

each political Party will get twenty minutes besides Shri Vajpayee who will move the Motion. I do not want to limit time for him. Others will be confined to within ten minutes.

I solicit kind cooperation of members in sticking to the time schedule. The entire proceedings of the special Session are being telecast live. In order that the daily schedule news bulletin in Hindi, English and Urdu which are telecast from 2 O'clock to 2.35 P.M. are not disturbed, it has been decided that the House may observe lunch time from 1.35 P.M. to 2.35 P.M. instead of from 1 P.M. to 2 P.M. It has also been decided today that in order to enable more Members to participate, the House will sit one hour more everyday, that is, up to 7 O'clock. I may also add that it becomes a duty of each one of us to maintain the dignity and decorum of the House during the special Session to enhance the solemnity of the occasion.

SHRI P. UPENDRA (Vijayawada) : Sir, I would like to make a submission. The Secretariat has circulated a document namely, 'Fifty years of Parliamentary Democracy'. It is well produced and very informative. It will best set the tone for the debate in these four days. I suggest that the document be placed on the Table of the House so that it can form part of the proceedings.

MR. SPEAKER : I think, that is not necessary. It has already been circulated. It is only a background paper.

11.08 hrs.

ADDRESS BY THE HON. SPEAKER



SHRI PURNO A. SANGMA

MR. SPEAKER : It is going to be my maiden speech and since it is my maiden speech, I am sure, I will not be disturbed.

Hon'ble Members, let me first place on record my deep gratitude to all of you in having granted me the

indulgence of remaining in the Chair and taking the Floor for the first time in the history of this House.

We are assembled here in this Special Session organised as part of the Golden Jubilee Celebrations of our Independence—to take stock of our achievements since becoming free, introspect on our inadequacies and set for ourselves an agenda for future.

POLITICAL LIFE

Popular elections and sustenance of democracy

Since Independence, we have had eleven General Elections and over 300 State Elections. Transfer of power to successive Governments has been smooth and peaceful. This is no mean achievement. We can be proud of being a true democracy, when the world, cutting across regions, is dotted with countries where access to power is often through *military coups* and *revolutions*. The voter turnout averaging at around 60% since 1984 as against 45% during the first General Elections of 1952 reflects the increasing political awareness of our people. Our style of practising democracy has also proved that political consciousness is not necessarily a function of literacy.

Conduct of business of the House

While universal adult suffrage has been a resounding success, the grass-root signals I have been receiving as the Presiding Officer of this popular Chamber about the conduct of our business indicate that generally the people are deeply concerned. They are highly resentful of frequent bouts of pandemonium in the House, Members collectively rising to attract the attention of the Chair, repeated marches into the well of the House, cross-talk and interruptions of Members' interventions, etc., and feel that the expenditure on Parliament of the order of about Rs. 7,000/-per minute of its time is a costly luxury that our country can ill-afford. It is quite understandable that the complexion of this Eleventh House is significantly different in that a large majority of them are the real sons of the soil in their constituencies and first-timers as well; and that they are impatient to improve the lot of the masses they represent and hence their tumult and tempestuousness. Our political parties have a great role to play in this context. They need to organise pre-electoral training for the aspirants for positions in this House.

Accountability

The interface between the Parliament and the Executive has, no doubt, been by and large one of mutual understanding and complementarity. Nonetheless, of late, people have increasingly tended to seek adjudication in courts of law on issues of public grievance against holders of public offices through a spate of public interest litigation.

The Presiding Officers of Legislative Bodies of India went into this question in a symposium towards the end of the last year. They found that the root cause of the problem concerns accountability. They observed:

"The chain of accountability—of the civil service to the political executive; of the political executive to the legislature; and of legislature to the people, has got snapped all the way. Accountability should be restored at all echelons."

So, let us collectively reinstate accountability, making it part of our style of working.

Probity and standards in public life

Accountability is also an issue of probity and standards in public life. This is not merely a problem of the political world. It is as well of the world of civil servants, the professionals, holders of public offices and of those who interact with them including non-governmental organisations. It is even a problem of the world of business. A group of our Members, having taken the initiative proactively, are seized of this issue. My suggestion is that the term "holder of public office" be given a rather broad definition as Lord Nolan of the British Parliament has done in a report submitted to the House of Commons by a Committee headed by him. All those who come within the ambit of such a definition should be held to be accountable in their respective domains through mechanisms that we should evolve to prevent errant behaviour.

Ensuring probity and standards in public life is nested for carrying credibility with the public, apart from its importance for its own sake. Credibility is to be carried by demonstrable action rather than public pronouncements. Actions such as enactment of the Lok Pal Bill and securing exemplary conviction of a few errant holders of public offices through successful prosecutions in due process of law rather than blanket public self-denigration are the surest ways to carry credibility, apart from being fair to quite a good crop of our leaders who have spent all their lives in selfless service to the public.

The problem should also be handled where it originates. Punitive action for devious behaviour is *ex-post facto* in nature. The Symposium of Presiding Officers of the Legislative Bodies of India, about which I have made reference earlier, kept this in view when they advised that the political parties should evince care in the right choice of candidates, including with reference to their antecedents, their education and training. They also emphasised the need for the people themselves to exercise their franchise with great caution and return to the legislative bodies candidates reputed for their probity and

aptitude for public service. Political parties have to take up the task as well of educating the electorate in this regard, organisation of electorates being one of their prime functions.

Societal peace, violence and insurgency

Societal peace is the basic requirement for bringing about socio-economic development. Having won our freedom non-violently under Mahatma Gandhi, known the world over as "AHIMSA MURTHY" we find violence, terrorism, insurgency and societal tensions surfacing in many parts of the country. We need to seriously introspect and go to the root of the problem, identify the motivations for these phenomena and eliminate them. Broad reviews of the present situation in the country have reflected the following causes for these phenomena:

Societal exclusion based on castes, communities and religions.

Economic exclusion attributes off which are seen as unemployment, under-employment, iniquitous income distribution, poverty and exploitation.

Perceived political exclusion by denial of regional aspirations.

Lack of adequate sensitivity in management of ethnicities.

Frustration of Youth leading to political extremism.

Demonstrable fall in standards in public life—i.e., of those in the Establishment.

Cross-border subversion.

Disenchantment of the expatriates.

Excesses by those wielding State power.

Perceived denial of human rights.

Imbalance in media projection.

Inadequacies in strategic thinking and intelligence. I want to emphasis on this—Inadequacies in strategic thinking and intelligence.

Inadequacies in the system of rendering criminal justice.

The United Nations observed its Golden Jubilee in 1995 by organising the World Summit for Social Development at Copenhagen. The Summit called for social integration by basically addressing the problems of social, political and economic exclusion into which all the above factors are subsumed. India was a significant partner in the Summit. We would do well to follow up on the Summit declaration and Programme of Action.

Empowerment of women

We need to remind ourselves that about two years back, at the UN Fourth World Conference on Women, we were the first to subscribe, without any reservation whatsoever, to the Beijing Declaration and Platform for Action. We also made a commitment to establish a National Policy for Empowerment of women. I would request the Government to bring before the House in this Golden Jubilee Year, the draft policy which seems to have evolved through wide-ranging and nation-wide consultations since the Beijing Conference. The Parliament, on its part, has already established a Joint Committee on Empowerment of Women.

ADMINISTRATION

We have a highly flawed system of management of administration. It is a highly centralised administration, away from the people. A billion people and a vast subcontinent that we are, there is no escape for us from our administrative management being meaningfully decentralised. This is the very spirit behind the Constitution 73rd and 74th amendments. Four years have passed by since these amendments. Can we claim that we have really shared power and made the Panchayati Raj system a reality on the ground? We need to search our conscience.

Our administration including the police force, regretfully, has got significantly politicised. The Civil Service which is designed to be neutral being pressed into the service of political masters and use of the Police force for settling political scores have become facts of life today. This is not conducive to the Rule of Law. The administration should be depoliticised and made responsive to the public and responsible only to the Rule of Law.

POPULATION

Our country is rich. But our people are poor. This is significantly due to unceasing population explosion. The route to finding solutions to most of our problems—food security, employment, under-employment, poverty, inequities, in fact, management of our economy in all its social and political dimensions is to be seen in successfully addressing this simple, but basic problem. If we can only contain our population within the country's carrying capacity, we will turn it into a productive human resource, well nourished and insulated against morbidities. Let us take Dr. M.S. Swaminathan Group report on population from the shelves and do some hard thinking about implementing it.

EDUCATION

Employment orientation of education

The stock of the illiterate amongst us is a mind-boggling 460 millions. Speaking at the Chatham House, London, in October, 1931, and lamenting the damage done to our educational system, Mahatma Gandhi said:

"I say without fear of my figures being challenged successfully that today India is more illiterate than it was fifty or a hundred years ago I defy anybody to fulfil a programme of compulsory primary education of these masses inside of a century".

Gandhi ji has proved prophetic. He also suggested a solution—that of *Buniyadi shiksha* or Basic Education. The philosophy behind it is simply that education should be relevant to the world of work. So long as this underlying issue of employment-relevance is not addressed at all levels of education—primary, secondary and tertiary—and people don't have faith in the worthwhileness of education, universalisation of elementary education and access for people to employable skills and employment will remain a mirage—whatever be the quantum of financial resources deployed for education.

Resources for higher education

The National Policy on Education adopted by this House over a decade ago concludes:

"The main task is to strengthen the base of the pyramid, which might come close to a billion people at the turn of the century. Equally, it is important to ensure that those at the top of the pyramid are among the best in the world. Our cultural well-springs had taken good care of both ends in the past; the skew set in with foreign domination and influence; it should now be possible to further intensify the national effort in human resource development with education playing its multifaceted role."

If order that this sound policy is implemented equitably, even while earmarking resources liberally for universalisation of elementary education from the public exchequer, for strengthening the apex of the educational pyramid, can we raise internal resources in the higher education sector, by adopting a depoliticised strategy of rationalising the fee structure which would stipulate cost recovery from the well to do sections and scholarships for the poor?

AGRICULTURE

Food self-sufficiency and green revolution complacency

Through the Green Revolution we have not merely achieved food self-sufficiency since the 1970s, but have become a net exporter of foodgrains. This revolution has been spectacular considering the phenomenal growth of population. But, I am afraid that we are getting lulled into Green Revolution complacency. Application of the Green Revolution technologies has been feasible only in irrigated areas. Seventy per cent of culturable lands is situated in, and over forty per cent of foodgrains production in the country comes from arid and semi-arid regions. For farmers and people in these regions, life is still an ordeal. Technology has not come to their rescue yet, despite deployment of financial and physical resources in dry farming.

Plateauing agricultural growth rate

Agricultural growth rate has also plateaued at an annual compound rate of 1.7 per cent since 1990–91. The impact of population growth on the sizes of land holdings, the economic viability of intensive agriculture in sub optimal land holdings, and stagnation in productivity levels which are quite below international standards are disturbing and require deep investigation.

Inorganic cultural practices and their implications

Our agricultural lands receive about 33 million tonnes of chemical fertilizers, apart from 61,000 tonnes of pesticides a year. Long-term sustainability of intensive agriculture based on inorganic cultural practices would also need detailed scrutiny. Such agriculture also has implications for food quality, protection of environment and preservation of biodiversity, Environment protection, and quality and safety of food, apart from self-reliance, need to be seen as essential elements of food security.

Agriculture, civil supplies and farm exports

The interface of the agro sector with domestic civil supplies sector and export front requires skillful management. The farmer has to receive remunerative prices so that the same would be a self-triggering mechanism for increasing private investment in agriculture. At the same time, the people need to access essential commodities at affordable prices. A stable export presence is to be ensured as well, if we are to exploit the enormous export potentiality of our agro sector. Can we relieve the farmers of strangulating controls on production, movement, marketing and prices of farm produce to ensure the economic viability of farming? How do we find the colossal resources required for public investment in agricultural

infrastructure? How do we harmonise the interests of domestic consumption and export trade in farm products? These are crucial issues which need careful examination.

PUBLIC DISTRIBUTION

Freedom from hunger

While we have achieved freedom from famine, freedom from hunger is not given to all. While our foodgrains production has quadrupled since 1950–51 and per capita net availability of foodgrains is about 500 grams per day, food availability is not matched by food access for all—for sheer want of purchasing power of those living below poverty line. At present, through the Public Distribution System, we are providing subsidised rations to those living below poverty line and even to those above poverty line. While targeted supply management at public expenditure to benefit those below poverty line is appropriate and necessary, in the long run, or even in the medium term, lasting solution to the problem of food security can be found only vesting the weaker sections with purchasing power through gainful employment.

Delivery of services

Efficient and leakage-free delivery of services in the Public Distribution System as long as it is run, is indispensable. Pilferage of essential commodities and tempering with their quality in the Public Distribution System should be construed as heinous crimes and met with drastic penalties.

INDUSTRY

Past and future

Since 1948, we have had six Industrial Policy Statements. Planned growth of Industries, mixed economy with the public sector having the commanding heights, licensing regulations and controls, domestic industry protection, and protection of the small scale sector were the features of these policies. These policies were relevant to, and consistent with, the bygone years of a nascent economy. We have had positive as well as negative consequences. On the positive side, we have developed an infrastructure of basic industries and indigenous entrepreneurship. On the negative side, we have had to suffer fragmented production capacities, low technology levels, low inflow of foreign capital, monopolistic trends and lack of international competitiveness. To face the challenge of international market competition, we have had to liberalise since 1991. Delicensing and deregulation have had to be carried out; investment restrictions dismantled; private sector allowed access to areas previously reserved; and flow of foreign technology and

foreign capital rendered easier. New corporate structures through mergers and amalgamations, modernisation and absorption of new technologies and new managerial styles seem indispensable. Our Corporations themselves are slowly becoming transnational and multinational. What should be our strategy to harmonise the cross-border thrusts of our Corporate sector with protection for domestic industry built up on our own factor strength over the years, in the face of capital starvation and technological obsolescence? The House may like to go into this in some depth.

Rehabilitation of sick Central public sector enterprises: Its inevitability and human dimensions

About sixty of our Central public sector enterprises are chronically sick. We need to take a hard look at them. We do, of course, have several proposals for rehabilitation and turn around of some of these Corporations. The process of decision making in regard to the future of these Corporations has been marked by inordinate delays. Quick and bold decisions are needed in regard to this matter. Such decisions call for strong political will and support, apart from very patient and sustained industrial relations exercises.

Restructuring and rehabilitation of enterprises is always a very painful process. Liberal separation compensations and retraining and redeployment of redundant employees will have to be organised wherever feasible. Until conclusive decisions are taken one way or the other in regard to restructuring of public enterprises, labour payments cannot be allowed to fall into arrears. On the 31st of July, 1997, Central Public Sector Enterprises coming under seventeen Ministries of the Government of India had an outstanding labour payment arrears of Rs. 605 crore. Out of this, Rs. 435 crore are statutory dues under Provident Fund, ESIC and Gratuity Laws. Some of these defaults also carry with them criminal liabilities. A demoralised and dehumanised workforce is likely to backlash on the very process of economic reforms.

Industrial sickness is not merely a problem of the public sector in our country. It has become endemic to the country's industry as a whole. The financial and economic dimensions of this sickness have been vividly presented in the working document for this Session. The Session may like to address this problem in its entirety.

A New work culture

There needs to be a sea change in the managerial and industrial relations styles in our country. As our veteran trade union leader Shri Ramanujan has advised,

bipartisan as means of industrial conflict resolution should replace tripartism as industrial relations tend to get politicised and impacted by extraneous factors under the latter modality. A new work culture for the managerial as well as other employees should be developed, the hallmark of which should be emphasis on productivity. We compare very poorly in productivity *vis-a-vis* some of our neighbouring countries. Beyond a level, wage enhancements may have to be linked to productivity enhancements. Many successful private sector enterprises do have productivity linked wage structures negotiated with trade unions. We could make efforts to universalise this practice. Our working people, be the managers or others need to come to terms with truth that the surest social security or shall I call it, job security, for them is the commercial viability of their enterprises. Governments and trade unions also need to devote more attention than before to improving the lot of the unorganised workers who constitute 90 per cent of the workforce of our country.

In the past, we had not necessarily opted for export led growth like some of the South-East Asian and East Asian economies. But we do have significant achievements in exports. Exports amounted to Rs. 1,08,478 crore in 1996 as against mere Rs. 647 crore in 1951. In the 50's primary products accounted for 85 per cent of our exports. Now, manufactured products constitute more than 75 per cent of our exports. However, some of the striking factors to be noted in respect of our export scenario are:

Five products, gems and jewellery, ready-made garments, cotton yarn fabrics, marine products, drugs and pharmaceuticals constitute 40 per cent of our total exports in value terms. Sixty nine other products constitute rest of the exports.

Since 1969-70, while the unit value index of our exports went up by eleven times, volume index went up by only five times.

Nearly 50 per cent of our exports go to European countries, USA and Japan.

Our share in world export is less than one per cent.

The lesson to be drawn from this fact is that virtually we do not matter in world exports. Our export production base has to expand; our export products as well as their direction have to diversify; and exports in terms of volume also have to significantly enhance. In the phase of globalisation of economies, our economic survival and prosperity depend, to a significant extent, on the

expansion of exports. This can happen only if there is an expansion of imports as well. This itself is one of the justifications for economic reforms and liberalisation.

ECONOMIC REFORMS

Wealth Generation

Economic reforms is simply a matter of living within means. Means can be created only by generation of wealth. Wealth will not get generated unless our resources are deployed efficiently. Even Peoples Republic of China has come to accept this position and hence their adoption of the Socialist Market Economy. If we raise our resources through taxation and if their investments do not yield adequate returns, growth will only be stagnant or negative. Again if our resources are distributed in terms of subsidies without consideration of their potential for stimulating wealth generation, consequence will be the same viz., stagnation and negative trends and growth. For the first time, a transparent and comprehensive presentation of our subsidy regime has been made by the Ministry of Finance. I hope the House will take the occasion of this Session to reflect on this presentation as well. May be, we can examine the scope for phased removal of at least non-essential subsidies. Of course, we can borrow domestically and from abroad. But, for servicing the borrowals and the repayment of loans, our investment policies should be prudent and capable of generating wealth. This has not been happening in the past. We should make it happen now, particularly because our external debt service ratio is twenty six per cent of our GDP. Our per capita external debt is Rs. 3,286 which is 35 per cent of the per capita income of Rs. 9,321. We are indeed in a debt trap. The State Governments also are caught in an internal debt trap, their revenue generations significantly getting absorbed by their debt service liabilities *vis-a-vis* the Government of India. The entire concept of foreign direct investment is based on the fact that it is non-debt creating. Corporate bodies receiving investments are expected to earn enough to give returns to the investor.

FOREIGN DIRECT INVESTMENTS (FDIs)

People do have apprehensions that because of the so called "over heating" of the economy due to large flows of foreign capital, we may be confronted with problems like those faced in Mexico and Thailand. So long as we ensure that the flow of foreign capital is channeled to priority sectors like infrastructure for the development of which we can not find our own internal resources of any realistic scale for a long time to come,

follow prudent investment policies and take adequate safeguards against fly-by-night operations of foreign investors and have a vigilant monetary policy, we will not go the way Mexico and Thailand have done.

We would also need to bear in mind that our country as yet, does not attract as much flow of foreign funds as other countries like China and our South-East Asian neighbours do. Our share in foreign direct investment inflows into all developing countries is less than three-fourth of one per cent. Flow of foreign capital and their volatility will be as much favourable to us as the investment climate we generate in our country. We also need to significantly reduce the time gap between clearance of foreign investment proposals and commissioning of projects. My first hand information from China is that between the clearance of investment proposals and commissioning of projects, time gap is not more than three years.

Investments, like water, will flow by gravity. Gravity is towards areas where there is ready-built infrastructure. Bulk of our investments are flowing towards Maharashtra and Gujarat, particularly metropolitan areas. This does create problems of regional disparities and incountry economic migrations in search of employment. This problem of regional disparities is experienced intensely in the Peoples Republic of China where they have opened up coastal regions and certain Export Processing Zones for industrialisation. We would do well to learn from the experiences of other reforming economies as well in the context of analysing our experiences in this regard.

Our employment scenario since 1951 till now has been dominated by reliance on agricultural sector. Ratio of employment in industry has remained stagnant, only Services exhibiting increasing trend in employment. Casualisation of employment because of excess supply of labour relative to demand is also increasing. The impact of economic reforms on quality of employment is yet another aspect deserving serious examination. Nearly three decades have lapsed since the first National Labour Commission gave its report. The employment scenario, labour standards, technology inflows and skill requirements have undergone a sea-change since then. Establishment of the Second National Labour Commission is long overdue.

SCIENCE AND TECHNOLOGY : INDUSTRY ORIENTATION

Science and technology services, like education, should also be relevant to the world of work. While pure science and laboratory based researches are important,

they are primarily in the domain of the academic world—colleges and universities. A new thrust has to be given for industry and enterprise based researches as a means of removal of technology obsolescence of our industries and constantly updating the industrial technologies.

ENVIRONMENT AND ECOLOGY: RESTORATION AND PROTECTION

Our agricultural and industrial practices, ever growing urbanisation, incountry migrations and life styles of the people have taken an incredible toll on our forests, environment and ecology. We have, no doubt, taken significant measures to handle this problem. Many of the environment and ecology restoration measures are capital intensive. Modalities of finding resources for rectifying the damages already done should be gone into. Protective measures for the future should stem from readjustment of our life styles and thinking processes.

INTERNATIONAL COMMITMENTS

Our country is reputed for its excellent track-record of honouring commitments made in terms of international covenants and agreements, be they in the United Nations or in specialised agencies under the United Nations system. Before entering upon these commitments in international fora, no doubt, widest possible national discussions and debates would be appropriate. But once commitments are made, we need to honour them. We can ill-afford to be seen as a nation reneging on our commitments. Such commitments should be properly and duly followed up by national legislative action, wherever needed. While even failure of such lagislative action would be understood and appreciated by the world community as a matter of democratic compulsion, dithering and inaction in this regard would only project India as an untrustworthy customer in running international relations in a civilised manner.

The issues I have attempted to present, in essence, imply the need for *a second freedom struggle*—this time the struggle should be for *freedom from our own internal contradictions* between our prosperity and poverty, between the plenty of our resource endowments and the scarcity of their prudent management, between our culture of peace and tolerance and our current conduct sliding towards violence, intolerance and discrimination. If we succeed in this second freedom struggle, there is no reason why in the ensuing millennium, we shall not be amongst the top nations of the world.

Thank you for your attention.

11.43 hrs.

MOTION RE: STATE OF DEMOCRACY AND DEMOCRATIC INSTITUTIONS, ECONOMIC SITUATION, POSITION OF INFRASTRUCTURE, ACHIEVEMENTS AND POTENTIAL IN THE FIELD OF SCIENCE AND TECHNOLOGY AND STATE OF HUMAN DEVELOPMENT IN THE COUNTRY



**SHRI ATAL BIHARI
VAJPAYEE**

[Translation]

*SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Mr. Speaker, I beg to move :

'That this House do consider the state of our democracy and democratic institutions, the economic situation, the position of infrastructure, achievements and potential in the field of science and technology and the state of human development in the country'.

Mr. Speaker, Sir, we express our gratitude to you for having convened this special session on the occasion of Golden Jubilee celebrations of our Independence. This session is being held in a lively atmosphere. There is neither any Question Hour nor any Zero Hour. As there is no Qustion Hour so the ministers are also feeling free. It is not essential for them to be present in the House. Because there is no Zero Hour, our media friends can hope that there will be no tussle today. Neither there is question of laying papers on the Table of the House nor is there any scope of expressing one's grievances under rule 377.

I have moved a Motion which incorporates all the subjects. I was thinking as to where from should I begin and where should I conclude. But your speech has left

*Other signatories to the motion moved by Shri Atal Bihari Vajpayee were: Shri Sharad Pawar, Shri Sharad Yadav, Shri Somnath Chatterjee, Shri N.S.V. Chitthan, Shri Murasoli Maran, Shri Mulayam Singh Yadav, Dr. M. Jagannath, Prof. Ajit Kumar Mehta, Shri Madhukar Sarpotdar, Shri Indrajit Gupta, Shri Kanshi Ram, Shri Surjit Singh Barnala, Shri George Fernandes, Shri Sanat Kumar Mandal, Shri Birendra Prasad Baishya, Shri Chitta Basu, Shri Om Prakash Jindal, Shri Ram Bahadur Singh, Shri G.M. Banatwalla.