

**[Sh Atal Bihar Vajpayee]**

will have to pay price for it. I would like to give a warning against it. If the country is really being sold out, then this Government, this Parliament and the entire edifice do not have any relevance today. This question is supreme, this is the first and foremost question. But I do not agree that those, who are ruling the country, are selling it out. I think such an unfortunate moment will never come when a democratically elected Government will sell the country. At last they will have to go to the people. The people will not spare those who will sell the country. But I would like to say that this is not a question of feelings. We should find out a third alternative collectively. The pendulum should not be allowed to move completely to the other side, a balance will have to be struck somewhere and there should be harmony in policies. The prime Minister wants to carry on the politics of consensus. But perhaps his party is not allowing him to do so. Now he is the president of the party. He should convince his party. Will this game of power once again play with the fate of the country? I have been a witness. I have been watching this game since 1957. Where we were and where have we reached. What has been the state of our institutions? Now a charge sheet is ready against the Chief Election Commissioner. I thought that the Chief Election Commissioner would be asked to quit. Now the Government says that he is not ready to quit. It is very ridiculous. Make him ready to quit.

Talks are already going on about prosecution against Court Judge. Now a case against the Chief Election Commissioner. Keep in mind that this country will start prosecuting the Members of Parliament in open courts. It is not in good taste. So try to have consensus as far as possible. Still time is there. I have come to know that you have made all arrangements to win today's voting. But what would be after it? Tomorrow we will have to face the same questions. There is a need to give a new shape, a new style to the politics so that we can properly answer the

prospective questions. We are fighting for achieving it.

**MR SPEAKER** Thank you Vajpayeeji. Efforts will be made to take action on your suggestions in regard to interruptions during the President's Address.

*(English)*

**THE PRIME MINISTER (SHRI P. V. NARASIMHA RAO)** Mr Speaker, Sir, I am grateful to all the hon. Members who have participated in this debate particularly grateful to the crowning performance of Shri Vishwanathji, and of course, the very suave, very entertaining, very instructive, somewhere positive, somewhere less positive speech of Atalji.

I had not expected this sudden development that in a situation where national consensus was being sought, was being obtained and generally was being given, suddenly we would be faced with a tense situation, a tense moment not only tense for this country within the country, for the people of this country, but not quite good from the point of view of the country's image abroad. It is this latter which causes even more concern to me, at a time when the return package introduced in India was hailed everywhere at a time when it was yielding results, at a time when we were getting investment, investment in infrastructure, much needed infrastructure at a fast pace, pace which was about 14 to 15 times the pace of what happened in the previous years. At such a time this debate and the turn to this debate, I am sorry to say, has brought a set back or is likely to bring a set back. It will take some time before we are able to repair this damage. I must be honest, I must be plain to say this.

**17.00 hrs**

There will be again questions raised, questions raised in the minds of the people. We will meet the situation. We will bring it back on the rails. But, somehow, I must say

that I feel a little sad about the turn of events here.

Sir, on the 26th of June, three of four days after this Government took over, I called for a meeting of the Opposition Parties. My Finance Minister placed before them all the cards, the situation as it existed, as we inherited three or four days earlier and at the end of the discussion we came to some kind of a opinion shared by almost everyone that what was proposed to be done was unavoidable and there was no other way. I would like to remind hon. Members, leaders of the parties, of that meeting. That gave me the courage to go ahead with the reform programme. And, I am glad to say that the reform programme has been received well within the country and abroad. I also made it absolutely clear in this House, in the other House and everywhere I addressed any meeting of any kind that I am not depending on numbers, I am not daunted by numbers. Neither I am proud of my numbers nor am I daunted by number if they happen to be fewer. I said even if I had 20 more or 30 more seats in this House I would still go by the method of consensus because I said in plain words that the time has come when the strength of numbers alone will not be able to enable us to solve the problems that we are facing today. I repeat that once again now. I will not go by the number become certainly important when a situation like this arises. I have never dreamt that the number would ever have become this much important the number would have become relevant in the five years of my term but certainly the situation seems to have been forced on me, on this Government in eight months: Oh if you have two less, your Government will go. I did not think that this would be the situation. But then there is something like political impatience. That has been built into the system, built into our thinking perhaps. Therefore, in spite of my best efforts, probably, the impatience became too much and we are facing this scene today, this situation today.

Sir, I would like to remind the House as Atalji has just said that we had to plunge into a situation, we had to face a situation which

was handed down to us. But that is only one part of the story. My case is not that I was pushed into a situation. No. My case is that while a situation has to be faced at very short notice, I also think, my party also thinks, that what we are doing is exactly what we promised the people to do in our manifesto. Nothing more, nothing less. So, I am not ashamed of what has been done. I am not hesitating to reiterate the programme that we have undertaken as being the promise of the Congress Party to the people with which incidentally we have many other parties agreeing to different degrees but generally agreeing as a national consensus. This is how the position stands and I am satisfied. I have never wanted any other party to agree with me hundred per cent. Otherwise, there would not be two parties. There would not be different parties. There will be shades of opinion, different shades of opinion and they are bound to be. I am not bothered about the shades. In fact, while formulating the knotty-gritty of our policy, we have taken the opinions given by other parties. We have taken into account what some leader must have said at some place and how that would have to be taken into order to go into some detail of the programme that we undertook. So, it is not as if we have been impervious to opinions from the other parties. We have been responsive to all opinions, opinions which would fit into our own framework of the policy. If they did not, naturally we could not take that. This has been the position, this has been the *modus operandi*. The background is well-known.

Atalji said, Rashtrapatiji had to read so many Addresses—three Addresses—which he should have taken 15 years to read. But it is not my fault. Because the longevity of the Government happened to be what it was, he had to read three Addresses.

About posterity, yes, we will have to decide who was responsible for this and that evaluation will remain the property of the nation, something for the nation to ponder over for the coming generation to consider carefully, dispassionately.

[Sh. P.V. Narasimha Rao]

We returned to power in June 1991. What I am going to say has been said already. But if there is any controversy on any of the facts, since I have satisfied myself with every small detail of what I am going to say, I am prepared to make the files available to you. You can verify if there is any inaccuracy, I will be held responsible.

SOME HON. MEMBERS: On what?  
(Interruptions)

SHRI P. V. NARASIMHA RAO: Files are not brought here. What I am saying is that whatever facts and figures I would like to place before the House are well authenticated, they are correct, they have been verified.

Foreign exchange reserves had declined to a perilous level. It had happened despite the fact two previous Government had drawn 2.4 billion dollars from the IMF from July 1990 to January 1991. It was no longer an untouchable. They had drawn all that they could draw. They drew what is called the money which belongs to the different countries, Government. That does not need any great procedure. We have taken that money. And the first tranche also was taken by the next Government. I am not blaming them at all. After all, what is the World Bank, what is the IMF? Now this seems to be something like a monster whom we have suddenly discovered to be some outsider. The World Bank belongs to India as much as the United National belongs to us. There are facts and the World Bank and the IMF have been approached for assistance not for the first time now, but we have done it several times before. There is hardly any country which does not knock at the doors of the World Bank. Countries who are not members of the World Bank are now knocking at the doors of the World Bank.

(Interruptions)

SHRI BASU DEB ACHARIA (Bankura):  
Not with these conditionalities. (Interruptions)

SHRI P. V. NARASIMHA RAO: Be that as it may. I would like to say that this prejudice or bias or opinions sought to be created against an international financial body is not in the interest of our country. Yes, the Brettonwoods' institutions, their structure, their working is something which we do not like completely. We have been trying for the reform of these institutions both in the Non-Aligned Movement and the United National, constantly, persistently and we will continue to do so. But to say that taking a long from the World Bank or the IMF is itself to sell the country is something which is totally unacceptable. And I have to protest against this language being used against any Government particularly, the Government belonging to the Indian National Congress, which brought Independence. It is absolutely uncharitable. I would like the hon. Members and the hon. leaders of the Opposition Parties, to please consider how far it is appropriate to use a language to this kind. They may have differences; they may have their very strong views. They are welcome to express their views but words like "sell out" etc would not either be worthy of them and their parties or worthy of the country.

Sir, the agreement — the Articles of Agreement of the IMF and World Bank—I have got two books here. The Articles of Agreement have this:

"To give confidence to members by making the general resources of the Fund temporarily available to them under adequate safeguards, thus providing them with opportunities to correct maladjustments in the balance of payments without resorting to measures destructive of national or international prospects."

This is what the IMF is all about. Now what have we gone to IMF for? It is precisely for this and nothing more and nothing less. It comes completely within the Articles of Agreement of the IMF.

About the World Bank:

"to promote private foreign investment by means of guarantees or participations in loans and other investments made by private investors and when private capital is not available on reasonable terms, to supplement private investment by providing on suitable conditions finances for productive purposes put of its own capital funds raised by it and its other resources."

Again, the World Bank is nothing but an institution which comes to the rescue, comes to the assistance of countries which need such assistance. It has happened before that we have taken a loan from the IMF. But we have not taken all the tranches. We have taken one or two and when it came to the last tranche, our position improved, and Shrimati Gandhi, as the then prime Minister, said, "I need not take the last one; I will not take the last one and I will Surrender the last one." It is up to us whether we take or do not take. The question is whether it is available. Has Shri Vishwanath kept his Government in a position even to ask for that loan? This is the point. Having taken it, whether he used it or not, it is a totally different question.

Sir, it is very interesting, sometime how we are carried away by our own rhetoric. The BOP did not improve in spite of what all Shri Vishwanath wanted to do. Of course, it is not his fault; he did not continue to do what he wanted to do.

An informal meeting of the Aid India Consortium was organized by the World Bank in April 1991. The consultations were held both with IMF and World Bank. The report of the discussions was that no fresh commitments of aid would be forthcoming until basic reforms were undertaken. There was no way. The authority to go and negotiate with the World Bank, Vishwanathji may remember; of course whose signature is immaterial; was given while he was the Prime Minister.

SHRI VISHWANATH PRATAP SINGH:  
About the question of conditionalities, it is

well known that there are two-three grades of funds available. One is, the country's own deposit. A country can withdraw it without any conditionality. There is no question; it is your own money. There is another window where you get lesser money but there is no conditionality. When the Gulf crisis came, these were the tranches available where there were no conditionalities. We did not concede to conditionality. Now mixing up both together and trying to present the case, I think, is not fair.

SHRI P.V. NARASIMHA RAO: That is not correct. It is subject to verification. I agree that our own money needs no conditionalities because you can take it at any time. The only thing is that you have to take it. You were cornered by the circumstances to such an extent that you had to take it number one and you authorised the second credit also. Negotiations started under your authority. You were not there to continue, I agree. That is all there is to it. I am only telling you facts and figures.

SHRI VISHWANATH PRATAP SINGH:  
During the Gulf crisis there was sudden rise in the crude oil prices and the country had to bear it. These were available without conditionalities. That was the question. There was no question of submission to conditionalities. That is the issue.

SHRI P.V. NARASIMHA RAO: I can give you all the details. I can give you more details. The Finance Ministry will come up with more details, if necessary. But the fact is, I am not blaming him. This is the point. I am not blaming Vishwanathji. I am not blaming the Government that came thereafter, Chandra Shekharji's government, I am not blaming any of the previous Governments.

What I am saying is that the situation that the country faced did not give us any option—neither him, nor his successor, nor me, any option but to get assistance from the IMF. This is what I am saying.

I would like to refer to the statement made by the Finance Minister, the then Fi-

[Sh. P. V. Narasimha Rao]

nance Minister in Chandra Shekhar Government, in Parliament - nowhere else. He says:

SHRI BASU DEB ACHARIA: It was supported by you; supported by your party. You created that Government.

SHRI P. V. NARASIMHA RAO: I think they don't seem to be in a mood to hear the truth. What can I do?

SHRI BASU DEB ACHARIA: That is the truth. You accepted it.

SHRI P. V. NARASIMHA RAO: "Today the soft options stand exhausted. It is now imperative for us to start making the necessary macro economic adjustments. We should have no illusion that fiscal imbalances accumulated over several years can be eliminated at one stroke. But it is essential that we begin to introduce correctives. Even this will mean harsh decisions and difficult choices. If we are to restore the economic reform of the nation, we must face reality rather than ignore it. In this context we attach a very high priority to fiscal consolidation. Thus austerity would be the watch word of the Government not simply in the current financial year; but also in 1991-92 and beyond. The Government would continue the process of fiscal corrections and consolidation from the next financial year. We hope to reduce the fiscal deficit of the Central Government significantly...."

And here comes the magic figure.

"...significantly, so that it is about 6.5% of GDP in 1991-92." Exactly the same figure which was inherited by Dr. Manmohan Singh. "Such a reduction would be the beginning of our transition to a sustainable fiscal regime over a period of three years in which the fiscal deficit returns to a range of three to four per cent of GDP as it was in the mid-70s. For this purpose the Government shall exercise a strict control over expenditure and ration-

alise subsidies, so that they are better directed towards the poor...."

"At the same time, the Government would improve the revenue collections, the combination of revenue and expenditure measures to achieve the desired fiscal correction. That will be formulated in the coming months and implemented during the next financial year".

But, the coming months' saw a change of Government. That is all. So, the continuity is there.

As I said, I am only trying to make a point that we had come to a situation where there was no alternative; we had to go there. There was a Consortium, the Consortium said, "Sorry, we are not going to give you anything your situation is so hopeless; you are not in a position to repay anything, that we pay you. Therefore, please do not ask for anything". This is the situation.

Sir, the latter written by the Finance Minister also says the something. I do not want to read from the letter; but the purport of the letter is that this will be kept under watch because when a creditor advances credit, - even if it is a cooperative bank even if it is a bank in India and if you give a loan for the purchase of a buffalo, there is someone there, to find whether the buffalo exists or some other animal is being made to stand there in the name of the buffalo - this is the normal practice, Sir.

Anyone who has run a bank and particularly for the villagers. he knows that there is someone looking into the developmental aspects of it; whether the money has been properly utilised; whether there is a scheme by which the person taking the loan will at all, be able to return the loan, because a bank is a bank is a bank. A bank is under orders of the Government to work as a bank, to function as a bank and not a charity-giving-body. That is what some parties really wanted to make the banks of. *(Interruptions)* A part of the malady is because of that. *(Interruptions)*

The Government also requested a stand-by arrangement in the first credit tranche, covering the period through end of March '91.

Progress is made to correct the fiscal deficit and to improve the balance of payments. We intent to further support, seek further support. All the decisions and all the intention of seeking assistance, seeking loans were common. It is not as if any new decision has been taken. This is one part of the story.

The other part is while I have inherited this situation, I would say that what we wanted to do was exactly the right thing and this is what we have done. If I was not convinced of what we have to do, I would not have done this Government would not have done it.

As I said, what was being proposed was exactly in line with what we promised to the people and therefore we accepted it. That is the real clinching argument for accepting it. Now, if that manifesto or what we have said in the manifesto is something with which people would not—some parties would not—agree, the whole wide country is there to give a verdict. (*Interruptions*)

SHRI RUPCHAND PAL: You have promised many more things, like the prices would be brought down within hundred days. (*Interruptions*)

SHRI P. V. NARSIMHA RAO: Yes. We have promised many more things and we are trying to do many more things. In some we succeed, in some we do not, ... At the end of five years, the people will give us the verdict. They will take the balance sheet from us; please do not worry about that. (*Interruptions*)

SHRI BASU DEB ACHARIA: You had promised that you will bring down the prices within hundred days. What happened to that? (*Interruptions*)

SHRI P. V. NARASIMHA RAO: This Government will be completely accountable to the people who have brought it to power. At the end of five years, based on its own

performance and not on any gimmicks. This we will do. (*Interruptions*)

I once again reiterate that we stand by the promises given by us. In fact, one of the promises which we gave to the people had a time-frame of four year in it. We were supposed to do it in four years. We have started doing it in four months, namely the new Public Distribution System. We found it was urgent enough to be undertaken this year rather waiting for four years. I will come to that later. (*Interruptions*)

So, the question of jeopardising the economic sovereignty of the country is totally irrelevant. It does not arise. I would like to say with all the emphasis at my command that this shall not be allowed. There is no question of our affecting in any way the economic sovereignty of the country.

But what is sovereignty? Sovereignty does not consist in not doing anything in times of peril. Sovereignty consists in keeping complete control over one's policies. The World Bank did not want me to do anything on the public distribution system. The World Bank did not say anything about anti-poverty programmes. If the World Bank tomorrow says that you should not have these programmes, I will say, I am sorry, I have to have these programmes whether you like it or not. So, the World Bank will not be able to interfere with my internal policy, economic policy to any extent. The World Bank certainly may have its conditionalities. I will accept them only if they suit me. I will not accept them if they do not suit me if they go against my policy.

Mr. Atal Bihari Vajpayee has said something which is quite meaningful. (*Interruptions*) I do not think that the world situation, as I see it today or anyone could see it really points to unlimited capitalism. I would not agree to that. I would not agree to that as a proposition as I would not agree to have anything to do with it as a programme in this country. We will have to think of the pro-poor programmes. We will have to think of this massive poverty which is ailing the nation.



[Sh P V Narasimha Rao]

There are two nations, three nations in the world having the same kind of difficulty. China has the same kind of difficulty. We have the same kind of difficulty. Countries like Brazil have the same kind of difficulty and the advent of total capitalism will not be able to solve our problems. We are convinced on that. That is why we have to have a third way. That third way is that while we open up while we become part of the world economy, we will not allow ourselves to be swamped by the world economy. We will have to have our programmes absolutely intact because we consider them absolutely necessary for our people. Therefore, there will be no dilution on that. We have deliberately included all the programmes for the poor in this country in the budget. Also in our programme, yes some cuts have come, because cuts have come generally.

If you do not have money, a little cut comes here, a bigger cut comes somewhere else. But we have also tried to restore the cuts in some other way. Dr Manmohan Singh explained how the cut of Rs 500 crore in rural development has been more than made up by taking money from the National Renewal Fund and putting it only for employment programme in the villages. (Interruptions) In fact, this has been improved. (Interruptions) Either they allow me to speak or you please give me some protection. Those who have run out of ideas and issues, they will again start this sheshan kupe na puryet.

That's all. So Sir, this package has become better because if I had put Rs 500 crores in general for rural development, they would have gone into different purpose. Now this Rs 500 crores or may be about Rs 800 crores or a little more than that, has been put specifically on employment generation programmes and I am glad about it. It was to be earmarked for that purpose because the need for that exists today and we will certainly see that this money will be diverted only to that purpose.

About the public distribution system,

this is one of the most promising programmes for the poor that could be thought of. It is true that the public distribution system in this country has working in a rather unsatisfactory manner because the Central Government does not run the public distribution system. It is very clear and perhaps, it should be clear to anyone who knows the Government at the State level and at the Central level that the public distribution system runs partly by what the Central Government does. But for the rest of it, it has to depend on the machinery of the State Government. There is no way I can neither run a fair price shop nor supervise the running of a fair price shop. It has to be run by the State apparatus and I am glad to say that when the National Development Council took up this matter, the Chief Ministers, belonging to all parties, very readily wanted to cooperate in revamping this, taking full advantage of it and I went and inaugurated the programme in Rajasthan, not in Andhra Pradesh or Karnataka, because this is not really a party matter. I wanted to take one of the most backward areas and go there. And the Chief Minister of Rajasthan told me that after that inauguration, he has himself visited several districts and he found that the programme as revamped as introduced, has been working well. There may be some lacuna here and there. We are prepared to look into those things any time because any programme of this massive magnitude cannot be perfect all the time. If there is imperfection here and there, anything to be done by us, we will do it and anything to be done by them, they will do it. This is one of the programmes in which both Governments, at the State and the Central levels, are working in unison, in tandem and with perfect cooperation and this is how it should be. This is going to be the real economic centre of tomorrow in the villages.

Not only rice and wheat but whatever foodgrains and other things we are giving, we have added to what is being made available there. The State Government are negotiating with the producers and with the manufacturers to find that things like match boxes, salt, etc., are brought in bulk to the State and from there distributed to the shops.

It is a very unspectacular kind of programme, Sir, not have any fire works here. But the point is that is the programme of tomorrow and that is the programme on which the entire economic activity of this country will rest. We have taken 1700 blocks particularly in the villages. I do not know whether the Members have really cared to find out how many blocks are included from within their own constituencies. I would, with folded hands, ask them and request them to do so; and visit the shops, go and find out whether they are working well or not. If they are not working well, find out why they are not working well. This is the duty of all the Members. *(Interruptions)*

*[Translation]*

SHRI HARI SINH CHAVDA (Banaskantha): Famine has affected Banaskantha but foodgrains are not available. *(Interruptions)*

*[English]*

SHRI P. V. NARASIMHA RAO: Now, we have released four million tonnes more foodgrains this year and still, stocks are low. We have to import, it has been done over the years. We have imported and exported. But the reason for exports is what is really relevant here. When the decision to export ten lakh tonnes of what was taken in 1990, it was not because we were overflowing with wheat. It was because we were in desperate need of foreign exchange. Now, this is the kind of thing which we should avoid. We should not dispose of our stocks; we should not allow our bufferstocks to come down under any circumstances and this is the lesson of the last two or three years. Therefore, we will have to take that as a policy postulate and we should always stick to it. Whatever happens on the food front, we should never be found to be in any distress and this I would say will be the policy of this Government.

Sir, on the industrial side, I have already answered question in Parliament. The details have been given that the investment climate has improved enormously and within the last few months, four or five months since

the policy had become known, we have had investment to the tune of Rs. 1000 crores. I also added in answering a question that in the next one week or few weeks this figure is likely to jump from Rs. 1000 crores to Rs. 2000 crores. All this is absolutely necessary for our 8th Five Year Plan and the country's progress in general because 80 per cent of this investment is coming within the infrastructure sector. It is not anything unnecessary. It is the most necessary thing for this country for which we do not have the money. It is quite clear that if we had been falling back on our own resources this kind of investment would not be possible for the next 20 years. It is coming now the power sector, the fertilizer sector, all the infrastructure sectors are being taken care of by this investment and I am happy about it. And if, Sir, I do not know whether this is going to happen, I hope it will, in the course of the 8th Plan if what we have tried to include in 8th Plan cannot be taken up for want of funds and funds are available from abroad, investment comes from abroad to complete this plan and part of that scheme, whatever money is released from our own resources will go to the anti-poverty programme. This is the kind of tie up which we want to do and we have taken a decision to that effect. We have told the Planning Commission that this is how this tie up has to be properly planned.

The employment aspect also has come up for lot of comments. Some Members been to have said that all we have promised in employment is not correct. *(Interruptions)*

MR. SPEAKER: Will you please keep quiet.

SHRI P. V. NARASIMHA RAO: The Railway Minister, Sir, has announced that over 6000 kms of metergauge will be converted into broadgauge. This is a labour intensive programme. It has been calculated...

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): What about the electric locomotives? BHEL has offered to supply the same. Are you going to give it to the... *(Interruptions)*



**SHRI P V NARASIMHA RAO** Each Kilometer is calculated to generate an employment potential of 18,000 to 22,000 mandays. At this rate if we take up 6000 Km, one can calculate how much it will be. The Planning Commission has come up with some figures. In the 8th Plan

**SHRIBASUDEBACHARIA** What about the new lines?

**SHRI P V NARASIMHA RAO** The only difficulty is that we do not really read anything before we say something.

The Planning Commission has given us the figures of employment: agriculture - 4.16 millions, mining and quarrying 0.13 million, manufacturing 1.36 million, construction 0.59 million, electricity - 0.03 million, transport and communications - 0.28 million, and other services totalling up to 8.89 million per year. This is what we have promised more or less in the Manifesto. Apart from this, a massive programme of afforestation and waste land development is being undertaken and one can imagine that the cumulative effect of all these programmes can hardly be less than what we have promised to the people and that will be completed.

About the unemployed, this cannot be useful for them. It is obvious. They have to be given opportunities for self-employment only in the context of rapid industrialisation of the country. I would like to know from any hon. Member or economist, if there is any other way. I do not see only one other way excepted rapid industrialisation of the country.

In the agricultural sector, whatever is possible for self-employment, will be taken up but at the same time it is industrialisation that will do the trick in regard to the employment opportunities in this country. So, that has been decided upon.

Sir, Atalji has made a very unkind comment about education. I would like to say, Sir, that what has been said in that Para 30 of the President's Address gives us some encouragement. In fact, they should feel

encouraged and proud at being told by the President of India for the first time that we have made a breakthrough in literacy. It was said that India is going to have the dubious distinction of having the largest number of illiterates at the turn of the century. From the Presidential Address, it appears that that dubious distinction is going to be averted. I feel overjoyed at that one factor which he has mentioned. Literacy amongst girls is increasing. Where is it increasing? It is increasing in the Northern States, not in Kerala. Kerala, there is nothing to increase because it is already covered. It is increasing in the Northern State. Himachal Pradesh has done excellent work in literacy programmes. Other States also are coming up. So, at the end of the century, the future Indian citizen will not have to hang his head in shame that in his country largest number of illiterates live. So many programmes which have been mentioned in this are programmes about which we can legitimately be proud and I would not like to measure the worth of a para by the length of the para. That is difficult.

Sir, now, the programme of the minorities. Again many comments, caustic and otherwise, have been made about the Minorities Commission. I would like to announce to the House, Sir, that the Minorities Commission is going to be given statutory status in this Session itself. Everything is ready and I am sure, we will be able to do that. So, that has been a long standing demand. Long standing proposal, we accepted it, we wish to complete it and we wish to fulfil it in this Session.

I have explained certain foreign policy aspects on several occasions in the House. There is only one important decision which seems to have created a difference of opinion and that is having diplomatic relations with Israel. Sir, when we talk of recognising Israel, I do not know what the hon. Members really mean because Israel stands recognised. We recognised it long ago when Panditji was alive. What we have done is, we have decided to have diplomatic relations. We have a Consulate already in Bombay.

Today, we have a situation where India's participation in the Middle-East peace process, for the sake of fighting for the cause of the Palestinians has become more important than anything else. I do not want to divulge personal discussions, etc. But with a full sense of responsibility I could say that this is a decision which is going to be found very useful, very useful in the Middle-East peace process. We could have waited two more years, we could have waited four more years. The only difficulty would have been that we would have been the only country left out of the whole world. That kind of isolation was not acceptable to us. And at the same time, the part that India— you will see— will play in that Middle-East, peace process, hon Members on some occasion will compliment me for have taken that decision.

Today, in view of the difference of opinion that has existed, today, in spite of the fact that what we have considered absolutely right we have done, there seems to be some doubt in the minds of friends. Some friends really expressed those doubts to me. I have nothing to say about those doubts, except to assure them that those doubts are unfounded. We stand by the Palestinian cause as strongly as ever before and this cause will be fully served by the decision taken by India and perhaps not so well otherwise. This is what I want.

**SHRIMATI MALINI BHATTACHARAYA** (Jadavpur). Why is the Government silent on Israel bombing of the Palestinian tanks?

**SHRI P. V. NARASIMHA RAO**: We are not silent on anything done by Israel against the Palestinians. We have never been - never been - silent on anything. We have never been silent on anything. (*Interruptions*)

I really do not know. Almost every country, there is hardly any country excepting the neighbouring countries with whom the dispute exists, they have done it because they wanted to play a role in this. Middle-East is going to be one of the most important theatres in which the role of a country is going to

be absolutely crucial in the coming years. We have to have a little foresight for these matters. We take the flak temporarily. But at the same time we have done the right thing and I am fully convinced that what we have done is the right thing.

I have covered all the points that were raised. Of course, there will be points which need not have been raised but have been raised. I would not like to waste the time of the House. I would like to conclude by saying that this question raised, the slogan that has been raised is rather unfortunate, that there is some danger, some jeopardy, to the economic sovereignty of the country.

I would like to refute it with all my might, with all the emphasis at my command and I am prepared for any test on this. What we have done is the right thing.

I have been addressing students, I have been addressing young men, I have been addressing villagers in their lakhs, and I find that when they are told that the licence-permit Raj is coming to an end, and has come to an end, the kind of response you get from them is tremendous.

Yes, there is a change. There is a change in our orientation but there is no change in our objective. I want to be absolutely clear. That objective remains. I cannot fulfil that objective by the old methods. I have to change. The whole world has changed. There is no justification for India not to change when the objective which we wanted to achieve till yesterday by some other means needs a different means today. That is the pragmatic approach which we have undertaken, without changing the objective without giving up the objective. We have gone into every detail of whether there was an alternative.

**SHRIBASU DEBACHARIA**: There was.

**SHRI P. V. NARASIMHA RAO**: There was'nt. I am prepared to have it discussed in this House. I am prepared to have a full debate of the House. This is only for an

[Sh P V Narasimha Rao]

amendment This is a very small thing. Let us have a debate. What were the alternatives available to India? What are the alternatives available to India today? Leave alone eight months back, what are the alternatives available to India today? I shall have an open mind. I am fully convinced that what we are doing is the correct thing. If some one can convince this House, convince me that there is another way equally viable, equally effective in the world of today, I will not flinch from it. But I must say again and again that what I have done is the correct thing and this conviction has given me so much encouragement to go ahead with this programme. I want national consensus, which already exists. Consensus does not mean unanimity. All that I can say is, consensus means unanimity minus Mr V P Singh, unanimity minus Mr Chatterjee, unanimity minus a few individuals. (*Interruptions*) I understand that our friends in the CPI (M) have objections. I recognise that. But in spite of that, I have to say that this new reform package and the line we have taken has the vast majority of the population of this country behind it standing like a rock. It will be so and we will follow it. (*Interruptions*)

SHRI RAM VILAS PASWAN (Rasera) What about the Mandal Commission? The Prime Minister did not mention a word about the Scheduled Castes, Scheduled Tribes and the backward classes. (*Interruptions*)

MR SPEAKER A number of amendments have been moved by the Members to the Motion of thanks on President's Address. Shall I put all the amendment to the vote of the House together? Or does any hon. Member want any amendments to be put separately?

Shri Dharmal

[*Translation*]

PROF PREM DHILLAL (Hamirpur) Mr Speaker, Sir, I demand a division on my

amendment No. 1 on unemployment and amendment No. 4 on price rise

(*English*)

SHRI SOMNATH CHATTERJEE (Belpur) I want to have a division on the following amendment numbers.

881, 780 and 790

SHRI INDRAJIT GUPTA (Midnapore) Sir, I want to have a division on the following serial numbers

387 relating to unemployment  
620 relating to New Industrial Policy  
628 relating to conditionalities which affect on economic sovereignty  
336 relating to land reforms, and  
104 relating to price rise

SHRI C. ITTA BASU (Barasat) I want my amendment No. 28 regarding economic sovereignty, to the President's Address to be put separately to the vote of the House

SHRI NANI BHATTACHARYA (BERHAMPORE) I want my amendments No. 1005, 1010, 1011 and 1013 to the President's Address to be put separately to the vote of the house

SHRI SYED SHAHABUDDIN (Kishanganj) I want my amendments No. 657 and 662 to the President's Address to be put separately to the vote of the House

SHRIMATI MALINI BHATTACHARYA I want my amendments No. 340, 342, 807 and 819 to the President's Address to be put separately to the vote of the House

SHRI RAM VILAS PASWAN I want amendment No. 369 to the President's Address to be put separately to the vote of the House

SHRI SUDHIR GIRI (Contai) I want my amendments No. 219, 223, 231, 233 and