

15.45 hrs

**RESOLUTION RE. REJECTION OF  
PROPOSALS PERTAINING TO 'TRIPS'  
ETC.***[English]*

MR. CHAIRMAN: Now, the House will take up further discussion on the Resolution moved by Shri Rupchand Pal on the 6th March, 1992:-

" This House calls upon the Government to categorically reject all proposals received by government pertaining to Trade Related Intellectual Property Rights (TRIPS), Trade Related Investment Measures (TRIMS) and General Agreement on Trade in Services (GATS) which will infringe the Patent Laws and the economic sovereignty of our country. "

The time allotted for the discussion on this Resolution is three hours. The time taken already is two hours and 19 minutes, leaving a balance of about 40 minutes. Shri Santosh Kumar Gangwar was on his legs.

*[Translation]*

SHRI RAM NAIK (Bombay North): Mr. Chairman, Sir, you just now said that 41 minutes are left, and I agree that the Minister will reply just after 41 minutes. At times it so happens that I request you to extend the time as number of members wants to speak and you oblige. If it is extended for half an hour or one hour then it will not create any problem. Therefore, I would request you that it is an important proposal, though it is not mine. But I would request that the time left for this motion is 40 minutes only. It may be extended by 20-25 minutes. It may be decided right now as it would be easy to allot time to the members who are willing to speak. Otherwise the discussion will prolong and it would not be possible to include the Resolution in today's discussion and it will lapse. Since it is an important resolution like Common Civil Code, it should be discussed. That

is my submission.

MR. CHAIRMAN: I fully agree to the suggestion given by Shri Ram Naik.

*[English]*

But eventually it is up to the House. I do agree that discussion are going on and on and being extended. It is not quite correct. Therefore, I would request the hon. Member,

*[Translation]*

The members who are going to speak may do so just for five minutes each, because much of the time is wasted by repetitions. So keeping in view the suggestion given by Shri Naik, I would request all of you to discuss the issue keeping in mind the time available with us.

SHRI SANTOSH KUMAR GANGWAR (Bareilly): Thank you, Mr. Chairman, This topic under discussion for the last so many months in the whole country. It would come under discussion in this House also, and the hon. Minister has agreed to it just now. The question which we are facing this time and certain points we are bale to understand at present are that whether our economic independence would be endangered? Whether we shall have to agree to certain such decisions which are not in public interest. This way there would be an interference in our development priorities. In this context, I would like to draw your attention to a saying of Mahatma Gandhi. He said these words in the context of economic situations and it appears that he has rightly said so. he said, I quote:

"I do not want my house should be surrounded by walls from all the sides, and I do not want to keep the windows shut. I want that the cultures of all the countries to enter my home freely as far as possible. But I do not want to sever my moorings from my own soil.

In fact, looking at the present Motion and the way the people who are raising objections, it appears that we would be

enslaved economically. I do not want to speak at length on this subject. I will mention only a few points. These points may also be considered.

24 We will have to give the same rights to foreign companies also which we are giving to our own companies. This will hamper our independent development and we shall be losing our control on the multi-national companies. On the one hand these multi-national companies would be free to import any kind of technology and on the other they won't be facing any pressure of export. They will be independent to enter into any field of production and if they take interest in the production of consumer goods, the result would be that our small and cottage industries will close down. This way our economy will be terribly influenced. Secondly, there will be a rise in the unemployment in our country. Because of better technology and solid resources the multinational companies will wipe off the small industries in the race. On the other hand, in important fields like financial services, telecommunications, media, education, health etc. these companies are developing unnecessary interest, which will have an adverse effect on our development. Mr. Chairman, Sir, the main occupation of our countrymen is agriculture. Two-third of our population lives in the villages and depend upon agriculture and it appears that its maximum influence will be on the field of agriculture. In other countries, smaller agriculturists are facing extinction. Even in America there were 30% small farmers between 1950 and 1960. Later on upto 1964-65 there remained only 26-27%, and it appears that with the advent of 1995, small agriculturists will not exist. I feel that efforts are on to lead India also in that direction. Personally, I feel that we shall have to review or withdraw all the schemes like reduction in the prices, all the schemes related to controlling the price schemes related to water fertilisers, energy and rebate on pesticides loan schemes for agriculturists. We shall have to change the Public Distribution System altogether as well. If we accept the Intellectual Property Rights of seeds, plants, and other things associated with agriculture it will come in the way of our agricultural development. Because of the

monopoly of the multi-national companies in the field of agriculture we may have to face some difficulty in discovering new species due to the fact that in our country agriculture is not bound by patent laws, it is quite separate. These laws would not make any difference to us. Instead of Process Oriented patent laws we shall be bound by the Product Oriented Patent Laws. These are to be observed in the fields of agriculture, technology, biotechnology etc. where there is more scope of new researches, because all the developing nations are looking towards India and they want to follow us. Today, all the countries feel India is not taking initiative the way it ought to take. There is more scope for new researches. We will be bound by that and if our scientists want to make any such product by their own processes the patent of which is not already existing, they won't be able to do so.

Such people, companies or countries will misuse their monopoly, with all that Dunkel proposals should not be accepted. I do not accept it. It appears as if all the nations are on one side and India is alone on the other side. I would not even suggest that it should lead to a situation of committing suicide. We shall have to delete certain proposals from the Dunkel proposals which we feel are against the economy of the country and it is very essential to discuss these proposals.

In this context we shall have to consider small industries, agriculture and all our main problems such as increase in population, providing employment opportunities. We shall have to emphasize more on indigenous things in order to save ourselves from economic imperialism. We will have to link our economy with the resources available in within our country only and bring forward such schemes which can be implemented with internal resources.

Today, our self-sufficiency is being attacked from every side. the greatest need of the hour is self-confidence. In the present situation the idea of 'swadeshi' can only give light to this country.

[Sh. Santosh Kumar Gangwar]

Mr. Chairman, Sir, the points that I have made here should be discussed in the whole country and in this House also. Let, there may not emerge such power which may be superior to this House and subject the House according to its own dictates. Certainly, under such circumstances we will be losing our prestige, and if we will be bound by such laws, the House too will lose its significance.

At Present, the Indian patent laws are looked upon by the developing countries as the ideal one and these countries too have formulated their patent laws on the lines of our laws. If we look back, say about 15-20 years ago, the U.S.A. too had similar laws but with progress and development, these have been replaced and it doesn't want any country to be at par with it. Today, India is the undisputed leader of the developing countries. The ill-wishers of India are very well aware of this country's potential and are afraid of the fast progress being made by this country.

Therefore, I would like each one of us to ponder over this matter seriously and arrive at a decision, which is in the laser interest of the country. Moreover, our future generation should not become objects of humiliation and they should be able to proudly say that the present leaders of the country had taken the correct decision, keeping in mind the laser interest of the country. With these words, I conclude and thank.

[English]

PROF. SUSANTA CHAKRABORTY (Howrah): Sir, the GATT was set up after the Second World War in order to dismantle barriers of trade. And now in the Eighth Round of the Multinational Trade Negotiations at Uruguay, the philosophy of the GATT has been changed from one of a 'free trade' to the market opening which would, *ipso facto*, be available only to developed countries. The interest of the developing countries have been bartered by the Uruguay

Round of Trade Negotiations. We all know that. During his recent visit to Washington the Foreign Secretary Shri Dikshit has made a very significant remark. He has said that as regards safeguarding the interests of the United States of America, India and USA will work jointly. I have no objection as such to this joint working by India and USA. But the point is, it is to be studied in the background of what Ms. Carla Hills remarked. She said that USA would not hesitate to apply Special 301 and would not hesitate to have any retaliatory measures if the talks of agreement that had been proposed in the Dunkel's draft proposal was not accepted by India and other developing countries.

In the year 1989, we had before us an advantage when India gave the leadership, when India gathered the support of all the developing countries and the negotiation had to begin afresh and this time India has lost much of its prestige, India has lost the lead that it could have gained. It is no coincidence that our Foreign Secretary made this remark and even he went on to remark that we think that USA has certain allegations, valid allegations against the barriers that have been created to its State. In the same vein, our Commerce Ministry now tries to find logic behind certain proposals as have been placed in the Dunkel Draft.

So far as pharmaceutical issues are concerned, it is being said that there shall be an increase of only ten to fifteen per cent. So, there is sufficient scope for negotiation, sufficient scope for rethinking. This stand of the government, this thinking of the government, rather we apprehend, will lead us in a way from where we shall not be able to come back. It is nothing new that patent is being given to intellectual properties. It is nothing new. But now what is being tried is to include discoveries also within it. Inventions are patented and patented legally. Now discoveries are also being attempted to be patented. Had Mr. Columbus discovered America after 1993, he would have also had the right of patent over America and he could have claimed exclusive right on America and exploited it for long 20 years. This is a very ridiculous possession.

Again it is not only the process but also the products which are going to be patented. Now so long America was not self-sufficient in agriculture, so long there was hunger in America, they did not bother, they did not press that there should be patent rights in regard to security of food and all these things. Now we have advanced, much, so they demand that patent right should also be granted in this case. If that happens what will be its implication upon India? Formerly what we could do? if a particular process has been patented, by another process, we could produce the same product. We could do that. It is in this way that Indian agriculture was developed; it is in this way that we could grow up new seeds; and it is in this way that our agricultural sector has reached a stage, where it is now. It is in this way that our farmers have advanced towards self-reliance.

Now if that is changed according to the Dunkel draft, the implications would be that we shall not be able to use any other device, any other process to produce an identical product. So India's interests will be hampered. They may again be extended to the living beings. It is also dangerous.

Some of the highlights of the Dunkel proposals are: 1) foreign investors ought to be treated on par with domestic companies in every respect; 2) there shall be no restriction on foreign equity participation; 3) there shall be no restriction on any other investment; 4) there shall be no obligation to use locally available products; 5) free import of raw materials, components and intermediaries and there shall be no export obligation to find imports.

So far as this part is concerned, by our industrial policy, by our new trade policy, we have accepted all these conditions. What does it mean? It only means that we are going to surrender our sovereignty too the multinationals. We are going to surrender our sovereignty to the interests of United States of America. If this Draft is accepted by us, our position will be like this; because it shall be an international law and because it is obligatory on your part to follow the law, so

the sovereign parliament of India, the Acts that we have passed - the Indian Patent Act of 1970- will have to be amended in accordance with the new international law that is being proposed by the Dunkel Draft. That is the situation in which we stand today.

I have already told about the agriculture. So far as our drug industry is concerned, many Members have said and I do not want to take up the time of the House. I know that there is time constraint. If it is accepted, the relative advantage that India enjoys in the case of this industry, the relative market that we have in the world outside - in America itself - we shall lose that advantage and we shall have to depend upon the foreign countries for the import of life saving drugs. So the life and health itself - the health of our country - will depend upon the imports and that shall be a tragedy. We can not take it for granted. So, the government of India should take a very bold stand. Mrs. Carla Hills threatened us that she will apply Special 301. Now some are also apprehensive that if those actions are taken against us, the balance of payments problem of India will be further accentuated. Some have said that only two ways are open for us that is either we have to accept it or we have to leave the Membership of the GATT or we may be expelled. I do not think there is any actual threatening. India is one of the founding members. On India depends the fate of the developing countries. India can still take the leadership. No one can ignore India, its vast market and its peculiar geo-political conditions. We actually think that some hundred and odd countries of the world shall unite together to expel India from membership. So there is no actual threat.

What is needed is courage, what is needed is conviction, what is needed is to bring about a philosophy of change, a change with human face, a change with social justice which is promised by the Government but is never granted to the people.

It is in this context that I look at the Dunkel proposals. I would request the Government that should desist from fumbling. It should take a firm stand. It should make

[Prof. Susanta Chakraborty]

public all the things that are there. After a full-fledged debate in the Parliament, after a full-fledged consultation with the intellectuals of our country, with the people of our country, the Government should take a stand. It should not leave the space step by step to the whim of the multinationals, to the capitalists of the World bank and the IMF and the Dunkel draft that is going to create a neo-colonial order in this world.

With these words, I again request the Government to take a firm stand on it and to take the people into confidence.

SHRI A. CHARLES (Trivandrum): Mr. Chairman Sir you have already warned that the time is very short and that we have to be very brief.

MR. CHAIRMAN: I have not warned. It is the pleasure of the House. A number of people have said that we should not try to extend the time further.

SHRI A. CHARLES: The government has promised a full and detailed discussions will take place in the House when the Government comes forward with a more detailed account of what exactly is contained in the so-called Dunkel Draft which has been almost painted as a great monster-baby. I do not now stand here to accept all that is contained in the Dunkel draft.

The world has witnessed tremendous changes in the last four decades. Especially the changes that have taken place in the last two years are in fact far-reaching, vast and have affected the whole world. Today the world is very small. What is happening in part of the world has its impact in the rest of the world. What has happened in the Soviet Union, we know, has its impact in the progress, in the life of the our great nation.

An attempt has been made during the last two months that all the changes that the Government has initiated - may be in the economic life of this country or its trade policy, or in the agricultural sector or in the

commercial sector - are a total deviation, not only a deviation but a reversal of the policies that have been followed all these years. Quite surprisingly, all those who had been criticizing the Nehruvian policy of planning, the socialistic pattern that we have accepted in Avadi have now come forward and started praising Nehru, his policies like anything. They say we are now totally deviating from those policies. These changes are not a reversal when we find that the path we are treading is too long. When we find certain hurdles, naturally we try to have some bypass. That is exactly the meaning of bypass surgery. On the national highways all over the country, we are fighting for bypasses. These changes are entirely the bypasses we are trying to have. There is no change in the goal which we have to achieve. There is also no change in the foundation that has already been laid.

I must say quite unfortunately the opposition is repeating certain words and jargons without that is proper understanding the GATT, or the IMF the IBRD etc. The poor commonman is given an impression that it is something like a monster imposed on him. I am sure the hon. Members know that our country is a founder-member of all these big associations, namely, GATT, IMF, IBRD, etc. Unfortunately, China is still knocking at the door of the GATT and IMF to get membership.

SHRI SAIFUDDIN CHOUDHURY (Katwa): why are you not opening the door to China?

SHRI A. CHARLES: I am not mentioning the name of China to score a political gain or to secure a political point. But we cannot compare our country with Singapore. We can compare Singapore with Trivandrum city. We have to compare our country either with China or USA or the former soviet union - now Sovoet Russia. What is happening all over there? We know that China has accepted most of the conditions of the Dunkel draft with more stringent conditions because they have problems. My friend has mentioned about Special 301. That is just dangling on their head like a Damocles' sword.

SHRI RUPCHAND PAL (Hooghly): China is not a member of GATT.

SHRI A CHARLES: No; I said that they are still knocking at the door of GATT. It is not a member. We are a founder-member.

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P.CHIDAMBRAM): China is not a member. What the member said was, 'China is not a Member.' China is only knocking at the door.

MR. CHAIRMAN: Please conclude.

SHRI A. CHARLES: Do you mean to say that IL should not mention about China?

MR. CHARIMAN Please start winding up.

SHRI A CHARLES: After talking on main points, I will conclude in two or three minutes. We are all equally concerned about some of the conditions of the Dunkel draft. We know that all that is contained in it is not good for us. We do not say, we are accepting it *in toto*. I am glad that the hon. Minister of Commerce, when this draft was made public, said in very clear terms: We are at it. We are studying and we are concerned about it and certain provisions are discriminatory.

After all, 108 countries have been negotiating with the GATT for the last several years. This is not a sudden imposition. the draft is here. It is a big document- legally complicated. I wonder whether anybody in this House has gone through it fully. I have not gone through the entire document. Some Press reports are there. Some information has come to us. We are trying to understand it. But we know two areas. In the TRIPS, it is not wholesome welcome us. So far as patent law is concerned, we have to be very careful. But in the agriculture sector, even though initially that is was said to be harmful to us, now we know that it is not that harmful. There are various points in the Dunke draft actually favourable to us in the agriculture sector. But we have to be very careful with regard to drugs and pharmaceuticals. A fear has been expressed that the indigenous

manufacture of drugs will be affected and that the cost of drugs may even go up 10 to 30 times. These are the fears that have been expressed. I am sure the Government will come forward with full details as to how it will have an overall impact on the total system. We are now a part of the global economy. We cannot be isolated from it and we have to take part in it. If we want a large share of international trade, we should have large productivity, higher quality, lower costing, foreign investment, wider poesntation of foreign markets, etc. If we want to achieve this, if we cannot simply be waiting for Micawber like for some things to twice up or to wait Light or for the shower of manna to come from Heaven nor do we have the Aladdings Wonderful lamp with us. We have to work hard, if we have to understand the realities. These realities are before us. I am sure that in the near future, the Govrnment will come forward with details and we will have a full discussion. Those conditions that will not do us any harm alone can be accepted and we all of us know that India is the only country which has not given its opinion so far about the total approval of this draft. Almost every other country has accepted. At least, they have partially accepted. 80 per cent of the conditions have been accepted by all. We know that more than 80 per cent of the conditions are not harmful to us or helpful to us. The hon. Minister is here. I also request that a meaningful discussion must be made. Our friends on the other side are trying to create an impression that we are surrendering our economic sovereignty as they have surrendered there intellectual sovereignty. By a full discussion, the picture will become clear.

With these words, I conclude.

MR. CHAIRMAN: With these words, I conclude Although time is up but no Members form the Janata Dal has sponken, I now call Mr. Nitish Kumar to speak om the Bill.

SHRINITISHKUMAR (Barh): Mr. Chairman, Sir, the TRIPS, TRIMS, GATT proposals etc. which have been received by the Government, will not only go against our Patent laws, but are also violative of our

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[Sh. Nitish Kumar]

[K.]

economic sovereignty. I would like to thank the hon. Member, Shri Rup Chand Pal for moving this Resolution against these proposal and thus providing an opportunity to [ ] discuss this matter at length.

In fact, all these three proposals are the outcome of the Uruguay round of GATT negotiations. The DUNKEL draft is being widely discussed both within and outside the country. In our country also, a couple of groups are actively holding nation wise debates and moulding public opinion. Through you, I would like to express my gratitude to these groups and I urge the Government to seek the opinion of the intelligensia and these groups, apart from that of the Parliament, which is also very active in this regard. A campaign on this issue is underway, under the convenorship of Dr. Suman Sahai and Shri Poorvi Pandey is the co-ordinator of the informal discussion group. The National Working Group too had organised a seminar on the subjects and the issues raised there have been sent to Members of Parliament. We sincerely hope that such discussion will take place in the Parliament also and that the Government would hold consultations with these groups and give a serious thought to their views. If we sincerely do not want to surrender our economic sovereignty, then the Government will have to hold consultations with them.

Mr. Chairman, Sir, with reference to the discussion on TRIPS, I would say that the United States wants to impose its Super 301 law on the entire world. Wherever any such discussions takes place, we find the Congress Party Members saying that China has surpassed India in accepting these conditionalities. China is not a member of the 108 member strong GATT, of which India has been a Member since 1948. The GATT talks have been going on since 1986, without arriving at any agreement. Rather, every other day, we find new differences cropping up. Does the Government want us to believe that the Dunkel draft is not detrimental to India's interests, just because China has made major compromises with the United

states, unmindful of the developments in the GATT talks? It is indeed shameful argument. China may be having its confusions. It may be that such compromises would benefit it, say in the matter of textiles etc, because their export turnover exceeds that of our country. There are many issues over which the two countries cannot be compared. Therefore, we request the Government not to mislead the country's common man by comparing ourselves with the Chinese. They should not be under the impression that the Indian people cannot see beneath the surface level, whether it was during the freedom struggle or during elections, the India people have always taken up issues.

We feel that the acceptance of the Dunkel proposal would be an affront to the country's economic sovereignty, but the Government harps on only one thing that China has accepted certain conditions, as if to convince the Indian Masses that of a Country larger than India can agree to these conditionalities, there is no reason for India to desist from it. Such a shameful argument is being put forward to divert the attention of the masses, to mislead public opinion so that people may not go into the details. Through you, we would request the Government not to give such an argument and place the facts as they are, before the House and the people of the country and explain those points, which would benefit us and those which are detrimental to our interests. Now, through TRIPs there is a conspiracy to impose special 301. Mr. Chairman, Sir, there is very little time left and I shall be brief. After all what to do they want through the Patent Laws? Everything including fertilizers pesticides, seeds, medicines etc. would become patented. (Interruptions)

Now, can plants and animals be patented? A very dangerous argument is being put forward. Tomorrow they would say that human beings too should be patented. (Interruptions). We should ponder over its ethical aspects too. When plants and animals would be patented, it would be left with America to decide on the kind of human beings to be produced in this country, the

persons who would be producing them, the colour of the Indians etc., then we too would think that we are darkskinned and it would be wonderful to be fair-skinned. (Interruptions) Thus, as per our ethics and national ethos, here I am not talking about the religious aspect, rather as per our tradition and culture, our very idea of patenting living beings is unpalatable. Thus, from the ethical point itself, it is a very dangerous tendency. (Interruptions)

Mr. Chairman, Sir, regarding its economic aspect, I would like to draw your attention towards a fact. It is nothing short of gangsterism on the part of the United States. According to them, they would produce something new combining Genes A and B, and then they would tell us that it is a patented product, whose requirements would solely be met by Multi-national Corporations. (Interruptions) The whole world knows that our farmers have produced high quality seeds of wheat and other foodgrains over a period of 5-6 thousand years and our agricultural scientists are second to none in the world. They have conducted various experiments and researches to achieve progress in this field. We have developed a variety of superior quality hybrid seeds over the years, but now the Americans would make some surface changes and claim these products as their own patented ones. It would mean the gradual destruction of our traditional agriculture. Now, Dr. Manmohan Singh in his Budget has made it clear that They won't be any import restrictions henceforth and going by past experience, we can say that our seed companies, seed corporation and the research work being done by I.C.A.R. would not be able to stand the advertisement Blitzkrieg of the Multi-national Companies. Secondly, the seeds that would be imported would be developed in United States and this won't be suitable to our agro-climatic conditions. Further, through their aggressive advertising art, they would influence our farmers to purchase those seeds, but the more dangerous aspect of it is that once our farmers produce those crops from the seeds purchased from multi-national companies, they won't be able to store a part of it in the form of seeds. If someone does it like that, then the rights including that of close-relation

and others, which are against the Indian principles of jurisprudence, of the accused and the accuser....

[English]

MR. CHAIRMAN: Hon. Members, the time for this Resolution is over.

Now, there are still 10 to 12 Members who wish to speak and the time allotted is already over.

At the commencement of the Private Members business, it was pointed out that there is too frequent an extension of the time allotted and this should be avoided as far as possible to which, all of you had agreed.

Now, if you agree, then, the Minister can intervene. If you want that the time should also be given to 10 to 12 Members who are in the list, then, it will take another three hours. If the time is extended, then, everybody will be able to speak. So, it is up to the House now. Because, the next Resolution which is coming is Mr. Moreshwar Save's Resolution.

SHRI MORESHWAR SAVE: My Resolution stands second in the list of the Private Members Business. These are all balloted. With great difficulty, my name has come on the ballot. It will be an injustice, if I am deprived of the opportunity. If at all the House wants to extend the time, let it extend it by another half-an-hour.

MR. CHAIRMAN: Mr. Chitta Basu, what is your opinion.

SHRI CHITTA BASU (Barasat) I say, it must be extended and his Resolution can also be placed for discussion for a few minutes.

MR. CHAIRMAN: If we extend the time for this Resolution, then I cannot accommodate all the 10 to 12 Members who are still to speak. Because everybody is taking 15 minutes.

SHRI PIUS TIRKEY (Allipurduars): It should be extended by one hour.

After that, let him move his Resolution. Next time, let him continue.

**SHRI MORESHWAR SAVE** (Aurangabad): Let the time be fixed that such and such hour, I will get.

**SHRI CHAIRMAN:** Would anybody like to make a suggestion upto what time, it should be extended?

**SHRI SOBHANADREESWARA RAO VADDE** (Vijayawada): It is a very important Resolution. You may extend the time by another one hour maximum.

**MR. CHAIRMAN:** Now, it is 4.25 p.m. Let us finish it by 5.25 p.m. The Minister is to intervene and the Mover of the Resolution has to give a reply. So, if you all agree, then it is all right.

**SEVERAL HON.MEMBERS:** Yes.

[Translation]

**SHRI DAUDAYAL JOSHI** (Kota): Mr. Chairman, Sir, if this Bill is not taken up today, it will lapse. (Interruptions)

[English]

**MR. CHAIRMAN:** So, we extend the time for the present Resolution by another one hour. So, we have agreed that the time for this Resolution be extended by one hour and by 5.25 p.m. it has to finish.

**SHRI SRIKANT JENA:** Sir, this is a very important subject. The time should be extended.

[Translation]

**SHRI NITISH KUMAR:** Mr. Chairman, Sir, I was saying that it is against the principles of Indian jurisprudence. It is the job of prosecutor to prove that the accused has done a wrong but under this law, if accusation is made against anybody, the accused will have to prove that he is not guilty. It is against our basic structure, the principle of jurisprudence. If a farmer purchases seeds from multinational company and after har-

vesting crop keeps some grains with him to use as seed in future, then the Government of India will arrest him. The agents of the company will intimate the Government of India about him and in turn the Government of India will punish him. If the Government of India does not act accordingly, they will take revenue as cross retaliation. It means we are going to take a dangerous leap, i.e., we are going to accept it. It will have dire consequences. It will ruin the agriculture of India. Besides, the imported seeds will bring diseases with them and will create so many problems. Our agriculture will continue to come to an end. The same situation will emerge in respect of medicines also.

I will conclude after drawing your attention to something dangerous. The Government says that only 10 to 15 per cent medicines will come under its purview and the remaining 85 per cent medicines will continue to be manufactured indigenously. I would like to draw your attention to one thing because neither the area of Mr. Chairman nor the area of Mr. Tytler is affected by the disease. Mr. Tytler had visited my constituency when I was fighting election. I don't know whether he found a patient of Kalaazar or not Kalaazar is spreading widely in Bihar.

**THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER):** I have come across with Mr. Dular Singh.

**SHRI NITISH KUMAR:** I don't know who met him. I will tell you separately with whom Mr. Tytler was taking rounds. There is no need to waste of the time of the House. The disease of Kalaazar is not incurable. But thousands of people are dying due to this disease because the medicine of this disease is not being manufactured in India. We have to import it we don't get the requisite quantity of medicine from abroad. That is why I am telling you that the treatment of the disease is possible in other countries but we are not in a position to cure the disease and thousands of people are dying and lakhs of people of people are its victims. Similarly, there may be many disease which are curable but since we are

unable to manufacture these medicines, we have to import them from foreign countries. We will not get that medicine in adequate quantity and consequently people will die. They will die of starvation and disease. This is what the entire legislation is. That is why, the Government should reject it. It should not compromise with the sovereignty of India. I will insist on it.

SHRI PIUS TIRKEY (Alipurduars): Mr. Chairman, Sir, India is famous for its self-respect in the World. We have diverse cultures, different dresses and variety of food habits. I don't object to seeking any assistance. Any country may come to assist us. But the condition is that the assistance should not be at the cost of our sovereignty. If anybody provides assistance to develop whatever resources we have, it is welcomed. But, as some suggestions are being made here that everything will have to be changed and as the previous speaker has said that change of man has also become necessary, because at present patent laws are being enacted for seeds only. Such type of incident is no where in the history. India is known in the world that despite so much diversity we are a one nation. We want to maintain it. If we seek assistance from other countries, it would be an insult to our talent, brain knowledge and scientists. Most of the engineers and doctors who are working in the U.S.A. are of Indian origin. Engineers operate factories there. The talented people of India are there all over the world. They are appreciated everywhere. In such a situation, if India, whose talent may help other countries and the U.S.A. itself is taking our help, as our engineers are working there, our ablest doctors are working there and the Ministers, who go to U.S.A. for their medical check up, know that the Indian doctors are there who examine them, and if our Government seeks assistance from the U.S.A., from the I.M.F. and from the World Bank and rely upon Dunkel proposal, then it means this Government does not have any regard for the self-respect and honour of the country. I mean to say that we must not lose our self-respect. When these people are coming forward to provide us assistance, we must mind it first of all that nobody comes forward

to help anybody. America is a selfish country. It wants to enter the Indian market for the purpose of earning profits. It is a general concept that if a man or business man helps others, he will first ensure how much profit he will get. He does not care for the loss and profit of the other party. We are taught to become self-reliant. 40 years have passed and our country has become young. The people died at the age of forty years. Now it is our 40-year young nation. If we are taught to walk, speak or sit, it is a great insult to the country. I would like to request that the resolution moved by Comrade should be adopted by the Government. Lakhs of rupees are being spent on the preservation of animal species so that they could not become extinct. We have diverse cultures in our country. This resolution has been moved with the intention that our old traditions can be maintained even in the twentieth century.. So, the resolution should be adopted after proper study. We should not compromise at the cost of our talent. India should command respect. We can be poor but we are not smaller than others. Our self-respect will have to be maintained. We have not compelled America or other country to provide us assistance. It is not a question of an individual. It is the question of the prestige of the whole nation.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh): Mr. Chairman, Sir, this is not the first time that this General Agreement on Trade and Tariffs is being discussed here in Parliament, or it is not the first time that GATT is having its round of discussions on trade and commerce.

After the Second World War starting from 1947 seven such rounds have been completed at different places. Because of paucity of time I am not going into the details. Now the Eighth round is going on. They commenced in 1986. It was to submit the report and proposals after four years, that is, in 1990. But there has been a lot of difference of opinion, there has been no unanimity or something like that and the time is extended. Even in December 1991 the Chair-

[Sh. Sriballav Panigrahi]

man of this Committee which was to oversee these discussions, Shri Dunkel, he unilaterally himself, finding the impasse prevailing in the discussions and deliberations, formulated his ideas. He has put up these proposals and unilaterally circulated them among the participating countries to give their opinions just in three weeks' time.

As I said, earlier also, there have been discussions and as we all know today liberalisations of economy has been the order of the day throughout the world.

Barriers have been broken. Several important events have taken place during the last two years. The two Germanies have been United. Viet Nams have been united. And at the same time the European Economic Community came into being. So many things have taken place. But at the same time a great empire, a big Super Power has been broken into pieces. So many events have taken place. So many events have taken place, and we cannot remain in isolation. This is the time globalisation is also taking place very fast.

What is the peculiarity of these different rounds of discussion? This time, new areas such as TRIPS, TRIMS, Services, agriculture are also included.

In the Dunkel proposals, there are some conditions, some proposals, which are nauseating. As it is, apparently many things are not acceptable, they cannot be acceptable, to the developing world. But I cannot agree with the spirit of this Resolution, with the contents of this Resolution, that the Dunkel proposals should be straightway, totally and categorically rejected.

In 1947, the number of participants was about 27 countries. Now it has risen to more than 100. In fact, 108 countries have participated.

China is also a major participate. We know the economic conditions, social conditions of China. India is an ancient country. We have

our own culture, glorious culture. And at the time of our independence, we were not producing even a blade and now our country is one of the ten most industrially advanced countries of the world. In 1951, when the First Five Year Plan was launched, our production in agriculture was around 55 million tonnes. It has grown manifold now. There has been an increase of about 30 per cent in production. We are, in fact, the leader of the developing world. We are the leader of the Non-aligned Movement in the world. We have our own sense of prestige and pride. Of course we have to move with time. If we are left behind, we cannot compete with the rest of the world. It is very competitive. The world is becoming smaller and smaller with the advancement of science and technology.

My definite suggestion is this. While we have to move with time, we have to globalise, we have to be a part of the changing world. At the same time, we have to adopt a very cautious and careful approach. We should not do anything which will infringe our sovereignty and which will affect our prestige. What is our objective? Our objective is growth with social justice. We cannot accept anything which has any humiliating conditions attached to it, which affects our self-reliance and which affects our backbone....(Interruptions)

MR. CHAIRMAN: Please wind up. There are many Members who want to speak on this.

SHRISRIBALLAV PANIGRAHI: The hon. Minister, Shri Chidambaram, has assured a full-scale debate on this in this House. A Sub-committee of the Cabinet has been formed and it is working out on this.

I congratulate the Government that when Dunkel has come out with his proposals, either we accept it in full or reject it; that is the position. Leave it or accept it in full that position we have not accepted. I think, we have communicated this position. So, this calls for a careful negotiation.

India, who is the leader of the Third World and the developing countries

mobilise opinion in this line. We should accept only these proposals, which are acceptable to us, after careful negotiations and keeping in mind our position, national pride, prestige and policy of self-reliance together with social justice.

**SHRI GOPI NATH GAJAPATHI** (Berhampur): Mr. Chairman, Sir, the proposed resolution moved by my learned colleague, Shri Rupchand Pal calling upon the Government to categorically reject all proposals received by Government pertaining to: Trade Related Intellectual Property Rights (TRIPS), Trade Related Investment Measures (TRIMS), and General Agreement on trade in Services (GATS) deals with an issue which is at a very preliminary stage. As stated by our hon. Union Commerce Minister on the 6th March, 1992, Government is willing to have a full-scale discussion on the subject after finalising all the issues involved. The present Resolution deals with only these proposals e.g. TRIPS, TRIMS AND GATS. Moreover, the proposals have not yet been finalised.

The Resolution expresses some fears with regard to our Patent Laws. These fears are not entirely out of place. However, I would submit that Government has not yet taken a final decision on it. In case of Patent Laws, the developed countries generally always try to dominate over developing countries. For example, a product may have originated in a developing, country earlier. But the developed countries may develop that product in another form and through money power and media strength, which these countries enjoy, they may claim that they have developed the product and can take the advantage of patent laws regarding that product.

Therefore, there may be some loopholes in the Dunkel proposals. Moreover, it is the normal human tendency to express fears against a new concept at the outset. As such, the fears expressed by my learned colleague, Shri Pal are not totally out of place. However, ours is a democratic country and everything that is done here is only after thorough discussions. As already stated

by the dynamic Union Minister of Commerce, a decision will be taken after opinions of experts are received. Hence, there is no need to act in great haste and pass the Resolution, I would therefore, oppose this Resolution.

**SHRI SOBHANADREESWARA RAO VADDE** (vijayawada): Mr. Chairman, Sir, than you for giving me an opportunity to speak on this very important issue. I congratulate my colleague, Shri Rupchand Pal for giving this House an opportunity to discuss on this very important issue, that is agitating the minds of a very large number of people of this country. In fact, the Government itself should have come forward with the proposals and placed it before the Parliament so that the Members can discuss and a wider debate can take place because this has very far-reaching consequences. Of course, we must be happy at that some economists and some organisations like ISDI have taken some initiatives to start discussions in regard to these GATT proposals. Of course, the hon. Minister for Commerce has said that the Government us not with a closed mind and that only after due discussions and considerations, the Government will take a decisions. In this regard, I would like to say that this Dunkel Draft is very complicated in the sense that when we got a copy from the library and went through that even we found it very very very difficult to understand the provisions because they are in a legal terminology. My humble submission to the Government is that please let the people of this country know what actually the proposals are and what are the implications, are they going to benefit our country or are they going to cause harm to our national interests, and which are the countries which have already given their consent to these proposals, if any, why they have come to such decisions and what are the options before us, because either we have to take it or leave it. In that case, what are the options open to us? All these things the Government must bring forward before the people of this country.

If I would like to say that the people are really confused. We are not with a closed

[Sh. Sobhanadresswara Rao Vadde]

mind. We did not want to outrightly reject those things. We have to invite the proposals if they benefit the people of this country. If they are going to cause harm, then we have to oppose. But when there is no option, we have to make amendments or modifications and we have to take the cooperation of other developing countries and exert pressure so that our proposal is accepted.

I would not go at length because several other colleagues have already dealt with Trips and other provisions. My only feeling is that except FICCI and ASSOCHAM, several other organisations relating to trade, commerce and small and medium industries, are also opposing these proposals. As my other friends from the Treasury Benches have also said, there are very serious apprehensions about the benefit of these proposals for the people of this country and for the economy.

One serious apprehension is that these proposals, if we accept them, may, to a greater extent, help the multinational companies or the transnational companies, rather than the ordinary people of this country, because through these proposals, which are also indirectly reflected, to some extent in our proposed economic reforms also—they are opening up the economy for multinational companies—in that regard, we are going to suffer from such angles, especially in regard to manufacturing of a product through a different process because as poor these GATT proposals, both the product and process patent we have to accept and that the holder has no obligation to manufacture in our country and also he need not have any obligation to utilise the local material. The pharmaceutical industry is in great apprehension. In fact, at one point of time, they have threatened the FICCI that they will go out of the FICCI. So, the Government, which may be having a better knowledge and may be in more know of the things, may please clearly state what are the implications, whether Dimpal Draft is going to affect our research and development efforts. Supposing the patent laws are accepted now, what

will be the position of the drugs and pharmaceuticals which have already been developed? What will be these fate and what will be the future in store? Such things the Government must definitely make clear, especially the Trims. I think it will definitely cause harm to our indigenous efforts in regard to industry. Of course, there may be some countries where they have made progress and have really benefited because of the economic reforms. There are also some countries where the situation has further worsened and the Balance of Payment position has further worsened. The Government must inform us all these things where there is advantage and where there are disadvantage. I would request the hon. Minister about one thing—agricultural sector—which did not find place in the Motion of my friend Shri Rup Chand Pal. The agricultural sector is contributing one-third to the national economy and it is a sector by which 60 per cent of the population is making their living and this sector is going to be terribly affected because of these reforms. I would like to request the hon. Minister to kindly clarify all these points during his reply.

The GATT proposals are seeking our country to give up the fertiliser subsidy or some more subsidies in the farm sector. I would like to know whether U.S.A. is going to withdraw all its subsidies or whether the European Community is going to withdraw its subsidies? Right at the moment, in the U.S.A. 75 billion dollars are being given to the farm sector as subsidy and it is 134 billion dollars in the European Economic Community in the form of farm subsidy. In our country, the per capita farm subsidy is 4.4 dollars whereas it is 240 dollars in the European Economic Community and 149 dollars in the U.S.A. If they also accept for that, what will be the implication? How our products—rice, wheat and other things—are going to face the world market? How it is going to further improve our production and our export efforts? What will be the implication of it? When the tariff equivalent of support is more than 10 per cent value of the production how it may effect of our procurement prices, what about our minimum support prices? Please enlighten us.

I also want to know what will be the impact on the seeds. Our farmers, till now, are able to purchase seeds in the market. We grow seeds in our farm, and again we produce for our necessity and for our neighbour's necessity. What will be the future? Are the farmers going to have that freedom or not? Or, are we to depend on these multi-national companies for seeds? Kindly enlighten on all these things.

We have to deal with the situation, in the best interests of our country, with an open mind and discuss threadbare not only in Parliament, the highest body in the country but even outside and decide. The country must also discuss these issues. Then only the Government must come to a decision. We feel so because it appears that you have accepted the conditionalities of I.M.F. and World Bank though you have not taken us into confidence. It seems you have already agreed and that you are going to implement them. Kindly do not do it in respect of these GATT proposals because the consequences may be so disastrous that the people will not pardon you. Kindly take the people into confidence. Thank you, Mr. Chairman, for giving me the opportunity.

[Translation]

SHRI RAM NIHAS RAI (Robert ganj):  
Mr. Chairman, Sir, I rise on a point of order.  
There is no quorum in the House.

MR. CHAIRMAN: the bell is being rung.

[English]

MR. CHAIRMAN: Now there is a quorum.

Mr. Chitta Basu.

17.00 hrs.

SHRI CHITTA BASU (Barasat). Sir, I welcome the view expressed by the hon. Minister regarding how the Government propose to tackle the Dunkel Draft. He is on record to say that he would prepare a note, place it before the House for the consider-

ation of the House and only after the consideration of the House the Government will formulate its position regarding the Draft. So far, I accept this proposal, it is good, and it is naturally welcome from me. But I have got a suggestion. Since the matter is really complicated, since the matter is really complex, Sir, I would suggest that the Government's proposal being formulated after the discussion may kindly be referred to a High Powered Committee of Exports. This High Powered Committee of Exports us necessary. Let him reject, but I have got a right to suggest to him. This Experts Committee alone can do justice to this subject. Without wasting much time of the House I want that the Government may positively respond to the suggestion of mine.

My second point is; what was the Government of India's position when the Uruguay round of talks included items which were not part of the negotiations of the GATT during the earlier round of talks, namely, the TRIPS, TRIMS, GATS and other agricultural subjects. What were the reasons with the Government at that time to accept the proposal for the inclusion of these subjects which were not within jurisdictions of GATT's negotiations earlier? I would be very happy if the Government could explain the position taken by the Government at the first phase of the negotiations of the GATT.

1703 hrs.

[SHRI RAM NAIK in the Chair]

My third point is - I do not to get into disadvantages which we will have face if we accept the proposal in too. That is more or less the opinion of many Members. There also discussed it, these are thoroughly prejudicial to the interest of the country. I want to raise a fundamental question on that too on the basis of a report which has been published only a few days ago. The Report is that of the United States Trade Law : "Special 301". That is a threat before us and it is said that the reaction of the U.S. Administration will be available only after April 29. So far it has not been available but the General Counsel Gary Edson of the US Trade Representative briefing on the 1992 National Trade Estimate

report on trade barriers released here on Monday, said 'cases of all the countries listed under Special 301, would come under review.'

Mr. Edson said, 'The US concerned about the lack of product protection of intellectual property in India. However, the Rao Ministry had made some "significant progress in a variety of ways".

Sir, let us understand that there is a threat of "Special 301" in relation to TRIPS, that is also in relation to GATS. Therefore, what will be the position of this Parliament if we accept that the Rao Ministry had made some "significant progress in a variety of areas? This I again quote: "Significant progress in a variety of areas". In many areas they say, there has been certain compromise. This is other impression I have got. If you have got any other impression, that is another thing. But the impression has gone round that you have yielded, you have compromised on these 3-4 areas-I do not know which are the areas. So, I would like to be clarified by the Minister as to whether we have really compromised and whether we have yielded. If we have yielded, then that becomes the Patent Act of India. In that case, what is the fate of this House which had passed the Patent Act of India in 1917? The report says:

"That India's Patent Act prohibits patents for any invention intended for use or capable of being used as a food, medicine, or drug or relating to substances prepared or produced by chemical processes. Many US-invented drugs are widely reproduced since product patent protection is not available."

By this, it is clear that they want that there should be changes in the Patent Law. This has been made clear only two or three days ago. What is the reaction of the Government to this? Are you going to change our Patent Law? The report further says:

"That India's procurement practices

are not transparent and discriminate against foreign suppliers".

They want that our procurement policy should be changed and with it, the policy of subsidy is to be changed. That means it is very much contrary to the basic decision that we have already taken. What would be the reaction of the Government?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): Is it your conclusion or somebody else's conclusion?

SHRI CHITTA BASU: It is somebody else's conclusion.

SHRI P. CHIDAMBARAM: Do you agree with that?

SHRI CHITTA BASU: I do not agree with that. (Interruptions)

(SHRI P.M. SAYEED: *in the chair*)

1707 hrs.

SHRI P. CHIDAMBARAM: I am not throwing up any challenge. If you have read the Dunkel proposals and if you are satisfied that there is a paragraph saying that our procurement policy should be changed, then, I will answer that, but please do not take a newspaper report and say this.

SHRI CHITTA BASU: It is not a newspaper report; the US Trade Representative has said it. There is a threat of 301 and it is your duty to explain that. The discrimination which is effected is the prohibition of defence procurement. So, according to me, the United States wants that India must complete the globalisation programme as agreed upon by dismantling its economic defences and enter the intellectual property regime along with the free entry of American products which are highly prejudicial to our country's economic interests. Therefore, these are dangerous proposals. It is not only that we, as a developed country consider these proposals as disastrous and dangerous, but there are other Third World countries which also

consider these proposals as inimical to their interests. Therefore, it is duty of the Government of India to mobilise the opinion of the Third world countries and confront the United States of America which is due out to utilise the GATT negotiation to impose its still upon the Third world countries.

I think, the Minister will kindly respond to it. This is very much necessary in order to formulate also our views. There is the proposal. Either they may accept it or reject it. Either it must be accepted as a whole it must be rejected. You say, there are certain things which are very positive; there are certain things which are very negative. Let us understand which are the positive aspects of the proposal, and what do you propose to do? If they say, take it or leave it, it is their position. Your position is, there are certain aspects which are positive; there are certain aspects which are negative. We do not know which you consider to be positive and we also do not know which you consider to be negative. But from our side, there are certain proposals. There are many proposals which are hidden which are highly prejudicial to the interests of the nations.

I conclude by saying that it is the bounder duty of the Government to explain it in full details because the opinion of the Government is being formulated finally.

I repeat, it should be the duty of the Government to mobilise the Third world countries in defence of the position that the Government of India propose to take to confront the United States of America which is out to exploit the Third world countries under the garb of this GATT agreement.

MR CHAIRMAN: Hon. Minister.

*(Interruptions)*

MR. CHAIRMAN: The time extended is up to 5.20 p.m.

*(Interruptions)*

*[Translation]*

SHRI TEJ NARAYAN SINGH (Buxar): Mr.

Chairman, Sir, nobody has spoken from our party. *(Interruptions)* .

*[English]*

SHRI P. CHIDAMBARAM: I do not have any objection. Let it go on to the end of the day. Let it continue for two weeks. Either you allow me to reply now or it continue upto 6 O'clock and then for two weeks.

SHRI RAM NAIK: Today it has been decided that the discussion should be over by 5 O' clock. Subsequently, it has been decided that by 5.30 p.m. it will be over because subsequent resolution has to come. Again, if we prolong and then, if the Minister does not reply, there is no point in the discussion at all. *(Interruptions)*

SHRI RUPCHAND PAL: There are conventions in the past that one Resolution continued for days together, In the Private Members' Business, all the Members who wish to participate are given a chance. *(Interruptions)*

SHRI RAM NAIK: We want that subseqent of Resolution should be taken up because it is also equally important. *(Interruptions)*

MR. CHAIRMAN: All right. You finish your speech within three or four minutes.

*[Translation]*

SHRI RAMASHRY PRASAD SINGH (Jahanabad): Mr. Chairman, Sir, I support the resolution relating to the proposals of Arthur Dunkel moved by hon. Member in the House.

*Ours is a pitiable plight ever since the outside interference in the country's economic affairs is being made. In these circumstances, they did a good job by having a debate throughout the country. It is in the interest of the country. Firstly, if our country or our Government accepts the proposals given by them to Third World, it will affect our country badly. The main thing is that is will affect our agricultures. India is primarily an agricultural country. The development we*

[Sh. Ramashry Prasad Singh]

have made in the field of agriculture, the research work which is done by our scientists, the progress we have made in agriculture, have helped us in making advances in the field of agriculture. We have been successful in bringing about green revolution. If we accept these proposals, there would be a heavy loss to our agriculture.

We will suffer heavy losses in respect of medicines and chemicals also. The marketing of these items will go in their hands. In such a situation there will be an adverse effect on our national industries also. We will depend on them for the work which we could do ourselves. The dream of our scientists to ensure progress in the country by making research in various fields can't be realised. I think that the Government of India should not accept the proposal. We should reject the Dunkel proposals in the interest of the country.

I want to say that these proposals should be opposed. With these words, I conclude while supporting this resolution.

[English]

SHRI HANNAN MOLLAH (Uluberia): Mr. Chairman, the Resolution is basically and essentially for the rejection of the Dunkel proposal. You know that this is nothing unknown to our country. Attempts are made by major industrial countries to bulldoze through these proposals to drastically alter the rules of international trade and economy. That is the main thrust of the proposals and they want to restructure GATT and immensely enlarge its power so that they can become a world economic policeman to enforce new rules that maximise unimpeded operations of trans-national corporations. This is the main idea. You will be surprised it is not Mr. Dunkel's idea, but the ghos of Uncle Sam. He was not the first to moot this idea. In 1982, the United States first expressed the need to apply GATT principles to trade in services and the United States multi-national corporation formed one organisation in 1982 i.e., Multilateral trade negotiations

coalition and the aim of that organisation was:-

"That the multi-national trade negotiation coalition is a broad alliance of American private sector interests committed to strength on a more effective multilateral trade system".

That is the idea of the MNC. It was born. Now Mr. Dunkel has taken over the responsibility to implement the idea of multi-national corporations of United States of America.

Because of that we know there are lot of things that go into the debate but the time at my disposal is very short and we cannot go into them. As I have seen today, the Government have said that they are open and they have not made up their mind. I think the Government for that. I hope the Government has not taken a decision yet. But we want to record our apprehensions because the discussion is going on for the last several years. The discussion is going on within the Ministry at the official level and the Ministerial level. We are apprehending that the discussion is moving towards accepting the Dunkel Proposal, though they are trying to improve in certain areas. The question is: how much you can improve? Regarding the Dunkel proposal, in most of the areas, they are trying to impose the will of the industrialised countries and the multinational Corporation on the Third World countries to exploit these countries, to loot these countries and to stop their development and their science and technology. That is the main purpose. They are coming with the neo-colonial understanding. So, the main thrust of the proposal is to be considered. That is the question we have to consider.

Secondly, the Government also, I think, are waiting. There is a feeling that the difference between the United States of America and the EEC countries may lead to collapse of the negotiation. So the Government not openly expressing their opinion. They are waiting. If there is a collapse because of that quarrel, then Government of India will; not have to take any side. But it is

an opportunities stand. We will be projecting an opportunistic image before the world. It will just damage our image further. I want that also to go on record.

Thirdly, the American Trade Representative Mrs. Carla Hills is always trying to suppress us. In that situation also, we say that we should not surrender our interest because of the pressure of Mrs. Carla Hills to impose the provision of Special 301, against us. We are talking of unilateralism, through the GATT. But it is not true. It is universalism. America will be allowed to implement the Special 301, but we will be forced to change our Patent Laws. So GATT provisions will not be applied equally throughout the World. It will not be applied to the industrialised world surely not to USA. It will be forced on us. We will be forced to change our laws. So in the true sense of the world, it is not multilateralism. It is a question of hoodwinking us. We have to understand that point.

There is another thing. Regarding the price of pharmaceuticals also, there is a problem. In our country the maximum number of people cannot afford to pay for medicines. It is a serious situation if we accept it. Our prices of medicines will go up and that will be disaster for our country. You believe that they will come, enter into the country and do research on tropical diseases and produce medicines. On that also, how can we place our hope on the multinationals? They are coming to loot our country, to have maximum profit and not that they are coming on philanthropic purpose. So, placing our hope on them is also a wrong concept of the Government.

There is another aspect. The Government are keeping certain things as secret. That is my objection as far as the behaviour of the Government is concerned. The Government should be transparent. The Government should say/all those things discussed in the Rounds so the people can know what is right and wrong; they can have their own judgment. The Government are keeping it as a secret. That leads us to think that there is something behind the curtain whether the Government can surrender it-

self and accept those proposals.

There is another argument saying that India will be isolated, if we fail to accept Dunkel proposals. That is also a bogus argument. India cannot be isolated if we stand with our ideals and fight against them. So, I request the Government that we should not surrender our sovereignty, our economic sovereignty and our national interest. I request the Government to accept this Resolution in toto. That is my proposal.

MR. CHAIRMAN: Now, the hon. Minister to reply. You can take minimum time.

SHRI SOMNATH CHATTERJEE: Why should he take minimum time? He must answer to all the points.

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): There is a full-scale discussion. I agree. (Interruptions) Mr. Chairman, Sir, at the very outset, I suggest to the hon. Member that while I appreciate the spirit with which he moved the resolution, it is a little premature. I do not think we have reached a stage where we can come to a categorical conclusion that the Dunkel proposal should be rejected out of hand. In fact, the Resolution itself is worded in a manner that we should reject all proposals relating to TRIPS, TRIMS and GATS which will infringe the patent laws. Obviously, there is nothing in TRIMS which will infringe the patent law. That I suppose is just a matter of wording the Resolution.

Yesterday, the hon. Member came as a special invite to my Consultative Committee Meeting and I welcomed him. The Government has proceeded in this matter with the utmost care and deliberation. I do not want to go into the history of GATT. Today there is a GATT text, there is a GATT law which applies to us. If Dunkel's proposals do not fructify in one form or other into another text, that does not mean that we are out of the GATT. The existing GATT law will govern the 103 contracting parties and the existing GATT law will apply to us. So, the first point of reference is to look at the existing GATT laws.

[Sh. P. Chidambaram]

Then between 1979 when the TOKYO Round ended and up to 1989, 1990 when the negotiations took place after the Uruguay Round started, the 108 countries had reached an understanding on several subjects and these understandings are all part of the negotiations. That is the second point of reference.

The third reference point is one matters on which the 108 participating countries have not been able to reach an understanding. Mr. Dunkel in his capacity as the Director-General has suggested what he think, as the compromise proposals. These are not within square brackets because these are not negotiated paragraphs. These are just his paragraphs which he has placed for acceptance to the contracting parties. He did not say, take it or leave it. Notwithstanding that we have not understood it as take it or leave it. India has categorically rejected this thesis that we should either take it or leave it. Not only India but any countries have also categorically said that it is not a 'take it or leave it' document. And when he reconvened the TNC early this year, he has suggested four tracks because the proposals themselves are not complete, the proposals themselves do not contain any complete, the proposals themselves are not complete, the proposals themselves do not contain any paragraph on goods, proposals do not contain any paragraph on services. Therefore, he has suggested the four tracks proposals in which we continue to negotiate on goods, continue to negotiate on services. Track three is about clearly up the text'. Track four is about 'changes and improvements'. He had set deadlines. March 31 was the deadline for completing negotiations on goods and services. That deadlines has passed. The negotiations on goods and services are not complete. Therefore, the question of taking tracks three does not even arise.

And the question of seeking changes and improvements by April 17, surely will not arise. It is my assessment. That deadline of April 17 will also pass because countries are not agreed. EC and US are locked in a

serious dispute about the agricultural subsidy. Now they have opened up other matters relating to trade in goods. We have raised serious objections. Other countries have raised serious objections. Only yesterday the French Delegation met me and asked for support. They asked for support in understanding their concerns. I said, "yes, but you understand my concerns."

SHRI SOMNATH CHATTERJEE: They are opposed to Dunkel's proposals. (*Inter-ruptions*)

SHRI P. CHIDAMBARAM: It must not that we are keeping quite. We are negotiating. I have promised that we are going through this consultation. We have called for evidence. It is at my instance that the Prime Minister appointed a Group of Ministers on the 3rd January. We had a Group of Ministers holding hearings. We have received memorandums. We have received oral representations. The most thorough examination is going on within the Government. As a result of the examination, we are constantly up-dating our papers. We are updating our thinking. We modify our position, we articulate and we make corrections. I have myself in my Ministry gone through at least six or seven drafts on the position we should take. And the paper that I circulated to the Consultative Committee yesterday is entitled 'Paper for Discussion - selective the position as it emerged as of 'yesterday'. The hon. Members have expressed their views yesterday and I am going to incorporate that and see what further modifications have to be done. And I have already assured this House that a note will be circulated and on that basis I will hear the hon. members both in Lok Sabha and in Rajya Sabha. Then the government will formulate its position and take a final view. I do not expect anything to happen in the Uruguay Round within the next couple of weeks. And I have categorically told the Consultative Committee yesterday that no decision has been taken and that it will be taken. I said repeatedly that we will consult the Lok Sabha, we will consult the Rajya Sabha and will; finally take a decision, after hearing every view. 6

In view of this, I would request the hon. Member to kindly withdraw this resolution. We will come back to this House for a full discussion based upon a paper circulated by the Government for the hon. Members.

SHRI RUPCHAND PAL: Mr. Chairman, my resolution is a very limited one. It does not cover the whole Dunkel Draft text or all the proposals of Mr. Arthur Dunkel. It is only related to the new items that are proposed to be incorporated in the coming negotiations. The GATT has set aside particularly the TRIPs and TRIMs for further discussion. That is my apprehension and also the apprehension of other people. As you know, at least three major discussion groups-working groups have been collecting opinions and national debates are going on and experts belonging to different disciplines from eminent jurists, diplomats to scientists-they have participated in a national working group and they have submitted their views in a memorandum. (*Interruptions*)

MR. CHAIRMAN: How much time will you take?

SHRI RUPCHAND PAL: Just a few minutes, Sir.

MR. CHAIRMAN: The time has to be extended because the stipulated time is already over. How much time will you take? Will you take five minutes, ten minutes or how much time will you take?

SHRI RUPCHAND PAL: I will take around five minutes.

SHRI MORESHWAR SAVE (Aurangabad): Mr. Chairman, you are depriving our right. Every time, you are extending the time. (*Interruptions*)

MR. CHAIRMAN: His reply would be confined to five minutes. That is what he has said.

SHRI RUPCHAND PAL: Many speakers have participated and have given their view points. And the Minister has also inter-

vened. You will agree with that this is a subject which is being discussed not only in our country but it is also being discussed in more than 100 countries. A lot of changes are taking place in the world and in the background of all those changes that are taking place, the developing countries, particularly the countries, belonging to South, they are facing a new onslaught from the developed countries-industrialised countries-of the West.

As I had stated when I initiated the discussion in support of my resolution, my purpose is a very limited one. It does not cover all the proposals of Mr. Arthur Dunkel. I wanted to just project not only my view point but also my apprehensions, that the new incorporation of TRIPs as an agenda, is going to affect our country in a very big way. It is because these proposals of Mr. Arthur Dunkel cannot be read in isolation. If we study the Dunkel proposals together with the visits of Mrs. Carla Hills and also the other developments that are taking place within our country and abroad, there is ample cause for such apprehensions.

Let me come to the first point raised by the hon. Minister and some of the speakers. I am very happy that most of the speakers cutting across the party line have supported the spirit of my Resolution. I had proposed in my Resolution a categorical rejection of the Dunkel proposals because as you will agree it is a complex legal document prepared by American legal experts. I do not know, someone was telling me that it has come out that it has been prepared by some NRI-one Shri Bhagwati. I do not know whether it is true or not. But that it has been prepared by legal experts is true.

It goes without saying because if we relate one clause to the other, we shall find that they are inter-related. They can never be read in isolation. Hence I say that it is a total package. As such in a total package there is no scope for pick and choose. Had there been any such opportunity, I would have been very happy not to make any such suggestion. Because all the different subjects have been dealt with a preamble, with

[Sh. Rupchand Pal]

all their own clauses and annexures. If you see the clause of one subject, for example agriculture, we shall find that it is related to some other clause and some other convention like the Paris Convention to which we were not a signatory. As such it is a very complicated legal document. I had suggested that the nation requires the services of eminent people belonging to law, jury, science and technology, agriculture, diplomacy, administration, economy who can come out with their recommendations, with their own view points. I had also demanded that a good many eminent economists, some of whom were eminent jurists, who had served this Government and this country, some diplomats even the other day who had been serving as our Ambassadors to some other countries, our economists, such economists as had been a few months ago the Chief Advisors to the Government of India a be heard. They have come out in writing-not only oral evidence, but in writing also-that they have serious reservations not only about the items raised by me-TRIPS and TRIMS.....

MR. CHAIRMAN: Please conclude.

SHRI RUPCHAND PAL: I require some time Sir.

SHRI RAM NAIK (Bombay North): I must rise in protest. It was to be over by 4.30 p.m. Every time we are extending the time. Does it mean that the Resolution on the Uniform Civil Code which has to be brought before the House is not important? This is resolution is also equally important; but we have given sufficient time and twice we have extended the time. Shri Save has been waiting for a long time.

MR. CHAIRMAN: Initially when he started he said that he will take some time. In any case we will have to take up the next Resolution.

SHRI RUPCHAND PAL: I have a right to

reply to the points raised by hon. Members.

MR. CHAIRMAN: Yes, but within the time.

SHRI RAM NAIK: Do not encroach upon the time of others. (*Interruptions*)

SHRI RUPCHAND PAL: So, I had said that they are inter-related. They are a complex document. The Government should set up a national commission where experts can give their own opinions, come out with recommendations. A joint committee of both the Houses can examine and make their own recommendations. But that has not been heard. I do not know why the Minister did not touch that point. That is not a demand from me only. That is a demand made by almost all the national seminars attended by very eminent people. I have been suggesting it but the Government has not responded.

Secondly, why did I just initiate this resolution? It was because the Minister said that the Government are always updating their thinking. In the process of updating, we find that the Government is more and more getting inclined to accept the pernicious provisions of the Dunkel draft. On the very day, the Dunkel draft came out, the hon. Minister said, "It is discriminatory". Only on 17th of March, I think in the other House, in reply to a question, the same Minister was saying that in textiles, in agriculture...

MR. CHAIRMAN: The Minister has already said about Dunkel proposals.

SHRI RUPCHAND PAL: In their process of updating, they are more and more inclined to accept the proposals. Hon. Chitta Basu has said, quoting from what has been stated by some eminent official of USA here, that the Government of India was changing its viewpoints. They are becoming more and more agreeable. They are opening up more and more areas.

MR. CHAIRMAN: Kindly conclude.

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*to 'TRIPS' etc*

17.42 hrs.

SHRI V.S. VIJAYARAGHAVAN  
(Palghat): On a point of order. There is no  
quorum in the House.

MR. CHAIRMAN: The bell is being rung-

MR. CHAIRMAN: The bell is being rung-

MR. CHAIRMAN: Since there is guorum,  
the House stands adjourned to ressemble  
on Monday the 6th April 1992 at 11.00 a.m.

17.52 hrs.

*The Lok Sabha then adjourned till Eleven  
of the Clock on Monday, April 6, 1992/  
Chaitra 17, 1914 (Saka).*