Quite a record for a big city like Delhi that nobody was caught out doing anything wrong ! I am surprised. It is too good to be true. But it is so. "Only in three cases <sup>have</sup> the merchants found to/committed technical breaches of the ~~the~~ Foodgrain Dealers Licensing Order. But none of the cases are fit to be followed up by the police. But the raids, the police claim, have not been in vain. We have learnt some lessons. "I am very glad they have learnt some lessons. I hope Mr. Nanda has learnt <sup>them</sup> it also. <sup>on August 1</sup> Then the next day, the Chief Commissioner, Mr. Dharam Vira according to the Hindustan Times of August 2, called a press conference, and declared ~~on the 1st~~ : "The drive against foodgrain hoarders is still on <sup>the</sup> 20 hours after the police had announced that it was off. "The Chief Commissioner said ~~that the~~ officials of ~~the police and~~ <sup>out</sup> the food directorate ~~and~~ and the police were carrying ~~on~~ 'physical verification' of the stocks. The expression 'physical verification' implied a climb down from what the police had declared three days ago. They had then claimed that they had raided several godowns and seized 2 lakh maunds of grain. That, said Mr. Dharam Vira, <sup>was</sup> a mis-statement. Not a grain had been seized during the course of the raids, said Mr. Dharam Vira. He did not, however, say why it took the administration three days to correct the police mis-statement. That the drive has ended in a fiasco has become evident when he said 'No major discrepancy has been found in the records of any godown so far. ' <sup>27</sup> The correspondent pointed out to the Chief Commissioner that on the other hand prices had started rising following the raids."

~~No as I said this was a cheap political stunt.~~ I am glad it has boomeranged. I am glad it has now been found out that it is not the foodgrain dealers of Delhi who are the hoarders and that we must look elsewhere to find the real hoarders in our country today.

~~Now who are these real hoarders? That is the next question that arises. But I shall~~ <sup>And shall</sup> deal with it very shortly. But before I do so

Let us now be a little more constructive and consider what are the real solutions for the situation in which we find ourselves. I would say that the first long term necessity is the rehabilitation of our agriculture. In a country of peasants, there is only one basic industry and that is farming. Everything else comes afterwards. That is the first thing that needs to be put right. ~~To put first things first.~~

That means that the larger part of our developmental expenditure must go in for land, irrigation, fertilisers, seeds, roads, credit, floor prices all this must take priority <sup>over everything</sup> before anything else.

And so far as heavy industry is concerned, it must be put where it belongs - at the bottom of the scale. Here, even the Chinese Communists <sup>most</sup> ~~these/dyed-in-the-wool~~ Stalinists of the world, have admitted their mistake. Last year, in 1963, Chou en-lai went to the Communist Congress of China and said, 'we made a mistake in putting steel first and agriculture last. Now we reverse the order.' And today the official order of priorities in Communist China is <sup>in that order</sup> Agriculture first, consumer goods industries second, heavy industries last. I want to ask whether our Congress Government will have the same courage that Chou En-lai has shown to come forward and say 'for eight years we have blundered now we are going to put <sup>this</sup> it right.' And when are they going to do it. After

how many more years. And how much more suffering? As I said, Mr. Lal Bahadur Shastri made an intelligent remark. We must now wait and see when it will be put into action. So the only long term solution is to stop this lopsided plan <sup>with</sup> to change or scrap the Planning Commission and to get sanity where for eight long years we have been led into Marxist insanity.

Now what are the short-term solutions. After all, <sup>two or three</sup> by the time we put agriculture first and the results show it will be three or four years. How is India going to tide over the next six months and the next couple of years? That is a very legitimate problem. I would suggest that there we want three or four definite measures which need to be taken immediately. <sup>first</sup> The biggest is that the buffer stocks must be brought on the market.

According to Mr. Subramaniam, the buffer stocks today in Government's hands exceed five million tons of foodgrains. Where are they? What is happening to them? Are they being eaten or are they not being eaten?

If they are being eaten, by whom? Are they meant to be eaten or are they meant to rot in the godowns of the Government? For what purpose <sup>have the</sup> American people given these foodgrains to us without charging foreign ~~exchange~~ exchange? For them to be stocked in the godowns or to be put in the market and put in the <sup>hands</sup> hands of our people? Mr. Lal Bahadur Shastri is an honest man. He admitted this also. On the opening speech he made at the Chief Ministers' Conference he said (Indian Express of June 25) "We had the stocks but we didn't want to bring them out because we wanted to make sure that replacements would come." Now at last <sup>last</sup> Mr. Chester Bowles has promised ample replacements. Why then are these stocks not being brought on the market? I am told that if even 7 lakh tons of these 5 million tons are put on the market every month for the next four months, prices will come down ~~immediately~~. Because, once fair prices shops and

traders have the stocks to sell at moderate prices, no profiteer will be able to ~~make~~ profiteer. Nobody will buy expensive grain when cheap grain is available in the market. But for some mysterious reason, the Central and State Governments <sup>choose to be</sup> are the biggest hoarders in this country today. They are sitting on the stocks when they should be in the market and in the hands of the people. So they must disgorge these hoards. The real hoarders are Mr. Nanda and his colleagues. There are doubts cast <sup>on</sup> whether these stocks are being properly maintained. Whether all the food that is coming into this country is finding its way into the mouths of the consumers. Knowledgeable quarters suspect that a lot <sup>of</sup> of hanky-panky and leakage of the American grain. If I were in charge of the AID, the ~~American technical assistance machinery~~, I would certainly institute a system of inspection to see that the very fine purpose, the generous purpose for which the American public is making this sacrifice is carried out. That every grain of this food gets to the mouth of the Indian people and ~~get~~ does not get <sup>diverted</sup> ~~wag~~ laid and find itself converted into money in the pocket of corrupt politicians and officials on the way. We cannot count on this food coming forever. The Wall Street Journal has something interesting to say in its current issue. It says: "The current food crisis in India ..... fundamental problem which is agriculture." Now this is God's Truth. And it has percolated to Wall Street. How long will <sup>it</sup> ~~get~~ take to take to Washington? So that if the American Congress says 'we have had enough. If you go on insisting on taking our food and wasting your money on making steel plants instead of helping your people to grow food then you look elsewhere'. The time <sup>may be</sup> is not very distant. After all nobody wants to be made a fool of all the time. And therefore while the American people and government are in this generous mood, certainly let us import as much as we can. But let it come on the market

and let not 5 million tons lie in the godowns of Government while people are going short and prices <sup>going like a rocket</sup> are high. The moment this food is brought on the market, prices will drop. The second thing ~~that is necessary~~ is to abolish the zonal restriction. I don't want to labour this point. Everyone is agreed on it. The Bombay Provincial Congress Committee has passed a resolution saying so; the Gujarat Provincial Congress Committee has passed a resolution saying ~~so~~ that these zonal restrictions are uncalled for and harmful. Then why do they survive? Why <sup>did</sup> the Government backtrack on the second day of the Chief Ministers conference after announcing on the first day that these restrictions were being lifted. The answer is that they were bullied by certain Chief Ministers, particularly <sup>by</sup> my old colleague in the Congress, Mr. Dwarka Prasad Mishra, Chief Minister of Madhya Pradesh. It seems his bullying was too strong for our gentle and mild Prime Minister. But the question that arises is <sup>own</sup> what were our Chief Ministers doing? Mr. Naik was in Delhi, Mr. Balwantrai Mehta was in Delhi. What were these two gentlemen doing? Could they not have raised their voices a little and argued against Mr. Mishra. Could they not have remembered their obligations to their own people? Why were they silent? And they were silent. There was a guilty silence on their part. <sup>has</sup> And that silence is due to the fact that they also have their little pickings from the same table? Because there is State to State trade between Madhya Pradesh and Maharashtra. The Madhya Pradesh Government <sup>also makes</sup> makes its own profiteering at its own end, and then, as we saw from these receipts, the Maharashtra Government and its friends <sup>make</sup> do a little profiteering at this end. So Mr. Naik must have realised that if he fought Mr. Mishra too hard not only would Mr. Mishra lose but he might also lose the little bit of patronage that he enjoyed. I am sorry to say this but I think the Maharashtra and Gujarat

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Governments have defaulted in their obligations to their people in succumbing in this supine way. Today it is said there are sixty Maharashtra officials camping in the districts of Madhya Pradesh looking for food, and they can't find it. As I said, it is not necessary to labour this point. Even Mr. S.K. Patil, a member of the Government, is on record on 8th July as saying that these ~~donal~~ <sup>regional</sup> restrictions must go. So long as Mr. Patil was at the helm of affairs none of this thing <sup>were</sup> was allowed to happen. Because he understood the the need for taking American assistance. ~~He~~ <sup>He</sup> understood the need to maintain free trade <sup>a</sup> ~~and~~ <sup>and</sup> for stopping these mad men of the Planning Commission from going ~~ahead~~ <sup>astray</sup>. But you will remember that Mr. Patil was removed. I am not referring to the Kamraj Plan. I am referring to an unsuccessful effort ~~made by Prime Minister Nehru~~ to shift him from the Food portfolio before the Kamraj Plan. ~~You will remember~~ that incident when Patil refused to be transferred to some other portfolio. That was the move by these Marxists and half-baked communists in Government to scuttle Mr. Patil so that the path could be opened for their Marxist madness with regard to food. At that point of time ~~Mr. Nehru failed~~ <sup>the move</sup>, but unfortunately later ~~he~~ <sup>it</sup> succeeded with the Kamraj Plan. I am quite sure that, if Mr. Patil had been in office as Food Minister throughout, the present situation would not have arisen. The third thing that needs to be done immediately is to stop the export of all things that can be eaten. I am not talking only of rice or groundnut oil. I say that, in the present condition of food shortage, when our people are going short, nothing that can be eaten should be allowed to leave this country. I think this is obvious. I am astounded that people in Delhi don't think that this is a reasonable proposition. Humanity demands it. Self-respect demands it. What is an American to feel. He sends grain to India under the P.L. loan. He doesn't get a

*Do this*  
~~rupee~~ back for it, ~~leaves aside the Dollar~~. And what do we do?

While he is giving us his rice, we ship our rice and <sup>earn</sup> get foreign exchange, and consider it very clever. I think it is a mean thing for any country to do. And I <sup>am proud of enough of</sup> ~~want~~ that my country to be ashamed of what my ~~country~~ <sup>government</sup> is doing in the councils of the world. When other <sup>earn</sup> are giving food free to us, we sell our food by the backdoor to take a little money from others. And this is considered socialism. Getting foreign exchange when your people starve. And as I said, this is Socialism. This is exactly the kind of socialism that is practised in Russia and China. Don't we know that Communist China, two or three or four years ago when there was a rice shortage, was still exporting rice, starving its own people in order to carry on its diplomacy abroad. The Soviet and Chinese ~~people~~ dictators have traditionally starved their people for the benefit of their diplomacy and their foreign policy. And this is what we are starting to do now following <sup>by</sup> in their footsteps.

These three things - bring the buffer stocks in the market, remove zonal restrictions, <sup>my</sup> decontrol as Mr. Rafi Ahmed Kidwai decontrolled, and the food came on the market, and finally stop <sup>by</sup> exports for the time being. These are <sup>the</sup> three things that the people of India must demand ~~that~~. I have not very much hope that ~~these~~ this particular Government will do the right thing by the country. I think they are <sup>greatly</sup> too committed to treading <sup>in</sup> on footsteps already in the sand to have the courage to depart from those footsteps. It is like a little child trying to step into his <sup>parent's</sup> ~~giant's~~ footsteps too frightened to leave them <sup>in case</sup> because he might get lost. This, as I understand <sup>see it</sup> is the psychology of the Congress Government in Delhi today. They dare not strike out for themselves. They are trying to carry out <sup>on with wrong</sup> ~~dead~~ policies with the dead

hand of the past lying heavily on their shoulders. But we have to endure  
them at least for <sup>another</sup> ~~two~~ <sup>and a half</sup> years. Therefore public opinion has to  
~~establish itself~~, public opinion has to assert itself. <sup>if the</sup>

~~country~~ <sup>to be</sup> saved <sup>from</sup> ~~collapse~~ <sup>the</sup> ~~collapse~~