

of criticism and constant leg-pulling which is very often taking place in our country, unfortunately. If we want to ensure good results and performance, I think, we can take up one or two undertakings in a year and do thorough study of them. But day in and day out, to go on criticising the public sector is not going to help. If this system of involvement of the workers in the management at all levels is introduced and implemented, there is bound to be improvement; this will certainly give us better results. But everytime saying that public sector is not performing well, pulling legs, criticising the public sector, is not going to help. On the other hand, this will only create an atmosphere of uncertainty and this will also demoralise those people, whosoever is in authority. It is true, in the initial stages, we did not have proper personnel and technical hands. But over the years, the public sector has reached that position where we have got trained personnel, from technical point of view; we have got our own personnel. There is no dearth of personnel to serve the interests of the public sector. Of course, there should be, if necessary, a competition between the public sector and the private sector. But it should be a healthy competition. This should be with a view to achieving the sole objective of increasing production and meeting the requirements of the country.

Two of my friends have made some observations. One is—I am not taking the line of the hon. Minister—there should be various committees for examining the public undertakings. But I feel that if we are going to have so many committees to go into the working of the various public sector undertakings, it is not going to serve any purpose because most of the time will be wasted only in serving these committees, looking after the members of these committees. Instead of this, instead of allowing the energies to be frittered away in this direction, I would suggest that one or two public

sector undertakings can be examined every year; in fact, we can take up Ministry-wise. But we should give full autonomy to them so that they can give better performance.

We were relieved that the hon. Prime Minister has expressed her concern and dissatisfaction over the performance of the public sector. She has directed that at least ten per cent return should be ensured. I entirely agree with this suggestion. Everybody in this country, every citizen in this country, has an involvement, has a stake in the public sector. It is high time that there should be adequate return for the investment made in the public sector. Every efforts has to be made in this direction. I am grateful to the hon. Minister for the steps already taken and the assurance given that they will see to it that the public sector performance registers improvement with due regard to accountability and profitability and for this purpose the Government will take all possible measures to make the public sector an effective instrument for socio-economic growth in this country at a higher and faster rate.

In view of the assurance given by the Minister I withdraw the Resolution and express my sincere thanks to all the hon'ble members for making the debate more meaningful by the participation.

The Resolution was, by leave with drawn.*

RESOLUTION RE. FORMULATION OF THE SEVENTH FIVE YEAR PLAN

THE VICE-CHAIRMAN (SHRI SYED RAHMAT ALI): Now we shall take another Resolution of Shri Santosh Kumar Sahu.

SHRI SANTOSH KUMAR SAHU (Orissa): Sir, I beg to move the following resolution:—

[Shri Santosh Kumar Sahu]

"This House is of opinion that the Seventh Five Year Plan should be so formulated that by the year 1990 it must provide—

(a) every person, educated or uneducated, an opportunity of employment or scope to work for earning an adequate means of livelihood;

(b) house sites for all agricultural labourers and artisans throughout the country;

(c) drinking water facilities in every village of the country; and

(d) free and compulsory primary education for all children in the country until they complete the age of fourteen years."

Sir, the whole contention of the Resolution is based on the idea that these are the primary, basic needs of the citizens of the country and that is why I have said that these things should be incorporated in the Seventh Five Year Plan. These are the basic things which the Planning Commission has to take into consideration because these things are enunciated in the Directive Principles of our Constitution. In this Chapter of Directive Principles of State Policy, article 37 says, I quote:—

"The provisions contained in this Part shall not be enforceable by any court, but the principles therein laid down are nevertheless fundamental in the governance of the country and it shall be the duty of the State to apply these principles in making laws."

So, Sir, my point is, if we have not achieved the desired results within the period of 30 years of planning, we have certainly made certain mistakes which must be taken into consideration at the time of the formulation of the Seventh Five Year Plan. Article 41 of the same Chapter lays down, I quote:—

"The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want."

So, Sir, in article 37 we have seen that the Directive Principles says that it will be fundamental in the governance of the country to take into consideration all the Directive Principles, and in article 41 the founding fathers or the framers of the Constitution have fixed the socio-economic objective of the future of our country. They have enunciated very clearly in the Directive Principles that every person must have an opportunity to earn his livelihood by dint of work. This is a fundamental thought which must be taken into consideration by the present Planning Minister.

So far, Sir, there have been very many achievements in other fields but we have not achieved the real goal for vast number of citizens, i.e. the right to adequate means of livelihood. It is foremost important for economic independence of the people. We talk of political independence everywhere, but that is not enough. What is the fundamental for economic independence? That is, every able man—whatever sources he might have—should have the opportunity to work, to earn his livelihood. This is the first and fundamental principle for economic independence. So, when we are thinking of drafting the Seventh Five Year Plan, the fundamental principle which should be taken into consideration is that there must be self-generating economy, free from dependence on foreign assistance and providing employment for all job seekers. The special programmes for solving the problem of unemployment and under-employment have been taken care of in different Plans but the greatest criticism is about development and growth of projects in different areas in isolation to the area developmental Programme. They have been of *ad hoc*

nature. My fundamental emphasis is on this question of employment. Because we know that a man is born with two hands. So in our economic policies, this potential resource of human capital must be taken as a great source of development in national progress without which we will be faltering in our steps and it will not generate so much of faith. The basic question is that creating awareness of the goals in the programmes like the NREP, Food for Work Programme, Integrated Rural Development Programme, has not met with very great success. Why? This is the question before the country today. The main question is that this planning for employment has not generated sufficient hope and faith in the people so as to vibrate the national economy. This is because of three things. In the mid-term appraisal, already it is stated that the planning apparatus at the district level and at the village level has to be reoriented. Now we are giving importance to micro planning, area planning. We have not created sufficient apparatus to evaluate and monitor each scheme which is going to the rural areas. While introducing my Resolution, my humble submission would be that it is high time that in the Seventh Five Year Plan, we have some new dimensions to the planning apparatus so that we can achieve these goals which can be achieved by two ways. One is, that the planning must be people's planning. By this I mean that people must feel that they are participating in such a programme which will create new hope, new capital for the nation and that it will create new life. I want to give one example. Suppose we take today the programme of connecting all the rivers in a mighty irrigation scheme and lower all over the country, where every land will be irrigated, and we draw up a programme for a Master Plan projecting the Canal joining the Ganges with Godavari, Cauvery, Mahanadi, Narmada and all those rivers and say that by 1990 or 2000, AD, every village must have cent per cent irrigation, then there can be

motivation for all the army of people to join in planning and to implement. We have to see that planning states from the villages and there is micro level planning, area level planning and district level development planning, so that people will take it as their own planning. Only then this planning can succeed as it will be formulated taking into consideration the local needs and resources.

Now we are starting several programme in the villages like the NREP. Because the people who are implementing these programmes have no faith in them, and the beneficiaries have no respectability. I say, Sir, this right to work is every citizen's birth right. It is the first condition for economic independence. Unless everybody has ideological faith in the planning programme, it cannot generate sufficient motive force among the people. I know in our Planning Commission there are many experts in Economics, administration and other subjects. If we can move and mould the people's strength, then there can really be a great upsurge in the whole country and it can create wonders. I cite an old Sanskrit story for example once, one of the great philosophers, who was a master of Vedas was crossing the river Ganges. When he entered the boat, he asked the boatman: "Do you know Sanskrit?" He said: "No, Sir. I am an illiterate man. I do not know Sanskrit". Then the philosopher said: "Your one-fourth life is gone." Then he asked him the next question: "Do you know Vedas and Upanishads?" Again the boatman replied: "No, Sir, I do not know. I am an ignorant and illiterate man." "Then your other half of the life is gone". Like this only one-fourth of life remained with the boatman. At this time the boat leaked and water started gushing inside. Then the boatman said, "You are versatile with all the knowledge. I am only left with a little life. But do you know the art of swimming?" The pandit said, "I do not know." Then he said, "All your life is gone, as you have no practical

[Shri Santosh Kumar Sahu]

knowledge of swimming." So this has become the result in this country of the economic experts and others, who do not study the mind of the people. India has a great tradition. It has created miracles in the past; and it can create miracles even today. The population itself is a great asset, but that must be brought within fabric of planning; they must know that we are going to work for a national goals and the future generation should be connected with this scheme so that the whole country will have national integration. The whole country must know that we are working towards it. When I say about this NREP Programme, we are doing something for building the village roads the infrastructure but the roads are non-visible; they are not to be seen sometimes. So let us in all the Five-Year Plans measure the progress and take a realistic attitude.

Coming to the basic question, the first part of my Resolution says that create employment potential, with mass programme of providing employment for every able-bodied person in the Seventh Five-Year Plan. Planning must take into consideration that it starts with the area planning so that there will be faith in the grass root level, then come to the question of unemployment. What is the problem? The population of the country, as per the 1981 Census, is 68 crores and 51 lakhs and the working population constitutes nearly one-third, 33.4 per cent. As far as the mid term Appraisal is concerned, Nam quoting from the Mid-Term Appraisal which we discussed yesterday,

"On the basis of the results of 32nd Round Survey (1977-78) of the NSSO and taking into account the official population projects, the Sixth Plan estimated a need to generate employment opportunities of the order of 46.3 million during the Sixth Plan period and as against this, placed the employment generation likely during the Sixth

Plan period at 34.3 million standard person years."

[The Vice Chairman (Shrimati Margaret Alva) in the Chair]

We also see the other side. So there is a gap between what was the target in the Sixth Five-Year Plan for generating employment and the achievement we are going to have. Looking at the other side of the question, there are more educated persons who are becoming unemployed today. If we see the figures, in 673 Employment Exchanges in the country, the total number of names on the live registers by the end of October 1982 is 19 million, 26 lakhs and 45,000, of which graduates and post-graduates constitute 9.5 per cent, above matriculation/below degree, 13 per cent, 28.1 per cent matriculates, and 49.4 per cent below matriculate. We incur social expenditure for education. So the men who are trained and highly educated must be absorbed in creating more national asset and increase the productivity without which there will be a big gap in the field and society will loose and we cannot compete with other countries. Madam, this is a very basic point.

Now I will come to the second part of my Resolution, and that is about the question of house-sites for the agricultural labourers. Madam, before independence, when we were reading in schools or colleges, I know one of the basic slogan was *makan*, i.e., House, *Makan* was one of the basic needs. that was the slogan. See how gigantic the problem is, and how much care we have taken about this problem. They have said in reply to a question in Parliament that in 1982-83 9 lakh and 10 thousand house-sites have been provided, but there still remain 4 lakh and 64 thousand families without house-sites amongst the agricultural labourers. Here I ask a fundamental question. Let us not mix up too much statistics with jugglery, which we have become very fond of nowadays. May I ask the figures about

those who have been given possession thereof? Probably not. Many times we see that the Revenue authorities allot certain lands which are in possession of other people, which are not fit for habitation. So, this cannot be just whitewashed like this. So, it is very fundamental that we go to the moot problem. Actually, the Prime Minister in the 20-Point Programme has touched the basic points, the basic things of the society, and she has emphasised on how to accelerate this process.

So also we see the other question about the drinking water. Madam, after 30 years of Planning, it is a pity that we could not provide drinking water to all the people of all the villages in the country. To the Starred question No. 160 asked on the 2nd of December, 1983, in Rajya Sabha, the answer given was:

"The Planning Commission in the mid-term review document have expressed fears that 100 per cent coverage of all identified problem villages may not be achieved by the end of the Sixth Plan period. The Planning Commission have estimated that a little over 14000 villages may spill over in the Seventh Plan due to physical and financial constraints.

"(b) The Planning Commission have made a recommendation in view of the high cost of construction and maintenance of sewerage schemes and the reluctance of the local bodies to levy proportionately higher taxes, most of the towns excepting Class I cities may have to be provided with only low-cost sanitation schemes."

So, by the end of the Sixth Five Year Plan it seems from the reply to the question in Parliament that we cannot give drinking water to all the villages. There will be still problem villages in our country. But, Madam, I would ask the hon. Planning Minister, through you, to take into consideration in another angle. Suppose, after three years we cover all these 14,000 villages. By that time, how many wells which would have been

constructed decade back would be in existence? I am giving an example. I was interested in a scheme of "Buy a bucket of water" initiated by the London co-operators. They made a scheme, for providing water in some villages. And they gave certain money to construct a well in a village in the Ganjam district of Orissa. The village well was constructed. After some time, the inauguration ceremony was there. I was going there with some of our co-operative friends. When we went there, we saw the great zeal of people, thousands of people had come in a procession, and fan fare. Then I asked a question in my heart: *What for a well, after so many years of planning, people had so much of zeal, what had happened of planning in the rural areas in all the past years?* So I went into the basic question how many wells were constructed earlier. During the Plan period, upto the Sixth Plan, two wells were constructed which are non-existent because what has happened is that the wall level is that of the ground. The ground water gushes with the mud, in the rainy days and the well gets destroyed. So, I would appeal, Madam, the Planning Minister should take a realistic attitude. If for ten thousand rupees people can construct a huge well and then there is so much of eagerness to see that the well is protected, why should we not construct wells of durable nature. Why this jugglery that in all the five lakh villages we have constructed wells. That strategy does not mean anything if the people do not get pure water to drink. So, the question would be this. Let us not only say that we are going to complete 14,000 wells in the Sixth and the Seventh Five Year Plan but that we will provide drinking water at any cost and see that rural projects for drinking water are good and worthy projects. There must be some maintenance provision. Whether the State Governments bear it or the Central Government bears it or the Panchayat Samiti it does not matter. But these are the moot questions of the country today. Otherwise, we are not going to solve these problems.

[Shri Santosh Kumar Sahu]

So also is the other point. I have already told, Madam, there should be compulsory education for all the children of the country until they complete the age of 14 years. The department told in reply to a question the number of those who have been enrolled in the age group of 6 to 11 years. Their number is 3,03,76,652, out of which the boys are 2,03,38,664 and girls, 2,00,37,988.

DR. MALCOLM S. ADISESHIAH
(Nominated): Not enrolled?

SHRI SANTOSH KUMAR SAHU:
Yes, not enrolled.

DR. MALCOLM S. ADISESHIAH:
In primary or upper primary?

SHRI SANTOSH KUMAR SAHU: In primary. So what a gigantic task it would be! Of course, now they say they are giving importance to it. Now if we look at the other scene, we see that the all-India average of enrolment is 82 per cent. Almost 700 lakh students are enrolled at the primary level. In many States the enrolment is much lower: in Madhya Pradesh, it is 63 per cent and in Rajasthan it is 57 per cent. Especially the enrolment of girls is very low. The enrolment of girls at the primary and middle level disappointing and in some States, it is shocking. The all-India ratio of girls' enrolment was 65 per cent at the primary level. And at other stages of education, many go away after enrolling themselves in the primary level. Roughly that will come to 38 per cent. Then there is higher education, with which this Resolution is not directly concerned.

These are the very practical things which have been emphasised even by the Prime Minister in the 20-Point economic programme. So there must be realistic planning, taking the picture of the country as a whole. Now how is this problem going to be solved? For that, to my mind, it is very im-

portant that the beneficiaries should be organised. Social awareness be arisen. They must know what would be the projection of development programme by the Centre or from the State in clear terms. For that there must be proper monitoring and a proper evaluation and processing by the Planning Commission from the grassroot level. That is why when I participated in the discussion yesterday on the Mid-term Appraisal, I emphasised that there must be regional sectors of the Planning Commission which will monitor and evaluate every scheme. Otherwise, some places will be remaining backward while other places will be getting rich dividends, as a result of which the poorer sections will not get the benefit of planning. That is the crisis of Indian planning today. That is one suggestion.

The second important question concerns the people who are implementing the schemes at the village level. For example, take the Food for Work programme. I have seen BDOs and other people behaving in a highhanded manner towards the people, as if the beneficiaries are going to them with begging bowls. How can they create faith in national planning? This is another aspect that must be looked into. The people must be made to feel that they are working for some tangible project, that they are employed for it, that work will bring prosperity, that the State is giving them all facilities and they work for the State so that they build up the necessary capital to have further assets for the country. I am seeking through this Resolution is that, in formulating planning, let us not think of only the statistical figures. Let us think of how we can inculcate this new consciousness, this new awareness of planning and ensure the involvement of the beneficiaries. And the State officials should be geared up to implement the schemes with a missionary zeal. Yesterday I was hearing a radio talk about the housing problem. An eminent Professor was saying that every year the population growth was so much in India that it would require

housing to the extent of the whole of Australia. So if we have to think of the slum dwellers, if we have to think of the agricultural labourers, we have to think big and make projections for 2000 AD.

India has achieved many things through planning. We have now been recognised as one of the most industrialised developing countries in the third world countries. And we have succeeded in having planning through democracy. I hope that if we give this new social awareness, new direction in planning, economic independence can be achieved and the people will have great faith in planning. It has created great wonders in the past and it will create wonders and we will march ahead towards economic prosperity.

With these words, I humbly submit that the Resolution may be considered by the House and hon. Members may express their opinions on the Resolution. Thank you.

The question was proposed.

DR. MALCOLM S. ADISESHIAH: Madam Vice-Chairman, may I apologise first that I did not realise that the debate on Mr. Bhatt's very important resolution would be completed so quickly and that Mr. Sahu's resolution would come up. I must very frankly confess that I have not done the usual home work that I do before I speak on a subject. I think that first all of us should be grateful to Mr. Sahu for bringing forward this resolution—grateful to him for two purposes: First of all, it is the first occasion when the House, through this resolution, would be turning its thought towards the Seventh Plan which is very appropriate because the Planning Minister, the Planning Commission, the Union Government and the State Governments and specialists all over the country are now in the process of thinking and preparing for the Seventh Plan and we should be all grateful to Mr. Sahu for having brought Parliament, the Rajya Sabha,

into this mainstream of thought and reflection for the Seventh Plan. Secondly, we should also be grateful to him for having picked four of the important areas which the Seventh Plan would need to attend to, namely, gainful employment for all—I would quantify this objective for the Seventh Plan as follows: The Sixth Plan quantified the employment creation as being equal to, as Mr. Sahu said, 34 million standard person years. If I may explain to my friends what a standard person year means—this term means a person being employed for eight hours a day for at least two-thirds of the year. This is called a standard person year. In the Sixth Plan we committed ourselves to the generation of 34 million standard person years. I am not sure exactly how much of this commitment of creating 34 million standard person years we will be able to attain—my rough and ready calculation is on the basis of what the Planning Commission reports in the Mid-term Appraisal of what has been done in the first two years; projecting that, we may have a backlog of 4 million standard person years that we will be carrying over to the Seventh Plan and in the Seventh Plan itself we may have to create an additional 40 million standard person years: I would say for the Seventh Plan your first objective is employment—gainful employment for all. This is very important because very few people are really unemployed in India. One just cannot afford to be doing nothing; nobody in India can afford to be unemployed because he will then starve and die. He has to be doing something, digging or removing the earth even if be unproductively in order that he may find some roots, some substance something to sustain himself. That way nobody is really unemployed. Therefore, I translate clause (a) of Mr. Sahu's resolution as meaning 'providing gainful employment for every one.' I would quantify that as 4 million standard person years on the basis of my figures. Another way of expressing that, without using the technical term, is that the Six

[Dr. Malcolm S. Adiseshiah]

Plan says that we had 21 million people unemployed as backlog and 34 million people would be entering the new labour force.

THE MINISTER OF PLANNING
(SHRI S. B. CHAVAN): 12 million.

DR. MALCOLM S. ADISESHIAH: The Minister corrects me. This will mean that 34 million people will be entering the labour force and we will be left with 12 million as backlog, if full-time employment is envisaged. This is what the planning document says. If part-time employment is to be provided, then we will be able to cover both these 34 million and most of the 12 million people. That is another way of expressing what Mr. Sahu has set forth. In the 7th Plan there will be about 40 millions entering the labour force, if full-time employment is to be provided and in the 6th Plan there will be a carry-over of 12 million. This means that about 52 million people will have to be given employment. This is the purpose of clause (a) of Mr. Sahu's Resolution.

In clause (b) he speaks of house sites for all. I take it that this would involve either housing or improvements in the case of slums. What is needed is not new construction, but improvement. Including both my calculation comes to 8 crores of houses. I am not dividing this into new construction which will be probably a smaller proportion than the percentage which has to be improved whether in the rural areas or in the urban slums.

SHRI SANKAR PRASAD MITRA
(West Bengal): What is the number of new houses?

DR. MALCOLM S. ADISESHIAH: It depends on how you look at it. Coming from Tamil Nadu which is in the forefront of slum building programme, my bias is for slum improvement programme rather than slum building programme. I think new

houses will be not more than 25 to 30 per cent and for improvement the percentage will be 70 to 75. But Mr. Sahu does not spell it out. He says house sites for all agricultural labourers and artisans. If he means only house sites, that is a much smaller number. House sites can be solved in the Sixth Plan. We are on our way to solution. But housing problem is much more intractable. I would concentrate on housing than house sites.

With regard to clause (c), his figure is also mine. There is only a difference of about 1,000. Drinking water problem villages are over 14,000. This is the Planning Commission's figure.

Finally we come to free and compulsory education. The quantity is much worse here than what Mr. Sahu has stated in his statement. He mentions some lakhs who are not yet in the primary schools. If we take the Constitutional amendment of 14 years, then it will go into crores. But where you really get into crores is here. According to the Ministry of Education, 80 per cent of those who are enrolled today up to Class VIII drop out.....

SHRI HAREKRUSHNA MALLICK
(Orissa): 85 per cent of the pupils drop out.

DR. MALCOLM S. ADISESHIAH:so much so that the Seventh Plan has to provide for the left-outs, that is, whatever figures you have quoted, which run into seven crores plus the drop-outs, that is 75 per cent of those who have enrolled today from the 1st to the 8th Class, as well as the push-outs, that is to say, those who are pushed out, who are repeating, who have failed in the examination and so on—Madam Vice-Chairman, I have not got the precise figures with me, but the Minister has—and all these run into several crores and it is a very serious problem. Parallel to this is the other thing which you have referred to—and that is also in the 20-point Programme—

and that is, in the Sixth Plan we have stated that by 1990 at least, we have to eradicate adult illiteracy in the country where we have about ten crores of adult illiterates in the age group of 35—50. May I say, Madam, that the educational task is a very difficult one, an almost unattainable task, in spite of its being a Constitutional obligation in a way? When you put (a), (b), and (c) it becomes an obligation. But, when you put (d), we are really in trouble and I can say that there will be great problems, serious problems, of resources, human and financial, in providing free and compulsory education that you are talking of up to the age of 14.

Now, I think the pre-condition for this is to look at the kind of Seventh Plan that we have to devise in order to attain these four purposes that Mr. Sahu has set forth in his Resolution. And here, Madam, I have only three broad ideas to throw up to the House at this stage.

The first idea for us is to define the Seventh Plan priority as eradication of poverty. I would go so far as to make that the single objective and all the others would be only consequences of the first because, especially for economists like me, Madam, growth rate, capital-output ratio, investment rates—all those things will follow from the objective of eradicating poverty. Perhaps most people would not be prepared to go so far because we have, in the Sixth Plan, itself, ten objectives and poverty eradication is one of the objectives. We could have one objective poverty eradication from which we derive subsidiary objectives and my thought in this regard is that if you do not want to go in for this single-minded approach in the Seventh Plan for the eradication of poverty, at least you should make it a major objective.

The second idea that I wish to present again in a sort of a raw form is that if you are going to go in for eradication of poverty by 1990, either as a single objective or as major ob-

jective of the Seventh Plan, then the whole-system of planning, the whole methodology of planning, should be changed, as Mr. Sahu has said.

Now, I would like to put Mr. Sahu's thought more systematically than he put it. I would say, that once the National Development Council agrees upon what is broadly the Approach Paper, what are the objectives, what are the possible resources to be raised and how we would like to see these resources deployed in relation to the objectives that have been decided and then how these resources would be mobilised, once these broad areas are established by the National Development Council, on the basis of the Planning Commission's draft, I think, Madam Vice-Chairman, the Planning Commission should have a rest, the Planning Commission should do no more work. Then it should be transmitted to the blocks, not even to States but to blocks. Planning should begin at the block level with the resources which are available to the blocks with the resources which also provided by the State Government and the Union Government to it. Blocks have to make plans in relation to their needs, their potential and their resources. From there this will then go to the States where the State Planning Commission, would put the Block Development plans into the State Plans, adding State-wise activities and programmes such as electricity, for instance, or irrigation, State public sector undertakings, State roadways, and so on; these are example. Thus the State plans should be formed. And these should then be sent to the Planning Commission and then, within the overall priorities and framework which, have been suggested by the Planning Commission, and approved by the National Development Council, the Planning Commission would put them together into a National Plan, adding national elements like the Union Public sector investments and various other such elements to make the National Plan.

[Dr. Malcolm S. Adiseshiah]

Now, I believe, Madam Vice-Chairman; this is necessary if we are going to attend to the objectives of eradication of poverty and employment generation. One of the reasons why poverty eradication has escaped us in the Sixth Five Year Plan or employment generation is falling far short of the target in the Sixth Five Year Plan is because we made these plans at Delhi Plan at the grass root level, decentralising the plan, plan from the bottom—these are the watch words we have had. In fact, at one time we had in the Planning Commission a district planning Unit. Now, if the block has really to make a plan we will have to provide the blocks with resources—resources for planning, human and financial resources. Now, take NREP or IRDP programmes. Yesterday I had no time to give detailed figures on them. I will not go into great details. But what is reported is, for instance, under the NREP, National Rural Employment Programme, in 1981-82 7 lakh tonnes of foodgrains and Rs. 40 crores were not utilised. All this were allocated by the Union Government and matching grants from States. This is reported by the Ministry of Rural Development with Annual Report. Similarly, in 1982-83, 3.4 lakh tonnes of foodgrains and Rs. 300 crores were not utilised. So it goes. 1983-84 is still in process. On the one hand the States have these huge amounts of unused resources and they are not spending these—foodgrains and funds.

On the other hand, they have reported that they are reaching the annual 300 million mandays target. There is something wrong somewhere. If what they say is true, then the budgeting is one of the sloppiest budgeting of this programme because they have not needed these resources. I think the budgeting is right and what has happened is that what they are reporting is questionable. Such evaluation studies as have been made, very carefully made, by the Programme Evaluation Organisation and made by organisa-

tions like mine, raise a question mark. What I want to say to Mr. Sahu is that we are pleading for planning to start, under the overall national priorities, at the block level. At the request of the Planning Commission, in my Institute we undertook a study of how certain of the Central Government Plan Programmes like the D.P.A.P., are functioning. We were asked to institute a study of these programmes in Dharampuri and Ramanathapuram, two very very backward districts. The money is voted in Delhi here and it has to go all the way to Ramanathapuram and Dharampuri. The details are available. You will find how much has been lost on the way and what actually reaches the beneficiary is a very small fraction of what we have voted in Delhi.

The main problem is that of the centralised overall national plan. From Delhi, you cannot make a plan applying everywhere, to a village in Karnataka, Tamil Nadu or U.P. Therefore, the proposal made by Mr. Sahu, which I support very strongly, is that we should revise our planning method to start planning at the block level to ensure that the resources, human and financial, are really optimum used and there is no wastage and that it responds to the needs and the potential at the local level. That is my second suggestion.

The third suggestion is what I said yesterday and that was that I would very strongly advise that in the Seventh Plan we should try to raise our growth rate a little bit by aiming at 7 to 8 per cent growth. 4.5 or 5 per cent of VI Plan was a good recovery rate. But it is not development. There is no development and no progress at that rates. We have recovered from the bad 1979-80 year from which we started. Can we plan a little more boldly for a growth rate of 7 to 8 per cent. VIIth Plan? I know that many of my economist friends would be rather doubtful about my proposition and some of them would be critical about it. I think that as a corollary

to this, immediately they will ask, as to what is the investment resources that you expect. I won't answer that question till I turn to the question of capital use or what the economists call, I.C.O.R. (the capital output ratio). I think it is within our power in the Seventh Plan to cut by at least 50 per cent the present very high capital output ratio, what is in popular language called wastage of capital. If we can cut the capital output ratio by 50 per cent,—I am talking of the average—and go back to what it was in the Second Plan or in the beginning of the Third Plan, then I believe that the investment magnitude for the Seventh Plan need not be 30 per cent above that of the Sixth Plan. Let us not once more think of coupling the public sector outlay. In the Sixth Plan, we doubled the Fifth Plan outlay and there is talk circulating of doubling in the Seventh Plan also. We just cannot do it. What we need to concentrate is real increase in the productivity of our capital resources, productive use of our capital resources which would then enable us to keep the resource increase in investment down to 30 per cent.

Now, Madam Vice-Chairman, may I say that in addition to the four points that Mr. Sahu has made—they are very important means of eradicating poverty, 7 to 8 per cent growth rate would be a very important means of eradicating poverty and where the NREP and IRDP programmes can be operated effectively by being planned not at Delhi but by being planned and operated at the block level—in addition to these, I would say to Mr. Sahu—I am afraid we would not come back to this Resolution—that he should have paid some attention to the land reform programme in this Resolution because the Mid-Term Plan Appraisal says very clearly that the root cause of poverty is assetlessness and that 30 per cent of the bottom rural society own less than two per cent; it is of the rural people, and . . .

SHRI HAREKRUSHNA MALLICK:
They are the cause of this. . . .

DR. MALCOLM S. ADISESHIAH:
Mr. Mallick, all of us are the cause and especially we the well-to-do people are the cause. Madam Vice-Chairman, what the Planning Commission Mid-Term Document says, quoting from the Reserve Bank Survey, is that 10 per cent of rural poor own less than 0.1 per cent of the assets. Now, the Minister of Rural Development is here. The land reform programme is his responsibility. And he has reported very honestly in his Annual Reports how the land reform programme is not going well. And it is repeated very clearly in the Mid-Term Plan Appraisal. In fact, Mr. Minister, may I call your attention to a very small fact, a very interesting fact? In the Fifth Plan Document you have said that you aim at distributing 5 per cent of the surplus land among the poor. You said 5 per cent. Now, I would ask you to translate this 5 per cent, which means 140 lakh acres. This is what 5 per cent is. It looks a very small figure but it means—140 lakh acres. And what we have actually done today is to declare 43.31 lakh acres as surplus. We have taken over 29.45 lakh acres from the surplus, and we have distributed 20.05 lakh acres. Then the Minister of Rural Development reports as I reported yesterday, how poorly we utilised Rs. 30 crores that have been set aside for making this land settlement programme for the newly settled through the five years. In the three years, we have used only Rs. 2.5 crore.

So, Madam Vice-Chairman, would I plead with Mr. Sahu that where NREP, the first clause, is a relief poverty, the cure to poverty is to cut the assetlessness of the poor people. That is the land reform programme.

Thank you, Madam.

SHRI NIRMAL CHATTERJEE (W. Bengal): Madam, I have one request make that one day Dr. Malcolm Adishiah should inform us as to what he considers to be feasible and necessary and what is actually not feasible and is not possible in this country. One day he should enlighten us that.