

[Sardar Swaran Singh] Clause 2 of the present amending Bill, "Court" is denned thus—

' "Court" means a Court other than a Criminal Court and includes any such tribunal or other authority as may be specified by the Central Government by notification in the Official Gazzette being a tribunal or authority which is empowered by law to receive evidence on any matter pending before it and on the basis of such evidence to determine, after hearing the parties before it, the rights and obligations of the parties in relation to such matter.'

So the definition of "Court" is being expanded and tribunals and other authorities who have got the right to receive evidence and to adjudicate, are being included in the definition of "Court". Many of these tribunals and authorities are not subordinate to the High Court and it will not be quite fair that we burden the High Court with this task of advising us on the manner in which these tribunals or these authorities should be controlled by the rule-making power. Secondly, I would be quite right in pointing out that cases have come to my notice where references made to the High Courts for concurring in our proposals for promulgation of rules have remained unreplied, perhaps for periods of five to six years. So we thought that in a matter of this nature where we want to act quickly, if we are bogged down even in matters relating to the tribunals and authorities which are not subordinate to the High Court, we will be embarking upon an endless procedure. So I would appeal to honourable Members that they should accept the amendments which have been suggested and which have been approved by the Lok Sabha after a great deal of deliberation.

MR. CHAIRMAN: The question is:

"That the amendments made by the Lok Sabha in the Bill be agreed to."

*The motion was adopted.*

[THE VICE-CHAIRMAN (SHRI RAM SAHAI) in the Chair]

#### **DISCUSSION ON THE WORKING OF THE MINISTRY OF FOREIGN TRADE**

SHRI LOKANATH MISRA (Orissa) : ivlr. Vice-Chairman, *{Interruption}*... the way Mr. Rajnarain's leg-table has given way

is symbolic of the way our Foreign Trade has collapsed. ..

SHRI BHUPESH GUPTA (West Bengal) : It is also symbolic that *on* one side of the speaker is sitting Mr. Manubhai Shah and on the other side is his multimillionaire friend, Mr. Mohta.

SHRI LOKANATH MISRA: How can I help it ? Mr. Bhupesh Gupta has raised a point which cannot be helped by anybody in the House unless he wants to remove himself away from the House. Mr. Bhupesh Gupta has got the option to remove himself away from the House.

SHRI DAHYABHAI V. PATEL (Gujarat) : He can go and sit near Mr. Bali Ram Bhagat.

SHRI LOKANATH MISRA: The setup of this Ministry according to the report of 1969-70 has been fashioned to enable it to play a dynamic role in the promotion of the country's exports and to tackle various trade problems with expedition. My information or the information of the House in regard to the separation of this Ministry from the other Ministry is very much different. Our information is that Internal Trade was separated from Commerce and Industry and given to another gentleman in the Cabinet because it was meant to maximise the utilisation of the Ministries as instruments of raising party funds. Mr. Bhagat was not trustworthy to that extent as Mr. Fakhrudain Ali Ahmed and therefore, it was separated and handed over to Mr. Fakhruddin Ali Ahmed. Somehow the officers of the Ministry have to explain away their own incapability in the eyes of the Prime Minister and they have done it very well, very cleverly. But to hoodwink Members of Parliament is difficult because they are supposed to know even the inner details about Ministry-making, Cabinet-making and whether it is a kitchen Cabinet or a Communist Cabinet. They all know very well about it, even more than the officials who have attempted. . .

SHRI BHUPESH GUPTA: And the Swatantra leader is always under the bed of it.

SHRI LOKANATH MISRA : Sir...

SHRI AKBAR ALI KHAN (Andhra Pradesh): Do you think you know more than Mr. Bhupesh Gupta ?

SHRI LOKANATH MISRA: Sir, between Mr. Bhupesh Gupta and Mr. Akbar AH Khan, they share all the secrets. Anyway, Sir, I have told the House before all 0 that no interruption would go unchallenged.

SHRI BHUPKSH GUPTA : Including the secrets of Mr. Lokanath Misra—unfailing smiles.. .

SHRI LOKA MATH MISRA: Sir, I submit that there should not be any interruption because it will not go unchallenged. If there are any interruptions, I will have to hit back and you will have to give me some more time, if necessary.

उपसभाध्यक्ष (श्री राम सहाय) : मैं भी रिक्वेस्ट करूंगा कि मेम्बरान कोई इन्टरप्शन नहीं करेंगे तो ज्यादा अच्छा है।

श्री राजनारायण : (उत्तर प्रदेश) : श्रीमन्, नवाब साहब को एक डाह हो गई कि उनसे भूपेश गुप्त ज्यादा जानते हैं। अमल में नवाब साहब पहले क्लेम करते थे कि वह ज्यादा जानते हैं। अब उनको डाह हो रही है भूपेश गुप्त ज्यादा जानने लगे।

SHRI LOKAJATH MISRA: Now, Sir, judging from the standards set up by the officials of this Ministry, who have drafted this report, let us see how much of dynamism has been brought to bear upon the working of this Foreign Trade Ministry. I shall try to catalogue them within the limited time at my disposal and try to do justice in my own way to each one of them.

Now broadly speaking, Sir, this particular Ministry which is a remnant of the old Ministry deals with two items, one is export and the other is import. I am extremely surprised that a handbook which is called a Report and which has been circulated to all Members of Parliament as an authentic document of the Ministry of Foreign Trade only goes on to say that it is only meant to tackle the exports and it has nothing to do with the imports. They have totally forgotten about the imports when they say in the second paragraph that the Ministry is meant for. I do not know whether it is intentional or it is ignorance on the part of the officials of the Ministry who have dealt with this subject. I had the impression that foreign trade included both exports and imports

and if the official who has drafted this has the impression that the Ministry has only to deal with the exports, he is further eroding into the powers of his own Minister. I thought the Prime Minister was the only person who could erode into it. I do not know why a petty official in the Ministry of Foreign Trade is allowed to erode into his powers and authority and Mr. Bhagat tolerates it.

Now Sir, the pre-requisites for making the export trade a success are, imagination, research, planning, market exploration, market study, commercial intelligence, contacts, competitive rates, quality maintenance and proper publicity. In addition to many other things I think these are the basic necessities for making the export trade a success.

Now, Sir, I will scan the different chapters given in this particular booklet to show how Mr. Bhagat and his Ministry have been successful in doing their truncated business, according to them. Now Sir, the prerequisites I have already given but the outstanding prerequisites are, a sense of involvement, a sense of dedication and sense of nationalism. And Mr. Bhupesh Gupta would definitely smile at me if I say that these things can never be made available in the public-sector; they are absent in the public sector which is a bundle of impersonal administrators; it has absolutely no sense of involvement in what it does. Mr. Bhupesh Gupta occasionally takes the plea that a saboteur from the private sector has gone into the public sector wrongly, as if he himself would have done great justice if he had become the Chairman of the STC. I doubt very much that he could have done better than what the present Chairman has done. He would say that these are the people who have been probably drafted from the private sector and therefore they are sabotaging the cause of the public sector. Sir, the public sector in itself is a wrong approach, but this is not the occasion when I should go into it. Let me deal with the subject of foreign trade in earnest.

Sir, the essential requisites for building up foreign markets are very much lacking in the Foreign Trade Ministry. That is because they have handed over almost 50 per cent, of their affairs to the public sector undertakings and they have totally forgotten about the imports. Now there are so many public sector undertakings that I do not care to count them even.

[Shri Lokanath Misra]

Or course when talking about this of nationalism or sense of patriotism and sense of involvement, I would definitely indicate that some of the private sector people are doing great injustice to the name of India and to foreign trade by under-invoicing and over-invoicing. (*Interruption*) Whenever there is something wrong anywhere, I always say it. I am not dogmatic like some of my socialist freinds there who day in and day out and in season and out of season...

SHRI BANKA BEHAR Y DAS (Orissa):  
off season also.

SHRI LOKANATH MISRA: Yes, there is the third season also, the off-season They go on talking about the public sector, whether it is right or wrong.

SHRI ARJUN ARORA (War Pradesh) :  
After tomorrow it will be off-Session and off-season. Will you then stop talking ?

SHRI LOKANATH MISRA: Sir, it is not only the private sector people who are indulging in under-invoicing and over-invoicing, it is also the public sector officials who are very much involved in over-invoicing and under-invoicing. If the hon. Minister can give an assurance that he would set up a parliamentary committee that will have all the powers and in case something was not forthcoming from the Ministry, the Minister could be taken to (ask for that on the floor of the House, in that case I would try my best to place before the committee whatever information is available with me, but he has to give such an assurance that he would set up a parliamentary committee to probe into all these things. Even a committee of High Court judges would not do. It is only a parliamentary committee which would create a scare in the Mmistry and its officials.

SHRI AKBAR ALI KHAN: Consultative committee ?

SHRI LOKANATH MISRA: Sir, even a consultative committee can not go that far. What I intend to say is that if a probe is necessary, where there is over-invoicing and under-invoicing, both in the private sector and in the public sector, only a parliamentary committee would be competent enough to conduct such a probe because anything that is needed by it will

have to be made available by the Ministry itself and nothing can remain hidden. Therefore if an assurance is given by the Minister to that effect, I can dare say that something might be forthcoming which

would be worth it. The Ministry, 12 NOON in spite of this booklet, for all

the advantages that are available to an exporter which are enumerated here serially is a great hindrance for the export business. It is a fact that the delay involved is enormous. The delay boosts up the prices which becomes uncompetitive in the world market and because of that India loses the market. There is also some amount, not a great amount, of corruption. If you want these days the files to move from one Department to another, then the wheel has to be greased and who is benefited by this greasing I do not know. Up to what limit greasing is done, I do not know because I am not an exporter, I have nothing to do with exports but I hear from friends that greasing has to be done and they are not the people who can divulge because once they do that, they will be prevented from doing any export. Probably there will be so many fictitious charges brought against them and so they are afraid to divulge where the greasing has to be done but all the same it is being done. I do not think the Minister can do anything to eradicate this because he has not been able to eradicate it and it is gradually growing. The number of agencies are quite large and they are given in this pamphlet, misleading pamphlet or brochure. They begin with the office of the Chief Controller of Imports and Exports and they go through the offices of the Textile Commissioner, Jute Commissioner, All-India Handicraft Board, Handloom Board and so on. About 20 or 25 are there. They are multiplied at their own level into 30 or 35. These are the impediments in the way of exports because a file has to travel from one of these agencies to another in order to get the final clearance for export business. Therefore, if you want to really boost up the export business, minimise these agencies. They are the legacies of the British and I hope Mr. Bhupesh Gupta at least would agree with this, even if he will vote with the Government, that these are the legacies of the British days and let us do away with it. He is a socialist, a neo-socialist, not a new socialist. I would appreciate if any friends, the young socialists and the Young Turks would agree with me on this point, instead of multiplying the number of agencies that prove an impediment to export boost, let us cut them short. The officials might lose

Some T. A. and the other members of these Committees might lose T. A. but if it gives a helping hand to the national interests, I do not think even the officials would stand in the way. Of course they are the steel-frame and whatever they want they will do and our Minister are superfluous. Even if the Minister did not exist, and only the Council exists, probably the administration would have run as best as they are being run.

AN HON. MEMBER: Better.

SHRI LOKANATH MISRA: I suppose better. Mr. Gautam himself was a Minister and he would have known it better than myself. In spite of that fact, I plead that if the Minister will kindly look into it and do something to cut down these elaborate arrangements, then probably things could be expedited and to some extent the value of our exported commodities could be brought down.

Some of these Boards again are illogically situated. For instance, the All-India Handicrafts Board is in Delhi. I do not know if anybody in Delhi understands what handicraft is, unless it is fine art or sometimes, I see some paintings here and there but that is not handicraft. Handicraft is something which is generally found in the Eastern region and probably in Bengal, Orissa or Assam. These are the States which can take real pride in producing something really good.

AN HON. MEMBER: Mysore also.

SHRI M. K. MOHTA (Rajasthan) : You yourself said Delhi people are crafty.

SHRI BHUPESH GUPTA: They are very crafty and Swatantra is their handicraft.

SHRI LOKANATH MISRA: Instead of locating this particular Board in the Eastern region, it is here. It is again because the steel-frame wants the Board in Delhi and it ultimately decides that the Board must be here because the Chairman or the Secretary has to play in the Gymkhana Club, die in the Chelmsford Club and die in the Willingdon Hospital and they would not like to stay out of Delhi if the Minister—he is talking to somebody and I will expect Mr. Bhagat . . .

THE MINISTER OF FOREIGN TRADE (SHRI B. R. BHAGAT): I am sorry.

2—39 R. S./70

SHRI BHPESH GUPTA: At least Mr. Misra is exporting one Minister from this House.

SHRI LOKANATH MISRA: I am exporting to the rear. He is not really exportable, he is only exportable from the front bench to the rear.

I was talking about the All-India Handicrafts Board being wrongly situated in Delhi. I would appeal to the Minister that in the interest of boosting up handicrafts let him shift it to a place which is a handicraft belt. It needs a congenial atmosphere to grow and if the Board is there probably it will know the difficulties of the handicrafts.

Another is the All-India Handloom Board. Handloom is essentially a matter of the South. So the Board should either be at Bangalore or Madras. Probably the greatest injustice has been done to the handloom industry by this Board being here. So the Board should be shifted to either Madras or Bangalore because the South is the handloom area.

There is another chapter in this book dealing with an office called the Department of Commercial Intelligence and Statistics which is located in Calcutta. I never came across a greater humbug or fraud anywhere in the Government publications. Sir, I do not have the time to read out from this. What is mentioned in this paragraph even does not contain anything of commercial intelligence. It says: "The Department is the primary agency for compilation and dissemination of statistical information and commercial intelligence." That is the only sentence where the expression 'commercial intelligence' occurs. In the subsequent sentences there is nothing about commercial intelligence even though in bold headlines it is mentioned Department of Commercial Intelligence and Statistics. Does the Minister know what commercial intelligence is? I have my doubts whether anybody in the Department knows what commercial intelligence means. If they have to learn about commercial intelligence let them go to the private sector, let them go to each individual private house in the private sector and find out how they plan their business for three years, four years, basing themselves on commercial intelligence. If that intelligence is not made available.

[Shri Lokanath Misra.]

for the sake of the nation then it is better to wind up this organisation than to have such a misleading institution.

There is another paragraph here about quality control. We all know how Hindustan Steel tried to export some billets and earned us a very bad name. I do not know if we have survived that reputation that that particular consignment earned for us. It was done through Aminchand Pyarelal but the billets belonged to Hindustan Steel, a public sector undertaking. Where was the quality control then? Or am I to understand that no quality control or inspection is done if the product is from a public sector undertaking?

On page 45 of this Report there is a paragraph on publicity.

SHRI BHUPESH GUPTA: I think there should be a photograph of Mr. Misra in his silk kurta, because that is a handicraft product.

SHRI LOKANATH MISRA: Yes; this is Orissa handicraft; this is Baragadi.

SHRI MANUBHAI SHAH: Photograph cannot display the quality of the work.

SHRI LOKANATH MISRA: Then the Far Eastern Economic Review, Hong Kong got an advertisement under the auspices of the Foreign Trade Ministry. When our Prime Minister paid a visit to Japan she touched Hong Kong; there is no doubt about it. Her plane touched down for refuelling and probably the Hong Kong papers would not have carried any news about the Prime Minister except that she touched Hong Kong; is it not so, Mr. Bhupesh Gupta? Just for giving headlines to the Prime Minister Mr. "Bali" Ram Bhagat thought that he should 'advertise in' the Hong Kong papers. I would ask, what was the total net benefit out of this advertisement in the Hong Kong papers so far as our exports are concerned? I am sure that he can justify his advertisement in case of Jakarta or in case of Tokyo or in case of many other countries where we have some export prospects, export possibilities, export potential but what do we export to Hong Kong? Therefore it was just to please the Prime Minister that a generous sum of money was given to this Hong Kong paper in order to carry her tour programme to Tokyo.

There is another thing which I am not able to understand. There was a Hindi monthly journal—Sir, you would be interested in this—called 'Udyog Vyapar Patrika'. It was discontinued in 1965. It has been now revived and the first issue, a special number 'Gandhi Shatabdi Visheshank' came out in January, 1970. I do not see any rhyme or reason in discontinuing it first and then reviving it. If it had been discontinued we should have done away with it. If they wanted to continue it why should they have discontinued it and then again brought it out for circulation which means a lot of wastage of energy, time and money? What is this? This is all farce that is going on.

There is another paragraph on Fairs & Exhibitions. This is most important because this provides opportunities for Deputy Secretaries upwards to get a free trip to different countries. There are about ten Fairs in Belgium, in Turkey, in Indonesia in Bulgaria and so many other countries. It is not given year-wise and I say it is again misleading. I say years should have been given and Export prospects generated out of each should have been given. It should have been made clear what was the net gain to the country out of participation in these ten Fairs. They have given something in order to hoodwink Parliament. They say here: A Fair quota for the value of Rs. 7 lakhs was available at the Izmir Fair. I suppose this is in Turkey. The expenditure involved was perhaps Rs. 30 lakhs and a Fair Quota of Rs. 7 lakhs worth of orders were booked. What a fantastic argument?

Now, about Expo '70 I read in the papers that we thought of taking a pavilion in Expo '70 and it was delayed because we were not ready for its opening. That came out in the newspapers. The Minister, Mr. Bhagat, is nodding his head but his nodding would not come in the records and subsequently if I point out to him he would say I said nothing. But this was in the papers. If we were serious about taking a pavilion in Expo '70 why should there have been any delay and who was responsible for the delay?

**उपसमाध्यक्ष (श्री राम सहाय): अब आप समाप्त कीजिये ।**

SHRI LOKANATH MISRA: Coming to facts and figures, India's figure of total exports was 1.2 in 1961—this is very relevant and very important—and in 1969 with

all the dynamism that was imparted into the Ministry it came down to 0.8. It started with 1.2 and it came down to 0.8 in the course of eight years. When it was 100 in 1961 at 1.2 it came down to 66 in 1969 while comparative figures in respect of other countries show that USA went up by 64.8 per cent., West Germany went up by 95.3 per cent., Japan went up by 306.2 per cent., Hong Kong went up by 253.5 per cent. and Korea went up by 1109.7 per cent., but we went down by 34 per cent, with all the dynamism.

Now, the major industries which earn foreign exchange for us are jute, cotton textiles and tea. In all these three fields we have some difficulty or other now. Our exports have to pick up and move faster in the right direction and if the Minister means to do that then production has to be encouraged, export duties have to be rationalised and policies for export incentives have to be stabilised. They are not doing these things. If these things are done exports will pick up much faster. In the field of cotton textiles there have been some sick mills which have not been rehabilitated.

**उपसभाध्यक्ष (श्री राम सहाय) :** आधा घंटा हो गया, अब कृपा कर के समाप्त कीजिये ।

**SHRI LOKANATH MISRA:** Just five minutes more I will take.

**THE VICE-CHAIRMAN (SHRI RAM SAHAJ):** Not five minutes; only two minutes.

**SHRI LOKANATH MISRA:** Then I will have to skip some of my points. In the field of cotton textiles there are sick mills and they are importing long staple cotton because there is a shortage of cotton in the country. I do not know whether they can go on feeding our mills with this cotton. They are given to bigger mills.

The smaller mills do not get any part of it, even a proportionate part of it and, therefore, the sick would become sicker and they would probably go out of existence. If we want to boost up production in the field of textiles, they must help these sick mills to get over their difficulties.

In the case of jute, the PM has made some announcement regarding the withdrawal of some export commodities, but that affects only five per cent. Ninety-five per cent, are still adversely affected. If the

duties are so heavy, if the financial burden is so great, how could they expect that our trade should compete with other countries?

One most important point you would probably allow me. Now, Sir, coming to the MMTG and STG—that is the last point—the STG is given the monopoly for imports and a part of the foreign trade, export trade, is also given to STG and MMTG. From East European countries we are told that we have great advantage in having the rupee trade agreement. A pair of shoes are purchased in this country at the rate of Rs. 35, while they are sold in the USSR and East European countries at the rate of Rs. 200. Who takes the middleman's profit? Cars are imported. Everybody knows in this House that imported cars are auctioned for Rs. 80,000, Rs. 90,000 or a lakh of rupees, while the owner, who must be a retiring diplomat, is paid hardly Rs. 10,000. In most cases it is much less. Who takes the profit in between? You declare a dividend of 95 per cent, or a profit of 25 per cent, out of the STG, but who eats up the rest of the money?

So far as the MMTG is concerned—this is my last sentence—it is a history in itself. I would have very much liked to talk on this. Mr. Bahl, who is the Chairman of MMTG and who is a great friend of Mr. Bhagat, is running about the world. Mr. M. M. Sharma, the vigorous man behind him, arranges for him luxury hotels in any place and provides all the luxuries of life abroad. He is the hero. Without him I could not dispose of this Ministry's discussion, but all the same on this occasion I do not have the time. I hope the Minister would be wiser in dealing with Mr. Bahl and in transferring him from that pivotal post. He is responsible for all that is happening, for the corruption happening in MMTG. If Orissa has been discriminated against, it is only because of Mr. Bahl and there is nobody in Orissa who could provide him with the luxuries of life. It is Mr. M.M. Sharma from Bihar, a gentleman from Mr. Bhagat's place, who has his house next to him in Maharani Bagh. He is the person who provides Mr. Bahl with all the luxuries there and, therefore, takes the cream of the business. I hope the Minister would do something in the matter and transfer him in the interests of the country.

j Thank you.

SHRI M. M. DHARTA (Maharashtra): Mr. Vice-Chairman, Sir, I feel that in the history of our import-export trade, the year 1969, which is under discussion, has certainly proved to be one which has turned the corner. We are all aware that right from 1951-1960, the export trade of this country stood at Rs. 600 crores and it was constant. There was no progress. Then, afterwards, there was progress, but again we lagged behind for several reasons. During 1969 we turned the corner. Even though the Ministry stands bifurcated we cannot forget the fact that there is a firm grip by these export houses and all those who are having their import-export trade with foreign countries, over the bureaucrats sitting in this Ministry. The Ministry might have been bifurcated from the Supply Ministry, but there is as yet no bifurcation from the firm grip of all these big export houses which are doing all possible malpractices, including over-invoicing and under-invoicing. At the same time, even though we have certainly brought down our adverse balance, which was Rs. 612 crores in 1968 to Rs. 219 crores in 1969, even though our exports from Rs. 1321 crores have gone up to Rs. 1373 crores in 1969, even though our imports from Rs. 1933 crores in 1968 have come down to Rs. 1592 crore? in 1969, how can we forget what is happening in the whole world? In the year 1969 while India had a rise of hardly 1833 million dollars, the rise in the world trade was to the tune of 30,000 million dollars. The percentage was 15 per cent, in the rest of the world, while that of India is 3.9 per cent. or 4 per cent. We cannot forget it. Having regard to the fact that while the whole world trade stood at 2,24,000 million dollars, the percentage of this country in the whole world export trade is not even one per cent. The whole world trade is 2,24,000 million dollars, while ours is 1833 million dollars. When compared to other countries, even though we have made some progress last year, we cannot forget the fact that our position in the world's exporting countries, which was 16, has now come down to 22. So, when we look at the situation from the world trend, we cannot forget that our export trade has lagged behind and we shall have to do much so far as our export-import trade is concerned.

I have gone through the Report and I entirely agree with my hon. friend, Mr. Lokanath Misra. How could this be called a report? Now, if the hon.

Minister goes through it—I hope he has gone through the pages—he will find that hardly four pages are covered by the STG and the MMTG hardly gets four pages, though there is a large business conducted by MMTG. We cannot get any idea. I had to search the whole library, the Fourth Five Year Plan, so many other bulletins and trade journals, to get at some figures which will be of relevance and which can make us go deeper into this topic. I feel that this country has to display absolutely a new vision and a new imagination so far as our import-export trade is concerned. It is not only the conventional articles on which we have been insisting. Fortunately, our non-conventional articles have also started their boom in foreign countries, but I am sorry to say that our vision and imagination have not yet changed. We might have exhibited a white tiger at Expo '70. A white tiger may perhaps draw more crowd, but how can it fetch more business? Is it a cultural exhibition or an industrial and commercial exhibition? I can understand our having a stall for our cultural goods wherein you can exhibit white tigers. If it is an exhibition organised by our Tourist Department, I can understand exhibiting white tigers or white lions from the Gir forest...

AN HON. MEMBER : Tandoorj chickens.

SHRI M. M. DHARIA : Yes, Tandoori chicken, I can understand, could bring in commercial possibilities. By exporting a white tiger we may perhaps get more crowds, but the real need is to exhibit what we have been manufacturing here. I am not yet aware of the efforts being made by the Ministry under the leadership of my friend, Mr. Bali Ram Bhagat. When we look at the Fourth Plan, what do we find? They expect that in the Fourth Plan period Rs. 590 crores worth of food will be imported. Now when we are going ahead with our own food production here, why do we need food worth Rs. 590 crores to be imported in the Fourth Five Year Plan? The adverse balance at the end of the Fourth Plan will be to the tune of Rs. 1430 crores. When we look at some other figures, it is not only food. Take cotton. In the year 1968 in this country of ours, which is having more than two crore acres of land under cotton cultivation, it has imported cotton worth Rs. 2~crores from January to November, 1968.

I am referring to the trade and industry journal. The time at my disposal is too short and I will not go into details, but we imported cotton worth Rs. 92 crores. It has never happened since independence. And how much cotton was exported outside ? I mean how much yarn or other textile manufactured goods were exported outside ? If we compare these figures, most of the cotton that was imported from the foreign countries has been consumed in this country itself. It is not only cotton, we can refer to some other articles also, dairy products and vegetable products, in the year 1969 we have imported these vegetable products and dairy products worth nearly Rs. 60 crores. Road motor vehicles we have imported worth Rs. 10 crores from January to November, 1969. Similar is the case with some other articles too. At this rate every year in case we go on importing cotton—last year, in 1969, it was nearly Rs. 72 crores during the span of ten months; it may be Rs. 75 crores or Rs. 80 crores; I do not know, the exact figures, they were not available in the library nor in this report. If we go on importing cotton worth Rs. 70 crores in this country, how could that adverse balance be met ? That is the real problem. I feel, Sir, when we look at this problem of export and import so far as imports are concerned, we shall have to introduce rigorous economic discipline in this country. Are we prepared for that ? Have we forgotten all the spirit of Swadeshi ? Why should we import road motor vehicles to the extent of Rs. 10 crores ? The hon. Minister and his Ministry are answerable for this to this country. Does this country need the foreign manufactured vehicles here in this country ? We speak of Mahatmaji but we are not prepared to carry on with what is available in this country, with the goods manufactured in this country itself. This begging approach, this approach of depending on foreign countries for our own internal consumption can never allow us to reach that stage where we can have a surplus budget, surplus balance, and not a deficit balance. It is in this background I feel that the hon. Minister and his Ministry have been failing in their duty.

If we refer to various Commissions, Tariff Commission, Textile Commissioner, Jute Commissioner and others, the way in which they have been functioning, allow me to say it today that they are having close links with all these manu-

facturers, and they never bother for the interest of the agriculturists. Cotton prices are not decided by the Agriculture Ministry. Cotton prices are decided by the Ministry of Foreign Trade. Why ? What is the representation given to the agriculturists ? Is it not possible in this country to produce the best possible cotton of any variety, every variety, which is produced in the world ? And our scientists . . .

SHRI B. R. BHAGAT : It is the Agricultural Prices Commission which recommends about this cotton . . .

SHRI M. M. DHARIA : I entirely agree with the hon. Minister.

SHRI B. R. BHAGAT : ... and we accept the recommendation, although the Foreign Trade Ministry decides it.

SHRI M. M. DHARIA : I know. I am aware that there is that Agricultural Prices Commission, but unfortunately there also who dominates the Agricultural Prices Commission ? How many representatives of agriculturists are there on the Agricultural Prices Commission ? I want to know this from the Government. I have been insisting all the while that this Textile Commission and this Tariff Commission have been protecting the interests of the big manufacturers at the cost of the small manufacturers or at the cost of the producers of the raw material. Take, for instance, nylon, viscose and other artificial silk. There are only 12 units which manufacture these goods. But out of these 12 units, 65 per cent, of the manufacture is controlled by Birlas. The small manufacturers, the Surat power-loom weavers and also those at Bhiwandi and Amritsar have been insisting for a quota. No quota is available. I have been insisting that a quota should be made available to them . . .

SHRI M. K. MOHTA : Does it concern the Industrial Development Ministry, or the Ministry of Foreign Trade ?

SHRI M. M. DHARIA : If the hon. Member is not yet aware that this industry is related to foreign trade ...

SHRI M. K. MOHTA : I do not think so.

SHRI M. M. DHARIA : ... and not with the Ministry of Industrial Development, I am really sorry. So far as the



[Shri M. M. Dharia]

raw material is concerned, it is for this Ministry to look after that because it is being imported from foreign countries.

SHRI M. K. MOHTA : About cotton, yei, but you are talking about nylon.

SHRI M. M. DHARIA : Mr. Vice-Chairman, I was speaking of rayon, I was speaking of viscose, I was speaking of artificial silk, man-made fibre. They come under this Ministry. If the hon. Member is not aware, I do not know how he is an industrialist. They are having their own contact with officers. They are not aware of the real position. Anyway, coming to the point, my submission to the House is, is it not time for us to see why under the Fourth Five Year Plan we should have that adverse balance of trade to the tune of Rs. 1400 crores ?

SHRI M. K. MOHTA : It is surprising that the hon. Minister is not saying whether nylon, polyester, rayon, viscose, etc., are under his charge or not.

SHRI B. R. BHAGAT : I do not want to interrupt him. I will say when it comes for me to reply. Let him go on.

SHRI M. M. DHARIA : My hon. friend, Mr. Mohta, is speaking too much. I have been dealing with these powerloom weavers. I have represented their cause. I had been to the hon. Minister. Some settlements are likely to be reached. Under these circumstances I do not want any knowledge from the hon. Member, Shri Mohta.

SHRI PITAMBER DAS (Uttar Pradesh) : You are mentioning it because you represent their cause, and not because the Ministry is dealing with them.

SHRI M. M. DHARIA : He will speak about it. But I tell you I stand by whatever I have been saying. It is for this hon. Minister to see that proper quota is made available. It is my plea that so far as the raw materials are concerned, whatever are produced, they should be taken over by the Government for distribution to the industrialists, and they should not be allowed to carry on with their malpractices and loot the people as they have been doing today.

Coming to the point, so far as imports are concerned, rigorous discipline has become absolutely necessary. Let this

country pledge itself that so far as cotton local consumption is concerned or indigenous consumption is concerned, whatever is being produced in this country shall be used for this country, and it is only for advanced technological knowledge, only for bringing some advanced machinery in this country, only for bringing such other articles which are not available in the country, which are required for human life, there alone we shall have imports, not otherwise. To the extent we shall depend upon ourselves and not foreign countries, if that rigorous discipline is introduced, I have no doubt that by the end of the Fourth Five Year Plan, if the export trade increases as it has been envisaged to the tune of 7 per cent. as observed by my hon. friend, Shri Manubhai Shah, in one of his speeches, if with that speed we can have export trade at the rate of 7 per cent. increase every year, by the end of the Fourth Five Year Plan with such rigorous discipline on imports I have no doubt whatsoever that it is possible for us to do away with that adverse trade balance.

Coming to the export itself, unfortunately we are aware that this country did not make any headway from 1951 to 1960. The export trade remained at Rs. 600 crores even at the end of 1960. These big export houses were not making any effort because they were pleased with their own profit. There was no headway whatsoever. Today it is a happy sign that engineering goods, iron and steel, iron ore, chemical and allied products which are non-traditional, have been doing very well. They have started to go to foreign countries. If we look at the list of countries, we are trying to cover most of the Asian and African countries also. For the efforts which are being made by the hon. Minister I shall have to compliment him. At the same time there is no harm in showing drawbacks that exist in our country today. Looking at this thing, there is a tremendous fall so far as export of tea and jute is concerned. Why ? What is the reason ? Similarly in the case of Ceylon, when Ceylon can boost its own tea export, what is the position of our country, particularly when the *world* is out for something modern ? Why should we not direct all our endeavours to the manufacture of instant tea in the country ? To some extent we have been trying. Let us concentrate our effort on this and if we can manufacture instant tea of

nice quality, we shall be perhaps the best possible marketers and exporters in the whole world. What efforts are being made by this Ministry, I am not aware. When I say effort, it is not only some experiment here and there. I think that a whole-hog effort should be there for capturing (the whole world market) With our tea. What is being done? I see the problem from an absolutely different angle. Look at the plantations. Tea, coffee, rubber, and cardamom, these are the only four plantations covered by this Ministry today. Why should not the Ministry bring into being some other plantations. Take mango plantations. Has the Ministry ever bothered to care about mango plantations which can have tremendous export in the whole world? What about cashew-nut?

Cashew plantation has not yet been taken up by the Ministry. There is no Board for cashew trade; we have been earning crores and crores of rupees out of cashew-nuts. But there is no plantation, well-disciplined and organised properly by the Ministry. Why not? Are you having that traditional mind still? Let us try to have mango plantation, cashew plantation and also apple plantation. In the valleys of Himachal Pradesh and Kashmir, I have myself seen with my own eyes that apples are available for four and eight months per kilogram. They are having a fine market. Why is there no proper plantation for it? (*Time Bell rings*) Sir, I v, [11 take only five or seven minutes more.

THE VICE-CHAIRMAN (SHRI RAM SAHAI) : Two minutes.

SHRI M. M. DHARIA : Sir, I am reasonable. If you want, I will sit down. I am not like Mr. Mishra. I am not going to do like that. But the moment you ring the bell again, I will sit down. Why should we not have these plantations, mango plantation, cashew plantation and also banana plantation which is being exported everywhere? There is a very fine market for it in several countries including Russia and other countries. Why should we not have these plantations? What is the Ministry doing? No help is given to the agriculturists. This Ministry is lacking in vision and imagination- Why should it not come forward in this direction also?

Coming to be small-scale industries, 40 per cent, of our industrial production comes from small-scale industries and

because of the protection given by this Ministry to the big industrialists, the small-scale industrial producers are the worst sufferers. If they are given better facilities and other amenities, I have no doubt that this country can be the best possible exporting country like Japan and these small-scale manufacturers can certainly help the country to come up and they can add to the glory of this country in our export trade. But what efforts are being made? On the contrary, the whole of the rules are such that in case I export Rs. 25 lakhs worth of goods which are non-traditional items, then alone I can enrol myself as an export house. If I can export goods worth Rs. a crores, all traditional items, then again I can enrol myself as an export house, not otherwise. Then what are these small-scale manufacturers supposed to do? What help is being given to them to have their export houses? Why should not the Government come forward and say, yes, you shall have your own export houses. It is most unfortunate that all possible facilities are being made available to such people who are dominating the whole economic scene, by creating their own monopoly. These small-scale industrialists, they are the real backbone of economy of this country. In the matter of dispersal of manufacturing items, in the formation of agro-industrial societies and so on, why no help is given to them from the Foreign Trade Ministry to boost our own exports? And there are also other avenues which shall have to be considered. Let me be allowed to say that the Tariff Commission and the Textile Commissioner, they have joined hands, they are in league with these big exporters and they are not at all prepared to bother so far as exports are concerned of the small-scale industries. And here the hon. Minister should give a lead to this country. What happened to our own Resolution of the Bombay AICC? Is it not a fact that we have resolved that the bulk of trade so far as import is concerned should be taken over by the Government immediately?

SHRI B. R. BHAGAT : That is being implemented.

SHRI M. M. DHARIA : I want to know the facts and figures. Today a\* per this Report itself only one-third is being canalised through the STC.

SHRI B. R. BHAGAT : More than two-thirds now.

SHRI M. M. DHARIA : I am coming to it. Including food and other articles which are being imported by our Directorate of Supply it comes to two-thirds. But even then what happens to the trade? When we say, it means nearly the whole of the trade to be taken over, barring a few exceptions. What steps are being taken by this Ministry? The Minister should assure us here and say, we shall take all positive steps for taking over the export trade also. I demand that the Government should come forward and say that by the end of the Fourth Plan the whole of the import and export trade shall be under the direct control of the Government. There is no mention of it in this Report. What is this? Under these circumstances, I request the Minister to come forward with a dynamic approach towards all these things. Nationalisation of the import and export trade has become necessary not of any dogmatic feeling but to boost up the export trade of the country, to see that the honour and dignity of this country are properly maintained. There is no other alternative.

Therefore in this light, I look at this Report. I would like to insist that henceforward there should not be a Report of this type. It is simply a brochure, a bulletin. It cannot be called a Report. Let them come out with an exhaustive Report. I also make a demand that the hon. Minister should appoint one Committee to go into all these aspects so that the bifurcation is not enough. This Ministry shall have to be rejuvenated, it shall have to be revitalised and streamlined. And for this purpose, I demand that a Committee should be appointed to look after this set of streamlining and then afterwards, it may be possible for us to go ahead having regard to their suggestions

Sir, I have done. Thank you very much.

SHRI MANUBHAI SHAH (Gujarat) : Mr. Vice-Chairman, Sir, I am very happy to speak on the Report of this Ministry because as the august House has already observed, export is the most vital economic sector for the growth of this country. Other hon. Members have already pointed out about the growth of export trade in the world and may I therefore remind the House that in the last one decade the world exports rose from almost 128 billion dollars in 1960 to 240 billion dollars during the last year? This clearly shows that an average rate of

growth of almost 10 to 12 per cent has been there throughout the world, and in terms of absolute money from almost Rs. 96 thousand crores of the world trade in 1960 rose to Rs. one lakh and eighty thousand crores in 1969. Sir, against this dimension we have to judge what we in this country have to do, what we have achieved so far and what the policies of this Ministry and the other Ministries should be in order to achieve a viability in our economy.

Well, Sir, Mr. Dharia pointed out the need to restrain imports. It is very vital. But no country in the world, if I may remind him, has worked on the theory of foreign trade by cutting down the imports to the barest minimum so that it can be like a miser's family—if you earn Rs. 100 and spend Rs. 95, the budget is balanced in favour of the family. But the family remains perpetually poor. The modern tendency is to get more and more prosperous and the economic equilibrium is sought to be achieved at a higher and a higher level with a better standard of living. A country such as ours is almost at the 118th place in world income out of 127 countries. My country and our country is one of the poorest in the world having a *per capita* income of Rs. 390, when the world average of *per capita* income is Rs. 2800 per annum. I am not talking of the affluent countries. I am taking the 88 developing countries and in respect of income aspect also, Sir, we are the last, excluding the Bahamas. Therefore, I would appeal to Members who always insist purely on balancing the trade by reducing imports and not making every effort correspondingly to increase the export in order to finance more essential import and to import more in order to raise national production and the national income so that the *per capita* income goes up and the living standard of the nation goes up. From the higher production comes the bigger export surpluses and larger export earnings to finance more imports. That perhaps be the correct approach towards a policy, particularly for a poor country like ours. What do we find? In the first and the Second Plans our average annual export was about Rs. 600 crores at the old value of the rupee. In the Third Plan, from Rs. 609 crores, the annual average of export went up to Rs. 761 crores, that is to say increase of about Rs. 150 crores, 25 per cent rise, in five years; that is, 5 per cent average per annum at the simple

rate of increase. Sir that was the state of our exports before devaluation. We brought about devaluation for many reasons. I am not going into that matter here. I would only say this that in the five years of the post-devaluation period the annual exports from Rs. 1286 crores touched Rs. 1,410 crores in 1969-70, that is a rise of Rs. 124 crores, that is, 10 per cent. In five years at the rate of 2 per cent, the increase on the simple arithmetical basis. Therefore, if anything we are today worse off than what we were before devaluation in the Third Plan, and in the beginning of the Second Plan, when the nation launched upon a planned drive to expand production in agricultural and industrial sectors, particularly, in heavy industry and in the industrial sector. Therefore, Sir, the basic point to be seen is this that the world trade is expanding at the rate of 10 per cent. We are expanding this year our export trade at the rate of 3.8 per cent, on an average in the last five years at the rate of 2 per cent, and in the previous five years our exports increased at the rate of 5 per cent. Is this the manner in which the nation can reach even a modest standard of living for which the millions of the people of this country are clamouring? And when and how shall we achieve our target of 7 per cent per annum increase in our exports at compound rate in the Fourth Five Year Plan? Therefore, I would highlight the question that we should see that our national economy should be geared to a growth-oriented policy. Unless all aspects of growth are implemented efficiently, we will continue to stagnate.

I had the honour to speak about this while the Report of the Ministry of Industrial Development was being discussed in our House. I said that it is production alone which is the main keypin of any economy, and unless and until the entire efforts of Government of India and the people of this country are geared, concentrated and intensified to raise the national production in agriculture, in industry, production in the primary, secondary and tertiary sectors of our economy, there is no salvation or an easy road. Therefore, my friend, Mr. Bhagat, is very much handicapped. I would say that the Minister and his Ministry are a prisoner of the other Ministries because till such time as the production is raised in steel, in agriculture, in various other types of things which this country can manufacture, sophisticated products, engineering

goods, jute goods, tea, various other types of cotton textiles, mineral ores and petroleum products and petrochemicals etc. it is not possible for this Ministry to deliver the goods in the field of exports.

Therefore, if I am saying that the result of this Ministry's working last year and the previous years is very, very much below the standard level, it is not that I am finding any fault with the Ministry but I blame the entire working of the Central Government and the faulty and callous policies of the Central Government towards national production which are at the root of the very, very depressing performance of this Ministry in terms of foreign trade. Nowhere in the world can you separate out export trade from the internal economy. In any country, affluent or poor, foreign trade is a reflection of the product of its internal economy.

Therefore, Sir, to me this matter of trade-gap on which the Ministry seems to be gloating from day to day is not convincing. At least in my time I remember, in a very modest way, we never gave that much of importance to the fairy tales of narrowing the trade-gap. Trade-gap will narrow. Trade gap can become zero if you do not import anything. If you starve the small-scale industries, as Mr. Dharia said, it will narrow. I had the occasion to say here in the last debate that from Rs. 75 crores if the import for the small scale industries is made Rs. 36 crores or Rs. 22 crores, you can save. You can save if you do not give steel to the engineering industries. You will save if you do not give raw jute, when the raw jute is falling short to the industry. You can save many things if you decide to go poorer and poorer day by day in order to have the pleasure of announcing that the trade gap can be narrowed down from Rs. 500 crores to Rs. 400 crores to zero. I will come to that analysis later. Also the trade gap myth is misleading. If a year's monsoon is good due to God's blessings as well as due to some efforts of the green revolution, that is not a matter on which we should say that Rs. 200 crores has been saved on the import of foodgrains. It was a shame to this country that we had to import 10 million tonnes, 5 million tonnes, 11 million tonnes and so on. Therefore, if we do not import so much or any food today, it should be a matter of gratification that agriculture

[Shri Manubhai Shah.]

has advanced. But it is not import substitution or rationalisation of imports which has contributed to the narrowing of the trade gap. There is a contribution of over Rs. 132 crores in the trade gap due to the reduced import of machinery and components. Heie, Sir, what is the reason ? Recession in the country is primarily responsible for reduction in import. It is not that rationalisation of import has taken place or national production has gone up and that is why import is less. It is a lower import bill because production has gone down. Last time I had quoted figures that from a national average of 9 per cent, over a whole decade, this Government has brought it down in the last four years to the average growth of 3 per cent per annum. In the last two years it is 6.5 per cent, and in the previous two years it was zero. Over the last four years the annual average increase of industrial production is 3 to 3.5 per cent. You have reduced the production from 9 per cent., when millions and millions of young people are available to you to become entrepreneurs, to become engineers, to man the industries, to develop various types of skills and production, to 3.5 per cent, instead of taking it up to 11, 12 or 13 or 15 per cent, per annum. The Japanese rate of growth, the highest living standard in Asia is 23 per cent. I am not comparing myself or my country to that growth. It will be unfair to my colleagues to compare a very rich and developed country with a poor country. But even among the poorer countries of the Latin America or the African continent or Asia, excluding Japan, there are very, very bright spots which go to show that if proper policies of production are formulated and are courageously implemented, this rate of growth can be very much sustained and expanded. Therefore, the saving of import of Rs. 140 crores in terms of industrial machinery or components is only an extension of what was happening continuously since we launched upon industrialisation through import substitution. It does not reflect any healthy growth of economy.

I remember, Sir, at one time we were importing machinery worth Rs. 650 crores. Even before devaluation we were importing about Rs. 200 crores. In order to have economic emancipation we have to take the benefit of modern science and technology. Therefore, the progress must be

judged from year to year as to how much we can accelerate the production part of this, and what is the tempo of development in the different sectors. Now, Sir, what do we find here ? I will take a few products. First I will take the traditional exports.

S'r, it is said that we should not depend too much on traditional exports. I know my friend, Mr. Bhagat, does not believe in that, and we are perhaps in agreement that traditional exports are as important as non-traditional exports. But the figures which the Government of India g've have a sad reflection on the export performance. The jute products registered an export of Rs. 288 crores in 1964-65. From 1964-65 till the current year, from Rs. 288 crores it has come down to Rs. 203 crores of exports of jute goods last year.

It may be Rs. one crore here or Rs-one crore there. From an export of Rs. 288 crores which we reached some time, we have come down to Rs. 203 crores. Devaluation was not meant for that. It was meant for keeping up the production and increasing the tempo of development of exports of traditional and non-traditional items. If I may say so, Sir, the world export of jute products has not gone down. I checked up with the United Nations statistics that in spite of synthetic substitutes and foreign substitutes which are very severely competing in price and quality with our jute goods, the growth rate of 1-4 per cent. was maintained over the last three years in the total world trade of jute. Therefore, if you want to keep your place under the sun and if you want to see that the traditional exports are maintained, I would request my friend to look into this aspect that the Agriculture Ministry or whichever is the Ministry looking after jute, must see to it that more jute and better jute per acre is produced. They must see that better quality of jute goods is produced in Bihar and the whole eastern region by giving more fertilisers, more facilities and better seeds etc.

Sir, I had the privilege to mention in one of the reports which we prepared last year on the export strategy that we should have a Jute Commission, not a Jute Commission for the distribution of raw jute or what the Jute Commissioner today is. It should be like the National Commission on Wheat in Australia or the Raw Cotton Commission in the United Kingdom which must be charged with the responsibility that from 8 million

bales of raw jute vte must go to 11 million bales of improved variety of raw jute production. Our productivity of raw jute is 139 lbs. per acre which is the lowest in the world. Even Pakistan is doing better with 190 lbs. per acre. If the productivity of our raw jute is increased even by 10 per cent., you will get an addition of Rs. 20 to Rs. 30 crores in export.

Therefore, Sir, the entire export trade of this country has to be looked into product-wise with such environmental advantages that we have. We are a subtropical country. We are a tropical country in which cotton, oilseeds, jute, tea, plantation crops, mangoes, various other types of fruits, and various other types of vegetables can be taken to much advantage over the Western or the ever-affluent parts of the European countries which are doing trade. We must take maximum advantage of our natural endowment factors. It is from this angle, Sir, that I would draw the attention of the House that jute has to be supported by vigorous inputs of fertilisers etc. We have to give the necessary facilities to farmers in the eastern region and, if necessary, interest-free loans or subsidies should be given. Let us also subsidise the farmers of the eastern region who are the poorest in this country to see that jute production is improved, that per acre production goes up and that we sustain jute crops; I know it cannot be much expanded. If we could keep up the export at Rs. 300 crores jute goods, we would have it least added to the national gross product by Rs. 100 crores which we today are otherwise losing. Now, what is happening in the field of tea? Even the FAO forecast on tea shows that 1 to 1.2 per cent of annual rate of growth can be sustained. But what do we find here? Tea exports in 1962-63 were Rs. 201 crores. And they have been sagging and sagging and sagging. We have now come to a miserable Rs. 130 crores. Maybe, it will be Rs. 135 crores or Rs. 140 crores. Even taking it to be Rs. 140 crores, is it fair to this country and its people who are struggling against poverty, who want to break through all the barriers of poverty and hunger, that our exports of tea, when we have the environmental advantage—we have the Darjeeling tea, we have the north-eastern tea and we have the southern tea—should come down to this level from Rs. 201 crores? As Mr. Dharia said, Ceylon is having corres-

ponding better tea exports. The reason is that the amount of freedom that should be given to the Tea Board and its Chairman, the amount of freedom that should be given to the Ministry of Foreign Trade is absolutely not there. I would blame the entire Government and not any particular Ministry. I would request the Ministry of Finance to see that maximum autonomy is given to this Ministry in those crops and in those products in which we have got so much advantage after they may lay down the broad policy of expenditure. Ceylon, which is a smaller country, which has not so much experience in political administration and governmental administration as we have, has given far more freedom to its Tea Board or to its Ministry of Commerce than we have been enjoying.

What is happening about oil cakes? We were thinking at one time that in groundnut oil and vegetable oils our exports could go to Rs. 150 crores. At one time before independence we had an export of Rs. 90 crores of vegetable oils and oil products. To-day that has totally vanished. Now, it is not as if oil seeds cannot be produced in this country. Anybody who has familiarity with agriculture will know that if intensive effort is made in the Fourth Five-Year Plan, instead of talking about so many "isms" and "progressive" things—if poverty is to be distributed, certainly talk of "isms"—if the methodology of production and the methodology of intensive governmental administration on development tempo are both simultaneously maintained, then you will produce more and will have something more to distribute. Now what is happening in regard to oil cakes? In 1964-65 we reached an export figure of Rs. 63 crores. To-day it has collapsed to Rs. 49 crores. It is my fear that if proper attention is not given, it might collapse to Rs. 35 crores. Here is a product in which we have so much advantage over the rest of the world. If proper attention is given to the production of oil seeds, which is very fundamental, we can contribute greatly to the exports of this item which has a tremendous world market and which (oil seeds) can be produced by our agriculture in abundance.

I would not go into many other items of agriculture because almost all of them are well known to the House. Cotton development is already neglected. The mills are suffering to-day because of

[Shri Manubhai Shah] want of cotton. We have to import willy-nilly Rs. 100 crores worth of cotton. I have myself have many opportunities to explain before this House why we have to import cotton. Firstly, our productivity is the lowest. We have the largest acreage of cotton in the world, yet our productivity per acre is the lowest, *i.e.* one-third of the United States productivity and one-fourth of the Russian productivity. Is it that our agriculturist is so poor or is it that he is so incompetent? I dare say that our agriculturist can compare with any agriculturist in the world. He is as hard-working as any other agriculturist. But the inputs required for the cotton crops the inputs required for the jute crop, the inputs required for production of oil seeds, are not being made available to him adequately or in time. The funds which the smaller farmers require from the nationalised banks or otherwise are not being made available. Therefore, Sir, I would say, while speaking on this Ministry, even though it is slightly a digression, that all the other Ministries which are responsible for production will have to come forward with a central policy to see that maximisation is done of the production of such agricultural and industrial products which have vast and big export potential.

SHRI JOACHIM ALVA (Nominated) : I want to know from the hon. Member, however intelligent he may be—I remember him speaking about cotton production in the Lok Sabha—what he did as Minister to put the Agriculture Ministry into shape to produce more cotton for us.

SHRI MANUBHAI SHAH : If we give fertilisers, irrigation and better types of seed, it can be done. Most of the Members who have knowledge about the agricultural and rural areas like you and me, know that it is a question of inputs. The Indian farmer is to some extent already familiar with modern technology. If you give him the right inputs, fertiliser, water and better seed, he is bound to give better production with much less acreage. Land is not like rubber that you can stretch it. We have 386 million acres of land under the plough and we cannot have more land. With these 386 million acres, we should have a production twice or three times what we are doing.

SHRI M. M. DHARIA : If the Government decides to-day that next year import of cotton will be brought down from Rs. 70 crores to Rs. 10 or Rs. 15 crores and that farmers will be given a better price, there is no need of any other incentive for the farmer. If the Government decides that to-day, I am prepared on behalf of the farmers to say that they will accept the challenge.

SHRI MANUBHAI SHAH : Let that also be tried. But it is not a question really of one incentive or the other. If the inputs are given, it can certainly be achieved. It is not a question merely of achieving self-sufficiency in cotton. We can even export cotton to the extent of Rs. 50 or Rs. 100 crores. The United States to-day is exporting cotton worth Rs. 400 crores. It is not as if we should merely achieve self-sufficiency in cotton at such a low level. Our consumption of cotton cloth to-day is the lowest in the world—11 metres *per capita*. Is it what we are working for? Self-sufficiency has to be judged in terms of what is the *per capita* consumption in this country. Sir, I will not enter into an argument. I will merely mention that if greater attention is given, we can achieve it.

Now, take, for instance, non-traditional items. We thought that in steel by the end of the Third Plan we will have a production of 10 million tonnes and we would be in a position to capture the world market to the extent of two to three million tonnes. Now what is happening? Last year we earned Rs. 10 crores less than the previous year. Actually we should have exported steel worth Rs. 50 or 100 crores more. Now Mr. Bhagat pleads with the Steel Ministry "Don't stop the export of billets." The local producers naturally are short of billets, therefore what can be done? Now you cannot cut into the internal consumption. To that extent unemployment will be increased and local requirement will not be met. So, export surpluses are the absolute necessity and foundation for any export production and export development. Now take, for example, iron ore. We have the largest deposit of iron ore in the world. The known deposits of iron ore in India are 1,28,000 million tonnes. If you take the unknown deposits, it may come to 2,00,000 million tonnes. And they are all of grade 61-62 per cent, 65-66 per cent—the highest grade of iron ore. But the difficulties

arc non-mechanisation of mines, transport costs and lack of modern facilities at the ports. There is no mechanisation in loading and unloading. And twice the cost of the raw materials at the pit-head is the transport cost and the loading cost. If we can properly spend our money—we had prepared a plan for Rs. 350 crores for modernisation of our ports—and see that all these ports are mechanised and loading and unloading operations are modernised, then I can assure you that we can earn Rs. 200 or Rs. 200 crores more as far as iron ore is concerned. There is no conflict between the export of iron ore on the one hand and the export of steel, the export of pig iron and the export of engineering products. In under-developed countries, these are on parallel. We are not short of any of these goods provided production of each of them is geared up.

Then, Sir, I come to the other aspects of export promotion. Now there are four points on the basis of which export takes place. The first is the export climate. I must say that during the last 10 or 15 years, the country has been able to create the export climate. We have good exporters. Maybe some people do wrong things who can always be caught and punished. We have efficient exporters. And even in the public sector we have developed a good amount of expertise. I do not agree with Mr. Dharia on the question of nationalisation of the import and export trade. Nationalisation of the import and export trade will produce no miracle. As a matter of fact, it is very necessary to go very cautiously. The Government can consider taking over the export and import trade only in those items in which the nation benefits—either in seeing that any large-scale under-invoicing or over-invoicing is avoided or you get better advantage in the bargain of prices. As far as certain types of bulk products are concerned, like iron ore and manganese or bulk steel or crude oil etc., you can certainly take them over in the State sector. But it would be foolish, it would be suicidal, it would be detrimental to the national interest if you interfere with the working of import trade and export trade to the extent that millions of people will be rendered idle. I do not mind that if the prosperity of the country goes up and there are other avenues of employment. By rendering them idle, you will load the State machinery which is already on the collapsing point by taking over their

उपसभाध्यक्ष (श्री राम साहाय) : सभी कितना समय आप और लेंगे ?

श्री मनुभाई शाह : 10 मिनट में खत्म करता हूँ ।

work. As we have seen, production effort is not geared up. The production apparatus is not geared up. The Central Government's fiat does not run. Gherrao, bandhs and strikes are the order of the day. National production is coming down. At that stage, without efficiently managing the public sector which is already with us, to take over a delicate and complex things like the import of small items and raw materials of Rs. 500 crores—in industries there are thousands and thousands of items with thousands of specifications—is not advisable. Same is the case with exports, which is still more sensitive. Therefore, I would request the honourable House not to be misled by slogans. They can certainly take over what is beneficial to the nation. And when you apply your yardstick you will find hardly 20 or 30 per cent of the commodity trade which might be beneficial to the country to be taken over; otherwise, for the rest you can nationalise or improve what is bad by streamlining the export and import machinery. But do not try to interfere with the trend of the world trade and copy the communist countries which have a different type of economy altogether. In the communist countries a political order can make exports; a political order can stop imports or make imports. A Soviet Presidential order can purchase anything. But you cannot do so in a democratic country where there is a mixed economy, where there is a civilised country which wants to go forward by maximising and encouraging the efforts of every individual. Then, I was coming to the institutional framework which has been working in this country. I consider this institutional framework more or less adequate. What is wanted to be put in a sort of gumption or a sort of new spirit in these people so that the delays are cut down. I know that the officials of the Ministry and the Minister himself must be taking great pains to see to it. But I must say that between the position when I was in the Ministry and now there has been hardly any improvement as far as this is concerned. If anything the machinery has worsened.



SHRI B. T. KEMPARAJ (Mysore) :  
Sir, he can continue after lunch.

SHRI M. S. GURUPADASWAMY :  
No, let him finish it now.

SHRI MANUBHAI SHAH : I think it is  
better to finish it now.

SHRI M. S. GURUPADASWAMY :  
Yes, you finish it now.

SOME  
lunch.

उपसमाध्यक्ष (श्री राम सहाय)  
सुवा 2 बजे तक के लिये स्थगित होती

House then adjourned for lunch  
at thirteen minutes past one of  
the clock.

The House reassembled after lunch of  
fifteen minutes past two of the clock; Mr.  
DEPUTY CHAIRMAN in the Chair.

SHRI MANUBHAI SHAH : Mr. Deputy  
Chairman, I hope you will allow me a few  
minutes more in order to recapitulate where  
I had left speaking, before the House  
adjourned. I was mentioning about the  
nationalisation of the import and export  
trade. I would caution the Government that  
the impatience exhibited by a few Members  
of the House should not mislead them to  
undertake a task which would not result in  
any public interest being expanded or  
developed but would only create more  
chaotic condition in the Ministry which is  
already overloaded with so many problems  
of administration of import and export.  
Certainly where the items are such which  
are of a bulk nature and where long-term  
contracts can be entered into on a selective  
basis after proper study, if the Government  
can convince themselves that the taking  
over of that part of trade is in the national  
interest, they will be fully entitled to do it  
or justified to do it. But I would again  
repeat that the present atmosphere is such  
that there is too much perssurisation of a  
particular dogma or slogan rather than a  
judicious judgment on delicate matters of  
national economy like this. The whole  
problem is, why do we want all these things  
in import and export? Growth with stability  
is the concept that we have accepted in the  
democratic socialism of India. Stability as it  
is endangered today is always to pay its part  
in a more and more effective manner. If  
political chaos and administrative chaos  
are to

govern most of the States and also the Centre  
as at present, then you can appreciate that  
growth will be completely jeopardised. And  
one of the basic factors why growth has been  
undermined in the last four years is the  
political instability, the waywardness in  
decision-making not only in this Ministry but  
in all the Ministries of the Central  
Government, and also unnecessary delays. The  
Central Government today has become a  
Government of indecisions and slogans.  
Whereas by a bold and clear and categorical  
policy statement and its implementation the  
Government could have allowed either the  
public sector or the private sector to go  
forward by present uncertain policies, our  
growth is being hampered.

I am not repeating the argument which I  
advanced about the Industrial Development  
Ministry. But the major factor against growth  
today is indecision and the Government has  
become a prisoner of indecision due to several  
pressures of an irrational character in the name  
of slogans and dogmas operating in this  
country.

Then, Sir, I was mentioning regarding the  
working of this ministry, that it has the infra-  
structure required for export development. But  
what is persisting today is the gross  
administrative slackness. I am not mentioning  
anything from hearsay. In a number of cases,  
people have come to me complaining about the  
enormous delays in the issue of import  
licences, particularly where export  
development is concerned. I know that it is a  
complex task. My friend, Mr. Lokanath Misra,  
was finding fault with this Ministry. Import is  
not the sole responsibility of this Ministry. It is  
divided into several Ministries, the control and  
policy-making about imports of the items  
concerning those Ministries is their  
responsibility. But it is necessary that the  
CCIE's office now should be strengthened by  
having an Export Commissioner whose work  
should be that he will be almost having an  
equal authority of his own whereby he can  
issue licences for export development in terms  
of capital goods or raw material entitlements or  
various replacement licences. I know of cases  
where to my personal knowledge, it has taken  
months for the Ministry and the office to issue  
licences. I request that a second look can be  
taken at the office of the CCIE to find out whether  
it is right or wrong that complaints of  
corruption are coming, that enormous delays  
are there or that various other type; of  
decisions are not being taken

either not to issue a licence or deny a licence. This should be rectified so that the foreign buyers may not have to wait in a long queue without knowing what the Government's mind is, whether they will get a particular response or not. Therefore, it is a good time that a proper examination is made. We had done the examination of the CCIE's office four years ago. The Report of the Committee is before the House. Now, as the situation is further deteriorating, we find that instead of improving the matter, there are more and more delays. So, it is my humble suggestion that a Commissioner of Exports with equal authority as the Chief Controller of Imports should be there. It was originally only the Chief Controller of Imports and Exports. Now, it is necessary that a Commissioner for Exports should also be there with a positive orientation, and not merely restraining imports, as if it is somebody taking away some property from the Government. But what one is entitled to under the Red Book should be duly sent promptly issued to him so that export production may not suffer.

There are many types of indigenous raw materials not available and in this case, I would plead that in order that the export prices of this country can come on a parity with the world prices, the basic raw materials for export—whether indigenous or imported—should be allowed to the exporters at the international prices. Now, it is one thing to give raw materials at the local prices and then give a cash subsidy in an indirect manner. This does not help because every time the exporters does not know at what price\* the raw materials will be made available to him. We have listed in that report a few important raw materials in the country like steel, petroleum products, various important chemicals, various intermediates of organic chemicals and non-ferrous metals and other items. And I would request my friend Mr. Bhagat, to go into those items more thoroughly. And of course, what we wrote is not final, it can be freshly examined. And those basic raw materials and intermediate foods and components which go into the making of export products should be made available to the exporters at the international prices.

Then, Sir, I am coming to the question as to what we have to do with regard to the powers of this Ministry. I have been for many years concerned with this Ministry and I find it is a Cinderella of the

Government, it is the lowest-power-having, and lowest powered Ministry, at the Centre, this Ministry of Foreign Trade. The reason is that it has to take advice on every matter of vital importance from the other Ministries. I do not say that you create an

export Czar. Many countries have tried with that experiment and they have succeeded. I am not suggesting it. But within the democratic framework it is possible, under the Chairmanship of the Minister of Commerce, with the Principal Secretaries of Finance and Commerce, with the particular Secretaries of the other Ministries to be called in. Those products which have been identified for export growth by the Planning Commission in the Fourth Plan can be taken up and the other Ministries concerned should agree to see that those products are available for export-production under the watchful supervision and guidance of such a committee. Presently, every time a crisis occurs, after three or four months after that has occurred, the Minister has to wake up and he has to approach the sister Ministries; then they plead various inabilities and the circumstances so conspire that the foreign buyers are left high and dry. And orders after orders have to be completely negated or refused because there is no basic material for export production. And also such a Committee is there in the Board of Trade. The President of the Board of Trade in the UK is a very high-powered Minister. The Minister of Foreign Trade through such a Committee should also be empowered to provide Rs. 100 crores or Rs. 150 crores worth of foreign exchange instead of the Ministry of Finance being the final arbiter of the requirements of the exporters. Whatever the national

policy, at the beginning of the year, the Prime Minister herself with her Cabinet colleagues should sit together and say, "we consider that in the current year Rs. 50 crores or Rs. 100 crores or Rs. 200 crores are required for export development. I am not going to prejudge the issue because they are all people of competence within the Government. They can decide. But having decided, it should be given to such a Committee presided by the Minister of Foreign Trade in which other Ministries including the Principal Economic Secretary to the Government of India is there to finally allot the amounts and assistance to exporters. I had tried to work out a humble scheme like that called the Market Development Fund. But unfortunately, all these schemes etc. remain on paper and again the routine remains that every time reference\* have to

[Shri Manubhai Shah] be made to all the sister Minings. So, from the status of a prisoner Ministry, from the status of a Cinderella Ministry, instead of being chaperoned by other Ministries, this Ministry which, to me, is the most vital Ministry, should rise above, to see that production is properly ensured and that the surplus is sent to the foreign markets. As I said, the foreign markets are expanding. Whereas the world market has expanded, as I said, by 100 per cent in ten years, this country's export has gone down, from 10 per cent to 8 per cent. Therefore, when the world market is expanding, we are shrinking. That is our share in the expanding world market. Where affluence is the order of the day in such a large part of the world, we are instead of selling more are proportionately selling less. Therefore, it is very necessary that in order to take quick decisions, the Ministry should be empowered to issue licences and cash subsidies and give various other forms of assistance as approved by the Cabinet with the authority being vested in the Ministry of Commerce. Present-day frustrations should be removed.

Then, Sir, I have to bring to the notice of the House the international situation. Now all the developed countries have been telling us that they are trying to help the under-developed countries. Sir, it is a pity that the world trade of the developing countries instead of expanding has gone down. The industrial areas have expanded their internal exports between themselves from 40 per cent, to 49 per cent. In the last decade, whereas the developing countries have reduced between themselves the trade from 15 to 13 per cent. Is this social justice? They have all the time been saying in Geneva, at the United Nations and UNCTAD that they are going to help the developing countries. Therefore, Sir, it is very necessary to appeal to the conscience of the world to bear in mind at least the basic policies and the basic points, which are very important, particularly the affluent countries should take note of these things.

After all, Sir, we are not asking for any charity or any beggary; we are asking for real justice, social justice. If you do not get justice, ultimately what will happen is that the poverty gap between the rich and the poor will go on increasing and the whole world will go into some kind of holocaust and the peace and prosperity

of the whole world "will be destroyed. Therefore, Sir, I would appeal to them that the first thing is the international division of labour. It is not possible for the under-developed countries to produce so many sophisticated items that they will hold on to capture the world market when the developed countries are already producing those items. So we have been suggesting and some countries have to some extent been following also that these are simple industries like textiles, jute products, light engineering goods, labour intensive products, leather goods, fish products, fruit juices, etc. There are at least 30 to 40 per cent, of the world industries which can easily be developed by the under-developed countries of the world. And it is my request on behalf of this country that the developed countries should give up the production of these items to some extent. At the moment the expansion that is taking place in these industries in the rich countries, is at a terrific pace. You will be surprised, Sir, that in the last 10 years the European Economic Community, including the U.K., have spent three to four million dollars on rehabilitating and expanding their textile industry including man-made fibre industries. Therefore, on the one hand to say "Our textile markets are open for you" and then to produce those textiles; when they are already short of labour because they have to indent labour from the rest of the world, I think that is not proper. They can leave those industries to be run and developed by the under-developed countries because already there is a tremendous growth of complex and sophisticated industries in the industrialised countries, there are various types of machine tools, electronics, machineries, etc. Therefore I would appeal on behalf of this country to those world powers, particularly the developed countries, to see that the principle of international division of labour should be accepted for human justice by making room for simpler products, manufactured and semi-manufactured, produced by the developing countries into the expanding affluent markets of these rich countries. This can be done without hurting their interests. If some choice were given to me, I would do like this. In fact I suggested to West Germany "Why do you run your jute mills? Why don't you allow the jute mills of Calcutta and Pakistan to give you the ready-made jute goods and you can easily consume them when you yourselves are short of labour elsewhere?"

Sir, the international division concept is the only major concept which in my view can make room for simpler products, semi-manufactured and manufactured, in the expanding markets of the world. (*Time bell rings*) Secondly about the preferences. I am glad that the Government of India and the developing countries are further succeeding and sort of preferential treatment is coming forth but it is a torturous process indeed. I would therefore request this Ministry to energetically itself by all kind; of personal intervention at the highest quarters to see that preferences is accorded as early as possible to the manufactured and semi-manufactured products of this country into the markets of those countries.

The last point is about the prices of the primary products. It is a tragedy of our times that the prices of the products of developed countries have increased by 62 per cent, in the last 10 years, i.e., for buying a turbine from Switzerland or Germany our country has to pay almost one and a half times the price to about 175 per cent, of the price in one decade. In the matter of iron-ore and other primary products like jute we have lost 10 per cent, of the price in the last 10 years. Therefore we have been pleading in the United Nations Conference on Trade and Development that there has to be support and stabilisation for ensuring fair and remunerative prices of primary products and mineral products. Some day we should be evolved so that we do not perpetually remain the hewers of wood and the drawers of waters and in the company of nations we remain equal partners with other rich countries. We know that the gap cannot be easily narrowed but it should at least be stopped from yawning. Since every year, we, the developing countries, are losing 2.2 billion dollars and the poor countries are becoming poorer and rich countries are becoming richer and the status of poverty is getting more aggravated. If this phenomenon is not stopped well in time, our country cannot march forward. There are other sectors also which require attention. Also there are certain identified sectors of growth which should be attended to. The world powers have to see that industrialisation is ushered in to the under-developed countries by giving some concessions and many more later which will help our country to expand further. (*Time bell rings*).

Sir, may I say that what I have said is not in any spirit of criticism. In conclusion, I earnestly request the Central Government

to see that through increased production, the country gets social justice which is a by-product of production and distribution, if over-attention is paid to either of the sectors, then the whole social policy is going to fail. My request therefore is not to think in terms of any dogma or ideology. Ideology is important but it is not that important as the rate of growth. Therefore it is very necessary that growth-oriented policy should be given attention. Thank you.

#### SHRI RAM NIWAS MIRDHA

(Rajasthan) : Sir, we are discussing the various activities of the Ministry of Foreign Trade. It has been mentioned by the previous speaker that our percentage in world trade is falling and statistics of this nature are produced on a number of occasions to prove that we are in very bad shape. But these statistics are a snare and they are to be very carefully analysed. Even the statistics of per capita national income give a completely distorted picture. Countries like Japan and the U.K. have per capita consumption of many commodities which is 400 times less than the U.S.A. That does not mean that these countries are 400 times the poorer or worse off than the U.S.A. So the same thing holds good about our foreign statistics. Formerly the pattern of our foreign trade was different—export of raw materials and import of machinery. Now that whole pattern has changed and we are processing some of the raw materials that we used to export and we have stopped the import of many machines which we are now manufacturing. So to say that our percentage in World trade is falling is by no means an unmitigated disaster; it is a sign of growing self-reliance and it is proof that we are progressing in industrialisation and in many other respects also.

Foreign trade is naturally very important for a country. We must lay a very firm but sound base so far as our foreign trade is concerned. But Sir, private industry has up till now not risen to the occasion so far as foreign trade is concerned. The type of goods they supply are below standard; they have no long-term perspective as regards prices; deliveries are not in time and that is exactly the reason why State trading has to be resorted to. If the private sector had risen to the occasion and given a good account of itself, there would have been no necessity for the STC or any other body to step in. Every time the private sector comes up with a proposal,

[Shri Ram Niwas Mirdha] the only thing they want is to reduce the Export Duty and other taxes. They never think of increasing the production or efficiency or their turnover of goods in the foreign trade. All that they want is concession from the Government which the Government sometimes rightly and sometimes not so rightly give to them and then we feel that the foreign trade is progressing well. I would urge on the Minister to be very cautious when such demands come and unless the industry is trying to improve its own working, no more concessions should be given and every thing should be done on a very proper and long-term basis. What we really need is a long-term plan for foreign trade. The Government should not change its policy every now and then. The incentives are varied every now and then and one does not even know what the situation is going to be next year. So the Government should come with a long-term foreign trade policy so that the importers and exporters may know the Government policy, what goods they are going to handle, what services they are going to get so that there can be planning in the public sector and private sector so far as foreign trade is concerned.

About the many steps which the Ministry has taken to improve the foreign trade, mention of one would be enough to show that they are keen on foreign trade. The import of raw materials on a substantial scale is a very good thing and they have decided to create a bank of raw materials in the country from which the exporters may draw. This is a welcome feature and I think this scheme would be used in a proper way so that the real benefits may come to the country. We are talking about State trading in many respects and the Government says that they are trying their best to bring in many commodities for State trading. This is a very welcome feature, but before they go on increasing the ambit of State trading, they should see that the present commitment so far as State trading is concerned, is properly kept in view and implemented. I see that what is regarded as State trading is not really State trading. What the STC does is just to contact some private exporters who have orders from foreign countries, charge 1 per cent commission and allow them to export. This is not State trading in any sense unless you want to juggle up the figures and say that you are bringing in more and more commodities under the STC but this is hardly the true concept

that we have of the STC doing export business. So a very thorough probe has to be undertaken of the practice the STC and MMTC as well as other bodies follow in regard to foreign trade so that they do not act in collusion with the private sector, that there is genuine State trading and all the good that can result from State trading should really come and they should not act as mere agents of the private sector by charging 1 per cent, commission and leave the whole thing to them to do it. This is a serious matter because we are committed to bring in more and more commodities in State trading but the present performance of the STC and other bodies is most unsatisfactory and unless that performance is improved, it is no use our talking about State trading in a big way. So I hope some attention would be paid to this thing.

About the textile industry, it is one of the industries that this Ministry is concerned with. It is a very old industry but an industry which is now languishing. There are various causes for this and the attempts the Government is making to resuscitate the industry are very praiseworthy but they are most inadequate. Here again one cannot but blame the private sector for the misery of this industry. This old well-established industry was allowed to run down, no replenishment was done, no modernisation was effected but all the profits out of this industry was sucked and invested in other sectors. This is the position now because of the past practice of the private sector in this country. If the entrepreneurs were wise, if they were really industrialists entrepreneurs in the proper sense of the word and not just speculators and adventurers in the industrial sphere, this industry would not have gone to dogs as it has done. No replacement was done, and whatever profits could be made were made to the maximum possible extent and new industries were started and this industry was allowed to run down. It is a great national asset and it should be brought up to modern lines and the Government should come up with a big plan for its modernisation.

SHRI DAHYABHAI V. PATEL : Is he not aware that those who wanted to modernise were not allowed by the Government and the fault is there ? Those people were prevented.

SHRI RAM NIWAS MIRDHA : This can be very well proved.

SHRI DAHABHAI V. PATEL : Yes, it can be proved. I know there are some blacksheep who would not do it.

SHRI RAM NIWAS MIRDHA : If you see the profits from this industry that have not been invested in this, it is a colossal sum. In the past 10 years, how much they have earned and how much they have put into it? I say that the record would be exactly what I say. There could be some instances where the Government could have come in, I cannot vouchsafe for that, but my broad proposition cannot be disputed that his industry was allowed to languish because it was exploited and the fruits of exploitation were used for other purposes than the rehabilitation of this industry. This is my basic contention. There are other things also which can be done, apart from modernisation. For example, look at the variety of cloth manufactured. No attempt has been made to standardise it, to reduce the number of the varieties that we produce. Every time a new variety comes the prices are added and the consumer pays through his nose. We talk about Japan and want to follow their practice. If we see what the Japanese textile industry has been doing, you would see that our development has been completely on wrong lines. If we can reduce the variety by half or even one-quarter and concentrate on standardisation and price reduction even the present capacity can work in a more efficient and scientific way, but again the private capitalists are not interested in doing that. They are interested in juggling the quality and designs and making the maximum profit without caring what the consumer gets and at what price.

SHRI M. K. MOHTA : In coarse cloth only the Chinese are not Indians.

SHRI RAM NIWAS MIRDHA : That is what the Member thinks. He would not care to give the common cloth at reasonable price but he would like to give expensive and fine cloth at 400 per cent profit. That is their policy. That is why the country is not progressing. That is why the whole consumption of textile is falling.

SHRI M. K. MOHTA : Ask the consumer whether he wants variety or not.

SHRI RAM NIWAS MIRDHA : It is the fault of the Government's policy that it allows the mill to do it and the consumer is at the mercy of the producer who is in league with the Government. That is what is happening.

SHRI BALKRISHNA GUPTA (Bibai): You said 400 per cent profit a mill is making. Which mill is making it?

SHRI RAM NIWAS MIRDHA : I said some variety. By merely juggling the design they make extortionate profits; not one mill but by some varieties, by juggling some designs and mixtures they make extortionate profits. I hold on to it. The Minister should see that the industry is modernised, rationalised, brought on a standard footing so that this very basic industry serves the interest of the nation instead of serving the interest of some producers' private interests.

Another is the jute industry. Again this is an old industry of ours. We had almost a monopoly in world trade in certain respects but look at the stage it has come to. The same thing has happened to this industry as for the cotton industry that I referred to. In the first place the capitalists were not at all interested in improving the machinery and modernising it and they went on leaving the whole thing till it became junk and that is why there is the present trouble with the industry.

SHRI DAHABHAI V. PATEL : If you remain in power, all industries will come to it.

SHRI RAM NIWAS MIRDHA : That is what I say. The Government, in league with big business is doing all this, I dare say. I give the example of the jute industry. Some time back the wages of the jute earners were raised. Have you ever heard this? The jute producer said: 'If you reduce the export duty, then we will give the wage increase' and the Government most sheepishly succumbed to this pressure. It is a most unheard of thing that has happened in this country—that the big business in league with big labour supported by big Government is actually doing a lot of harm to the consumer. A wage rise was given at the cost of the exchequer. This theory of wage rise was unheard of and is a most dangerous innovation. That is what I say that the Government is in league with the private industry and are doing everything to help them and this is one glaring example if one is needed. If you want to increase wages, do it from your profits; reduce your profits or increase your efficiency but why do you go to the Government and say give us Rs. 9 crores worth of export duty relief, then only we can do it and the Government gave

[Shri Ram Niwas Mirdlia]

them relief. Why do you want the exchequer to bear all this burden? My contention is the Government has been very soft to these industrialists to have allowed this traditional industry to be ruined and to go to dogs. I would urge upon the Government to take a very serious view of this jute industry from top to bottom and go into all aspects of the industry including jute growing, manufacture, marketing etc. For instance there was a bumper crop this year but yet the grower did not get what he deserves. A minimum price is fixed but that is never given to him because there is no collection centre in all the districts to collect the raw jute. The STG does come into the scene but only at two or three places. We have been talking of buffer stock operations and all that but it is all a hoax. We must have a complete overhaul of this industry. I would urge upon the Government to appoint a Committee so that it can go into all aspects of this industry. The West Bengal Government should be congratulated for appointing a Committee to go into the working of the jute industry and I think the Government of India should take over that Committee, make it a bigger Committee and see that every aspect from jute production onwards is thoroughly investigated so that the lot of malpractices that have crept into the industry could be rectified.

**श्री आर० पी० खेतान (बिहार) :** यह एक कमेटी बनाई तो हुई है, लेकिन उस कमेटी का क्या काम हुआ। वह जब बतलाएंगे तो आपको मालूम होगा...

**श्री बी० आर० भगत :** आप ही बता दीजिएगा।

**श्री उपसभापति :** बीच में मत बोलिये। आपको मौका मिलेगा।

**SHRI RAM NIWAS MIRDHA :** What we need really is a high-powered Committee, Committee of Enquiry or Commission of Inquiry, whatever you may call it, to go into the entire gamut of the industry and its working because jute marketing is in bad shape, jute production is at a very low level, manufacture is unregulated, export practices are all wrong. And every-time the industry wants relief in export duty. They never want to enter into long-term commitments for export. The

prices fluctuate all the time and the producer gets the worst of the bargain. All these things have to be investigated and we have to see how the whole thing works so that we can get more out of the industry.

Now, a word about wool industry. Coming from Rajasthan I am greatly interested in wool industry and we must do something to improve the quality of wool because we have to import a lot of wool. And this is doing a lot of harm to us. And at this stage I will make a general observation that we should stop actually the import of cotton, wool, oil and all those commodities which we as an agricultural country can certainly produce here. The unfair competition that comes from the imported elements is really ruinous to the growth of our agro-industries. These raw materials should be grown as much as possible here so that we can develop our own industries. We have discovered to our sorrow that the PL-480 was a great hindrance to the development of agriculture in the country. This import of agricultural commodities from the Soviet Union, and the USA, should be stopped so that we can grow them here. For example, let us take the cotton industry. We talk a lot about the cotton industry and its exports. But if you see the figures the cotton industry needs much more by way of imports to run it than it earns by exports. What is the use of going about for export of this nature when we have to import much more to sustain the industry? We are importing fine cotton which means we are importing this for luxury items just for keeping some luxury mills going so that they can make greater profits out of the finer varieties. The Government must see that imports of finer varieties of cotton are stopped and that efforts are made to grow it in the country which we can do, given proper incentive, and if we do that we can become self-sufficient in all these respects, (*lime bell rings.*) As ordered by you, I will wind up by saying a word about foreign aid.

**SHRI AKBAR ALI KHAN :** Is to really importing more or exporting more?

**SHRI RAM NIWAS MIRDHA :** The textile industry as a whole in way of import of cotton, machinery, colour, finishing products etc. have to spend much more than what it earns by exports. This is the statement I am making and the Minister can say what he feels from his side.

Now, I will say one word about foreign aid. I just now said that we must stop imports of all these agricultural commodities which come by way of foreign aid. This foreign aid is a very big thing and if we see at the global level the foreign aid that goes to the so-called underdeveloped countries from the richer countries, in return they derive much greater benefit through fluctuation of prices of raw materials which we produce. It means we are the net losers. After deducting the foreign aid the poorer countries pay much more for imports and receive much less for their exports with the result that taken as a whole in the world context the poorer countries are the losers. The Government must do a serious re-thinking on the whole concept of foreign aid. We would much rather do without any foreign aid than get it on terms which are really harmful to the country, particularly like oil, cotton etc., we can produce in our country for which proper incentives should be given. With these words I commend whatever work has been done by the Ministry and I think we should all support the Ministry in its efforts to take our country forward so far as foreign trade and its nationalisation is concerned.

**श्री रत्न लाल जैन (पंजाब) :** उपसभा-पति महोदय, वैदेशिक व्यापार मंत्रालय की गतिविधि के बारे में विचार करते हुए वैदेशिक व्यापार मंत्रालय की ओर से जो एक रिपोर्ट प्रकाशित हुई है, उस सारी रिपोर्ट को पढ़ने के बाद ऐसा लगता है किसी किस्म की इन्फार्मेशन में कोई किसी प्रकार का इजाफा नहीं होता, मिसाल के तौर पर चैप्टर 1 में आर्गेनाइजेशनल सेट-अप के संबंध में कुछ कुछ चर्चा की गई है कि कितने बॉर्डर बनाये गये हैं, कितनी एक्सपोर्ट प्रमोशन कौंसिल बनाई गई हैं, कितने कमिश्नर हैं, और किस प्रकार के कौन-कौन आदमी हैं, उनके जिम्मे क्या कार्य हैं, उनकी रेस्पॉसिबिलिटीज क्या हैं, उनकी रेस्पॉसिबिलिटीज को पूरा करने के लिये कौन-कौन से साधन उपलब्ध हैं। उनके कुछ टार्गेट्स निश्चित किये गये हैं कि नहीं किये गये इस संबंध में इस रिपोर्ट में किसी प्रकार की इन्फार्मेशन नहीं दी गई है। वह टार्गेट्स अगर कोई रखे गये हैं तो वे पूरे हुए या नहीं हुए, वे साधन जो उनके वास्ते उपलब्ध कराना चाहते थे, वे मिले

हैं कि नहीं मिले, और इसी प्रकार उनकी जो कोई रेस्पॉसिबिलिटीज फिक्स की गई हैं, वे पूरी हुई या नहीं हुई इस संबंध में इस रिपोर्ट में कुछ भी नहीं कहा गया है। मैं समझता हूँ, जब तक इस प्रकार की इन्फार्मेशन नहीं दी जाती, तब तक यह रिपोर्ट बिल्कुल इनकम्प्लीट है।

इस रिपोर्ट में कुछ आंकड़े भी प्रस्तुत किये गये हैं और अगर हम उन आंकड़ों को देखें तो ऐसा लगता है, जैसा कि बताया है कि हमारा एक्सपोर्ट बढ़ कर 1969 में 1,374 करोड़ रु० का हो गया है, इसी तरह से इम्पोर्ट ट्रेड जो 1965-66 में 2,200 करोड़ का था, वह घट कर अब 1,592 करोड़ रु० रह गया है। इसी तरह से जो घाटा 1965-66 में था, वह घट कर 200 करोड़ रु० हो गया है। अगर आइसोलेशन में उन आंकड़ों को देखें तो यह कार्य बहुत सराहनीय है, हमारा जो विदेश व्यापार का घाटा है, वह कम हुआ है, लेकिन आइसोलेशन में न देखते हुए अगर इन फिगरस का हम बारीकी से मुतालया करें तो कुछ तथ्य भी सामने आयेंगे। मिसाल के तौर पर बहुत-सी वस्तुएं ऐसी हैं जिनमें हम मोनोपोली रखते थे, जैसे जूट एक्सपोर्ट है, टी एक्सपोर्ट है, कॉटन टेक्सटाइल है और लेदर वगैरह है, तो उनके एक्सपोर्ट्स में बहुत कमी हुई है। यह कहा जाता है कि यह ट्रेडिशनल एक्सपोर्ट्स थी और ट्रेडिशनल एक्सपोर्ट्स की मांग विदेशों में कम हो गई, इसलिये हम एक्सपोर्ट नहीं कर सके, लेकिन वास्तव में बात यह है कि उन चीजों की देश में कीमतें इतनी ज्यादा बढ़ गई हैं, देश में उनकी खपत इतनी ज्यादा बढ़ गई है कि उसके मुकाबले में हम अपने प्रोडक्शन को कायम नहीं रख सके। उन कीमतों को देखते हुए, फारेन कण्ट्री में वह कंपीटीशन में उतर नहीं सकते और इसलिये हमारे जो एक्सपोर्ट्स हैं, उन मर्चें में कम हुए हैं, जैसे टी को देखिये, टी का एक्सपोर्ट किसी समय 208 करोड़ रु० का था, वह कम होकर 120 करोड़ रु० पर आ गया है और इसी हिसाब से चलता रहा तो शायद कोई दिन ऐसा आए,



[ श्री रत्न लाल जैन ]

कोई साल ऐसा आए, जब टी के सम्बन्ध में हमारा एक्सपोर्ट न रहे। कहा जाता है कि टी का प्रोडक्शन बहुत ज्यादा बढ़ गया है, उसके मुकाबले में कंजमशन उतना नहीं बढ़ा है, लेकिन सबाल यह पैदा होता है कि टी का एक्सपोर्ट हर जगह बढ़ा है, शायद हमारे यहां भी होगा, लेकिन जब कंजमशन नहीं बढ़ा और एक्सपोर्ट इतना कम हो गया है, इसका जस्टिफिकेशन क्या है? 50 प्रतिशत रह गया है यानी 208 करोड़ रुपये में से करीब 120 करोड़ रुपया रह गया है। इसी तरह से जूट वगैरह के संबंध में व्यापार हुआ है और इसी तरह से लैटर एक्सपोर्ट का काम हुआ है। शूगर का एक्सपोर्ट, खांड, चीनी का एक्सपोर्ट 21 करोड़ रुपये का 1968 में आ था और अब वह केवल 6 करोड़ रुपये का रह गया है। इसी प्रकार से बहुत सी अन्य चीजें भी हैं, अगर उनकी समीक्षा की जायेगी तो पता चलेगा कि उनका एक्सपोर्ट भी बहुत कम हुआ है।

हमें इम्पोर्ट की ओर भी ध्यान देना चाहिये और यह बात ठीक भी है। हमारे देश में हरी क्रान्ति आई है और इसकी वजह से एक रेवोल्यूशन आया है, जिसका परिणाम यह हुआ कि हमें बाहर से सीरियल्स कम मंगाना पड़ा और उस तरह से हमने फूड ग्रेन्स बाहर से मंगाना कम कर दिया। लेकिन मैं यह निवेदन करना चाहता हूँ कि इससे हमें संतोष नहीं कर लेना चाहिये, क्योंकि बहुत-सी चीजें ऐसी हैं, जिनमें हमारा इम्पोर्ट कम नहीं हुआ है।

हमें यह आशा बंध गई थी कि तीसरी पंच-वर्षीय योजना पूरी हो जाने के बाद हमें स्टील बाहर से इम्पोर्ट करना नहीं पड़ेगा, बल्कि हम एक्सपोर्ट के काबिल हो जायेंगे। इस साल करीब 70, 72 करोड़ रुपये का स्टील और स्टील प्रॉडक्ट्स हमारे देश में आये हैं। इस तरह के बहुत से आइटम्स हम देख सकते हैं। इस साल जो 200 करोड़ रुपये का घाटा हुआ है, यह और कम होगा, इसकी आशा नज़र नहीं

आती है, क्योंकि चौथे प्लान का जो डाक्यूमेंट सर्कुलेट हुआ है, उससे मालूम होता है कि चौथी पंचवर्षीय योजना के पांचवें वर्ष में जो हमारा एक्सपोर्ट का ट्रेड होगा, वह केवल 300 करोड़ रुपये का होगा और जो इम्पोर्ट होगा, वह 9,730 करोड़ रुपये का होगा। ये आंकड़े जो बतलाये गये हैं, वे पांच सालों के हैं। इस तरह से 1,500 करोड़ रुपये का घाटा फिर भी रहेगा, चौथी पंच-वर्षीय योजना कम्प्लीट हो जाने के बाद। इस तरह से जो यह हमारा ट्रेड बैलेंस होगा, वह एक डेफिसिट होगा और यह किसी वक्त भी सरप्लस में बदल जायेगा, इस बात की कोई आशा हमारे सामने नहीं है।

मजमुई तौर पर अगर हम अपने फारेन ट्रेड का मुतालया करें तो पता चलेगा कि हमारा फारेन ट्रेड दुनिया के फारेन ट्रेड के मुकाबले में 1960-61 में 1.2 प्रतिशत था और वह कम हो कर करीब .8 प्रतिशत में आ गया है। दुनिया के ट्रेड बढ़ रहे हैं, एक्सपोर्ट के ट्रेड बढ़ रहे हैं, लेकिन हमारा ट्रेड, एक्सपोर्ट का जो ट्रेड है वह कम होता जा रहा है। हमने अपने देश में पहली, दूसरी और तीसरी पंच-वर्षीय योजनाएं पूरी कीं और अब हम चौथी पंचवर्षीय योजना में हैं, लेकिन इन सब चीजों के बावजूद, इन सारी योजनाओं में हमने करीब 50, 60 हजार करोड़ रुपये खर्च किये होंगे, डेवलपमेंट के लिए खर्च किये, लेकिन इतना रुपया खर्च करने के बाद भी, इतने साधन जुटाने के बाद भी, हमारा जो एक्सपोर्ट ट्रेड जो है, वह दुनिया के एक्सपोर्ट ट्रेड के मुकाबले में 1.8 प्रतिशत ही है और वह भी कम होकर अब .8 प्रतिशत रह गया है। मैं समझता हूँ कि यह कोई संतोषजनक बात नहीं है और इस वास्ते हमें इस संबंध में कोई खास खुशी मनाने की ज़रूरत नहीं है। हमें पूरा प्रयास करना चाहिये, ताकि हमारा ट्रेड ज्यादा बढ़ सके। हम डेवलपड कंट्रीज़ का मुकाबला तो नहीं कर सकते हैं। हम अपना व्यापार उस रुपतार से नहीं बढ़ा पा रहे हैं, जितना कि डेवलपड कंट्रीज़ बढ़ा रहे हैं। डेवलपड कंट्रीज़ की बात तो सोडिय,

हमें तो जापान की मिसाल लेनी चाहिये, जिसके दूसरे महायुद्ध में सब साधन नष्ट हो गये थे, जो सारा रॉ मटीरियल बाहर से एक्सपोर्ट करता है, लेकिन उसने पिछले 20, 25 वर्ष के अन्दर अपनी इंडस्ट्रीज को इस तरह से रिहैबिलिटेड कर दिया है, जिसको देख कर दुनिया दंग रह गई है। आज जापान करीब 10, 11 हजार करोड़ रुपये का सामान एक्सपोर्ट कर रहा है, जबकि उसके मुकाबले में हमारा एक्सपोर्ट करीब 1,300 करोड़ रुपये का ही है। हमारा इतना बड़ा देश है, इतने साधन जुटाने के बाद और इतना रुपया खर्च करने के बाद भी हमने कोई ऐसा बड़ा अचीवमेंट हासिल नहीं किया है, जिस पर हम गर्व कर सकें। मैं समझता हूँ कि मंत्री जी को इस ओर ज़रूर ध्यान देना चाहिये।

हमारा एक्सपोर्ट काटन टेक्सटाइल में, जूट में और टी में, वह बहुत कम हुआ है और ये 3 P.M. ऐसे उद्योग में, जिसमें हमारे बहुत-से लोग लगे हुए हैं और हमारी पूंजी भी इन व्यापारों में काफ़ी लगी हुई है। इन उद्योगों में लाखों लोग कारोबार करते हैं और लाखों लोगों की आजीविका इस पर निर्भर करती है। लेकिन आज हालत यह है कि हमारे जो ट्रेडिशनल एक्सपोर्ट्स हैं, उन्हें हम खोते जा रहे हैं। जिस तरह के फिगर्स हमारे सामने हैं, उन्हें देख कर ऐसा मालूम होता है कि उन लोगों के लिए और भी कठिनाई पैदा हो जायेगी। हमारे देश में इस समय बेरोज़गारी की जो समस्या है, वह और भी गम्भीर रूप धारण कर लेगी अगर हमारी इन चीज़ों का एक्सपोर्ट कम होता गया। इसलिए मेरा निवेदन यह है कि हमारे देश में कुछ ऐसी इंडस्ट्रीज हैं, जिनकी ओर हमें विशेष तौर पर ज्यादा ध्यान देना चाहिये, इन उद्योगों की चीज़ों के लिए हमें नये मार्केट ढूँढने चाहियें, जिससे इन उद्योगों द्वारा तैयार की गई चीज़ों का एक्सपोर्ट हम ज्यादा से ज्यादा कर सकें।

इसके साथ ही साथ हमारे देश में हैण्डलूम और हैण्डिक्राफ्ट का भी उद्योग है और इसी

तरह से दूसरे उद्योग भी हैं। लेकिन ऐसा लगता है कि इन उद्योगों के लिए हमने केवल कुछ बॉर्डर्स सैट-अप कर दिये हैं, कुछ एक्सपोर्ट प्रमोशन कौंसिल खोल दी है और इन उद्योगों को बढ़ावा देने का हमने कोई खास प्रयास नहीं किया है। इसलिए मेरा कहना यह है कि हमें इस संबंध में टार्गेट फिक्स कर देने चाहियें और जो सरकारी आफिसर या दूसरे लोग इन उद्योगों को चला रहे हैं, उनके ऊपर जिम्मेदारी डाल देनी चाहिये कि इन आंकड़ों को, इतने टार्गेट को हर हालत में पूरा करना होगा और अगर वे इस तरह की बात नहीं करते हैं, तो उन्हें उस जगह से बदलने में कोई गुरेज नहीं करना चाहिये। मैं समझता हूँ कि जब तक आप इस तरह का सैट-अप नहीं करेंगे, तब तक आपके जो आंकड़े हैं, आपका जो टार्गेट है, वह पूरा नहीं हो सकेगा और न ही इन उद्योगों में प्रगति हो सकेगी। अगर हमने इस उद्योग का बनी हुई चीज़ों को एक्सपोर्ट किया तो हमें फारेन एक्सचेंज भी मिलेगा और साथ ही देश में इम्प्लायमेंट भी लोगों को मिलेगा; क्योंकि ये जो इंडस्ट्रीज हैं वे सेक्टर इन्टेन्सिव इंडस्ट्रीज हैं। इसलिए हमें इन उद्योगों की ओर विशेष रूप से ध्यान देना चाहिये। मैं समझता हूँ कि पिछले 20, 25 वर्षों में इन उद्योगों की ओर कोई खास ध्यान नहीं दिया गया है। यह ठीक है कि हमारा कुछ एक्सपोर्ट्स व्यापार बढ़ा है, लेकिन वह संतोषजनक नहीं है। अगर मंत्री जी इस बात पर ही संतोष करते हैं, तो मैं समझता हूँ कि यह काफी नहीं होगा, यह ठीक नहीं होगा और भारत की इंडस्ट्री के लिए भी ठीक नहीं होगा। हमें इस बात का पूरा प्रयास करना चाहिये कि जो इंडस्ट्रीज एम्प्लायमेंट ऑरिएंटेड होती हैं, जिसमें ज्यादा आर्टीजन खप सकते हैं, जहाँ पर लोगों को ज्यादा एम्प्लायमेंट मिल सकता है, उसकी ओर हमें विशेष रूप से ध्यान देना चाहिये।

एक ओर चीज़ की ओर भी मैं सरकार का ध्यान दिलाना चाहता हूँ। हम यहाँ से आयरन और एक्सपोर्ट करते हैं। मेरी यह भावना नहीं

[श्री रत्न लाल जैन]

है कि हम आयरन और एक्सपोर्ट न करें, लेकिन मेरा कहना यह है कि जो हम आयरन एक्सपोर्ट करते हैं, उसके बदले हम वहां से बनी बनाई चीजें मंगाते हैं, हम स्टील मंगाते हैं और उसका इम्पोर्ट करते हैं। यह बात मेरी समझ में नहीं आती है कि अपने देश में लोगों को कारखाने एक्सपैण्ड करने की इजाजत क्यों नहीं देते हैं। इसका नतीजा यह हो रहा है कि जो उद्योग इम्प्लायमेंट इंटेंसिव हैं उनको हम बढ़ावा न देकर, बाहर से चीजें मंगाकर यहां पर बेरोजगारी की समस्या को बढ़ा रहे हैं। यहां से जो राँ मार्टिरियल जाता है, उससे तो हम रुपया कमाते हैं मगर हमें इस बात का भी विशेष ध्यान रखना चाहिये कि जो चीज हम यहां बना सकते हैं उसको बाहर से न मंगाया जाय। तो मैं समझता हूँ कि हमें ज्यादा स्ट्रेस इस राँ मार्टिरियल को अपने देश में ही कंज्यूम करने के लिये लगाना चाहिए। लेदर प्रोडक्ट्स के संबंध में जो आंकड़े हमको दिये गये हैं, उनके मुताबिक 90 करोड़ रुपये का लेदर और लेदर प्रोडक्ट्स हमने एक्सपोर्ट किया है, लेकिन अगर बारीकी से देखा जाये तो इसमें 8 करोड़ रुपये का राँ हाइड और स्किन्स हैं, जो अन-फिनिश्ड हैं। उनको हमने बैसे का बैसा भेज दिया। दूसरे मुल्क उनको प्रोसेस करेंगे, उनकी चीजें बनायेंगे और फिर उनको हम अपने मुल्क में दरामद करेंगे। इसी तरह से 60 या 62 करोड़ का इस प्रकार का लेदर है, जो केवल टेन किया गया है। उसका कोई फिनिश्ड प्रोडक्ट बनाने की तरफ हमने कोई तवज्जोह नहीं दी। उनकी हंडीक्राफ्ट की चीजें बनायें और उनको दूसरे मुल्कों में भेजें और उससे हमको कुछ ज्यादा पैसा मिले, इसकी तरफ हमने कोई तवज्जोह नहीं दी है। अगर हम ऐसा करते तो हमको एक तो दाम ज्यादा मिलते और दूसरे, हमारे लोगों को कुछ ज्यादा एम्प्लायमेंट मिलता। इसकी तरफ भी मैं मंत्री जी का ध्यान दिलाना चाहता हूँ।

इस प्रकार हम बूल एक्सपोर्ट करते हैं, कुछ राँ काटन एक्सपोर्ट करते हैं। राँ काटन

एक्सपोर्ट करने की बात हमारी समझ में नहीं आती। एक तरफ तो उसकी बहुत कमी है। कपड़े की कीमतें न बढ़ने के कारण हमारी मिलें बंद हो रही हैं। सिक मिलों की तादाद 80 के करीब पहुंच रही है। उनको चालू कराने के लिए पर्याप्त कदम उठाये जायें, इस ओर कोई ध्यान नहीं दिया गया; क्योंकि अगर ध्यान दिया जाता, तो सिक मिल्स का नम्बर इतना ज्यादा इन्प्लेट न होता। मैं समझता हूँ कि मंत्री जी का ध्यान इस ओर जाना चाहिए कि सिक मिल्स की संख्या जो 80 के करीब है और जो सारे मुल्क की दस प्रतिशत है, उनको जल्दी चलाया जाये और उनको इस ओर खास ध्यान देना चाहिए।

श्री उपसभापति : अब खत्म कीजिए।

श्री रत्न लाल जैन : मैं मंत्री जी का ध्यान कुछ ओवर-इनवार्यसिंग और अंडर-इनवार्यसिंग की ईवल प्रेक्टिस की तरफ भी दिलाना चाहता हूँ।

श्री बी० आर० भगत : वह फाइनेंस मिनिस्ट्री में है।

श्री रत्न लाल जैन : मैं तो समझता हूँ कि यह इससे संबंधित है। मुझे ऐसा लगता है कि फारेन ट्रेड के जो एक्सपोर्ट हैं वह इस ईवल प्रेक्टिस को रोकने में बिल्कुल नाकामयाब रहे हैं और इसका नतीजा क्या हो रहा है कि यह जो फारेन एक्सचेंज मिसयूटिलाइज्ड होता है, यह ओवर-इनवार्यसिंग और अंडर-इनवार्यसिंग से होता है या किसी और दिशा में जाता है, जैसे स्मगलिंग है। उसके द्वारा स्मगलिंग के बिजनेस को फाइनेंस किया जाता है। और यह मुल्क की इकानामी के लिए अल्टीमेटली बहुत नुकसानदेह साबित होता है। मैं समझता हूँ कि मंत्री जी को कोई ऐसा फूलप्रूफ सिस्टम निकालना चाहिये कि जिससे ओवर-इनवार्यसिंग और अंडर-इनवार्यसिंग की ईवल प्रेक्टिस फारेन ट्रेड बिजनेस में खत्म हो।

मैं एक बात और कह कर समाप्त करूँगा। जनरल करेंसी एरिया और रुपी करेंसी एरिया के संबंध में जो लाइसेंस जारी किये जाते हैं, एकचुअल यूजर्स को जो लाइसेंस जारी किये जाते हैं उनमें एक तिहाई के करीब जनरल करेंसी एरिया में और दो तिहाई के करीब रुपी करेंसी एरिया के लाइसेंस इन्डिस्ट्रिकमिनेटली जारी किये जाते हैं और इस बात का ध्यान नहीं रखा जाता कि जिस चीज के लिए लाइसेंस जारी किये जा रहे हैं उन का प्रोडक्शन वहां होता भी है या नहीं। नतीजा यह होता है कि वे मुल्क दूसरे मुल्कों से माल मंगवा कर हम को देते हैं और हमका उसके लिए डचोड़ी या दुर्नी कीमत अदा करनी पड़ती है। मैं समझता हूँ कि रुपी करेंसी एरिया का लाइसेंस सिर्फ उन मुल्कों के लिए जारी किया जाना चाहिए जहां पर एकचुअल वह चीजें मिल सकती हैं या मनु-फैक्चर होती हैं या वहां से उपलब्ध हो सकती हैं। लेकिन अगर उन मुल्कों को उन चीजों को दूसरे मुल्कों से मंगवाकर हमको देना है तो हम उन चीजों को सीधे ही उन मुल्कों से इम्पोर्ट कर सकते हैं जहां वे मनुफैक्चर होती हैं। ऐसा न होने से बहुत सा हमारा रुपया बर्बाद होता है, हमारे एकचुअल यूजर्स का नुकसान होता है और इससे हमारी इकानामी को धक्का पहुंचता है।

यह कुछ सुझाव हैं जो मैं ने दिये हैं और मुझे उम्मीद है कि मंत्री जी इन की ओर अवश्य ध्यान देंगे।

SHRI K. AL 'AN ROY (West Bengal) : Mr. Deputy Chairman, any discussion on foreign trade : automatically and inevitably leads us to the question of balance of payments. But the question is what is the position today. Some say that the future is pretty bleak, and to some the foreign trade may end up in foreign mess. The whole point is this. The greatest obstacle in foreign trade ; today is the aid, the aid from the western powers. Now our foreign trade, I think the Minister would agree with me, has fallen below 5 per cent growth rate, and our earnings have not come up even to the minimum expectation. On the one hand, the foreign earnings are ailing down and on the

other hand, our liability to make repayment the debt service charges are increasing. Sir, we have to pay to the western powers and the Americans nearly 20.8 per cent and 26.5 per cent as debt service charges of our export earnings and in the coming Plan, the Fourth Five Year Plan, according to the Government statistics the total export may come up to Rs. 8,200 crores but per year we have to pay Rs. 400 crores to the western powers for repayment charges; in other words, what we are paying now are should pay now is 20 per cent; it will become more and more everyday; it piles up.

What are the difficulties ? In a Multilateral trade and freely convertible currency perhaps we can even try to earn more. But I think our Export Minister who is failing—and perhaps listening to something else than listening to the debates—I hope you are listening. The question is that the Government of India and the traders are shut out from the western countries by so many restrictions, by quota restrictions, by outright prohibitions, by discriminatory tariffs and exchange controls. The fantastic thing which came in the UN Asian Industrial Development News, which we put out by GAAT, shows that if we export crude material to the USA the duty is 2 per cent, but on the final product it goes to 21 per cent. The same thing is true about the U.K., Austria, Denmark and other countries. In the report it says :

"In 1963, imports of iron ore from developing countries into the selected developed countries were worth \$ 402.5 million, but imports of iron and steel manufactures were worth only \$ 181.3 million. While tariff rates are zero on iron ore imports, the effective tariff on ingots and other primary forms of iron and steel manufacturers are as high as 100 per cent in the United States and the United Kingdom, and are nearly 80 per cent in the EEC Countries".

Similarly we are exporting tea and coffee. How are we being shut out from the western countries, countries Mr. Bhagat and Mr. Manubhai Shah are very fond of ? It says about tea and jute and other exports; how the western countries are discriminating against us.

I SHRI B. R. BHAGAT: What countries I am fond of?

SHRI KALYAN ROY : Western countries. I am quoting :—

"In the case of tea, for instance both France and the Federal Republic of Germany in 1958 obtained almost twice as much revenue from turnover taxes and other fiscal charges as from the import duty. The combined level of duty and taxes, moreover, is so high that it exceeded the import price in West Germany; and was between 50 and 60 per cent of the import price in Italy and France."

In other words what I would like to point is that you have got to cancel this foreign aid. The huge burden of Rs. 2000 crores or Rs. 3000 crores is crushing us. You have got to cancel it. You have to admit that you have been shut out. Even your report also refers to it. The United Kingdom is putting more and more control, more and more taxes on your textiles, on your exports. They are not allowing you to develop trade, develop commerce. So you have no other alternative but to retaliate. Cancel it.

On the question of primary prices Mr. Manubhai Shah was talking a lot. I was reading a speech of Mr. I. G. Patel. He also pleaded for the same thing only last February in New York. He says;—

"There is understandable concern that what the poor countries gain in aid is more than offset by deterioration in their terms of trade. World action to stabilise and improve the prices of primary commodities has been singularly tardy. Can it not be that the developing countries would gain more if a part of the high-powered advocacy of aid were devoted to the stabilisation and improvement of the terms of trade for primary products? "

Mr. Manubhai said the same thing, he was also weeping. You are discriminated against. Your primary prices are being decided in London and in Washington. It is no use pleading and weeping like Mr. Manubhai Shah. You have got to do one thing. You have got to bring the countries which are producing primary products together, African countries, Asian Countries— Burma, Malaysia, Latin American countries. We have to group them. The imperialist powers are dividing them. Can there be one foreign policy and another trade policy ? Your foreign policy and your foreign trade policy

I should go together. You have got to group your neighbouring countries and also the Latin American countries, primary products producing countries. They have to stand together. Instead of being dictated, you should be in a position to dictate the prices. Mr. Manubhai Shah is also responsible for the depressing of the prices of primary products. Then why is he weeping for it ? You have got to reorient your direction. Still we are suffering from the direction dictated by the colonial powers. And why do we forget to trade with China ? We want to trade with Pakistan. Is it not a fact we were exporting nine million tonnes of coal to Pakistan ? Through the State Trading Corporation you are trying to export I think, five or six hundred thousand tonnes of coal. You have got to open up this market which has been shut out. America is trading with China through Hong Kong. Why can't you do it ? Opening up of trade with China and with Pakistan is very vital. I come from the coal fields. Each coal mine owner speaks about it—Mr. Roy, can you do anything about it ? China is exporting three to four million tonnes of coal per year to Pakistan. Why can't we do it ? That is the direction in which you have to think about. Your Report says that you are suffering more and more losses through less export to the United States, through less exports to West Germany and even lesser export to the United Kingdom. With which country are you having better trade relations or you have been able to export more ? It is the East European countries who are prepared to deal with you in equal terms and who are prepared to gift you from man-made under development and help you. You are having a favourable balance of trade with African countries. Why can't you go there ? Why are you so tardy ? Our export trade with Africa comes to Rs. 70 crores. (*Time bell rings*) Sir, Mr. Manubhai Shah got more time.

MR. DEPUTY CHAIRMAN : Mr. Shah got the time of his party.

SHRI KALYAN ROY : I belong to a small party. That is the difficulty. Anyhow, trade with Africa should be developed, trade with China should be thought about. You should take over the export trade. Otherwise you cannot fight those tycoons who take the licences to import material for export products; but because of an uncontrolled economy inside the country, they are trying to

sell those licences inside the country at a higher price. Unless you check those licences, unless you keep the prices under control, unless you control the economy, you cannot have a long-range trade policy. You can have a long-range policy only when you yourself control the strategic heights of the economy. You have got to control the main economy inside the country which Mr. Shah did not do. They are having their sheltered market. They are having a fantastic price in this country. The tycoons are happy. Why should they go abroad. Without the nationalisation of the export and import trade and without price control, you will, not be able to go ahead at all.

Regarding this question of subsidy who is getting it? I have been told by the small mica mine owners, Mr. Roy, our mica is good. But the STG is buying from the monopolists' groups. A subsidy of Rs 40 crores you are giving to boost up the trade. But who is pocketing it? The Birlas, the Singhanias and the Tatas. The small trade groups are not getting it. Instead of giving subsidy, instead of reducing the export duty, go in for a long-range policy, a long-range planning and development; an analysis of the market situation. This can be done only if the export and import trade is nationalised and you have a grip over the big monopolists who at the moment are not developing the export trade in the way they should, but at the same time they, the Birlas, are shutting down their factories at Calcutta and in Bihar. And they have gone to Uganda, to Nigeria, to Tanganyika and there all the big tycoons, the Tatas, the Singhanias and the Birlas are setting up plants and mills and the earnings are being deposited there like the European owners who do it in Switzerland so that they can carry on their subversive action through there.

MR. DEPUTY CHAIRMAN : You conclude now.

SHRI KALYAN ROY : I have never violated your directive, I will never do it in future.

About the National Textile Corporation I would like to say one thing. In West Bengal 100 textile mills have been closed down. The West Bengal Government wanted to set up a Textile Corporation and they approached Mr. Bhagat for assistance. I raised that particular question on the 14th May. And Mr. Bhagat agreed in this house, yes, yes,

the West Bengal Government did ask for a subsidy for operating the mills for taking over the mills. But the Central Government has rejected it because it is not its policy to participate in the share-capital. Then how would you save the sick mills in West Bengal? Is it not part of some conspiracy that when you are helping the sick textile mills in Ahmedabad and in the Tamil Nadu to become good mills you are not giving a single penny to West Bengal?

AN HON. MEMBER : In U.P. also it is there.

SHRI KALYAN ROY : This has to be looked into. What are you doing about it?

Then, take cashew-nuts. We import and then export. Why not we have a proper policy to grow cashew inside the country? Instead of passing it to the private sector, through the STC take over this import of cashew nuts so that the monopolists do not have a hand in it.

Finally, summing up, the direction of the trade policy has to be changed. That can be changed only when you control the national economy and the prices. And you must, have a long-range policy of taking over the export and import trade, which these tycoons will, never allow you to do. You have to actually control their profits in the country so that the prices do not go up. You have to fight, not beg, for getting the proper prices for the primary products and make them open up their closed doors.

I would just read from the *Time* of the 11th May, 1970.

MR. DEPUTY CHAIRMAN : You need not read it now.

SHRI KALYAN ROY: One second, Sir.

"In that document Nixon affirmed the principle of free trade but suggested tighter restrictions on some imports and more accessible tariff shelters for US industries injured by foreign competition."

What does now Mr. Shah say? You have been pleading for social justice with the Americans who are now going to put up more tariffs. Develop your trade with Africa, Burma and East Europe and the Soviet Union who have helped you through aid and the only

[Shri Kalyaa Roy]

solution will be, cancel all foreign debts which are running the country and the whole moral fabric of the nation.

**श्री आर० पी० खंतान :** डिपुटी चैयरमैन साहब, यह हमें विदेशी व्यापार के बारे में जो रिपोर्ट मिली है उसे देखने से पता लगा है कि 1968 में हम लोगों ने जहाँ 1320 करोड़ ६० का एक्सपोर्ट किया था, इस साल 1373 करोड़ ६० का किया है और फिगर्स देखने से मालूम होता है कि जो टी का एक्सपोर्ट हुआ है उसमें 46 करोड़ ६० कम हुआ है। अगर यहाँ 46 करोड़ ६० हमारा कम नहीं होता तो यह कम से कम 8 परसेन्ट बढ़ जाता, जो कि आज 3.9 परसेन्ट बढ़ा है। यहाँ पर जो टी के मनु-फैक्चर्स हैं, जो उसका एक्सपोर्ट करते हैं, जो फर्म्स हैं, जैसे कि ब्रुकवान्ड और लिपटन, ये बड़ा एक्सपोर्ट करते हैं और इन्होंने सारी मार्केट में मोनोपोली कर रखी है। इसके लिये हमारी कंसल्टेटिव कमेटी में सुझाव भी दिया गया था और उसके लिये एक कमेटी भी बनी है जो पैकिंग करके, ब्लेंडिंग करके, चाय का एक्सपोर्ट सब देशों में किया जाय, इसका विचार करे, लेकिन इसके बारे में अभी मिनिस्ट्री की तरफ से कोई भी डिसेज़न नहीं हुआ। उस डिसेज़न को जल्दी लेना चाहिये और इस हाउस को एश्योरेन्स दिलाना चाहिये और उसके लिये गवर्नमेंट सचेष्ट हो। यहाँ से जो माल जाता था उसके ऊपर एक्सपोर्ट ड्यूटी इतनी ज्यादा लगाई गई थी, और जो अभी मार्च में घटाई गई है, उससे शायद हम लोगों का एक्सपोर्ट बढ़ सकता है परन्तु जब तक हम लोग चाय की ब्लेंडिंग और पैकिंग करके सारे देशों में नहीं भेजेंगे तो धीरे धीरे अफ्रीका जैसे, सालोन जैसे देश बाहर का मार्केट कैप्चर करते जायेंगे जैसा कि करते जा रहे हैं। तो इसकी तरफ ध्यान देना चाहिये।

हम लोग ट्रेडिशनल आइटम्स की तरफ ध्यान नहीं देते हैं, बाकी बाकी चीजों में एक्सपोर्ट करते हैं, उनमें इन्सेन्टिव भी देते हैं। यह जो चाय का ब्यापार है इसमें जो हमारे गार्डन्स

वह 40 परसेन्ट अंग्रेजी कंपनियों के हाथ में हैं। उनका इन्टरेस्ट हिन्दुस्तान में चाय के डेवलपमेंट में नहीं है। वह अपने गार्डनों को डेवलप करने में इन्टरेस्ट नहीं लेते। तो ऐसी हालत में उसको नेशनलाइज किया जाय। टी गार्डन्स और टी एक्सपोर्ट के बारे में एक एक्सपोर्ट कमेटी बिठा कर जांच करनी चाहिये कि इससे देश को फायदा होता है या नुकसान होता है। मैंने न्यूज़ पेपर में देखा कि "गवर्नमेंट एक्सट्रु टैकिंग ओवर टी एन्ड जूट एक्सपोर्ट्स"। क्या हमारी मिनिस्ट्री ने तय कर लिया है कि जूट और टी का एक्सपोर्ट नहीं लिया जायेगा। अगर यही बात सरकार ने निश्चित कर ली है तो उनको एनाउन्स करना चाहिये।

दूसरे, हमारा जो जूट का ट्रेड है, उसको देखने से मालूम हुआ कि जूट गुड्स का एक्सपोर्ट साढ़े 9 लाख टन तक हुआ और प्रोडक्शन 13 लाख टन तक हुआ है। वह प्रोडक्शन अब साढ़े 9 लाख का आ गया है और उसका एक्सपोर्ट करीब साढ़े 5 लाख टन हो रहा है। तो इसकी जांच करनी चाहिये कि क्या कारण है जो उसका एक्सपोर्ट कम हो रहा है। मिल वालों का कहना है कि जो एक्सपोर्ट ड्यूटी लगी हुई है उसके कारण हम पाकिस्तान के साथ कंपटीशन नहीं कर पा रहे हैं। इसके बारे में भी जांच करनी चाहिये कि किन उपयों से हम लोग ज्यादा एक्सपोर्ट कर सकते हैं। अगर जरूरत पड़े तो इसको नेशनलाइज करके भी एक्सपोर्ट किया जा सकता है और इसके बारे में पूरी इन्क्वायरी करनी चाहिये कि इसको नेशनलाइज करने से फायदा होगा कि नहीं। आज यह एक स्पेकुलेटिव वस्तु हो गई है और लोग इसका बाजार में भाव घट बढ़ करते रहते हैं जिसके कारण उसको एक भाव में कन्ज्यूमर लोग ले नहीं पाते और जिसके कारण यहाँ से एक्सपोर्ट में भी मुश्किल होती है। लास्ट ईयर जब स्ट्राइक हुई तो हमारी सरकार ने मिल वालों को प्रेस किया कि आप स्ट्राइक नहीं होने द और उस समय स्ट्राइक होने का नतीजा यह हुआ कि माल की शार्टेज हो गई और बरह शार्टेज

होने से बाजार में प्राइसेज इतने बढ़ गये कि कन्ज्यूमर को ठीक समय में माल नहीं दे सके। इन कारणों से माच बाजार में जा नहीं सका। जिससे वह दूसरे व्यापार, सिन्थेटिक आदि में चले गये और इसका नतीजा यह हुआ कि जूट का व्यापार धीरे धीरे घटता चला जा रहा है। उसमें कार्पोट बैकिंग की एक्सपोर्ट प्राइस बंधी हुई है और उस प्राइस से नीचे नहीं बेच सकते अगर कंपटीशन में इस प्राइस में नहीं बेच सकते तो इसको हटा देना चाहिये या गवर्नमेंट को इसको नेशनलाइज कर लेना चाहिये। दोनों चीजों के बारे में सोचा जाय और इसके ऊपर अच्छी तरह से विचार करके डिजीजन लेना चाहिये जिससे कि हमारा कार्पोट बैकिंग का जो व्यापार चलता है वह कम न होने पाए।

आज गवर्नमेंट के इन्वेसीजन के कारण लाइसेन्स समय पर नहीं दिया जाता है। किसी किसी चीज में दो, दो, तीन, तीन वर्ष लग जाते हैं और उन चीजों का एक्सपोर्ट नहीं हो पाता है। इन चीजों के ऊपर सरकार को ध्यान देना चाहिये कि लाइसेन्स क्यों नहीं दिये जाते हैं। दो वर्ष से वूलन कार्पोट यार्न बनाने के लिये लाइसेन्स की बात चल रही है लेकिन अभी तक उसका कोई फैसला नहीं हो पा रहा है। उसके लिये लाइसेन्स दिये जायेंगे या नहीं दिये जायेंगे? अगर नहीं देना है तो इसको क्लियर करना चाहिये। इस कारण हम रॉ मंटीरियल तो एक्सपोर्ट करते हैं लेकिन हम बने हुए माल को एक्सपोर्ट नहीं कर पाते। और जो हमारा आइरन और एक्सपोर्ट हो रहा है उसके बारे में सोचना चाहिये कि हम आइरन और का एक्सपोर्ट बढ़ा तो रहे हैं लेकिन स्टील का एक्सपोर्ट उतना नहीं कर रहे क्योंकि हम स्टील का प्रोडक्शन ज्यादा नहीं बढ़ा सके हैं।

टैरिफ कमीशन के बारे में मैं यह कहूंगा कि जो टैरिफ कमीशन आपके अंतर्गत चल रहा है उसमें इतना समय लगा देते हैं, जैसे कि जूट इन्स्ट्रुटी, जूट गूड्स, के बारे में एक रिपोर्ट गई थी और आज उसको करीब 9 महीने से

ऊपर हो गया है लेकिन उसका मैन्युफैक्चरिंग प्राइस क्या होगा उसके बारे में भी हम लोगों के सामने कोई चीज नहीं आई है। क्या सरकार उसके बारे में भी बतलायेगी कि वह रिपोर्ट आई है या नहीं आई है? अगर आई है तो किस तरह की आई है।

हमारे एक्सपोर्ट में एक सबसे बड़ी बाधा डेमोरेज और फ्रेट चार्जेज के कारण भी है। जो जहाज आते हैं उनके लिये डीक नहीं हैं और वह न होने के कारण जो जहाज आते हैं उनमें फ्रेट चार्जेज इतने ज्यादा लग जाते हैं, डेमोरेज इतना ज्यादा देना पड़ता है कि वह चार्जेज बहुत ज्यादा पड़ जाते हैं। अगर डीकों की हालत सुधर जाये तो हमारा एक्सपोर्ट ज्यादा हो सकता है क्योंकि दूसरे देशों में फ्रेट के चार्जेज कम लगते हैं और समय पर माल चला जाता है। तो उसके कारण जहाज डिटेन होते रहते हैं। इसलिये लोग यहां से माल नहीं लेते।

हम वूल का इम्पोर्ट जो करते हैं उसका जो इम्प्लेन्स आफ डिस्ट्रिब्यूशन है उसके बारे में भी सरकार को सोचना चाहिये क्योंकि कुछ कुछ प्रान्तों में ही खाली इसका डिस्ट्रिब्यूशन हो जाता है और दूसरे दूसरे प्रान्तों में इसकी इन्वेस्ट्रीज नहीं है और दूसरी तरफ जिनकी भांग है उनको भी पूरा नहीं दिया जाता है। इस तरफ भी सरकार को ध्यान देना चाहिये।

मैं मनुभाई जी की बात से सहमत हूँ कि बोर्ड आफ ट्रेड, जैसे लंदन में है, उनके जिम्मे यह दे दिया जाता है कि इतना इतना रुपया जिस चीज के लिये एक्सपोर्ट करते हैं उसके वास्ते इन्सेन्टिव वगैरह दे सकें। वह जितनी सिफारिश करे उसके ऊपर ध्यान दिया जाये। हमारे यहां तो एक बार कोई चीज शुरू होती है, तो छः महीने के बाद उसको डिक्लेयर करते हैं कि उसमें इन्सेन्टिव दिया जायेगा, जैसा कि अभी कौटन सीड्स के एक्सपेलर के बारे में हुआ। वह मई महीने से किया गया जिसको जनवरी महीने से बहा और उससे माल एक्सपोर्ट करने में बड़ी बाधा हुई।



[श्री आर० पी० खैतान]

कौटन मिलों के बारे में, जैसा मिर्धा जी ने कहा, यह बात ठीक है कि उन मिलों में जो कपड़ा बनता है वह कई प्रकार का बनता है। उन कपड़ों की किस्मों को कुछ कन्ट्रोल किया जाये, उनमें से 7 या 8 किस्मों को रखा जाय और बाकी को खत्म किया जाय, जिससे कि इस देश में ज्यादा कपड़ा बन सकता है। आज जो रुई मांगते हैं वह फ्रेंसी कपड़े को बनाने के लिये मांगते हैं। इससे जो बड़े बड़े मिल वाले हैं उन्हीं लोगों को फायदा होता है और छोटे छोटे जो कन्ज्यूमर्स हैं, मिडल क्लास के हैं, उनको नहीं होता। जो हमारा एक्सपोर्ट होता है वह भी घटिया किस्म की रुई का बना हुआ एक्सपोर्ट होता है और बढ़िया रुई जो आती है उसका एक्सपोर्ट नहीं होता है। जो रुई वहां से आती है उस पर हमारा 100 करोड़ रुपया खर्च होता है, उसके बदले में अगर हम अपने यहां रिसर्च, स्प्रे आदि करने के लिए 10 करोड़ रु० हर साल किसानों को दें तो मैं समझता हूँ कि यहां पर रुई की पैदावार बढ़ जायेगी जिससे हमारा जो इम्पोर्ट करने में रुपया लगता है वह बच जायगा।

एक बात की ओर मैं मिनिस्टर साहब का ध्यान दिलाना चाहता हूँ कि हमारी जूट मिलें सिर्फ एक ही प्रान्त में हैं, दूसरे प्रान्तों में नहीं है। जहां री मैटोरियल जूट का पैदा होता है वह है असम, बिहार, आंध्र प्रदेश, उड़ीसा, तो इन जगहों में जूट मिलें बनाने के लिये गवर्नमेंट को एक स्कीम बनानी चाहिये। अगर प्राइवेट फर्म बनाती है तो ठीक है नहीं तो गवर्नमेंट को उस क्षेत्र में जाना चाहिये।

एम० एम० टी० सी० के द्वारा जो एक्सपोर्ट होता है उसमें वह कन्ट्री कन्ट्री में व्यापारियों को एक से ही टर्म्स में माल नहीं देते जिससे कि नये कंट्रीज हमसे माल नहीं लेते। इस तरफ सरकार को ध्यान देना चाहिये जिससे कि हमारा एक्सपोर्ट नई नई कंट्रीज में भी होता रहे।

हमारे मनुभाई ने जो यह कहा कि कमिश्नर आफ एक्सपोर्ट बनाया जाना चाहिये उसका मैं स्वागत करता हूँ और आशा करता हूँ कि मंत्री जी इस ओर अवश्य ध्यान देंगे। अगर इस तरह का कमिश्नर नियुक्त हो जायेगा तो हमारा एक्सपोर्ट बढ़ेगा और जो शिकायत आती है वे बंद हो जायेंगी। वेस्टर्न यूरोप के साथ हमारा करीब 54 करोड़ रुपये का कम व्यापार हुआ जबकि ईस्टर्न यूरोप के साथ व्यापार ठीक ही रहा। वेस्टर्न यूरोप के साथ व्यापार में जो कमी आई है उसकी ओर हमें ध्यान देना चाहिये और देखना चाहिये कि यह कमी किन कारणों से आई है।

इन शब्दों के साथ मैं अपना भाषण समाप्त करता हूँ और इस साल हमारी एक्सपोर्ट ट्रेड जो 3.9 परसेंट बढ़ा है और इम्पोर्ट जो कम हुआ है, उसके लिए मैं मंत्री जी को बधाई देना चाहता हूँ।

**श्री बालकृष्ण गुप्त :** उपसभापति महोदय, मुझे बड़ी शर्म आती है कि मैं ऐसे आइटेम पर बोल रहा हूँ। दुनिया की आबादी तीन अरब तीस करोड़ की है और इसमें से हिन्दुस्तान की आबादी करीब 55 करोड़ की है यानी करीब 16 प्रतिशत है। लेकिन जो हमारा अन्तर्राष्ट्रीय व्यापार है वह 1 परसेंट से पाइन्ट आठ में पहुँच गया है। इस तरह से तो हमारे देश के अन्तर्राष्ट्रीय व्यापार की हालत है। इस देश का विकास पांच पंचवर्षीय योजनाओं द्वारा किया जा रहा है लेकिन फिर भी उसका व्यापार 1.2 परसेंट से नीचे खिसकता चला जा रहा है। अभी उन्हीं के आंकड़ों के अनुसार हमारा एक्सपोर्ट जो था वह करीब 1373 करोड़ रुपये का था जो कि जापान के एक महीने के एक्सपोर्ट से भी कम है। यह तो हमारी हालत अन्तर्राष्ट्रीय व्यापार की हो गई है और इस हालत को सुधारने के लिए हम लोग क्या कर रहे हैं, यह बात मेरी समझ में नहीं आती है।

अभी थोड़ी देर पहले यह कहा जा रहा था कि स्टेट ट्रेडिंग के जरिये सब चीजों को लिया

जा रहा है। मिनरल और मंटल ट्रेडिंग कारपोरेशन के मैनेजिंग डाइरेक्टर मि० बहल है। बम्बई में एक एम० एम० शर्मा कंपनी है जिसका संबंध मि० बहल से है। यह कंपनी बिहार के ठाकुर बाबा के बेटे मदनमोहन की कंपनी है जो कि बड़ा करण्ट आदर्मी है। इस कंपनी के जरिये मैंगनीज और आइरन ओर का एक्सपोर्ट किया जाता है और इसमें बहुत करणशन चलता है। इनकी बिहार के समस्तीपुर में एक पेपर मिल भी है जो अब बंद हो चुकी है। सहस्र प्रसाद सिंह के जवाई के ये भाई हैं और इस तरह से ये ट्रेड किया करते हैं और कई तरह के मूल प्रॉक्टिस भी किया करते हैं। इन्होंने एक शिपिंग कंपनी भी बना रखी है और क्या क्या काम ये करते हैं जब इसके बारे में खोज होगी तब पता चलेगा। मैं अभी इस मामले को टच नहीं करना चाहता हूँ और यहीं पर छोड़ देना चाहता हूँ।

दूसरी बात जो मैं कहना चाहता हूँ वह यह है कि हिन्दुस्तान में करीब 10 लाख रई की गांठें बाहर से आती हैं। इस साल 54 लाख गांठें रई की हुई हैं। टैक्सटाइल मिल्स, फारेन ट्रेड इसी मिनिसट्री के नीचे हैं और इनमें तीन तरह की मिलें हैं। एक तो सेन्चुरी, ग्वालियर, राधल टाइप की मिलें हैं, जो बड़ी मजबूत हैं और जिनको किसी तरह की मदद की जरूरत नहीं है। दूसरी माजिनल मिलें हैं जिन्हें थोड़ी बहुत मदद की जरूरत होती है और उनको मजबूत बनाने के लिए इस मिनिसट्री के पास कोई योजना नहीं है। तिसरी बोक मिलें जिनको चलाने के लिए टैक्सटाइल ट्रेड कारपोरेशन बनाया गया है जो डेढ़ और दो करोड़ रुपये का घाटा दे रहा है। जो मिलें इस कारपोरेशन के मातहत हैं वे तो घाटे की ही मिलें हैं और अंत में उन्हें स्क्रैप करना ही पड़ेगा या फिर कुछ मिलों को मॉडर्नाइज करना होगा। जो बीच की माजिनल मिलें हैं उन्हें मदद मिलनी चाहिये, जो 25 हजार तक स्पिडिल की हैं, एक हजार लूम्स की मिलें हैं, उनको ज्यादा मदद देनी चाहिये ताकि वे खड़ी हो सकें। इधर रीजन की जो

बात हो रहीं हैं, तो कानपुर के सब मिलों की बुरी हालत है और कलकत्ते की सब मिलों की बुरी हालत है। भगत साहब को उनके लिए हर तरह की मदद करनी चाहिये। आपने इन मिलों के ऊपर आथराइज्ड कंट्रोलर बिठला रखे हैं लेकिन इन सब मिलों की हालत खराब है। इन सब मिलों को घाटा उठाना पड़ रहा है और यह घाटा चाहे सरकार उठाये या फिर अंत में इनको नीलाम करके उठाना पड़े।

एक बात मुझे और भी कहनी है कि स्टेपल फाइबर की मोनोपोली बिबला के पास है और वह अपने मिलों में तो लूम्स बढ़ा रहा है लेकिन दूसरे लोगों को वह स्टेपल फाइबर का कोटा नहीं दे रहा है। वह अपने ही दोस्तों और रिश्तेदारों को इसका कोटा देता है। जिनको यह माल देता है उनसे वह 20 और 40 प्रतिशत ज्यादा दाम लेता है। तो मैं यह कहना चाहता हूँ कि इस बात का इन्वेस्टीगेशन होना चाहिये कि स्टेपल फाइबर का डिस्ट्रीब्यूशन किस तरह से होता है। इसका डिस्ट्रीब्यूशन तो उस तरह से होना चाहिये जिस तरह से इम्पोर्टेड काटन का होता है ताकि स्टेपल फाइबर की जितनी भी युनिट्स बँटी हैं उनको ठीक तरह से कोटा मिल जाये। अभी थोड़े दिन हुए बिबला ने अपनी लड़की की शादी एक व्यापारी विमल नोपानी से की और उस विमल के हिस्से में बिलासपुर की मिल आ गई है और इस तरह से उसने लाखों पौंड का कोटा उसको दे दिया है। इस तरह का जो कोटा उसको दिया गया है वह उसको जिस तरह से चाहे ले सकता है। चाहे तो वह ब्लैक में बेचे या किसी तरह भी बेचे, इसके बारे में उसको पूरी छूट है। इस तरह की सब चीजें हो रहीं हैं और ये सब चीजें सरकार के देखने लायक हैं।

हमारे देश में जो जूट इन्डस्ट्री थी वह भी बँटती ही जा रही है और उसका एक्सपोर्ट कम होता जा रहा है। इसी तरह से टी इन्डस्ट्री है। सीलोन ने चाय के संबंध में रिप्लान्टेशन का काम शुरू कर दिया है और इस तरह से वह

[श्री बालकृष्ण गुप्त]

वो हजार का एलाउन्स देता है जब कि हम अपने यहाँ साढ़े तीन हजार का देते हैं। आज हम सीलोन के मुकाबले में यूरोप और दूसरे मुल्कों में चाय के व्यापार में गिरते ही चले जा रहे हैं जबकि सीलोन की एक करोड़ की आबादी है और हमारी करीब 55 करोड़ की आबादी है। हमारे यहाँ 150 वर्ष पुरानी टी की इन्डस्ट्री कायम है लेकिन आज हालत यह है कि उसका व्यापार सीलोन के मुकाबले में घटता जा रहा है। इसी तरह की हालत जूट और टैक्सटाइल इन्डस्ट्री की हो गई है जो कि हमारी क्लासिकल इन्डस्ट्रीज थीं और वे आज डिक्लाइन पथ पर जा रही हैं। मैं इस संबंध में श्री भगत को इल्जाम नहीं लगाना चाहता हूँ क्योंकि वे तो मंत्रिमंडल में नये आये हैं। यह तो बहुत दिनों से इस तरह का सिलसिला इसमें चलता आ रहा है और यह एक अकेले आदमी का काम भी नहीं है।

पिछले साल हमारा एक्सपोर्ट और इम्पोर्ट जो हुआ था वह करीब 1933 करोड़ रुपये का था और वह घटकर 1220 करोड़ रुपये का रह गया है और इस तरह से 218 करोड़ रुपये का डेफिसिट हो गया है। यह तो हमारे व्यापार का हाल है।

इधर हमारे कल्याण राय साहब फरमा रहे हैं कि हमें वैस्टर्न कंट्रीज से लड़ना चाहिये लेकिन मैं यह कहना चाहता हूँ कि उनसे लड़कर क्या करेंगे क्योंकि पेट्रोल के प्राइस उनके हाथ में हैं, कापर के प्राइस उनके हाथ में हैं, नानफेरस मेटल के दाम उनके हाथ में हैं, तो हम उनसे लड़कर क्या करेंगे। हमारे हाथ में तो कोई भी ताकत नहीं है। आखिर हम डिफेन्स के मामले में रूस की धरम में चले गये और उसके साथ हमारा रुपये पेमेंट के आधार पर लेनदेन हो रहा है। आज रूस के साथ व्यापार में बड़ा भारी स्कैन्डल चल रहा है। रूस आज हमसे माल खरीदता है और हमसे सस्ते दाम में बेचकर डालर और पौंड कमा रहा है और इस तरह से उसका एक्सपोर्ट ड्राइव तेज होता जा रहा है

किस तरह से डालर और पौंड वह कमा रहा है और अपना व्यापार बढ़ा रहा है, यह एक लम्बी कहानी है। आज हम ईस्टर्न यूरोप के कंट्रीज के गीत गाने जा रहे हैं लेकिन इन्हीं कंट्रीज ने हमारे रेलों के बगनों के दाम राँ मैटि-रिथल के दामों से भी कम पर लगाये थे। (Interruptions)। मैं पूँजीवादी नहीं हूँ और मैं ट्रेड को कंट्रोल करने के पक्ष में हूँ, लेकिन जो यह कहा जा रहा है कि ये कंट्रीज अन्डर डेवलपड कंट्रीज को हैल्प कर रहे हैं यह गलत बात है। आज जो यह कहा जा रहा है कि रूस, ईस्टर्न जर्मनी, हंगेरी, रमानिया, ये देश हमारी मदद कर रहे हैं, यह बिल्कुल गलत बात है। इन्होंने अभी तक किसी भी अन्डर डेवलपड कंट्रीज की मदद नहीं की बल्कि ये तो हर तरह से एक्सप्लाइट करने में लगे हुए हैं। बुकारो का जो कारखाना है वह 1500 करोड़ रुपये में बनाया जा रहा है जबकि इतना बड़ा कारखाना जापान की फजी अबाटा कंपनी ने एक तिहाई में बना दिया था। हमने जब ग्लोबल टेन्डर मांगे थे तो दूसरे देशों को इसमें माग क्यों नहीं लेने दिया। आज हम अपने देश से आइरन और बाहर भेज रहे हैं लेकिन पिग आइरन और स्टील का एक्सपोर्ट नहीं कर रहे हैं। आज हमारे देश में स्टील में ब्लैक मार्केट हो रहा है। पहले इसके दाम 1100 रुपये टन था और आज उसके दाम 3500 रु० टन हो गया है। हमारे देश में अभी तक एक भी स्टेन-लेस स्टील का कारखाना नहीं बिठलाया गया है। स्टेनलस स्टील में भी इस समय भारी स्कैन्डल हो रहा है। जापान से यह 8 रु० किलो आता है और इसके बर्तन बनाकर 65 और 70 रु० किलो में जनता को बेचा जाता है। कुछ व्यापारी इकट्ठे हो गये हैं और इस तरह से वे करोड़ों रुपये बना रहे हैं। हम लोगों ने अभी तक प्राइवेट सेक्टर में इसका कारखाना नहीं खोला है तो पब्लिक सेक्टर में खोला जाना चाहिये और इस व्यापार में जो स्कैन्डल चल रहा है उसको बंद किया जाना चाहिये।

श्री डाह्याभाई व० पटेल : पब्लिक सेक्टर ने तो देश को डुबा दिया है।

श्री बालकृष्ण गुप्त : पब्लिक सैक्टर में भी एक कारखाना स्टेनलैस स्टील का बना हुआ है। इसमें 500 और 700 टन प्रोडक्शन होता है मगर वह तिगुने दाम पर माल को बेचता है। यह तो हालत पब्लिक सैक्टर की है। तो पब्लिक सैक्टर को सुधारो, वहां रिथल सोशलिज्म चलाओ, उस में प्रोडक्शन बढ़ाओ, अगर लेबर काम नहीं करता तो उस को दंड दो, खराब मैनेजर्स को निकालो। हिन्दुस्तान में आदमी इतना सस्ता है लेकिन फिर भी चीजों का दाम इतना महंगा है यह बड़ा भारी स्कैंडल है। जहां लेबर इतना सस्ता हो वहां मिसमैनेजमेंट की वजह से इतनी बुरी हालत देश की हो गयी है। यहाँ जापान के मुकाबले में एक तिहाई और एक चौथाई मजदूरी है। हम जापान से बहुत ज्यादा आगे बढ़ सकते थे लेकिन हम थ्योरी में पड़ गये, हम झूठे सोशलिज्म के चक्कर में पड़ गये, वाम बंध में पड़ गये और इस का नतीजा है कि आज भी जो पैसे वाला है वही करोड़पति और अरब पति होता जा रहा है और मोनापोलीज बढ़ रही है। हम लोग इंडस्ट्री में जो छोटे आदमी हैं 20 हजार या 10 हजार स्पिड्लिस वाले उन को मदद नहीं करते, हम स्माल स्केल इंडस्ट्री वालों की मदद नहीं करते। बैंक नेशनलाइजेशन जब हुआ था तो बड़ी बड़ी बातों की गयी थी कि अब बीच वाली इंडस्ट्री को मदद की जायेगी, लेकिन लाइसेंस मिला तो गोआ फर्टिलाइजर का बिरला को ही और आगे भी उन्हीं को मिलेगा। इसी तरह से पोलिस्टर फाइबर के लाइसेंस भी जगह जगह पर डिस्ट्रिब्यूट हो रहे हैं, नाइलन के लाइसेंस डिस्ट्रिब्यूट हो रहे हैं। ड्रग्स के बारे में त्रिगुण सेन जी ने सिर पटक लिया, लेकिन कोई दवाइयों की फेहरिस्त नहीं आयी और अमेरिकन न्यज में यह बात निकली है कि 8 करोड़ की ड्रग्स एक्सपोर्ट कर के 80 करोड़ रुपया वसूल किया गया है। रूस ने जो एन्टीबायोटिक कारखाना बनाया है। उस में दो करोड़ रु० का खर्चा हुआ और कुल एक करोड़ का सेल हुआ है। इस तरह से हम देखते हैं कि हमारे एक तरफ तो कुंआ है

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और दूसरी तरफ खाथी है। हम को दोनों तरफ से सम्हालना चाहिए।

श्री डाह्याभाई व० पटेल : एक करोड़ का सेल, ढाई करोड़ का खर्च. . .

श्री बालकृष्ण गुप्त : यह बात तो पार्लियामेंट में दसियों बार डिस्कस हो चुकी है।

श्री उपसभापति : गुप्त जी, अब खत्म कीजिए।

श्री बालकृष्ण गुप्त : मैं समाप्त करने पर लग रहा हूँ।

श्री उपसभापति : आप समाप्त कीजिए। समाप्त करने पर न लगिये।

श्री बालकृष्ण गुप्त : अंत में मेरा यह निवेदन है कि जूट और चाय पर से एक्सपोर्ट इंचूटी हटा देनी चाहिये। जो एक्सपोर्ट की चीजें हैं उन पर दुनिया में कहीं भी एक्सपोर्ट इंचूटी नहीं है और वह एक्सपोर्ट उन्हीं को करना चाहिए जो एक्सपोर्ट कर रहे हैं। यह जब तक नहीं होगा तब तक कुछ नहीं होगा, न हमारा फारेन ट्रेड बढ़ेगा और न अंतर्राष्ट्रीय व्यापार में हमारा कोई स्थान रहेगा।

DR. K. MATHEW KURIAN (Kerala): Mr. Deputy Chairman, in this discussion on the Ministry of Foreign Trade, in the available time I would like to make the following four or five major points. Mr. Manubhai Shah in his speech referred to the problems of decreasing and deteriorating international prices, problems arising out of the U.N.C.T.A.D and the inability or the complete reluctance on the part of the world powers to agree with the recommendations of the UNCTAD. I think what Mr. Shah forgets is that the suggestions which he made about international division of labour and specialisation to be conducted on the basis of mutual trade and mutual benefit, are precisely the things that are not possible within the present structure of world economy where the developed countries, particularly the developed capitalist countries, have been further developing in an imperialist manner and in a manner completely derogatory to the interests of the developing countries. When one part of the capitalist world is so developing faster, the other developing

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capitalist countries or the so-called market economy are remaining stagnant in the present world structure of economics. In such a world structure of economy, in such an international monetary system, talking about idealist solutions about international division of labour is only moonshine. Unless the Government of India takes a strong attitude towards these imperialist powers, towards the derogatory attitude on the part of the world imperialist powers, we cannot really make any advance. Instead of that if the same trade policies are pursued as was done when Mr. Manubhai Shah was the Minister the crisis will continue to be there. Mr. Deputy Chairman, may I quote certain facts about India's export position? As Mr. Manubhai Shah himself said, India's export position has been declining in the world trade and this is an integral part of the crisis in the international capital system. The share of the under-developed countries in world exports dropped from 27 per cent in '53 to 19.3 per cent in '56 and the process of exploitation continued. This is precisely the crux of the matter. The U.N.G.T.A.D. Secretary-General's report to Delhi conference in February, 1968, revealed the fact that the ratio between the import and export prices of developing countries was about 13 per cent more in 1964-65 than in 1954 while the African countries' losses in their trade with the West in 1964-65 amounted to a colossal sum of 13,400 million U. S. dollars. With this world structure of imperialism, with this structure of international monetary and trade relations, the Indian economy cannot thrive. Therefore, I think we must make a complete departure from our attitude to world trade and from our policy in the international trading field.

I would like to make a special reference to our trade with one region, namely Africa. A review of India's trade with the African countries will reveal many facts some of which are, of course, presented in the Ministry's report and which I need not quote here. We find that one of the main reasons for our inability to advance our trade with African countries has been the shortsighted policy and attitude of the Government of India with regard to our trade with these countries. We want to increase our exports to African countries, but we are not prepared to increase imports from those countries to India of products in which there is necessity for import trade. Sir, our trade with African

countries like Algeria, Kenya, Syria, Sierra Leone, etc. must be based on mutual advantage. There are a large number of countries with the exception of perhaps E.U. countries. Unless the Indian Government is prepared to import also, it cannot increase its exports to African countries. But the Indian Government is not prepared to increase our imports from African countries and precisely this is the trouble in expanding a mutually beneficial trade.

A related point here refers to our attitude to joint ventures in African countries, a policy which was initiated at the time when Mr. Manubhai Shah was there at the helm of affairs. We are told that joint ventures with African countries will increase our exports, particularly of machinery, intermediate products and even building materials. And we are also told that India has a special advantage in giving assistance to the African countries in small and medium industries. These African countries have a relatively small population and have a small market and therefore, Indian expertise and other facilities in joint ventures in small and medium type industries would be beneficial to the African countries. But we find that the dynamics of a capitalist policy does not operate in that easy manner. Instead of small industries going to African countries, big business has in fact gone there entering into all sorts of entanglements in domestic politics.

The Government of India's justification for joint ventures in the African countries is that they will lead to increase in exports. But a stage has in fact come when the joint ventures are helping in petrifying capitalism in India. It is continuously aggravating the problem of concentration of economic power. Therefore I suggest that in respect of the joint ventures policy, we may have a second look and completely reverse our policy. I would suggest to the Government to pursue the policy of completely banning the export of monopoly capital from India to African countries. We should develop trade with those countries on the basis of mutual benefit.

My third point in regard to the foreign trade policy of the Government of India is that the Government of India's policy is fundamentally faulty. The basis of the policy which was originally laid down during the regime of Mr. Manubhai Shah was the selectivity approach. There is a neat parallel between this policy and the policy in regard to agriculture

and industry, supporting rich persons and landlords; in agriculture and also big business in industry. This is considered economically justified because it is necessary to increase production in the short run. The Government argues that it should support those sections of the people or those classes of the people who have the highest growth potential. In the name of increasing production in the short run or supporting those sections of the people who have the highest growth potential, capitalism and feudalism have been perpetuated. Similarly in the name of the selectivity approach big business is supported because they have the ability to get market information and they have the ability to send trade delegations abroad; these firms, these big firms are supported by the Government of India. In fact the selectivity approach has further aggravated monopoly in this country and further perpetuated capitalism. Therefore if the Indira Gandhi Government has any sincerity in their professed policies of socialism, it should reconsider its present policy and completely reverse it.

Then, Sir, a large number of institutions such as Export Promotion Councils, Commodity Boards, Council for Trade, Fairs and Exhibitions, Council for Arbitration and a series of other institutions have been created during the last two decades, particularly during the last one decade. This proliferation of institutions has resulted in such a catastrophe that today the Government has to create an apex body in the name of Trade Development Authority. It is set up to co-ordinate the services performed by the various export promotion organisations.

Mr. Deputy Chairman, I would like to bring to the notice of the Government that this cheerless multiplication of institutions over the last two decades must end somewhere. We have been increasing the number of institutions which have become a costly affair. Every section of the Ministry makes suggestions for new institutions in the name of export effort. Such a proliferation of institutions is causing more harm than good to the business community and to the export trade.

During the last decade if you calculate the leakage of foreign exchange through under-invoicing and over-invoicing, at least Rs. 200 to Rs. 300 crores are lost every year. If you calculate the losses during the Five Plan periods, they make a colossal figure and wastage of resources, which this Government cannot stop. I

accuse the Government of complete collusion with the business community and bureaucracy sitting in the Ministry of Foreign Trade. I can give instances but because I have no time, I cannot do it. Now unless this collusion between bureaucracy and the business community is ended, unless we destroy the very sources of monopoly growth in the foreign trade sector, this country cannot make any progress.

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I would like specifically to refer to the problems of two or three States. In West Bengal we find that Rs. 216 crores are earned by way of foreign exchange through jute manufactures, Tamil Nadu contributes foreign exchange through leather goods and handlooms, etc. and Kerala through cashew-nuts, fish, spices, coir, yarn and other manufactures. While these States are contributing more and more foreign exchange, the benefits out of this foreign exchange, scarce foreign exchange do not accrue to the States concerned. I accuse the Government of diverting the resources produced by these States. When the people of the States have been producing foreign exchange by their sweat for which the shadow price is very high, these resources are not available to the States for their own development. For instance, Kerala contributes 11 to 12 per cent of the country's total exports but still Kerala remains one of the economically and industrially backward States. I demand that the Government of India should evolve a new scheme of compensatory financing for distributing the scarce foreign exchange resources among the States which have contributed to the wealth of the nation. The State Government should have a certain amount of autonomy in the utilisation of the resources in the best interests of the people in the States.

Lastly, Mr. Deputy Chairman, I would like to bring to your notice a very serious matter which the Government of India seems to be overlooking. I do not know whether Mr. Bhagat is aware of it or not. Today behind his back American penetration is increasing in the Ministry of Foreign Trade. The last decade was characterised by the hegemony of the Ford Foundation in the Ministry. Dr. Grossman had better access to data of all kinds under the regime of the then Minister Mr. Manubhai Shah. While professors and economists in the country could not get that much data. The Ford Foundation experts had complete access to Government data at that time. Now Dr. Grossman has gone. Today the U.S.A.I.D. is sitting

[Dr. K. Mathew Kurian] in the Ministry of Foreign Trade and they have an invisible hand in the decision taking in the Ministry of Foreign Trade. Very recently the U.S.A.I.D. sponsored a project, a seminar on export research. I think about 10 American experts came to advise the Government of India on foreign trade and about the various fields into which we should conduct research. I think it is a complete travesty of truth and it is an insult to the Indian expertise, economists and specialists which is available in this country. This is most tragic. Unless therefore this American penetration into our foreign trade policy is ended and national honour is upheld, this country has no future. Our country should have an independent foreign policy, and an independent trade policy. I think it is time that we have a second look at the entire range of our national and foreign policies. Thank you.

SHRI THILLAI VILLALAN (Tamil Nadu) : I will take only a few minutes. Foreign trade is not foreign to our country. Our country has got past glory in foreign trade even from the days of the epics, that is, 2000 years before. You know the proverb says that the earning in out-country must be from abroad. In our part, we used to say : "Thai Kadalodi-yum Diraviyam Tedu". If a man wants in this country to earn, he must go abroad and get money there and then bring that wealth to our country. That is the motto of the people but after so many years after getting independence after two decades, we are only a developing country in the field of foreign trade. In participating in this debate, I wish to mention only about the hand-loom and conclude. Before the advent of the machine age, the hand loom industry was very prominent and one-third of the total quantity of the required cloth was supplied by this industry. We used to export handloom of very fine quality to the countries of the world throughout but because of the growth of textile mills, this industry lost its importance in our country. The mode of production also, being outmoded, the weavers began to suffer. There was need for economic rehabilitation of these weavers after the advancement of the textile mills. The Government took some step. Even in 1941 a committee was appointed and in 1952 they appointed the All-India Handloom Board. I do not wish to go into details of the steps taken in this regard but I wish to make special mention about the crisis that arose in 1952. At

that time the stock of finished handloom goods had greatly accumulated and there was no market either foreign or indigenous. So all the weavers were thrown out of employment. Then the Government appointed a Textile Committee to go into the entire question of the industry, namely, mill, power-loom and also hand-loom. Interim relief was also given to the weavers and also to the hand-loom industry. I find no time to narrate the details. For the sale of handloom goods in Tamil Nadu an intensive programme for the revival and development of the handloom industry was taken up during the Second Plan period. The actual expenditure exceeded the target during that period. Against the target of Rs. 413-70 lakhs, the expenditure was of Rs. 712-42 lakhs. During the Third Plan period the total outlay was Rs. 8 crores according to the Plan allotment and a sum of Rs. 305-31 lakhs have been spent during the first two years of the Third Plan. The main point to be considered here is the system of marketing. The handloom goods do not have a compact local market. The internal market also is totally unsatisfactory and inadequate but there is an increasing demand for handloom varieties in the foreign markets. There is an attractive variety of our State called 'Bleeding Madras'. This has demand in the European countries. Without creating a foreign market, we cannot make this industry sound and at the same time we cannot make it survive. In the Salem district, which is the main centre in our State, the percentage of unsold stocks varied from 12 to 17 per cent. Another point to be considered is the time-lag between the production of the goods and the disposal of the goods. We are having the All-India Handloom Board at Bombay but Bombay is known for mills and mill goods. There is the office of the Textile Commissioner at Bombay. It is reasonable but there is no reason to keep the Handloom Board there. I would request the Minister to shift it to Madras known for the handloom goods.

There are Export Promotion Councils but the crisis of the handloom industry is there and it is not solved. The Government has participated in so many world exhibitions but the handloom industry is not able to get enough markets through these. In this connection I would mention about allowing the States to have their own Export Promotion Commissioners in foreign countries for the good

of their State, because every State has its own speciality of goods. In our State our special product is handloom goods. My suggestion would be, because there is a growing urge among the States to have more powers from the Centre in all aspects, the Centre should give this sort of power to the States as the States can evince more interest and work with more enthusiasm in foreign markets to get contracts for their goods. So this may be considered by the Minister and our State may be allowed to have its own Export Promotion Commissioner so far as handloom goods are concerned. Sir, I do not want to go to another point and make the Chair impatient. I only want to make one more point and then conclude.

Here is a letter from one Lakshmi Chemical Industries. From the letter it is crystal clear that they are in need of raw materials. They have been in correspondence with the concerned offices for nearly a year but they have not been able to get the raw materials which they are badly in need, namely, sodium nitrate. They are writing letters after letters to the concerned offices and they have got tired of it because no reply has been received and nothing concrete has been done by the Government. Then, they began writing letters to Members of Parliament. This company has written a long letter to my friend, Mr. Mulka Govinda Reddy, saying, give us raw materials or allow us to get raw materials from the foreign countries ourselves so that we can get redressal. That is the gist of the letter and I would humbly request the Minister to consider this case.

Even at the outset, I had stated that I will not exceed the time limit and so with these two points I conclude my speech.

SHRI V- B RAJU (Andhra Pradesh) : Mr. Deputy Chairman, Sir, the success of promotion of foreign trade is not dependant on the Ministry alone but on a coordinated effort and policies of other Ministries like the Finance Ministry in its monetary policy, the Industries Ministry in its industrial policy and the External Affairs Ministry in its external relations with other countries so that External trade with those countries becomes possible. Let us take one policy, the monetary policy. Recently, we had devaluation and what has it brought to us. The two objectives as

the layman understands it for which devaluation was resorted to are discouraging or making imports costlier and making exports competitive. What has happened? You will find from a comparative study of the three years prior to devaluation and the performance in the post-devaluation period what has actually happened. Subject to correction I place these figures before the House on the basis of a press note issued by the Ministry of Foreign Trade while announcing the new import policy. The imports in the three years in the pre-devaluation period was Rs. 626 crores and the imports in the post-devaluation period in three years was Rs. 594 crores. Thus, there is a favourable figure of Rs. 32 crores, a saving of Rs. 32 crores. I do not think that this saving has been achieved because of any effort towards imports substitution but I presume—again subject to verification—it was because of reduction of imports of foodgrains. It was not because of what I should say the policy of devaluation or making the rupee cheaper. But, when we see exports which is our main concern, the export in the pre-devaluation period for three years was Rs. 3304 crores while in the three years of the post-devaluation period it was only Rs. 3716 crores. There has been thus a reduction of Rs. 88 crores in exports. Has this devaluation policy brought us any advantage in our foreign trade? That is a question to be answered and Parliament should be allowed to know what exactly has been the result of devaluation in a matter of foreign trade.

The second point is about the balance of trade. The gap in the balance of trade particularly is the result of unfavourable balance in our trade with the American continent. No doubt this gap is coming down. Unfortunately, in the financial year 1967-68 the balance of trade with African countries, particularly was unfavourable to the extent of Rs. 24 crores and in 1968-69 it has come up to Rs. 75 crores, though we are expected to improve our position in our neighbourhood.

Now, take one item of our export, tea, which is the next biggest foreign exchange earner after jute. There has been a fall of Rs. 46 crores compared to last year and that fall has been the result of some unplanned activity. We are depending more for our export on the United Kingdom. Compared to 1959,



[Shri V. B. Raju.]

the fall in our exports to the United Kingdom is in the neighbourhood of 25 per cent. That is we have exported to the United Kingdom 25 per cent less than what we had done in 1959 and even the unit value has come down as has been observed by the Public Accounts Committee. It has gone down by 23 per cent. Now, unless some attention is paid to this traditional item, I do not think we can justify that our policy has been employed correctly. We should not depend only on one country, we have got actually a wide area where we can certainly see that our tea is consumed. Ceylon is not the competitor immediately at the moment but as far as my information goes there is a new competitor, but it is the East African area, particularly Kenya. Certain concessions might have been given by the United Kingdom to Kenya or the tea that is produced there answers to the needs of the consumer in the U.K. Whatever it is, this particular item, tea, should engage the attention of our Foreign Trade Ministry. The publicity campaign or other efforts that are being made are not really up to the mark and it is surprising to note that no market survey has been done till now. The Tea Board has not made any market survey of the countries where our tea could go. This is a very important thing. Our deliberations on certain minor items may not be of much use or of much help to the Ministry but as a piece of advice, I would earnestly appeal to the Ministry to let the House know even at a later date what efforts have been made in the matter of tea exports.

[THE VICE-CHAIRMAN (SHRI AKBAR AU KHAN) in the Chair]

Now, Sir, about the major political approaches that we should make for removing certain malpractices, there should be nationalisation of the import trade. Many times much has been said about the malpractices in the export and import fields, in respect of invoicing. Now, this should be put an end to and that is possible only by expanding the State sector in the import trade. Firstly, to start with that should be done. It is not a dogmatic or doctrinaire approach. It is a pragmatic approach to meet certain situations and we should make our best effort.

SHRI LOKANATH MISRA : Even in the case of the public sector there is under-invoicing.

SHRI V. B. RAJU : My submission is I am not holding any brief to the public sector at the moment, but there are a hundred eyes to watch the public sector in the country, not that they are angels in the public sector. The difference between the private sector and the public sector is that in the case of the private sector there is no distinction between corruption and honesty, but in the case of the public sector there are people to see where the public sector has gone wrong.

SHRI LOKANATH MISRA : Those eyes, in addition to the eyes of the officers, are there for the private sector, while there are abettors, among the officials, of the public sector.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : He has got limited time.

SHRI V. B. RAJU : That is why I said that it is not a doctrinaire approach. Now, we have certain information before us to show that there is over-invoicing and under-invoicing—There is that practice and there is no dispute about it. How to remove it and how to eradicate it is the point. Let us make an experiment by expanding the public sector and not making an ideological approach to this matter.

Now, Sir, another thing is about the role of the small-scale sector in export promotion and export trade. It is very insignificant that 30 per cent of the production in the organised sector is from the small-scale industry. A delegation which went to Japan has observed that nearly 50 per cent of their export trade is contributed by the small-scale firms. Now, the small-scale industries sector should participate in an effective way in the export trade.

Now, Sir, another study is necessary for this purpose and Parliament needs to know about the various incentives and entitlement arrangements or programmes that have been made and actually implemented by this Ministry for improving our export trade. What has been the result and what is the outcome of it? A regular evaluation and assessment is necessary and Parliament should know about it.

In the end, I would say that our effort must be to see that all items which we can easily produce here must be prohi-

bited from being imported. Take cotton. Long staple cotton is being imported to the value of nearly Rs. 90 crores, mostly probably from Egypt. From this cotton what type of cloth is produced? I happened to discuss this with a member of the Cotton Board in Manchester. I was putting questions as to him. He was explaining to me and he seemed to know much more than I did. I was not in the line nor am I now. He put one pertinent question: "Why do you import long staple cotton, produce fine cloth and search for the world's markets? Why do you go in for big markets for your fine cloth? Who puts on your fine cloth in this country? In winter we put on woollen cloth; in summer we want coarse cotton, which actually absorbs sweat. As you have been seeing here, nobody actually makes use of fine cloth. Why don't you produce that cloth? Why do you import cotton? Why do you waste your foreign exchange? Your Government is doing it only to preserve and maintain some outmoded rotten textile industry in the country." This was the observation which he made. This must be gone into. What is the type of cloth we are exporting and what is the quality of cotton that we are importing? Should we really need to import long staple cotton for finer counts? Is it necessary that a poor nation should spend on finer textile clothing? Is it an essential item? The cloth that we are exporting is worth round about Rs. 60 to Rs. 71 crores, whereas the cotton we are importing is worth round about Rs. 90 crores. Now, this should be examined and I would appeal to the Ministry to take this suggestion into consideration.

SHRI BANLI A BEHARY DAS : Mr. Vice-Chairman Sir, I express my regret that it was not possible for me to hear all the speeches because of other engagements, but I would not traverse the ground that has been traversed by my friend, Mr. Mohan Lal Shah, and to a certain extent by Mr. Manubhai Shah, whom I heard with rapt attention. To me for a developing country like India export trade or export promotion is much more important from the viewpoint of furthering the economy on the lines of self-reliance. Those countries which are more developed may be finding a market for their surplus goods, but for a developing country, if you want to have a self-reliant economy, we cannot do anything without export promotion to a very great extent. It is not necessary

that only the surplus has to be exported. To a certain extent there must be constraint and restraint on internal consumption. So, there I do not agree with my hon. friend, Mr. Manubhai Shah, when he said that only the surplus has to be exported. In theory if it is accepted that only the surplus has to be exported in the case of developing countries, I think there will be hardly anything to export. That is why to a certain extent constraint and restraint on consumption is absolutely necessary. If you do not develop the economy in that direction, the net result will be that all the developing countries in the world will have to depend on foreign aid or foreign assistance. The more you depend on foreign aid and foreign assistance, naturally you will be coming under the political and other influences of foreign countries. There is no other way out. We know in this country how foreign collaboration, to a certain extent, and because of foreign aid, we have been sometimes playing the game of either of the blocs. Though in that way the blocs have evaporated in this world, sometimes we have tried to appraise either the Americans or the Russians and now we are doing it much more in the case of the Russians. So, to me, export promotion and the role of this department in the future development of the country's economy is highly important. You know, Sir, that during the first two Plan periods our exports were absolutely stagnant. Only during the Third Five Year Plan we had growth to the extent of 20 per cent and we are now planning for a 7 per cent annual growth. Unless much more attention is paid to the agricultural sector and the small-scale sector, I have no doubt in my mind that we will not be able to achieve the 7 per cent growth in our export promotion. For this not only a proper export policy has to be evolved, but the administration should show much flexibility and much imagination. They must be very particular about the implementation of that policy and for that purpose we should have a business and commercial community in the country—whether it is the private sector or the public sector and the private sector will have to continue for a long period in this country—which should be more cost-conscious. They should be more quality-conscious. There should be a certain amount of business ethics which we lack absolutely in this country. My friend, Mr. Lokanath Misra, accused the public sector in this respect also. I entirely agree with him, though

[Shri Banka Behary Das]

I am always a votary of the public sector. In this country the public sector has not behaved properly even as regards export promotion. Here I want to tread on a different ground. We should not put all the eggs, as regards exports, in the baskets of a few countries or one country. We will have to seek our market wherever possible. There should be diversification of trade as regards our goods and commodities. We know that the traditional commodities that we are exporting and earning to a great extent, may not stand us in good stead in future years, though we will have to develop them. So we will have to diversify our export trade. It may be engineering goods in which we have now a good market in other countries, particularly West Asia, South East Asia and some of the developing countries, because after all the bilateral trade agreements in future times will be much more with developing countries than with the developed countries. A certain amount of political decision is to be taken. That is why I am always of the view that if we do not seek our market everywhere, whether it is a Communist country, whether it is a capitalist country or whatever might be the ideology of the country, then it will not be possible for us to expand the export market of India in the future years. After all in future years for export purposes market can be found only in developing countries where you have a greater market than in developed countries. We also know what happened during the UNCTAD Conference. The developed countries are so selfish that they are not prepared to help the developing countries as regards external trade. Even they are prepared to give foreign aid and assistance and thereby keep in mortgage the people of those countries, the independence of those countries, but they are not prepared to give a free hand for the growth in external trade of the countries.

Here I want to say that the Government should have more imagination as regards this policy. Not only it should diversify its trade but it should try to seek a market wherever it is possible. During the coming years I think the Asian countries and the African countries and to a certain extent West Asia will

the best fields—US.. Those fields

cost consciousness, a certain amount of quality consciousness also. They should be very cautious about their contractual commitment to those countries because after all it is much more important not only to deliver goods of high quality at a lower price but to deliver the goods in proper time. For that purpose not only the public sector and the private sector should be properly geared but I think the bureaucratic machinery, the administrative machinery in the Foreign Trade Ministry should be improved and streamlined to respond to the challenge of the times.

In this connection you will be astonished to know this—because up till now our Government has not been very serious about the small-scale sector which has a developing field, which can export much more than it is doing today. Here I have two specimens to show to the Minister and the House. You will find here these two boxes which can be sent to different countries for experimental purposes, for demonstration purposes in schools and laboratories. These are not being allowed to be exported. A few days ago the complaint came to me about this. This is a silk worm scientific equipment which can be exported to Kuwait. Some of the firms in Punjab and Haryana have developed this trade which have a very fine market in West Asia. I have got a complaint that because in the list of banned articles there is an item silk worm, which is a prohibited item, this scientific equipment cannot be exported without special permission. I agree with the Department that silk worms should not be exported to any country because we should exploit our finished goods. But you will be astonished to know that for demonstration purposes there is a dead silk worm and a cocoon here and though some of the industries are getting orders from Kuwait and other countries in West Asia to the tune of lakhs and lakhs of rupees, it has been banned now and so it cannot be exported. The Department lacks so much of imagination. I have got complaints that the goods are lying in Bombay even now. They cannot be exported and the time is going to expire. Those Customs people including I will say the Chief Controller of Import and Export, lack imagination to such an extent that the period is going to lapse very soon\* .....

SHRI BANKA BEHARY DAS : The item in the banned list is silk worm. There is a dead silk worm here for demonstration purposes and though orders to the tune of lakhs of rupees are there and the goods are lying in Bombay...

SHRI B. R. JHAGAT : Please give it to me.

SHRI BANKA BEHARY DAS : Again you will be astonished to know that in the banned list there is another item of cobra venom. That is, we cannot export cobra venom because it can be utilised for other purposes in our country. (Interruptions) Whether it is used for suicide purposes or not, that is a different thing. We need it for our purposes. Rightly it has been banned. You will be astonished to know, here is a specimen which is again for laboratory purpose, and it is the skull of a snake. Though live cobra or viper cannot be exported, this equipment with lead skull of a snake is prohibited. There is a demand for it in the high school of Kuwait and in West Asia. The goods are lying in the Bombay dock. It is not getting clearance and I am afraid if they do not change the attitude all the orders they are getting from West Asia about scientific instruments from Punjab and Haryana will not be met and they will not be able to export. The confidence of those people in the Government of India and the traders of this country will evaporate. The net result will be, because of lack of imagination we will be losing a very fine market and thereby kill the cottage industries and small scale industries in Punjab and Haryana which have got expertise in scientific instruments. Hence this is only the skull of a snake. So I want to know from the Minister, I want to tell him that not only the policy should be good but there should be some amount of imagination whenever they interpret the rules regarding these things which are on demand. I hope the Minister will immediately look into it. If another one week's or two weeks' delay is done, there, not only the goods will not be going but we will be definitely losing the market.

THE VICE-CHIEF AIRMAN (SHRI AKBAR ALI KHAN) : The Minister will look into it. That will do.

SHRI BANKA BEHARY DAS : Within half a minute I will finish. Up till now we were importing a certain amount of 'shoddy' commodities on which our

small-scale industries in Orissa, Bihar and Assam were depending. This ban on the import and expansion of manufacture of these materials should be removed. To a certain extent they are impeded so that the small-sector in the eastern region gains some advantage out of it and the needs of the poor people are met. It will be wrong on our part to have unnecessary restrictions on these things.

SHRI B. T. KEMPARAJ : Mr. Vice-Chairman, foreign trade is one of the important factors in the economic structure of any country. Here the report which has been given to us contains the working of several Departments for the improvement and development of foreign trade. As it has already been said, the Foreign Trade Department has to depend upon several Departments or Ministries in our country especially. For financial assistance they have to depend upon the Finance Ministry, and for industrial purposes they have to depend upon the Ministry of Industrial Development, and for getting any advice on economic development or planning they have to depend upon the Planning Commission; like that. Therefore, this Ministry, as it is said is, existing on the sympathetic consideration of several Ministries put together. Therefore the very construction or the constitution of this Ministry should have an independent existence if the foreign trade has to be improved. Unless and until a definite shape is given to this Ministry, it will never work successfully to achieve the targets or the expected progress.

Sir, though we have got the statistical statement to show that there is an increase of 3.9 per cent in exports and 17.4 per cent reduction in imports, this is not an encouraging factor because itemwise if we examine, there is not much progress that has been made and there is a lot of complications we have been facing in the field of export. Therefore, the Tariff Commission came first and also several Boards, the Tea Board, the Coffee Board and for every article or commodity that is to be exported, there is a Board. So, is it not worth while to have a Board at the Centre and some Board at the regional headquarters or State-wise from where the entire exportable articles or goods or raw materials whatever they are, they may be controlled? In this connection, as some of my friends have referred, the Handloom Board is situated at Bombay. Formerly it was in Bangalore. I do not

[Shri B. T. Kemparaj] know what were the important criteria that governed or what were the forces that dragged the Central Government to shift the Handloom Board to Bombay from Bangalore. And even in regard to the question of exporting the handloom goods to the foreign countries, there is no sufficient impetus given. Why? It is because of lack of sufficient advertisement. Sufficient attention is required to be paid by our foreign trade agents to see that the foreign markets are made available to these goods. We have been exporting jute and in return we are getting the finished goods from the foreign countries. Would it not be possible for us to make finished goods from raw jute and export the finished goods to the foreign countries? Even in the case of cotton yarn, we are preparing the yarn, we export it to other countries. From there we get the finished cloth, just like the Finlay cloth, a fine variety. It is a very important factor to consider whether we should not have the finished goods made in our country. We can see that our finished goods find a better market in the world. Again take unfinished leather goods. We are sending to foreign countries those goods and we are getting from Britain and other countries shoes and other finished leather goods at a very high price. When we say that we have reached an increase of 3.9 per cent in our exports, is it based on a true approach to the figure or the improvement that has been achieved in foreign trade?

About monopoly, there is a point urged by some of our friends. Wherever we are having a public sector undertaking, what an amount of loss are we incurring? Monopoly is a thing which we can think of only in some States where there is dictatorship or dictatorship-like governments. But in a *laissezfaire* system both the public sector as well as the private sector must be given the scope for development. About the issue of licence, that policy had to be revised and we must see that the poorer sections of the society also get all facilities. On the whole, there must be an overall examination of the working of this Ministry and we should see that the best shape is given to it, for maximum benefit to be achieved by this Ministry.

**श्री राजनारायण :** श्रीमन्, हमको दो सवाल पूछने हैं। मैं चाहूंगा कि उनका जवाब मंत्री महोदय बोलते समय दें।

पहली बात है यह जानना चाहता हूँ कि यह जो री लेदर है, यह री लेदर हम क्यों एक्सपोर्ट करते हैं। री लेदर को हम एक्सपोर्ट करते हैं, और उस पर एक्सपोर्ट ड्यूटी का अबालिशन हो गया है, इसको इन्सेन्टिव काफी दिया जाता है बाहर भेजने के लिये और जो फिनिशड गुड्स हैं उनको भेजने के लिये कोई इन्सेन्टिव नहीं होता। मैं जानना चाहता हूँ कि जब फारेन ट्रेड के मिनिस्टर साहब बोलें तो हमको यह बतायें कि जो री स्किन है इसको क्यों ये भेजते हैं बाहर, और अपने देश में उसका फिनिशड गुड्स, तैयार माल, बनाने की कोशिश क्यों नहीं हो रही है और तैयार माल करके क्यों नहीं बाहर भेजा जा रहा है।

दूसरी बात मैं यह जानना चाहता हूँ कि इस सदन में नेपाल के साथ व्यापार के बारे में बार बार चर्चा हुई है, तो इस सरकार ने नेपाल के साथ जो व्यापार समझौता किया है उससे हमारा करोड़ों करोड़ रुपये का नुकसान हुआ है, वह कैसे हुआ। जैसे यह कि जो नेपाल की कच्चे माल से बनी हुई सामग्रियां होगी वह हमारे यहां बिना किसी रुकावट के आ सकती हैं। मगर व्यवहार में यह देखा गया कि दूसरी जगह की बनी हुई सामग्रियां भी नेपाल से आने लगीं। फिनिशड गुड्स, जो दूसरी जगह का कच्चा माल जाकर नेपाल में बनता है, वह हमारे यहां आने लगा और यहां तक होने लगा कि हमारे यहां जो जूट बगैरह है, यह नेपाल में जाकर फिर हमारे यहां आने लगा, और यहां तक भी देखने में आया है और सरकार को प्रमाण दिया गया है कि कलकत्ता में नेपाल की मोहर लगा दी जाती है और अपने यहां का माल नेपाल का माल बन कर आ जाता है। तो इसके बारे में सरकार की अब तक की क्या नीति है और जो हमारा करोड़ों रुपये का विदेशी मुद्रा का नुकसान हो रहा है उसके बारे में यह सरकार आगे क्या कदम उठायेगी और अभी हाल में जो इस सदन में चर्चा चली, उसके बारे में जिक्र चूंकि अभी तक किसी के द्वारा नहीं हुआ इस-लिये मैं करता हूँ, कि हांगकांग में जो मंत्री जी

गये थे, वह वहाँ पर अपने एक एजेंट के जरिये अपने माल को विभिन्न मुलकों में बेचने की व्यवस्था कर रहे हैं।

**श्री बी० आर० भगत :** मुझे सब बातों का जवाब देने के लिये आधा घंटा चाहिये। मेरे पास वक्त कहां है।

**श्री राजनारायण :** मैं 2 मिनट से ज्यादा नहीं लूंगा। अब तक तो खत्म हो जाता। अब मैं समझ गया कि मंत्री जी फंस गये हैं और चाहते हैं सवाल न पूछा जाये। मैं यह जानना चाहता हूँ हांगकांग में उन्होंने अपना कोई एजेंट मुकर्रर किया है या नहीं किया है। मेरी अपनी जानकारी है, जो कि डिपार्टमेंट को भी जानकारी है, कि एक एजेंट के धरू हांगकांग में सारा व्यापार, सारा व्यवसाय सरकार करेगी। वह एक एजेंट कौन है उसका नाम सरकार इस सदन में आज बताये। अगर एक के अलावा और कोई एजेंट है तो उसका नाम भी सरकार बताये। हांगकांग में जो व्यापार की व्यवस्था यह सरकार कर रही है उसका व्यापक स्वरूप सरकार दे। अगर यह नहीं बतायेंगे तो मैं किसी न किसी समय बता दूंगा। तो हांगकांग में सरकार किस ढंग से, किसके जरिये, व्यापार करेगी।

**श्री बी० आर० भगत :** हांगकांग में व्यापार बहुत कम हो रहा है बहुत मामूली है। जो एस० टी० सी० के जरिये हो रही है बात वह अभी कोई तय बात नहीं है। प्रपोजल है कि एस० टी० सी० एक कंपनी खोलेगी। अभी हमारा बहुत थोडा व्यापार है, बहुत मामूली सा व्यापार है, खास व्यापार नहीं है।

**श्री राजनारायण :** इसका मतलब यह हुआ एस० टी० सी० की शाखा हुई। या तो सरकार इसका जवाब दे नहीं तो गोलमोल जवाब न दे। मैं जानना चाहता हूँ क्या वह एस० टी० सी० की शाखा होगी ?

**श्री बी० आर० भगत :** अभी तो तय नहीं हुआ, प्रपोजल चल रहा है, किस रूप में आएगा। जब आएगा आपके सामने लयेंगे।

**श्री राजनारायण :** हमारा एक सवाल है मिल्क पाऊडर का हम एक्सपोर्ट क्यों करते हैं, इम्पोर्ट क्यों करते हैं यह हम जानना चाहते हैं...

**उपसभाध्यक्ष (श्री अकबर अली खान) :** यह भी नोट कर लीजिए।

**श्री राजनारायण :** अगर सरकार का दिमाग साफ है तो उसके लिए 10 मिनट का समय भी काफी है।

Mr. Vice-Chairman, Sir, I welcome this debate on the working of the Ministry of Foreign Trade. I am grateful to the hon'ble Members who have participated in this debate and have made valuable contributions about the policies, even their criticisms and the administration of the Ministry. Sir, I can assure the hon'ble Members that in the short time at my disposal—I have 35 minutes to deal with the subject...

SHRI B.R. BHAGAT : I am a disciplined person and I think I should not exceed the time that has been allotted to me. Therefore, I assure the hon'ble Member's that I would like to deal with most of the points, and particularly the question of policies and administration. And if some of the specific items that have been mentioned, whether it concerns tea, whether it concerns leather or milk powder, are not dealt with for lack of time, certainly I can assure the hon'ble Members that my Ministry and myself will give the fullest consideration to the views that have been expressed by them. With these words I would like to deal with the general issues of policy that have been raised.

Sir, the hon'ble Member who initiated this debate said that the nomenclature of the Ministry has been changed and the Ministry has been truncated. He even attributed motives, namely, it was because I am not able to raise party funds, therefore, it has gone to my colleague. Sir, the purpose of a Minister is not to raise party funds. And if he says that I am not able to raise funds, he is correct. But I can say that this insinuation is very, very unfair. In a democratic system

[Shri B. R. Bhagat.]

the Government is not used as a vehicle for collecting party funds. It may be in another system which the hon'ble Member may like to see substituted. Party funds are raised by the party openly. And so far as our party is concerned, we are raising party funds through coupons, through market places, through villages, etc. I also as a public worker, as a Congress worker, will go and raise party funds. Therefore, that issue is not relevant.

Sir, even the description of his Ministry, the subjects that the Ministry deals with are given. And if he sees although the name has changed from the Commerce Ministry to the Ministry of Foreign Trade, the substance has hardly changed because in the internal trade only very small sections are dealt with. The Essential Supplies Act and some other small sections have gone over; otherwise, the international commercial policies, the export and import trade, all that were there before are there.

Sir, the objective of change, as it has been said, was to emphasise the export policies, to increase exports in order to achieve more and more a higher rate of import as an instrument of Government policy, as an instrument of self-reliance'

Many Members have raised the question that this country should not depend upon, in the modern world, other countries. They said that our trade policy should be such that it should neutralise all our aid and we should try to build up a self-reliant economy. It is absolutely correct, Sir, and that is why the nomenclature of this Ministry has been changed although the substance has not changed. The emphasis has changed. Now it only means a definite emphasis in our commercial policy.

If the hon'ble Member will see the development of our industrial and economic policies he will know that although it is true that our exports have grown at a slower rate than the other world exports, even in the last two years or three years our exports have been growing.

In 1968-69 our exports grew by 13.6 per cent. This year they grew by about 3.8 or 3.9 per cent. Even though in the world its share has come down from 1.2 per cent, to .8 per cent, because the world trade has grown faster, it does not mean that we have not been making

an effort. I agree that in spite of our best efforts we have not moved ahead and we have not realised the objectives. Analysing the world picture, let us see where the exports have increased more. It is the exports of the developed countries which have increased more and more. At the top is Japan where the rate of exports has increased by 23 per cent. At the bottom is the United States which has increased its exports by 10 per cent. Between 23 and 10 per cent, it is all the developed countries in the Western Europe, Japan or the United States, that have increased their exports. Sir, that is the dilemma of the international commercial situation and that is the position of the developed countries which a number of members have dealt with. Up till now we have been fighting at the forum of the U.N.C.T.A.D. or the G.A.T.T. The hon'ble Member said, let the primary producers and the developing countries come together, let all the countries which have been exploited by the colonialists, come together and make a joint effort. All these good expressions have been used. In our whole ethos, whether in the political field or in the economic field, we have tried to fight for the economic freedom of the developing countries and of the Afro-Asian countries. In the U.N.C.T.A.D. also the famous group of 77 has been fighting. We fought in the Second U.N.C.T.A.D. at Delhi and so also through several Resolutions at least the developed countries were made to concede the points that were raised. But the battle is not yet over.

Sir, I entirely agree with the sentiments that India should be in the vanguard of formulating policies along with the other developing countries of Asia, Africa, Latin American countries and the socialist countries. I agree with Mr. Manubhai Shah that it is not charity that we want. It is the rights of the developing countries that are being discriminated against. He has identified the three sectors. He has said that it is in the simpler industries that the share of the developing countries should increase in the world trade. It is in these industries that we are having the biggest resistance. In textiles the United States is the most powerful and we have to strike our heads against the walls of these lobbies. We have to fight in the U.K. They are imposing new restrictions on our exports. So we have to forge a united front. And we are trying to forge a united front on behalf of the countries

which are affected in the primary products.

Sir, in the case of preferences, I am glad to announce to the House that we have made some progress, and the meeting that was held in Geneva has recorded certain preferences and the developing countries as a whole on a non-discriminatory basis will get preferences for semimanufactured and manufactured items over the developed countries.

There are various schemes. The U.S.A. has its own scheme of preference. The Common Market has its own scheme. Japan's is there. All the developed countries are meeting to harmonise their respective positions. Our goal is that whatever preferences we are able to secure they should go into operation as quickly as possible. This year or early next year the preferences must come. And if that happens, then at least one impediment in the way of the developing countries' exports to developed countries, will be removed. Similar is the case in the primary sector. For want of time I do not want to deal with iron ore or the agricultural sector and how the terms of trade will go to harmonise the spirit of the Resolution that has been adopted. In the U.N.G.T.A.D. or together in co-operation with other countries it will be our effort to see that the share of the developing countries in this respect may also improve. So, this fight is on. Unless there are impediments, as I said, the quantitative restrictions, the fiscal restrictions and the tariff restrictions are progressively brought down the share of the developing countries will not improve in world trade. India being one of the developing countries, how do we expect our share in world trade to go up? Even if we realise the objective of 7 per cent growth and we will realise this objective—our share in world trade will go down because of the developed countries and the oil-rich countries. Now there are three groups of countries whose exports are going up: the developed countries, whose example I gave; secondly the oil-rich countries whose exports have gone up even more; and thirdly, the countries with which my hon. friend is very familiar, the smaller countries which have had a massive inflow of aid, like South Korea and Taiwan, and my hon. friend says "You follow that example". We cannot follow that example, because massive inflow of aid conflicts with our

social objective. We have a social objective. It is the ethos not really of one party but of the whole country. Therefore, India cannot be compared with these two countries where the issues are simpler.

SHRI LOKANATH MISRA : You also had a big inflow of aid, but you have eaten it away.

SHRI B. R. BHAGAT : There the issues are simpler. Their political consequences and international consequences are simpler. Therefore, to bring and superimpose those conditions and say that we will have a big spurt in exports is not possible. Therefore, with this background in the international situation.. (Interruption by Shri Rajnarain) Sir, I am dealing with very intricate matters; hon. Members have raised some of these points and I may be allowed to go on uninterrupted.

SHRI RAJNARAIN : What is your social objective? You define it.

SHRI B. R. BHAGAT : I cannot do it in this half-an hour that is given to me. You know our social objective.

So, this is the situation in which we have to evolve our commercial policy, so that this country will progress in freedom, will achieve national self-reliance, will progress in a manner that our social objective of creating a socialist society is achieved at a rapid rate. These are the main elements of our commercial policy, as of our social and economic policies.

In this context, if you take the year 1969-70, the year that has gone by, we have not reached the target of 7 per cent. We have reached 4 per cent. But if you see the anatomy of our exports, the traditional exports have not done well particularly tea and jute. Tea alone accounted for a fall of Rs. 29 crores and jute, for another Rs. 13 or Rs. 14 crores. But because of the efforts made in the Ministry in the field of non-traditional items—engineering goods, marine products, chemicals, etc.—although there has been a fall in these two *main* items—

SHRI B. R. BHAGAT : Please... in other items, there has been a rise of 15 per cent. In the case of engineering goods export, despite the fact that there was a handicap as a result of steel shortages



[Shri B. R. Bhagat]

and other things—which will continue to plague us in this year also—the rise has been 25 per cent. Therefore, the picture to-day is that in the earlier years the emphasis was in the search for building a self-reliant economy, in the search for diversifying our structure, on import substitution, on creating our own basic industries—machine-building industries, components industries and so on. Now the hon. Member says "Cut down our imports further." The imports have been cut to the bone. The imports are more and more of the raw materials progressively, and of the components which go for the maintenance of the economy. I will agree with him that our imports should be restricted to the requirements of our industrial progress. But I will not agree with him that our imports can be further curtailed because that will mean cutting down our rate of growth of the industries

SHRI M. M. DHARIA : Mr. Vice-Chairman, I said in my speech that for the industrial growth of the country whatever imports are required should be allowed.

SHRI B. R. BHAGAT : That is what I am saying.

SHRI M. M. DHARIA : In the case of cotton, the Government has failed in producing cotton in this country itself.

SHRI B. R. BHAGAT : I am coming to that. So, the imports are for maintaining the industrial progress. So far as cotton, jute, oil-seeds and other things are concerned, it is true that because of the emphasis on achieving self-reliance in food production, necessary investments could not be made in cash crops. I agree with the Members who have said that it is because we have not invested enough in cotton production or in jute production or in oil-seeds production—and a similar break-through has not been achieved in the propagation of new seeds, more water, fertilisers and so on, we have not been able to achieve our targets in cotton production or in jute production or in oil-seeds production. So far as cotton is concerned, we have decided that in the coming years we will provide, for cotton growth, pest control measures, plant protection measures, which has a very important bearing on the production of cotton. Most of this cotton, 83 to 84 per cent, is grown in the dry areas. Therefore 100 per cent subsidies will be provided to the farmers for plant protection measures. I

We have provided now Rs. 84 crores for this purpose. So attention is being given. I agree with hon. Members that we should have self-sufficiency in cotton and we should have self-sufficiency in jute. But when we have not achieved that position, if we cut down our cotton imports, there will be a serious situation in cloth production, in cloth prices, employment and so on. Therefore, whatever imports which are taking place to-day are all essential imports. They are feed or oil or fertiliser or components or raw materials. There is not a single item which can be described as non-essential. To the extent we are able to increase our own raw materials production, we will be able to cut down our imports further. But I will say that our objective is to increase industrial production. The 7 per cent growth in industries is not an adequate growth by any comparison. We need to step up our growth. Therefore, in the coming years—I may take the House into confidence—imports will go up, mainly because we want to increase and keep up the tempo of our industrial production and we will not restrict imports for this reason.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : But you will make efforts to increase the production of those materials in the country itself.

SHRI B. R. BHAGAT : To the extent we can, we do that. If we are able to find oil, if we are able to produce all our cotton and jute, I think we will not need any imports and we will be completely self-reliant.

SHRI PREM MANOHAR (Uttar Pradesh) : The same assurance was given last time also.

SHRI B. R. BHAGAT : It is not an assurance; it is an objective that we are trying to give; it is a commitment.

(Interruptions)

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : No interruption\*.

SHRI LOKANATH MISRA : The Minister said that he was dealing with an intricate problem. These are certainly intricacies. If we cannot reply to them, what is the use of having a discussion ?

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Let him reply. He is doing his best.

SHRI LOKANATH MISRA : He is raising a pertinent question.

THE VICE CHAIRMAN (SHRI AKBAR ALI KIAN) : Please sit down.

SHRI LOKANATH MISRA : After the reply would you allow us to ask questions?

THE VICE CHAIRMAN (SHRI AKBAR ALI KIAN) : Please sit down. We have to finish the discussion.

SHRI PREM MANOHAR : There is no sense in saying irrelevant things.

SHRI B. R. BHAGAT : If that is the opinion of the honourable Member I cannot help it. I will reply in the manner in which I think fit. I have the right to reply in the manner in which I think relevant, not what the honourable Member thinks. It is for him to decide whether the reply is relevant or irrelevant.

Coming to the next thing, it will be our effort to continue more vigorously with the objective of increasing our exports, with the objective of creating export-oriented industries that are there, whether it is textile or jute, to further strengthen them. I would like to take the House into confidence and say that we received challenges, we faced difficulties, in 1969-70, and we did meet them with all our effort we encountered them with all our efforts. We introduced cash programmes so as to bring all the administrative efforts pinpointed in favour of stepping up our exports. But the challenges which the country will have to meet in 1970-71 will be several times more than what they are. The reason for that is recession is closely behind us. Our industrial production is picking up. We are not a country like Japan or England where out of the total production only 10 per cent or 15 per cent is consumed at home. We have a big home market. And it is an essential market. We have to meet the needs of the people which are urgent. Their needs are essential. All my colleagues who were helping me up to this year, are faced with a very difficult situation, whether steel is to be allocated for meeting the home demand or whether it is to be allocated for exports, whether aluminium ingots are to be allocated for home demand or whether they are to be given for exports, and similarly in agricultural production whether we have to

meet the home demand or whether we have to allocate it for export. I know and we are all conscious of our responsibilities. And the effort of the Ministry will have to be to convince all our colleagues, to convince all the trade and business circles, produce a coordination in the machinery, produce a coordinated consciousness, in them, so that despite the fact that home demand is picking up there is no slackening in exports. It is a difficult balancing to realise. It is a very difficult balancing. Even as our plant document shows, and I repeat it because it appears that there is not enough realisation all over, in a temporary period there has to be some conscious restraint on the part of home demand if we want to gear up the tempo and increase the tempo of exports. I know that this restraint will vary from item to item. In an item which is more essential, the restraint will be less and in an item which is less essential, the restraint will be more. But unless this philosophy is accepted, unless we are able to produce a surplus, unless our rate of production goes up, unless our growth-rate goes up and unless there is enough for meeting the home demand as well as the export demand, we cannot progress. We have to apply this balance, this very judicious balance. And this throws a greater responsibility on the machinery of the Government as a whole. I know although export is an item which is the responsibility of Foreign Trade, a number of honourable Members brought out this difficulty in a different manner. They have said that this Ministry is charged with the responsibility of exports, but it is not charged with the authority. And some of them have rightly said that the Ministry has not to be given an overall power and be an economic Czar because for export promotion it is not only the function of one Ministry of the Government, export is the function of production, production is the function of various integrated activities. And the point that is brought out is that in the coming years in order to achieve this, far greater coordination, far more sophistication of the machinery for quickening action, is needed because the situation that we are facing today is very challenging. In 1968-69 everybody offered goods for export and we exported them and our export rate went up by 13.6 per cent. Even today if we are able to produce enough, I am quite sure that we will not only be able to produce certain items which we need for exports, which we need

[Shri B. R. Bhagat] for our export-oriented industries like cotton and others, but we will also be able to meet our home demand, and achieve the target of our exports...

THE VICE-CHAIRMAN (SHRI AKRAR ALI KHAN) : I hope the Government will tighten up co-ordination.

SHRI B. R. BHAGAT : Yes, that is what I am highlighting. This is our efforts. Therefore, I entirely agree with the honourable Member. The honourable Mr. Misra also said about the delay. Well, I am against all delays. There is nothing more criminal than the delay in decision-making. I take some pride since I have been in charge of it, that I have met and I am meeting whoever is coming to me. I meet everyone and I am ready to take decisions any time and on whatever things are brought to me; otherwise, it is difficult because in a Ministry like this motives can be attributed and are attributed. And unless somebody takes the decision, things will not move and wherever there is a case for delay in implementation, that is the place where corruption breeds. Therefore, it should be our effort and it is my effort to see that things move quickly. I do not say we have reached perfection. We are trying to make this Ministry an instrument where decision-making is done quickly and more perfectly.

Then there was a question of the direction of trade which was raised by an honourable Member there. He said in a very rhetoric manner, "Change the direction". What is the direction? Which direction? He and Mr. Manubhai Shah are probably fond of Western countries. *(Interruptions)* If you see the direction of trade, our trade with Western countries has gone down. *(Interruptions)* The direction of our trade is to our neighbouring countries, the direction is towards South-East Asia. It is a large growth sector. Western Asia is a large growth sector. African countries are a large growth sector. The Soviet Union is a large growth sector. The socialist countries are a large growth sector. Trade with Western countries has gone down. Of course, our trade with USA has gone up; our trade with Japan has gone up. What is the change in the direction that the honourable Member wants? I want to know. It is good to talk all this. It is good to say ideologically, "Change

the direction". But I think the direction we are following is the correct direction. We want to trade with all the countries of the world. We want to make national self-reliance as our objective. And in that connection what is the direction that he wants? I think he probably means that we are increasing the monopoly sector in the foreign trade. We are increasing nothing of the kind. We have followed a policy of taking over all the bulk import trade into the public sector and of giving a predominant role to the public sector to play in exports...

SHRI BHUPESH GUPTA : Why do you try to modify the Bombay resolution?

SHRI B. R. BHAGAT : Me?

SHRI BHUPESH GUPTA : Yes.

SHRI B. R. BHAGAT : I explained it to my party. Today my honourable friend, Mr. Mohan Dharia, vigilant as he is, is in favour of the socialist sector and I entirely agree with him. I said in this Ministry we are trying to implement the Bombay resolution in its letter and spirit. There is no gap of even a moment. Today two-thirds of the import trade has come into the public sector. Out of Rs. 1862 crores of import trade during 1968-69 Rs. 867 crores was handled by the public sector.

SHRI BHUPESH GUPTA : No, no, these figures will not do. Hear me...

SHRI B. R. BHAGAT : You hear me first.

SHRI BHUPESH GUPTA : Tell me what is the change in the pattern of trade?

SHRI B. R. BHAGAT : That is a different point. Unless you hear me...

SHRI BHUPESH GUPTA : But you tell me...

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : The difficulty is you do not hear others.

SHRI BHUPESH GUPTA : You cannot discuss like that.

SHRI B. R. BHAGAT : I have got only five minutes to finish my reply. I will deal with your point later on. I was saying that today out of Rs. 1862 crores of trade Rs. 867 crores are handled

the public sector through its various Vencies like the DGS&D, Department of Food, Defence etc. Rs. 372 crores are handled by the STC and MMTC. That accounts for over one-third. This was there when the Resolution was passed. The current licensing policy extended the scheme to canalise imports by 38 more items including steel and a number of drugs and pharmaceuticals. We are going to take over the cotton import trade from the next season.

SHRI BHUPESH GUPTA : What about tea ?

SHRI B. R. BHAGAT : I am talking of imports.

*(Interruptions)*

SHRI BHUPESH GUPTA : Sir, those figures are misleading.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Please don't interrupt him. He has to finish by 5.30

SHRI B. R. BHAGAT : With regard to the role of the public sector agencies in the total imports for the current year, this will be 66 per cent, to be increased to 80 per cent. This is the programme I have taken up. Whether it can be done or not, but it is my programme to take over 80 per cent of the import trade by the end of the current year. According to me, in all conscience, I have tried to implement in letter and spirit the Bombay Resolution. About export somebody asked "Why don't you try to change it?" I did not try to change it. The idea was that in the matter of exports we have to be very cautious because we are dealing with the world market, we are not the monopoly suppliers. If we make mistakes, the importers can go to other countries. We have the example of wigs. We tried to introduce State trading. The result was that our trade was lost to some other countries. Anyway, that was a small item and we could correct it in our export sector. The public sector will play a predominant role during the foreseeable future. The first thing the STC and the MMTC can do is that we are trying to double their exports immediately. Then, Sir, some hon. Members said: What are you doing about the small-sector industries? They can play a bigger role. We have conceived of an idea of a Trade, Development Authority to co-ordinate and supplement the activities of the export

promotion councils, etc. The main idea is to expand the market, the infra-structure and the services to the small-scale industries. This public sector agency will act as a catalyst and canalise all the efforts in the country for exports in the small sector, in the difficult sector, in the difficult markets, so that they are able to make their impact felt. Similarly, we have taken over in order to provide the small-sector producer raw materials. So we are creating these developmental agencies. We are thinking of having a marine products corporation. The MMTC has now Rs. 200 crores target. My estimate is that if we have this marine products corporation, we can reach another Rs. 100 crores. So with 4 or 5 items of export in the public sector agencies we are going to play a predominant role in export trade of the country.

SHRI BHUPESH GUPTA : What percentage of your trade with England and the United States is export and import separately under the public sector? You are including the figures of new trade which has been developed with the Soviet Union and other socialist countries. In 1936 we had only Rs. 2 crores trade with those countries, even less than that. Today we have got trade of the order of Rs. 300 crores. Therefore tell me what percentage of your trade export and import you have with the Western countries under the public sector.

SHRI B. R. BHAGAT : Well, Sir, I am not looking at this from that point of view. Still I agree that the share of the public sector in exports is not very high. Only the STC and the MMTC together account for a portion. So therefore obviously I agree with the hon. Member that with the Western countries and others it is following the traditional pattern. But now decisions are taken and I am giving the direction. We have taken the Steps for introducing the element of socialism in the matter of export trade and import trade and this is our direction. And we will pursue this and we will go forward. *(Interruptions)* In conclusion, Sir, despite the fact that export is function of the entire economic production, we have taken certain measures of economic production. And I entirely agree with the remark made that export cannot come out of lower production and if the rate of growth is small, if our industrial production is small, if our agricultural growth rate is small, we cannot export or increase our exports. Therefore in that respect it is part of the commitment of the Government

[Shri B. R. Bhagat]

as a whole. When I say this, I say it on behalf of the Government, it is the commitment of the Government as a whole. Therefore, it will make every effort in the coming years. I am aware of the difficulties and the challenges but with the co-operation of the House, with the support that we get to be self-reliant and to make this country uphold its honour and dignity, we will certainly pursue this objective.

In this respect I might say that some hon. Members made certain remarks against officials, the Chairman of the MMTC. Well, I do not want to conceal any bad behaviour or corruption. While on the one hand I commend the hon. Members who have raised matters of policy and administration, I would like to make one appeal to them. He raised the same thing last time and I had promised to him that I would look into the question and in pursuance of that I laid the whole statement on the manganese ore policy which the hon. Members approved. That dealt with the question of small mine-owners, even the Orissa mine-owners. Now to say that he was living outside when he had gone on an official business in a hotel, it does not need a denial. So all these things are there. Not only the Orissa interest has been taken care of but Paracorp will be fully occupied. So it is not proper to say that Orissa has been discriminated, the MMTC Chairman is a corrupt man because he has accepted certain hospitality from some private persons. All these questions I dealt with last time. I can say one thing from my experience. Every officer is afraid to take decisions, particularly in buying and selling. You give him an offer. Out of 8 items I think I will consider an officer successful if he makes profit in 6 and loses in 2. But for the two in which he loses motives are attributed. Then there will be no trade in this country, either in the public sector or in the private sector. But all the same I agree with him that wherever there is a question of corruption, I am always available again; I such a person. We are all prepared to deal with that because we have to create the right climate and create confidence that the administration is clean, the administration is above board and only then we can pursue our commercial policy in this respect.

SHRI BHUPESH GUPTA : I submit that when a Member asks for certain exact information in a debate of this kind, that should be given and if he had told us, the

percentage -of trade with the Western countries, you would have seen that these countries account for the bulk of India's foreign trade and the quantum remains more or less the same under the private sector. Major items go to them under the private sector. What has happened in this period is the trade has developed with the socialist countries. (Interruptions.) What Mr. Dharia and other wanted was that in the key traditional items whether you are developing

SHRI M. M. DHARIA : There is another discussion at 5.30 P. M. According to the rules it is not possible to extend this discussion otherwise I also wanted to ask some questions. You are also handicapped because we have fixed the time.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : Mr. Krishan Kant.

**HALF-AN-HOUR DISCUSSION  
ARISING OUT OF ANSWER TO  
STARRED QUESTION NO. 184  
GIVEN ON THE 5TH MAY, 1970  
REGARDING APPOINTMENT  
OF DIRECTOR, INDIAN  
INSTITUTE OF PUBLIC  
ADMINISTRATION, DELHI**

SHRI KRISHAN KANT (Haryana) : I am raising this discussion on point arising out of the answer to Starred Question No. 184 given in the Rajya Sabha on the 5th May, 1970, regarding the appointment of the Director, the Indian Institute of Public Administration, Delhi. I am sorry that I have to raise a discussion on the appointment of the Director of the IIPA. Here in the discussion, I have no idea of in any way criticising one person or the other or the functioning of the Institute or various other things. I know what good work the Institute has done since its inception. A number of Directors who have functioned there have done yeoman service and the Director who has retired, Dr. Khosla, has also done good work in the sense that he has geared up so many things, number of reports have come up and the members of the Institute have functioned or worked with the ARC, with the Dutt Committee and have done useful work there. Why I am coming here regarding the appointment of a new Director of the Institute is, I am sorry all the I traditions that have been built since so many years are being thrown to the winds