

Is it the pleasure of the Council that permission be granted to Shrimati Rukmini Devi Arundale for remaining absent from all meetings of the Council from 15th May to the beginning of November 1952 I

(No hon. Member dissented.)

MR. CHAIRMAN : Permission to remain absent is granted.

**THE BUDGET (GENERAL), 1952-5
GENERAL DISCUSSION—(contd.)**

MR. CHAIRMAN : Now, we resume the debate on the General Budget. Shri S. P. Jain.

SHRI SHRIYANS PRASAD JAIN
(Bombay):

श्री श्रीयान्स प्रसाद जैन (बम्बई): अध्यक्ष महोदय, हमारे माननीय मंत्री जी ने जो हमारे आय-व्यय का चिट्ठा संसद् के सामने रखा है और फ़रवरी मास में जो उन्होंने १८ करोड़ से कुछ अधिक की बचत रखी थी, अब वह घटकर ३ करोड़ से कुछ अधिक रह गई है। अगर आप बजट को सामूहिक रूप में लें, तो आपको मालूम होगा कि जो घाटा ५६ करोड़ से अधिक का था, वह बढ़ते हुए ७५ करोड़ से अधिक हो गया है। परन्तु इतना कहने में मुझे संतोष है कि इस कमी के बावजूद हमारे माननीय मंत्री जी ने कोई नया कर नहीं लगाया है। अगर वास्तव में यह कहें तो, इस कमी के होते हुए भी जो कर नहीं लगाया है और जो बजट संसद् के सामने रखा गया है, वह वास्तव में एक अच्छा (heroic) बजट है।

देश में वस्तुओं के दाम गिर रहे हैं और इसके कारण परिस्थिति बिगड़ रही है। लेकिन फ़रवरी और मार्च में जो कीमतें गिरनी शुरू हुई हैं, उससे देश की कुछ परिस्थिति बिगड़ गई है। इस परिस्थिति

को सुधारने के लिये हमारे माननीय मंत्री जी ने कुछ पदार्थों पर से निर्यात-कर उठाया है और किसी पदार्थ पर निर्यात-कर कम कर दिया है। इसके कारण दामों के गिरने में कुछ स्थिति सुधर गई है। लेकिन मैं कहूंगा कि इस स्थिति को पूरा करने के लिये जो नये कर लगाने चाहिये वे कर नहीं लगाये गये हैं। वास्तव में यह एक संतोष की बात है। हमारे माननीय मंत्री जी ने इस सम्बन्ध में कुछ बातें कही और वे इस प्रकार से हैं :

"On the whole, the drop in the price level in recent months has been beneficial to the country's economy although the readjustment necessitated by lack of accord between costs and prices is bound to cause some unavoidable difficulties to those engaged in business. In their own interest they must now decide to cut their losses reasonably and concentrate on economy and efficiency of production."

मैं उनकी इस बात से सहमत हूँ, लेकिन यह बात असंगत नहीं होगी कि जो हमारे उत्पादन के आंकड़े हमारे सामने हैं और जिन पर राष्ट्रपति जी ने अपने भाषण में हर्ष प्रगट किया था और हमारे माननीय मंत्री जी ने भी अपने भाषण में कहा कि हमारा उत्पादन सब ओर बढ़ रहा है, यह बहुत ही हर्ष की बात है। लेकिन साथ ही साथ आज जैसी देश की परिस्थिति हो रही है, उसमें अगर पक्के माल की खपत नहीं हुई, तो हमको पक्के माल को उठाने में बहुत मुश्किल का सामना करना पड़ेगा। अगर इस स्थिति में कुछ सुधार नहीं किया गया, तो बहुत संभव है कि दशा बिगड़ सकती है।

जहां तक उद्योग के संचालकों का सम्बन्ध है वे कभी भी उद्योगों को बन्द करने के पक्ष में नहीं हैं। वे कम लाभ या थोड़े समय तक बिना लाभ भी उद्योगों को चलाने के लिये तैयार हैं। मैं इस बारे में संसद् को आश्वासन दिलाना चाहता हूँ कि उद्योगों

[Shri Shriyans Prasad Jain.]

को बन्द करने की संचालकों की बिल्कुल इच्छा नहीं है और वे हर तरह से उत्पादन को बढ़ाने में योग देना चाहते हैं। लेकिन मैं सरकार से यह निवेदन करूंगा कि जहां तक पक्के माल को उठाने का सम्बन्ध है, वह इस ओर जागरूक रहे और परिस्थिति को बिगड़ने न दे। अगर यह काम सरकार नहीं करेगी, तो आप स्वयं अनुमान कर सकते हैं कि क्या दशा हो सकती है। सरकार का कर्तव्य है कि इस परिस्थिति को बिगड़ने न दे और जिस प्रकार भी हो, उत्पादन चलता रहना चाहिये।

अब प्रश्न यह है कि उत्पादन किस तरह बढ़ता रहे। जहां तक उत्पादन का सम्बन्ध है, उसमें दो-तीन बातें मुख्य हैं : एक श्रम यानी लेबर और दूसरा रौ मैटीरियल। दोनों ही आज के नियंत्रण अर्थात् कंट्रोल के युग के और उद्योग के संचालकों के बश के बाहर हैं। जहां तक लेबर का सवाल है ट्रिब्यूनल ही बराबर उसका फ़ैसला करता है। इस प्रकार लेबर की तनवाह के बारे में झुकना पड़ता है। इस सम्बन्ध में हमारे सामने इतनी ही कठिनाई नहीं है बल्कि यह भी प्रश्न है कि जब हम रेशनलाइज (rationalise) करना चाहते हैं तो लेबर की कठिनाई हमारे सामने आती है।

दूसरा सवाल रौ मैटीरियल का है। बहुत सा रौ मैटीरियल ऐसा है, जिस पर कंट्रोल है, उसके सम्बन्ध में ज्यादा इकौनीमी (economy) करने की गुंजाइश नहीं है। जहां तक उद्योग-संचालकों का लाभ है, यदि किसी उद्योग से अधिक लाभ है तब शासन उसको घटा सकता है, परन्तु साथ ही साथ शासन को इस ओर भी ध्यान देना चाहिये कि मजदूरों का परिश्रम (मजूरी) भी उतना न हो कि जनता उसका बोझ न उठा सके। इसका कहने का यह मतलब नहीं है

कि श्रमिकों को उचित वेतन व दूसरी सुविधायें न मिलें। मेरा तो इतना ही निवेदन है कि जितना उद्योग बोझ उठा सकते हैं, उसी प्रकार वेतन आदि निश्चित किया जाय। जिन उद्योगों में प्राविडेन्ट फ़ंड लागू हुआ है; वहां करीब आठ करोड़ रुपया बनेगा। इसके प्रबन्ध के लिये शासन दे, जो लगभग ४० लाख रुपया होता है। ४० लाख रुपया आठ करोड़ के प्रबन्ध के लिये कितना दुरुपयोग है। आज जिस प्रकार उद्योगपति अपनी कठिनाइयों के लिये देहली आते हैं, उसी प्रकार मजदूरों को भी देहली आना होगा। आप अंदाज़ा लगा सकते हैं कि इस तरह से कितनी मुश्किल हो जायगी। जहां तक रुपये का प्रश्न है वह सरकार के पास जमा रहे, परन्तु जहां कि और डिटेल्स हैं, जिस प्रकार अब प्रबन्ध चलता है, आशा है कि सरकार इस ओर ध्यान देगी।

अगला सवाल यह आता है कि लोगों की परचेजिंग पावर घट गई है। मैं इस को मानने के लिये तैयार नहीं हूँ। मैं इतना मानता हूँ कि ऋय-शक्ति होते हुए भी ऋय इच्छा नहीं रही है। जनता समझती है कि मूल्यों में नीचे की ओर झुकाव होगा। कोई भी व्यापारी माल का अधिक रखना पसन्द नहीं करता है क्योंकि अनिश्चित नीति के कारण यह वातावरण उपस्थित हो रहा है। सरकार को इस ओर अपनी नीति स्पष्ट कर देनी चाहिये, तब ही इस अवस्था में कुछ सुधार हो सकता है। व्यापारी या कंजूमर कोई भी अपने पास माल रखने को तैयार नहीं है। मैं सरकार का इस ओर ध्यान दिलाना चाहता हूँ कि वह इस परिस्थिति से जागरूक रहे और स्थिति को बिगड़ने न दे।

जहां तक हमारी ऐक्सपोर्ट और इम्पोर्ट की नीति है, वह उस पर खास तौर से

ध्यान रखें। इस सम्बन्ध में मैं इतना निवेदन करना चाहता हूँ कि वह परिस्थिति को ध्यान में रखकर इस बात का फ़ैसला करें। वह पहिले से ही इस बात का अन्दाजा लगा लें कि हमको कितना एक्सपोर्ट और इम्पोर्ट करना है। वह इस बात का ख्याल रखें कि परिस्थिति को किस प्रकार हल किया जा सकता है और किस प्रकार चेंक किया जा सकता है।

दूसरा प्रश्न जो मैं आपके सामने रखूंगा, वह फ़ाइव इयर्स प्लान का है। फ़ाइव इयर्स प्लान के सम्बन्ध में राष्ट्रपति ने जो अपने भाषण में कहा है, उसके अनुसार ५५ कम्प्यूनिटी प्रोजेक्ट शीघ्र ही जारी होंगे। मेरा ऐसा ख्याल है कि इन ५५ कम्प्यूनिटी प्रोजेक्टों के जारी होने से देश की सार्वजनिक उन्नति होगी और देश आगे बढ़ेगा, लेकिन मैं समझता हूँ कि जहाँ सरकार अपने हाथ में दीर्घकालीन योजनाएँ ले रही है, वहाँ अल्पकालीन उत्पादन योजनाओं को भी अपने हाथ में ले। ऐसा करने से जो सुधार होने की गुंजाइश है, वह सुधार जल्दी से जल्दी अधिक मात्रा में हो सकता है। मैं इतना जरूर मानता हूँ कि हमारे पास पर्याप्त पूंजी नहीं है और हम अमेरिका की एड (सहायता) के बावजूद भी इन सब योजनाओं को एक साथ नहीं ले सकेंगे, लेकिन मेरा वित्त मंत्री से निवेदन है कि यदि इन योजनाओं के लिये मनी क्रियेट भी करना पड़े तो उसमें संकोच नहीं करना चाहिये। मैं मानता हूँ कि इससे इन्फ़्लेशन बढ़ेगा और इसमें दिक्कत होगी, लेकिन इस क्रियेटेड मनी से एक या दो साल में लाभ उठा सकते हैं और उसके बाद बाजार में जो टेम्पोरेरी तौर से इन्फ़्लेशन बढ़ा है, उसको वापस ले सकेंगे। ऐसा करने से लोगों को ऐम्प्लायमेंट मिलेगा, परिस्थिति सुधरेगी और देश जल्दी से जल्दी ठीक रास्ते पर आयेगा।

अगला सवाल मैं आपके सामने डाइरेक्ट टैक्सेशन का रखना चाहता हूँ। आज डाइरेक्ट टैक्सपेयर की हालत इतनी नाजुक हो गई और खराब हो गई है कि वह अधिक बोझ उठाने को तैयार नहीं है। लोगों को बहुत आशा थी कि इस बजट में यह चीज कुछ कम होगी लेकिन इधर हमारे माननीय मंत्री ने कुछ ऐसा एटमासफ़ेयर क्रियेट किया कि कोई कट नहीं हो सकता है और न उसकी गुंजाइश है कि इससे जो निराशा होनी चाहिये थी, वह नहीं हुई। यह उनके प्रचार और प्रोपेगेंडा का कारण है, नहीं तो वास्तव में देखा जाय तो कट की बड़ी आवश्यकता है।

आज नये कैपिटल का फ़ारमेशन नहीं हो रहा है और नये उद्योग नहीं चल रहे हैं और उसका कारण यह है कि टैक्स की ज्यादाती है। इसलिये मेरा निवेदन है कि यदि आप चाहते हैं कि उद्योग बढ़े, उत्पादन बढ़े और दूसरी चीजों में सुधार हो, तो लोगों के पास इतनी पर्याप्त पूंजी की मात्रा कर देनी चाहिये कि नागरिक लोग उद्योग-बंधों में अपना रुपया लगा सकें और रुपया लगा कर देश की उन्नति की ओर अग्रसर कर सकें।

कछ लोगों की यह धारणा है कि हमारे शासन का खर्च बहुत अधिक बढ़ा हुआ है और यदि शासन का खर्च कम हो जाय तो टैक्सों में कमी कर सकेंगे। मैं इससे सहमत नहीं हूँ। जो हमारी स्पेंडिंग एकानामी है और जो नई नई स्कीमें हम ले रहे हैं, ये ठीक हैं। और माननीय मंत्री ने भी माना है कि शासन के भार में हम कमी कर सकेंगे; लेकिन जो हमारी स्पेंडिंग एकानामी है और जो हमारे डबलपमेंट के नये-नये काम हो रहे हैं, और उनसे जो लाभ होगा, उसके द्वारा हम शासन के खर्च की कमी

[Shri Shriyans Prasad Jain.]

को पूरा कर सकेंगे और नया कर हमारे उपर आगे नहीं आयेगा।

कल मेरे एक मित्र ने प्रश्न उठाया था कि हमारा व्यापार यू० एम० एम० आर० से क्यों नहीं हो रहा है और उन्होंने इसके लिये गवर्नमेंट को जिम्मेदार ठहराया था। मुझे तो यह बात सुनकर बड़ा अचम्भा और ताज्जुब हुआ। गवर्नमेंट इस बीच में कहाँ आती है? जहाँ तक गवर्नमेंट का सवाल है, कोई पाबन्दी गवर्नमेंट की तरफ से नहीं कि हम सोवियट रशा से व्यापार न कर सकें। सोवियट रशा तो साफ्ट करेंसी में है, हाई करेंसी में नहीं है। सोवियट रशा के साथ व्यापार करने में कोई दिक्कत नहीं लेकिन व्यापार करने में तीन प्रधान चीजें होती हैं। पहले यह कि जिन वस्तुओं को हम चाहते हैं वे मिल सकती हैं या नहीं, और दूसरे अगर मिल सकती हैं तो किस कीमत में मिल सकती हैं, ताकि हमें वे और जगहों के मुकाबिले में सस्ती पड़ें, तीसरे उसकी क्वालिटी क्या है। मैं आपको अपने तजुबों के आधार पर बता देना चाहता हूँ कि हिन्दुस्तान के व्यापारियों ने सोवियट रशा से सम्बन्ध किया, उनसे कोटेशन लिया, लेकिन इसको कहने में मुझे दुःख होता है कि सोवियट रशा के व्यापारियों में व्यापारिक मौरलिटी या व्यापारिक प्रवृत्ति नहीं है। मेरा अपना खुद का तजुबा है। उनके जो हिन्दुस्तान के ट्रेड एजेंट हैं उन्होंने कोटेशन दिया और कोटेशन देने के बाद और उसे स्वीकार करने के बाद जब वे उसको रशा भेजते हैं तो फिर वे कोशिश करते हैं कि जो कमिटमेंट दिया है, वह किसी न किसी प्रकार से खत्म हो जाय। इसके अतिरिक्त जब माल आता है, तो जो नमूना दिखाया जाता है, उससे भिन्न होता है और जो हमारे टर्मस होते

हैं, उनके अनुसार भी नहीं होता। तो हमारा ऐक्सपीरियेंस है कि उनका जो व्यापारिक मारल है वह कुछ कम स्टैंडर्ड का है।

THE MINISTER OF STATE FOR FINANCE (SHRI MAHAVIR TYAGI):

वित्त राज्य-मंत्री (श्री महावीर त्यागी) : कम्युनिस्टिक मारल स्टैंडर्ड है।

SHRI SHRIYANS PRASAD JAIN:

श्री श्रीयांस प्रसाद जैन : जी हाँ। इस कारण हमको दिक्कत हो रही है।

एक भाई ने यह प्रश्न उठाया था कि हमको रुपये का रिक्वैल्युएशन कर देना चाहिये। लेकिन जब हमारी परिस्थिति इस प्रकार की है कि हम अपना माल अधिक से अधिक संख्या में बाहर भेजना चाहते हैं और हमारे यहाँ पक्के माल का इतना उत्पादन ही रहा है कि उसकी खपत देश में नहीं कर सकते, तो ऐसे समय में रुपये का रिक्वैल्युएशन व्यापार के लिये हानिकार होगा। हम तो चाहते हैं कि हमारे उत्पादनों का दाम इतना रहे कि हम दूसरे देशों से कम्पीट कर सकें और अपना माल अधिक से अधिक संख्या में भेज सकें।

हमारे सामने जो सबसे मुख्य प्रश्न है, वह मेरी समझ में फूड का है। मैं माननीय मंत्री को कांग्रेसुलेट करूंगा कि उन्होंने फूड की सबसिडी उठा ली है। यह वास्तव में उन्होंने एक सही रास्ते पर कदम उठाया है। फूड की प्राइस-सेज को कम करना जरूरी है। कल मैं अखबार पढ़ रहा था, तो मैंने देखा कि हमारे माननीय फूड मंत्री ने दो-तीन सुझाव हमारे सामने रखे हैं। एक तो यह है कि फूड के प्रोक्योरमेंट की जो प्राइसेज हैं उसमें इस तरह का एडजस्टमेंट

किया जाय कि अधिक से अधिक मात्रा में फ़ूड प्रोक्वोर कर सकें। दूसरा मुद्दा यह है कि एक जोन से दूसरे जोन में जो फ़ूड जाता है उस मूवमेंट का जो कंट्रोल है उसे उठा लिया जाय। तीसरे कुछ प्राविसेज को कुछ दूसरे प्राविसेज से इस तरह लिंक कर दिया जाय कि जो डेफिसिट एरिया हैं, उनको सरप्लस एरिया से लिंक कर दिया जाय और एक दूसरे से इतना सम्बन्ध हो कि जो दाम आज हम दे रहे हैं, उससे कम देने पर ही हमारी आवश्यकता पूरी हो जाय।

एक साहब ने कहा था कि अगर हम अपने प्रोक्वोरमेंट की प्राइस इस प्रकार रखें कि ज्यादा से ज्यादा जमीन फ़ूड के काम में ला सकें तो अच्छा होगा। एक हद तक यह बात ठीक है कि आप फ़ूड की प्राइसेज कुछ थोड़ी ऊंची कर सकते हैं, लेकिन अगर प्रोक्वोरमेंट की प्राइस इतनी ऊंची कर दी कि अनाज बहुत महंगा हो गया तो उससे यह खतरा भी हो सकता है कि उसका असर उत्पादन पर पड़े, क्योंकि 'The more you pay the lesser you get the work' इसलिये मेरा कहना है कि एक-दो रुपया इधर-उधर करना तो ठीक है लेकिन अगर ज्यादा आपने किया तो बजाय इसके कि फ़ूड का उत्पादन बढ़े, उससे आलसपन और बेकारी बढ़ेगी। बस मुझे इतना कहना है।

(For English translation, see Appendix I, Annexure No. io.)

DR. B. R. AMBEDKAR (Bombay) : Mr. Chairman, I propose to begin from the point from which I had to leave off, before, my observations on the President's Address. The House will remember that when I had to break off, I was dealing with the question of food subsidy. Today I find myself in a much better position to deal with the matter, because in

the interval we have had a statement from the Finance Minister justifying why he has taken what might be called a 'political roundabout'. The explanation that the Finance Minister has given is an explanation which I think is more intended to frighten people from demanding any subsidy with regard to food. His explanation is this, that if he at all must do anything, in the matter of food subsidy, he must do it in a manner so that he might be able to maintain the price level at the level it stood in the last year. That is, I believe, his starting premise. And then he develops this premise by saying that if on the basis that the subsidy is given only if he maintains the last year's price level, if the subsidy is to be confined to industrial areas, he would be required to pay Rs. 60 crores; and if that subsidy is to be extended to the rural area, he will be required to pay Rs. 90 crores. Obviously if these figures are correct, they are quite calculated to moderate the spirit of the great enthusiasts who want some kind of food subsidy to be given, so that the misery of the consuming classes may be alleviated to some extent. So far as I understand, nobody has pitched his flag so high as it has been represented to be by the Finance Minister. So far as I have been able to pursue the discussion that has been taking place in the various newspapers, nobody has said that you must give subsidy to such an extent and on such a magnitude that the price level of this year would be the same as the price level of last year. Nobody is demanding that. Secondly, Sir, with regard to the question of the rural demand which has been put forth by the hon. the Finance Minister as a ground for refusing subsidy, I am sorry to say that he has now agreed to accept that contention when the same has been urged upon him for the last several years and which he has repudiated all along. I am sure that it has been the demand of the provincial Ministers that if you are giving subsidy, you must not make a discrimination between the industrial population and the rural population. You must give subsidy to all or you must give subsidy to none. That has been an old old argument.

[Dr. B. R. Ambedkar.]
But I do not remember a single Finance Minister or a single Food Minister—and we have had a series of them one after the other—having ever agreed to that proposition. It has always been the policy or the contention of the Government of India that in the matter of allocating subsidy, certain classifications must be made. A classification must be made

THE MINISTER FOR FINANCE (SHRI C. D. DESHMUKH) : On a point of information, Sir. The system of subsidy whereby only industrial towns were subsidized was adopted only last year.

DR. B. R. AMBEDKAR : Sir, the demand that the subsidy should be extended to the rural area is not a new thing at all. No Government of India, so far as I remember, has ever agreed to that demand.

SHRI C. D. DESHMUKH : What I meant was that before last year the subsidy was given to rural as well as urban areas ; so, no such contention could have been made.

DR. B. R. AMBEDKAR : If that is so, then it is all the worse for the Finance Minister, I should say- If in the past you have accepted the demand that subsidy should be given to all, then I do not quite understand why you should resile from that position now.

SHRI H. N. KUNZRU (Uttar Pradesh) : Whatever may be the demand, he has said in this connection that subsidy was given not merely to industrial centres, but to all urban and rural areas. Is that a fact ? Was subsidy given to those rural areas where there was a large heavy deficit in the country as a whole, in accordance with the recommendation of the first Food Policy Committee ?

SHRI C. D. DESHMUKH : My point was that the subsidy was not confined only to the industrial areas except during last year.

DR. B. R. AMBEDKAR : My contention has been that because you cannot do the very best, let not the better be the enemy of the good. Do whatever good you can; if you cannot do it better, the country will be prepared to excuse you, because of your limited resources. But because you are not preparing to do even the good, when you agree to do it, by making a provision of Rs. 25 crores in the Budget, I think the public will have a legitimate right to complain.

Sir, I would like to draw the attention of the Finance Minister to what the Chancellor of the Exchequer has done in England in the course of his Budget. He knows, I think, much better than I do. I have collected my facts from newspapers and other magazines where I have been able to find a certain analysis of the Budget presented by the Chancellor of the Exchequer to the House of Commons. Now, Sir, confining our attention to the matter of food subsidy, I find that in the year 1950 in England, the food subsidy was £480 million. In the last Budget the subsidy has been reduced—there has been a cut of £160 million. Well, so far as this part of the Budget of the Chancellor of the Exchequer is concerned, probably the hon. Finance Minister may take comfort in the fact that after all he is not doing something different from what the Chancellor of the Exchequer has done in England. But if you look at the other side of the picture of the Budget presented by the Chancellor of the Exchequer in England — taking the other side, the counterbalancing proposals of the Chancellor in England—I find that while the subsidy has been reduced, there has been an increase in income-tax relief to the extent of £2.228 million. Secondly, there has been an increase in family allowances to the extent of £37 million. There has been a considerable increase in pensions. There has been an enormous increase in the housing subsistence. Now, all these reliefs which have been provided for by the Chancellor of the Exchequer in his Budget beyond question have the

effect of increasing the purchasing power of the consumer. If there is so much increase in the purchasing power of the consuming community, it matters very little if the subsidy has been reduced by £167 million.

What are the reliefs that our hon. friend the Finance Minister has provided for in his Budget ? Nothing. The level of taxation, whether of direct or indirect character, is just the same. The purchasing power of the people remains where it was. In addition to that, he is now increasing the cost of food. This I find to be a fundamental difference in the approach of the hon. Finance Minister to the problems of the people and that of the Chancellor of the Exchequer. I think my hon. friend the Finance Minister may well consider whether he might not copy something from what the Chancellor of the Exchequer proposes to do in England for increasing the welfare of the people.

9 a.m.

Now, Sir, I have not been able to exactly understand what position the hon. Finance Minister proposes to take. But I want to put it in the best light because I know he is an honest person with the greatest good of the people at his heart. What is he trying to do ? So far as I have been able to understand the policy of the Government of India with regard to food, I do not think that the hon. Finance Minister is opposed to subsidy. If I put his position correctly as I understand it, he is in favour of subsidy, but his position seems to be that the subsidy instead of being granted to the consumer ought to be granted to the producer, either in the form of grow more food grants or in some other way. His object, logically speaking— I do not find any difficulty in accepting its validity—is that if you produce more food in the country, prices will fall, consumers will benefit and subsidy to the consumer may then not be necessary. I believe that I have stated his position somewhat Correctly if I have understood it. He wants subsidy, but he wants it to be given to the producer and not to the consumer.

Well, Sir, that may be one kind of approach, different though it may be from the line of approach which some of us take. The question I think that we have to ask with regard to this attitude is this : Which is going to benefit the people quickly ? So far as this subsidy for the grow more food policy is concerned, I do not think that it could be contended by the Government that that subsidy has been of any consequence so far as the production of food is concerned. I think it is not necessary for Members of the Opposition to cite any authority when we know as a matter of fact that the Reserve Bank, in one of the investigations which it undertook, reported that the grow more food policy has been a complete failure. Obviously, therefore, the policy of not giving subsidy to the consumer, but giving it to the producer, has not produced the effect desired by the hon. Finance Minister.

The second thing which I find why this emphasis on the grow more food has failed is because of the contradictory policy which the Food Department, or the Government of India, has been following. On the one hand, they have been giving subsidy to farmers and others to provide more food. At the same time, they are giving encouragement for the production of what are called cash crops, which are every moment competing with the production of food. A farmer finds it much more to his advantage to produce cotton, seeds, black pepper and things of that sort. He does not care for the growing of more food. Surely, if the Government's objective—and firm objective—is to produce food, Government ought to have taken some steps in order to curb the tendency on the part of the farmers to produce something other than food.— That, Government has not done. The result is that we have in this country two competing economic activities so far as agriculture is concerned, the cash crops *versus* food production.

The result is that notwithstanding the Grow More Food Campaign and the amount of money that has been spent, we have not been able to pro-

[Dr. B. R. Ambedkar.] duce more food so as to make any impression upon the food prices. The question that I would like to ask the hon. the Finance Minister is this. Would he or would he not realise that if his object is to reduce prices by the production of more food, and if that object has failed, would he still continue to penalise the consumer and not give him any subsidy or offer him any kind of relief from the distress from which he is suffering ? That is the point. There is no dispute that some kind of subsidy is necessary in this country in the situation in which we find ourselves. The whole question is, at what point the food may be supplied, at what point the subsidy may be given, to the producer or the consumer. I make this observation in the hope that the hon. the Finance Minister will reconsider the line that he has been pursuing, namely, that our immediate problem could be solved more by giving subsidy to the producer and not to the consumer. He may succeed. As we know, originally, our Government, when I was a member of it, had announced that we must achieve self-sufficiency by the year 1952. Our Prime Minister, day in and day out, emphasised that after 1952 we shall not import a single grain of food from outside. Today, I think I am right in saying that the Government of India have realised that reaching self-sufficiency in 1952 was an idle dream. They have now proclaimed that we will achieve it by 1956. God only knows. The target is always receding ; it goes back and back. We do not know for how many years the consumers in this country will have to undergo this agony and allow the Finance Minister and the Minister of Food to delay the thing, by trying as if in a laboratory, the various ideas, the various proposals and the various schemes they have in their mind. I do not wish to dilate upon this subject any more.

Sir, I would now say a few words with regard to the General Budget as a whole. The Budget undoubtedly in every country is an expression of

the functions which a Government undertakes towards its people. There was once a time in this country when the function of the British Government was to collect taxes and to maintain law and order. The welfare of the public, the well-being of the people, their educational advancement, public health, unemployment, or any of those remedies and reliefs, which were now found functioning on such a large scale in the Budgets of the various European countries, had no place. Not only they had no place in the Government but the Government itself had not accepted any liability on that account. We thought and we hoped that when this country became independent, that aspect of the matter would change, that the Government would not be merely a Government of an agency to collect taxes and a magistrate to punish people for wrongful action, that the Government would do something more, that the Government would assume the function which all civilised Governments have assumed in the 20th century. Sir, can anyone scanning the Budget which has been presented to this House say that they can find any trace of any other functions, which all modern civilised nations and States assume to themselves, reflected in the Budget of the Finance Minister ? I can find nothing. We are still repeating the old history of the British, namely, to collect taxes, to punish offenders. No provision is made for all the social benefits which are conferred upon the poorer and the lower classes in other countries in the world. I want to ask the hon. the Finance Minister : "Can he promise us, as he had been promising in the case of the food subsidy, that we will be self-sufficient in food in 1952, if not in 1952 it shall come in 1956, if not in 1956 it shall come in the year 1960 ? " There is some hope, so long as there is a fixed day or a promised day of the arrival of the new regime. Can he tell us that we can tread upon the path of other countries, which have been following so far as social services are concerned ? He has said none. The whole thing in the Budget, to put it in a nutshell—it has been put, I know, by other speakers before me—

the crux of the whole matter in this country is that the Army is eating up into the vitals of the funds that are necessary for the well-being of this country. We have, in a total Budget of Rs. 404 crores, a sum of nearly Rs. 200 crores spent on the Army. It is difficult to understand this position. Sir, when peace came, an order of demobilisation was passed. It was decided by the then British Government that the Army of India shall be reduced. What do we find? We find that in the year 1947, the revenue of the Government of India was somewhere about Rs. 172 crores. I am speaking of the Budget for the 8 months that was then presented from August 1947 to April 1948. The military Budget then was Rs. 90 crores. Our revenue today has grown to Rs. 404 crores, and our military expenditure has also grown to nearly Rs. 200 crores. It is an extraordinary thing that as your revenue rises, your military expenditure also rises. My view was that the reverse should be the process, that your military expenditure ought to go down. If you can reduce the military expenditure by a modest sum of Rs. 50 crores, how much good we can do to our people? We can apply this reduction of Rs. 50 crores in the Army Budget to river valley projects. The Damodar Valley Project could be completed within 3 years out of our revenue Budget instead of having to go to foreign countries for aid. If we could spend that amount of Rs. 50 crores out of the military Budget for the betterment of our own people, what amount of good we can achieve? But I have not been able to understand why the Government of India has been consistently and regularly increasing the military Budget. Sir, it is an extraordinary thing from another point of view. We have been told that our foreign policy is a policy of peace and friendship. My hon. friend, Diwan Chaman Lal, called it the Nehru doctrine. If that is the object of the Nehru doctrine, it is a welcome doctrine provided it was observed by all. Now, if the object of the foreign policy of this country is to maintain friendship and peace throughout the world, I want to know who are our enemies? C.S. Deb.

against whom we want to maintain this huge army at a huge cost of Rs. 197 crores.

SHRI J. R. KAPOOR (Uttar Pradesh): Our next door neighbour.

DR. B. R. AMBEDKAR : I do not know that. If we were informed that our relations with certain foreign countries were not happy, that there might be any time a danger to our safety and to our security, it would be possible for most of us to agree that rather than wait for the arrival of the danger, we should keep the Army ready so that in an emergency we may face the danger squarely. But we are told that we have no enemy at all in this world. Then, why this Army is maintained, I do not quite know. Secondly, the only possible enemy, if one may use that word, is probably Pakistan. And that too, on account of Kashmir. Now, with regard to Kashmir, I hope that this House will have a full opportunity of discussing that question. I did not have time to say anything, nor did I think it right to spend just a few moments on a problem so great as that of Kashmir. But surely the matter is within the charge of the U.N.O., and I do not think that Pakistan would be so foolish as to invade Kashmir or to invade this country in the teeth of the U.N.O. decision on the subject. Therefore, again, why are you maintaining this Army? I am quite unable to understand the point.

Then, Sir, on our part we never seem to be able to realise that the sooner we settle this Kashmir problem the better for us, because if the excuse for this enormous increase in our Defence Budget is to be attributed to the Kashmir tangle, is it not our duty to do something, to contribute something, positively in order to bring that dispute to an end? I cannot expatiate on the subject, but so far as I have been able to study the part played by the Government of India in connection with the negotiations that have been taking place on the settlement of the Kashmir issue, I am sorry to say that I have not read a single word which I

[Dr. B. R. Ambedkar.] can describe as a positive and not a negative suggestion on the part of the Government of India to settle this question. All that they are dealing with is the question of military allotment. The question of plebiscite is in no way new in the history of the world. One need not go back to the ancient past to find precedents for settling questions of this sort by plebiscite. After the First World War, I certainly remember there were two questions to be settled by plebiscite. One was the question of Upper Silesia and the other was the question of Alsace-Lorraine. Both these questions were settled by plebiscite, and I am sure that my hon. friend Shri Gopalaswami Ayyangar, with his mature wisdom and sagacity, must be knowing of this. Is it not possible for us to borrow something from the line of action taken by the League of Nations with regard to the plebiscite in Upper Silesia and Alsace-Lorraine which we can usefully carry into the Kashmir dispute and have the matter settled quickly so that we can release Rs. 50 crores from the Defence Budget and utilise it for the benefit of our people ?

I do not want to say much more, but I do want to say that most of us are feeling very keenly that the Defence Budget is the greatest stumbling block in the path of the welfare of this country.

There is one other thing to which I would like to draw the attention of the Finance Minister. He has already indicated in the course of his Budget speech that the prospect for this country, so far as taxation is concerned in the future, is not a very happy one. He himself has admitted that our income-tax revenue would not remain at the same level at which it has remained for the last two years. He knows very well that the export duty, which forms a very large part of the present revenue of the country, is no longer to be regarded as a permanent part of the revenue structure of this country. Export duties, which in all countries are of an unusual sort, extraordinary in their character, never

can be regarded as a natural part of the tax structure of a country and depend upon conditions in foreign countries. The moment those conditions vary, you have got to vary the tax. You may meet with a situation where you may have to abandon such duties completely. The fear which I feel on account of this prospect in the decline of revenue is this : How is the Finance Minister going to make good the losses that might occur by the reduction of certain items on the revenue side ? Will he cut into the Defence Department's Budget, or will he cut into the Budgets of the other Departments which are ministering to the social welfare of the people ? I have no idea. If the opinion in favour of the retention of the armed forces at the present level of expenditure prevails, our conditions, so far as the welfare of the people are concerned, will deteriorate considerably. I want the Finance Minister to take note of this fact and tell us something about what he would do when such a prospect presents itself to him in the concrete.

SHRI R. C. GUPTA (Uttar Pradesh) : Sir, I congratulate the Finance Minister on a very balanced Budget and I feel that the business of a Finance Minister in the preparation and presentation of his Budget is not an easy one. The Finance Minister is neither a magician nor a juggler. He has to deal with facts. He has to know what are the sources of income, and then he has to deal with expenditure. A great deal of criticism has been made in this House suggesting that the expenditure under certain heads should have been increased, as for example subsidies for food. But they have forgotten, while levelling this criticism, that the receipts shown in the Budget are not capable of being enhanced to a very large extent. If one carefully reads the speeches which the Finance Minister delivered here in the month of May and also before the Provisional Parliament, one would gather the impression that in fact the Finance Minister has tried his level best to increase the amount of receipts. He has in fact said in very clear words that it was

not possible to increase the receipts without increasing taxes, and he feels that an increase in taxation is not called for in the circumstances. So, the Finance Minister has to look to the receipts first and the expenditure next. What the Opposition seems to do is to reverse the order : they look to the expenditure first and the income afterwards.

I feel, Sir, that the hon. Minister has correctly appreciated the financial position of the country. He has grappled with facts and has presented a factual Budget. He has not tried to manipulate figures. He has said whatever he has felt on the subject in so clear words—untarnished truth.

Now, coming to the criticism that has been levelled with regard to the expenditure on Defence, my friend Dr. Ambedkar has just now said that he would cut down the expenditure on Defence by 50 crores. That is from 200 crores to 150 crores. It is very easy, Sir, to say all such things. That way somebody might even say that the expenditure might be cut down to 100 crores, but the question is whether that is feasible and proper. Sir, my friend Dr. Ambedkar, I am sure if he were the Finance Minister today, would not have levelled that criticism and he would have appreciated the difficulties which our present Finance Minister Mr. Deshmukh is feeling. The Finance Minister, in paragraph 19 of his speech delivered on the 23rd May 1952 in the other House, has said :

"So far as the expenditure on Defence is concerned, while it is not possible to secure any further appreciable reduction in the size of the Defence Budget without a reduction in the size of the Army, which the needs of the country's security rule out for the present, the search for economy in this expenditure has been continuously going on."

Now, this is a statement which has to be accepted. Dr. Ambedkar feels that there is no danger at the present moment of any outside invasion and the size of the Army can therefore be curtailed. Well, Sir, I do not see eye to eye with him in that respect and I

trust that most of the Members of this House would not agree with him, knowing as we do the position of this country. It is true that an expenditure of about 200 crores in a total revenue of about 400 crores seems to be too high. But the circumstances in which we are placed justify such an expenditure. The hon. Finance Minister has said that he has appointed some officers of his Department who will go into all these questions. They will examine the entire expenditure on Defence and if any suggestions are made he would accept them.

Similarly he has also made it plain in his speech on the 23rd May that so far as civil expenditure is concerned, he has appointed one or two officers to go into all civil expenditure. Now, if any concrete suggestions are made which could have the effect of curtailing the expenditure without sacrificing the efficiency, then, Sir, certainly such reductions in the expenditure will be carried out. Sir, after all these assurances I feel that there is no room for doubt that the Budget that has been presented to this House has been presented in the best possible manner, with due regard to the circumstances in which the country is placed.

Another criticism that has been made by the Opposition is with regard to the frittering away of sterling balances. It is true that about 200 crores of sterling balances have been spent but the explanation of the Finance Minister is also there. He says that the accumulated sterling balances of 1950-51 had to be spent and they have been spent in a most useful manner. They have not been frittered away or squandered. They have been spent on essential services and for the development of the country. These sterling balances were really earmarked for the country's progress and they have been utilised for social services and for the development of the country. At page 5, the Finance Minister says with regard to this item :

"It is not, therefore, a case of frittering away the country's assets ; the deficit could be said to be, in a sense, a planned deficit. I might mention in this connec -

[Shri R. C. Gupta.] tion that till the end of last month the deficit on current transactions had been met wholly from the surplus accumulated by us in 1950 and early in 1951 and we had not to draw on the release of 35 million for the year ending June 1952 under the Sterling Balances Agreement."

The next point to which I would like to draw the attention of the Members of this House is with regard to the question of food subsidy. It is true that the withdrawal of the food subsidy would affect the consumers to a certain extent. Nobody can deny it. But the question is : Can the Government give this subsidy in the manner it has given in the past ? A provision was made in the original Budget of about 25 crores in respect of food subsidy. But the circumstances changed on account of the reduction in export duty on certain manufactured goods and other circumstances compelled the Government to withdraw a portion of this food subsidy to the extent of about 10 crores. A subsidy to the extent of 15 crores will still be available but the question is how this subsidy of 15 crores should be utilised so as to save the poor consumer from the rise in prices of food grains. My submission is that if fair price shops are opened all over the country and such shops are subsidised out of this amount of 15 crores which has been budgeted for this purpose, the things will be quite all right. It is not necessary that the rich-people should get the subsidised food at a lower price. They can pay for it. Therefore, I would humbly suggest that fair price shops, where poor people can purchase their food grains, should be established throughout the country and the amount of 15 crores which is still available for food subsidies may be spent in that direction.

The other point that I would like to submit in this connection is with regard to production of food grains. There is no doubt that during the last 4 or 5 years, the Central Government and the State Governments all over the country have been trying their level best to increase the food production. But it is equally true that no

substantial results have been attained. It is not that there has been any failure on the part of the Government to spend money on this Department of Agriculture, but there have been causes beyond the control of the Government and the State Governments which have resulted in the really deficit production of food grains all over the country. We have had natural calamities like droughts, floods, hailstorms and so on and so forth. But that is no satisfaction to us that because of these calamities the food production has not been increased. What people want is increased food production. Now we have to see how is that going to be attained. My suggestion in this respect will be that if intensive cultivation is resorted to, it will produce better and earlier results. The need of the country is more irrigation and more manure than anything else. With intensive cultivation, I am sure the food production will increase,

There is one more suggestion, Sir, which I would like to make in this respect and it is this. There should be a rigorous control on imports. Our import policy requires a little more modification. There are a very large number of goods which are still being imported into the country which are not absolutely necessary for our bare existence, as for example, consumer goods, cosmetics, toilets, glass goods and so on and so forth and a very large number of articles are being imported into this country. Even cotton cloth and woollen cloth are being imported in large quantities from outside countries. I do not consider that such imports are necessary. Let our countrymen wear cloth produced in this country, let them wear woollen cloth produced in this country ; let us not depend on other countries. Let us curtail imports to the minimum extent. Only capital goods and machinery etc. which may be necessary for our immediate purposes should be imported and nothing else should be imported. There should be a rigorous and serious control of our import policy.

Lastly, Sir, I would make a few suggestions with regard to the educationa

pol cy of the Central Government. The Ministry of Education has issued a book which gives in a very clear form all tht. activities of the Department. But I feel that education is a subject which requires, like the Railways, a separate Budget altogether. The importance of education cannot be underrated. It is a very important subject and it will solve all the problems which are facing the country. We find really very little literature given to us on this Department of Education. Some of the activities of the Education Department needs publicity. I find from this booklet which has been distributed to us that a very large number of studentships and scholarships and other kinds of aids are obtained by our Government from foreign countries. Our experts and students from all over India are being sent for foreign studies. But in fact I find that this information has to be gathered from this place or that place and so on and so forth. There is no booklet or pamphlet which contains all this information in an accumulated form. I would, therefore, make a suggestion to the hon. Minister that a pamphlet containing all such information should be published yearly or six-monthly and should be sent round to all the universities and be available for sale through the book-sellers of the Government. Such information is absolutely essential for purposes of publicity.

There is another point in this connection and it is this. Something was said here in this House that the Education Department is doing very little in the matter of military training. I do not know with regard to other States, but so far as my State, Uttar Pradesh, is concerned, we have military training up to high school standard. For university colleges we have the NCC, the National Cadet Corps. It is compulsory so far as Uttar Pradesh is concerned, but the difficulty is that there is no proper financing of the NCC. A very large number of students are available in each college and they are undergoing military training. They would be very suitable material for officers in the Military Department. But the difficulty of these institutions is

that they are not getting enough money in order to run this scheme successfully. State Governments say that it is a Central subject and the money should come from the Centre, whereas the Centre does not care for it because the Centre thinks that it is the business of the State Governments to help the NCC scheme from out of their own resources. This is a very pitiable condition. Nobody cares for this NCC scheme. I submit that this scheme should be looked into and financial aid necessary for the proper functioning of the scheme given.

Another point, Sir, that I would like to make in this connection is with regard to research in the country. At the present moment research is being carried on at various places and in a haphazard manner. I would suggest that in every province there must be some place selected by a body of experts and there alone should research be carried on; because it is not possible to carry on research at every place you like. Research requires money, trained staff and a highly talented body of researchers. Therefore, it would be proper if co-ordinated action is taken throughout the country with the assistance of State Governments and certain places or regions are fixed for doing this research work, and the research should be financed to the proper extent. I find from the Budget that out of an income of about 400 crores about seven crores are spent on education. This is a small and meagre amount for education. I submit that a substantial increase is necessary in this item of expenditure.

Then there is one other point which I would make and it is this. Sir, the present type of education which is being given to our boys and girls does not fit them to become good citizens of the country. Thousands and thousands of graduates and post-graduates are turned out by our universities every year. Their sole object is to find some service or other. The whole mentality is wrong. Our education should really be such that they should not even., think of service ; they should be so fitted that at a particular stage the6

[Shri R. C. Gupta.] should enter life and make themselves useful citizens of the country. They should not think of service at all. The whole mentality has got to be changed and for that the whole system of education has to be radically changed. Similar is the case with girls' education. It is no use thousands of girls being turned out as graduates or post-graduates or even doctors, but it is necessary that they should know how to become good housewives, good managers of the house and good mothers so that they might be useful guides for the future generation of the country.

In this connection, Sir, I would make another suggestion and that is that there should be a very rigorous control on our cinemas. These present-day cinemas are having a very demoralising effect on the morals of our boys and girls. Some rigorous action is necessary in this respect and it should be on an all-India basis. Something should be done immediately so that proper relief may be given in proper quarters at an early date, because the cinemas are having a very demoralising effect on the character of our young girls and boys. Therefore, I would make this humble suggestion that the Government should take into consideration this aspect of the matter and put a stop to cinemas which excite sex relations and other things.

SHRI H. N. KUNZRU : Mr. Chairman, the Budget before us makes us afraid not merely of the present but also of the future ; not merely because this expected surplus dwindled from about Rs. 19 to Rs. 4 crores, but, notwithstanding the optimism prevailing in the Finance Minister's speech, it seems to me that the outlook for the future is not very bright. It is clear from the Budget as also the Finance Minister's speech that our revenues from customs duties and income-tax including the corporation tax have gone down, as compared with the revised Budget estimates, and in some respects, as compared with the Budget estimates also. It does not seem to me from what the hon. the Finance Minister has said, that the yield from the income-tax

next year will be even as much as it is expected to be during the current year. How will this thing react on our inability to fulfil our obligation ? I know that the hon. the Finance Minister wants to introduce economy in civil expenditure. The Committee that he has appointed may enable him to save a crore or two, although if one remembers the recommendation of the Estimates Committee in this connection and the action taken by Government on it, one need not base any hopes on any large retrenchment as a result of the Finance Minister's Committee.

Then there is the food subsidy which will amount to about Rs. 15 crores in the current year. It is quite possible for the Finance Minister, on the very same grounds that he has given this year, to abolish the subsidy altogether and say that the poor man in the urban areas or the industrial centres ought not to be in a privileged position as compared to the poor man in other urban areas and rural areas generally. He will therefore have certain resources available to him in case of need. But I should like to deal with one other factor that will affect the State Governments also, and that is the decrease in the income-tax revenues. The decrease on account of the lowered prices will also affect the State Governments. What will be the effect of all this on the ability of the Central Government and also the State Governments to carry out the five year development plan ? That plan pre-sup-posed that the Government of India would be able to provide by means of taxation a surplus of about Rs. 130 crores in five years, and the State Governments a surplus of about Rs. 81 crores in the same period. I want to know from the Finance Minister how he views the position in this respect, I also want to know from him whether there has been any consultations between the Planning Commission and the State Governments with regard to the provision of Rs. 40 crores by the State Governments which is included in the sum of Rs. 81 crores to which the surplus of the State Governments is to amount. If our budgetary position remains unsatisfactory, we may

find it difficult to spend from our revenues even as much as we are doing now on development schemes. We are at present spending a little more than we are called upon to do strictly under the Five Year Plan. What I want to know is whether we may be reasonably certain that in the future we shall have sufficient resources at our disposal to carry out the schemes that the Five Year Plan embraces. I hear from time to time, Sir, that the Five Year Plan is going to be stepped up; if it is to be stepped up, it will involve greater expenditure. My question therefore assumes all the greater force. It is of the greatest importance therefore in this connection, to consider also our cash balances position. So far, notwithstanding our surpluses, we had to draw on our cash balances to provide the capital needed for the development schemes. We have come very nearly to the end of our balances, as our hon. the Finance Minister has informed us. We shall have a balance of about Rs. 83 crores and of this only Rs. 40 crores will amount to the unspent balance of the foreign aid received by us, which means that the sum available to us for development projects will be of the order of Rs. 40 crores; and the deficit is of a substantially greater magnitude as the Budget presented to us shows. We have been kept going so far, I think, by foreign loans, as the money that we have received from internal loans is not very substantial. How long is this state of affairs to continue? Are we in future to depend for all the capital required by us for the Five Year Plan on foreign assistance only? The Finance Minister has said that no nation can depend altogether on foreign assistance without losing something that is vital to the country. I expect him therefore to tell us what steps he proposes to take to induce the people of this country, particularly the village people, the common man, to invest money in the various loans that are permanently needed.

I should also like to know whether he has any new schemes under consideration or whether the schemes suggested by the Gorwala Committee are

exhaustive. If we are to depend on foreign assistance entirely, then notwithstanding the fact that the attitude of the United States Government towards us has changed for the better during the last few months, one cannot be happy that we should depend for a substantial part of the capital which we need either on American assistance or on assistance from other foreign countries.

In this connection, Sir, I should like to say a word about the trade between India and Pakistan. The trade was resumed last year. Great hopes were entertained from it. I find from the figures that have been supplied to me by the Commerce and Industry Ministry that the difference between our exports and the imports from Pakistan amounts to about Rs. 64 crores. Now, two questions arise in this connection. Have we received from Pakistan the jute that it had agreed to supply, or, is the reduction in the hours of working of the jute mills due to the failure of Pakistan to honour its obligations in this respect? I understand that the value of the raw jute imported from Pakistan is about Rs. 88 crores. If we had got more jute, probably the imports would have been greater. It is therefore important to know why our exports to Pakistan are so limited. They amount only to about Rs. 40 or 41 crores. Has Pakistan refused to take from us anything that we could reasonably ask it to take, or, have we too been unable to fulfil our part of the contract in regard to the supply of things needed by Pakistan from India? I hope, Sir, the Finance Minister will throw some light in this connection.

I should also like to have some information on another point. I understand that although the adverse balance of trade between India and Pakistan amounts to about Rs. 64 crores, the adverse balance of payments amounts to only Rs. 27 crores. What is this due to? I was surprised when I learnt this, and I hope that the Finance Minister will be able to throw some light on this.

[Shri H. N. Kunzru.]

And now, Sir, before I pass on to the other things, I should like to ask the Finance Minister what the position is with regard to the money that Pakistan owes to India. I gather from the press reports, that the recent conference at Karachi dispersed without arriving at any conclusions. I also see from the explanatory memorandum that even the Government of India are not certain yet with regard to the total amount due from Pakistan. Now, will the Finance Minister be good enough to give us full information on both these points ?

io a.m.

And now, Sir, I should like to say a word about our river valley projects. I cannot go into them at any length, but I cannot help referring to the Damodar Valley Corporation, the affairs of which have been repeatedly brought to the notice of the Government during the last two years or so. I gather, Sir, from the report of the Estimates Committee that the Damodar Valley Corporation has too many technical advisers and that, as a result of it, it is receiving conflicting advices and constantly changing and chopping its programme, so that no one knows at any time whether the Corporation has any definite programme before it. No one yet knows, Sir, what the final budget estimate of the cost is. The project was expected to cost Rs. 55 crores. I understand now that the cost will not be less than Rs. no erores. It may rise further. Cannot the Finance Minister do anything to bring this Corporation to its senses ? If it has got too much power under the Statute that has brought it into existence, surely he can put pressure on the Government to amend the Statute so as to bring the constitution of the Damodar Valley Corporation into line with the constitution of the other bodies responsible for the other river valley projects that we are executing.

An equally amazing thing, Sir, is that although we have the Indian Stores Department in London and the Director-General of the Supply Mission in America, the Damodar Valley Corporation is allowed to purchase its

supplies independently of these organisations. Why has this permission been given ? If our missions are discharging their functions well, there is no reason why the Damodar Valley Corporation should not be compelled to make use of their services. Obviously, these missions are in a better position to buy better material at a cheaper cost than the Damodar Valley Corporation.

Lastly, Sir, I should like to draw attention to the fact that contracts are being given by negotiation without competitive tenders being called. Has this not come to the notice of the Finance Minister yet ? If so, I should like to know what action he has taken to stop this undesirable step. Is he further aware or not that the consultants are sometimes employed as contractors or as suppliers of the materials required by the Corporation ? Is there any limit, Sir, to the irregularities of which this Corporation has been guilty ? And will they ever be brought to an end or not ?

Well, Sir, the Estimates Committee has made recommendations of a general character. I shall refer only to two of them, and that is that the Board—all Boards—should supply quarterly reports, progressive reports, of the work done and the expenditure incurred by Government, and that these reports should be placed before the Legislature. I should also like to suggest that the practice of appointing too many advisers and consultants ought to be discontinued as early as possible.

And now, Sir, I wish to deal with the defence estimates which have been the target of attack from so many quarters. It is not a pleasure for me, Sir, to defend the heavy military expenditure that we have to incur. But our Government, after making every effort to reduce it, has been driven to the conclusion that unless the situation improves from the point of view of the security of the country, it has no option but to bear the heavy military expenditure which seems intolerable to so many hon. Members.

In this connection I should like to refer to a matter of great importance. Last year, Sir, I drew the attention of the other House to the jeep scandal and this year I have to draw attention to the purchase of anti-tank grenades by the Government of India. I should like to know the total value of the contract that has been entered into with a London firm. I should further like to know the date on which the contract was signed and the name of the firm which has been asked to supply these grenades. Has it got anything to do with the firm which was asked in July 1951 to supply 1,007 jeeps by September 1952, a firm which has failed to supply anything even remotely approaching the quantity that it had agreed to supply ? I should also like to know, Sir, what the financial position of this company is and whether it supplies or has supplied grenades and ammunition to the British Government. I want to have a definite reply to all these questions, in order to know whether adequate care was exercised by the High Commissioner's office in placing this contract. Sir, it is surprising that although we are buying anti-tank grenades in France, the contract has been given, not to a French firm but to a London firm. I think that the natural and the prudent course would have been to have chosen a French firm through our Ambassador in France, but this has not been done. And why has this not been done ? I understand that owing to the existence of the middleman and possibly owing to other reasons the price that has been charged to us is higher than the price at which these grenades can be purchased in France. I want to have a definite reply on that point. How is it that when we have an Ambassador of our own in France, he is not consulted ? He is not asked to advise the Government with regard to the placing of the contract, but the High Commissioner in London is asked to obtain the goods from France. That is a topsy-turvy procedure which reflects no credit on the Government of India. That is not the attitude to adopt. Anybody who takes an interest in military affairs knows that France is not the only country that supplies anti-tank grenades.

Belgium anti-tank grenades are well-known, both for their cheapness and quality. I understand that the U.S. and U. K. Governments are purchasing Belgium anti-tank grenades and they have been able to get them substantially cheaper than the price at which we are buying French grenades. I suppose that these Governments are buying anti-tank grenades from Belgium because their performance has been found satisfactory. How is it, then, that our Government has preferred French grenades to Belgium grenades ? If they had any doubt about the performance of the Belgium grenades, could they not have asked the Governments of the U. S. A. and U. K. for fuller information than they possess ? The whole question seems to me to be shrouded in mystery and subject to any information that my hon. friend the Defence Minister or the Finance Minister may have to give, I suspect, Sir, that we are face to face with another scandal. Before I pass on from this question I should like to ask pointedly whether the order placed with the London firm has been executed and whether any fresh orders are going to be placed for the supply of French grenades through this very firm or through another firm. I should also like to know whether the Government of India have any intention, after what I have said, to inquire from the U.K. and U.S. Governments, with regard to the quality and the price of the Belgium grenades before they decide to buy more French grenades.

Now, I should like to say a word about our Defence forces. We were told in the White Paper that was presented to the Provisional Parliament that a Committee had been appointed to inquire into the organisation and equipment of the Defence forces and that its conclusions were expected to lead to far-reaching changes in the administration and frame-work of the Army and also to economy. I shall be very glad if the inquiry has led to economy. But I am interested in the quality of our Army. If our Army has to be reduced in size, or if our Army is to be fit even to meet a second class enemy, it is obvious that its equipment and training should be of a high order.

[Shri H. N. Kunzru.] As regards equipment, I am most concerned with the most important branch of the Army, the armoured corps which has taken the place of the horse cavalry. This is the spear head of attack and it is necessary that this corps should be supplied with the most modern tanks. So long as the most powerful anti-tank gun was a 6-pounder, perhaps the tanks that we already had would have served our purpose. But we have a more powerful anti-tank gun in the 17-pounder. Have we any tanks strong enough, with sufficiently thick armour, to resist the penetrating power of the 17-pounder gun ? It is our duty, not only in connection with any scheme of re-organisation but in connection with the efficiency of the Army, to take steps to strengthen our armoured corps in accordance with modern conditions.

Another point to which I should like to refer in this connection is the anti-aircraft corps. I understand that the supply in this respect too is inadequate. I am told that it is not easy to obtain material from the U.K. and the U.S.A. But I hear from time to time that Pakistan is able to get material that we find ourselves unable to purchase. I should like the Government to look carefully into this and see whether any sources of supply not tapped hitherto are available to them or whether they can use their diplomatic influence to bring about a change in the present unsatisfactory state of things.

Now a word about the selection of the officers. The officers that I am referring to are the commanders of formations—brigades and divisions. When India was partitioned, it was inevitable, owing to the paucity of experienced officers, that officers should be chosen to command these formations because of their length of service. But is it necessary to continue to do so now ? The result of appointment by seniority, I understand, has not been very good. Besides, these commands are selection posts. It is necessary, therefore, that we should now choose officers not by seniority but according to their ability and efficiency.

Lastly, I should like to say a word about the training of the Army. Now, the officer at the headquarters responsible for military training is known as the Director of Military Training. He is a British officer. He belonged to a tank regiment. His business is to issue training memoranda from time to time, to deal with foreign courses, to advise the Chief of the General Staff with regard to matters relating to the armoured corps, etc. He has been there for five years. During this period we have been able to find a Commander-in-Chief and principal staff officers. How is it that we have been unable to find a Director of Military Training ? Is this officer a man with such special qualifications that we have kept him so long ? I understand that, although he belonged to a tank regiment, he has never commanded a tank regiment. And if so, his ability to advise the Chief of the General Staff on matters relating to the armoured corps must be regarded as very limited. Again, take the training memoranda. I should like to know what is the work done by the Director of Military Training in this respect. How many memoranda have been issued ? I know that there is dissatisfaction with the present selection for foreign courses, that is, for attending the Imperial College of Defence in England, and for attending other military courses. It does not seem to me, therefore, that there is any need for retaining this officer any more. Had he been an officer of exceptional ability, he would doubtless have been employed during the war in an important combatant position. But I understand that from 1939 to 1945 he was in charge of resettlement. I should like to draw the attention of the Government to these matters and press on them strongly the need for having an Indian Director of Military Training. I do so on no racial grounds. There are some British military officers who are men of exceptional ability and whose services we have welcomed. But it is only officers of special ability that we want; we do not want second-rate or third-rate British officers in our Army, because we can get enough such officers in this country. Besides, I think that we can

get a competent military officer in the country to fill the post of Director of Military Training.

I hope, Sir, that the Government will pay some attention to what I have said particularly because my hon. friend the Defence Minister knows that both he and I were members of the Armed Forces Nationalisation Committee and that we looked at questions from the same point of view. He need not, therefore, be afraid that any suggestions that I have placed before him are of a revolutionary character or of such a character as to be inconsistent with the policy accepted not merely by me but by him when he signed the report of the Committee that I have referred to.

K A K A S A H E B KALELKAR

(Nominated) :

काकासाहेब कालेलकर (नामनिर्देशित) :
माननीय सभापति जी, मैं मानता हूँ कि इस सभा में जहाँ तक हो सके ज्यादा लोग हिन्दी में बोलें, जिससे बाहर (सारे देश में) भी कुछ ज्ञान बढ़ सके। कुछ दिन पहले यहाँ पर एक सज्जन ने यह कहा था कि जिनको अंग्रेजी आती है वे हिन्दी में क्यों बोलें ? मैं यह कहूँगा कि जिनको हिन्दी आती है उन सब को यहाँ पर हिन्दी ही में बोलना चाहिये और हिन्दी में अगर अंग्रेजी शब्द का इस्तेमाल करना ही पड़े, तो इसमें कोई हर्ज नहीं होना चाहिये क्योंकि अंग्रेजी शब्द ही आज ऐसे हैं जिनको अधिक लोग जानते हैं, इस वास्ते हम उनकी मदद ले सकते हैं।

अन्न उत्पादन के बारे में मैंने यहाँ पर बहुत कुछ सुना। मैंने इसका पूरी तरह अध्ययन नहीं किया है। मैं अखबारों में पढ़ता हूँ तब ऐसा मालूम होता है कि हमारे देश में जितना अन्न चाहिये, उसमें १० टका अन्न कम उत्पादन होता है। अखबार में यह भी पढ़ता हूँ कि हमारे देश में जो अन्न की बरबादी होती है वह भी १०

टका है। क्या हमारी सरकार इतना नहीं कर सकती कि जो अन्न पैदा होता है उसको हिफ्जात के साथ रक्खा जाय। अनाज के भंडार वैज्ञानिक ढंग से बनाना क्या हम अमेरिका से नहीं सीख सकते हैं ? अगर हमको जितना अन्न मिलता है, कुदरत जो हमें देती है, अगर हम उसको सम्भाल कर रख सकें, तो मैं समझता हूँ कि हमारी अन्न की समस्या बहुत कुछ हल हो सकती है। लेकिन अन्न के बारे में मुझे यहाँ पर ज्यादा नहीं कहना है। मैं तो इस क्षेत्र में नया आदमी हूँ।

रोज यहाँ पर कहा जाता है कि लोगों को लश्करी तालीम दी जाय। इसके बारे में मुझे इस भवन के सामने कुछ कहना है। इसमें तो कोई शक नहीं है कि अगर हमारा देश लश्करी दृष्टि से कमजोर रहा, तो कोई भी बाहर का विजेता हमारे देश को जीत सकता है। लेकिन क्या इस कारण हमारी शिक्षा की व्यवस्था में लश्करी शिक्षा आनी चाहिये ? हरगिष नहीं। देश की रक्षा के लिये आपको जो प्रबन्ध करना है वह जरूर करें, लेकिन लश्करी शिक्षा को हमारे देश की सामान्य शिक्षा में न लाया जाय।

लेकिन इसके माने यह नहीं कि हमारे बच्चों को आत्म-रक्षा की तालीम न दी जाय। हम सब दुनिया को कहते हैं कि गांधीजी का अहिंसा का तरीका सबसे अच्छा तरीका है, हमने इससे स्वतन्त्रता हासिल की है। तो स्वतन्त्रता को सम्भालने का तरीका भी अहिंसक हो सकता है। तो क्या बजह है कि हमारी शिक्षा के क्षेत्र में, हमारे स्कूलों और कालेजों में हम शान्ति-सेना की शिक्षा से काम न लें ? हम पीस-ब्रिगेड की स्थापना क्यों न करें ? यह तो ठीक है कि शान्ति-सेना और लश्करी सेना की

[Kakasaheb Kalelkar.]

तालीम में बहुत कुछ हृदय तक गभानता होती है । इसलिये बायस्काउट से लेकर लश्कर तक हम सबसे मदद ले सकते हैं ।

साथ में हम यह ज्यादा पसन्द करेंगे कि हमारी शान्ति-सेना, जो तैयार होगी, वह पूरी पूरी सरकार द्वारा नहीं होगी । उसमें सरकार की मदद हो और उसका आशीर्वाद भी हो; लेकिन यह सेना लोक-कल्याण के नेताओं द्वारा ही बनाई जाय । सरकार का आशीर्वाद इसलिये मैं आवश्यक मानता हूँ कि इस देश में अहिंसा के नाम पर भी अगर स्वतंत्र खानगी फौजें (private armies) बनने लगे तो यह एक खतरनाक बात होगी । इसलिये सरकार का आशीर्वाद जरूरी है । सरकार की निगरानी में शान्ति-सेना की शिक्षा मिलनी चाहिये । सरकार को चाहिये कि वह सारे देश के बच्चों को, बूढ़ों को, नौजवानों को, स्त्री-पुरुषों को, सब को शान्ति-सेना की शिक्षा दे । तो मैं समझता हूँ कि इस तरह सारी दुनिया में हम एक नया तरीका बना सकते हैं ।

हमारे इस देश में महात्मा गांधी जी ने जन्म लिया और उन्होंने हमको एक नई चीज बतलाई । उन्होंने हमें अहिंसा और सत्याग्रह का एक नया तरीका बतलाया; मगर महात्मा गांधी के चले जाने के बाद गुरन्त हमने उस रास्ते को जैसे भुला दिया है । यह ठीक नहीं हुआ । हम लोगों में जो बुद्धि और शक्ति है और हमारे पास जो हृदय सिद्धि है, सब लगाकर शान्ति-सेना के लिये हमें कुछ न कुछ करना चाहिये ।

जिस तरह से हमारी शिक्षा के क्षेत्र में यह बात आवश्यक है उसी तरह मैं यह मानता हूँ कि हमारी विदेश-नीति में भी यह बात होनी चाहिये । फ़ारेन पौलिसी में जितने भी देशों के साथ हमारे सम्बन्ध हैं, उन्हें केवल

डिप्लोमैटिक रिलेशन पर ही नहीं छोड़ देना चाहिये । अहिंसा का प्रचार भी चाहिये । आज मैं देखता हूँ कि हमारे देश में और अन्य देशों में रूस और अमेरिका अपने आदमी भेजकर अपनी विचार-प्रणाली का प्रचार करा रहे हैं; अपनी आइडीलोजी का प्रचार करा रहे हैं । जिन देशों के साथ हमारा सम्बन्ध है, वहाँ पर हमको भी इसी तरह का कार्य करना चाहिये । पुर्तगाल और फ्रांस (जिनके मातहत चंद पीकेट्स हमारे देश में हैं), वहाँ की जनता में हमें अपना प्रचार करना चाहिये । वहाँ की प्रजा को हम अपने विचारों से प्रेरित करें । अगर हम अहिंसा की बात समझते हैं और मानते हैं, तो हमारी फ़ारेन पौलिसी में तथा हमारे शिक्षा-विभाग के कार्यक्रम में—दोनों में अहिंसा प्रगट होनी चाहिये ।

मुझे खुशी है कि हमारी फ़ारेन पौलिसी जितनी सुन्दरता के साथ हमारे नेहरू जी ने चलाई है, मैं नहीं समझता कि कोई दूसरा देश ऐसा कर सकता है । लेकिन इसके साथ ही साथ हमको उसकी कन्स्ट्रिक्टव साइड को भी देखना चाहिये । हमें और देशों में जाकर अपनी अहिंसा की और बंधुता की नीति का ज्यादा से ज्यादा प्रचार करना चाहिये ।

लोग कहते हैं कि तीसरा ब्लाक तैयार करें । तीसरे ब्लाक के लिये जितने छोटे-छोटे देश हैं, जिनके पास कोई लश्करी सामान नहीं है, जिनको लश्करी सामान बढ़ाने की आशा नहीं है, वे लोग हमारी बातों को जल्दी समझ सकेंगे । ऐसे लोगों के बीच अपने आदमियों को भेजकर वहाँ की जनता में अपनी अहिंसा की नीति का प्रचार किया जाना चाहिये ।

अफ्रीका की बात में विस्तार से नहीं करना चाहता हूँ। वहाँ की प्रजा हमारी ओर देख रही है। वहाँ की जनता हमारे कार्यों से बहुत आशा रखती है। जब से हमारा यह देश स्वतन्त्र हुआ है तब से वहाँ की जनता हमारे हर एक कार्य की ओर आशा से देख रही है। जिस तरह से हमने अंग्रेजों के हाथ से इतने बड़े देश को स्वतन्त्र किया, उसी तरह से वहाँ के लोग भी उस रास्ते की ओर देख रहे हैं और यह सोच रहे हैं कि जिस रास्ते से हमने अपने देश को स्वतन्त्र किया, उसी से वे भी एक दिन अच्छे दिन देख सकते हैं।

इसके लिये हमारी सरकार की पोलिसी में अवश्य परिवर्तन होना चाहिये और खासकर हमारे शिक्षा विभाग में। अगर हमारा शिक्षा-विभाग इस तरह से देश में बहिष्कृत शिक्षा का प्रचार करेगा, तभी हम दूसरे देशों में भी अपने आदमी काफ़ी मात्रा में भेज सकेंगे—। इस बास्ते अहिंसा और शिक्षा हमारे यहाँ अविभाज्य होने चाहिये।

(For English translation, see Appendix I, Annexure No. il.)

SHRI T. R. DEOGIRIKAR (Bombay) : Mr. Chairman, I congratulate the Finance Minister for the Budget which he has presented to the House. I know the present Budget is the basis of future welfare. State. We are looking up to Pandit Jawaharlal Nehru for political equality and I think my hopes will not be frustrated if I say that we are looking up to the Finance Minister for economic equality. I am going to restrict myself to one question and that is food and the food procurement policy of the Government. But, before I do so, I should like to quote some figures. India has got a population of 35 crores and some odd lakhs. According to the 1950 figures which are supplied to

us the production is 4 crores and 55 lakhs. That means the *per capita* consumption is 13 ounces only. If we add the imported food which is 30 lakhs, our consumption *per capita* becomes 13-15 ounces, including the seeds which we require. Our ; ro-curement is 46 lakhs of tons. That means the proportion *OL* procurement to production is io per cent. The population under statutory rationing is 4 1/2 crores and the population of non-statutory rationing is 7 crores and 94 lakhs. For the former we require 56 lakhs of tons and for the latter 17 lakhs of tons'. That means for statutory and non-statutory rationing the responsibility of the Government is only 73 lakhs of tons. What do we deduce from this ? I want to bring to the notice of the Government that at present production *minus* procurement is equal to our requirement. I suggest, Sir, that production *minus* requirement should be our procurement and in this connection I want to make two or three suggestions. iVy first suggestion is that those States wliich are consuming 1 /8 ton *per capita* per year and are producing more should be made to surrender the surplus. That is my first suggestion. My second suggestion is that those States which are consuming 1/8 ton *per capita* p-r year and producing that much, should be asked to adjust for themselves; and my third suggestion is that those States which are consuming 1/8 ton *per capita* per year and producing less should be given help just to make up the deficit. Exception should be made in the case of industrial areas like Bombay and Bengal. Taking these principles or suggestions into consideration we find that in India there is no uniform policy at all between one State end another. I will just give the figures The proportion *per capita* consumption per year in different States is as follows. In Assam the proportion of consumption per year is 5 maunds, in Bihar it is 3 1/2 maunds, in Bombay it is 4 1/4 maunds, in Madhya Pradesh it is 5 1/2 maunds, in Madras it is 3 1/2, in Orissa it is 4, in Punjab it is 4 1/4, in U. P. it is 3 1/2, in West

[Shri T. R. Deogirikar.]

Bengal it is 4 1/2, in Hyderabad 2 1/4, in Madhya Bharat 3, in Mysore 2-8, in PEPSU 3 1/3, in Rajasthan 1 2/3, in Saurashtra 2 1/4, in Travancore-Cochin 1 2/3, in Ajmer 2 1/4, in Bhopal 3, in Coorg 4 1/4, in Delhi 3, in Himachal Pradesh 5 3/4, in Cutch 1 1/2 and in Vindhya Pradesh 3 1/3. So, from these figures we find that the proportion of consumption in different States varies. Whereas in Travancore-Cochin every man gets 1 2/3 mds. per year in Madhya Pradesh every man gets 5 1/2 maunds. That is understandable and what is the reason for this ? If we look to the procurement policy of these States we will come to know the real difficulty. According to me Assam, Orissa and Madhya Pradesh can very well give more procurement to the tune of 10 lakh tons and our present shortage of foodstuffs can be very well made up if Government has the will and adopts a strong policy. I will just read out to you the procurement policy in these three States. Assam, for instance, is divided into different zones and in each zone the individual producers and landlords are required to sell to Government all stocks exceeding 200 mds. In Madhya Pradesh, in regard to the stocks which are taken over by Government under the levy system, the traders are free to sell such stocks wherever they desire within the State, and in Orissa, Government have the monopoly of procurement and purchases are made on behalf of the Government by agents selected from the trade. So, in other States, Government has got monopoly purchases and in these three States exceptions are made and according to me, it is not proper to allow these States to continue the present policy as it is. Ultimately, procurement and the requirements are in the hands of the States and the Central Government has got the responsibility of making up the deficit. This is not a sound proposition. So I say there are three categories of States. Madhya Pradesh, Assam and Orissa come in the first category. The population of Madhya Pradesh is 2 crores and 10

lakhs. Their production is 43 lakhs and 19,000 tons. Their procurement is only 2 lakhs and 32 thousand tons. According to my calculation, Madhya Pradesh can very well part with 17 lakh tons whereas Madhya Pradesh is giving only 2 lakhs and 32 thousand tons. That is understandable. That is also the case in Assam. In Assam the production is 17 lakhs and 48 thousand tons and Assam's procurement is only one lakh and 63 thousand tons. That is also understandable. Then in Orissa the population is one crore and 44 lakhs; their production is 21 lakhs and 35 thousand tons and the procurement is only one lakh and 16 thousand tons. According to my calculation Government can very well take one lakh from Assam, 10 lakhs from Madhya Pradesh and one lakh from Orissa. That will make about 12 lakhs. At present our deficit is 50 lakh tons. That deficit can be made up if we rigorously follow a uniform policy in all States.

I want to state just now the difference in the various States as regards procurement. In Assam, for instance, they give only 8% levy, Bihar gives 8%, Bombay gives 13%, Madhya Pradesh gives 5 % only, Madras gives 17%, Orissa 5%, Punjab gives 20%, U. P. 6%, West Bengal 13%, Madhya Bharat 7%, Mysore 17%, PEPSU 29%, Rajasthan 15%, Saurashtra 32%, Travancore-Cochin 27%, Ajmer 18%, Bhopal 9%, Coorg 25%, Delhi 1% and Vindhya Pradesh 15%— These figures show that the proportion in marginal States is just and equitable and in surplus States the proportion is too low. I think that the whole policy should be reviewed and a uniform policy should be adopted all over the States if we want to reduce our imports by, say, 10 lakhs of tons.

In yesterday's papers we read that our Food Minister was going to divide India into different zones, that Bombay is to be linked with Madhya Bharat" and PEPSU with Punjab.

I think he should not come to hasty conclusions like that because if we are going to re-orientate our whole policy, sufficient consideration should be given to the present state of affairs.

Then there is another suggestion that Government, instead of taking the whole responsibility of giving 1/8 ton or 12 oz. or 3 1/2 mds. per year per man, should take responsibility only for 8 oz. or 6 oz. and the rest should be purchased or imported from outside. That is my suggestion for the Food Minister to consider.

My third suggestion is that jowar, bajra and other millets should be completely decontrolled and control should be on rice and wheat only. Let us then await what takes place. Just as we removed controls on grams, similarly these articles should also be decontrolled, and according to my idea that will also relieve our shortage to a very great extent.

I want to bring one or two things to the notice of the Food Minister. Our statistics are horribly incorrect. I am just now going to quote what the Planning Commission has said and what "Moro from Mother Earth", a pamphlet issued by the Publications Division, has stated in its report. The pamphlet says that in 1947 'and under cultivation for food was 19 crores and 80 lakh acres and the Planning Commission gives an altogether different figure. The Planning Commission says that 'and uni^r cereals te 16 cror^s and 70 lakh acres. So this is a very great difference—16 crores and 19 crores. Then again we are told in the pamphlet that we have about 12 crores acres of land, waste and fallow, waiting for cultivation, but in the Planning Commission's report it is estimated on page 81 that only 74 lakh acres can be brought under cultivation. I cannot see who is committing the mistake—the Planning Commission or the Government publication. Then, thirdly this pamphlet was issued in July 1951 and the Planning Commission's report was also issued in July 1951-

In that pamphlet we are told that the yield per acre in India is about 8 maunds. The Planning Commission's report says that the yield per acre is 7 maunds. I cannot understand why there should be this discrepancy. Again, the Planning Commission says that the production has declined from 461 to 421 crores. I searched for the figures in the pamphlet supplied to us. I know therefrom that the production had never gone up to 461 crores. I have got figures with me to show that the Planning Commission's statement is not correct. Again, in that pamphlet, we are told that by 1951 the production under self-sufficiency has increased by 34 lakhs and in 1950 they say that 55 lakhs loss was due to floods etc. At least there should be unanimity as regards the figures which Government and the Planning Commission have published. That will be a basis on which to think as regards the future. My contention is that the figures supplied to us are incorrect. We nowhere find that 14 lakhs is our increase in the Grow More Food Campaign. I shall be thankful to the hon. the Finance Minister if he points out to me where these 14 lakhs have come from. I do not find them anywhere and therefore I am requesting him just to point out to me how these 14 lakhs are added to our total production.

Sir, I heard the speech of Dr. Ambedkar. I want to say only this much, that India is not England. We are an infant country and England is a grand old country. Let us not compare ourselves with England. We have got our own problems, our own difficulties, and nothing will be gained by comparing ourselves with England.

As regards reduction in military expenses, he said we could easily reduce our expenditure by Rs. 50 crores. There are bound to be no two opinions about it. Though everyone of us would like the military expenditure to be reduced to zero, the circumstances in which we are living do not make it possible for us to do so. I am a strong believer in Gandhian non-violence, yet I see that the circumstances about

[Shri T. R. Deo-rikar.] me force me to keep that much military in spite of my wishes to the contrary.

Then there is the question of unemployment. If we are going to reduce our military expenditure by Rs. 50 crores, what are you going to do with the unemployed; ? The unemployment problem is assuming a terrible form day by day, and any Government will have to think about that problem, if it is to discharge its duties responsibly.

In the end, Sir, I want to say that in spite of all criticisms that are made, our cause is just; our hearts are pure; our efforts sincere; and in spite of all criticisms, I have firm faith that India is going to prosper, and will take its due place in the community of nations.

SHRI B. RATH (Orissa) : Sir, the Budget before us is a Budget which shows that there is not much to be expected in the year to come, nor does it give any indication that there will be any change for the better in the future I would most respectfully submit, Sir, that I had not had the opportunity to study the Budget that has been presented to us in all its implications; but having the experience of the Orissa Legislative Assembly for the last five years, and having come here to this House, I feel that there are certain links between the State, from which I have come, and the Centre, with respect to some of the items of expenditure which we have to incur. I want to say a word, Sir, about the interest charges that have been made on the loan that has been taken from the Government of India by the State Government of Orissa. I am here to fight with the Government of the Union as a man of Orissa which is being burdened with a very heavy loan ; and about the control of its expenditure, the people of Orissa have not even a say.

My hon. friend Mr. Kunzru has drawn the attention of the House to the loose expenditure that has been made and is being proposed to be made with respect to the Damodar Valley Project. Sir, my unfortunate State is also a victim of the money-lender, the Union Government, a money-lender who had first

presumed that the construction of the Hirakud Dam Project would cost to the tune of Rs. 47 crores, while the Planning Commission's draft report of last year says that the cost would be about Rs. 62.59 crores, and after less than a year, i.e., after nearly eight to nine months, this report has been published which says that the cost of the Hirakud Dam Project has been calculated to be nearing about Rs. 90 crores. Even un-official sources explain that the ultimate cost would reach about Rs. 100 crores and even more. That shows the planning ability of the Government advisers who were planning the construction of the Hirakud Dam Project. They have brought out a beautiful book, a big volume on 'Maha-nadhi Valley Development Project', with many maps, many calculations etc. Sir, I am not going to say how the fate of the State of Orissa will be changed if this Dam is constructed, because I also believe that a knife in the hands of a good artisan produces good things, while a knife in the hands of a butcher kills another. So is the case with the Hirakud Dam Project. Had the construction work been in the hands of persons who had confidence in themselves, had the construction work been looked into by the authorities at the helm of affairs from time to time, and a little interest taken in the amount of money that has so far been spent; which comes to about Rs. 15 crores till the end of the year 1951, I submit that the people of Orissa would not have been put to this trouble. They are paying every year a huge interest on the loan that the State Government has taken from the Union Government. Last year they have paid to the tune of Rs. 84 lakhs as interest only on the money that has been given to them as advance.

The population of 144 lakhs has paid an interest, only last year, of Rs. 84 lakhs, coming to ten annas per head, and that comes from the people in the form of so many indirect taxes. This year, I do not find from the Central Budget figures how much loan is being given, but I find from the Budget of the Orissa State that the allotment towards the loan for the State of Orissa for the

construction of the Hirakud Dam Project is about Rs. 14 crores. And if that be so, because the Budget figures of the State of Orissa have given that amount, then I would respectfully ask all the Members of this House to calculate the interest for the next year. At the end of this year, the State of Orissa would have borrowed from the Central Government to the tune of about Rs. 30 crores, and I would request the hon. Members to calculate the interest at the rate of 3 1/4 to 3 1/2 per cent, per year—and that, every year the State of Orissa is going to give.

Sir, I must here submit that some causes have been given about this increase in expenditure by the Estimates Committee. There might be some causes for some increase, but I know that the way things are going are against the interests of my State. The moneylender does not look to how the money is being spent, because he gets the share of his interest all right. He wants the State of Orissa to pay all the money that has been lent out to the Hirakud Dam Project in annual instalments in twenty years. So I would submit what has been the state of affairs which might not have come to the knowledge of the Members of this House, although I believe it might have come to the ears of the Government—the work that is being done in the "Hirakud Dam Project.

Sir, I will not drag you into all the observations that have been made by the Estimates Committee in its fifth report about the Central Water and Power Commission and Multi-purpose River Valley Schemes, nor will I try to drag you into all the observations that it has made in respect of the schemes, but I will draw your attention to a few lines. Sir, on page 12, the Report says :

"Instances have been brought to the notice of the Committee that furniture and certain types of stores were transported from Delhi to Orissa and other sites where investigations on projects were carried on."

I do not know what connection the furniture has with the investigation work 9 CSD

on the project. And I would most respectfully submit that it is not a small amount that has been spent on this head.

11 a.m.

I do not know if the Government has made proper investigation about all the scandals that we are hearing for the last 2 1/2 years about this Hirakud Dam Project, about the activities of the Chief Engineer, of the Superintending Engineers and the Financial Adviser who is there to advise the Chief Engineer about the disbursement of money. But I will draw your attention, Sir, to the fact that furniture—from table, almirah, chairs, cots to other articles of luxury such as cooling plants to be kept in the houses of officers—have been taken to that place from distant Delhi. Refrigerators have been taken and have been provided in the house of each of the officers at the top. Crockery articles have been purchased from Delhi and have been taken to that place. And also, in spite of the fact that Orissa is famous for the supply of timber and also famous for the supply of railway sleepers, railway sleepers of Sambalpur District which chiefly supplies sleepers to other places, were not taken to Hirakud because salwood sleepers perhaps are not equally strong as the deodar sleepers of distant Punjab are, and moth-eaten sleepers perhaps are better than sleepers made of salwood.

It is not a pleasant task for me here to bring out instances of corruption, of nepotism, of favouritism, of appointing sons and nephews who were, previous to their appointment in Sambalpur, on salaries of Rs. 65, Rs. 70 or Rs. 80. It is not a pleasant task for me, and I would like to ask, since this scandal came to light, even since after the State Government had admitted that there was some basis for the scandal, what steps have been taken by the Government to find the truth of those and what action they have taken. I want a detailed report about it. A detailed report naturally will stop the corruption that is going on for the last 2 1/2 years but, at the same time, it will help us to know our relations with

[Shri B. Rath.] respect to payments. Sir, I would submit that unless these things come to light, unless these things are righted, I repudiate—and I am in a position to repudiate—that all the monies that have been wasted there will not be returned, will not be paid back by the people of Orissa. I repudiate the heavy load of interest that is being burdened on the people of Orissa, because we have not taken the money to be spent by Government in whatever way they like. We want that something material must come out of it and I do not see any sign of anything material coming out of it. The plans are being changed. In the original plan of 1946, prepared by Mr. Khosla and distributed to the Members of the Orissa Legislative Assembly, we found that certain things had to be first constructed. The work continued till the end of 1951 when we find the whole thing has been changed and the plan has been reversed. It is the main dam on the Hirakud that is now under construction. The work on the other dam has stopped. The secondary dam construction has stopped. Not being intimately connected with the work, I cannot give definite instances where such changes have been made. I submit, Sir, that this one instance which I give is a fact and for this, in this year's Budget, a provision of Rs. 14 crores is being made.

I do not expect that from this Budget there would be any money left for spending on education or other health services, because the indications are not there. In the Five Year Plan outlined by the Planning Commission, they have stated in so many words—I think it is on page 226—that "on account of the limited resources at the disposal of the State, its direct participation in social welfare cannot extend much beyond the sphere of elementary social services like education and health." First Government had limited its responsibility with regard to the social services which a Welfare State is obliged to run. After taking responsibility for only two items like education and health services, it goes on to say :

" Even in respect of education and health, it will be many years before the provision made by the State reaches standards which may be regarded as the barest minimum for civilised society. In those directions too, voluntary effort will, therefore, be expected to cover as much as possible of the ground left vacant by the State." We find in the Budget that a bare minimum, of not even 1 per cent., has been set apart by the Central Government towards education and health service and you will find that this year's allotment is less than the allotment that was made last year. Of course, it is in progressive proportion in the reverse. Sir, we find that from the facts that I have placed before you, the money that is sanctioned for the different purposes is wasted. Not in all cases; I do not generalise. But I submit that in the Defence Services, as my respected friend Mr. Kunzru has pointed out, it is almost a scandal that they have allotted Rs. 197 crores of money. I do not know what are the prices of anti-tank grenades or other things. It must be to the tune of some crores. Then, in this multi-purpose project, we find that money is wasted. I am sure Government will agree. There is no other way but to admit that there has been corruption and other things, as has been pointed out by many Members.

Then I submit that this tax structure has become a triple burden on the consumers of this country. Sir, take the instance of cloth. How many times a consumer has to pay if he has to purchase cloth? Last year, in my State, we had to pay for excise. Excise had to be paid. Then we had to pay a sales tax that was levied on the cloth by the State Government of Orissa. Another tax that the consumers had to pay was Bombay Tax. That Bombay tax is an amount which the dealers had to pay while taking the cloth from Bombay and that was levied on the consumers at the rate of 3 pies per rupee. So, we had to pay thrice and the poor consumer had thus to pay a multiple of times. Is it not right to

expect that this indirect method of taxation should at least be revised and we must be assured that the proportion of indirect taxes will greatly diminish and the proportion of direct tax will greatly rise ? I request the hon. the Finance Minister at least to say what they are going to do to change the process. Are they going to change the principle that they have been following till now ? I demand that at the earliest possible moment that method must change. If the consumers have at all to be taxed, they must be taxed once only, not twice or thrice or four times.

Then, Sir, some of the hon. Members—I cannot use the word "friends*": it is not a Parliamentary expression. (*An Hon. Member* : Why ?) It is Parliamentary no doubt but not complete. Some of the hon. friends, I submit, have made some observations. My hon. friend Mr. Gupta made his speech yesterday. Some of the hon. Members from the other side have said that our country should be prepared to trade with all the countries that come forward to trade with us. They are prepared to take the help of all the countries that are prepared to render help. Some of my hon. friends today went to the extent of saying that all the goods that we have got from the U. K. and the U. S. A. are the best, are according to the samples, are cheaper in cost and very durable and beautiful too. It is those countries from which we get the maximum of our imports. He also said that the Government has nothing to do with international trade, that it is the private parties which carry on such trade and that it is their choice the country with which they will trade. If that is so, what is the use of all these offices in different countries ? I tried to find out if in Asia or in Europe the name of the U. S. S. R. is there, and if a trade representative of the Government of India is there. I found none. This is a publication of the Government of India—*Journal of Industry and Trade*. It has been distributed in the other House. If any country wants to trade with India, it is asked to contact our trade representative there. Our

Government has no trade representative in the U. S. S. R. or in China. But I find that the U. S. S. R. has a trade representative in our country. What does it reflect ? It shows that the Government of India is not interested in having trade relations with the U. S. S. R., although the Government of the U. S. S. R. has its own trade representative in India. It further shows that the Government of India has its own trade representatives in different countries to help the traders. I have reason to believe that those who want to trade with the U. S. S. R. have been discouraged. There was a news item last year that tankers carrying kerosene and petrol came from Soviet Russia and they were in the port of Bombay, but they had to go back. The Government of India had entered into negotiations for the supply of petrol and other things. But some outside Government with whom the Government of India is developing trade relations and technical know-how relations, and from whom also the Government of India is taking loans for its community and other projects, intervened and in spite of the best terms offered by the U. S. S. R. Government, we had to break relations with this country.

As regards the allegation that has been made about the quality of articles provided by Russia, I, not being a businessman and not moving in business circles, cannot say much about it. But you, Sir, as the representative of this country had been in the U. S. S. R. and it is for you to say whether the articles that are produced there or the articles which have been put out for sale in other countries by the Government of the U. S. S. R. are of a lower quality, whether they are of such quality as to justify the picture that is being painted here.

SHRI K S. HEGDE (Madras) : On a point of order, Sir. I do not know why the name of the Chairman is being dragged into this controversy.

MR. CHAIRMAN : As a matter of fact, we do not live in the past. We live in the present. Affairs of the past are not my concern today.

SHRI B. RATH : We do not forget our past. I submit, Sir, that if the interests of this country are the interests of the people of this country and not of the hierarchy ruling at the top today, then we must expand our trade relations with all the countries. We are having advisers from all countries for our river valley projects, but we are not looking to a country where they are building dams and also converting deserts into cultivated fields. Is it not right and desirable that this Government should approach that country and ask for the technical know-how, and ask for machinery that we have-not got, and expand trade relations and see that the people are benefited and not the party in power ?

MR. CHAIRMAN : We are getting late, and I now have to prescribe a time limit of 10 minutes for the speakers who follow. We can say a great deal in 10 minutes.

SHRI K. P. MADHAVAN NAIR (Travancore-Cochin) : Sir, I am sorry that a time limit has been imposed from now on, but I shall try to implement your desire.

This is the second occasion we get to express our opinions on the policy of the Government, the first having been the time of the Address of the President. Just before we began our General Budget discussion, a request was made from the Opposition side that if they were given more time, they would devote their time for making constructive criticism. Accordingly it was with very great pleasure that I listened to the first Opposition speaker who took more than 40 minutes, but unfortunately there was no change in the role played by him. It was of course a matter of refreshing contrast that many others in the Opposition who followed him took a different line. Most of them, excepting one or two groups, have been more constructive, and they took a good portion of the time for answering the criticisms raised by that particular group in the Opposition. As the time at my disposal is very short, I wish to take up only one

or two points and I expect my friends belonging to a particular group of the Opposition to come to our assistance.

I want to refer to the foreign trade of our country. Of course circumstances have occurred, for which the present Government are not responsible, which have resulted in an adverse balance of trade, and there has been trade going on between India and certain other countries. I say deliberately that the present Government is not responsible for it. But is it possible to change the balance all of a sudden ? And is it necessary ? At the time of the President's Address, criticism was made about the fact that India was a member of the Commonwealth. Then, there was a reference to foreign trade, and one was led to believe that the Opposition was against all foreign trade, and that they wanted only internal trade. But now the matter has been further explained and it is now doubtful whether they are against foreign trade or only against trade with certain countries. And, when pressed to a point, it has come out that if the foreign trade is all diverted to one particular country, they will have no grievance. Now, in these matters of trade, as people engaged in trade and others know, there should be two parties interested. If you want to send any commodity, there must be a demand and there must be somebody to buy it. If you want to get a thing here, then there must be a demand for it here. Therefore, in this matter of trade, it is necessary that we should go to a place where we can get the things we want and we should also go in search of places where we can send our goods. I want to make a reference to a particular commodity, and that commodity plays a very important part in that part of the country from which I come—I mean Travancore-Cochin, at the extreme Southern end of India. In that place, a good portion of the people, especially those living on the west coast, near the backwaters, depend for their livelihood upon the coir industry. Probably many Members here might not know what coir is. I might inform hon. Members

that about one-third of the population of our State—and the population now comes to 85 or 90 lakhs—depends upon this coir industry. The whole of the west coast in the south I takes its name Kerala from that tree : —'the coconut tree : Kera and coir is a product of the cocoriut. Coir is made in the early stages in cottages. It is the cottage industry of the poorest in the land. In the later stage it is taken up on a slightly bigger scale. Now, most of the coir and coir products are exported outside India, and they have been going mostly to America, and a few of the European countries.

It was necessary that we should send it out and we had only America and some European countries to purchase it and thus the trade was going on. . Unfortunately, for one reason or other, during the last nine months that export has practically stopped. This has resulted in a complete upset of the economic situation, the economic structure of our State. I said, Sir, that about one-third of the population is dependent upon this industry. Several have been thrown out of job resulting in practical starvation of innumerable families. I might also mention, Sir, for the information of the Members here that the opponents of the Congress made capital out of the situation and attributed the whole blame to the Congress Government. One of the main reasons why so many from our State are found in the Opposition Benches of the Parliament is the successful exploitation by them of the discontent caused by the slump in the coir industry.

Now, Sir, much has been said about foreign trade by the Opposition and now I am making a constructive suggestion to a section of the Opposition. I am making an earnest appeal to my friends here. I do not know what influence they have with the authorities in Russia. I hope that they have some influence there. I would request them on behalf of the people who are practically starving in our part of the country to create a market there. I say that they should come forward with a construc-

tive proposal and if they do that and if then the Government of India puts some obstacles in having a trade agreement with that particular country, then certainly I would bow down to them and I would pay them a compliment for their foresightedness. In this connection, Sir, I have also to draw the attention of the Government of India to this particular question. The State Government recently held a conference of the interests concerned which has made certain recommendations and they are being 'given effect to. The Government of India also is being approached and I trust that the Government will not fail to do its duty at the proper time for relieving the distress there.

Now, Sir, I have to refer to one other point and that is with regard to the question about the liquidation of the Indian States and with regard to the Rajpramukhs. Now, Sir, it may not be out of place to mention that when the Native States in general were prepared to have responsible Government under the aegis of the Maharajas, the Cochin State Prajamandal to which I belonged went a step further and said that we wanted responsible Government in the State and that we did not want a Maharaja. I do not think that anybody who has the love of India at heart will fail to appreciate the achievements of the States Ministry under the able guidance of our departed leader, Sardar Vallabhbhai Patel. This is a marvellous achievement and a bloodless revolution, as it were, took place. The Maharajas disappeared and they are now like any of us, good citizens of the country. I ask, Sir, who are these Rajpramukhs ? They have never been all-India figures. They have never been all-India politicians. My friends who have dealings with them say that it is very easy to deal with them. I shall not say that they have an inferiority complex but whatever that be, I am sure it will be easier for the popular Ministry of States to deal with these Rajpramukhs than with the Governors with their past brilliant history and all-India importance.

[Shri K. P. Madhavan Nair.] Now I would come to the categorisation of the States as A, B and C. No doubt it is not the mistake of the Congress and it is the legacy of the past. For historical reasons the States had to be classified under different categories. Whatever be the defects and difficulties in some States, we in our State feel humiliated at our classification as a B State and I believe proper note has been taken of this. We find that though Counsellors have been appointed in some of the Part B States, no Counsellor has been appointed in our State and I take it as a token of a change of policy of the Government. I take it that the Government of India is realising that the time has come in the case of certain States, and will come in the case of other States very soon, for this distinction between State and State to be done away with.

Now, Sir, I fear that the time is up, but I do not want to sit down before making a passing reference to the food situation. Sir, our State of Travancore-Cochin requires particular attention in this respect. A friend who spoke before me gave facts and figures regarding the food off-take and it would have been noticed that Travancore-Cochin stands lowest with only 10 maunds per head per year. We have been promised some consideration and we are thankful to the Government for it. But that is not enough and we ask for more. I have no doubt that when the Food Minister, after his tour, decides about the future, the peculiarly bad situation in our State will not be forgotten.

Thank you, Sir.

SHRI H. C. MATHUR (Rajasthan) : Mr. Chairman, I am grateful to you for giving me this opportunity to participate in this discussion. But I am sorry my turn comes when the time limit has been fixed and so I shall confine myself only to the general discussion of the Budget without going into certain items to which I had originally proposed to refer.

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Sir, I have carefully gone into the speech made by the hon. Finance Minister some time in February as also the White Paper presented and circulated to us and the speech laid on the Table of the House last week. I have looked into the speech, Sir, not only with care but also with sympathetic consideration for the hon. Finance Minister who, though sincere and honest, is placed in very difficult circumstances. We all realise that. But, in spite of that, Sir, my honest feeling about this Budget is, had this Budget been presented some ten years back by Sir James Grigg, even then I feel it would have been given some sort of mixed reception, and would have aroused feelings of sorrow and satisfaction.

I see a fairly rosy picture has been presented regarding the ways and means position of the Government. I see that even some provision has been made for what we would have at that time called nation-building activities and for which we are grateful to the Finance Minister. Sorrow, Sir, for the food subsidy. He may advance certain weighty reasons and arguments to do away with this food subsidy. I had no means to examine as a matter of fact within these three days whether, as made out by the hon. Finance Minister, this withdrawal of food subsidy will affect our index only by 3%. But, Sir, the fact remains that poor people, starving people, if they are really affected by taking away this subsidy, will not be satisfied with any mathematical calculations. We are now being given certain promises regarding certain actions being taken, action regarding the free movement of food from one State to another and certain other measures which will relieve the food situation and which possibly would make food available at lower prices. If it had been possible, Sir, to take these measures a little earlier and if it could have been assured that really the food prices would not rise, there would have been a really good justification in taking away the food subsidy.

[SHRI M. L. PURI in the Chair.]

Now, Sir, let us look at this Budget. I would request our Finance Minister to tell us what is there in the Budget to stimulate any interest whatsoever in the common man? What is there for the common man to look for in this Budget? We have our Constitution and in the Constitution we have undertaken certain obligations. In that Constitution we have made certain promises. May I ask, Sir, if this is the Budget which is going to secure social and economic equality to all? May I know, Sir, if this is the Budget which is going to enable us to make good all the obligations or even to a certain extent some of the obligations which we have undertaken in the Constitution? May I ask, Sir, if this is the Budget which is going to implement the educational policy which we have undertaken? May I know, Sir, if this is the Budget which is going to grant fuller and fuller employment to the people in this country? I see no hope for it. There is no hope; rather we feel that the position is not going to improve in any way next year. If this is the type of Budget we are going to have year in and year out and if our Finance Minister only pleads incompetence or impotency in helping the country, then how on earth are we going to justify and to assure our people that, there is any chance of these obligations and these promises embodied in the Constitution not remaining simply idle promises? Naturally, Sir, the question can be asked, and asked with all justification: "What are we going to do? How are we going to help our country?" We want naturally more and more money we must have some constructive suggestions to make. The Finance Minister cannot do any magic. Naturally it is tantamount to raising more and more taxes. To this question, "What can we do?", my simple answer is: "What is there that these 35 crores of people cannot do!" Have we as a matter of fact permitted real democracy to

come into play? Have we really stimulated interest in the people? Have we really made the people feel that it is their job to raise more money and it is their job to do the national work which will enable the country to implement all these programmes before us?

I will refer the hon. Finance Minister, Sir, to a very sound suggestion made by that learned Professor, K. T. Shah, when this very Budget was presented in February last. He made a suggestion that the system of taxation is not as scientific as it should be. He made it perfectly clear,— and he argued it at length—that without any delay we must appoint a Committee to go into our taxation system. He further pointed out that we must appoint a sort of Commission which will further regulate the relations and obligations and liabilities between the State and the Centre, We ourselves today are not at all in a position to implement any of our schemes. It is all the more necessary, that Government should take advice from a most eminent authority and act up to it.

We, Sir, who are in the Part B States, feel the pinch all the more. I am afraid there are few here who are in real contact with the actual life-springs in these Part B States.

As a matter of fact, there are very few informed men from Part B States who are shaping the destinies of our country. I would submit with all respect that the question is not only of vital importance, but it is a question of extreme urgency. I shall talk with particular reference to Rajasthan. The very big revenue coming out of the Railways has gone to the Central Exchequer; I do not grudge that. Our income out of excise and customs has dwindled. Our income, the third most important item—there are only three important items of revenue—the land revenue » in a complete stalemate. You can just consider what would be the fate of this State now, when the whole thing is left without proper

[SHRI H. C. Mathur.] re-adjustments. Anybody who knows the circumstances, who has moved with the people, will see and feel that failure is writ large on the face of this State ; there is frustration, there is indignation, and there is anger too. There are people who are prepared to come forward, to make suggestions and to do whatever they can possibly do to raise their own revenues but who have been bound hand and foot down to do nothing. The Rajasthan Government, the Congress organisation and the Rajasthan Chamber of Commerce, all of us with one voice made a very strong complaint against the most niggardly treatment which has been accorded to this State in the Five Year Plan. This State gets the minimum, when as a matter of fact, when we dub it as one of the most backward States, we should give it much more to see it on the road to progress. My complaint is much graver than the complaint for asking a few crores here or a few crores there. My humble submission is that you are drying up the very sources of our revenue, drying up those springs which used to give us our revenue, and you are not permitting us to sink fresh wells. Apart from this, little has been said by my hon. friend on the other side about the most invidious and ugly distinction between one State and another in a complacent manner. We have had only the other day our worthy Home Minister giving a sort of promise that all distinctions would be done away with. But I see absolutely nothing being done about these promises being given effect to. There is absolutely no justification for keeping these invidious distinctions. At least, now that the general elections are over, and we have got a legislative elected on the basis of adult franchise, I feel that all these distinctions should be abolished altogether.

THE VICE-CHAIRMAN : The hon. Member has already taken fifteen minutes. I would request that the hon. Member finishes his speech without going into any other subject.

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SHRI H. C. MATHUR : I shall finish my speech, Sir, in about a minute's time. I want to inform the House that simply because these distinctions are there the last Congress Ministry which stayed in office for only one year wasted its time, frittered away its energies, in doing nothing but quarrelling with the States Ministry and quarrelling with the officers who were imposed on the Ministry to superintend that State from below. I am sorry to say, Sir, that such a state of affairs should have been brought about and permitted to exist,

SHRI RAMA RAO (Madras) : Mr. Vice-Chairman, it is one of the glories of this House that among its Members it has got Dr. Kunzru and Dr. Ambedkar. We are proud of their being our colleagues, we are proud of their scholarship and of their eloquence. But I was amazed to hear the speech of Dr. Ambedkar, in more senses than one. I am not going into the question of the food subsidy ; it will be discussed by men who are capable of handling statistics in the manner in which they ought to be handled. A journalist has little time for statistics; he concerns himself with the fundamentals of politics, national and international.

What was the charge of Dr. Ambedkar ? He said : "You talk of a Social Welfare State, and at the same time, you are spending so much money on the army. You will have to go on spending so much money on the army because it is a big army ; and you require a big army because you don't settle the Kashmir question. You do not settle the Kashmir question because you are not serious or anxious about it ; you have got all kinds of pretexts for it, and all these pretexts are coming in the way of the settlement of that question." It is a beautiful soritical proposition no doubt. Only, you must agree that there is no material fallacy underlying this general line of reasoning.

Sir, I shall refer to the question of Kashmir. It is most unfortunate

that when Dr. Graham is handling this question once again tomorrow, a man of the position and eminence of Dr. Ambedkar should have referred to it in the tone he has. What is the position with regard to Kashmir ? We offered to have a plebiscite ; it was voluntary. I know from many of my friends in the Indian Army that our army was in a position, at the time we called the truce and made the offer, to march into Pakistan. We could have then dictated a peace to Pakistan, and Pakistan would have been down and out. But what did we do ? We did the exact contrary. There was a perfect "Nehru touch" about the whole thing. It all came about towards the end of the last day of 1948. I was editing my paper at midnight, when I got the news of the armistice. We were happy that at last this war was over and we could devote our days to things bigger and more important. Sir, we offered a plebiscite. Who has been delaying it ? Who has been dilly-dallying, who has been shilly-shallying with this issue ? Not India. We have made excellent offers of settlement. There have been Anglo-American cona-bulations and intrigues ; there have been dark hints and inspirations from everywhere in the world. My authority for this statement is not Indians, not Europeans, but Soviet Russia herself. How many times have not Russian statesmen impeached the good faith of the Anglo-Americans over the question of Kashmir ? Sir, we shall be delighted to have a settlement tomorrow.

Neither does the size of the Indian army to be kept in Kashmir come in the way of a settlement. Dr. Ambedkar is not the Commander-in-Chief of the Indian Army. Neither am I. The Indian Army is led by the Commander-in-Chief of the Indian Army. It is our intention, and all are agreed that we should have an army kept at a particular level, in Kashmir for the sake of its safety and security. We are not going to accept the opinion of the learned Doctor in this matter. We shall take no risks.

There is another aspect to this question. Dr. Ambedkar referred to Upper Silesia and also Alsace-Lorraine. I am no inconsiderable student of European history. In my junior days in journalism, I had to deal with these questions. I beg to differ from the view of the Doctor so far as Upper Silesia is concerned. The question was never satisfactorily settled. If I remember aright, the plebiscite that was held was atrociously bad and the Germans never accepted the result of the badly conducted plebiscite. When Hitler was in a position to march his troops, he did so and took over Upper Silesia.

Coming to Alsace-Lorraine and its fluctuating fate, you might as well think of the marriages made in history and the divorces obtained in history. How numerous they have been ! It is a question that will never be solved. If France is strong, it goes to France; if Germany is strong, it goes to Germany. So, to say that these two, Upper Silesia and Alsace-Lorraine, provide a parallel for a plebiscite is to say that a divorced woman is a paragon of virtue, and therefore every married woman might imitate her.

There are ever so many things said with regard to Kashmir ; and the most important of them is that we have offered to settle this question in the most peaceful manner, according to a plebiscite to be held under proper conditions.

The Prime Minister has made it clear more than once in his speeches, and I believe many of our army spokesmen also have said it, that it does not matter in the least where the Indian Army is kept.

I should like a part of the Indian Army to remain in Kashmir if only to say ' a daily *salaam* to Pakistan. Pakistan would love it. I am sure, even now, the old colleagues on both sides are exchanging compliments across the border, but to say that we should get out of Kashmir as soon as possible, that the size of the Army kept there should not

[Shri Rama Rao.] matter, is something which I can never understand. It has been settled by expert advice. It has got to be there at that level.

Sir, when Dr. Graham was in Delhi some time ago, he invited us, journalists, to a party. Finding me full of grey hairs, he perhaps thought me safe and asked me about the trouble then brewing between Pakistan and India. I said : "You know more about it than all of us. Why don't you tell us your opinion ?" He said : "There will never be any war ; Pakistan cannot fight a war ; India does not want one either." But very soon after there was plenty of trouble with the *Jehad* and the clenched fist demonstrations in Karachi and elsewhere. I was in Bihar when the East Bengal trouble was taking place, and I know how excited the people of Bihar were. Don't ever think that Pakistan will keep quiet and will not attack India. Dr. Ambedkar is entitled to his delusions but the statesmen of India and the defenders of India have their supreme responsibility and they are not going to abdicate it just to please persons like the learned Doctor.

Sir, Dr. Ambedkar has propounded a puzzle about the Welfare State. "If you have such a big army, eating up so much money, how can you possibly go on with the Welfare State ?", he asks. The answer is very clear. Law and order are supreme in internal administration. Defence is paramount in - external affairs. In order to have stability, tranquillity and security, you cannot do without a good army. And it stands to reason that much as I like the building up of the Welfare State, I could not willingly sacrifice the interests and the defence of the country for the sake of it.

After all, this is not a problem peculiar to India. Bevan left the Cabinet of Attlee because he did not like that policies of re- armament should be dictated from America and he held that the Welfare State should not

suffer thereby. That is what is happening even in the United States. President Truman is having a quarrel every day with the U.S. Legislature over his foreign aid programme. He wants it to go on in order to help the weaker nations, while the legislators want as much money as possible to be spent on armaments and preparations for war. And yet Dr. Ambedkar tells us that we are suffering from conflicting problems peculiar to our country and not to be found elsewhere.

And then it has been said that we could possibly pursue the policy of the "Nehru doctrine" and then need no army or need only a small army. I trust that Dr. Ambedkar did not mean his suggestion in an ironical spirit, for there have been many who began with scoffing and ended with prayer. It is one of those great doctrines of history that will endure because it has given the world the hope of tranquillity. It has given hopes of peace to our people who have just come on the stage of history and who want peace because they want to build themselves. That is the position. But it does not mean that we are *sanyasis*, that we are *fakirs*, that we are *sadhus*, and that we are not going to defend our country. Dr. Ambedkar is a great scholar and he knows the Latin saying "*Ultima Ratio Regum*" which means that the ultimate sanction of kings is war and the gun. The ultimate sanction and security of India is the gun and the brave soldier that will fight the country's battles. We are not going to give up the right of defending our country to please anybody.

Sir, the question has been put : "What will happen if we fail to realize the revenue surpluses that this very optimistic Deshmukh is budgeting for ? Where shall we be if our calculations fail?" It is a fantastic theory, they say, that we should budget for revenue surpluses and that out of the revenue surpluses we should proceed with the work of development. The entries may be right or r^{nv} be wrong. I do not

pretend to be a financial expert. What is the fundamental basis of this economic philosophy, which is one of the amazing things of the modern world ? It is this : We want to do certain very important things, to build up our country, to translate our dreams, to give body and shape and material content to the freedom we have got. What then? We have got to develop our resources. We do not mind unorthodox methods.

In the last paragraph of the speech of the Finance Minister he gives us the good advice that we have got to depend ultimately on ourselves. If American aid comes spontaneously and unasked, we shall take it, but we depend on our own resources. But if our expectations fail, if we are down and out, what then? Ultimately the success of democracy depends on the character of the people. Sir, it is a common saying that no river can rise above the level of its own origin. A nation is great, or a nation is small, a nation rises or falls by the character of the people. The extent to which we are willing to go through a process of extreme austerity, the extent to which we are willing to sacrifice now so that future generations may gain, is the basis of the Deshmukh economic philosophy. In olden times it used to be said— it is a cynical joke—"Oh, what has posterity done for us that we should do anything for posterity ?" But the modern outlook is different. We hold ourselves responsible for the unborn generations. It is therefore our sacred responsibility to see that we so build our State that even as we are enjoying the content of political freedom today, our children will be enjoying the content of added economic freedom tomorrow.

What if we fail as a people ? In moments when we feel discouraged and dispirited, we have only to turn to the history of the Indian National Congress. How many times did not people say that the Congress was defeated, beaten beyond recovery? But every time it b • shot up like the

aswath vriksha of old. Similarly, the Congress Government that is ruling this country today, I am sure, will survive every misfortune. It will be ruling for years to come. The Congress Government will have wit enough, intelligence enough, resources enough how to carry on. Sir, I am often reminded of those great lines of Tennyson's "Ulysses":

It may be the gulfs will wash us down.

It may be we shall reach the Happy Isles.

And I have no doubt that under the superb leadership of Pandit Jawaharlal Nehru, we will reach the Happy Isles.

SHRI RAJAGOPAL NAIDU

(Madras) : I would not have risen if only sufficient subsidy had been given for food. I would like to criticise the Budget of the Finance Minister only on this point. Well, Sir, I would only suggest that the Finance Minister should have yielded a little more, but he did not. The voice of the people had failed to reach him. On Page 8 of his speech, he has said : "This reduction in food subsidy has led to protests and demonstrations from sections of the public affected in the States". But what is the result ? The result is that it is reduced from the February Budget to the Budget now presented from Rs. 25 crores to Rs. 15 crores. Is this the way, Sir, that the poor people who would be affected should be treated ?

Well, Sir, the subsidy that was given by the Government in the year 1950 was Rs. 90 crores. In the year 1951, it is Rs. 60 crores. Now, it is only Rs. 15 crores. In the year 1950, Sir, everybody, even the rural consumer, was given the subsidy. The next year, only the industrial urban population was given the subsidy, and now, Sir, only those in the industrial urban areas are given subsidy and that too only for milo.

SHRI C. D. DESHMUKH : Milo is subsidised all over the country. It is subsidised in all areas.

SHRI RAJAGOPAL NAIDU : I stand corrected. For other commodities like wheat and rice, there is no subsidy. An argument has been advanced from the other side, especially the Member who started the debate, the Nawab of Chhattari, said that there is purchasing power among the people to a certain extent. My submission would be that there is absolutely no purchasing power. If there is purchasing power, why should huge stock of food grains remain in the States ? I mention this with particular reference to the Madras State. There, Sir, we have 4,50,000 tons of rice remaining with the State of Madras. With regard to milo, we have got nearly 45,000 tons of milo in the Madras State. I am not able to get the figures for wheat. What is the reason behind this ? I read in the newspapers yesterday that the off-take of milo is only 50 per cent. Even in spite of the subsidy that is being given for milo, there is no sufficient off-take for milo at all in the Madras State. Now the price of it is reduced. I hear that the off-take of milo is only 1,200 tons per week, and at this rate it will take nearly 8 months for the stock in Madras to get liquidated. Already the stock is nearly 6 months old, and if we delay for another 7 or 8 months for the present stock to be liquidated, I do not know whether, by the time it reaches the consumer, it will reach as milo or whether it will reach as weevil-eaten powder. The price of wheat that is now sold in Madras State ranges from 14 annas to Rs. 1/1 per Madras measure. In this state of affairs, how could we expect the poor man in a rural area to go in for this food and meet at the same time his other family needs ? Unless sufficient subsidy is given for food, the plight of the poor man, especially in the villages, the plight of the agricultural labour, would become a very sorry state of affairs. I may point out, as a word of caution to the Congress Members here, that it is because of the bad food policy that so many friends of ours to my right have come to this Legislature. At the time of the elections, you were giving only 6 ounces I

ration and the distribution also was bad, and that was responsible for so many of us coming to this Legislature. Now, if you pursue the same course, if you do not give subsidy, I am sure that no propaganda on our part is necessary to oust you after the next five years. Well, Sir, we find that millets have been decontrolled in Madras State. There is a stock of 45,000 tons of milo there. I find from the newspapers that the Madras Government had reduced the price of milo at the rate of Rs. 2 per maund. In spite of that, the off-take is very low. I do not know how huge a loss the Madras State is going to incur, and what the condition of the purchasing public in Madras State will be. I hear there is a large amount of stock of wheat left over and every day it is subject to deterioration. I have just got to my mind an old poem which I read in my college days, Coleridge's "Ancient Mariner", where it is said : "Water, water everywhere, but not a drop to drink". We have got grains and grains everywhere in Madras State but the poor consumer in the village has absolutely no means of purchasing even one grain. If this state of affairs goes on, and if no subsidy is given for rice and wheat also and if the subsidy is not increased, I am sure that this will lead to a terrible calamity in our part of the country. I find in the papers that in Bombay 54 trade unions and 8 political parties have decided to stage a token strike for one day. I do not know how many more such strikes will be ahead of us. I only wish to suggest that if this subsidy is increased, we will not allow such strikes to take place. Secondly, Sir, I would like to say a few words about the industrial housing. I find that a sum of Rs. 5 crores has been set apart for industrial housing. I ask the question : "Why only for industrial housing has this sum of Rs. 5 crores been set apart ? What about the agricultural labourer in the village ?" He should also be equally respected and a certain amount should be provided for agricultural labour in the villages also. Then, Sir, you have got minor irrigation projects. I find Rs. 5 crores set

apart for minor irrigation projects. I do not know the state of affairs in the other States with regard to minor irrigation, but so far as Madras is concerned, we are in a very deplorable state of affairs. Minor irrigation has been thoroughly neglected there. Thanks for the famine relief works. It has been taken up now as part of famine relief. I do not know how much has been set apart for the Madras State, but I would ask the hon. the Finance Minister to give a substantial sum out of these Rs. 5 crores to the Madras State. I wish at least Rs. one crore may be set apart for Madras State. Not only that. Only in a few districts in Madras State you have got rivers like the Godaveri and the Krishna. In the central districts there are absolutely no resources and very, many of these districts are entirely dependent on well irrigation. For such districts I would suggest that some loan be granted for the purchase of pump sets and collect the money back in annual instalments ranging between 5 years and 10 years. If this is done, that will be a very great relief for all the agri-culturists of the central districts of Madras. Not only that. With regard to electricity I would suggest that the Central Government should erect some thermal stations in places where there is no hydro-electric power. The vagaries of the monsoon are very much telling on irrigation. We should have electric pump system. We should not depend much on the hydro-electric power but we can much depend upon the thermal power, and if a thermal station is erected for everyone of the districts, to a certain extent we will solve the food problem in our country. In conclusion, Sir, I would only utter one note of warning, that empty stomachs, like empty souls and empty minds, will certainly provide a good breeding ground for communism. So, Sir, do not keep the poor man's stomach empty and we shall certainly eradicate communism from our country.

SHRI J. M. KUMARAPPA :
(Nominated) : Sir, I do not wish to enter into the details of the Budget which has already been discussed at

{reat length. I only wish to refer to the provision in the Five Year P.'an of a sum of Rs. 42 crores allotted for higher education and research, out of which a sum of Rs. 1-2 crores would be available for development schemes other than those for technical education and social research. We have touched upon many points in the course of the last few days with reference to> the Budget and to the President's Speech, but I believe we have not said much with reference to what are certainly essential for the building up of the nation.

Recently it was stated that a Secondary Education Commission had been set up to carry out a survey of secondary education and make recommendations for its reorganisation. I believe, as was said a while ago by one of the speakers, that the most important thing in the building up of a nation is national character. We have heard a great deal about statements made with reference to corruption, dishonesty, black-marketing and scandals of various kinds. All these arise not because of maladministration mainly but because of lack of character among those people to whom such things are entrusted. I believe a proper programme of education, with definite objectives, should be framed. In this connection, I am reminded of an incident. An Italian immigrant in the U. S. A., a few days after his arrival, was walking in the streets of New York swinging his arm back and forth. An American was coming behind him, and unfortunately the swing of the arm hit him on the nose. The American pulled the Italian by the coat and pushed him aside. The Italian said : "Well, Sir, I thought I had come to the land of democracy, liberty, equality and fraternity." And the American replied : "Yes, Sir, you are in the land of liberty. But please remember that your liberty ceases where my nose begins !"

Now, it seems to me that we are proud of our liberty. We speak of a democratic Indian Republic. But we do not seem to realise the duties and responsibilities of citizenship which

[Shri J. M. Kumarappa.] are more important. We talk about the rights of the individual, but not so much about his duties and obligations. It is for this reason that I believe it is necessary to put through on a wide scale a system of training in citizenship in schools and colleges. Then again, I should like to say that this citizenship training should imbue in the people a desire to love their country and uphold its ideals. I heard that in China the masses of people are extremely enthusiastic about the Republic, and there is nothing they will not achieve with that great enthusiasm. But in our country we have not yet developed that sort of enthusiasm among our people to take pride in our country. So, along with citizenship training, I believe another thing that is most important is the transmission of India's cultural heritage. We have talked about food and the poverty of our masses. But to me nothing is so degrading as the cultural poverty of our people. Our educational system, denationalised as it was during the British Administration, is being carried on on the same traditions. We have not yet begun to introduce something of our cultural heritage so that the young people will grow up in that culture. Some time ago, Wells wrote a wonderful book on the history of the world. In that book he mentioned that mankind had produced during its long evolution six great men—only six for the whole world during this long process of evolution. And I was surprised to find that only four countries of the West had produced one each out of that list, but India was the only country which had produced two, and the two were Buddha and Asoka. Then again, after the World War, a European critic said that if you look over the whole world for leading spiritual personalities, you find only two, and they are Tagore and Mahatma Gandhi. When India has such richness in culture that she could give birth to great men whom the world itself recognises, it seems to me that we should make that kind of heritage part and parcel of every citizen of our country. And that is something for

us to glory about. Even today, India holds a place in international politics only because of its emphasis on spiritual values. It is not material wants that we need to meet. We certainly want them to be met. But even greater is the necessity for emphasising the spiritual elements in our heritage, and this can only be done through a properly organised system of education, and in any reorganisation of the system of secondary education, college and university education, much greater emphasis and attention, I believe, need to be given to these things. While we are thinking about the development of the material resources of our country through various community projects, we should not forget the necessity of developing the spiritual resources of our country.

SHRIMATI VIOLET ALVA (Bombay) : Sir, since the time limit is reduced, brevity shall be the burden of my talk. Very many speakers have approached this Budget in very many ways. What interested me most was the Opposition and that particular bloc which talks so much about the U. S. S. R. As I listened, I felt more and more convinced that they sit there as the managing agents of U. S. S. R. trade, with hardly any business on their hands. They forget that Russia falls in the soft currency zone, that trade must flow from both ends if trade must grow. If I am not wrong, it was under some barter agreement that some quantity of Indian tea did go to Russia, but it was rejected because perhaps it did not suit the Russian palate.

Sir, I am not able to say as much as I want to say for want of time. When I heard the learned Doctor, Dr. Ambedkar, talking so much on defence and forgetting so much at the same time of the size of this country, of the extensive length of her coast-line and her other boundaries, of the persistent cry of *Jihad* from Pakistan, of the turmoil, that the Near East is in, and of how we should be careful, I almost wondered how his eloquence was lost on the floor of this House. Sir, we are a young nation, and defence has to be our paramount concern. Should the hon. the

Finance Minister not have made this provision for defence, I am quite sure the Opposition would have come out with another attack and said that you are not making your country strong. We must make the country strong, and defence is the strongest arm by which we shall measure the progress of this young country, the Republic that we have formed.

There indeed is no time to go into the different arguments placed before this House, and I shall have to confine myself to the little summary survey that I feel I should make on the Budget. I shall be impartial even though I stand on this side. Sir, this Budget does not present any new features since the Finance Minister placed his White Paper before the Provisional Parliament. Excepting for some changes in the revenue and the expenditure side we follow the same basic principle. The basic principle that has been laid down by the Finance Minister is that there will be no new tax but no relief either, and he made this point very clear even before he presented the second Budget. He categorically stated to the businessmen of Bombay and elsewhere that there is nothing much to expect, and there would be no tax relief.

Sir, we notice that usually when the Budget is presented, there is much heat and speculation in the market. But this time that was missing.

Sir, after that we found the fall in prices and we expected that the Government income would be drastically reduced. It was true. But the Finance Minister has not introduced or increased the taxes. Fortunately he has presented a more optimistic picture than many expected. Sir, firstly there is no tax. Secondly the Finance Minister has given us an assurance that the fall in the prices will not be allowed to curtail production. Thirdly, Sir, he has also told us that temporarily our export trade would have some difficulties but they would be satisfactorily solved and then, Sir, we are also assured by him that we would have substantial economic

assistance from friendly countries, from the World Bank and from other sources. He has also assured us that no world depression is in the offing and so far we stand on sure grounds. In any case the hon. Finance Minister has shown courage and given us confidence that he is in a position to tackle the situations as they arise with skill. He has also said that our industrial production last year was on the increase side, and we could expect it to be satisfactory in future too *but*—and the 'but' remains in this House and outside. The 'but' that takes you to the food question. It is the food problem that is worrying everybody and that is being discussed here and outside in the country—in the urban areas as well as in the rural areas. We are obsessed by the food problem and yet when we read the statement made by our ex-Food Minister, Mr. K. M. Munshi, we are heartened. He said in Bombay the other day that there was a reserve stock of about 28 lakhs of tons of foodgrains now in India—the biggest during the last 10 years. Yes, the reserve stocks are there. Are we going ahead? Certainly we have gone ahead. I do not know how the hon. Member Dr. Ambedkar could indulge in so much reckless talk when he himself was part and parcel of this Government until yesterday. But certainly, Sir, with confidence and quoting the statement of the ex-Food Minister, I may say that we have improved since Dr. Ambedkar has left.

Sir, what worries the people, the Members of the Legislatures and the people outside is this withdrawal of the food subsidy. How much has been said on this subject of the withdrawal of the food subsidy? Many have criticised the withdrawal of the food subsidy announced by the Finance Minister in his last Budget. But, Sir, let us analyse it dispassionately. It must be said that the food prices have gone up in urban industrial areas and adversely affected industrial labour and middle classes. But then, the prices have fallen also generally. However the critics have forgotten that the withdrawal of the subsidy is one of the ways which the Centre has

[Shrimati Voilet Alva.] to adopt to force the State Governments in their drive for procurement. I may be wrong, though I do not think so, when I say that the procurement drive in many surplus States and others has not reached the procurement target which the States themselves had fixed. Today what we need is a better procurement of rice, especially in the surplus States of India. Sir, by the withdrawal of this food subsidy the Government will make the States more and more responsible for food for their own population and with the new Food Minister that we have—unconventional as he is known to be—we expect a quick movement of food from State to State, from surplus areas to the deficit and so on. Here again my mind wanders back to the defence. How closely is the army connected with the food problem? Sir, we have a huge army. How much does the army help us when calamities come whether man-made or natural? How did they turn their shoulders and put themselves to relief work in Assam, in Rayalaseema and in other parts of the country? This very army, against which invective after invective is flung, is going to help you to become a Welfare State. And Sir, from this I shall now come to touch upon the cost of living index which the Opposition again has made so much of.

The fall in prices will soon give relief and I need not give you the figures because the figures are obvious and available to whoever wants it from the Government. But when I talk of food I must also talk of the population figures. We grow so fast that when we talk of food we must also take into consideration the population, and turn to figures of unemployment. I would suggest to the hon. Finance Minister and to the Cabinet as a whole that something should be done to tackle this problem of unemployment, for, as some other speaker said on this side of the House, this is a field on which the Communist propaganda works. Then there is the family planning in the Five Year Plan which I would commend to all the fathers in this House and outside.

Sir there are very many points here with me like cottage industries, industrial development, housing, etc. But I have to cut short; so I shall only touch on health. Sir, there are certain diseases in this country which take a heavy toll of life. I shall not talk of T. B., for there is no time; in any case 5 million people die of T. B. every year and 2\ million suffer from it and, Sir, I do not want to indulge very much in idle talk. But, Sir, I will come to malaria. It is a question of the health of the nation. The destruction of life caused by this particular type of mosquitoes is enormous. Sir, my State—I come from Bombay—has tried to tackle this problem of malaria. They have already spent a considerable amount, but if the Government envisage a scheme by which to tackle this problem throughout the whole country with the American DDT aid we are able to get, I think we could get rid of one scourge every year.

Sir, I shall now close just by saying something on the electricity cut. Though it does not pertain to the Government of India, it pertains to a State in which the industrial production, I think, is very nearly the highest or the highest. Sir, there has been an electricity cut in Bombay and replacement of that cut has become a problem for that State. Somebody on the opposite benches talked of a thermal station. Sir, in Bombay we have the Koyna Project and the Tapti Project, but they will not come into action for some years to come. Sir, I suggest that the Government of India should help the State Government to establish a thermal station by which industrial production could go into the maximum once again.

SHRI C. G. K. REDDY (Mysore) : Before I proceed, Sir, may I ask your indulgence—because I had been absent yesterday—I had to be—for a little more time since I speak for a certain point of view?

Sir, when I read the Budget speech I was not surprised and I think, along

with me, many others would not have been surprised, because this document that has been placed before us is as rid of any policy whatever as any other that has been placed before this country from time to time by the Government. However, Sir, when I read the first sentence of this document I thought our hon. Finance Minister would be departing from the usual practice of Government to use a lot of words which really do not mean anything. He says : "I deem it a great privilege to present this Budget to the first Parliament elected under the new Constitution." I had hoped, Sir, that our hon. Finance Minister would have lived up to this privilege and would have given us something with which we could celebrate the occasion. But I find that this document is just a document which had been presented to us in February with a new cover to boot. Of course there are one or two things which depart from the Budget speech of the Finance Minister made in February and those aspects will naturally come in for a great deal of criticism from this side of the House at least.

Sir, before I go into those two or three aspects, may I touch on the very structure of the taxation policy that is being pursued by this Government ? It has been referred to, Sir—I had referred to it in the Presidential Address and it has also been referred to by Members on this side—that the proportion of the direct taxes to indirect taxes has been steadily decreasing. We are told we are going fast towards a Welfare State, towards a Cooperative Commonwealth. I do not know if our hon. Finance Minister will agree with me if I say that if you want to progress towards a Welfare State, if you want to go towards that State which assures more comforts and better facilities to the mass of the people who are under-privileged, then this proportion of direct taxes to the indirect taxes ought to increase and not decrease. And yet we see this phenomenon in front of us happening every year and we are told again and again that we are only acting on the Directive Principles of our Constitution

and we are also having that wonderful Nehru touch with which we are fast going towards that long-promised Welfare State.

: It would appear to me, Sir, that this time the Government has also departed in one respect. I thought that this Government was bankrupt of all ideas, original ideas, and was only equipped with scissors and paste. But in this Budget and the speeches that go before it we find that a new interpretation, a very original idea, has been put before us in the garb of the Welfare State and a Co-operative Commonwealth. It would appear to me that this Cooperative Commonwealth means a co-operative blood bank which is constituted after drawing a pint or two of blood equally from everyone, whether he suffers from anaemia or is robust. That is the socialism, that is the Welfare State that our Government has in front of us. And from this blood bank we find the fat are getting fatter, and the fatter, fatter still. We do not find that this blood bank has been constituted for the people of India, but we find that this blood bank which has been constituted out of the blood of all the people on a socialistic principle, according to the Government, if I may say so, is being drawn upon for the benefit of only a handful of people who do not need it.

After having referred to it, Sir, may I touch a little on the food subsidies, which the entire country has demonstrated against ?

I would say, Sir, that apart from the suffering that is being inflicted on the people of this country by the withdrawal of food subsidy, I would say that it constitutes the single largest dishonest act of this Government. Sir, when they went to the voters, to the people for their votes, why did not they say in their election manifesto or in the speeches of their leaders that under the present circumstances it would not be possible for the country to bear this food subsidy ? That would have been politically honest, that would have been in keeping with political ethics, but unfortunately we have a Government and a ruling party

[Shri C. G. K. Reddy.] which do not believe in the elements of political ethics. We are told, Sir, and the Prime Minister takes pride in having created a mass upheaval, a human upheaval in the country where-ever he went,—surely with his wonderful logic of which we have any number of examples, surely he could have convinced the people of this country that we cannot bear this food subsidy any longer, and yet they must vote for the Congress which is their deliverer. I would like to repeat again, Sir, that it is political dishonesty to deceive the people and tell them on the very first day that the food subsidy should be withdrawn and that all the suffering should be inflicted upon the people.

Sir, may I refer to the lack of policy in this Budget ? I do not know, Sir, whether the hon. the Finance Minister will agree with me if I give him one or two figures, I have not manufactured them ; I have taken them from very good authority. He will agree with me, when I say that the *per capita* capital in our country is only Rs. 150 whereas in Europe and other well-developed countries, it is Rs. 5,000 and it is said to be Rs. 8,000 in the United States of America. We are told, Sir, that we are progressing towards that stage when we will have the capital equipment to ensure that the prosperity of this country would be put on a surer foundation. Would the hon. the Finance Minister be pleased to tell us whether he hopes to come anywhere near that Rs. 5,000 or even a thousand mark ? By simple calculation, he will agree with me, if I may say, that not all the point-four aid, not all the gold in the world today will be able to raise our *per capita* capital from Rs. 150 to even Rs. 3,000. And yet we find, as I have suggested before, there are policies which are only a matter of 'scissors and paste'.

We are trying to follow a policy which has been followed elsewhere, and we are trying to see that that policy works in our country. ... May I venture to say, Sir, that this policy which has been followed from outside cannot work

in our country, because our country is existing under special conditions ? May I also try to imitate the inimitable Prithvi Raj Kapoor when he said that the foreign fruit tastes horrible, horrible and horrible?

Sir, in our country, I have already said, the capital available for equipment is so very low that it would not be possible by orthodox means to see that our capital equipment grows. We saw an indication as to how we are going to make this grow, on the withdrawal of food subsidy by the hon. the Finance Minister. He tells us that the money saved out of this food subsidy is going to development projects. But we do not know what exactly are the development projects that he has in mind for us during the next year. We have no definite indication.

If I have read correctly the policy of Government, I can take it that they are going to put this money for huge development projects, for big industrial undertakings. Sir, the Damodar Valley Project is a very commendable thing. It is going to irrigate, as also the other Projects we have in mind, only if crores of acres of land. Added to 4½ crores of acres of land already irrigated by bigger irrigation schemes, we have 6 crore acres of land. The hon. the Finance Minister will have to agree with me when I say that with all the money that we are going to put into these big projects, the cry for more food is going to be as distressing as it is today, six years hence, because it would not be possible for even this huge Damodar Valley Project to cope up with the increase in population.

Sir, first of all, we have not the money to go towards that stage where we will have sufficient capital equipment, to increase our prosperity on the same lines as other countries. So far as food subsidy is concerned, the hon. the Finance Minister has told us that it has been saved for other projects. I would like to suggest to the hon. the Finance Minister that there are many other things that can be cut down and

that money can go in for these development projects. This policy is being followed by many other countries. I should not like to name them, but there are countries which present a magnificent edifice on the basis of people whose lives, whose spirit and whose very soul are being crushed. Now, do we wish in this country that people, the millions of people who are suffering, should die of starvation, that their spirit should be crushed, before we can present to the world a huge industrial development in this country, or can we find any other way?

To me, Sir, it would appear that in this country we have another way. We are so much used, and we are so tending towards using the equipment and the policies that are existent in other countries, that we cannot look beyond our noses, if I may say so, Sir, we have in this country hardly any capital, but we have any amount of that wonderful commodity 'labour'. May I suggest, Sir, that the economy of this country could only be improved if you shift your planning from capital intensive to 'labour intensive' ? By that, I mean, that our prosperity is through small machines, not through large industrial undertakings. Some may try to criticise me and say that this hon. Member, i.e., myself, is trying to run away from scientific developments and that I am trying to go to the primitive times of cottage industries. That is not my suggestion. Actually you will find throughout the centuries science, not pure science, but applied science, has always been the handmaiden of politics, of economics and also of the Government in power. We can say that today applied science in the world could be so directed that it will be able to produce small machines, efficient machines, machines which can be as productive as large undertakings, and which will be able to use more labour, and hardly any capital at all. That is the only way which we can adopt in this country.

The answer to our problem today is decentralization in our country, decentralization not merely as a virtue of necessity, not merely because we

have to decentralize, if we want to go on the road to progress, but also because decentralization would mean many other things, politically, morally and culturally.

May I tell you, Sir, that huge industrial undertakings mean centralization of political power? It also means that industries, if they can be developed at all, stay in a very few hands, at one single place only. If we want to see that real democracy is established in this country, we must see that not only for the economic progress of this country, but also for the strengthening of democracy in this country, we should decentralize our set-up, our entire economic system in such a manner that more and more people are actively associated with economic activity.

It may mean that we have to depart from these very orthodox systems, which have given good results, and may give good results for some time even in foreign countries. But I can tell you, Sir, that this system can only function, can only be effective, if we have a large foreign market which we can exploit, even if we are able to get the money necessary for capital equipment ; or we must have a large tract of land which I might call a 'hinterland' where at the expense of human values, people are made to build things for the future. These two systems are alike in this respect, and that is centralization. Both these systems, exist in one or the other bloc of countries, and are alike in this that it leads to consolidation of political power, it leads to centralization of power, which both these systems need.

Now, I want to ask you, Sir, I want to ask this House, if that is the thing that we need. Apart from our economic progress we must see that we give a democratic way of life. May I, Sir, suggest once again that, apart from the impossibility of achieving economic progress by these orthodox methods, by these scissors and paste means, we evolve our own system suitable to our own conditions so that our progress can be maintained. But perhaps this Government, and probably the

[Sbri C. G. K. Reddy.]. ho a. Finance Minister, would not agree to this proposal, because what then would happen to their power? Today the Finance Minister by one stroke of his pen has been able to bring misery to millions of people. Tomorrow if he accepts this decentralization, it would not be possible for them to have all the power in their hands, all that initiative in their hands and claim to speak on behalf of the entire people.

I would say, Sir, in conclusion : "Would those gentlemen who believe in the orthodox means be good enough to remove themselves to Washington or Moscow ?" I do not think that they have a place here.

SHRI M. P. N. SINHA (Bihar) : Sir, as a time-limit is given to us, I will touch upon only one or two points. I do not want, Sir, to shower praises or vilification either on the Government or the Finance Minister. I shall straightaway go to certain practical propositions.

I entirely agree with those speakers who say that there is a lot of confusion at the Centre as also in some of the States. The point is that when India achieved independence and when the deciding factor was Mahatma Gandhi and the Gandhian philosophy, we thought of a different India. And after transfer of power, things have gone into a different shape. We have got to adjust ourselves, our economy, our social life, our education ; once and for all we have got to decide what policy we are going to follow. For

example, take the case of education, our social life and even administration. The Congress Government has been harping upon these points, but these have not changed. Our administration is absolutely western. Those who come out of our schools and colleges do not fit into society or the administration. So I say, Sir, that it is indeed time that the leaders of society assemble together and fix up a programme, whether it be on the Gandhian line or on the western line. If it is to be on the Gandhian line, Sir, I would recommend my friends in the Government to once more read Gandhiji's old thesis about Hind Swaraj which, I am sure, most of them have forgotten.

SHRI TAJAMUL HUSAIN (Bihar): Have you read it?

SHRI M. P. N. SINHA : Yes.

SHRI TAJAMUL HUSAIN : But you don't follow it.

SHRI M. P. N. SINHA : They should read carefully and examine the steps that were taken by Kamal Pasha in Turkey after the first world war, how in the course of five years he changed the whole face of the country. The trouble is, Sir, we are following neither the one course nor the other.

THE VICE-CHAIRMAN :	The
House stands adjourned to	8.15
a.m. tomorrow, Wednesday,	the
28th May 1952.	

The Council then adjourned till a quarter past eight of the clock on Wednesday, the 28th May 1952.