

MR. CHAIRMAN: Not railway bridge. (*Interruptions*). I am not able to hear you. Order, order.

SHRI KISHEN CHAND (Hyderabad): Sir, some Members of the House had asked the hon. Minister yesterday to lay the report of the Inspectors and the Divisional Engineers who have passed over the railway track on the Table of the House. May I know whether the hon. Minister has laid that also on the Table of the House or not?

SHRI LAL BAHADUR: I have not laid that on the Table of the House. In fact, I have not seen those reports. I shall have to consult the Railway Board about that.

SHRI S. MAHANTY: I have to make a submission. In the previous accident which happened in Hyderabad, an identical one of collapse of a railway bridge may we know whether an enquiry was undertaken; and, if so, whether that enquiry report has been published so far?

SHRI LAL BAHADUR: With regard to the previous accident, an enquiry was made and the report was received. I do not remember it exactly, but so far as I am aware, that report was published also.

MR. CHAIRMAN: No more questions. Dr. Kunzru.

#### RESOLUTION REGARDING SECOND FIVE YEAR PLAN— *continued*

SHRI H. N. KUNZRU (Uttar Pradesh): Mr. Chairman, Shri Gulzarilal Nanda yesterday seemed to deprecate criticism of the Plan before us. He dwelt on the moral factors that must be borne in mind in order to carry out the Plan fully and seemed to think that our duty was to do our best to carry out the Plan and not to point out any deficiencies in it, however reasonable it may be to do so. No one here can possibly agree with him in this view. It is the duty of all of us to create an atmosphere in the country which will turn the minds of men towards constructive work and make them realise that the Plan has been drawn up in the best interest of the country. Its object is to make life happier to the common man and to make him feel that democracy is something that affects

his daily life. It is only in this way that the structure of a democratic Government and democratic society can be maintained. We all realise this, but at the same time if democracy is to function properly, it can do so only when Government measures are subjected to well informed criticism. In the absence of such criticism democracy will degenerate into autocracy or oligarchy. It is in this spirit that I shall try to consider the Plan that has been placed before us.

Before considering any aspect of the Plan, however, I should like to draw the attention of the Government to the fact that up to the present time we have had no comprehensive report with regard to the working of the First Five Year Plan. I know that the last year of the Plan ended only a few months ago; but we have not got complete information even with regard to the year 1954-55. The figures that we have been supplied regarding that year are only revised figures. That I am here on firm grounds is shown by the report of the I.B.R.D. Mission which says that information with regard to the actual development expenditure is several years in arrears. This may not be the fault of the Planning Commission. It may be due to the difficulty experienced by it in collecting information from the States and from other agencies from which it has to be got. But all the same unless measures are taken to give information more promptly about the progress of development expenditure, we cannot be in a position to judge the trend of affairs and it will be difficult for the Commission itself to adjust its plans from year to year as it intends to do, if it does not have information of the kind referred to by me.

And now I shall come to the Plan itself. According to the Planning Commission's report, the total expenditure on the Plan will amount to Rs. 4,800 crores in the public sector, but this seems to me to be an under-estimate. On the Commission's own showing the expenditure, at least in some respects, is likely to be more than what is indicated by these figures. The first example that I need give in order to show this is that of Coal. The Commission 12 Noon says "the total capital investment required for raising 12 million tons of additional coal in the public sector is roughly estimated at

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Rs. 60 crores including Rs. 12 crores for housing. For the present a provision of Rs. 40 crores has been made." You see here, therefore, Sir, that, the total sum required for the achievement of the target has not been provided in the Plan. A sum of Rs. 20 crores has been left out to be provided later. I will give another example, and this relates to the steel projects. The Commission has observed that "the Second Five Year Plan makes a provision of Rs. 350 crores for the three steel projects of the Central Government and Rs. 6 crores for the extension of the Mysore Iron and Steel Project works. Some additional provision will be needed before the end of the Second Plan for townships for the three new steel plants." Apart from this, Sir, I should like to know whether the sum of Rs. 350 crores includes the working capital. So far as I can see the working capital is not included in this figure.

Now I should give one or two more examples. My third example relates to the South Arcot Lignite Project. The Commission says "According to the current provisional estimate the project involves a total investment of Rs. 68·8 crores. The Plan makes a provision of Rs. 52 crores for this project. The additional resources which may be needed will be provided in the course of annual reviews in the light of progress actually achieved in implementing the project." Here too, therefore, a provision has yet to be made of a substantial sum for the completion of the Lignite Project. Perhaps the Commission's hope is that the project will take longer than is supposed at the present time and that it will not therefore have to provide all the funds required for carrying out the project in its entirety.

Lastly, Sir I should like to refer to the Rourkela Fertiliser Project. It is said in the report that a provision of Rs. 8 crores has been tentatively made for the project which will have to be supplemented at the appropriate stage.

Now, Sir, these four examples show that the total expenditure is likely to be more than Rs. 4,800 crores if all our expectations are to be realised. I have been able to cite these instances because in the course of my reading of the more important chapters of the report I came across these facts. There may, however, be references in the report to other schemes the expenditure on which has

not been fully taken account of. I should therefore like to know from Government what are the other matters on which greater expenditure may be incurred than that provided in the report and what will be the total increase on this account.

I shall now say a word about the financial side of the Plan. According to the figures given by the Commission there will be a gap of Rs. 2,400 crores between our resources and the cost of the Plan. Now it is frankly admitted that an expenditure of Rs. 1,200 crores cannot be covered by taxation or by loans. Deficit financing will have to be resorted to in order to incur that expenditure. I understand this to mean that new money will have to be created in order to provide for this expenditure. Now, Sir, take the remaining Rs. 1,200 crores. It is expected that we shall be able to obtain foreign assistance to the tune of Rs. 800 crores. This leaves a gap of Rs. 400 crores. The Commission says that every effort will have to be made to cover this gap and the only two sources mentioned by it are additional taxation and a possible increase in the profits of public enterprises. With regard to taxation it has to be borne in mind that in order to get the income that forms part of our resources amounting to Rs. 2,400 crores we shall have to raise taxation to the tune of Rs. 450 crores. If therefore Rs. 400 crores more will have to be provided by taxation, it means that the total burden of taxation will become Rs. 850 crores.

Now I take the question of obtaining foreign assistance. The Commission points out that taking account of the unspent balance of foreign aid given for the First Five Year Plan and the credits obtained by us in connection with the Bhilai and Durgapur Steel Projects, we shall have at our disposal a sum amounting to Rs. 170 crores.

We have now been able to negotiate a deal with the United States of America for the purchase of foodgrains, cotton, and perhaps some other thing. The total money value of the purchase of foodgrains, etc. will amount to about Rs. 172 crores. Now, one-fourth of it will have to be given to the United States Government to be used by it in certain ways. We therefore retain Rs. 137·8 crores. But of this Rs. 26 crores will be meant for the private

sector. The public sector will therefore be able to retain Rs. 111·8 crores. Now adding this to our existing resources, we see that foreign assistance will amount to about Rs. 281·6 crores. Now it may be possible to get a good deal of assistance from the International Bank for Reconstruction and Development, the International Finance Corporation, the Colombo Plan Powers, and so on. I do not know, Sir, how much assistance can be obtained in this way. Let us suppose that we can get about Rs. 200 crores more. Even so, the total foreign assistance that we can expect to get is about Rs. 500 crores. Now, this is, not, Sir, optimistic estimate at all. It is very difficult to say what will happen in future. As a result of our achievements in connection with the First Five Year Plan, the International Bank for Reconstruction and Development and the other lending agencies may be more favourable to us than they were during the last five years. But even so, I do not think it would be safe at this stage to believe that we can get more than Rs. 200 crores from foreign sources. Well, then this leaves a gap of Rs. 300 crores, as I have already said. How is this to be covered? I should like to have some information with regard to this particular matter.

Then, Sir, I should also like to have some information with regard to another point. According to newspaper reports, Mr. Sherman Cooper, who was till lately American Ambassador in India, was trying to persuade the Administration and the U.S. Legislature to give us assistance to the extent of 75 million dollars every year. There is no doubt, Sir, that the U.S. Administration has been uniformly helpful to us. The fact that we shall have to provide no foreign exchange for repayment of the latest loan is another instance of its effort to accommodate India to the utmost possible extent in its endeavour to raise the standard of living of our people and thus to strengthen the base on which democracy rests. I think that its attitude deserves a word of recognition. In view of the assistance given by it to other countries, and in view of the almost incredible resources possessed by it, it may be persuaded to be even more generous. We shall be very happy if the entire sum that we count upon is received from foreign sources. But we have to be prepared for disappointment in this matter. And I should like to know whether we still expect

to get the assistance of the order for which Mr. Sherman Cooper was working, from the United States. If not, how is it proposed to cover the remaining gap of about Rs. 300 crores?

SHRI J. S. BISHT (Uttar Pradesh): Rs. 300 crores plus Rs. 400 crores, that makes Rs. 700 crores.

SHRI H. N. KUNZRU: Yes, it means Rs. 700 crores. The deficit is to the extent of Rs. 750 crores.

Now, Sir, there is one other fact in connection with the financial position that I should like to mention. The Commission has envisaged the probability of drawing upon the sterling balances to the extent of Rs. 200 crores in the course of five years. But I see from the figures relating to the Weekly Statements of the Reserve Bank of India that during the last five months the sterling balances have been reduced by about Rs. 117 crores. They amounted to Rs. 748·51 crores on the 6th April, and on the 31st August, they amounted to Rs. 631·62 crores. Now this again is a matter on which I should like some further light to be thrown. Is it now considered possible to draw upon our sterling balances to a larger extent? The Commission, after considering all possible matters, i.e., considering the desirability of having a certain sum of money at our disposal in order to meet the deficit on the balance of payment account, came to the conclusion that not more than Rs. 200 crores could safely be spent from the sterling balances to meet the part of the expenditure which is to be covered by deficit financing.

Sir, now I will come to the question of supply of foodgrains. I am sorry, Sir, that I have taken so much time of the House. But I am entirely in your hands, and if you will give me a little more time, I would like just to refer to only two more things, the food-supply and the production of cloth, because these are the burning questions at the present time.

Sir, the question of food-supply has been discussed so much, and the rise in the prices of foodgrains has been referred to so often, that I need not dwell on this subject. All that I need say is that it is admitted that our food-supplies have to be increased, and increased substantially. The Planning Commission proposes an increase of 10

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million tons. Then it was said that it should be increased to 25 million tons, which means an increase of about 15 per cent. in the food-supply. We were asked afterwards to increase the food-supply to the extent of 25 or 30 per cent. Now I understand that our Prime Minister wants it to be raised by 40 per cent.

PANDIT S. S. N. TANKHA (Uttar Pradesh): From 20 per cent. to 40 per cent.

SHRI H. N. KUNZRU: The existing production of foodgrains is to be raised by 40 per cent.

PANDIT S. S. N. TANKHA: As stipulated, it was only 20 per cent.

SHRI H. N. KUNZRU: As stipulated, it was only 15 per cent.

Now, Sir, this matter was considered by the Agriculture Ministers at a Conference in Mussoorie recently.

They came to the conclusion that food-supply could be increased if more money could be provided for the supply of better seed, more fertilizers, etc.

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They asked for a sum of Rs. 116 crores for this purpose. Both the Planning Commission and the Prime Minister thought that the supply could be raised to any extent without the State Governments being given any additional money. The Prime Minister in the course of a speech in the Rajya Sabha referred to the results obtained in the Community Projects and Development Blocks. He was under the impression, when he spoke, that no effort was made to increase the food-supply there, but it has to be borne in mind that nearly half the expenditure provided for agriculture for increasing crop production is spent in the Community Projects and Development Blocks, which cover one-fourth of the country. The increase in the production of these Projects and Blocks is therefore the result of a good deal of expenditure and of personal effort. It should not therefore be considered easy to raise production of food throughout the country to the same extent and even to a larger extent.

A word about cloth. The Finance Minister has told us recently in justification of his Bill for increasing the ex-

cise duty on cloth that prices had risen considerably on account of the rise in the consumption of cloth. I think that the production of cloth can be increased considerably in this country, but if the mills are to be artificially prevented from producing more cloth and we are to rely on the Ambar Charkha or on any other device to any appreciable extent for production of cloth, I am afraid that the country will have to pay heavily for it. I am all for village industries, because they are the means of providing employment to the poorest people in the rural areas, but this will require a great deal of effort as pointed out by the Karve Committee. The industries that are called village industries will require a much greater effort than large-scale industries; much closer acquaintance with the problems at present in vogue and an all-out effort in order to gain the confidence of the people will be necessary if we are to achieve any substantial result in the field of village industries. Here, if the Ambar Charkha succeeds, I should be very happy, but after having gone through the report of the Committee appointed by the Government to investigate the economics of the charkha, I think that one may come fairly to the conclusion that the Committee itself thinks that sufficient data is not available to enable it to come to firm conclusions. The views expressed by the members seems to be based on their personal preferences. Also what will be the wages that will be earned by people who will have to work the charkha for eight hours a day? In a few instances it might have been found that the desired quantity of yarn could be produced daily, but can we expect the necessary effort to produce about 6 to 8 hanks of yarn daily from people who are under-fed and who will require a great deal of will-power in order to undergo the labour and the drudgery required to produce the daily output?

PROF. G. RANGA (Andhra): The same thing applies to mill labour.

SHRI H. N. KUNZRU: No, Sir. Here the spinning wheel is to be revolved rapidly for 8 hours. You have only to see, to work on this charkha for yourself for some time, in order to realise how fatiguing it can be. Besides, the wages to be paid per hank are one and a half annas. If a man, therefore, produces 6 hanks a day, he will get nine annas. Even so, while a man may be able to produce some 6 to 8 hanks a

day is it certain that a woman will be able to do so? Considering all these factors, I think that at the present time it will be risky to depend on the Ambar Charkha for the production of a substantial quantity of cloth. The matter was referred to by Shri T. T. Krishnamachari, when he was Minister for Commerce and Industry, in June last, and I think that the quantity that the Ambar Charkha is expected to produce is difficult to be obtained from that source. This brings out in sharp relief the danger of deficit financing. Deficit financing does not merely mean skill and enterprise. It means something more than that, Mr. Nanda has assured us that, if conditions in the country are not such as to warrant the Government in incurring deficit financing to the extent of Rs. 1,200 crores, caution will be exercised, but the bent of the Government's mind is such as to cause, I think, justifiable apprehension in this matter.

There is one thing more which I would like to refer to and that is the question of transportation.

We know of the difference of opinion between the Transport Ministry and the Planning Commission with regard to the sum required to bring transport arrangements into harmony with the plan for increasing the production in various directions. The Planning Commission admits that with the funds agreed to by it, it will not be possible for the Railways to move all the entire quantity of traffic that they are expected to handle at the end of 1960-61. What is to happen if our production increase according to our calculations? The transport system is not adequate to move the various things that are produced by our fields and our factories. If the food-supplies are to be increased in the manner desired by the Prime Minister, this will throw a further burden on the Railways. It is obvious that two things will have to be done in order to increase the capacity of the transport system and bring it into line with the Plan. One is better performance on the part of the Railways. As this is a matter to which I refer year after year in connection with the Railway Budget, I shall not dwell on it now. The second factor is, more funds, in order to enable the Railways to obtain the stock and to increase the line capacity that would be needed in order to move the entire traffic. This again shows that the sum of Rs. 4,800 crores is not a complete esti-

mate of the expenditure that will have to be incurred on carrying out the Second Five Year Plan. The expenditure will be substantially more and if we cannot provide even the sum of Rs. 4,800 crores, how much more difficult will it be to meet the additional expenditure that will inevitably be required if progress is to be made in the various directions that I have already referred to. I have mentioned these things not in order to suggest that we should not continue our efforts to increase the standard of living in the country. There is no one who does not ardently desire that our social and economic development should proceed as fast as the circumstances of the country permitted. But there is a danger in going too fast. We may hamper our economy irreparably if we are not realistic and we do not take into account the facts, the stern facts, of our life that face us even at the commencement of the Second Five Year Plan.

**DR. ZAKIR HUSSAIN (Nominated):** Sir, I take this opportunity of congratulating the hon. Minister for Planning on the rather satisfactory success of the First Five Year Plan. The success, which I call fairly satisfactory, is satisfactory enough to put heart into anyone who believes in state-directed social efforts for the eradication of poverty because it opens out the possibility of breaking through the vicious circle of poverty causing lack of progress and lack of progress causing poverty. I congratulate him because behind this gigantic national effort, there has always been his great earnestness and his great faith in the efficacy of concerted planned social action for the removal of poverty. But having congratulated him, I think, I cannot conceal from him and from myself that we have blundered through to success. For, who would know better than he as to how ill-equipped we were in the matter of information when we made that Plan? Who would know better how deficient were the normal check-ups that we could exercise on the implementation of the Plan in order to keep its flexibility? Who would know better the difficulties even of clearly and precisely putting forward specific schemes and projects at that time? It was vague all-round. The figures were unsatisfactory, information was not reliable in most cases and people did not know what they were going to do. It was therefore

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really a blundering through to success and we must thank God for it. Now that we are entering on the second phase of this was against poverty, ignorance and disease and all the entrenched forces of darkness, I think it would be foolish if we thought that since we have blundered through once, we might take the risk of trying our luck and trying to blunder through once again. The First Plan has had a satisfactory success but should that success prevent us from putting to ourselves the critical question whether that success could not have been more or whether that success could not have been, in the same degree, attained with less sacrifice and less cost, which means that we should put ourselves the question whether the various factors that entered into the implementation of the Plan were in the optimum and best possible combination.

When a great planning effort is made which extends to practically the whole life of the people, economic, cultural and social, an infinite number of combinations of factors are possible and it is essential, the essential duty of the Parliament at least, to look into, study and deliberately and expressly find out the various possibilities of the combinations and solutions, and choose one as against the others, for express reasons. I doubt whether that was done in the case of the First Five Year Plan. I doubt whether that is being done in the case of the Second Five Year Plan. I would be very happy to know if a lot of scientific analysis has gone into fixing the priorities that we have established into the various aims that we have set to ourselves, whether the apparatus of analysis which goes under the name of operational analysis which depends mostly on linear programmes, has been made use of to any considerable degree in coming to possible combinations of factors which we have to use for the attainment of the objectives that we have in view. We would be interested to know whether a rational methodology of the Plan has been evolved, whether we have not still taken some figures, dubious and doubtful figures, as the starting point and then by means of simple arithmetical procedures, come to other figures, Are we trying to find a solution to a simultaneous problem in which everything affects everything else because there is nothing less than that which is involved in the Plan. My feeling, from the discussions that I have heard here and

the discussions that I have had with some distinguished people outside, is that people look upon this plan as something that starts from any one figure and the other figures are consequential. In fact, however, it is a simultaneous equation in which there are many 'unknowns' and unless the determining factors are very well known, it is difficult to come to a conclusion about the many 'unknowns' that we have to find out. I think this House would be very much obliged and feel reassured if we were told that things of that kind have gone into the making of this Plan because as the Plan comes before us, we are not sure that it has been so. As a matter of fact, I myself have a feeling that it has not been so when I compared the Plan with the Plan-frame. There appears to me to be an element of arbitrariness in the changes that have been made. The clear idea that the strategic lever of economic development is the establishment of the industries producing the means of production has been abandoned. The investment on basic industries has been reduced and the shift has been in favour of transport. A few figures might be useful. Only 19 per cent. of the total developmental expenditure is on industries and minerals. The Plan Frame provided for 26 per cent. The absolute amount has been reduced from Rs. 1,100 crores to Rs. 891 crores in the Plan. 10.5 per cent. on power has been reduced to 9 per cent. in the Plan. Of the 19 per cent. on industries and minerals, 15 per cent. only is for large-scale industries, scientific research and minerals and this is a sphere which contributes very greatly towards the creation of productive capacity. The share of basic industries has been reduced from 20 per cent. to 11 per cent. and the absolute amount has been reduced by 37 per cent. The additional employment that the Plan Frame thought would be 1.7 millions, that is 20 per cent., has been reduced to Rs. 800,000, that is 10 per cent. And that is not because there has been any reduction generally in the targets. A general reduction has not taken place. The total expenditure has been raised from Rs. 4,300 crores of the Plan Frame to Rs. 4,800 crores in the Plan. Only there has been a considerable increase in transport. This indicates, in my opinion, a change in the strategy of economic development. The strategic lever of economic development in the Plan does not appear to be the improvement of industries pro-

ducing the means of production, which I think is much more important, but the strategic lever is the development of transport. This change in the strategy seems to me to indicate a change in Government view with regard to the roles of the private and public sectors, which I think is a very important matter in a plan when we are designing for a socialist pattern of society. In the frame 66 per cent. of the total investment was in the public sector and in industries 71 per cent. was in the public sector. This has been reduced in the Plan to 62 per cent. and the major part is given to transport and the minor fraction to industry. What does this mean? This means the development of transport in order to provide facilities for the private sector. And the demand for it has to be created by the allocation of funds for social services, housing and rehabilitation. The role of the public sector, therefore, has been materially changed. The public sector has been made subservient to the private sector. You have to create the demand in the private sector and you want to provide transport facilities to the private sector. In the programme of production itself in the public sector you have to produce more railway equipment, electrical equipment, ship building, iron, coal and coke and things of that sort. And the private sector will have the means to manufacture machinery, chemicals, fertilizers. Now, this is not a new experiment for it has been done elsewhere. In England, in socialist England and in France after the Second World War, many sectors of industries were nationalised. They were being used by the private sector as being subservient to it, as supplying to them cheap raw materials, cheap equipment produced in factories that are run at a deficit or produced in firms that give very low profits. Therefore the private sector can get hold of the products of the public sector at cheaper prices, although the public sector itself is not playing the role it should, in the development of the country. This, I think, is a consideration which the planners should very much have in view if they do not wish to change the whole spirit of the Plan and if the Plan is to be a socialist plan. Especially if the industrialisation of the public sector is meant as the starting point of a great economic revolution in the country then the change of roles between the private sector and the public sector is a very dangerous development. And the wonder of the position is that the general deve-

lopment targets have not been changed in the Plan. The Plan takes only the general development targets of the Plan Frame. That means that it also says that the gradual increase in the investment from national income would be from 7 per cent. to 12 per cent. The national income will increase by 5 per cent. And there will be additional employment for about eight millions provided. Of course, this is less than what was provided in the Frame, but not considerably less. If I may use terms which have rather vague associations in some minds, capitalism may cleverly exploit socialism in the early stages. Therefore socialism has to be on its guard. There is no breed of human beings which have such a nose for profit and which understand their interests as clearly as the well developed capitalist. It should be said to his credit that he has made the edge of his intelligence with regard to industry and profit so sharp that he can beat you hollow any time. So you have to be very much on your guard. Since you are trying a rather important experiment, since you are trying a socialist economy and since you are trying to create a socialist pattern of society, in the early stages, if the public sector becomes subservient to the private sector, I think that will be fatal to the future growth of our socialist pattern of society.

There are certain additional dangers that I see. There is the additional danger due to the way in which the outlay of Rs. 4,800 crores is to be obtained. Rs. 1,200 crores, as you know, has to come from budgetary sources, Rs. 1,200 crores from loans, Rs. 1,200 from deficit financing, Rs. 800 crores from foreign assistance and Rs. 400 crores no one knows from where, for it is the uncovered gap. This Rs. 800 crores of foreign assistance and Rs. 400 crores of uncovered gap are wholly unspecified. Loans and deficit financing are respectively doubtful and dangerous. The capacity to absorb deficit financing depends on the capacity to produce more goods. The output of consumer goods should grow. Only then can deficit financing be a success. Now, with the monsoon as one of the most important factors in the production of food in this country, the quantity of food produced year by year is more or less, a gamble and we should take note of that. Food supplies need not continue from year to year of the Plan to be what we expect them to be. Rs. 1,200 crores of

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deficit financing would mean an increase of 75 per cent. in the note circulation. With the changes that you have made in the proposals of the Plan Frame, my feeling is that your annual income will not increase at the rate of 5 per cent. You will have to be fairly well satisfied if you can see any increase at all and at the most it will be only 3 per cent. If that is the rate at which the national income might be expected to increase, and if there is an additional 75 per cent. increase in note circulation, it would certainly lead either to the unproductive use of foreign exchanges, or you would look for foreign aid on credit basis, if prices rise the cost of investment would rise and therefore, investment would probably have to be cut down. And if the investment is cut down, the rate of increase in the national income would be still further reduced. Having created a lot of enthusiasm in the Indian democracy, that great things are going to happen, that economic conditions will change materially, if these things happen and you cut down your investment abruptly, if there is inflation, I do not know what the political implications of that disillusionment and disappointment might be. With the private sector cleverly trying today to make the public sector subservient to itself, with this sort of a contingency happening, this country would be flooded with an almost irresistible propaganda to go back to *laissez faire* and all planned economy would be resisted. Of course, democracy can change its decisions. That is a good thing about democracy. But democracy can also sometimes do a very bad thing. Democracy sometimes cannot see very far ahead and in a certain set of circumstances, if democracy is radically disillusioned, democracy may, in future, scrap all that has been done in order to make the private sector strong. This is the contingency.

DR. ANUP SINGH (Punjab): May I ask the hon. Member one question? Would he care to elaborate a little bit more precisely as to how the private sector is dominating or manoeuvring to dominate the public sector? Instead of this very broad generalization, I think it is not only very pertinent but is something of such vital interest that we want more facts.

DR. ZAKIR HUSSAIN: I do not think I would go into the details. I

think I have thrown out an idea which must be followed. I have neither the time nor the detailed material which is required.

SHRI JASPAT ROY KAPOOR (Uttar Pradesh): 'Nor the material'—has been rightly said.

DR. ZAKIR HUSSAIN: Everything I have said has, I hope, been said rightly. If I have not got the material, I say that I have not got the material but I have got a point of view and I think I am entitled to put it before you. My view is that if a bolder attempt had been made at the mobilisation of resources, a bigger attempt was possible, it would perhaps have not been open to all these risks. We are talking of the poverty of the Indian people and of the starvation margin. Poverty is a patent fact and we need not be reminded of it again and again. One need not be told that there is starvation. One must be absolutely blind not to see it but it is a great pity that sometimes this poverty and this starvation is made use of in order to perpetuate poverty. There is poverty in this country but poverty of the working classes, not of the propertied class who contribute 23 per cent. of the national income at least 23 per cent. of the national income comes from property. It is as high a percentage as perhaps in the United States and in the U.K. This being so, I do not see any reason why bigger resources could not be mobilised. Fifteen per cent. at least of the national income can be mobilised for purposes of development and if it could be invested in fields which give the creative capacity, the rate of increase could safely have been calculated to be at 10 per cent. instead of 5 per cent., as stipulated and instead of 3 per cent. as I guess. As at present conceived, with the bases of calculation incomplete and faulty, with running checks known to all of us to be defective, with the unparalleled amount of investment injected into the economy and with the notion very widely spread amongst those who distribute money that spending away the amount allotted is all that is required for implementation of the Plan, it is very likely that spending will be in excess of the goods produced. The price will be pulled up and pushed up and the fixed income group to which belong the professors the teachers and the civil servants, all the people who, as some one has said, distinguished a civilised society from a barbaric society—will suffer—they will



immensely suffer; the speculators will win and make money and the Plan will suffer. I am not saying all this in order to alarm anybody. The question of inflation had been discussed. I think it is pertinent to mention here because in a Plan, which is a sort of war against poverty, we should be ready for situations which are likely to arise. You cannot plan after the situation has arisen because then it is not likely to be effective. This is a contingency which should not be overlooked. It would be in the fitness of things for the planners that they should be ready for the emergency and I suggest that we should have a tax plan ready of progressive drastic levies to be imposed as soon as the need is indicated and a plan for the stabilisation of key wage goods and for food and clothing to be rationed and controlled, if necessary. Now these things are good and these very things, can be bad if they are not properly planned, if they are not properly thought out before an emergency arises. If you introduce them in an emergency without proper planning, in the first place, you do not make a success of them and you do not get what you thought you would get out of them but would create a number of difficulties. If they are properly thought out, they can effectively check in advance the rise in prices which can be anticipated.

With regard to the section on transport which has been lucky in this Plan, I do not wish to say much but a few observations are, I think, necessary. My feeling is that the people who worked out the figures for the Railways were competent people. They had all the text-books on railway economics on their side for anyone who is connected with the railway economics knows that the capital hunger of the railways is insatiable. It is a patent fact all over the world, everybody knows that the capital hunger of railways is insatiable. There are so many things that could be done and can be done but which need money and capital and you can go on doing that indefinitely but I think there are various limitations which we should keep in view. The first I would suggest is to remember that labour and capital are substitutes in railway arrangements. You can substitute capital investment by means of labour and you can certainly substitute capital investment by means of management. For instance, management knows how to fully utilise the rolling stock,

to energetically mobilise it and this can be a substitute for buying rolling stock and this is happening all over the world, in country after country. Efficient management makes use of the existing rolling stock at peak times by the energy that it brings into operation. It may be very easily said that rolling stock ought to be bought but I am just giving this as an example. Labour and capital are substitutes; capital can be substituted by labour and by management in railways and that is a possibility that should be explored. I would also like to know as to why the railways should wish to accommodate all the traffic that is offered to them. Why should not they pass on some to the other carriers; for instance, short distance movements could be done by means of road transport with less investment costs. This possibility, I think, needs to be explored, if it has not been explored already. Then, short-term investment might be preferred to long-term investment. I say this because I have a feeling that very soon a lot of railway equipment like steel, like electrical equipment, etc., will be available from Indian sources and if in planning and investment, we want to invest for the next hundred years and buy the costliest things and the most permanent things, we would be raising the investment at the movement and we would be obviously occupying the market which the Indian product might have in the future. It would, therefore, be probably advisable to have even inferior capital goods for a shorter period and replace them by Indian goods later on. The imported capital goods may be cut out from the programme as far as possible.

I would just say, a last word, about education. Sir, the Plan, as I understand it, is an instrument of policy for attaining objectives which the nation has set before it. I do not know of any other field in which the national objective is so clearly and quantitatively and definitely and expressly indicated as in the case of the education of boys and girls between the ages of 6 and 14. There is a directive in the Constitution which says that within ten years, all boys and girls between the ages 6 and 14 must receive free and compulsory education. There is no directive about the railway mileage; there is no directive about steel production and there is no directive about any other thing with that definiteness and of that kind. You have that directive in the Constitution —

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and the Planning Commission is setting out deliberately and openly and unabashedly not to follow that directive. I think there could be no criticism of the Planning Commission more damaging than this. An objective is mentioned in a solemn document and it is before you and yet you are deliberately planning a policy under which we would not be able to send these boys and girls of 6 and 14 to school for another fifteen years. I remember that when Mr. Sargent came out with his scheme, known as the Sargent Scheme, a period of forty years was indicated before everybody would have education. After Independence, we were rather upset over it. I remember the hon. Minister for Education, Maulana Abul Kalam Azad, making an extremely touching reference to it and saying that it was our slavery that made it possible that even this modicum of education was to be given to us only after forty

1 P.M. years. And he said it should be done in ten. There were the sceptics and cynics who said that probably even after twenty years we shall yet be discussing whether it should be after ten years or twenty years. But then that was not the point. The point was that it is the national will that within ten years all boys and girls of the ages of 6 to 14 should be given free and compulsory education, but there is no provision for it in this plan. Not only is there no provision, it seems that we are treating education in a very step-motherly way. I do not wish to go into the significance of this national decision for the national life and national economy, because it is obvious. However I would like to point out that when this 'seven years' of compulsory education was mooted by the Basic Education Committee, Mr. Sargent's Committee came out with the scheme of eight years compulsory education. They went one better. We wanted seven years of compulsory education. They said: It should be eight years. Everybody agreed that eight years was better than seven years. But a trick was played on the Indian people and the eight years were divided into two periods of five and three years with the result that everybody thinks that there will be free compulsory education for five years instead of eight years and everyone seems to be thinking only of five years. That is not what the directive wants or the Basic Education Committee wanted. It should be at least seven

years, and now that the nation wants eight years, it should be eight years, but we see from the figures that everybody seems to think that it should end at the age of 11. If you see the figures in the Second Five Year Plan at page 501 you will find that the additional number of children between the ages of 6 and 11 who will go to the school during this period would be 25 per cent. more than what went during the last plan period. The increase of 25 per cent. is not very satisfactory but this increase is only confined to the age group of 6 to 11. For 10 and behold! The number of children of the age group of 11 to 14, during the period covered by the Second Five Year Plan, will be actually less than that added during the last Five Year Plan. It is atrocious. A 25 per cent. increase was bad enough, but here it is actually less, because everybody seems to be satisfied that we should stop education at 11. People would come to this House and say now that within ten years hundred per cent. of the boys and girls between the ages of 11 and 14 should be at school. Even that is not going to happen because, at the rate at which girls' education is attended to, one has to be a very great optimist in order to believe that even within a period of 10 years or 15 years from now all the girls even of the age group of 6 to 11 would be receiving education. There is no question of boys and girls in the age group of 11 to 14 for a very small increase in percentage generally is indicated and I do think it is thoroughly bad and if something can yet be done, I hope it will be done. I do not wish to take more of your time.

[THE VICE-CHAIRMAN (SHRI S. N. MAZUMDAR) in the Chair.]

PROF. HUMAYUN KABIR (West Bengal): Mr. Deputy Chairman, I would also at the outset like to congratulate the Planning Commission for a well-balanced and realistic but at the same time imaginative Plan which is based on the achievements and patterns laid down in the First Five Year Plan. I do not think I would share the pessimism of my friend Dr. Zakir Hussain, nor would I entirely share even the qualified pessimism of my hon. friend, Pandit Kunzru. I think the progress achieved in industry, agriculture and transport during the First Plan was considerable. One may in fact go further and say that the progress actually achieved was very great indeed, and I

hope that during the Second Five Year Plan that progress will be maintained. I am glad that in the schemes, as they have been drawn up in the fields of agriculture, industries and transport the rate of development has been maintained and in certain cases accelerated, but I am very sorry to find—and here I entirely agree with my friend, Dr. Zakir Hussain—that in the field of social services not only has there been no acceleration but actually the tempo of development which had grown up during the First Five Year Plan has not been given full recognition. On that I hope to say a few words at a later stage.

I am also happy in that the Planning Commission has actually taken into confidence the public in preparing this Second Five Year Plan. In a sense the First Five Year Plan was the putting in together of certain schemes and projects which were already in operation. Even if Shankar's cartoon went too far in regarding the Taj Mahal as one of the projects of the First Five Year Plan there was a certain modicum of truth, an element of truth in the cartoon. Most of the projects included in the first Plan were already in operation. The Second Five Year Plan in contrast is something which has been organically thought out. It is an integrated whole and from that point of view it is a great advance. The point which was made by Dr. Zakir Hussain, that in planning we have to think of the repercussions of any action on other sectors, on the public or private life of the community, has been taken fully into consideration, which was not the case in the First Five Year Plan.

With regard to the targets and the pattern of development in the Second Five Year Plan, I think it would also be true to say that by and large, these are necessitated by the achievements of the First Five Year Plan. During the First Five Year Plan, the actual rate of increment of national income in the last two years at least was of the order of about 4 per cent. per year; and if 4 per cent. per year was achieved during the last two years of the First Five Year Plan, the proposal to have a target of 5 per cent. per year during the Second Five Year Plan is not overambitious; I would not therefore agree with Dr. Zakir Hussain when he said that the target of 5 per cent. is too high—it should be less 3 per cent. or perhaps even less. We have actually achieved 4 per cent., and if we have achieved

4 per cent. in the last years of the First Five Year Plan, there is no reason whatever why that target cannot be raised to 5 per cent. From that point of view, the actual target set in the Second Five Year Plan that in the next five years we should have a 25 per cent. increase in the national income is not unjustified. If we look at the actual achievements, we will find that in the field of agriculture, in the field of industry, the achievement has been very much more than 3 per cent. or 4 per cent. per year.

Now, Sir, while I am fully conscious of the strength of the Second Five Year Plan, as compared to the First Five Year Plan, of the improvement and particularly the large-scale consultations which have gone on with the public and created a large degree of enthusiasm for the Second Five Year Plan, and the achievements of the First Five Year Plan have also contributed to the same end, I feel that there is room for taking the public more into confidence and creating greater enthusiasm. In a recent survey, which was undertaken, I think, by the Indian Institute of Public Opinion, it was found that even among the educated people a full consciousness of the implications of the Second Five Year Plan was not present. Even the people who ought to know, had only the vaguest, the haziest ideas. If we are to get full public co-operation for the achievements of the Second Five Year Plan, more measures will have to be taken to see that public opinion is mobilised, that the vast resources in man-power, skill, intelligence and industry of the Indian people are fully utilised.

Now, Sir, I have great admiration for the way in which the general Plan has been framed, and I am afraid that I would again not agree with my friend Dr. Zakir Hussain, when he thought that the Plan Frame was in some respects better than the actual Second Five Year Plan. My own view would be exactly the opposite. In the Plan Frame certain targets were accepted, but the provision made in the Plan Frame for the achievement of those targets was completed inadequate. I think the Second Five Year Plan, as it has finally emerged has largely departed from the Plan Frame because it is more realistic. The Plan Frame, if I may say so, was completely unrealistic. I can give you just two examples. In the field

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of education, the Plan Frame did accept in full whatever targets had been accepted by the country and what had been suggested by the Ministry of Education. In the field of transport the Plan Frame had accepted the targets set by the Ministry for Railways. But the actual provision made was not adequate to satisfy probably even two-thirds of what had been accepted as the target. From that point of view, the Second Five Year Plan is a definite improvement on the Plan Frame. I think a good deal of confusion has been caused in the country because that Plan Frame was placed before the country and everyone went on saying that we had accepted everything that is in the Plan Frame. In fact the Plan Frame was not accepted. It was only the financial allotments in the Plan Frame which were finally accepted and the targets modified accordingly.

Now, Sir, after these remarks about the general strength of the Plan, I would have a few comments, criticisms and observations. They are not made in any carping spirit or because I do not realise the difficulties which faced the Planning Commission but because I agree with Pandit Kunzru that it is the function of everyone in democracy to offer whatever constructive suggestions he or she can in order to strengthen the Plan which has been nationally accepted. I would, Sir, like to group my observations under five broad heads. My first observations would be with regard to what I regard as one of the weakest points in the Second Five Year Plan. There is in my view, Sir, an under-estimation of India's inherent economic strength.

[MR. DEPUTY CHAIRMAN in the Chair.]

I shall try to establish that point in a moment, but I have felt sure that the Planning Commission have not realised to the fullest extent, or even if they have realised, they have not expressed that realisation, that India's general economy is capable of bearing greater burdens than have actually been imposed in the Second Five Year Plan. And here, to a certain extent, I think my observations and my findings would run counter to what both Pandit Kunzru and Dr. Zakir Hussain have said.

My second group of observations would be with regard to the measures for the control of inflation. My third

group of observations would be about the employment patterns and the employment prospects in the Second Five Year Plan. Then, I would like to say something about the training of manpower and in that connection about education, to which Dr. Zakir Hussain made such eloquent reference. And I might here say that so far as the educational part of the Plan is concerned not only do I agree hundred per cent. with what Dr. Zakir Hussain has said, but if I may say so, I would like to agree with him two hundred per cent. The fifth group of observations I would like to offer, if I have the time, would be with regard to the foreign exchange gap and certain measures by which that gap we might try to mitigate I do not think we can overcome that gap, but we can, I believe, mitigate it.

Now, Sir, with regard to my first group of observations about the inherent strength of the Indian economy, I think that the Planning Commission have under-estimated the actual strength of the Indian economy. Of this more than one evidence is available to us. In the First Plan, it was suggested that the national income would increase by about eleven per cent. The actual increase has been eighteen per cent. Even shortly before the Plan period was coming to an end, the estimates were still wrong by, I believe, about thirty to forty per cent. The Planning Commission was not able to judge correctly the rate at which the Indian economy was growing. This is true of foodgrains, this is true of industries, this is true of almost every sphere of life. The performance during the First Five Year Plan was fifty per cent. better than the targets actually set in the First Plan. And my view is that this is due to an imperfect appreciation of the multiplier factors which operate in an expanding economy like ours. Dr. Zakir Hussain referred to it and I think he was entirely right when he said that in a Plan, the inter-action between the different sectors of the economy is one of the most important features. I believe this operates with a multiplier effect, particularly in an expanding economy like ours. I am reminded of the famous first speech which Hitler made when he became the Chancellor of the German Reich. We may not agree with Hitler. In fact no one accepts his general political philosophy, but the first speech which he made when he came as Chancellor of the German Reich, and faced an

unemployment situation of over seven and a half million, was to this effect. He said 'I shall see that there shall be no unemployment in this country within one year. And if for that purpose I cannot find any other employment, I shall employ a million people to take the stones from the Alps and throw them into the Rhine, and employ another million to take them back from the Rhine and place them in the Alps where they originally belonged.' He went on to say: "this is not as idle as it sounds. Such a programme will generate in the economy a new productive process. These men who will be paid will immediately create demand for food, create demand for clothing, create demand for housing, create demand for transport, create demand for all kinds of consumer goods. In this way, the wheels of industry which had come to a stop would again start revolving".

That is exactly what has happened in India. Once the First Five Year Plan started, there was a good deal of subsidiary development which was outside the Plan. It is the contribution of this additional development which to a large extent accounts for the fact that the national income has gone up to 18 per cent. instead of 11 per cent., as was estimated by the Planning Commission. As there has been an injection of money into the economy, the incomes have risen and as incomes have risen, new types of demand have come into the market. And as new demands have come, there have been new types of production. That process, I believe, will not have as much scope in the Second Five Year Plan as it had in the First Five Year Plan, but there is more scope than seems to have been allowed for in the Plan as it has been presented to us.

Another example of how the Planning Commission has been under-estimating the capacity of the Indian economy is the recent revision, or the proposed revision about agricultural targets during the Second Five Year Plan. When the Plan was published, the target was to increase the production by 15 per cent. over what it was during the First Five Year Plan. In the First Five Year Plan, it had already increased by fifty per cent. But then within—I do not know—may be a month, a week, may be a fortnight, it was decided that this 15 per cent. was not adequate. The production should be increased actually by 40 per cent. Now,

Sir, this is a very disturbing phenomenon. Either the first figure of the Planning Commission was right or it was not right. If it was right, then this 40 per cent. was an over-estimate, it was an optimistic estimate which had no basis in fact. If, on the other hand, the increase can be 40 per cent.—suppose it is 30 per cent. or even 25 per cent.—it means that the Planning Commission after getting all the data, after considering all the aspects of the question, after having deliberated over this matter over a year or a year and a half, could not come to any correct conclusion. And within a week or fortnight, the target could be raised to another 40 per cent.! If it is from 15 per cent. to 40 per cent., that is an increase of 300 per cent., if it is from 15 to 25 per cent., that is an increase of almost 75 or 80 per cent. Therefore, again the Planning Commission had under-estimated the strength of the Indian economy!

Now, Sir, I could go on giving examples of the way in which the Planning Commission has under-estimated the economy, but I will give only one more example. We have been talking again and again today about the gap in our resources and the moneys demanded by the Second Five Year Plan. In this connection I feel that one new factor which is developing in the Indian economy has been largely overlooked. This is the increasing monetisation of the Indian economy. In all developed countries, the bank deposits are invariably larger in amount than the currency which is actually in circulation. If I am not mistaken, in the United States, the volume of bank deposits is almost four times that of the actual money in circulation. In the United Kingdom, the volume of bank deposits is almost two and a half times of the money which is in actual circulation. In India till very recently the bank deposits were hardly half the amount of the money which was actually in circulation. Now, ever since, I think, 1939 or 1940, the volume of bank deposits has been gradually increasing, and today it is in the neighbourhood, I believe, of about 75 per cent. The way in which the Indian economy is developing, the way in which monetisation is becoming one of the established factors in the Indian economic picture, we can expect that before the end of the Second Five Year Plan the volume of bank deposits will be at least equal, if it does not exceed, the money which is in circulation in

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the country. Now, if this happens, one of the greatest difficulties of the Government, so far as bridging the gap internally is concerned, may be overcome. If this rate of monetisation goes on, these increased bank deposits will cover not only a part of the internal deficit so far as the rupees are concerned, but will also to a certain extent help in overcoming that gap of Rs. 400 crores which has been left unaccounted for. It may be that the Planning Commission has already thought about it and it may be that because the Planning Commission was aware of this increasing monetisation in the Indian economy that it left this Rs. 400 crores uncovered and said that steps will be taken to find the amounts as and when necessary.

SHRI J. S. BISHT: They have not said so anywhere.

PROF. HUMAYUN KABIR: Anyway I am making my suggestion. In due course they will certainly make their observations on it.

My second group of observations refers to the measures for the control of inflation. I do not for a moment suggest that the Planning Commission is not fully seized of the problem. They have given a good deal of thought to this problem and they have suggested various measures for controlling inflation. It is an economic truism that you can control inflation only if there is an increase in the production of goods. Otherwise, when there is an increase in the quantum of money in circulation, inflation is inevitable.

If you can go on increasing the volume of goods which is available goods and I would add, services, in that case there is no reason why there should be any inflation even if large amounts of money are inducted into the economy. Now, Sir, the ways of fighting this inflation may be three. First, by monetary measures, and I am glad to find that Government are fully alive to the situation. Certain measures have been taken and other measures are proposed to be taken, and these, I feel, will to a very large extent cover the danger from the monetary aspect. Then, Sir, there is also the question of physical control. The Planning Commission is aware of the necessity of physical control also and I think I would agree with them that physical control should not be imposed

unless it becomes inescapable. Physical control always presents certain difficulties, but there are other ways of imposing control—by diverting trade into certain particular ways, by controlling production in certain special directions. But short of that, any actual physical rationing creates certain problems, and I think the Planning Commission has regarded it as one of the last devices to be resorted to.

Then comes the question of production of more consumer goods, and this is of course the best possible method for controlling inflation. But here I think, Sir, in selecting the types of consumer goods and the types of industries, we have to keep in mind the peculiar circumstances of our country. We are short of capital but we are not short of labour. I think the Planning Commission is again right in saying that the development on these lines must be primarily through the use of labour intensive industries and methods. We should avoid capital intensive methods of production as far as possible, and develop the labour intensive methods. This should not only help to solve the problem of creating more goods but it would also help to solve the problem of unemployment—which brings me, Sir, to the third group of observations that I want to make. But, here, Sir, I will have one or two suggestions and criticisms to make with regard to the actual proposals made by the Planning Commission. So far as additional employment is concerned, there can be nobody in this House who will disagree with the Planning Commission that one of the main objects of the Second Five Year Plan is to ensure that all avoidable unemployment is eliminated. In fact, in a socialist economy there is no room for unemployment, and we will have a socialist economy only when unemployment has been completely eradicated. But, Sir, we have to consider in what types of industries and in what types of activities this pool of labour which is at present unutilised ought to be employed. I would suggest that this should be employed in types of industries and in types of services which will add permanent national assets to the country. We should not, as far as possible, squander this reserve labour force in meeting merely ephemeral current demands. If we do so the same process will continue, the vicious circle will continue. I feel, Sir, two ways in which the Planning Commission could advise the Government of India and the State Govern-

ments in tackling simultaneously the provision of greater goods and services and the problem of unemployment would be to emphasise road building and housing programmes.

(Time bell rings.)

How much time do I have, Sir?

MR. DEPUTY CHAIRMAN: You have already taken twenty minutes.

There are 31 speakers.

PROF. HUMAYUN KABIR: I will finish in five minutes. I was saying that housing and road-building would have great merit from various points of view. First of all, they can be locally organised, and the problem of transport is to a very large extent solved by a good road building programme in two ways: you employ the labour locally, and by increasing the transport facilities of the country, to a certain extent you take the burden off from the railways, and to the extent that you relieve the railways you relieve the pressure of traffic in the country. Then, so far as housing is concerned, hon. Members will agree that this is one of the weakest sections in the Indian economy. Most of the houses in the villages are not fit for human habitation—I wonder if I may say so, after all human beings are living in them—they are in any case unworthy of a civilised community. So far as towns are concerned, we are all aware that slums exist and no human being can decently live in slums. A good programme of housing will not only provide employment but at the same time create a psychological atmosphere of optimism. The proper type of housing has an impact on the general psychological attitude of the individual who lives in it. If an atmosphere of optimism is created in the country, then it will encourage the people to make a far greater effort than they could do otherwise.

Sir, I will not have time to go further into one or two industries about which I had thought of speaking, but I think there are other industries, and the Planning Commission have no doubt thought about them, where the surplus labour can be utilised. The main consideration I would like the Planning Commission to keep in view is that if unutilised labour and unsatisfied demands are brought together, mainly through labour intensive devices, we can to a large

extent meet the craving of the average citizen for various types of employment and services without any large encroachment upon our meagre capital resources.

Then comes the problem of manpower and, in particular, education. I would fully endorse the remarks of Dr. Zakir Hussain in this respect. It has seemed to me very surprising that the Planning Commission which has shown so much imagination and such a sense of realism should have departed from realism so far as education is concerned. In fact I would make bold to say, Sir, that whatever the Planning Commission's Report may say and whatever the members of the Planning Commission may say, the targets they have set are going to be exceeded. The country will never accept those targets, and with or without the Planning Commission, with or without the effort of the Government, the country is going to achieve a higher degree of literacy than has actually been set in the Plan. Sir, from 1947 to 1955 the percentage of students attending school in the elementary stage has increased from 30 to 50, and in the last two years of the First Plan the average increase per year has been in the neighbourhood of almost 4 per cent. Now, the Plan has set the magnificent figure of 12½ or 13 per cent. increase for the next five years. If without the Plan, before the Plan began or at any rate before the full impact of the Plan was felt, the energy of the country or the desire of the country could bring the percentage from 30 to 50, I am sure the country is not going to be content to go from 50 to only 60 or 63 in five years. Whatever the Commission may say, this figure will be exceeded. I am unhappy for this reason that, if it is done in an unplanned manner, the results will not be as good as they would have been if this had been accepted as a part of the Plan. The Planning Commission has, I believe, signally failed the country, and there is really no excuse for it.

I think the reason for its attitude is that it has looked at the problem of education from an entirely wrong angle. There seems to be a superstition among certain members of the Planning Commission and, shall I say, some of the economists of this country that education is not a productive service, that it does not contribute towards increasing production in the country. If only the members of the Planning Commission

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and these economists who lend them support had cared to consider what has happened in Europe and America, they would have known that the rate of productivity of a country has increased almost in direct proportion to the increase in the literacy of that country. Today also those countries are most productive which have the highest percentage of literacy. I know, Sir, that the Planning Commission has made some provision for technical education, but here again I think that they have gone about it in an absolutely wrong manner. You cannot have industrialisation in any country without widespread technical education—so far the Planning Commission agrees. But it has failed to realise the fact that you cannot have widespread technical education unless there is universal literacy. Towards that end, the Planning Commission, I believe has not only not helped but has in a way probably done a disservice to the country.

My only hope, Sir, is that this Plan is a flexible one and it is going to be revised from year to year. When the second revision takes place, I hope the Commission will rectify what is probably the greatest weakness in the Plan and see to it that things which are actually happening are given their due and proper weight. Not only that, even the way in which the Second Plan has been presented, so far as education is concerned, is thoroughly unbalanced. In the earlier Plan which had been drawn up, a figure of over Rs. 1000 crores was suggested, but in a total provision of Rs. 1080 crores, Rs. 500 crores was suggested for elementary education and Rs. 300 crores for a secondary education; in other words, out of about Rs. 1100 crores, Rs. 800 crores were for elementary and secondary education. When the Plan was revised and the figure was brought down to Rs. 650 crores, even then Rs. 450 crores was provided for elementary and secondary education, that is more than two-thirds. But the position we find today, in the Second Plan as it has finally emerged is that only Rs. 140 crores has been provided for elementary education and secondary education out of a total provision of 1 do not know what the figure is—at one stage I was told Rs. 320 crores, then I was told Rs. 310 crores, then I was told Rs. 307 crores, and some people say, it is now Rs. 297 crores. It is a shrinking figure, it is

unfortunately always being reduced. But in this reduced figure, not even 50 per cent. has been provided for elementary and secondary education. And I think every one here will agree that unless we have a broad base of elementary and secondary education, our technical education and our university education cannot be properly developed.

MR. DEPUTY CHAIRMAN: It is time.

PROF. HUMAYUN KABIR: Sir, I have practically finished but. . . . .

SHRI H. C. DASAPPA (Mysore): These are very important points, Sir.

PROF. HUMAYUN KABIR: Sir, if you will kindly allow me one or two minutes more, I shall be very grateful. I shall not take more than a minute or two.

I will just offer one or two observations about the foreign exchange gap. No. I think, so far as the foreign exchange gap is concerned, that really is the Achilles' heel of the Second Five Year Plan. The internal deficit, I believe, we can overcome through the inherent strength of the Indian economy, but the external foreign exchange gap cannot be easily overcome. In the First Five Year Plan period we were comparatively lucky, because a large proportion of this foreign exchange gap was due to the import of foodgrains, and because of our increased food production we were able to overcome that gap. But in the case of the Second Five Year Plan, it is primarily for heavy industries, and there we can do nothing much. Well, Sir, it seems to me that there are only two ways of overcoming this gap.

I do not quite agree with Pandit Kanazru when he says that he does not expect more than Rs. 200 crores of additional external assistance during the Second Five Year Plan period. Sir, I may point out that for the First Five Year Plan Rs. 298 crores were actually offered to us, but we could not utilise that amount. And if Rs. 298 crores were offered to us during the First Five Year Plan period, I am sure that now that the world has a better appreciation of the strength of the Indian economy, and the way in which India is literally pulling herself up by her own bootstraps, other countries would probably



give us more help. Therefore, if Rs. 298 crores was the provision during the First Five Year Plan period, we can at least expect that much amount now. And there is already Rs. 200 crores available as was clearly explained by Pandit Kunzru. That gives us foreign exchange to the extent of about Rs. 500 crores, and the remaining gap is reduced to something like Rs. 300 crores. For that, the only remedy is to have additional production. Sir, I would have very much liked to develop the point, but for want of time, I am unable to do it. I might, however, point out that the only remedy is to see that our production is increased, and increased as fast as possible without bothering to much during the next five years about the particular ways in which that production is increased. Thank you, Sir.

**PROF. G. RANGA:** Mr. Deputy Chairman, I wish to congratulate the country and our toilers on lands, in factories and in offices upon the success that they have achieved during the last five years in making it possible for our Government to fulfil their targets which were placed before the country in connection with the First Five Year Plan. The Government also deserve a portion of these congratulations, but nevertheless, a major portion of the congratulations is really due to the masses themselves and their contribution.

I am not at all happy, Sir, at the constitution and the personnel of the Planning Commission. Even when it was constituted in the very beginning, I expressed my dissatisfaction. If only on this Planning Commission there had been adequate representation of the agrarian interests, of the rural interests and of the agricultural workers' interests, the whole approach towards the Second Five Year Plan, I am sure, Sir, would have been markedly different.

Having said that, Sir, I would now like to draw the attention of the country to one very important fact that the Planning Commission has not laid enough stress on the need of placing ceilings on personal incomes, especially of people in towns, and on their properties. The Planning Commission has not laid as much stress on these things as it has laid on land holdings. Why has it done so? Its attitude would have been quite different if its personnel had been different, Sir. It is most essential that there should be ceilings placed on the

personal incomes of the people in the towns and of the people in the Government service, at the earliest possible moment, so that it would be easier for us to stem the tide of the rising demands that are coming up from the village officers, from the village school teachers, from the postal peons right up to the Gazetted Officers themselves. Sir, their numbers run into millions, and their numbers are likely to swell into many more millions during the next five years, in view of the increasing services that the Government of India is going to undertake and in view of the larger and larger number of people that the Government is going to employ. And if we are unable to stem the tide of the demands, then this amount of Rs. 4,800 crores would not be enough, because in that case inflation is likely to take place and higher prices are likely to rule. Therefore, their demands will necessarily appear to be more and more legitimate. What I submit, Sir, is that they can be made to be content with their present salaries and allowances, although they may be much less than what they would like to demand, only when they are satisfied that the salaries and allowances of all the other officers higher up are also being brought down, and the difference between their own salaries and allowances and those of the higher-ups is narrowed down.

Having said that much, Sir, I would like to endorse all that has fallen from the lips of my two hon. friends, Dr. Zakir Hussain and Prof. Humayun Kabir, in regard to education. In addition to that, Sir, I would like the Planning Commission, as well as the Union and the State Governments to concentrate upon adult education and upon anti-illiteracy campaigns, and in doing this I would like them not to lay so much stress upon money expenditure as upon inducing our people to offer voluntarily their own time and energy, as also other resources, in order to help them to blot out illiteracy in our country and also to help the maximisation of the literacy campaign for all the school-going children of our country at the elementary stage.

Sir, 70 per cent. of our people are dependent upon agriculture. And 64 per cent. of them own their lands and cultivate them. These are the people who deserve all assistance from the Government. On the other hand, they are going to be victimised in every way according

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to this particular plan. Very little is being offered in order to satisfy them or encourage them or inspire them. On the other hand, a number of Damocle's swords are being hung over their heads. Sir, there has been this talk of the Chinese example being followed here in this country with that same tempo that is being adopted in China, in order to help these people, as it has been put. But I would like to put it in this way. This is all being done in order to coerce them, with the result that they are now afraid of losing that little bit of their proprietary right which they have over their own small holdings in this country. It is not long ago, Sir, but it is only four or five years ago that millions and millions of our peasants in U.P., Bihar, West Bengal, Madhya Pradesh and Rajasthan have gained ownership over their lands. For ages they had been treated as semi-slaves, if not complete slaves, by all those big zamindars, talukdars, and other people, and so soon, after they have become peasant-proprietors, they are now being threatened with the adoption of the so-called Chinese example. What is the latest news that we are getting from China? An official mission had gone to China recently, which has come back. They have given us their own account of the whole thing there. They have told us in so many words that it is not real co-operation at all, but it is coercion, and it has not proved its worth, and it is dangerous also to adopt it here.

Then, Sir, my special point is this if you want the target of agricultural production to go up to 40 per cent., as is now suggested by the Planning Commission, you can achieve that target, not by making any suicidal experiments but by encouraging these peasant proprietors to go ahead with their own present activities in an accelerated manner, by offering all possible incentives that they deserve and they need. But what actually is the position? So far as cooperative credit goes, it is only 3 per cent. of the capital needs, the credit needs, of our peasantry. For the rest of it, they are obliged to depend on the money-lenders at 30 per cent., 50 per cent. and even 100 per cent. Is there any other industry in this country which is expected to pay as much price for its capital needs as the agriculturists have to pay? Who are paying this? They are the poor peasants. Why do you accuse them of being inefficient? Which

industry can possibly become efficient while it is being fleeced in this manner, bled in this manner? Having said that, I would like the House also to consider the interests of the agricultural workers. What is their present position? Only day before yesterday, my hon. friend, Mr. Parikh, gave information that their plight was the worst possible. Then, again, the Backward Classes Commission has also told the country that more than 50 per cent. of our people are socially and economically backward, and this is the section where the agricultural workers come in. Why should they be condemned to this miserable state of life in respect of food, in respect of cloth and so many other things? How can you call their existence anything but a semi-human one? How long can we possibly allow these people to live in that fashion and at the same time say that we are a civilised country and that our standard of living is going up every day? Even in the streets of the capital, even in the streets of New Delhi, you will find that methars, chammars and chamrins are wearing clothes of many pieces of cloth stitched together into some sort of garment. That is the state in which they are living. Where is all this additional money going? It is going into the pockets of the bigger people, the richer people, the middle class people, the upper middle class people and so on. Therefore, the rich people become richer and richer and the poor people become poorer and poorer.

Government is now trying to spend so much money on labour colonies in the towns, in the implementation of their social security measures in the towns, in the implementation of their labour laws for town labour. But what about extending workmen's compensation to the agricultural workers, applying the Payment of Wages Act to agricultural workers? Have they done anything for improving public health, sanitation and elementary education facilities for the agricultural workers? Nothing or little has been done. When agricultural workers say that they want the Minimum Wages Act to be implemented in their case, you say, 'How can that be done?' My hon. friend, Mr. Saksena, was asking me yesterday how much should be the minimum wage. Let it be one rupee. It cannot be less than one rupee. Is it, therefore, unreasonable on my part when I press the Government, when

I demand of the Government, that they should fix minimum prices for agricultural products? The other day when I supported my friend, Mr. Narayanan Nair from Travancore-Cochin, that there should be a minimum price for copra, my hon. friend said that it was difficult to fix any amount like that, because the peasants grow so many crops. Surely, the peasants are human beings. They are the producers. Therefore, if you think that the agricultural worker deserves one rupee at least—the peasant himself deserves one rupee at least—then you start from that and then build up and then see that the peasants get their maintenance, that the agricultural workers also get their maintenance. I do not want any kind of exploitation between the agricultural workers and the peasants. The Government is giving dearness allowance, provident fund and all the rest of it to factory labour. They should at least fix a minimum price for all these various kinds of agricultural products. You say, 'How can the middle classes be expected to pay more?' Are you not expecting the middle classes to pay higher prices for cloth by imposing your excise duty? Are you not assuring the textile mill-owners a minimum profit of 6 per cent. and even fix a reasonable price and so on? Then why are you not also prepared to do something here to fix minimum prices and tell the consumers that this is something which they have got to pay? If you are not going to do that, all your Plans, the First Five Year Plan and the Second Five Year Plan, which you are having for the industrial progress of the country are built on the sacrifice, on the blood, on the bones, of the great majority of the people in this country. Their cry of injustice, their cry of appeal to God for justice, will have to be heard by the Government in the country, whether it is a Congress Government or any other Government. Sir, the civilisation of all the countries of the world is built on the sacrifices of the peasants, but in the olden days the peasants had no voice of their own. Is that the reason why you are not doing much in regard to elementary education, a duty which has been cast upon us by our own Constitution, because, if the peasants become educated, it would be difficult for this Government or any other Government to go on ignoring their needs as they have been doing till now?

Then, there is the question of the

tenants. We want the protection of the tenants, and I am glad that the Planning Commission has laid some stress on this, but I do not want the Planning Commission to lay down rules and regulations for the State Governments not for their guidance but as a sort of directive, that the rent should not be more than one-sixth or one-fourth and so on. This should be left to the local Government to decide according to the circumstances prevailing locally. The conditions differ from State to State. But the rent has to be brought down. Also the tenure has got to be stabilised from five to 10 years so that the peasants will have the incentive to produce more, improve the land and so on.

Then, there is the question of the environmental opportunities that should be created for the agriculturists to enable them to produce more, up to 40 per cent. more. I can assure the Government that the peasants can produce—why 40 per cent. only—even 50 per cent. and 60 per cent. more, because the peasants are not like your factory workers or your officers, non-gazetted and others: they do not need any supervisors. They do not want any drill-masters in order to make them work. Without anybody to drive them they work from 3 or 4 o'clock in the morning, they go on working round the clock, as it were. Husbands, wives, children everybody works in order to produce more. Is there any hon. Member here who is prepared to say that our peasants are lazy? They are working hard, they have been working hard for ages and ages. What is the difficulty? Take irrigation itself. If you were to look to the manner in which the waters of the Cauvery are being utilised for irrigation purposes and similarly utilise the waters of the other rivers, you will be tremendously increasing production. It will go up in perpendicular manner even during the course of these five years. Even the stress that was laid on this in the First Plan is not being laid in the Second Plan. I had already made the suggestion a long time ago and I shall repeat it now that it is time that an All-India as well as State-wise insurance scheme is started for protecting crops from ravages like floods, famines, droughts, etc. What the Government has been spending by way of relief work is nothing compared to the total loss that the peasants have incurred on account of their lands being flooded. When we read that

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the Ganges is in spate, that the Jamuna is in spate or that the Indus is in spate—how many of us think apart from the food production which is going to be lost, of the losses that the peasants of the country are undergoing by the loss of what they have invested in the crops? It is most unfortunate that the Planning Commission has not thought it fit to institute these insurance schemes on an all-India as well as State-wise basis.

SHRI H. P. SAKSENA (Uttar Pradesh): What happens when there are bumper crops? You have not told anything about that.

PROF. G. RANGA: When there are bumper crops, my hon. friend is able to get more food and at cheaper prices. Your trouble is that you don't have enough.

(Time bell rings.)

Sir, is it not a scandal that a country like ours even now has to go to America and various other countries for food imports? Is it because our peasants are lazy? I have told you that they are not. They are prepared to produce all that you want and even more. Let the Government make itself responsible for the purchase of foodgrains and other produce also that they are prepared to offer and they should not be worried as to how to sell that or where to sell that. Let there be stabilisation of prices, let it be fixed in such a way that there would be some scope for the agricultural workers, for the tenants and others to go on making some progress towards a higher standard of living. Let me remind my hon. friend of what the Food Minister has said at Mussoorie which was quoted also yesterday by our friend from Rajasthan that at the end of the Second Plan the peasants' position is going to be much less favourable than that of the urban people. The peasant's income would be much lower than that of the professional classes and of the lower cadres also. The peasant's plight on the whole is not going to be improved comparatively but is going to be worse off than it is at the end of the First Plan. I have made these calculations in a pamphlet called 'Plan and the Peasant' and the Food Minister had the courage and the Food Ministry also had the courage to accept these general deductions made after a very careful study of these things.

In conclusion I would like to request the Government not to postpone this consideration of the need, not merely for stabilisation of agricultural prices but for the stabilisation of agricultural wages and all these things in relation to the total monetary circulation in this country, in relation to the minimum standard of living that you would like the peasants in this country to have as human beings, as toilers, as people who would be efficiently producing all that you want—your food, your cloth and your housing.

Lastly I don't want rural housing to be neglected. It has been neglected woefully for all these years and even now the little provision that they have made is not at all adequate. By making a reference to it you are only insulting your own Government, your Plans and also the Parliament. Therefore I want the Government to pay much greater attention to the need for raising the standards of rural housing—at least as much as they have paid to the town housing.

SHRI PERATH NARAYANAN NAIR (Madras): Mr. Deputy Chairman, I would like to touch on just three points within the time allotted to me. So much ground has been covered and I shall not go over them again nor would I like to enter into any sort of generalisation or even enter into what may be called 'basic issues'. My first point relates to what I consider to be the overriding weakness of this Plan. That weakness is highlighted in Chapter 7 of the Second Plan and also in the Evaluation Report for the year 1954-55 of the Community Projects administration. Both the Commission and the Evaluating Authority take note of the fact that in the implementation of the First Plan the degree of public participation and public co-operation which is implicit in any scheme of socialist planning has not been forthcoming and they don't blame the people for it. People are willing to co-operate. They come forward enthusiastically to participate in these developmental programmes. Their diverse faculties and urges crave for self-expression and they thirst for the psychological satisfaction that they also will, in some way, contribute to the building up of a better society, a better type of man and woman in this country. But then they do not do it and they cannot do it. Why? The Commission gives the answer. You have not created a forum through which alone the people of this

country can effectively and fruitfully cooperate in these things. You have not created a forum in this age of democratic institutions at various levels.

Now the Commission has said that the experience of the First Plan points to the urgent need for speeding up democratic institutions, sound Local Self-Government institutions, which must be made increasingly to assume the responsibility for the management of local affairs, to find the resources for it and to find a solution to their problems. That has not been done and so the Planning Commission says that this hiatus has continued to exist and they have suggested that this hiatus must be removed at the earliest possible moment. If you want your democracy to flourish, naturally it must be broad-based and based on the will of the local community, on the will of the people and you must give them statutory bodies where they can function effectively.

That has not been done. I don't deny that the Commission have made concrete suggestions in regard to this line. They have pointed out the need for development of such institutions. They have pointed out the scope and functions of these various bodies at the district level, taluk level and at the village level. For, after all, broad policies are laid down by the Commission, by the Central Government; even at the State level there is some broad policy bring laid down but the actual execution of these programmes takes place in the districts taluks and in the villages and it is done by the local officials but there is absolutely no integration of activities of these various officials—some of them experts—with any corresponding democratic institutions at that level and that is very bad. Because I have no touch on some other points, I am not going to dilate on that. Even though the Planning Commission have quite recognised the need for the development of these institutions and they have worked out concrete plans for these, when they come to the operative part of their recommendations. I am sorry to state that they have adopted completely a sort of negative attitude. Primarily local self-government and administrative reforms concern the States and they said that more experience has to be gained and the National Development Council will sometimes, in a leisurely way, take stock of the situation and do it. I am not satisfied with it.

This problem has two aspects. If you want democracy to succeed, you have to evolve democratic leadership of the people at very level and you have to simplify and reorganise the administrative process and you have to integrate both the things and that problem will not wait. Already in India there is this economic reorganisation. The Commission itself is the greatest thing in that respect and then we have already taken up this territorial reorganisation work. Now the urgent problem is that this Local Self-Government reform must be there, this administrative reform must be there and it is not enough to leave it to the National Development Council to work it out later. My suggestion is that this very urgent problem must be taken up immediately and in my opinion a High-powered Commission must go into it, not to suggest legislations in the various States but the broad directions must be there. Ever since 1920, ever since Montague-Chelmsford Reforms, in some form or other every State in this country has had experience in the field of local administration, good, bad or indifferent, and of late we have been going on increasing the net-work of Panchayats and other things but then we have to strengthen it, we have to broad-base it and organise it on a better basis. You have to give them powers and resources for this national task which is absolutely necessary, for the successful implementation of the Plan. I suggest that apart from the National Development Council, a High-powered Body must go into it and their recommendations should be implemented with the least possible delay.

The second point I have to draw attention of the House to relates to Social Services. Of course, I 2 P. M. am not against it. Rs. 29 crores have been set apart for social welfare activities and Rs. 15 crores for local development schemes and for village industries, I am not questioning it. There is need for all that. These funds are utilised through certain institutions, non-official institutions. I do not object to that either. But then I want to draw the attention of the Planning Commission and especially of the Minister to see whether these various organisations which you make use of for implementing the social welfare services, whether they do not show a tendency to degenerate into an appendage of a particular

[Shri Perath Narayanan Nair.] political party. Take the national advisory bodies at the top. Or take the State advisory bodies that you have set up, and the local implementation committees themselves either at the district level or at lower levels. You will find that—and whether that is done deliberately or not, you have to judge—only persons of a particular political persuasion are taken. And even in selecting centres, for, say, the opening of centres for creches for children or for the distribution of milk, certain areas are not selected because those who are in the management or in charge of these things, consider that the influence of certain other political parties prevails there. I have not the time, otherwise I would have given instances and if only the Planning Minister would choose to attend to these things I could quote to him any number of such instances, not only with regard to the constitution of the various committees but also the way in which you select particular institutions and even in the matter of selecting trainees. In all these you find the same thing. After all, we are building up a Welfare State, not a Party Welfare State, I suppose. I am not making a generalisation. But if these things degenerate into being appendages to a political party, then woe to the country. It will not be a Welfare State. I am not mentioning all these things in any spirit of complaint. But if you want the Plan to succeed, you have to get the co-operation of all sections of the people. Do not be petty. Do not be small; because certain political parties do not agree with you in all these details, do not keep them away. I speak with facts and I can quote any number of instances, but for want of time I am just inviting the attention of the hon. Minister to this matter which he should seriously consider.

Next I come to my third point, Mr. Deputy Chairman, and that relates to my own State, the new State of Kerala. Whenever we refer to developmental schemes for this region, we are referred to the Plan. Only the other day the hon. Home Minister said that everything possible will be done by the Planning Commission. We are directed to the Planning Commission and I think I must take this opportunity to say something on this subject. Again I say I am not making only generalisations. Our density of population, our economic backwardness, our unemployment problem,

our political and economic discontents have all been brought in here and I do not want to go into them. I have one figure with me which gives the number of joint stock companies in the State of Travancore-Cochin. That relates to the year 1951-52, for I have not been able to get the figure for the later years. This shows that at the end of 1951-52 in this tiny State of Travancore-Cochin, we had just 1,119 joint stock companies and these had a capital of Rs. 15 crores. That was all we had by way of major industries. And this capital of Rs. 15 crores in a thousand and odd companies works out to just over Rs. 1.5 lakhs capital per company. So you know what sort of industrial development we can have under those circumstances. And let me say, this sum of Rs. 15 crores includes the capital of the F.A.C.T. the aluminium company, the rayon company and some of the other big companies. And so we are industrially so backward.

I find that out this outlay of 1,800 crores Rs. 1,069 crores is set apart for Central projects or works. I just want to know how much of this money we, in this backward State of Travancore-Cochin, can legitimately hope to get. After all you have set apart about Rs. 29 crores or so for the Calcutta Port, Rs. 17 crores for the Madras Port and some good sum of about Rs. 17 crores or so for Kandla too. But you set apart Rs. 4 crores for the Cochin Port. So out of this sum of Rs. 1,069 crores that is all that we can know definitely as coming to Travancore-Cochin. Sir, it has been our unique experience all these years that in that part of India many of the good projects and major industries get proposed and they get executed elsewhere. That has been our experience with regard to the heavy electrical industry. That has gone to Bhopal. It was started in Travancore-Cochin. That is also our experience will regard to the coach factory. The coach building factory has now gone to Madras. You could at least have had a coach-building factory for metre gauge lines in Travancore-Cochin. But what I want to know in this particular connection from the hon. Minister is whether we can have the second ship-building yard in Cochin. Even as long ago as 1945 in Manu Subedar Committee went into the possibilities of developing a first-rate ship-building yard at Cochin and they were more than satisfied that all those factors which were essential

for the successful functioning of such a ship-building yard were there. In fact, everyone was agreed, not only the Communist Party, but all parties, including the successive governments there—and we have had a number of governments there, as we all know. They have all suggested this. Can we have it at least now? Now, the people of Travancore-Cochin and the whole of Kerala will be—whether we like it or not—under Central dispensation. So out of this Rs. 1,000 and odd crores, are we getting any major works? In the First Plan we had absolutely nothing by way of major works. Rs. 30 crores had been allotted and Rs. 25 crores were spent in major industries and Rs. 5 crores lapsed. In the Malabar area also out of the sum of Rs. 93 crores allotted to the Madras State, on a population basis Malabar District was entitled to about Rs. 12 crores, because roughly our population is about one-eighth of the population of the present Madras State. But we got only 9 crores. Curiously enough, in Madras there was the Congress Administration and in Travancore-Cochin also there was a Congress Administration, and even this niggardly sum in the First Plan was not properly utilised. We want to make some headway at least in the Second Five Year Plan. So I ask the hon. Minister to do something with regard to these major industries especially with regard to the establishing of the ship-building yard. We have got good forest wealth and other natural resources such as pulp and other things. So we can have a factory for newsprint production. Nepa is there, of course, but that is not sufficient to meet our requirements of newsprint. There was some proposal in this respect and my information is that it has got transferred to some other place, to Mettupalayam, I think. That is not fair. With regard to the Second Five Year Plan at least.

*(Time bell rings.)*

Just one more point. I will take only two minutes, Mr. Deputy Chairman.

In the second Five Year Plan, in regard to Malabar, we are placed in a peculiarly difficult situation. Now, in Travancore-Cochin, about Rs. 73 crores have been allotted for State level expenditure. That is what is granted. If we take the same level for Malabar, we are entitled, on population basis, to schemes worth about Rs. 44 crores. All the parties had agreed and submitted

a plan which came to about Rs. 52 crores but that was not accepted. Now, will you at least do something to take the Malabar district which is also a backward area at least to the level of the Travancore-Cochin State where you allow about Rs. 74 *per capita* for developmental expenditure? As you have allowed it for Malabar, it is only Rs. 44 and it is very poor. Only recently the day before yesterday, I had an occasion to go through an article, a speech by the Collector there; he has explained that in the neighbouring district of Coimbatore—it is industrially advanced and in regard to population and other things stands on a different footing—during the first Five Year Plan, a sum of Rs. 16 crores was spent whereas for Malabar only a sum of Rs. 9 crores was spent. The Bharatha puzha scheme was not taken up; that was neglected but you have taken up the Kundah scheme and you have set apart Rs. 39 crores. Even then, what do we find? A few more villages will be electrified but apart from that, there is absolutely no hydro-electric generation project there. Now, it is no use saying that there is political discontent in Kerala. The problem there is acute but you have to look into some of these things and see that there is no justification for the people to complain about these things. We had been treated shabbily and you can just rectify it to a certain extent in this Five Year Plan. I have only indicated the broad things; I am not going into the details. I suppose the hon. Minister will give some reassuring reply to the people of the new State of Kerala when he replies to the debate.

SHRIMATI T. NALLAMUTHU RAMAMURTI (Madras): Mr. Deputy Chairman, for the past several months this great Plan had been discussed and frankly thrashed out; several committees had gone in great detail into all that the Plan has to implement and in this some of us have had the good fortune to participate and give our views. Today, I have come here to express our whole-hearted support to all that the Plan stands for; at the same time, I have to offer a few remarks on certain defects in the Plan as far as women's participation is concerned, as far as child education is concerned, as far as adult literacy is concerned and as far as the medium of instruction that should be not only in colleges but also in the schools is concerned. The second Five Year Plan is a challenge to the

[Shrimati T. Nallamuthu Ramamurti.] nation, to our democracy to accept it, to work it out unitedly, wholeheartedly with devotion and dedication to the fulfilment of the objective of the Plan in the material, moral and spiritual spheres. Its ultimate aim is to increase our wealth and welfare and, above all, to attain the goal of a socialist pattern of society providing opportunities for all without disparity—I emphasise this section very strongly as it had been emphasised in all the speeches made by our Prime Minister who represents in himself the ideal son of this country with all the ideals that we have in our minds focussed strongly in him—on the score of sex, caste, group, language area or region or State. Here, Sir, I stress State because now that we are on the eve of launching the plan for the reorganisation of the States, we have to remind ourselves constantly, just as we utter the prayer, daily, 'Ram, Ram. Sita Ram', that in the working out of the ideals of the Plan, whether it is in the realm of agriculture or industry, education or social advance, the Plan should be taken to stand as a plan for the whole country. All considerations of peoples on a purely State-wise basis or on a linguistic basis or on the area basis should be thoroughly avoided. I sound this warning because, as women, we believe in unity first and foremost. There is no geographical nor linguistic nor even cultural frontier or barrier for us and here we stoutly declare before this assembly that we resolve here and now to stand as one united, to uphold all that the Plan stands for and to do our duty by the Plan.

To achieve all this, Sir, what is most important in my view is education. Education is fundamental. It is at the root of a nation's advance in all spheres. Hence, I feel that provision of funds for education has not been adequate in this Plan. Many figures have been suggested but I would go so far as the figure demanded by our Union Education Minister Maulana Azad, at the initial stages of the Plan, not a thousand crores of rupees but a thousand and two hundred crores. This is the sum required for education alone because if you educate, you achieve everything that you want in the Plan to be achieved. I feel here that a great injustice has been done for the education of girls and women and thereby to the women's participation to the full in the Plan. Opportunities for participation in the Plan have, I do feel, been lessened. It is not that

anybody has said that women should not participate but the moment you have this disparity between girls' and boys' education, between women's education and men's education at a higher level, naturally it automatically follows that women's participation also would be limited to this extent and hence, like all my friends who are great upholders of education, who represent the various Universities here, like Dr. Zakir Hussain and Prof. Humayun Kabir, I would plead for compulsory education, free education and education for all, not only in the lower stages but all the way up to the topmost rung of the ladder, not merely collegiate education but even in the field of research.

Now, with regard to women's participation, having said that an injustice had been done,—it is subtle thing that is there in our society, as the feeling of caste in our society, I should say that even many of our leaders who acclaim from the platforms and before the public the various reforms for advance and progress for women when it comes to putting them to practice, plead practical difficulties. Women in other countries, in China and Russia, have contributed immensely to the building up of their country in the Five Year and Six Year Plans. It is true even in this country that half the reservoir of personnel resources comprises women.

In fact it is said that the girls are born in greater numbers and if health and strength of nutrition had been there the women population would have exceeded that of men and if all of them unite to vote with intelligence and discretion—it is just to say that we will stand together—in spite of everything there might be a great menace to the democracy that you have planned in the sense that they would become the rulers—not that I am pleading for that homely women's rule, but in order even to avoid that I think you should allow for women's participation on an equal basis in every sphere. If everyone is to be brought into the service of the country in working the Second Five Year Plan, women should enjoy equality not only under the Constitution in theory but in actual practice and in the mental attitude of the authorities. The other day a Bill was passed, the Lok Sahayak Sena Bill, and in clause 5 it is said 'citizen' and the interpretation was that it is applicable to men only. When the point was mooted, the Minister for Defence



said, "Well, women may come up later, but now it means men." I do not know, Sir, I feel that as a student of Constitutional law there might be some difficulties when it comes to judicial interpretation later. I regret to say, Sir, as far as my experience has been, that there is a vast amount of prejudice and apathy still on the part of many in Government and elsewhere to associate women in national and Governmental activities. This attitude may have been due to some of our previous historical factors and social background when girls and daughters received a very discriminatory treatment, in relation to sons and brothers. This of course we have tried to remedy, but the Plan should attack this psychological drawback, amongst others, that is prevalent among our people, and emphasise must be placed on all programmes of social education to destroy this mental inhibition of the common man's mind, that woman should be confined only to the home and even when she has got various other talents that she need not shine elsewhere. There may be a view and I do not say that our Members have not see eye to eye with the ability of women; otherwise we will not be here in Parliament in even this small number, as we are here, but the common man's mind is still obsessed with this kind of mental reservation, and it is that that has to be broken through if you want the success of the Plan to be achieved. I might illustrate this by saying that wherever we go, not only in rural areas but even in urban areas, we come across still the common sight of a woman loaded as a beast of burden walking far behind the menfolk, and all activities that are burdensome are handed over to her, where she is considered able, but when it comes to a question of competitive examinations and occupations, of course they say she is married—and marriage is a handicap and so on. This suggests the inferior position of women in our society. The Plan should aim at educating the masses to change this attitude towards their womenfolk. I feel the psychological aspect has been missed in the Second Five Year Plan, at least it has not been adequately appreciated. Many of our women's organisations like the All-India Women's Conference, the Women's Indian Association, the mother and now a branch of the All-India Women's Conference and organisations like the Central Social Welfare Board have worked very hard all the workers in the various women's indeed for having women's rights and

for propagating all that is necessary to bring women more and more to participate not only in ventures of social but also National service in the urban areas but all over and in the rural areas. I have to say specially here that the Central Social Welfare Board has done a great deal in bringing out women from the nooks and corners of villages and eliciting their participation in the national schemes.

Further I would like to stress that not only adequate funds should be provided for free compulsory education for all children, especially as it is a crime to deny light to any child, not only ample opportunity for education, but also proper care must be taken that the children are taught and disabused of all old prejudices and wrong attitudes. I feel that there is not enough attention paid to primary education in this respect where first and lasting impressions are created. A host of publications in the regional languages for primary schools are necessary, and it may be necessary for the Ministry of Education to employ the most competent committee to go into this question of bringing out suitable books to inculcate this idea. History, geography and even social subjects, all these have to be remodelled and from parts of our history text-books, some pages have to be torn away because they represent wrong focus and wrong history. Otherwise wrong information would be injected into the minds of our children. Not only that. To this day, especially in the primary stages, this vital feeling of caste in children is still there. Mahatmaji had worked hard for the ideal that the caste-feeling must go, but when children sit in class-rooms they talk in terms of caste. Not only the caste complex but also the sex complex is there, that a girl is inferior to a boy and that sort of thing is there and right through, in our own language, in our own vocabulary, in our talk, in our social functions I would like to stress here there should be a psychological approach to disabuse all these old outworn creeds and prepare the way for children to blossom in the right manner in order to bring into realisation all that our planning stands for. Hence rightly the emphasis on the most important problem of child education should be made. (*Time bell rings.*) Otherwise it would be a great tragedy for the nation in the years to come. Child's education of the best type that our educationists can evolve should be there.

[Shrimati T. Nallamuthu Ramamurti.]

One other point, Please give me two minutes for this, I am glad and I congratulate the Prime Minister and the Union Education Minister for stressing importance of English as the medium of expression "for scientific and technological training", and I think it has been rightly emphasised also at the conference of Education Ministers that was recently held here. I would go still further and say that if standards are to be maintained at not only university level but even at school level, English as a compulsory second language should continue. English is the medium not only for imparting knowledge of science but also for humanities. As a lecturer in politics and economics I still find difficulty in translating terms in politics into other languages, and I know as an examiner, where we conducted examinations, two board of examiners set papers and the interpretation for the same question turned out to be different and it caused a good deal of confusion. I am not saying that our language cannot come up to the level of English at any time, but the stage is not yet ready, and therefore I am very very happy that English as a medium of expression is to continue still further so that the standards may not go down.

MR. DEPUTY CHAIRMAN: It is time, Madam; I am sorry. Now I think some people will have to drop out and Members who have served on the four Committees, I am not calling them first. If there is time they will have chance.

SHRI RAJENDRA PRATAP SINHA (Bihar): I have withdrawn my name, Sir.

MR. DEPUTY CHAIRMAN: Thank you. But there are others and if they have served on the committees they will please stand by for others who have not been on the committees. Mr. Warerkar.

SHRI JASPAT ROY KAPOOR: When are we closing, Sir?

MR. DEPUTY CHAIRMAN: We are closing to-day. At 5 o'clock the hon. the Deputy Minister will reply. Tomorrow morning the Prime Minister will reply. On the details Mr. Mishra will reply and tomorrow the Prime Minister will be replying. I would request hon. Members to confine themselves to 10 or 15 minutes so that as many as possible may have the chance.

SHRI B. B. SHARMA (Uttar Pradesh): This thing of time limit should be at every stage, at the very beginning of the debate. This is something which offends us.

MR. DEPUTY CHAIRMAN: I appealed to the hon. Members yesterday even, but there are certain Members who have to be given some latitude.....

SHRI B. B. SHARMA: That makes an invidious distinction.

MR. DEPUTY CHAIRMAN: Dr. Zakir Hussain had hardly spoken in this House and so we had to give him some time.

SHRI B. B. SHARMA: I am not complaining of individuals speaking, but then this is becoming a habit with this House that most of us who.....

MR. DEPUTY CHAIRMAN: I again appeal for your co-operation.

SHRI B. B. SHARMA: I have nothing to say, Sir.

MR. DEPUTY CHAIRMAN: That is true. I again appeal for your co-operation.

SHRI JASPAT ROY KAPOOR: Sir, my impression was that we had originally allotted fifteen hours for this.

MR. DEPUTY CHAIRMAN: It has been cut down by five hours. The Chairman told the House yesterday that the debate would conclude today. And just before you begin, I will read out the decision of the Business Advisory Committee also for your information.....

SHRI JASPAT ROY KAPOOR: And of everybody else.

#### ALLOCATION OF TIME FOR GOVERNMENT BUSINESS

MR. DEPUTY CHAIRMAN: I have to inform hon. Members that the Business Advisory Committee at its meeting held today has recommended the following revised allocation of time for Government legislative and other business during the remaining part of the current session of the Rajya Sabha:—

1. Resolution regarding Proclamation issued by the President on the 23rd