

श्री बी०के० गधवी : सत्य प्रकाश जी, आपके पास कभी सही इंफॉर्मेशन नहीं होती। यहां रेल मंत्री नहीं हैं।

श्री सत्य प्रकाश मालवीय : : रोज तो आपके मंत्रालय बदलते रहते हैं।

Birth Centenary of Dr. Sampurnanand

श्री सत्य प्रकाश मालवीय (उत्तर प्रदेश) : माननीय उपसभाध्यक्ष महोदय, मैं आपके माध्यम से सरकार का ध्यान आकर्षित करना चाहता हूँ कि इस वर्ष डा० संपूर्णानंद की जन्म शती देश भर में मनायी जा रही है। डा० संपूर्णानंद इस देश के महान स्वतंत्रता सेनानी, देशभक्त, समाजवादी विचारों के चिंतक, लेखक और बहुत ही कुशल प्रशासक थे। अंग्रेजों हुकूमत में गांधी जी के नेतृत्व में करीब 60 महाने वे जेल में रहे। वे बहुमुखी प्रतिभा के व्यक्ति थे। उन्होंने भारत दर्शन तथा भारतीय संस्कृति पर करीब 25 पुस्तकें लिखीं। उन्होंने पत्रकारिता क्षेत्र में काफी सेवा की और अनेक समानार पत्र और पत्रिकाओं—मर्मदा, जागरण, आज तथा टुडे का उन्होंने संपादन किया। मान्यवर, कांग्रेस समाजवादी पार्टी की स्थापना 1934 में हुई थी। उसका प्रथम अधिवेशन जोकि बंबई में हुआ था उसकी अध्यक्षता डा० संपूर्णानंद ने ही की थी। वे उत्तर प्रदेश के मुख्य मंत्री भी थे। उनको कथनी और करनी में कोई फर्क नहीं था और जैसाकि मैंने शुरू में कहा इस वर्ष सारे देश में उनकी जन्म शती मनायी जा रही है। इसलिए मैं इस सदन के माध्यम से मानव संसाधन मंत्रालय से आग्रह करना चाहता हूँ कि उनके सम्मान में, जैसे अन्य नेताओं के कार्यक्रम आयोजित किए जा रहे हैं, देश भर में कार्यक्रम की रूपरेखा बनायी जाए और विभिन्न प्रकार के आयोजन किए जाएं। दूसरे संवार मंत्रालय से मेरा आग्रह है कि डा० संपूर्णानंद जी के सम्मान में अतिशोध डाक टिकट निकाला जाए क्योंकि डा० संपूर्णानंद जैसे विचारक, चिंतक और समाजसेवी व्यक्ति का सम्मान कर राष्ट्र अपना ही सम्मान करता है।

APPROPRIATION (NO. 4) BILL 1989

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG: Now Shri B. K. Gadhvi to move the motion for the consideration of the Appropriation (No. 4) Bill, 1989, as passed by the Lok Sabha.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): Sir, I beg to move:

"That the Appropriation (No. 4) Bill 1989 to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1989-90, as passed by the Lok Sabha, be taken into consideration."

The Bill arises out of the Supplementary Appropriation "Charged" on the Consolidated Fund of India and Demands voted by the Lok Sabha on July 31, 1989. These involve a gross additional expenditure of Rs. 775 crores.

Against the gross additional expenditure of Rs. 775 crores, the concerned Ministries/Departments have identified matching savings/recoveries or increased receipts to the extent of Rs. 727 crores leaving a net additional requirement of Rs. 48 crores. This comprises Rs. 30 crores for subsidy to new industrial units in the selected backward areas and Rs. 18 crores for payment of arrear dues to the daily rate muster roll workers of CPWD in terms of a judgment of the Supreme Court. The details of the Supplementary Demands are available in the documents laid on the Table of the House on 25th July 1989.

The Motion was proposed

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG): Shri Kamal Morarka.

SHRI KAMAL MORARKA (Rajasthan): Sir, the Appropriation No. 4 Bill is to vote amounts already sanctioned by Parliament. I do not have much to say on the different amounts because we have dealt with them in the Finance Bill debate. But I would like to make a few comments on the general state of the economy inasmuch as it affects the expenditure that we make from the appropriation amounts towards the development projects in particular.

Sir, first of all, I deal with the price situation because ultimately all development projects reflect excess expenditure because of inflation. The figures that I have are, in May 1989, the wholesale price index has gone up by eight per cent over the previous year. In our experience we have found that the consumer price index always goes up higher than the wholesale price index which means that we are in the

double-digit inflation stage.

4.00 P.M. At the time of Annual

Budget apprehensions were expressed from our side that we were going to have inflation this year, especially in view of the huge revenue deficit from year to year and the consequent deficit financing. We were assured that inflation would be curbed. Yesterday we had a big debate on the essential commodities. And it is unfortunate that in our statistical data we choose to rely more on the wholesale price index when it is the actually the retail price that affects the consumer. Yesterday we found all sections of the House complaining of the spiralling inflation as far as the consumer is concerned. So I want to draw the attention of the Finance Minister to this rather alarming situation of unbridled inflation. It is only five months since the Budget has been announced and we have still seven months to go and the common man is going to feel an increasingly crushing burden if the price rise goes on unabated. That is the first point. I will come to my analysis that this is happening and how it can be

changed. But before that I would like to comment on the present financial and fiscal policies being followed by this Government. I would like the Finance Minister in his reply to deal with one or two points which I am not able to understand. For instance, the banks, which are availing of refinance from the Reserve Bank of India. The figure for 7th July 1989 is Rs. 4220 crores against Rs. 2174 crores in the previous week. In one week the banks have availed for more than Rs. 2000 crores more from the Reserve Bank of India. This represents a sudden availability of money in the economy, which, of course, the banks must have done for good reasons. But it ultimately is going to affect the prices. I would like to know from the Finance Minister why this sudden increase in the refinance facilities of the Reserve Bank availed by the banks.

The second point is recently there was a statement by the Finance Minister that the deficit for last year which at the time of presentation of the Budget was taken to be about Rs. 7400 crores has only come to Rs. 5500 crores or so on final working. There is a difference of more than Rs. 2000 crores between the estimate presented at the time of the Budget and the final figure. I am a bit sceptical because Rs. 2000 crores is a very big difference. It must have been due to some changes in the accounting heads or in the method of calculation of the deficit. I would like a clarification if there is a Rs. 2000 crores difference on the same basis without any change in the accounting procedure in which case it is even a more serious matter because there cannot be such a huge difference between the estimates calculated by the Finance Ministry in February and the final figures worked out three months later...

DR. YELAMANCHILI SIVAJI (Andhra Pradesh): You are underestimating their capacity.

SHRI KAMAL MORARKA: The other factor which has been engaging

[Shri Kama! Morarka]

the attention of the House off and on is the question of external debt. The latest figures given by the Government in this House show that as of 31-3-1989 the external debt stood at Rs. 68,000 crores. Now, the interest payment burden on this per year is Rs. 2700 crores. The second feature is that this interest burden is double what it was only in 1986-87. It is a danger signal in the sense that within three years if our interest payment to foreign countries is going to double, then in the years to come we are going to find ourselves in a situation which is even more difficult. The Seventh Plan document—because this is the final year of the Seventh Plan and the Eighth Plan documents are under preparation—had envisaged that the deficit on current account of this external trade would never exceed 1.6 per cent of GDP. In 1985-86 itself it was 2.5 per cent of GDP. The latest figures are not available. So it is apparent that our exports have not been able to keep pace with the imports and the issue has been discussed again and again. I do not want to use the cliché like debt trap because there will be again an argument whether we are in the debt trap or we are going towards the debt trap or someone might say we have not yet entered the debt trap. The fact of the matter is that our interest payments and repayments today amount to 52 per cent of the gross aid that we receive every year which means that whatever we are getting as loans from foreign countries 52 per cent we pay by way of repayment and interest and this, in fact, will go up. Why? It will go up because, apart from the development process, etc., you are borrowing further. The one main reason why it will go up is that you are contracting new loans at a higher rate of interest. We are paying the old loans at a lower rate and we are contracting new loans at a higher rate of interest. Even if we do not borrow any money, even then the interest payments will go up every year. Therefore, unless we

do something drastic and dynamic on the export front, I am afraid, we are going to find the external debt position a very very difficult area in which the economy is to function.

Now, a word about the Eighth Plan perspectives and issues. It is unfortunate that the Approach Paper of the Eighth Plan, which was supposed to be published in February 1989, is still not ready. Two or three meetings of the full Planning Commission have been postponed, apparently because, I am told, the Prime Minister wants a higher growth rate, he is still examining it and the matter is pending with the Prime Minister. The "Eighth Plan—Perspectives and Issues", which was discussed in May 1988, which was very correctly put down as Approach to the Eighth Plan says—and I would like to quote—

"The rate of economic growth will depend on the resources available for investment and the efficiency with which all investments, old and new, are used to increase output."

Sir, this is the crux of the matter. At the beginning of the Seventh Plan we said the same thing and the Long-Term Fiscal Policy issued by this Government also said the same thing. But the fact of the matter is that in the last five years of this Government, which also coincides with the Seventh Plan, the savings, especially to be generated by the public sector, have not come. We are short of resources. We always say that for growth we need resources. But it is also a fact of life that not only growth will come out of resources, but also resources will come out of growth. So, unless we grow, unless we produce more, unless the output is more, we will always be short of resources and borrowing money can never be a substitute for producing your own wealth because one day the loan has to be paid back.

On the Eighth Plan, the thinking of the Government, as we understand

from the newspapers, is that the rate of growth should be fixed at six per cent, as against five per cent in the last Plan. Apart from that, in the first three or four years, the rate of growth never exceeded 3.7 per cent. Five per cent in good. Now, for the Eighth Plan, six per cent is what the Government is envisaging. But the interesting part is that to achieve this six per cent growth resources are not available! So, what the Planning Commission has done is—this is very unfortunate and very objectionable—that they have assumed that the Incremental Capital-Output Ratio, that is, ICOR—this was never 4.6 and in the first three years of this Plan and the last Plan we have never achieved better than 4.6—to be at 4.35. Now, if we are to take ratios which are unattainable, we will be setting a growth target which is unattainable. There is no use trying to set a higher growth target without taking the realities into account. I can understand that some may say that unless you set a higher target, one does not work for something higher. So, once you do that, unless the ground rules are set, unless we have a national policy for increasing our output, efficiency and management of our resources, I am afraid, producing a document having the ICOR as low as 4.35 is something of an illusion which we are creating for ourselves. Be that as it may, even at that level of ICOR, the envisaged investment in the Eighth Plan is Rs. 6,50,000 crores and the rate of savings, according to this document, would be 27 per cent as against 22 per cent achieved so far.

Now, Sir, again we are making assumptions which it would be very difficult to fulfil. The total investments as a percentage of the GDP we have stepped up from 22.3 to 23.9 and the interesting part is that even the Finance Commission has said that unless revenue deficits come to zero level, we will find it difficult to proceed. Even the Eighth Plan has envisaged a revenue deficit of 1.2 per

cent over the Eighth Plan period as against 2.1 per cent now. First of all, the way we are functioning, the profligacy with which various projects are functioning, the revenue expenditure being unbridled, I am sorry I don't think we can bring our revenue deficit below what we are functioning. But the aim is not even zero. The aim is still to have a deficit of 2 per cent which is totally unacceptable from the fiscal point of view. I would like the hon. Minister to please make a note of it because it is ultimately the Finance Ministry; the buck stops there. So whatever others may plan, whatever we may talk, ultimately it stops at the Finance Ministry level. Unless the Finance Ministry takes a stricter view, unless the Finance Ministry develops everybody, nothing is going to happen.

About the export target, 67 per cent of GDP is what is being achieved. (Time Bell rings) We have assumed 10 per cent for the Eighth Plan. As I mentioned a few moments ago, it is always good to export more. But I will add and conclude by giving my analysis of the external debt position and what we should do.

Now, Sir, the problem is two-fold. One is the falling value of the rupee. The external debt envisaged is Rs. 68,000 crores. The estimate of the Institute of International Finance based in Washington, which is the institute which monitors debts of various nations, which is the job of the Institute—they have analysed that by 1989-90 India's foreign debt will be Rs. 1 lakh crores. Now there is a big difference between these figures. But it is because of the difference in the definition also. When we say it is Rs. 68,000 crores we do not take the NRI deposits as debt, we do not take short-term loans as debt. But, Sir, NRI deposits have to be paid back in foreign exchange. Today they are Rs. 13,000 crores; it is a debt. It is no use trying to say that it is not a debt. So far as the falling value of the rupee is concerned—I do not

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want to go into the figures; everybody knows it— as against the US dollar between 1980-81 and now the rupee has depreciated 106 per cent, against the sterling pound 138 per cent, against DM 93 per cent and against yen 213 per cent. Now, Sir, with such kind of depreciation in the value of the rupee, our external debt is going to mount. We are borrowing at a certain rate and we have to repay at a higher rate. This is a very unfortunate situation.

Now, Sir, to meet this situation, I submit that unless the value of the rupee is arrested internally it cannot be arrested externally. If our internal debt, if our deficit, if our internal economy methods remain the same, if the purchasing power of the rupee within the country goes down externally the value of the rupee will go down. It may surprise the House to know that the Seventh Plan is the first time when the Government has been able to achieve the targets. In the Seventh Plan the total outlay was Rs. 1 lakh and 80 thousand crores. And by the time the Seventh Plan is through we would have spent 125 per cent of it. If we take the base year and deflate prices, in real terms we would have achieved an expenditure of Rs. 183 crores, which is slightly more than we envisaged.

Now, Sir, the question arises, in spite of meeting the Plan targets, in spite of spending all this money, why is the poverty and unemployment problem not improving? The answer is very simple; because the value of the rupee has gone down. It is, if I may submit, like an escalator which is coming down. No matter at what speed you run it you will never be able to reach the top. Unless we make the escalator stationary or change it for an upward swing, all the efforts that we are making will come to zero. . .

I have drawn the attention of the Finance Minister to a very few points

which are very vital in this connection. I have only one word more to say that though it is sanctioned by Parliament the Ministry which is under Mr. Gandhi should strictly monitor the expenditure. Please try to cut down on whatever we have sanctioned because during the course of the year certain contingency expenditures are bound to come. Instead of coming to Parliament with a Supplementary Demand you should only come for change of demand from one head to the other. Thank you.

श्री विठ्ठलभाई मोतीराम पटेल (गुजरात) : उपसभाध्यक्ष जी, वित्त मंत्री ने जो विनियोग विधेयक पेश किया है उसको समर्थन देने के लिए मैं खड़ा हुआ हूँ। खास करके जो पांच सौ करोड़ का ग्राम्य विकास के लिए प्रावधान किया गया है वह बहुत अच्छी बात की गई है। मैं समझता हूँ कि गांवों के विकास के लिए और भी पैसा देना जरूरी है। श्री मोरारका जी ने ठीक ही कहा कि हमें प्राइसेज के बारे में कुछ न कुछ करना पड़ेगा। अगर प्राइसेज को हम कंट्रोल नहीं कर पाएंगे तो सबसे डी देकर हमें एससियल कमोडिटीज लोगों को देनी पड़ेगी क्योंकि दो में से एक चीज हमको करनी पड़ेगी। या तो हम प्राइसेज को कंट्रोल करें या सबसे डी दें। मैं मानता हूँ कि वित्त मंत्रालय को कुछ न कुछ एक्शन लेना चाहिए।

यहां कई दिनों से जब से सेशन शुरू हुआ है सब से बोफोर्स के बारे में कुछ न कुछ चल रहा है। मैं तो सही बात कहता हूँ कि श्री विश्वनाथ प्रताप सिंह को धन्यवाद देता हूँ कि उन्होंने बोफोर्स को क्लीयरेंस किया, बोफोर्स गन को खरीदने की मंजूरी दी क्योंकि वे जानते थे कि यह अच्छी चीज है और अच्छी चीज खरीदने के लिए क्यों मना करें? मेरी समझ में नहीं आता कि ये लोग क्यों शोर मचा रहे हैं और कहते हैं कि क्यों खरीदा? मैं कहता हूँ कि आप श्री विश्वनाथ प्रताप सिंह से पूछ लो कि क्यों खरीदा... (व्यवधान)। इसके बारे में दो आपने तीन-चार दिनों तक शोर मचाया। पहले हमारे दो हाउस

को चलने ही नहीं दिया। ये सब बातें गलत थीं। लेकिन इनका एजेंटेशन आता है। आप जो बातें कर रहे हैं उसके पीछे क्या बात है, यह मैं जानता हूँ। आपको डर है कि यह नवजवान लड़का पाँच साल और टिक गया, श्री राजीव गांधी पाँच साल और टिक गया, तो इसको कभी हरा नहीं सकेंगे। इस बात का आपको बहुत बड़ा डर है कि इन पाँच सालों में इसने अच्छा काम किया है और श्री राजीव गांधी ने जो एक्शन लिया है उसके परिणाम तीन-चार सालों में आएंगे तब लोग इस लड़के को हमेशा के लिए रख देंगे और किसी और को नहीं बनाएंगे। इसलिए इस लड़के निकालने के लिए ये लोग तूफान कर रहे हैं, अनडेमोक्रेटिक चीजें कर रहे हैं। बी०जे०पी० वाले तो ऐसा समझते हैं कि गड़बड़ और तूफान करने से सब ठीक हो जाएगा। लेकिन ऐसा करने वाला नहीं है.... (व्यवधान)

श्री अश्विनी कुमार (बिहार) : आपको श्री विश्वनाथ प्रताप सिंह को नहीं, श्री राजीव गांधी को धन्यवाद देना चाहिए। श्री विश्वनाथ प्रताप सिंह ने इनको नहीं खरीदा है.... (व्यवधान)।

ठाकुर जगतपाल सिंह (मध्य प्रदेश) : इस बारे में मिस्टर वाले एक्सपर्ट हैं, आप और हम नहीं हैं।

श्री बी०के० गडबी : बिल्कुल ओनेस्टली बात कीजिये तो अगर श्री विश्वनाथ प्रताप सिंह इस तरफ होते तो उनके प्रति आपका रवैया क्या होता ?

श्री अश्विनी कुमार : वही रवैया होता जो आज है, जो आज फॉर्नेस मिनिस्टर के प्रति है और राजीव गांधी की सरकार के प्रति है.... (व्यवधान)।

श्री विठ्ठलभाई मोतीराम पटेल : विरोधी दल को हमारे बैस की जरूरत में विश्वास नहीं है। वे बाहर से मदद लेना चाहते हैं श्री राजीव गांधी को हटाने के लिए। श्री विश्वनाथ प्रताप सिंह को प्रथम मंत्री बनाने के लिए अमेरिका से मदद लेना चाहते हैं। अमेरिका के लीडर

से इनके लीडर जाकर मिलते हैं। उन्होंने कहा कि श्री विश्वनाथ प्रताप सिंह को प्रधान मंत्री बनाने में मदद करो। हिन्दुस्तान का प्रधान मंत्री क्या अमेरिका वाले बनाएंगे ? क्या हिन्दुस्तान का प्रधान मंत्री अमेरिका की मदद से बनेगा ? यहां की जनता पसंद करेगी कि हिन्दुस्तान का प्रधान मंत्री कौन हो। अमेरिका के लीडर पसंद नहीं करेंगे। आप लोग अमेरिका के लीडर के पास जाते हैं श्री राजीव गांधी को हराने में मदद करने के लिए और श्री विश्वनाथ प्रताप सिंह को मुख्य मंत्री--प्रधान मंत्री बनाने के लिए। यह बड़ी गलत बात है। यह पुराने राजाओं की गहारी की सी बात है कि आप अमेरिका से इसके लिए मदद मांगें और उनसे कहें कि श्री विश्वनाथ सिंह को मुख्य मंत्री--प्रधान मंत्री बनाने में मदद करो.... (व्यवधान)।

श्री अश्विनी कुमार : *

ठाकुर जगतपाल सिंह : अभी जो उन्होंने कहा कि इसको कार्यवाही से निकाल दिया जाय, यह गलत है।

उपसभाध्यक्ष (श्री बीजा हर्शादेव) : मैं इसको देख लूंगा।

श्री कमल मोरारका : इन्होंने मुख्य मंत्री बोला प्रधान मंत्री की जगह।.... (व्यवधान)

श्री अश्विनी कुमार : उपसभाध्यक्ष महोदय, ये अमेरिका का नाम कैसे ले रहे हैं कि हम उनसे सहायता ले रहे हैं।.... (व्यवधान)....

उपसभाध्यक्ष (श्री बीजा हर्शादेव) : आपकी जब दारी मांगेगी आप कह लीजियेगा।.... (व्यवधान)

श्री विठ्ठलभाई मोतीराम पटेल : बुनिये। आपका बगल में बैठने वाला का

*Expunged as ordered by the Chair.

■ [श्री विठ्ठलभाई मोतीराम पटेल] ■

स्टेटमेंट आया है कि विश्वनाथ प्रताप सिंह को प्रधान मंत्री बनाने में हमारी मदद करो। यह उनका स्टेटमेंट है, मेरा नहीं है। उन्होंने यह न्यूयार्क में बोला है। आपके साथ बैठने वाले अमेरिका से मदद मांगते हैं उनको प्रधान मंत्री बनाने के लिये। यह बात चलेगी नहीं। इस देश के प्रधान मंत्री को भारत की जनता बनायेगी, अमेरिका वाले नहीं बनायेगे। मुझे बहुत अफसोस है कि हमारे जो लेफ्टिस्ट प्रेंड हैं वे भी उनके साथ बैठते हैं और विश्वनाथ प्रताप सिंह को प्रधान मंत्री बनाने के लिये अमेरिका की मदद लेना चाहते हैं, सी०आई०ए० की मदद लेना चाहते हैं। यह लोग भी यह सब कर रहे हैं। ऐसा चलने वाला नहीं है। आपको हिन्दुस्तान की जनता पर भरोसा नहीं है। आप अमेरिका के लीडरों को कहते हो कि उनको प्रधान मंत्री बनाने में हमारी मदद करो। यह बड़ी गलत बात है।

दूसरी बात यह है कि जितने भी विरोधी दल हैं उनके पास एक भी नेशनल लीडर नहीं हैं। हमसे जो गद्दारी करता है वह उनका लीडर बन जाता है। खुद की लीडरशिप नहीं है। जिस किसी ने हमारे से गद्दारी की उनकी सर पर बिठा दिया। जिस आदमी ने उसको ऊपर उठाया जब उसने उसके साथ गद्दारी की तो क्या वह आपके साथ रहेगा? आपके पास कोई लीडर नहीं हैं। जिन्होंने हमारे साथ गद्दारी की है वह आपके लीडर बने हैं और उसको प्रधान मंत्री बनाने के लिये आप अमेरिका की मदद लेना चाहते हो।... (व्यवधान)

उपसभाध्यक्ष : ठीक है विषय पर बात करिये।

श्री विठ्ठलभाई मोतीराम पटेल : यह सब बात आपकी गलत है। यह चलने वाला नहीं है। यह नाटक ज्यादा दिन चलने वाला नहीं है।

■ ठाकुर जगतपाल सिंह : विभिन्न दिशाओं में चलने वाला यात्री एक प्लेटफार्म पर जमा हो गये हैं।

श्री विठ्ठलभाई मोतीराम पटेल : हमारे लेफ्टिस्ट दोस्त हैं उन्होंने सब प्रिंसिपल्स छोड़ दिये हैं। उनका कोई प्रिंसिपल नहीं रह गया है। उन्होंने सब कुछ छोड़ दिया है। उनका भी नारा है कि राजीव गांधी को हराओ। अमेरिका की मदद से या जिस तरह से भी करो। उनका सिद्धांत कहा गया जो हिन्दू कांड खेचना चाहते हैं उन लोगों के साथ वे बैठते हैं। कभी कोई सही लेफ्टिस्ट क्या किसी फंडामेंटलिस्ट के साथ बैठ सकता है? लेकिन यह इस देश की कम-नसीबी जो लेफ्टिज्म की बात करते हैं वे फंडामेंटलिस्ट के साथ बैठते हैं जो कहते हैं कि हम हिन्दू कांड पर चुनाव लड़ेंगे। हिन्दू कांड, क्या वे ही हिन्दू हैं, दूसरे हिन्दू नहीं हैं! हिन्दू धर्म केवल उनका नहीं है, सब का है; कांग्रेस हिन्दुओं के खिलाफ अगर होती तो हमें न रामायण, न महाभारत और न शंकराचार्य का जीवन दूरदर्शन पर दिखाया जाता। अगर तुम समझते हो कि तुम हिन्दुओं के ठेकेदार हो तो ऐसा चलने वाला नहीं है इतना समझ लीजिये।

अष्टाचार के बारे में कहते हैं...

उपसभाध्यक्ष (श्री मीर्जा इशदिबेग) : विषय पर आइये।

श्री ईश बल यादव (उत्तर प्रदेश) : विषय भूल गये हैं, लगता है।

श्री विठ्ठलभाई मोतीराम पटेल : विषय वही है जो पहले था। वही विषय है।... (व्यवधान)

इनका एक मुख्यमंत्री रोज एक करोड़ एक्साइज की चोरी करता था। उसमें से आधा हिस्सा वह लेता था और आधा हिस्सा उद्योगपति ले जाते थे। मैं यहाँ वित्त मंत्री से पूछना चाहूंगा कि कुलदीप

कमीशन के लिये कितना पैसा मांगा जा रहा है? आज जो विधायक पेश किया गया है उसमें कुलदोप कमीशन के लिये पैसा मांगा गया है। यह जो शराब को ड्यूटी का केस है, तीन सौ, साढ़े तीन सौ करोड़ रुपये की ड्यूटी जो चोरी होती थी और जमोन का घपला जो है, रजिस्ट्रार कोऑपरेटिव सोसाइटी के प्रफसरों ने छुद कहा है कि गड़बड़ों को गई है। वह भी उनको दे दो। मुख्य मन्त्री जो थे उन्होंने दो घपले किये हैं। इतने घपले तो मेरे ख्याल में आजादी के बाद कभी नहीं हुए जितने जबरदस्त घपले कर्णाटक स्टेट में हुए हैं। यह सब कुलदोप कमीशन के पास जाने चाहिये और उनको पूरी जांच होनी चाहिये।

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): Sir, is there any justification in his quoting what is happening in the States?

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG): Yes, he can refer.

SHRI VITHALBHAI M. PATEL: Yes, I can. यहाँ तो सब कुछ डिसकस कर सकते हैं। स्टेट्स के बारे में कई चीजें डिसकस होती हैं। अब मैं एक छोटी सी बात कहूँगा। वित्त मन्त्री जी, आपने पांच सौ करोड़ रुपया ग्रामीण विकास के लिए दिया है लेकिन गुजरात के किसानों का बी.पी. योजना का 108 करोड़ रुपया बाकी है यह आप मेहरबानी कर के उनको जल्दी से दीजिये ताकि वह पैसा मोनसून में काम लगे। एल० आई० सी० वाले कहते हैं कि हमारे पास पैसा नहीं है। बॉड खरोदने के लिए पैसा उनको मिलता है और किसानों का जो 108 करोड़ रुपया देना है उसके लिए उनके पास पैसा नहीं है। यह एल० आई० सी० वाले बोलते हैं। 108 करोड़ रुपये की एल० आई० सी० के लिए क्या कीमत है, कुछ नहीं है। यह रुपया वलतनी जन्दी हो सके आप उनको दिजा दीजिये। धन्यवाद।

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG): Yes, Shri Ratna Bahadur Rai.

SHRI RATNA BAHADUR RAI (West Bengal): Mr. Vice-Chairman, Sir

THE VICE-CHAIRMAN • (SHRI MIRZA IRSHADBAIG): This is the hon. Member's maiden speech.

SHRI RATNA BAHADUR RAI: No, no.

THE VICE-CHAIRMAN (SHRI MIRZA IRSHADBAIG): Is it your maiden speech?

SHRI RATNA BAHADUR RAI: No, it is my adult speech, not maiden.

AN HON. MEMBER: On Appropriation Bill it is hon. Member's maiden speech.

SHRI RATNA BAHADUR RAI: Mr. Vice-Chairman, Sir, though it seems ridiculous to create battle-cries for the Appropriation Bill and wrangle over monetary values when the priceless value of our democratic system itself is in peril and misappropriated by the ruling party for their narrow political aggrandisement and when the war cry of the day is for the restoration of this cherished value of democracy, I want to draw the attention of the House to few items out of 25 as mentioned in the Bill.

Pandit Jawaharlal Nehru had rediscovered India in rural poor. With nearly 80 per cent of India's population living in 5.76 lakh villages, rural India is still languishing in the devilish clutch of injustice and deprivation. Notwithstanding our achievements in terms of aggregate growth and some qualitative excellence, there has been a very little change in the relative slack in basic human development. The evidence of this is in the incapacity of large scattered segments of people to overcome poverty and related factors, like ignorance and isolation, malnutrition and infections. The Sky

[Shri Ratna Bahadur Rai]

scrapers of Delhi, Bombay, Calcutta and Madras cannot shield the agonies of crores of poor people living in shabby sacks and wearing tattered vests. We have succeeded to challenge the heaven by launching one after another missiles but we have failed to please our hearts and assure them a bowl of rice a day. Our hon. Prime Minister has shed ample tears—whether that is real or crocodile, I do not know—for these rural people. Presently while delivering his speech on Jawahar Rozgar Yojna in the Rajya Sabha, he said and I quote: "There is no segment of our population more disadvantaged than the rural poor." But it is my humble submission that rural poor should not be turned into mere votebanks through a plethora of promises. Government should contemplate radical alterations in its present policies to accompany the development with equality and social justice. Mere granting of some paltry amount to patch up their privation is only a pittance. So, at this juncture when the fascination for the gadgetry of the 21st century has dominated Government's thinking, rural sector should receive highest possible priority.

[The Vice-Chairman (Shri Satya Prakash Malaviya) in the Chair.]

In this regard, I would like to submit that another side of rural India is hills and mountain regions. Though I am from Darjeeling, I think representatives from States having such regions will share my view that the hill people all over the country are facing the same problems of neglect, deprivation and under development. They have a low per capita income, minimal literacy, poor transport and communication facilities, and hardly any industrialisation. Sir, the hill people have their own peculiar way of life, culture and aptitude, not to speak of topographical and linguistic problems. Unless these peculiarities are taken into account, no workable or fruitful developmental strategy can be evolved.

If you think of the hills only in terms of sparkling streams, snow-covered mountains and flower-laden uplands, and continue the policy of neglect and indifference, the growing discontentment will be capitalised by hostile forces to add into it an ethnic dimension. Our country has already suffered a lot due to such aberrations. So, the Government should pursue a considerate and concrete policy, recognising this as a special problem and take a sustained programme to integrate the hill people with the plains and bring them into national mainstream, allowing them to maintain their own distinctiveness.

Sir, with your kind permission, I submit that while delivering his speech on Jawahar Rozgar Yojna, the Prime Minister was kind enough to declare his intention to render special consideration to meet the requirements of geographically distinctive areas such as hill-deserts and islands. But, Sir, it is reported that only a paltry sum of one and a half crores of rupees has been allocated for Darjeeling Gorkha Hill Council with a population of more than 10 lakhs under this Yojna. It is said that tea garden population is not included in this Yojna. But the fact is that this Council has been formed with the elected councillors from tea garden areas too. Sizeable section of electorate was from the tea gardens. Moreover, the producers of world-famous Darjeeling tea are in the same adverse condition economically like others. I request the Government, through you, to enhance this amount so that a newly-born Hill Council can be nursed in a proper way.

My other point is regarding industrial development. Darjeeling in particular and the North Bengal in general though rich in multitudes of resources, is deprived of any important industry worth the name. Even after 41 years of independence, North Bengal has not been included in the industrial map of the country. Severe backwardness has marred the local populace which has

manifested in different outrages time and again. It is my humble submission that the Government should take some concrete steps to open new industries in North Bengal.

Regarding the Department of Youth Affairs and Sports, Sir, it is my humble submission that our performance in this field is not encouraging. In the Olympics when an unknown and a tiny country, Surinam, could glorify its position, our exercises proved to be below the level of the minimum. Our laudable achievements in other fields have been overshadowed by this. In the absence of any constructive vision of life, our youth are becoming victims of degeneration, drugs, etc. and criminal feelings have polluted their minds. Unless proper care and concern is there for them, we cannot think of a happy India.

Therefore, with ample funds for youth activities, all avenues for their respectable livelihood and development should be opened in a proper manner. Only then we can accept the appropriation of funds from the public exchequer in the real sense of the term. Thank you.

PROF. CHANDRESH P. THAKUR
(Bihar): Mr. Vice-Chairman, Sir, I rise to support the Appropriation (No. 4) Bill, 1989.

Sir, I listened with usual attention to Mr. Kamal Morarka when he started making his submissions. As usual, he was using the right language but, perhaps, not the right facts. While reacting to the Appropriation Bill, one can adopt two ways. One is, the overall health of the economy to which Mr. Morarka confined himself and the other is, the substantive aspects where the money is being appropriated.

On the overall economic scene, Mr. Morarka talked somewhat surprisingly that the budgetary picture, 1988-89 the revised picture, is respectable but he raised some doubts about it. I

would have thought that a man of his intelligence and business experience would have appreciated that there are instruments of fiscal management and economic management which can bring substantive changes when the final picture about the Budget is drawn compared to what the initial budgetary picture had indicated.

The fact that the budgetary deficit has registered a downward trend so far as the fiscal year 1988-89 is concerned needs commendation. I would like to submit here for the benefit of Mr. Morarka in particular and other hon. Members in general that four factors had contributed in improving this budgetary picture when the final accounts have been drawn. Firstly, there has been a better revenue collection. This better revenue collection is an indicator of two aspects. One is, better efficiency in tax administration. The second is, the buoyancy of the economy in terms of receipts. People are making money and paying taxes and the tax recovery, as a result of better tax administration, has substantially improved.

The second factor which has helped us is the performance of the small savings programme. The realisation, the accrual of total funds under this scheme has been substantially better than initially expected. In addition, the Government has been trying to curtail, and bring about rationalisation in, the non-Plan expenditure. There is sufficient evidence to suggest that we have made some progress although we have a long way to go. But to the extent we have made progress it is shown in the final accounts.

Still further, in regard to our public enterprises which have not done as well as they were expected to do when the Seventh Five-Year Plan was formulated, their surplus is increasing and the previous financial year has seen substantial improvement in this.

[Prof. Chandresh P. Thakur]

If you take these four points, it is well within the plausible understanding of an elementary economist to appreciate what are the factors which have helped in the budgetary picture becoming respectable rather than to raise doubts about that. I would only submit that the trend which has been established in the fiscal year 1988-89 should be extended to the year 1989-90 and whatever instruments have helped us in improving our performance should be strengthened and more such instruments should be mobilised for better fiscal balance in the current fiscal year. Another point which he often mentions and we all talk about is the regional imbalance in the fiscal structure, particularly the link between the revenue and the capital budget. There is no denying the fact that fiscal imbalance is taking place, but it is totally unfair not to take note of a systematic course correction in the current budget when we are trying to bring a better relationship of a healthy kind between the revenue budget and the capital budget. I only hope the course correction started in the new budget will be carried to its logical conclusion. When the final accounts for the year 1989-90 are drawn, you would find a better balance in the revenue and the capital budget of the country.

Now I would like to submit that it will take a lot of courage not to recognise that the growth rate of the economy has not been impressive or more impressive than what historically it has been. It is a unanimous opinion among the economists in the country and the International Economic Community that India has well passed the low growth rate stagnation trends and we are in the higher regions of the rates of growth. We only expect that the momentum will be maintained.

Now I agree that the price situation requires a review. This is not to suggest that we are entering into any disturbing situation, but we are at the

border line. Consumer price index, in particular, has certain pressures and we need to keep that in view. However, I must say that only yesterday we heard what has been the picture with regard to the agricultural production. The last monsoon was good. As a result our food production has been substantially increased and the current monsoon by the picture it has already emerged, promises to be as good, if not better, than the previous monsoon and we have every reason to be optimistic that our food production will be lot better. More than that, although we have depleted our buffer stock, the procurement has just picked up. Of course, it needs a lot of acceleration and we have already imported worth Rs. 500 crores of foodgrains. Also as Pandit Sukh Ram Ji yesterday mentioned, we are in the international market for picking up rice for imports.

Having said that, this is not to suggest that the public distribution system is not under distress. There is no doubt that our buffer stock management, our release of food stock and other essential items from buffer stock and its delivery to the consumer point, the retail outlets, need to be substantially improved and streamlined so that the intent of the Government policy is definitely met at the receiving end so far as consumers are concerned.

So far as industrial segment is concerned, it is doing really well. Production of foodgrains is up by a good margin. The cooperative sector profit position is very impressive. In fact, it had never been so good in the recent years and the outlook is good. It is evident from the fact that more applications for capital issues, new investments, expansion and capacity utilisation, are coming up. In fact, infrastructure sector is supporting resilience of the industrial sector. Liquidity position of the banks is good. Industrial Development Bank has been doing a better job. One would have

seen that its sanctions have increased by 46 per cent and disbursement by 25 per cent which simply shows that the users, that is the industrial houses, are looking to the prospect with a certain degree of optimism. Our picture on the industrial front today is much more effective than what it has so far been. I agree, so far as balance of payment situation is concerned, this is an area where much greater attention is called for. Nevertheless, I must say that the export performance in the last two years has been substantially impressive. In fact, two years in a row the rate of growth of export has been a lot better. We have some bad patches so far as export market is concerned. We know that North America is a large market and particularly with the US-Canada Free Trade Pact, America has become the largest market. The European Economic Community, particularly the Western Europe Integrated Economic Community, is another large market. And the Pacific region is the third largest market. There is no doubt that our penetration in all these three markets is still marginal. Our share of the total US import is less than .6 per cent; our export to US constitutes 15 per cent of our total export. So our dependence on US imports is high, whereas US dependence on Indian imports is negligible.

Now with that kind of a market, we cannot afford to be a little complacent. Our rupee trade countries have been doing very good. But with course correction in the Eastern Europe market, particularly with the Russian economy taking a Western turn, not only with India there is a political line but there is some sort of a political line with the Soviet Union joining hands with the United States so far as basic economic and technological issues are concerned. It will have its consequences so far as the performance of the rupee trade, particularly in these markets, is concerned. We need to build resilience within the export sector so that when the day of reckon-

ing comes, we are able to get penetration in some other markets.

Mr. Morarka mentioned about deteriorating rate of exchange. Let us not forget that when we are in the business of penetrating the export market, we have certainly only three levers. Number one is the management of the exchange rate. To the extent our export performance has registered an impressive growth, the credit must go to the quality and efficiency in the exchange rate management of the Indian rupee *vis-a-vis* rest of the foreign currencies.

The second instrument which has paid off and which needs further streamlining is our export incentive schemes. As you know, Sir, export subsidy is one of the main charges on the Consolidated Fund of India out of the total subsidy and to the extent it has shown results, we need to do a further reappraisal to strengthen this instrument or package of subsidies for promotion of exports.

The third area, in the final analysis, is the quality and the cost of the wares which we produce, whether in the agricultural sector or in the secondary sector.

Now the liberal policy results which have been flowing in recent years have started to pay off, whether it is liberal import of technology, or expansion of capacity, or encouragement to capacity utilisation, or fiscal course correction that has taken place. They are all together showing results and our productive efficiency as reflected in terms of cost and quality is likely to show a more refreshing picture which will ultimately pay off in the export market.

Now coming closer to the purpose of this Bill, where a substantial amount out of the total funds is being transferred to the Department of Rural Development, we know its purpose. This is the centenary year of a Great

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Son of India and we could not have celebrated the centenary in a more impressive way than to activate the income and employment opportunities to the large number of people who are still looking for the promises of Independence.

Now, Mr. Vice-Chairman, the employment scene in this country has never been very encouraging. Notwithstanding the progress we have made, it is not satisfactory and we have a long way to go. But the picture is increasingly looking less dismal. And that is an area where one should compliment the Government. The very fact that a major attempt has been made in terms of policy and programme by allocating substantial resources for amelioration of the employment situation is a point to be very happy about. The labour force increases at the rate of 2.5 per cent per annum in this country, whereas the net growth of employment rate has been around 2 per cent per annum. So, there is an evident gap of 0.5 per cent in the backlog on a per-capita basis. In addition, the way the economy is being modernised, particularly the industrial economy, you will find that the labour-absorptive capacity of the Indian industry is not only not growing, not only remaining stagnant, but it is going down to a certain extent. The modern technology that is coming for each unit of production is less labour-intensive and more capital-intensive. The replacement technology, wherever obsolescence is being offset, is again not of the kind which will retain the same level of labour. So, we are not recruiting new labour, and we are running into problems of surpluses in industry after industry, particularly textiles and jute where labour-holding is very much. To take one point, the private non-agricultural sector in terms of employment has remained stagnant in several areas in a row. Whatever increase in employment in the organised sector has come

from the government departments or the public enterprises. Now this is not to suggest that we should go slow on modernisation and choice in favour of new technology. The only thing is, our choice of that technology package should be such that it should give us the maximum gain in growth in the shortest possible time so that we are able to recycle the surplus generated in the lower sector of the economy and reinvest it so that the rate of growth of the economy is improved.

Mr. Morarka has talked about the incremental capital output. If you bring in modern technology and if utilisation and absorption of that technology is really sort of time-bound and effective, then, one of the primary, salutary impacts is improvement in international capital-output operation. The very fact that we have registered the incremental capital-output ratio today at 4.6:1 compared to what was roughly 6.5:1 or in some sector of the economy even 10:1 or 7:1, is something to be very happy about. In the projected Eighth Plan, if the Planning Commission is suggesting that there will be further 0.3 per cent improvement in the incremental capital-output ratio, it is well within the feasibility of economic management, and I see no basis for any questions being raised or doubts being raised. If that is the keystone around which the rate of growth of the economy during the Eighth Plan is likely to be, 6.5 per cent or 7 per cent, there is every reason to be optimistic about that. Anyway, the papers are still being discussed, and when the final approach paper comes we will go into that. I see no basis for diffidence or scepticism at this stage particularly when the recent economic performance figures are pointing to the contrary to give us encouragement.

Now, Mr. Vice-Chairman, for the purposes of the employment situation

to improve of the kind that we are looking forward to, we will have to create additional jobs at the rate of 3 per cent per annum, and we need for that increasingly more investment in the labour-intensive area without sacrificing the productive function. In that context, the rural sector is the greatest holder of the population. About 78 per cent of the total population is in the rural sector although the share of the agricultural economy in the GNP has gone down and this logically follows from the development process. But pressure of population is there. So much of the action in additional job creation must be in the rural area in the agricultural sector. Farm-based jobs in a modernising agriculture does not seem to be a promising area to look at. So, what I suggest is that the non-formal sector, the tertiary sector in the rural area must be tapped increasingly for the purpose of additional employment and income generation.

The rural scene is not uniform across the regions in the country. The entire rural India is poor, but some rural India is really very poor. I am not talking of the Green Revolution area where the rural area is rich, but there are very poor people in that area also. One cannot neglect their needs but what I am talking is that the area left out of the Green Revolution belt requires a priority attention. I am particularly talking about...

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Will you please conclude now?

PROF. CHANDRESH P. THAKUR: Sir, I come from Bihar.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Everybody knows that.

PROF. CHANDRESH P. THAKUR: It is next to your State. When I say the State of Bihar is crying and the single largest concentration of popu-

lation in the poverty-stricken category is there in Bihar, I will not leave your State, Eastern UP area, which is closer to you. There still market surplus has been generated. Its economy is slightly better, but not as good as the Western UP or Punjab or Haryana has shown. So, I suggest that under the new scheme of things, it is a very welcome thing that the distribution of resources for development, particularly for rural development under the Jawahar Rozgar Yojna, the basis of allocation has been changed. It is the population. It is particularly the ratio of people below the poverty line in the population—that would include Schedule Castes and Tribes and small farmers category—that will provide the basis for allocation. I am sure the very fact that States like UP, Bihar, and Madhya Pradesh are the Prime beneficiaries of the total pool of resources under the Jawahar Rozgar Yojna, is recognition of the fact that the Government knows the problem. Therefore, it has put amelioration of the condition of the poor in this region as a priority agenda before it. People from that region will certainly show gratitude to the Government, to the Ministry of Finance and particularly to the Ministry of Rural Development.

I know the time is limited, but there are a few things that need to be brought to the notice of the House. It is not the fund that is being provided, but the purposes, the guidelines, which for the use of the funds which has been suggested is definitely a major departure in the Government policies and programmes.

One more thing is there. The allocation shows that fifty per cent of the resources made available under this scheme will be for wage employment. So, it is not left to the mercy of the local administration or the State Government whether the funds will be used for promoting employment or not. For the first time a kind of strait-jacket has been provided that fifty per

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cent of the resources must be for wage employment. That way we must be able to utilise it on a time-bound basis. I hope the picture will be encouraging.

The second point is that the fund has been directly released to the districts. Politically you can say that the State Government is being bypassed. But bypassed for what? The money is going to the State itself. What the new scheme is doing is that it is avoiding the bottleneck of delay from Centre to State and from State to district. So, the bureaucratic delay and the notorious practice of diverting the resources across States and across programmes has been the principal bane which has caused so much misery to the poor people and the poor regions of the country. To the extent this scheme will make a fresh beginning in the utilisation pattern and devolution of resources pattern, it should show up in a more effective and purposive utilisation of resources for the benefit of the target community than historically it has been there in this country. I would submit that dissemination of information on the guidelines and utilisation pattern of the fund should be further accelerated. Let the village and the district community directly know what is given and what has been given. That is 80 per cent resources are coming from the Central Government and 20 per cent from the State. They must be released and together they should really help the community to take charge of the resources. That way there will be local perception of the need-based utilisation pattern. Then whatever schemes are being drawn, their implementation is before the people of that area. So, vigilance, accountability or what you call the public cooperation needed as a complementary resource for effective utilisation of the funds for implementation of the project which has been funded under this scheme is likely to be substantial. For the last 40 years we have tried in terms of public co-operation, mass participation. Now, what should

be the basis? The institutions at the grass-root level if they have any agenda to make a contribution to the development process, if they have resources at their disposal and if they have power to utilise those resources according to the schemes of things with regard to the development programme in their perception on a priority basis, then only we can look forward to an enthusiastic participation and to the extent under this programme some of these possibilities have been firmly laid down in the scheme of things, we should look forward with a lot of optimism that the rural community and the rural poor will see better days under the new scheme of things. Now, the total allocation has been substantially stepped up. All the districts in the entire country have been covered and one of the encouraging things is that this is a continuing programme. This is not one-shot affair. It is not a relief measure. One of the evidences of the continuing programme is that within the scheme itself there is going to be a priority given to the completion of existing projects, the projects which are already in the pipeline, on which a part of the resources have been spent. They will not be stopped. They will be continued. So from the productive point of view, from the economic point of view this will add on to the infra-structural facility and improvement.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Kindly shorten your points. (Interruptions). I would request you to conclude now.

PROF. CHANDRESH P. THAKUR: I thought you will listen with pleasure and patience. After a long time this House has returned to a kind of concrete, constructive and developmental agenda. All these months and years we have had a terrible waste of time and money.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): We are also having constraint of time for this item.

PROF. CHANDRESH P. THAKUR: I am suggesting better utilisation of time. I only hope that the House has not forgotten the habit of listening to good things, if possible, because of the repeated pattern of time utilisation that we have. What I am trying to suggest is that in the utilisation of funds, it is very important that those who are in charge of the utilisation of funds should be reactivated because historically Government machinery has worked in a particular pattern at a particular pace with a certain degree of sensitivity or insensitivity. Here if you want to bring better results out of the resources allocated under this scheme, by some estimate 540,000 key personnel are likely to be involved so far as the Government machinery is concerned in the utilisation of this fund and in the implementation of this project. In the guidelines there is scope for their training and their orientation. I think, some of these things are already on way. I am not sure whether there is scope for further streamlining whether it is a training part, monitoring part and later on the evaluation part. Now, in the guidelines there is a national evaluation programme, State level evaluation bodies and a kind of continuous monitoring system is going on. Now, we have some experience of concurrent evaluation of the rural development projects. By now our experience in the utilisation of the concurrent monitoring machinery is somewhat mature and we should be able to put it to better use. After all, some of the things that we are monitoring whether it is NREP or WRDP or part of the new schemes, this should be able to give us more timely and more organised feed-back so that corrective steps can be taken.

In the end, Sir, I would only say that the total resources being asked for under Appropriation budget, and particularly dominant part of that, is for a good purpose and it is likely to be put within the framework of a more welcome pattern of guidelines and it is likely to be utilised with the

help of the community at large, the target community through grass-root level institutions and we find three clear patterns that clearly earmark resources for the benefit of the poor in the rural economy. Secondly, the resources will reach in proportion to the intensity of poverty and thirdly, the people who are likely to be the beneficiaries will have a say in determining the pattern of use of that fund and a hand in the implementation and as a result, demanding accountability from the people at the local level. Having said that, I would like to submit that our economy currently as it is moving, should give us a better basis to plan the Eighth Five Year Plan. By all accounts, most of the targets of the Seventh Five Year Plan are likely to be fulfilled and this is one of the few plans—Indian planning has a long history of non-fulfilment of fiscal targets—which is giving us sufficient encouragement that we will end up with better implementation picture and to the extent that this provides a sound basis for the next round of planning. We accept that the Indian economy is on a growth path and eradication of poverty in the rural areas or the improvement of the health of the industry or agriculture in India is likely to be achieved. Thank you very much, Mr. Vice-Chairman, for your patience.

PROF. C. LAKSHMANNA (Andhra Pradesh): Mr. Vice-Chairman, Sir, the parameters for discussion on the Appropriation Bill have been set by both Mr. Kamal Morarka and Prof. Chandresh P. Thakur. Therefore, I would like to restrict myself to the parameters that have been set, namely, the discussion of the health of the economy of the country and the substantive allocations that have been made in the Appropriation Bill. Sir, this Government is proverbial for lack of foresight. This Government lacks comprehension. But at least, there are some... (Interruption)... I said, comprehension. Sir, there are some

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Governments which learn by experience, from hindsight. But unfortunately this Government is not even capable of that. We have been telling and even the Treasury Benches, sometimes, willy-nilly, have been echoing the same thing including Prof. Thakur regarding certain aspects of the health of the economy but unfortunately, as I said, this Government is incapable of learning even from hindsight. Sir, the economy and the health of the economy could be measured in terms of three or four factors. One is the foreign exchange reserves and balance of payments. This is number one. Then, debt position and thirdly prices and in all these three, it will be evident that the Government has been pushing the country into an economic debris from which perhaps it is very difficult to come out. I only wish that we do not push ourselves to such an extent as some of the Latin American countries have pushed themselves and they are having difficulties to come out of it. Sir, foreign exchange reserves position, I think, even from the Government's own admission which has been coming off and on, it has reached Rs. 5,000 crores. Then in respect of trade gap, I think, the gap could be of the order of Rs. 7500 crores or even it could be more. Sir, normally, the trade deficit in early years was to be made by invisible receipts to the extent of 60 per cent. The economists who objectively look at the economy of the country are of the opinion that now it is not met even to the extent of 38 per cent. Sir, what are the factors which have been contributing to this type of position? In spite of the claim which has come out only two days back that for the period of eight months or nine months, the exports have been of the order of 38.5 per cent, which could be perhaps, for two or three reasons, correct also, it has not improved the situation. On the other hand, Sir, by the admission of the Government now, the position is likely to be more serious with possi-

bilities of greater imports, I will only touch upon three important aspects.

One is with regard to the imports of foodgrains. Sir, the position is very precarious. I had an occasion earlier to make a special mention as to what the position is with regard to monsoons this current year. As many as 104 plus 17, that is 121, districts are reeling under deficient or scanty rain-fall situation which is varying between minus 28 to minus 99 per cent. Therefore, I do not want this Government to be complacent. I want this Government to wake up and rise to the occasion and look after it. Sir, it is evident from the fact that in answer to a question, the Food and Civil Supplies Minister has stated that the stock position of foodgrains as on 1st July, 1989 is only 130.45 lakh tonnes whereas the requirement of foodgrains under buffer-stocking policy is 214 lakh tonnes. Even in the very bad year about which they have been talking so loudly, that is on 1st July, 1987, the stock position was 232.69 tonnes. On 1st July, 1985 it was even 286.69 lakh tonnes. I do not know for what reason the Government failed to give the figure of 1st July, 1988. Therefore, I cannot deal with it. If that is the case, in the same answer, the Minister also said, in addition, contracts for import of 3.76 lakh tonnes of rice for subsidy before the end of September, 1989 have been executed. This is what the Minister himself has accepted. Adding this 3.76 lakh tonnes, the buffer stock, if it is all going to be buffer stock, even then it will be 133 or 134 lakh tonnes. Therefore, I do not want that to happen. If the rains continue to fail—because we are already at the end of two months of the four-month monsoon period—the situation is going to be very grave which may necessitate greater imports which in turn may affect our balance of trade deficit and also may affect our balance of payments position. This is point No. 1, Sir.

The second point is, I do not know why this Government is not alive to this fact. Sir, INSAT-1B will have its life ended in September 1989. INSAT-1D which is supposed to come into existence has been put off at least by six to nine months and INSAT-1C is already having 50 per cent life and it will not be able to meet the requirements of the satellite, the requirements of Doordarshan, meteorology, etc. etc. in which case we may have to depend upon at least for the period which will be ending this financial year on foreign satellites which may make us pay through our nose which is likely to impair the trade deficit position and foreign exchange reserve position. This is the second point.

Thirdly, Sir, imports have been indiscriminately encouraged in the name of privatisation, economic liberalisation programme, of this present Government. BHEL is crying hoarse that it is in a position to supply the requirements of turbines to the entire country. But the Minister of Energy and the power boards, especially the National Thermal Power Corporation, are not placing orders on BHEL and are wanting to import under one pretext or the other which necessarily means that the commanding heights which were enjoyed by BHEL will not be there, in spite of the fact that it is assuring to supply turbines and so forth. At the same time we will be wasting our precious foreign exchange reserves on the purchase of these items. I give you one example. I can give you any number of examples. But take, for instance, the special steel Durgapur Steel Plant was supposed to look after the special steel requirements of the country and it was prepared to meet the requirements of the country. Similarly, by backward integration of the steel mill at Salem we would have been in a position to meet the requirements of steel. But we have not done that because that is not profitable; if I say, because it will not lead to commissions, kickbacks, etc. they will get angry; so I will not

say that. But none the less, it is a fact that they did not have the backward integration of the Salem Steel Mill, they did not encourage Durgapur Steel Mill for special steel. As a result our special steel requirements in very sensitive areas had to be imported, we had to depend upon imports. In view of these facts my contention is that the trade deficit position, the balance of payments position and the foreign exchange reserves position in this country will be much more critical; it will be sensitised, it will become difficult, in the months and years to come. But unfortunately even fairly perceptive management specialists like Thakur also forget this fact and they become political like anyone of us and make political speeches. This is about the three factors.

Now let us come to the debt position. Earlier we had been saying that the external debt was of the order of Rs. 65000 to 70000 crores. At that time it was disputed. We also gave reasons why there was a difference between the estimates of the Government of India and others' estimates. The Government had not taken three factors into consideration on which I shall dwell on a later occasion. At that time we said that it was about Rs. 68000 crores or so. But now, only about a week back, the Government of India itself came forward with a statement that the external debt is of the order of Rs. 71000 crores.

AN HON. MEMBER: Actually it is Rs. 1,00,000 crores.

PROF. C. LAKSHMANNA: Yes, I am coming to that. Now I would like to ask the honourable Minister. Is this Rs. 71,000 crores inclusive or exclusive of three more items? I will mention them just now. If these three items are included, then it will be much more than even Rs. 1,00,000 crores. (1) Have you or have you not included short term loans and short term loan interest in the calculation of your external debt? Our information was that in the year 1988-

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90 it would be of the order of US \$ 474 millions—short term loan interest alone—which you convert into rupees and see what it comes to. Loans themselves would amount to US \$ 6.7 billions—convert this figure into rupees and see the amount in rupees. This is about short term loans. I would like to know whether this has been included in your estimates of Rs. 71,000 crores of external debt or not. Have you or have you not included the NRI investments? As far as the NRI investments are concerned, repayment has to be in foreign exchange only and not in rupees. The estimated NRI investments at the end of the current year are 10.9 billion dollars. Convert them into rupees. This is the second point. I would like to know from the honourable Minister whether this has been included or not.

The third important factor is the revaluation of the loans from the World Bank, the Asian Development Bank, etc. in view of two things. One is the sliding value of the rupee about which Mr. Kamal Morarka had made a mention and I do not want to go into that. In addition to that, somehow we have linked our loans to dollars. We have been always talking in terms of dollars and the dollar has been depreciating in terms of harder currencies like the yen and the DM. Therefore, there is going to be an upward revision of the loans of the World Bank and the Asian Development Bank in terms of these. I have got some figures somewhere with regard to the IMF also. I understand the repayment has been hiked because of such things from 1,200 crores to 1,600 crores and in terms of SDRs, from 704 million to 804 million. This is about the external loans. All that I am asking is whether this has been included in the figures of 71,000 crores. If it is included, then there is something wrong with your calculations. Then you have to be very careful about the agencies which supply you

information, about your own Government agencies. If it is not the case, then you have to be frank enough to admit that and take the country into confidence.

Now, Sir, about the internal debt position. About a year back, it was supposed to be Rs. 1,86,000 crores. To that we have to add certain other amounts by which—we had in between certain loans taken, certain interest payments hiked—the internal debt position is more than two lakh crores of rupees. That is the minimum. That means I am only giving the margin of fourteen thousand crores by way of addition from the position which was existing, say, about two years back or a year-and-a-half back. Therefore, if this is the case, then, even by Government's own admission, debt servicing was of the order of sixteen thousand to seventeen thousand crores at that stage and the loan has gone up and it has increased. Obviously, debt servicing ought to have increased and if this is not a difficult debt position—I have not used clichés like debt trap, etc.—I do not know what else it is.

SHRI CHITTA BASU (West Bengal): Why don't you say that it is a debt trap? It is a debt trap.

SHRI M. A. BABY (Kerala): It is a death trap, economically speaking!

PROF. C. LAKSHMANNA: Earlier I had said that it was not only a debt trap, but it was something else also. Therefore, I would like to ask the honourable Minister, if this is not unsound health, ill health, of the economy, what else it is. Let him please come forward and say what it is. Then comes the question of prices.

When we come to the question of prices, we have got very handy indices coming on our heads and we always take shelter behind these indices and say that we are in a very happy position, that inflation has never crossed the double-digit figure and so on.

But, unfortunately, Mrs. Gadhvi and my wife will say something else because they are common housewives who look after the households and who do not have servants, etc. They will say that their position has become precarious, month by month. I have got this 'Friday Prices', and if I give out the prices which have been printed, of two markets, Super Bazar and Kallash Colony of Delhi, that will give as to what is the nature of prices today. I do not know. I am not an economist. So I do not claim anything great on that. But nonetheless as an average, ordinary Indian citizen who makes living honestly on income which he earns, we are finding it impossible to make both ends meet. If it is the position with regard to a person of my stature—I have been in this income bracket for the last 15-16 years and I am experiencing difficulty for the first time—I would like to ask the Minister...

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): And you have a working housewife?

PROF. C. LAKSHMANNA: Yes, a working housewife. I would like to ask the Minister, if this is not indicative of the health of the economy what else is that? And if you do not want to listen to it, if you do not want to learn a lesson from it, if you do not want to share with us, if you do not want to make improvements, I do not know what can be done. I think the people—they are the masters, they will teach you a lesson, a lesson which you will remember for ever.

AN HON. MEMBER: They will come to this side.

PROF. C. LAKSHMANNA: Now, I can go into the economic position much more. But immediately, since this Bill has come I do not want to go into it. Now comes the substantive part on which—even without mention-

ing and at the same time accusing that the Opposition is trying to policies, etc. (Interruptions) During the last Budget discussion I was the one who pointed out that in substantive terms you have not increased. I showed how 21000 is only an addition of the amount that was kept for the so called Jawahar Rozgar Yojana, NREP, RLEP, etc. Then also I showed how it has become a greater burden on the States, which you were not prepared to recognize. You have got a great knack of combining two issues. The Panchayati Raj Bill which has not so far been approved, which is having a very critical life of its own even as a Bill, you combine with Jawahar Rozgar Yojana. What you have done is that Jawahar Rozgar Yojana is to implement the programme even where there are no Panchayats. Therefore, you have not given money to the Panchayats; you have given money, if at all, to Panchayats in only those States where, true to the spirit of the people they have held election, there are Panchayat working — Panchayats working very strongly. But even there, there are problems No. 1 you have given to each panchayat an amount not exceeding one lakh of rupees, so called a lakh of rupees. But then you have set guidelines. Under the guidelines, 25 per cent goes to this, 25 per cent goes to this, 12 per cent goes to that, and with the amount that is remaining with them they are not in a position to formulate any programme, with the result, I would like to ask you, have you any feed-back on the amount that has been deposited in banks without having any programme for the next two or three months? If you have got information, please share it with the House. Two, you are not realising—you thought that you are doing a great thing but it is hitting you back, because the programmes which are of an integrated nature, what little, small programmes which were in existence under NREP, RLEGP, have to be discontinued. On top of it since there is a news-item, there is a view that DRBA is also

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superfluous, that may be taken away. Even the DRBA is not willing to work with us because they have become superfluous, with the result that your talk of giving power to the people has become an empty slogan. You don't have information unfortunately. If you had information, you would have been awakened by now. Secondly, Dr. Thakur was also saying that certain regions are less developed and certain other regions are more developed. Some regions are having greater poverty. Other regions are below the poverty line.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): You have already taken 23 minutes.

PROF. C. LAKSHMANNA: I am aware of it, Sir. That is why I did not talk about the health of economy.

SHRI B. K. GADHVI: I have been listening to you.

PROF. C. LAKSHMANNA: Yes, yes, you are listening. I know that you have to listen. If you don't listen to me, you will not listen to anybody. You can't get a saner voice than this. I was mentioning that in villages where you had integrated programmes, you had to take into consideration, as Dr. Thakur has said, the level of poverty and the level of development and then the programmes had to be formulated. Assuming that the NREP and RLEGP programmes were framed in such a way, what have you done? You have said that all the six lakh villages in the country are equally developed, or are equally under-developed, because the only formula which you are adopting is to send money depending upon the percentage of population of the village. Nothing more. If you give me the figures, I will be very happy about it. I would like to know how you have reconciled the population and poverty figures.

SHRI B. K. GADHVI: Population below poverty line in a particular village.

PROF. C. LAKSHMANNA: Mr. Minister, keep in mind that you cannot have a programme formulated for a single village. What have you done? You have decided the amount. You have decided the guidelines. You have decided in favour of the so-called programmes which you thought will get you votes and you asked them to implement them. The result is that they are not in a position to formulate the programmes for the villages. You are trying to reverse the process of planning. Instead of planning from below about which there has been a continuous talk in this country, you have been planning from above. You are arrogating to yourself the entire wisdom of planning in the country and you are sidetracking the States. The States are in a better position to understand the agro-climatic situation. They are nearer to the people than the Centre at any point of time. Therefore, your game has failed. It has failed so miserably that you have to lick the dust. If you lick the dust, I don't have to say anything. But unfortunately you are making the people lick the dust in the process because you have stopped their development for the current year. I think it will be the greater responsibility for the Government from this side which will come in January to correct it and to show to the people the way in which development has to come about. You cannot see the life of your Government in January unless you try to think in terms of the people and do something. Thank you.

ALLOCATION OF TIME FOR DISPOSAL OF GOVERNMENT LEGISLATIVE AND OTHER BUSINESS

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): I have to inform Members that the Business Advisory Committee at its meeting held today, the 3rd August, 1989, allotted time for Government