

lis private members' legislative business. What I am going to say is purely my personal viewpoint and not my party's viewpoint. I wholeheartedly oppose this Bill. First of all, I oppose the concept of reservation itself. Even after forty-six years of independence, we are not in a position to ask for the abolition of, the eradication of, the reservation system as such. Unfortunately, even after forty-six years of independence, we are asking for more reservation. In fact, we are suffering from a reservation syndrome. Whenever the reservation issue comes up, we bring the name of Dr. Ambedkar and try to shut the mouths of the people; I strongly feel that had Dr. Ambedkar been alive today, he would have himself asked for the eradication of the reservation system. He would have himself asked for the abolition of the reservation system. I am strongly of this view. (Interruptions) This is my personal view. This is Private Members' Legislative Business. (Interruptional). I have said at the outset that it is my personal view-point. Don't attribute it to my party. (Interruptions). This is my personal view.

THE DEPUTY CHAIRMAN: Mr. Reddy, the time is over. You can continue whenever we take up this Private Members' Business. Now we will take up clarifications. The Minister is here. If you want, he can make the statement again, or if you are happy, we can go ahead with the clarifications straightway.

**CLARIFICATIONS ON STATEMENT BY  
MINISTER  
Uruguay round talk**

SHRI S. JAIPAL REDDY (An' dhra Pradesh); We could convert it into a discussion.

THE DEPUTY CHAIRMAN; We have to decide whether we go by

party. We cannot change our procedure. Our convention and procedure is that since it was a statement it cannot be converted into a discussion, it has to be 'clarifications' (Interruptions). Copies were circulated yesterday.

SHRI SUBRAMANIAN SWAMY (Uttar Pradesh); Let them first explain why they were so shy in admitting that they had signed the Agreement.

THE DEPUTY CHAIRMAN; They will explain.

SHRI SOMAPPA R. BOMMA (Orissa); The Prime Minister is here We would like to know from him the latest position.

SHRI S. JAIPAL REDDS  
It could be converted into a discussion.

THE DEPUTY CHAIRMAN You did not tell me in the morning Last minute how can I convert clarifications into a discussion.

SHRI S. JAIPAL REDDTI  
I did not know that on this very important subject, this technical procedure of clarifications...

THE DEPUTY CHAIRMAN It is not technical. The House runs on technicalities. The House does not run on my goodwill or your goodwill only, it runs on certain procedures If you had told me, no problem we could have done that. It would have been absolutely right.

SHRI CHIMANBHAI MEHT, (Gujarat); We were informed, in the afternoon that the Prime Minister would take the floor at 4.30 and would speak. After that, clarifications will be sought. So, let the Prime Minister speak.

THE DEPUTY CHAIRMAN It was never said. There is some misunderstanding...

(व्यवधान)... प्लेज आप बोलें।  
मेहरबानी करके आप लीज न बोलें ती  
बहुत आसानी से काम होगा। एक-एक  
सदस्य बोलें खाली। इसलिए, बोलिए  
मिस्टर स्वेल्।

SHRI G. G. SWELL (Meghalaya):  
Madam, one minute?

THE DEPUTY CHAIRMAN: No, I said,  
one person to speak. It is clarification. You  
are one person, not two.

SHRI G. G. SWELL: Madam, this GATT  
text is no longer Dunkel draft. Dunkel has  
passed into history. It is a text to which we  
also have subscribed. It is Curate's egg, good  
in parts, bad and different in others. I will  
just put two or three questions.

My first question is, if we had  
stayed away from GATT, could we  
withstand the clamping of the United  
States' trade laws Special 301 Super-  
301 on us? Are we going to be fac-  
ed with the problem of our drug and  
pharmaceutical industries either be-  
ing closed down immediately or then-  
having to pay royalty to the United  
States companies that have got pat-  
ents of these products? That is ques-  
tion number one which emerges  
straightway from the GATT.  
GATT has given us 10 years during which  
we can rearrange our patents, we can change  
our patent laws. I would like to know how  
many Indian drug and pharmaceutical com-  
panies are there that are producing products  
which are patented in America and how it  
would affect the cost of our drugs and  
pharmaceuticals in India. In this connection  
you say that under GATT you also have the  
freedom of compulsory licensing for non-  
commercial public use. I would like you to  
explain to the House what you mean by non-  
commercial public use. Do you mean to say  
that those companies that are licensed by  
you

will not be able to sell the drugs in the  
market? And you are also saying that you can  
institute price control. Can you institute price  
control on those products which are paying  
royalty to American companies that hold the  
patents? This is question No. 1, Madam.  
... (Interruptions)

You have the habit of always intervening  
when I speak. Do you understand what I am  
saying?

AN HON. MEMBER: No.

SHRI G. G. SWELL: It is impossible for  
you. ... (Interruptions)...

I don't need your guidance, I don't need  
your intervention.

SHRI R. K. DHAWAN: We can  
teach you.

SHRI G. G. SWELL: Last time also when  
I spoke, you intervened. . . . (Interruptions)  
...

SHRI R. K. DHAWAN; I will  
teach you.

SHRI G. G. SWELL: I can teach you.  
Last time also you disturbed  
me.

THE DEPUTY CHAIRMAN: Mr. Swell,  
you speak. You don't  
worry.

SHRI R. K. DHAWAN (Andhra Pradesh):  
You spoke on nothing and you know  
nothing.

SHRI G. G. SWELL: You know nothing at  
all. We know your background.

SHRI R. K. DHAWAN; Do you want me  
to tell about your back ground? Don't talk  
about background. Should I explain your  
background to the House? Don't force me to  
explain your background.

SHRI G. G. SWELL: Slit down.

SHRI R. K. DHAWAN: What are you talking? You can't behave like this.

SHRI G. G. SWELL: I have come here on my own—not at your mercy. ... *(Interruptions)* ...

SHR ASHOK MITRA (West Bengal) : Who is this man to disturb like this?

THE DEPUTY CHAIRMAN: Now, please, Mr. Swell, you please concentrate on whatever you are asking.

SHRI G. G. SWELL: You also referred to trade in services. I would like to know whether under this arrangement our artisans, our scientists, our doctors and other technical people would have better access to markets abroad. Have you made a calculation as to the volume of their services that we will be able to sell abroad and the amount of foreign exchange that we can earn in that process? I would also like know what arrangement has been made against anti-dumping. There is a mention of access to markets. Have we anything to protect us against the dumping in India of products from the more industrialized countries?

You have spoken about seeds—that you are going to protect the farmers, breeding of seeds and all that. But you are stating, at the same time, that you will be giving those multinational companies that are in India—now, Cargil is one of those—the same rights and privileges as the Indian companies. Now, suppose, today Cargil imports a super seed of profuse yield and of the state-of-the-art hyortid sanitary standards. Can you prevent our farmers from buying that seed because it will be more to their advantage both for distribution at home and for export? Can you do that? ... *(Interruptions)*

Well, he wants to stop me because he does not understand anything. ... *(Interruptions)*

THE DEPUTY CHAIRMAN: "Please ask questions," may I repeat again?

SHRI G. G. SWELL: These are the few questions that I would like him to clarify. We are in this position not of our choice. We can get out of GATT. Even in April, you may not go to Marrakesh and sign the protocol. We are in this position not of our own reckoning, not of our own asking. The best thing for us is to find out what is the best thing to be done.

These are the questions, Madam, I would like to put. I hope I have made my points despite interruptions and interventions by people who do not know anything.

THE DEPUTY CHAIRMAN: As long as the Minister understood your point, it is<sup>1</sup> fine.

Shift Vishvjit Singh.

SHRI VISHVJIT P. SINGH (Maharashtra): Thank you, Madam.

SHRI R. K. DHAWAN: First you explain to Prof. Swell whether you know anything before you ask questions.

SHRI VISHVJIT P. SINGH: Actually I do not know Prof. Swell very well. I do not know when he got that knowledge. I am afraid, what has happened is that we are today suffering from all kinds of misconceptions about the GATT negotiations. The speech of Mr. Swell has made it very very clear.

SHRI KAMAL MORARKA (Rajasthan) : Is he asking for clarifications or answering them?

THE DEPUTY CHAIRMAN: Now no interruptions.

SHRI KAMAL MORARKA: Madam, I am within my right.

SHRI KAMAL MORARKA; Clarifications means he has to ask for Clarifications to the Minister, not give clarifications.

THE DEPUTY CHAIRMAN; He is clarifying himself. He is clarifying himself what he understands, please.

SHRI VISHVJIT P. SINGH; Unfortunately, Madam, I am burdened with the echo. This burden is the cross which I have to bear. I am reconciled to it. Please allow him to say what he wants to. It does not make a difference.

Madam, my first questions would be, in fact, taking off from where Prof. Swell left. If we had not signed this agreement, what would have been the result? This is a multilateral agreement which has been signed by 17 countries. What kind of isolation will it be? Can we quantify this isolation? I want a specific answer to what the result would have been and for how many days or how many weeks India would have been able to survive? Yes, I want to know that. When 85 per cent of our imports are goods which are essential for industry and agriculture, because they are essential, who do you expect to survive in isolation? That is why I want the answer to this. What is the action...

AN HON. MEMBER: It is a question to the Minister, not to others.

SHRI CHIMANBHAI MEHTA; We will survive with or without Dunkel.

SHRI DINESHBHAI TRIVEDI (Gujarat); We will survive.

SHRI VISHVJIT P. SINGH; Sure, sure.

THE DEPUTY CHAIRMAN: I think the House would not survive if we keep interrupting.

SHRI VISHVJIT P. SINGH; As I requested you, Madam, this is a cross which I have to bear. Let me bear it.

It does not make a difference... (*Interruptions*)

Madam, my second question is related to the Report of the Standing Committee on Commerce because the Standing Committee on Commerce has gone into this matter in detail and made certain specific observations and recommendations. My question relates to the recommendation in para 116 on page 40, where the Committee spoke about the Dunkel proposals that they would discriminate against Indian agriculture that the subsidies would have to have an upper bound limit of 10 per cent, and that this would have grave implications: because with the increasing cost of energy and other inputs the sectorwise subsidy may exceed this limit. My first question on this point is; what is the limit prescribed by GATT? I am given to understand it is five per cent or slightly over five per cent, according to the base year which has been taken and the international prices prevailing at that point of time. If that be so, would be affected by this in any way or Would we be within the purview of this?

On the second part of my clarification, I would like to come again to the same Committee. When on page 41, paragraph 119 it speaks of the provisions regarding minimum access for imports to India, it is not very clear.

A point which has been raised by the Standing Committee is while the Finance Ministry claims that the balance of payments position problem is over, the Commerce Ministry says so long as we are in adverse balance of payments position, we will be under the exemption provision. I would also like to know if it is not a fact that this agreement will have to be re-negotiated after six years. This is only for six years as far as the / sector of agriculture is concerned. Secondly, as long as the adverse balance, of payments position remains, we are not covered and are exempted from these various positions.

Now, I would like to ask questions about seeds. On page 42, paragraph 123, the Committee has expressed its apprehension about the rights of the farmers regarding seeds and the traditional rights of the farmers for free exchange of seeds. Will these rights remain unaffected? It is said in the Statement that we will bring in a legislation regarding the *sui generis* provision. What is that legislative protection to the farmers' rights to seeds? Further I would like to ask if India's major concern over the Dunkel proposals which relate to the PDS, food security and the farm subsidies, had been adequately addressed.

My next question for clarification is if there is no commitment given by the Government by the signing of the GATT Agreement to grant minimum market access to foreign suppliers of farm goods. Is it also a fact that no access will be granted to foreign companies to enter the core service sectors of retail banking, life insurance, general insurance and basic tele-communications. Is this a fact or this is not a fact that they will not be allowed in to these sectors? Is it also a fact that significant market access has been gained for India for short-term movement of skilled personnel which would result in tremendous foreign exchange increases for India?

My next question relates to the Intellectual Property regime—the Patents. Is it a fact that we have gained a ten-year holiday as far as our process patents are concerned. Is it also a fact that those medicines which are being sold in India today, which have been developed through the process patents, even though they are foreign patents, will be allowed to be sold for the next ten years? Is it also not a fact that only those patents, which will be applicable in India, which come into force after the signing of the Agreement and those which also remain in the pipeline\* will come into effect after ten years?

I would once again reiterate 1 question asked by Prof. Swell regarding the compulsory manufacture of pharmaceuticals by the Government for public health services.

SHRI SUBRAMANIAN SWAMI: He understood Swell. That is good.

SHRI G. G. SWELL: At least some friends understand me.

SHRI VISHVJIT P. SINGH: 1 next question is, is it also a fact that much of the profits of our pharmaceutical companies are coming from exports? If we had not signed the Draft these exports would have been affected and also many of the medicines which we produce in India, would like to know the exact percentage of the amount of formulation duly covered by the imported materials. How many would have been affected if we had not signed the Draft? I would like to know the figure for that.

We have gained in the removal of agricultural subsidies in the developed world. Therefore, we will have access for the Indian agricultural goods in the international market. There would be higher exports.

As far as the area of textiles concerned, we have lost because the textiles provisions are overloaded. Whatever gains we are going to get we will get after ten years. I would like to know from the Minister the details in this regard. Could he kindly share them with the House? Lastly, Madam, this is my question—Madam—this is my question—India's largest resource is its biodiversity. I want to know specifically from the Minister how are we aiming to protect bio-diversity. How does the Government of India plan to do it? Has it formulated on a long term basis to protect this biodiversity? What has it evolved to exploit this diversity to our advantage?

these are my questions and I hope I will get specific answers, (.Ends).

SHRI S. JAIPAL, REDDY; Madam Deputy Chairman at the outset I would like to state that we are in international interdependence. What we certainly don't believe in is unilateral dependence in a unipolar world. Madam, the Uruguay round has turned out to be grossly one-sided. So far as the Statement of the Minister of Commerce is concerned, I should say it is nothing more than an impish apology of a whimsical Government. It is full of homilies and half truths. I would like to know, as to why the Government could not take Parliament into confidence when Parliament was in session. Why did the Government adopt cloak-and-dagger tactics in regard to the endorsement of an international treaty of this kind of unprecedented magnitude? Why did the Government try to confront Parliament with a *fait accompli*? It only shows that the Government is suffering from a gigantic guilt complex on the whole subject. It is known that the Government could have held out for one full year. Why was it in this devilish hurry to declare its assent to this Treaty? I would like to know whether it is true that our chief negotiator, Mr. Zutshi had serious reservations and the Government gave a message to the effect that whatever emerges at the end should be endorsed by him. Why did the Government have to do this? Madam, one Standing Committee on Commerce presented a comprehensive report with unanimous recommendations. That report could have been discussed in Parliament. I don't think that report was even considered by the Government. If the Standing Committees of Parliament are to be treated in this fashion, I would like to know as to what is the use of the Standing Committees. One important recommendation of the Standing Committee on Commerce is being deliberately misinterpreted. The Standing Committee on Com-

merce no doubt said; 'We should try to be within the GATT.' Nobody needs to tell us about the virtues and advantages of a multilateral trading forum. But is it such an unmixed blessing? If this is the position, how is it that China has a trade surplus as a nation, and with the United States when it has been out of GATT for so many decades? You keep on quoting China, time and again. Let the Government respond to this aspect. We are confronted with a painful political paradox. We are unable to throw out this Government. At the same time, we are unable to motivate the Government to act in a proper fashion. (*Interruptions*) Our Commerce Minister's statement said that our exports "Would go up by 1.5 billion dollars to 2 million dollars. But he did not care to indicate as to what would be the output from India on account of this agreement in one year or in ten years. But he was only concerned with showing the bright side of the bad agreement. He referred to the way Japan and South Korea also had to submit. But did he tell us that Japan and South Korea are countries with trade surplus? They have trade surplus with the United States itself. If they submitted themselves to this agreement, they did so for their advantage.

Madam, in regard to the subsidy that is to be removed or reduced for agriculture, one important statement of the Commerce Minister is that we, in fact, have a substantial negative figure. I would like to know as to what is the basis for this statement. The text nowhere says that the international price would be the yardstick. This controversy about the base year is still unsettled. Secondly, your calculations about the subsidy are also controversial. The experts have told before the Standing Committee on Commerce that the subsidy given for sugarcane alone to States like Maharashtra, Haryana and Uttar Pradesh is well

over 30 per cent. How do you say it is a substantial negative figure? Then the Commerce Minister hopes that the farmers' rights in this country would be protected and promoted through a *Sui Generis* system. We are a party to the international treaty known as 'UPOV' and this UPOV was amended in 1991 and this Government was a party to this. Under the UPOV—Union for Protection of Plant Varieties—a farmer would have the right to use his own seed only if he got the permission of the plant breeders. And which plant breeders will ever grant permission to the farmer without levying charge? Why is the Government being naive? Can your *sui generis* system be different from the UPOV to which we are a party at the global level? .....

5.00 P.M.

Coming to drugs, it is admitted on all hands the price of drugs will go up inordinately. Only the estimates vary in regard to the quantum of rise. Some say only 10 to 15 per cent of drugs will be subject to steep rise. The Indian Drug Manufacturers' Association says 46 per cent of our drugs will be subject to steep rise. The American Drug Manufacturers' Association says 66 per cent of our drugs will attract the Patent Law. Which is true? Much is being said in favour of the price-control. How can there be price-control over a drug which is imported or which is manufactured by paying royalty? How can the price of a drug be lower than the manufacturing cost? Why are you indulging in this fallacy?

And again, Madam, everybody is talking of ten year transition period. Can the Minister tell us to what will happen during the transition period? We know what will happen during the transition period in regard to textiles. Since it is in our favour, the entire phasing out would be beneficial. But what about the<sup>1</sup> textiles? There is no specific mention about the phasing-out of this transition.

borne of them are welcoming this not we, because it is the best of 11 bad bargain. But I would like I know whether it will prevent the U.S. authorities from invoking Super-301 and Special-301. The GATT in the past did not prevent powerful countries from taking recourse to bilateral sanctions. There is nothing to suggest that Super-301 and Special-301 of USA will be dead letters from now on. 1. Madam, the new Agreement talks of many non-tariff barriers. Whenever it comes to competitiveness, the developed countries have their own way of overcoming the competitiveness of the developing countries. Let me refer to some of them: tariff barriers. Who is going to determine these standards? You have ISO-9000 requirements. Then you have environmental prescriptions. These standards have been thought of with a view to countering the competitiveness of developing countries and the text does not clarify as to what the standards will be.

Now coming to textiles, we said that this phasing out should be front-loaded. Now what did we gain in the end? United States threatened us that they would get the things phased out in fifteen years. Then they ultimately said that our own market should be thrown open to their markets and we then ultimately gave in on this count. The Minister should clarify as to what items would be imported by India from the U.S. in the textile sector. There is a reference, Madam, to the umbilical link of this new GATT or GATT-H or MTO, I don't know how to really describe it. I am not able to hit upon an appropriate appellation. I am now bothered about this umbilical link of this new GATT with the IMF and the World Bank. If the new GATT is angry with us, they would also be able to influence the policies of the IMF and the World Bank. The sovereignty of this Parliament will be subject to the authority of this divine global trinity,

the GATT, the World Bank and the IMF, Will the Government, therefore, shed some light on this link?

Madam, now about thousand dollars *per capita* income. You see the IMF has many clever economists. Our per capita income was supposed to be in the region of three hundred odd dollars. Through a new method called 'power purchasing parity'...

SHRI SUBRAMANIAN SWAMY: It is called 'purchasing power parity'.

SHRI S. JAIPAL REDDY: Yes, I stand corrected by Dr. Swamy, 'purchasing power parity', PPP basis.

THE DEPUTY CHAIRMAN: Power purchasing and purchasing power, they have two very different "meaning, very dangerous meaning.

SHRI S. JAIPAL REDDY: I must say that Dr. Swamy is an expert in both these areas. I yield my palm readily to him. Under this new measurement our per capita has been shown about eleven hundred dollars. In that case we will be obliged as a nation to allow the food article to be imported. Then much has been said of the balance of payments position. What is the definition? The other day the hon. Minister was referring to trade deficit and to (international debt. The Commerce Minister, who is more of an economist than I could ever be, should know that America has much larger international debt than India has; America has much larger trade deficit than India has. So, will the Government explain to us as to what it means by this? The Text at least does not tell us. We have lost out completely in the area of intellectual property rights. I think this defeat is not merely incidental but highly symbolic because we have not only mortgaged our right in regard to our mortgaged our right in regard to our scientific inventions but we have also economic policies. I think this is an issue on which the Prime Minister should speak and his silence, I should

say, has been ominous and an indication of this guilty complex.

THE DEPUTY CHAIRMAN: He is silent because you are speaking, Shri Naumohar Chancuakant Bhandare.

SHRI MURILIDHAR CHANDRA-KANT BHANDARE (...Maharashtra): Madam, I use with mixed feelings to discuss many of things which I have said during the last ten years have not emerged to our expectations. We fought bitterly—to take it up from where my non-friend, Mr. Jaipal Reddy, has ended—to get the benefits out of the GATT negotiations. Well, we did not succeed. Every year we knew that we were getting isolated and out of the 117 countries more than 100 countries were losing both their strength and desire to fight. But I am not prepared to accept that by doing so we are mortgaging any of the national interests. Our country is far too big to think, even remotely think, in these terms. I know that this is a mixed bag. I would not go with the Government in assessing the benefits. I will not go wholeheartedly with those who have reservations on the negative points of this bargaining. I know that today we are in a very very unequal world where debt burdens are rising, where protectionism is rising, where resources flow from poorer nations to richer nations. I think what is now needed is not to worry about what has happened in GATT but how to change this world order to an equal world. The only way we can meet the challenge is not by assessing what has happened now and what will happen then but to stand on our own legs to go ahead with the economic progress, to improve our work culture. I am really sorry that we don't send his message from this House. We take this excuse or that excuse not to work in the highest forum in the country. I feel utterly sorry as well as unhappy over the happenings in this House. All in all today there is only one thing with



which we must all be concerned, i.e. to take this country ahead on its economic growth. If we miss the bus now it will be years and years before we get it again. I addressed the Asia Society hardly 10 days back. Everytime they compared us with China, I told them, "You are probably trying to compare a hare with a tortoise. But don't be surprised if the tortoise wins the race." I am quite confident that with our resources, with our technological advantages we are capable of winning that race. Therefore, let us hope that instead of being placed under this agreement, we will become equal partners in the global growth which is supposed to benefit by this agreement. I will end up by only asking one thing to which I hope not the Commerce Minister but the hon. Prime Minister will reply. What steps is the Government planning to meet the challenge to make our country self-reliant so that we take our legitimate place as equal partners in the emerging new world order?

SHRI SUBRAMANIAN SWAMY; Madam Deputy Chairman, I have got very few questions because the issue is very clear. The debate is on the final Draft Act of the Uruguay Round which mistakenly is called the Dunkel Proposals. There is *no* proposal from Dunkel. Dunkel was a civil servant who has retired and gone. To call it the Dunkel Draft is also an indication of the extent of ignorance in our public debate. As far as India is concerned, the discussion on the final Draft Act was over as early as in December 1990. Since then the only issue that remained was between the United States and the EEC, i.e. on the question of agriculture. I would like to say here that whatever India has got today in the final Draft Act is what I negotiated and got inserted and not one extra word or comma has been added since then. It is not

a reflection on the Commerce Minister. The fact of the matter is that he was never a player in that negotiation after December 1990. Now the question is: Are we going to make use of the Act when it comes into force and the legislations that will have to be brought before this House? would like to know whether the Government has made up its mind regarding the kind of legislation it wants to bring. The Government naturally seems to be on the defensive because the ideology of the Congress Party has been socialist and suddenly they find that socialism has failed and they have to make a major change. Of course, there are people like Shri Jaipal Reddy who are relics of the past arguing in the cold war language. But the Government should clearly and forthrightly come and say, "We have signed this agreement and these are the basic areas in which we are going to exploit the agreement." For example in agriculture, for the first time we have an opportunity to link the agricultural economy with the global economy and bring about modernisation. By export of fruits, vegetables and things like flowers, you will make a major change. In fact, agricultural products abroad would fetch 7 to 8 times what the Indian farmer was getting within his own market and this will make a fundamental change. The question is, what steps does the Government propose to take to make India a major agricultural exporter now that the subsidies of the European economy have been vastly reduced? Similarly, the patent law is going to give us a great advantage in computer software. What particular steps does the Government propose to take to see that our software export is not 100 million or 200 million dollars but it becomes 3 to 4 billion dollars in a short time?

Finally, what steps is the Government going to take to exploit the merger of the MFA. You don't have to wait for 10 years as Mr. Vishvijit P. Singh said. In fact, by 10 years the whole thing would be incorporated into the GATT rules. But in between, in progressive phasing out, you are going to get an advantage. But your textile industry is totally inefficient. It is not going to be in a position to compete with Hong Kong and South Korea and we will lose out there completely, unless major investments are made in the textile industry. I would like to know from the Government what it is going to do in terms of legislation in the three important areas in which we have got an opening, that is, agricultural exports, software exports and textiles. What major steps are you going to take? I would like the Government to say that, 'we have done a good thing', — not in the defeatist language of Shri Vishvijit P. Singh that we would have been thrown out, that we had no choice and that it was inevitable that we should be pulverised and therefore, we signed, they should say that this is a gain for the country and that the Government is happy to be a signatory and happy for having accepted the Draft.

#### श्री चतुरानन विश्व (बिहार) :

उपसमापति महोदय, पहली बात तो हम यह कहना चाहेंगे कि प्रधान मंत्री राष्ट्र को कहते रहे हैं कि हम आम सहमति से देश चलाना चाहते हैं लेकिन जब इतना बड़ा कृषियल सवाल, देश के लिए बहुत ही महत्वपूर्ण सवाल, जीवन मरण का सवाल जिसे कह सकते हैं, आया तो जैसा उनकी सरकार ने आपोजिशन के साथ दुर्व्यवहार किया वह अत्यंत ही क्लिनीय है। वे हमारे सिर्फ प्रधान मंत्री नहीं हैं बल्कि एक अनुभवी व्यक्ति हैं, बहुत बड़े विद्वान हैं और इतिहास भूलेगा नहीं अगर वे गलती करेंगे। इसलिए मैं पहली बात तो यह कहना चाहता हूँ। मैंने जब इस डिबेट में हिस्सा लिया था तो हमारे विद्वान कामर्स मिनिस्टर से एक ही अर्ज किया था बार-बार कि रेटिफिकेशन के पहले पार्लियामेंट को कंसल्ट कर लीजिएगा। अब आप बताएं

कि क्या कंसलटेशन का मतलब होता है एप्रुवल और इन्होंने कहा कि नो कंसलटेशन, हम आपसे कोई बात नहीं करेंगे अगर आप समझते हैं कि विपक्ष के सब बैठे हुए लोग नाबालिग हैं, बेअकल हैं, तो आपकी खुशी है। इसलिए पहली बात हम फिर से दोहराना चाहते हैं कि जो अब टूटी बनेगी, जो एग्रीमेंट होगा उसके रेटिफिकेशन के लिए एक साल का समय है और वसा करने के पहले पूछ लेने में कोई भी हर्ज नहीं है। मैं यह इस आधार पर भी आपसे कह रहा हूँ कि मैंने चार महीने तक काम किया है आपकी स्टैंडिंग कमेटी में जिसका कोटेशन अभी हमारे माननीय सदस्य श्री विश्वजित पृथ्वी जितजी दे रहे थे। मैं दोहराता हूँ जिस हंग से, केवेलियर फीशन में हमारे कामर्स मिनिस्टर सबालो का जबाब देकर भाग जाते हैं और आप लंग इधर-उधर कर देते हैं। यह आपकी खुशी है। अगर आप हमको यह बताते कि यह एक अनएवोएडेबल डेविल है तो हम आपकी बात सुनने को तैयार थे। मुझ-मण्यम स्वामी जी कहते हैं, ऐसा लमता है कि इन्होंने ही गेट की मोटिंग बुलवाई थी। यह भी तो सामने आना चाहिए कि क्या स्थिति थी। मैं आपको स्पष्ट शब्दों में कहना चाहता हूँ कि सारा उद्देश्य यह है कि थर्ड वर्ड के एग्रीकल्चर मार्केट पर वह कब्जा करना चाहते हैं। हम अगर निकल जायेंगे तो इसलिए कि हमारा लेबर कास्ट इतना कम है कि वह हम से वारगेन नहीं कर सकते हैं इसलिए भारत निकलेगा, इसलिए नहीं निकलियेगा कि आप टैक्नोलॉजी में बढ़ जाइयेगा। ट्रांसफर है इस दल से उस दल कूदने का काम है, टैक्नोलॉजी इधर से उधर करके चला जाएगा। टैक्नोलॉजी की आधार साईम होती है और उसमें हम पीछे हैं। क्यों नहीं हम मानते? इसलिए एक-एक करके मैं प्रश्न आपके सामने रखना चाहता हूँ कि क्या-क्या बातें इसके अंदर हैं। हम फिर अर्ज करेंगे प्रधान मंत्री से कि आप रेटिफिकेशन से पहले सब को कंपीजेंस में लेकर के आगे बढ़िए, क्योंकि काफी कठिन परिस्थिति है। वह लोग आपको दबाने के लिए जा रहे हैं, यह निश्चित बात है। यह हम आपको कह देते हैं। दूसरा हम

आपसे कहना चाहेंगे कि आपने कई बार कहा है, भाषण दिया है कि हम किसी के सामने झुकेंगे नहीं और हम विश्वास करते हैं कि यह भाषण देने के पीछे आपको यहां की 85 करोड़ जनता की मनोभावना का एक बल है, इसलिए आप कहते हैं। अगर आपका यह सच है तो मैं आपका ध्यान जो गेट है उसके रूल 36 की ओर आकर्षित कर रहा हूँ उसमें लिखा हुआ है कि अंकटाड के बहस के मुताबिक रूल में परिवर्तन हुआ कि जो डिबैलण्ड कंट्रीज हैं उनके लिए जो व्यापार की शर्त रहेगी वही शर्त डिबैलपिक कंट्रीज के लिए, जो पिछड़े पड़े हुए हैं उनके लिए नहीं रहेगी जब हमने यह प्रश्न पूछा कामर्स मिनिस्टर से तो वह भाग खड़े हुए, आपको हम जवाब नहीं देंगे। अगर आप नहीं जवाब देंगे तो हम आपको पकड़ कर धोड़ा तो नहीं हैं आप कि लगातार लगाकर हम ले आयेंगे। आप भाग जा सकते हैं। लेकिन सवाल पूछेंगे तो कोई जवाब दिया जाएगा या नहीं? इसलिए मैं आपसे कहूंगा कि अगर आपको हिम्मत है तो अंकटाड में आप इस सवाल को ले जाएं। हम आपको यह भी नहीं रोकेंगे कि कहीं भी या कमेटी की रिपोर्ट में या दूसरी जगह कि आप अभी दस्तखत कीजिए या नहीं, मैंने कहा कि समय लीजिए, जल्दबाजी में यह गलती मत दोहराइये। बागेंन करने का और भी मौका है। क्यों हैं? इसलिए कि भारत एक बहुत बड़ा बाजार है और जो डिबैलण्ड कंट्रीज हैं वहां पर भारी रिलेशन है, भारी मंडी है, इसलिए उनकी भी बाजार की जरूरत है। यह ट्रेड वार की तरफ जा रहे हैं। हमारे सुबह मध्यम स्वामी जी ने कहा कि कपड़ा में इनको बहुत छूट मिली है। मैं प्रश्न करता हूँ और प्रधान मंत्री जी आप बैठे हुए हैं एनेक्स्चर देख लीजिए जो डंकल डाफ्ट आया है उसका, उसमें उन्होंने ऐसी चीजों को जोड़ दिया है, बड़ी लंबी सूची में जो आज तक कहीं ट्रेड में उसका हिस्सा नहीं होता था। भारत यों ही भेजा करता था सब कुछ भेजा करता था। अगर वह एवरेज निकाल देंगे उन चीजों का तो हमको क्या मिलेगा, लड्डू? हम आपसे पूछना चाहते हैं। फिर हम कामर्स मिनिस्टर से पूछना चाहते हैं कि

अभी इन्होंने नेफ्टा एग्रीमेंट किया। उसमें शर्त है कि अमरीका सूता बनाएगा, मैक्सिको कपड़ा बनाएगा और टैरिफ जो है जीरो लैवल पर जाएगा। क्या भारत की यह क्षमता है कि हम जीरो लैवल प्राइस कर देंगे। क्या हमारे वित्त मंत्री एक दिन भी देश चला सकेंगे? एक सर्टेन हालत तो हमको रखनी पड़ेगी और उसको उन्होंने जीरो कर दिया है। वह यूरोप मुकाबला करने के लिए रास्ता बना रहे हैं और हमारा व्यापार वहां जा नहीं सकता है और जो आपको कह रहा है कि यह 50 परसेंट जाएगा (व्यवधान) यह व्यवस्था तो एक-एक करके होगा।

**उपसभापति :** आप व्यवस्था पूछ लीजिए, आप नेफ्टा पर आयेंगे तो बहुत समय लग जाएगा।

**श्री चतुरानन मिश्र :** नहीं तो हम क्या करें, आप ही बताइये।

THE DEPUTY CHAIRMAN: Ask questions. That is better.

SHRI CHATURANAN MISHRA: I am explaining my questions.

दूसरा सभी राट्रों का यह इससे कितना नुकसान होगा, कितना नफा होगा और मैंने उस दिन अमरीका के प्रेसीडेंट का भाषण भी पढ़ करके सुना दिया था कि उन्होंने कहा कि हमारे यहां एक करोड़ चार लाख आदमियों को रोजी मिलेगी। मैं सरकार से जानना चाहता हूँ कि आपने वर्क आउट किया है कि डंकल प्रोपोजल मानने से इस देश में कितने लोगों को रोजगार मिलेगा आप यह सदन को बताइये, देश को बताइये? उन्होंने कहा है कि इसके चलते एवरेज फेमिली का इनकम 1700 डॉलर बढ़ जाएगा। आपने वर्क-आउट किया है, बता दीजिए कि इसको कि इसको एक्सेप्ट करने से देशवासियों कि पारिवारिक आमदनी कितनी बढ़ जाएगी? आप कह रहे हैं कि अपने मन में रख लेते हैं, नहीं करेंगे तो यू० एस० लां 301 चला आएगा हमने आपसे कहा कि यह मत कीजिए। आप पूरे एग्रीमेंट में कहीं भी दिखला दीजिए कि अमेरिका ने स्वीकार कि

यू० एस० ट्रेड ला 301 रिपील कर देगा, उसे लागू नहीं करेगा ? यह कहीं भी नहीं लिखा हुआ है । हमारे सामने एकी-डेंस है कि चर्चा की जा रही है, यूरोप वाले भी कह रहे हैं, लेकिन कहीं लिखा हुआ नहीं है । तो हम लिखे हुए पर जाएं या किस चीज पर जाएं ?

दूसरे टैरिफ रिडक्शन की बात है उसको सुन लीजिए । टैरिफ रिडक्शन मान लीजिए फूड ग्रेस में होता है । उन्होंने मकई में कर दिया और हम राइस एक्सपोर्ट करते हैं । अगर एवरेज निकाल दिया मकई में हटाकर तो एवरेज में तो भारे जाएंगे । आपको मालूम है, एवरेज की कहानी में एक आदमी नदी में डूबकर मर गया था, तो यही एवरेज हो जाएगा । तो अगर यह हमको आइटम बाइज दे दिया जाता कि इतना परसेंट हटाएंगे, तब हम समझते । इसलिए कॉमर्स मिनिस्टर इसे साफ करें कि यह कैसे करेंगे ?

स्वीजनरस की बात अभी कही गई उसके लिए कानून बनाने की बात है । मुझे प्रसन्नता है कि कॉमर्स मिनिस्टर ने कहा था कि हम ऐसा कानून बना लेंगे । कमेटी ने तो आपसे पहले ही आग्रह किया था कि पहले कानून बना लीजिए, लेकिन आप भारत को बिना तैयारी के झोंके चले जा रहे हैं । यही आपकी नयी आर्थिक नीति है और ऐसे ही यह भी है ।

फिर पब्लिक डिस्ट्रीब्यूशन में, मैं जानता हूँ कि उसमें एक प्रोजेक्शन है, लेकिन उसमें दूसरा क्लॉज भी है जिसे कि साफ करा लेना बहुत जरूरी है । वह कहते हैं कि मार्केट प्राइस पर आप खरीदिए और मार्केट प्राइस पर आप दीजिए । तो हमारी सरकार के पास इतना रुपया कहाँ से आएगा कि पब्लिक डिस्ट्रीब्यूशन सिस्टम वह चला सकेगी ? इसीलिए हम कह रहे थे कि उस बारे में क्लेरीफिकेशन उसके अन्दर नहीं है । उपसभापति जी सपोर्ट प्राइस भी हमारे लिए अनिवार्य है कि हम किसानों को सपोर्ट प्राइस दे । जो लोग अभी क्रूद रहे हैं कि विदेश में भेज देंगे लेकिन जब मन्दी जाएगी तो वही नेता, लोग कहेंगे कि सरकार क्यों नहीं खरीदती है ?

श्री भूपेन्द्र सिंह मान : नहीं कहेंगे ।

श्री चतुरानन मिश्र : अभी कह रहे हैं नहीं, लेकिन जब बिजली के रेट बढ़ाए तो सब लोग छटपटाने लगे (व्यवधान)

उपसभापति : मिश्र जी, जरा संक्षिप्त में कहिए ।

श्री चतुरानन मिश्र : पंडित जी नारा लगा रहे हैं, अमेरिकन झरणम् गच्छामि ।

श्री भूपेन्द्र सिंह (नाम निर्वाचन) : आप कम्पटीशन फेस करने से डरते हैं

श्री चतुरानन मिश्र : हमने तो कम्पटीशन ऐसा किया था कि : (व्यवधान)

THE DEPUTY CHAIRMAN: Order in the House.. (Interruptions).. Ask your questions.

श्री चतुरानन मिश्र : आप देख रही कि मैं तो एक-एक कर के क्लियर रहा हूँ ।

राज्य से परामर्श करने की चर्चा हमने कॉमर्स मिनिस्टर से उस दिन की थी । आप कहते हैं कि राज्यों की बात नहीं मानेंगे, हम को ट्रीडी करने का अधिकार है । हम आपको नहीं रोकते हैं । हम ने आपसे कहा था कि हम नहीं रोकेंगे, लेकिन राज्य को अधिकार है कि वह आपना एग्रीमेंट कर ले । यह भी कहा गया है कि यह स्टेट-लिस्ट में है, इसलिए हमारा किसान चोरी से या जैसे भी होगा अपने बीज की व्यवस्था करेगा । आप कुछ नहीं कर सकते हैं । आप क्या कीजिएगा ? यू० एस० फोर्स को भेजिएगा या आर्मी को भेजिएगा उन किसानों को दबाने के लिए ? मान लीजिए बंगाल की सरकार या बिहार की सरकार आपकी बात नहीं मानेगा, तो हमने कहा कि आप कन सल्टेशन कर लीजिए, तो कौनसा गुनाह किया ? आप मानने के लिए तैयार नहीं हैं और कहते हैं कि इसको भी नहीं मानेंगे । यह क्रास-रिटालिएशन है । सब बात हो

जाएगी तब क्रॉस-रिटालिएशन होगा ? यह क्रॉस-रिटालिएशन क्या है ? यह हाथी और सूहे की लड़ाई हो रही है और यह कहते हैं सूहे को कि तुम मदद हो, तुमको भी धक्का मारने का हक है । अमेरिका को हम क्या क्रॉस-रिटालिएशन करेंगे ? हम उसका क्या बदला ले सकते हैं ? अमेरिका कौनसी चीज पर हमारे ऊपर निर्भर है ?

SHRI SUBRAMANIAN SWAMY. No, no.

SHRI CHATURANAN MISHRA: Then, you don't understand.

SHRI SUBRAMANIAN SWAMY: No, you don't understand.

SHRI CHATURANAN MISHRA: Then, don't say, "no, no."

SHRI SUBRAMANIAN SWAMY: It is not cross-retaliation.

SHRI CHATURANAN MISHRA: It is cross-retaliation. The final judgment is cross-retaliation.

THE DEPUTY CHAIRMAN: Chatura-nan Ji, now you have taken quite some time. Will you please put your questions without indulging in cross-talks?

श्री चतुर नन मिश्र : तो हम एक-एक करके सब बातें साफ करने के लिए कह रहे हैं । कम्पलसरी लायसेंसिंग का उसमें प्रोवीजन है कि कम्पलसरी लायसेंसिंग की जा सकती है, लेकिन उसके लिए ला बनाने की जरूरत थी, पर हमने अभी तक ला नहीं बनाया । इसीलिए हम समझते हैं कि आपने देश को तैयार नहीं किया । कई माननीय सदस्यों ने कहा फारेन एक्स-चेंज के क्राइसेस के बारे में, वह भी डिफाइन नहीं है कि क्या होगा, नहीं होगा । मिनिमम क्राइसेस के बारे में भी डिफाइन नहीं है कि कैसा होगा, कैसा नहीं होगा ।

अखिर में, मैं आप कहना चाहता हूँ कि टैरीफ के बारे में इन जनरल जो बात हैं, वह स्वतंत्रता हमारे वित्तमंत्री को रहनी चाहिए, किसमें हम टैरीफ कितना लगाएंगे, कितना नहीं लगाएंगे और यहां

उह साल में हम इतना घटाकर इतना ला देंगे । अब एक ही समान तो विकास नहीं होगा सारी दुनिया का और भारत का भी वैसा विकास नहीं होगा । पर-सेंटेज को बात मैं आपको कह रहा हूँ, हमारी 10 परसेंट सबसिडि और उनकी एक परसेंट सबसिडि, तो हमारा 10 परसेंट जो है और उनका एक परसेंट दोनों में दस गुना, बीस गुना का फर्क होगा, अगर एकाउण्ट करके देखें तो । इसलिए हम आपसे यही कहना चाहेंगे और फिर आपसे अनुरोध करेंगे । बायो-डाइवर्सिटी कनवेंशन के बारे में जो बोल चुके हैं, इसलिए उसमें वह होना चाहिए ।

मैं फिर प्रधानमंत्री जी से जानना चाहूंगा इतना महत्वपूर्ण सवाल है, आपने राष्ट्र को कहा था कि हम आम सहमत से आसन करेंगे तो रेटिफिकेशन के पहले आप पार्लियामेंट और राज्य सरकारों को भी क्या विश्वास में लेंगे । ? क्योंकि देश की प्रगति आप मुट्ठी भर लोगों से नहीं होगी । कृषि की प्रगति अगर होगी तो राज्य सरकारों का उसमें बहुत बड़ा योगदान होगा । इसीलिए मैं आपसे कहूंगा कि सबको साथ लेकर चलिए । मैं इस बात से सहमत हूँ कि कठिन परिस्थितियों में हमारा राष्ट्र पड़ा हुआ है, अमरीकी दबाव बहुत ज्यादा है, लेकिन हम यह भी समझते हैं कि हिम्मत करके पूरे राष्ट्र को साथ लेकर चलने से इसका मुकाबला किया जा सकता है । इसमें आपसे चुक हो रही है, यही मुझे आपसे कहना है ।

THE DEPUTY CHAIRMAN: Now, Mr. Ashok Mitral I would suggest that Members should ask pointed questions only and they would get pointed answers.

SHRI ASHOK MITRAL: Madam, I am sorry if I sound impolite. But the session that we are holding is a bit like locking the stable door after the horse has flown. We could seek clarifications and we would be given clarifications, but a fact cannot be unmade, and the fact is that our Government

was abominably surrendered the national interests, may be for a hundred years. Even so, we would seek clarification because the nation must know what apology the Government is furnishing for the way it has behaved.

So, I come to my first question. It is really a puzzle to me: Why did the Government surrender so easily and in such a pathetic manner? The very distinct organizational structure of the GATT provided us an opportunity to bargain and continue to bargain, because, unlike other international agencies, GATT does not operate on the basis of majority and minority shares or quotas. It insists on unanimity; it insists on consensus. All the 100-odd members must agree. Otherwise, there may be no agreement, and that was the reason why there was so much pressure exerted to have unanimity, everybody should fall in line. But we could have stuck out. We could have said "No" on issue of TRIPS. We have questions, we have problems, and we have difficulties. We could have said that we wanted to be satisfied and until and as long we were not satisfied, we would not give our consent. And, if we did not give our consent, there would have been no agreement and they would have come down on bended knees to us and tried to satisfy us a little bit by offering certain concessions or other. I know how Portugal got 500 million dollars out of Spain by holding out and we could have held out in such a manner. I know the question that has been raised whether we could not have operated in isolation. There is no question of operating in isolation because what would have happened if we had said "No", if we were obstinate and if we had said that we would not sign? Then, in order to set in motion the new trade order of the other members of the GATT would have to quit the GATT and set up a new trading organization.

That would have involved a well-drawn-out process. And even assuming that they did set up such a separate body at the last moment we

ourselves could have joined such an organisation, but in the meanwhile we could have fought, fought and fought for our own interests. We did not do so. And it was extremely uncharitable on the part of the Commerce Minister to allege last week that we had to do so because 38 other Third World countries, led by Argentina, rattled earlier. Let us not forget episode is another unwholesome story, about who. But let us not get into that, let us not begin an intra-mural recrimination between the Third World countries. Let us try to draw them together and not be shown up as enemies of one another.

But I come back to my original question; Why didn't we use our bargaining counter that we had? As you know, the new Director-General of GATT had visited our country a few weeks ago. And he said point-blank that whatever the reservations of India about TRIPS, about agriculture, about farmers' rights and other things, there could be no change in The Text, India will have to sign on the dotted line, after signing on the dotted line, India might approach country 'A', country 'B' or country 'C' for special benediction. This is where I feel so sad. Till as long as we would not have signed, we held a certain advantage on our side. They will come to us. They will try to please us. Now, having signed, we have to beg of them, listen to you do *or-ne* favour, we are your obedient *prvonts*, we always listen to you, "do us a favour, let us survive. This kind of a situation, we could have easily saved ourselves from. But we did not.

Next. I wish the Commerce Minister would enlighten me on the reasons for the castles in the air they are building with regard to the prospects of agricultural exports. Let us assume Europe reduces subsidy by 20 per cent. But what are the major agricultural crops where we compete with Europe? Rice and wheat. The only area I can think of is, maybe sugar, the only area where »dth a

presumptive decline in subsidies in Europe, we might get some additional advantage. Nothing beyond that. about textiles, I think, my colleague, Shri Chaturanan Mishra has already mentioned that the American Congressional leaders have gone on record that irrespective of whether the new international trade structure comes up or not, the American trade and tariff laws would remain immaculate; they would not be disturbed. So, Special and Super 301 would stay. That is point number one. Number two, most of the assumed reduction in tariffs or quotas would come at the fag end of the transitional period of ten years. Even when they come would we be able to stand in competition with Korea, with China or, with Japan? So, I think, we should do our arithmetic over and over again. But with this kind of official optimism, maybe goes a kind of auto suggestion, we try to cheer ourselves up, lift our morale up. But there is no objective ground for cherishing hope of this a kind. Now, about this whole business of input and output subsidies to agriculture, there are some calculations and estimates. I have not seen any calculations where we have been informed about any details of the calculations. You say that we should not worry because we have not, recent years, offered any subsidy beyond 10 per cent to our farmers. In fact you say that what you are offering is negative subsidy. I am not used to the sophisticated language of the Commerce or the Finance Minister. In my simple understanding, negative subsidy means taxation. Are we seriously suggesting that we are taxing our agriculture? Is that the reality? Again, what are your prices? There is no use sticking to one set of prices. Are the prices you are calculating based on border prices of international prices or are they domestic prices in Hissar or Belgaum or some other place in the country? There could be arithmetic exercises and arithmetic exercises, but we cannot delude ourselves by offering some figures just for the sake of

offering figures because we have already surrendered... - Our case and looking for apologies.

I want to put a very pointed question. Suppose there is a crop failure in the country five or ten years hence and the prices of basic cereals show up to Rs. 40 or Rs. 50 per kg. Would you not be bound by this Agreement to offer a subsidy of only Rs. 4 Rs. 5 per kg to our growers so that the average Indian consumer—tens of millions in the countryside—would be forced to buy wheat or rice at Rs. 35 per kg? Is that the regime that is being ushered in through with apologies to Shri Subramania Swamy—the Dunkel Draft? *(Tim bell)*. The Commerce Minister himself has admitted that on TRIPS, he has drawn a blank, but he has not told the country as to what are the implications of this drawing a blank. Is it not true that as a consequence for the next twenty years, even in definitely, we can forget technological development we can forget the induction of adaptive technology? With this total moratorium on both the product and process patents, what would happen is that we would be totally let down our technologists our scientists would be stymied while trying to adapt any new technology. If, for example, these proposals were enforced some decades back, there would have been no Japan. Japan developed on the basis of adaptive technology. What TRIPS is trying to enforce is to put a blanket ban on this type of adaptive technology. In this sphere, we now have to follow the lead of the imperialists and the colonialists. Whatever they offer to us we have to accept at the price they offer to us and we have no right to be original, no right to be adaptive. Am I right, or am I wrong? THE DEPUTY CHAIRMAN: Thank you. Can I call the next speaker.

SHRI ASHOK MITRA: My final question is to the Prime Minister himself. I remember, on the last day of the Monsoon Session, the Prime Minister made it clear that he did not feel constrained to take the prior

permission of Parliament because the Dunkel Draft was an international treaty. Can he put his hand to his heart and say that this is just an ordinary external treaty involving only the external relationship between our country and foreign countries? This is a treaty which involves the fundamentals of our polity and our economy. It involves our production structure. It involves our distribution structure. It involves our pricing structure. Therefore, can he say that on matters of production, on matters of pricing and on matters of distribution, Parliament should have no say? Even if you forget about this particular problem, there is the problem of the standing Committee, which has been snubbed truly and properly. The Government has informed the Standing Committee and the nation what it thinks of this kind of Committees—committees are there for the sake of committees, the Government got in one direction and the committees in another direction. But you still have to come back to Parliament to Patents Act. How do you presume that Parliament will go along with you? There are still some patriots left even in your party who might protest against this 're-colonisation of the land. What will you do?

THE DEPUTY CHAIRMAN; Mitra, please put questions. Or if you have finished, I will call another speaker.

SHRI ASHOK MITRA; I will take exactly two minutes. If the Prime Minister allows me a couple of minutes....

THE DEPUTY CHAIRMAN; It is the Deputy Chairman, not the Prime Minister, who has to allow.

THE PRIME MINISTER (SHRI NARASIMHA\* RAO). Kindly yield for half a minute. I have never said anything Which he just now said I said in Lok Sabha at some time, I do not recall, and it is not my intention to ever say, that in these matters or in matters concerning the nation the Parliament shall have no say; never.

SHRI ASHOK MITRA; *i* remember this as the Statement of the Prime Minister as reported in the press. It was reported that he did not feel that prior consultation of Parliament was necessary for carrying on with the GATT negotiations. Anyway, that is all fair enough.

THE DEPUTY CHAIRMAN; Mr. Mitra, I have to call other people. You have made a long speech on this subject. This is a clarification and we have to be brief.

SHRI ASHOK MITRA; Am I hurting anybody? Just two sentences.

THE DEPUTY CHAIRMAN; It is not the question of hurting. We have to work within a certain time-limit.

SHRI RAJNI RANJAN SAHU (Bihar); He has been a Member of the Standing Parliamentary Committee, but he has never attended a meeting. He has not attended single-meeting.

SHRI S. JAIPAL REDDY; Not only did he attend some meeting, he attended a number of meetings.

SHRI ASHOK MITRA: The Government knew that the GATT negotiations involved States' rights involved Constitutional issues. Why did the Prime Minister not convene the National Development Council, why did he not convene the inter-State Council. What will happen if Orisa says, no, Bengal says, no; Bihar says; no; Uttar Pradesh says, no; and I would add, Rajasthan says, no, Tamil Nadu say, no? Where will the issue end? I will repeat what my colleague said shall he march troops to the States of India or shall he decide to promulgate article 356 over a large part of the country in order to enforce this charter of total surrender to foreigners.

SHRI. JAGESH DESAI (Maharashtra); Maam Deputy Chairman, till recent past three of the developing countries, India, Brazil and Argentina, fought for the cause of all the



developing countries on various forums of the world. I was in Geneva in 1987 in the United Nations Trade and Development Conference and I saw that these three countries were leading and trying to fight all the causes of the developing countries. But Madam, unfortunately, Argentina and Brazil, for their own domestic reasons, because of the financial organisations of the Super power, they succumbed to the pressure. But India remained firm, stood the ground and tried its best to get whatever concessions were possible in this regard at this Conference. I am very happy that our Government and our Chief Negotiator did their best for the interests of the developing countries and we have seen that many concessions were given after that kind of negotiations. I will point out two. I have gone through the Standing Committee report. They were very much worried about the financial sector services. Super Powers and developed countries wanted these services to be included in the GATT agreement, but because of the pressure of countries like India, it has not been included. And that was one of the planks on which the Standing Committee has given its report. As regards foreign investment, there also we have taken care that our country's sovereignty would remain. Wherever we think that foreign investment is in the interests of the country, we shall invite it on our own terms and conditions, and if they have to send out remittances because of profit, then we can put export performance also as a condition. We have taken all these steps to see that our interests are preserved.

One of the biggest achievement\*—and I must compliment our Commerce Minister and our negotiating team—is regarding non-product and product specific subsidies (On non-product subsidies like fertilizers, credit facilities, water and electricity at present according to the calculations of 1986-1986 we have a deficit of

Rs. 19,000 crores. As regards product specific subsidy, except in three items it is mostly negative. Now both will be combined and, as such, for years to come we shall be able to give subsidy to our farmers so that they can produce at a price which they can afford.

Again, regarding BOP I would like to get it clear from the Minister: What do you mean by BOP? Is it only on trade account? Is it only on account of export and import, that is, current account, or do you have to add to that the instalments of the debts you have taken and the interest you have to pay? Is that to be added or not? If that has to be added—according to my perception that has to be added—then for years to come we shall be under the exchange cover and, as such, the question of import of foodgrains will not arise. That is my perception.

Regarding textiles, since 20 years we have been fighting that the quota regime should be abolished. We are now successful that after 10 years it will be abolished. And they wanted access to their own textiles but we did not give way. Only industrial textiles will be allowed. So I would like to know from the hon. Minister how much at present we are importing as industrial textiles and how much we are exporting, that is garments and textiles and in future to what extent we shall require these industrial textiles. If that is given to the House, people will understand as to what extent we have benefited from this kind of an agreement. As such, I demand of the Minister that this figure should be given to us. Lastly, Madam, I would talk about services. We have not allowed the financial sector to come in. It is not part of GATT. But, as far as technicians and skilled labour are concerned, there we shall be able to send many of our people outside the country. ..(Interruptions) ... At present many are going

out and because of that we are getting remittances from abroad. Now there will be a wider scope and that will help us as regards building up of our foreign exchange reserves. And this is one of the best efforts that our Government has made.

Earlier I had some misconceptions about this but when I have gone in details through the report, I am' convinced that under the circumstances there cannot be any better concessions than what we have obtained. So, on behalf of the people of the country I compliment the Government on this GATT agreement.

SHRI KAMAL MORAIEKA X Rajas-than). Madam I will not take much time Most of the relevant points have already been made. I would mention only two or three small points for the attention of the Minister.

First, I want to know whether it is not a fact that this is the first agreement that we are entering into, which goes beyond the border. All trade agreements till today have restricted themselves to the tariff border. Is it not the first agreement which goes into the interior of the country? We on this side may be using very strong language when we say that you have surrendered the sovereignty of the country or that the country's independence is in danger, but we do feel that our sovereign right as an independent nation has been affected to that extent. I would like to know from the Commerce Minister whether Tier I if my perception is correct, it was not correct to take the country into confidence and build up public opinion. My friend, Mr. Vishvjit P. Singh, has said that much of what we are saying is on the basis of misconception. It may be true, but who is responsible for the misconception? Ever since the Dunkel draft came, why has the Government of India not given wide publicity in the form of question and answer? After all, you know most of the questions which are of concern to us. You have seen that most of the Members are

repeating the same questions. It could have been in the simple question-and-answer way for the ordinary, common man to understand for all of us to understand, what exactly it involves for the country, what the Government's point of view is on why it thinks it should be commended. I think much of this discussion could have been simplified. I would like to know from the Minister whether this is not a far-reaching agreement in the sense that it does involve internal decision-making of the country and the Government of India and to that extent our position has been compromised.

Then, on the agricultural sector I want to mention two points. I understand that there is now a ceiling of 10 per cent on subsidy. Does this mean only direct subsidies like lower electricity tariff, irrigation, irrigation concession\*, fertiliser subsidies and the input subsidies or only the direct subsidy? The Government's viewpoint is that our present subsidy is only two, three per cent. My friend, Dr. Ashok Mitra, said that there is one from of opinion that there is a negative subsidy. I do not want to get into an argument on the various shades of farmers' opinion. There is Mr. Bhupinder Mann. There is Dr. Nanjundaswamy in Karnataka.. I don't want to get into that argument. I would like to know from the Government what, in the opinion of the Government, the level of the subsidy is today, which would qualify as subsidy under this new arrangement. What is our present level when we take into account whatever Rs included in what they call 10 per cent? Secondly, is there any commitment for compulsory import? There is a feeling that 3 per cent import would become compulsory. I want to put on record that Mrs. Indira Gandhi made this country self-sufficient in foodgrains. It is one of the greatest achievements that one-sixth of the humanity is growing its own food. I don't share the perception that we are one of the 117

unique. I do feel that just as in the case of the NPT, India can take a stand which we feel to be morally correct and we can brave it out. The third world countries are looking to us for leadership. The leadership was given by Jawaharlal Nehru and Indira Gandhi. There is no reason for us to feel diffident today.

That apart, on import, suppose we take a conscious decision that for the next ten, twenty years we don't want to import a single kilogram of food-gratbis. Does this new agreement in any way hamper that decision? I want a clear-cut answer to this.

The third is about the matter of interpretation on what constitutes the 10 per cent, what exactly the Text means etc. Apart from the Text which has been circulated, are there other binding documents with the Government of India which it is going to sign, or does the interpretation depend on the GATT bureaucrats? It is not binding on anybody. Bureaucrats come and go. Everybody gives his own interpretation. Apart from the Text that has been circulated, are there annexureg or other documents which give a clear interpretation of what subsidy constitutes? Is there a definition sheet, or will that be a matter of opinion?

These are my only, limited points. I will be happy if the Commerce Minister would reply to these.

6.00 P.M. श्री भूपेन्द्र सिंह मन् : मेडम, उरु राउण्ड के ड्राफ्ट फाइनल एक्ट के संबंध में कुछ पूछने के लिए मैं खड़ा हुआ हूँ। नेगेटिव सबसिडी जो इस वक्त बताई गई है कि फार्मर्स को मिल रही है, जो "एल" चेप्टर में एनेक्चर दिया गया है उनमें जो 17 चीजें दी गई हैं जिनमें नेगेटिव सबसिडी है या पोजीटिव सबसिडी है उ नमें से तीन चीजें हैं जिनमें पोजीटिव सबसिडी कही गई है। बाकी चीजें हैं जिनमें नेगेटिव सबसिडी है और एग्नीगेट नेगेटिव सबसिडी जो

उसका अगर परसेंटज निकालें तो वह 50 परसेंट आती है। उसमें भी तीन चीजों पर पोजीटिव सबसिडी दी गई है। उसमें यह कहा गया है कि सुगरकैन के ऊपर जो पोजीटिव सबसिडी दी गई है वह वास्तव में इनएफिसिएन्ट सुगर मिलों को जाती है, किसानों को नहीं जाती है। ऐसे ही बिजली के ऊपर सबसिडी की बात कही गई है कि इतनी बिजली को सबसिडी दी जाती है। फार्मर्स को उसमें कहा गया है कि यह बिजली को सबसिडी है। वास्तव में यह इनएफिसिएन्ट बिजली प्रोडक्शन को जाती है। यह फार्मर्स को बहुत कम जाती है। उसमें जो सबसिडी जाती है उसका रेशियो भी दिया गया है। इतनी इनएफिसिएन्ट होते हुए भी जो नेगेटिव सबसिडी दी जाती है, इसलिए क्या मंत्री जी बताएंगे कि जैसे पहले भी कुछ मित्रों ने शंका जाहिर की है कि नेगेटिव सबसिडी एक टैक्स होता है तो क्या इतनी नेगेटिव सबसिडी से इतना बड़ा किसानों से टैक्स देश लाता रहा है और उसको बताया नहीं क्योंकि शायद अच्छा नहीं लगता हो, बुरा लगता हो, शर्म आती होगी कि किसान जिसको रीढ़ की हड्डी कहते हैं उसकी बड़ी प्रशंसा करते हैं कि वह देश के लिए पैदा करे उसको 50 परसेंट नेगेटिव सबसिडी देते हैं? मंत्री जी यह बतायें कि जैसे सात देशों में दो एकाउन्ट होते हैं एक नम्बर एक का एकाउन्ट होता है और दूसरा नम्बर दो का एकाउन्ट होता है जिसमें कहा जाता है कि नम्बर एक का एकाउन्ट वह होता है जो टैक्स देता है यह दिखाता है जो एकाउन्ट होता है और दूसरा नम्बर दो का एकाउन्ट होता है वह आप में बांटने की बात करने के लिए होता है इसलिए क्या सरकार के पास दो एकाउन्ट हैं? रेडियो और टी.वी. पर किसान को पोजीटिव सबसिडी 5.2 परसेंट 2.9 परसेंट या कितनी है यह बताया जाता है। उरुवे राउण्ड के ड्राफ्ट फाइनल एक्ट के लिए सबसिडी नेगेटिव 50 परसेंट बताई गई तो इसका एम्पेक्ट क्या होगा एक वस्तु के लिए अगर नेगेटिव सबसिडी दी जाती है या उससे कहे कि टैक्स लि जाता है तो सारी पैदावार के ऊपर उस असर नहीं पड़ता है?

**उपसभापति :** मान साहब, आप क्वेश्चन पूछिये ।

**श्री भूपेश सिंह मान :** मैडम, मैं सीधे सवाल ही पूछ रहा हूँ । इसलिए क्या कह कर क्वेश्चन माके लगा रहा हूँ । मैं यह जानना चाहता हूँ कि कि जब एक वस्तु के ऊपर नेगेटिव सब्सिडी देकर उसपर टैक्स लगा कर आप देते हैं तो क्या उसका असर सारी जो दो सौ के आसपास चीजें हैं, एग्रीकल्चर प्रोड्यूस की जो चीजें हैं उन पर नहीं पड़ता है जैसे कि अगर गेहूँ के ऊपर नेगेटिव सब्सिडी होगी तो गेहूँ सस्ता होगा तो क्या उसका असर चावल पर नहीं पड़ेगा, सब्जी के ऊपर नहीं पड़ेगा या बाकी एग्रीकल्चरल प्रोड्यूस पर नहीं पड़ेगा ?

दूसरी यह जो नेगेटिव सब्सिडी इनएफिसिएंट सुगर मिलों के लिए कही गई है या इनएफिसिएंट बिजली प्रोडक्शन को कही गई है, इसमें क्या कम्पीटिशन है ? इसमें बिल्कुल मोनोपोली है । न तो किसान को कोई फायदा है और न ही कोई गन्ने की फैक्ट्री लगा सकता है ताकि वह गन्ना प्रोसेस कर ले । तो क्या आप इसको फ्री करेंगे कि इसमें कम्पीटिशन हो और कम्पीटिशन जो है वह कंज्यूमर के लिए भी अच्छा होता है और प्रोड्यूसर के लिए भी अच्छा होता है । जब कम्पीटिशन की बात हो रही है तो क्या आप इसको अन्दर भी एलाऊ करेंगे, बाहर तो एलाऊ करने की बात हो गई है, अन्दर भी सी कम्पीटिशन एलाऊ करेंगे और एफिसिएन्सी को बढ़ावा देंगे ? तीसरी बात मैं यह कहना चाहता हूँ कि एक्सपोर्ट पर जो रेस्ट्रिक्शन लगी रही, क्या वे अब खत्म होंगी ? यह कहा जाता रहा है कि वेल्यू एडिशन करके हम चीजें बाहर भेजेंगे जैसे कि काटन से टैक्सटाइल बना कर भेजेंगे क्योंकि वेल्यू एडिशन होती है और क्या कपास के बीज से कपास पैदा करना कपास के बीज में वेल्यू एडिशन करना नहीं होता है ? कितना वेल्यू एडिशन एक गेहूँ के दाने से हुआ क्या यह सौ गुना वेल्यू एडिशन नहीं होता ? यह वेल्यू एडिशन की जो बात है यह खेती में भी लाना चाहिये या सिर्फ खेती का सस्ता रा-

मेटेरियल आज तक सरकार की प्रोटेक्शन लेकर जो किसान से लेते रहे या गांवों से लेते रहे वह सिर्फ उसी तक रखेंगे या उसे गांव तक भी जाने देंगे ? आज गांव, प्रोटेक्टनिस्ट, सरकार जिनको प्रोटेक्शन देती रही, उनका गुलाम होकर रह गया था तो क्या यह आजादी, यह लिबलाइजेशन गांवों के खेतों तक पहुंचेगी, इसका मुझे आश्वासन

तीसरा, मैडम, लिबलाइजेशन और नाइथ शैड्यूल इन दोनों में कन्ट्राडिक्शन है । नाइथ शैड्यूल में यह आता है कि हम कम्पलसरी प्रोक्योरमेंट करेंगे जबकि लिबलाइजेशन में यह कहते हैं कि मार्केट फोर्सेस अप्लाई होंगे । इसलिये आप मुझे यह बतायें कि नाइथ शैड्यूल को स्कैप करने के लिये, क्योंकि उरुग्वे राउंड में यह बात आ गयी है कि लिबलाइजेशन को देखते हुए नाइथ शैड्यूल को टोटली स्कैप करने की बाद पार्लियामेंट में लायेंगे या नहीं लायेंगे और अगर नहीं लायेंगे तो क्यों नहीं लायेंगे ?

**उपसभापति :** मान साहब प्लीज ।

**श्री भूपेश सिंह मान :** मैडम, मैं तो प्वाइटेड बात कर रहा हूँ, सीधी बात कर रहा हूँ । मैडम, एग्रीकल्चर प्रोड्यूस को प्रोसेस करने के ऊपर अब तक भी पाबन्धियां हैं । अब तक भी मैं चावल जो पैदा करने वाला हूँ, पैडी से चावल बनाने की मुझे अनुमति नहीं है और इस वजह से जैसे आज भी मैंने अपने स्पेशल मेशन में कहा कि यहां का राइस प्रोड्यूसर-बासमती का, इस समय दुनिया की नंडी में वहीं भाव है लेकिन यहां कीमतें कम हो गयी हैं क्योंकि यहां कम्पीटिशन नहीं है जो वह उसकी खुद प्रोसेस कर सके । तो क्या यह जो प्रोसेस करने की बात है, एग्रीकल्चर प्रोड्यूस को या उसको फ्री किया जायेगा ताकि कम्पीटिशन हो ? साथ ही कंज्यूमर प्रोक्योरमेंट जो होता है उसको बंद किया जायेगा या नहीं और खासतौर से इन वक्त लेबी प्रोक्योरमेंट जो ली जाती है वह किसान के ऊपर, वह नेगेटिव सब्सिडी, जिसकी बात यहां आम आती है, वह भी जो रिस्ट्रिक्शन है किसान के ऊपर

वह अपनी चीज मंडी में नहीं बेच सकता, मंडी के रास्ते में जो सरकार रुकावटें डालती हैं, उन रुकावटों से खेत में पैदा करने वालों की नुकसान होता है, उनको नेगटिव सब्सिडी जब कहा जाता है तो उसमें लेबी प्रोक्योरमेंट भी एक आती है इसके बारे में वे किसान के संबंध में क्या प्रयोग करने वाले हैं ? पिछले दिनों में बाहर से डॉपिंग की बात इसमें आयी। एंटी डॉपिंग ऐक्ट इसमें है। डॉपिंग नहीं हो सकता है। तो क्या जब सरकार ने बाहर से 526 रुपये के हिसाब से गेहूं मंगाये और यहां लाकर डम्प कर दिया, यह डॉपिंग अन्दर भी इस्तेमाल होगी कि ऐसी डॉपिंग नहीं होगी और जो बाहर से परचेज करनी है। उसी कीमत पर यहां रहेगी या यहां के किसानों को भी बाहर भेजने की इजाजत होगी यह एंटी डॉपिंग के संबंध में—अन्दर भी एंटी डॉपिंग का कानून लागू होगा या बाहर ही होगा ?

उपसभापति : अब लेंट हों गये हैं। आपने काफी सवाल पूछ लिये हैं, इतनों का जवाब आगे दीजिये।

श्री भूपेन्द्र सिंह मान : मैडम, आखिरी बात कह दूं। इन सारी बातों में कैपिटल फार्मेशन आज तक जो गांवों में होता था वह गांव से ड्रेन आउट होकर यह शहर में आता रहा। तो यह इससे सकता है। इसलिये गांव के लिये यह जो लिब्रलाइजेशन की बात है यह अच्छी बात है। लेकिन यह तो बतायें कि इस वक्त तक जो ड्रग्स के संबंध में और पेटेंट राइट्स के संबंध में बात आती है तो क्या जो इंडियन पेटेंट ऐक्ट, 1970 है, जो प्रोसेस पेटेंट करने का था और प्रोडक्ट पेटेंट करने का नहीं था जिससे यहां की टेक्नालाजी बाहर से चोरी होकर आती रही जिससे हमारे यहां का इंडीजिनियस टेक्नोलाजी डेवलप नहीं हो सकी। क्या यहां की टेक्नालाजी को डेवलप करने के लिये कुछ सोचा है। बातें तो बहुत हैं लेकिन आप कहती हैं कि बन्द करूँ, इसलिये बन्द करता हूँ।

THE DEPUTY CHAIRMAN: Thank you for your consideration. Next, Dr. Narreddy Thulasi Reddy. Dr. Reddy, I hope as usual, you will also be very considerate.

DR. N. THULASI REDDY (Andhra Pradesh): Madam Depu Chairman, these are the days of consumers and not of the traders. Previously traders used to dictate to the consumers. Nowadays, consumers are dictating terms to the traders. With the crore consumers we acted effectively and efficiently in the GATT negotiations. The developed countries would have fallen at our feet. But our Government had miserably failed in the GATT negotiations. Anyhow, let bygones be bygones. Being a doctor, I would like to ask only one clarification with regard to drugs. After the GATT agreement, the prices of many of the medicines will rise seven times in the near future. They will not be within the reach of the common man and most of the people will die due to common diseases. I would like to know whether the Government will consider this as a bonanza for controlling population explosion. If it is not so, what steps is the Government going to take to bring the medicines within the reach of the common man? This is the clarification which I wanted to see.

SHRI T. T. N. DIVANAM G. VENKJ RAMAN (Tamil Nadu): Madam, shall try to be brief. Madam Depu Chairman, first of all, I would like to go through the statement given by the Commerce Minister. At page 3, he has stated and I quote: "When India had initially not been in favour of inclusion of Trade Related Intellectual Property Rights in the scope of the Uruguay Round, it has ultimately to go along with the rest of the world community, I would like to know at what point of time this had dawned upon the Government of India."

I further quote: "A country like ours which does not presently recognize pre-emptive patents in the field of drugs, food products and chemicals, has been allowed a transition period of 10 years for estab-

Wishing a product patent regime for such items. If we were to opt out of the new agreement, the possibility of our major trading partners insisting upon a much earlier introduction of product patent on the threat of imposition of restrictions on the export of our goods into their markets cannot be ruled out. Members may be aware that under such pressure some developing countries very recently decided to introduce an entirely new patent regime in accordance with the wishes of some developed countries to safeguard their market access to those countries." I would like to know whether due to that pressure also India is of the opinion to amend the Patents Act. I would like to put a few questions in respect of the Patents Act. Do you propose to retain process patent or product patent? The life of a patent varies from five years to seven years according to the Indian Patents Act. The DD proposes to extend it to twenty years. What is your final proposal and what have they accepted? The proposed conditions regarding compulsory licences are so rigorous as would rule out automatic grant of licences. Do you propose to amend it or you will leave it as it is?

Then the reversal of burden of proof is a most important thing. Suppose, a complaint is there, the burden of proof, under the universal judicial system, is that the accused can always be presumed to be innocent. But here the burden is on the accused to prove his innocence. Do you propose to amend this? On which date and at what time India has given green signal to sign the Dunkel draft? On which date and at what time the Parliamentary Standing Committee on Commerce submitted its final report? Did you have time to go through the report? I think you have not been able to do so. You have submitted it in the manner in which the question papers are given in the examination hall. We have received it only this afternoon and we were not able to go through it. Frankly speaking, we have just skipped over that. What is the time lag? Have you considered it? That is the impression which this House has got. Even before going

through the Standing Committee's report, you have given the green signal. What is the answer? Of the Minister?

THE MINISTER OF COMMERCE:  
(SHRI PRANAB MUKHERJEE): How many more names of the Members are there?

THE DEPUTY CHAIRMAN: That is the last speaker. I think the last question he is putting.

SHRI TINDIVANAM G. VENKAT-  
RAMAN: Madam, it is such a big affair. People have taken 20 minutes, 30 minutes.

THE DEPUTY CHAIRMAN: No, no I am not talking to you. I am talking to the Commerce Minister. He asked me how many more people are there.

SHRI TINDIVANAM G. VENKAT-  
RAMAN: You allow me five minutes. Just for reference I am going through it. I cannot memorise everything.

THE DEPUTY CHAIRMAN: I am not referring to you.

SHRI TINDIVANAM G. VENKAT-  
RAMAN: I am sorry, Madam.

Regarding agriculture, what gains, India thinks, will it have? What is the percentage of trade agreement? What is the outturn of this foreign exchange earning? What is it you have taken into consideration? What is your guess-work? I want to know all these things.

Regarding textiles also, you have proposed certain things. Generally, I can put questions, but since you have proposed many things, I want to know what the proposals are that have been agreed to and put into writing. Orally "yes, this is accepted, that is accepted", this won't do. The agreement is on 'take-it or leave-it' basis. What are the terms and conditions laid down? How have they committed? You must have suggested so many things. I would like to know whether there is any written commitment to the Uruguay proposals that India will be given this and that.

And finally, I would like to know whether the Government of India has taken into consideration the overall impact of signing this Agreement. It has taken into

consideration only that part which

sup-

ports the contention, namely, signing, but it has not taken into consideration the overall effects of surrendring our sovereignty; that is why while concluding I want to particularly mention here a saying, "Don't cry over spilt milk but, anyway, we are made to cry over spilt milk."

THE DEPUTY CHAIRMAN: I have got lots of names of Members here. There are names of Members from the Congress Party and also from the Opposition. Mr. Singla has given his name. Mr. Ahluwalia, Mr. Sahu and so many others have also given their names. Now, I think it is very late in the evening. We should ask the Commerce Minister to clarify the points.

SHRI PRANAB MUKHERJEE: Madam Deputy Chairman, I am grateful to the Members who have sought clarifications and have provided me an opportunity to clarify some of the points which require some clarification.

First, I would like to mention in respect of the format which we are discussing. As I mentioned earlier, I am repeating it that the position is not that we have signed something. So far as GATT negotiations which started in September, 1986, are concerned the Group of Ministers representing the contracting parties here in this country appointed an official negotiating team and that official negotiating team was given a deadline by which they were to conclude their negotiations. They had concluded their negotiations on the 15th of December, and, thereafter, *ii* would be given to the Group of Ministers. But the negotiations are over. The Group of Ministers would work out the modalities for ratification within the year 1994. And if a country accepts it by ratification, it will be operative from the 1st of January, 1995. Now the very fact that it has taken so long a time—7 years and at some point of time it appeared that the whole negotiation might collapse and then again the negotiations got revived, clearly indicates that there were large contentious issues which required a good deal of time and consideration, give and take, for the various countries to reach some sort of conclusion. A ques-

tion has been raised whether it could have been extended further. According to our assessment 'no. It reached a breaking point. It reached a breaking point and, as per technicalities, we could have blocked it. In that case we should have taken the risk of being isolated. This fact has to be kept in view.

SHRI S. JAIPAL REDDY: But you could have waited.

SHRI PRANAB MUKHERJEE: You have spoken. You have made your observations. Now parliamentary courtesy demands that I must make my observations.

Therefore, the question of bargaining; does not arise. It is true we did agree. We did not want earlier that the jurisdiction of GATT should be expanded. But it expanded and all other countries agreed to it. When you talk of surrendering sovereignty, do you mean just for the time being assuming that everything went wrong, that all the 11\* countries have surrendered their sovereign rights. Do you want to say that none of them considered it? Or is it a fact that in an international negotiation when there are various conflicting interests countries are concerned there is always give and take. I would not like to mention the names of the countries because it would not be proper on my part; but it may happen in the areas of textiles—certain countries may not like India. It has a larger access in textiles, as we are almost near the ceiling. Therefore, at that level, it may help them to expand their exports. So, as it always happens in international agreements there is a scope for taking and giving. In certain areas we have to trade on and in certain areas we have to trade off. That is exactly what we have done. Now what is the gain? What have we achieved? We have achieved that all the contracting parties will be extended Most Favoured Nation treatment automatically. What is GATT? We are discussing GATT. We are not discussing any other instrument. GATT was conceived, GATT was meant for creating a liberal trading atmosphere. The mandate of GATT is to clear liberalism, to remove protectionism, to remove fiscal protectionism.

to review tariffs to create an atmosphere for liberal trade. If, according to some ideological concept, 'liberalism in trade, liberalism in economic policy, are dirty words, surely you can say. "I don't accept GATT". When we have assumed that position we have a view.. (*Interruptions*).

THE DEPUTY CHAIRMAN: Please. I don't accept anybody's interruption because he did not interrupt you.

SHRI PRANAB MUKHERJEE: that GATT should expand it. We assumed that GATT should create a more liberal atmosphere. Undoubtedly, a more liberal atmosphere has been created with the reduction of rate of duties, by the removal of physical constraints on imports and exports. Therefore, you can take advantage of that liberal atmosphere.

Now when I talk of the question of expansion of exports somebody challenged me, "What is your basis? It is not very difficult to make some calculations. Last year the world trade was to the tune of three thousand and eight hundred billion U.S. dollars. According to UNCTAD's latest assessment for 1993 the world trade may grow around 6.2 per cent. Now if I just make a simple arithmetic calculation. I find that the generation of additional volume in world trade may be in the neighbourhood of 400 to 470 billion U. S. dollars. Now if I compute my share at the existing level, I am arriving at a figure of 1.5 to 2 billion U.S. dollars. I have just made a rough calculation. It is not a very definite one. If 20 per cent of this turnover goes to generation of employment, the generation of employment will be 7,00,000 in one year. In many other areas we shall have to compute.

SHRI CHATURANAN MISHRA: How much retrenchment will take place?

SHRI PRANAB MUKHERJEE: In many other areas we shall have to compute. The question is: How much retrenchment would take place? (*Interruptions*).

THE DEPUTY CHAIRMAN:

Please,  
no interruptions. No cross-talks, please. I wouldn't permit.

SHRI PRANAB MUKHERJEE: Retrenchment comes if there is a closure of the industries. Retrenchment will be there if indigenous products are not sold and if these indigenous products are replaced by liberalised import of goods. But what is the fact? The fact is, in the trade figure of the first eight months of the current financial our trade gap has been reduced from 2.2 billion US dollars to 560 million US dollars. The policy is liberalised import policy and physical constraints have been removed from imports as we know that 90 per cent of our imports are limited commodities, like petroleum products, fertilizer, capital goods, etc. At one point of time we used to import a substantial quantum of edible oil—that has been reduced; we also import industrial raw materials. The quantum of non-essential imports in the overall import basket is extremely limited. This myth has been exploded that if the liberalised import policy is resorted to there will be sudden spurt in imports. It has not taken place. Of course, I am not jumping to conclusions. I would like to watch more but the trend of the first eight months is positive. Here two or three major questions were raised. One question was: What is the improvement in the MFA? The hon. Members are fully aware of it. They are knowledgeable persons. Is it not a fact that for the last 20 years it has been almost one-point programme of the developing countries? Somehow to make the developed countries agreeable, that there should be integration of textiles. The Tokyo Round of discussion flatly refused it. It was even decided that unless the pending issues of Tokyo Round were settled, there would be no renegotiations. It did not materialise. At least in this agreement you have set a definite period of 10 years, at the end of which there will be integration. Yes, it may happen. As somebody was saying, that some countries are combining. I would not like to mention the name of the country. But certain developed countries may combine.



But mere combination is not going to help, or harm if we are not in a position to compete. That has to be done. That is the precondition. Unless we improve our efficiency, our goods and services become competitive, no multilateral or unilateral or bilateral trading mechanism can help us. Now I come to the question of integration. I know that in the first 10 years it would be 51 per cent and balance 1 per cent would be in the 10th year. That is a fact. But improvement is there improvement in the sense that in the earlier round of negotiations they were not even prepared to fix a time-frame for the integration of textiles. In this round we have been able to do it. We have also been able to resist the demand of further extension of transition period from 10 years to 15 years.

Another question was raised and unfortunately they were trying to read too much into the statement of the Finance-Minister I made two contentions in regard to the obligatory access of agricultural products to Indian markets. So long as we are covered by the BOP, there is no question of allowing imports. What Finance Minister said was, "Yes, we) have improved our BOP position from; where we were. We have reached a stage where, we may like it or we may not like it, but the hard fact is that we had to pledge gold to get a few hundred million dollars to overcome the crisis." I have) full sympathy with the then Finance Minister, because it was almost management on a day-to-day-basis and hour-to-hour basis. Today surely we have improved over that position. We have no doubt about it. I myself have indicated in the Eighth Plan Document that if we want to the type of crisis with which we were confronted then, we must ensure a situation where our external supports are reflected in the current account deficit which should not go beyond 1.6 per cent of the GDP, in absolute terms 22 billion US dollars. Therefore my convention is we are going to have B.O.P: cover. But even assuming, for the time being, that there is no BOP cover, what are you going to do? Then there is the tariff protection. The tariff which we have placed and which has been recognised and which has been accepted is

100 per cent for cereals, 150 per cent for the processed agricultural product 300 per cent for edible oils. Is it possible for anybody to import agricultural products by paying duties at these levels and also compete with indigenous agricultural products?

SHRI S. JAIPAL REDDY: If you yield, firstly, we would like to know to what is the prevailing definition of BOP under the Text; secondly, in regard to tariff that you are referring to were talking a lot about our agricultural exports, but those countries can also resort to the same techniques:

SHRI PRANAB MUKHERJEE: If you had just allowed me to complete it, perhaps you would have got an answer. Of course, I am not going to give you a theoretical lecture on the BOP because we do not have that much time. The scheduled calculation of subsidies at all related to the base three years 1986-87, 1987-88 and 1988-89. The subsidy which we gave to our agricultural products, the Balance of Payment situation which prevailed in those three years will be operating so long as the agreement related to agriculture remains in operation. The agreement regarding agriculture will remain in operation for a period of 7 years. Before the end of 7 years, in the 6th year you can renegotiate on the conditions prevailing at that point of time. Therefore, each country placed the list of subsidies that they gave for the agricultural products in these as per international prices, as per domestic prices, whether it crosses the threshold level or not, all these computations have been tabled and have been accepted. Nobody can reopen it during the period. The question of reopening will come and fresh negotiations will start from the 6th year. The contracting parties can renegotiate after that. Where is the question of reduction in subsidy so long as this period is concerned? Does the capacity of the Government to pay subsidy depend on what has been prescribed by some international agency or is it inherent in the capacity of the Government itself? We are having 20 per cent level of subsidy. Additional progress has been made and I have shared debate. Now it is being clubbed. There-

fore, 10 plus 10 is 20. Product specifics and non-product specifics are clubbed together. Therefore, in certain cases like sugar, like tobacco and like hand-picked groundnuts where we are a little above the ceiling limit, will not get affected because of these plusses and minuses and clubbing together; we will have an advantage of his 20 per cent. On earlier occasions, I said that if there is something wrong in my calculations, I would like to be corrected. I said, please, provide me with another set of calculations. There is no harm'. But this point has to be recognised that the capacity of paying subsidy does not depend on what level it is being placed at, because we have enough elbow room. If we have the capacity and the Finance Minister's budgetary position permits us to give us more subsidy which I do not visualise, we are safe. An other question which Mr. Jaipal Reddy raised was regarding UPOV. We are not, yet signatories to UPOV. because we have time up till 1995. Therefore, we are not yet its signatories. He asked, "what about the sui generis legislation which we are going to have"? Here too, I would like to have your suggestions, guidance and advice, if you have any. I understand that a high-powered committee has been appointed by my colleague in the Ministry of Agriculture to look into it. Our agricultural scientists, our research organisations, senior officers and experts are there. They are studying how to formulate a sui generis protection system. Since we have agreed, we will have to give protection to the plant-breeders' rights. Some sort of rights-, we will have to recognise. What be the nature of control would be, what would be the level of protection and what would be the essential features of legislature will have to be worked out and any suggestions, in this respect will be welcomed. There is no fixed pattern of sui generis protection and this point has to be recognised. There is no fixed pattern of the sui generis protection which we shall have to provide.

Now coming to the area of drug prices and what the implications of these would be, firstly, I would like to make one point

quite clear that the prices of drugs are not going to be increased automatically. I am told that nearly 80 per cent of the drugs which are now in use are non patentable and only 20 per cent are patentable. And regarding those 20 per cent which are patentable, we are paying that price. After amending the patent laws for which we have 'time till the year 2005—even the exclusive marketing rights of the patent holders, which will have to be granted to our market if the patent is granted by other countries, will be effective from 2000 A.D. and the Patent Act will be with effect from the year 2005. . . (Interruptions)

SHRI CHATURANAN MISHRA : That is there. But the benefits will never be passed on to the customers. They will raise the prices and we will be helpless.

SHRI PRANAB MUKHERJEE: I am afraid, Madam, I am 'talking of the Uruguay Round of Negotiations and GATT, and its impact. The way you would like to adjust your domestic policy, domestic legislation is totally a different issue. And, in all these areas, Parliament will have an opportunity to discuss and debate. Somebody has raised a question as to what would happen if Parliament rejects it. Parliament is sovereign and if Parliament rejects it, it will not be implemented .... (Interruptions)

SHRI CHATURANAN MISHRA: I did not say.

SHRI PRANAB MUKHERJEE; I am not talking of you. I said, 'somebody'. Parliament is sovereign and if Parliament rejects something, it will not be materialised. I am not going into the constitutional or legislative acceptance of it. I understand that somebody has gone to the Court. The appropriate court will give its judgement. Therefore, what is to be worried about there? But let us not bring all extraneous considerations while debating this issue.

We were told as if we are infringing upon the rights of the States... (Interruptions. R is being said that the rights of the States have been infringed upon

and that the Constitutional propriety has not been maintained. Somebody has sought the decision of the appropriate court with the appropriate jurisdiction. Let us wait for that. So far as consultation is concerned, I am afraid I would not like to enter into that debate because I made it quite clear on the very day when the debate was initiated. Even, I discussed with the major political parties to which Prof. Swell took very strong exception. But I could not help. That is the practice we had. Except BJP, everybody responded to it. And I also said that it was not that we were agreeing. We share our views; we share our perceptions and, on later occasions also, this type of exchange of views can always take place. That is the beauty of Parliamentary democracy. It has always happened. It is nothing new... (interruptions).

SHRI CHATURANAN MISHRA : The States should have been consulted.

SHRI PRANAB MUKHERJEE : Somebody asked, "Why didn't you take into consideration the Report of the Standing Committee"? It was presented on the 14th of December and that was to be taken into consideration when the concluding date was 15th of December! I think, Madam, there should be a certain consideration while making this type of suggestion. . . (Interruptions)

SHRI S. JAIPAL REDDY: We had one year.

SHRI PRANAB MUKHERJEE: The Report was placed before the House on 14th of December. So, one cannot, by any stretch of imagination, say that you can work out your strategy. . . (Interruptions)

SHRI S. JAIPAL REDDY : Mr. Minister, you had one full year. Why did you have to rush to welcome it?

SHRI PRANAB MUKHERJEE : There is no question of one year. There were seven years. It is not a question of one year. There were seven years and how many times... (Interruptions)

SHRI S. JAIPAL REDDY; But you welcomed it at midnight.

SHRI PRANAB MUKHERJEE : How many times we wanted to discuss it on the floor of this House! I would not like to go into all those things, namely, the date on which we sent the communication from the Ministry, how the business of the House was determined etc. You know well about these things. Therefore let us not go into these aspects. The newcomers may not know. . . (Interruptions)

THE DEPUTY CHAIRMAN; Order.

SHRI PRANAB MUKHERJEE: I am not going into it. Another question raised was : What would happen regarding certain provisions? For example, some hon Members had asked about Super 301. For their information, Super 301 is not in operation now. Now, there is only Special 301 that is in operation. Super 301 is not there. What would be the position : somebody wants to impose it? Earlier, the position was such that they could—either on intellectual property rights or on trade matters—take unilateral action. Now, this Draft itself does not prevent them from taking action. But a remedy is there. That is the dispute settlement mechanism. Through that dispute settlement mechanism under GATT, you can have relief; you can go and place your case before GATT. Nobody can prevent me if I consider that some practice of somebody is going to affect my interests, I have every right to protect my interests and take action. Nobody prevents me. Be it whether my action is justified or not, like the Special 301, could be challenged in the international forum, in GATT.

So far as the compulsory licensing concerned, whether the compulsory licensing can cover all the patents which other companies are having, my answer is yes. So far as we are concerned, when we are having patenting, it is for us to decide how we are going to use it. It is the same even in the case of seed. It is said that the entire transactions of seed are going to be affected. It is not so. Our researchers can improve on the seed at

by buying that seed, there will be no problem, *Agnia* I am repeating it: What type of protection we can give is an area on which we shall have to think very seriously when we make the national legislation. Now, in respect of anti-dumping mechanism, it is known that previously in our country there was no need for having any anti-dumping mechanism because our tariff was" very high and there were physical constraints on imports. So, we took care of it through our export-import policy and high tariff wall. But with the reduction of the tariffs and with the removal of the physical constraints on imports, we have to strengthen antidumping mechanism in our country. What is the remedy if the developed countries misuse it by resorting to anti-dumping clause and stand in the way of export of the developing countries? There, it has been decided that if the injury is less than 2 per cent or 3 per cent, then that country cannot resort to anti-dumping mechanism to prevent the export of the developing countries. But one point has to be kept in mind : The Uruguay Round of GATT discussion on 1993 will provide an atmosphere of liberalisation but, that policy is to be operationalised through bilateral relations. There is some sort of a misconception as if all the 117 countries are sitting across the table and taking decisions, lobbying, building up pressure by taking strong positions. It is not that type of a political body. Here, primarily the consultation took place, negotiations took place only with those countries which are interested and which were the leading trading partners. Even the group of countries, like the ASEAN, took their own decision. Somebody has referred to Spain. Yes. They got concessions. They wanted to protect their national interests just as we wanted to protect our national interests. But here was a direct conflict. What was that conflict? The conflict was that unless India and some other countries opened up their textile markets their textile industry is going to suffer. So, they wanted to put a veto. Being a member of that group EEC, they wanted to veto. It was their internal matter, how they avoided that veto. It is not that they

were going to put veto on GATT, That is what I want to clarify. That is the decision-making mechanism, that is their own internal arrangement. There, they wanted to put a veto so that they cannot concede to demand, or concede to a particular this arrangement. So, they got that. But, ultimately, they agreed. Therefore, it is not correct to say that we did not try to build up a common approach. Yes, we tried to have a common approach. What do we want? We want access to the developed market, So far as we are concerned, South-South co-operation is there. Excuse me for saying so. These are very important things. But we can not completely ignore the fact that the bulk of world trade takes place with ten industrially developed countries which are popularly known as G-10. We are talking of trade and we are not talking of any other thing. Therefore, primarily we are concerned with those countries who have the absorption capacity. Somebody raised the point that India has a large "number of consumers. It is true. But what is our absorption capacity? What are our total imports and what are our total exports? Therefore, it is really a dichotomy. On the one hand some are claiming and saying, "Don't open the door." and, if you don't open the door, how are you going to utilize your market? The hard fact, the core fact, is that our total export-import trade taken together in a year is about 39-40 billion US dollars whereas the total world trade is about 3,800 billion dollars. What we have to see is what our total trade turnover is and what type of support we are to give to each other... (Interruptions)... Here is trade and we want to expand our trade. The question of technology has come. Yes, it will ensure that our technological upgradation takes place. If we want to live in a cocoon, if we do not want to export and open up, that is a different matter. As the Prime Minister has pointed out on earlier occasions there are some

countries which want to live in a cocoon, live in a cell, and some of them are surviving. But we do not want to be like that. Some honourable Members referred to a point and I inform him that it is a very pertinent point that so far as biodiversity is concerned, we have immense strength really and I am told that as per the decisions of the Convention, a group is working on in working on cataloguing it and thereafter, would bring forward appropriate legislation and this is also an area where, I think, we can get the advice and guidance from the honourable Members who are interested in it.

So far as the pipeline protection is concerned, as I have already mentioned, the exclusive right of marketing will operate from 1.1.2000 and we have the time-frame to change our patent laws up to 2003.

I think some hon. Members asked whether, if we would not have gone through the route of multilateralism we could get more concessions in this area. I am afraid, not. I will be constrained to mention the names of the countries, but the honourable Members know them. Two countries were 'forced by the industrially developed countries to amend their patent laws just within one year. And, so far as we are concerned, we are getting the time-frame of ten years and within these ten years, if we could make investments in our research and development and if we have interaction with the developed countries which is taking place in other areas, I am confident that our scientists, would be able to gather sufficient strength and the day may not be far off—of course, we shall have to work very hard—when we can also get some advantages out of this...

**श्री एस० एस० अहलुवालिया (बिहार) :** महोदय, पेटेंट लां पर इतना हंगामा हो रहा है, सारे देश में। मैं पाटलिपुत्र से आता हूँ। पाटलिपुत्र के ही आर्यभट्ट

ने 499 में ऐलजबरा का कंसेप्ट दिए सारे विश्व को और उसी पर सारे विश्व में सारा हिसाब-किताब आधारित है क्या हमारी सरकार सारे विश्व ऐलजबरा के लिये रायल्टी की मांग करेगी।?

**डा० सुब्रह्मण्यम स्वामी :** जीरो के लिये भी मांग सकते हैं, डैसिमल प्वाइंट के लिए भी।

**श्री एस० एस० अहलुवालिया :** उस बाद आर्यभट्ट ने ऐक्सिस ऑफ ग्रैविटी, रोडेशन ऑफ ग्रैविटी जिसको कहा जाता है, उसने ऊपर भी दृष्टि दी। क्या उस पर भी सरकार रायल्टी की मांग करेगी।

**THE DEPUTY CHAIRMAN:** The zero and decimal point is not a matter of joke. It is a very serious point.

**श्री एस० एस० अहलुवालिया :** आप चूँकि मैथेमैटिक्स जानती हैं, इसलिए मैं कह रहा हूँ और मैं मांग करता हूँ क्योंकि आज जो भी विदेशी चीज आती है, हमारे हाथ में उसमें लिखा होता है, यू० एस० पेटेंट नं० सो एण्ड सो। अगर हमने इस तरफ ध्यान दिया होता तो छठी सताब्दी का जो ऐक्सिस ऑफ ग्रैविटी है, ऐसी चीज को महेनजर रखते हुए भारत सरकार इस बात की मांग करेगी कि ऐसे बहुत सारे जो पेटेंट हैं, जैसे चरक संहिता है, आर्यभट्ट जैसे फारमोकोपिया तैयार करे, जो हमारा अध्यात्म है, उसके माध्यम से कंसेंट्रेशन करना आदि ये जो भारत की सम्पदा हैं, इसके बारे में विचार करेंगे, मंत्री महोदय, इसका जवाब देने की कृपा करें।

**SHRI PEANAB MUKHERJEE:** Madam, as I mentioned, with the cataloguing of bio-diversity, and even in our patent laws, we can take care of these. These are our real assets and we should have that.

One hon. Member referred to the concept of negative subsidy. As I

mentioned, our agricultural prices are much lower than the international prices. And taking that into account, we said that the total subsidy that we are giving as per the international law, is not positive, but it is negative. So far as transition is concerned as I mentioned it has been agreed that GATT will phase out. And so far as the year 1994 is concerned, there will be a little overlapping between Old GATT and GATT 1993 which is to be operationalised through the Organisation which is known as MTO.

Particularly one question has been raised with regard to the special treatment which was given to the developing countries in respect of imports to cover their balance of payments problem, and whether that provision is still going to be retained. Yes, it is going to be retained in the new arrangement also that they can restrict imports, including quantitative restrictions so long they have BOP cover. Therefore, that provision has also been bought. My contention is not that what appeared in the whole Text on which negotiations have been com-

pleted and which are likely to be ratified by the contracting parties the sovereign countries in course of time, it can ever fulfil 100 per cent the interests of each and every member country. Substantially it has taken care of the concern of the developing nations because unless the developed countries' markets are open to the developing countries, you cannot have your exports, you cannot have a larger share in the world trade. And these negotiations have created that situation. Let us take advantage of that. Thank you, Madam. (Interruptions).

THE DEPUTY CHAIRMAN: The discussion is concluded.

The House stands adjourned till 11 o' clock on Monday, the 20th December, 1993.

The House then adjourned at fifty-four minutes past six of the clock till eleven of the clock on Monday, the 20th December, 1993.