

[श्री छविराम भगल]

वहाँमे अनुसन्धान केन्द्र स्थापित करने के लिये बं डाला जाय। एक अनुसन्धान केन्द्र जल निकास के लिए तथा दूसरा क्षारीय एवं लवणीय भूमि का उद्धार करने हेतु कायम किया जाना अत्यन्त आवश्यक है। अतः यह आवश्यक है कि भारत सरकार, योजना आयोग तथा महानिदेशक भारतीय कृषि अनुसन्धान परिषद से सम्पर्क साध कर ऊपर वर्णित दो केन्द्र तुरन्त कायम कराये जायें। इस कार्य हेतु भारत सरकार को केन्द्र स्थापित करने के लिये सेमई मे 500-700 एकड़ शासकीय भूमि, क्षारीय तथा लवणीय भूमि पर अनुसन्धान कार्य करने हेतु दी जा सकती है व इस प्रकार जल निस्तारण अनुसन्धान हेतु गोहद मे जो शासकीय कृषि प्रशेख करीब 150 एकड़ भूमि पर हाल ही मे स्थापित किया गया है, दिया जा सकता है।

यदि ये दो केन्द्र चम्बल क्षेत्र मे स्थापित किये जाते है तो हजारों एकड़ भूमि को नष्ट होने से बचाया जा सकता है और हम जो ड्रेनेज का कार्यक्रम नेने वाले है, जिस पर लाखों रुपया खर्च होने वाला है, उसे सही मार्गदर्शन प्राप्त हो सकेगा। सन् 1972 के टर्नगेशन कमीशन ने चम्बल कमाण्ड प्रोजेक्ट को सिक स्कीम बनाया है। क्या केन्द्र सरकार बाढ़ नियंत्रण योजनान्तर्गत मुरैना मे जल निकास एवं कटते हुए बीहड़ो को बचाने की सुरक्षित योजना बनायेगे।

बीहड़ो का कटाव भी तेज गति से हो रहा है। मैं इस सदन के माध्यम मे केन्द्रीय शासन से माग करता हूँ—चम्बल बीहड़ो एवं कृषि योग्य लाखों एकड़ भूमि को बरसात मे प्रति वर्ष कटती जा रही है, इन बीहड़ो की भूमि को जो कायल योग्य है, उसे भूमिहीन हरिजन और आदिवासियों मे बाँट दिया जाय। जो बाकी बीहड़ी की भूमि है, जो कृषि योग्य नहीं है, वहाँ चम्बल बीहड़ो मे वृक्षारोपण की कार्यवाही युद्धस्तर पर की जाय, ताकि कृषि योग्य भूमि के कटाव एवं बीहड़ो के कटाव को

रोका जा सके। चम्बल क्षेत्र मे एक भारी बूढ़ समस्या सिचाई आबयाना की है। सिचाई आबयाना वसूल करने मे एथीमेन्ट प्रथा समाप्त कर किसानो को भ्रष्टाचार बुद्ध, तिषय लगान एवं भ्रष्ट दण्ड से बचाया जाय। सिचाई के साथ वसूल करने की कार्यवाही की जाए तो भ्रष्टाचार का उन्मूलन होगा वे किसानो को राहत व आबयाना की सरकार को प्राप्त होगा ऐसी व्यवस्था उत्तर प्रदेश राज्य मे है। मध्यप्रदेश मे भी लागू की जाय।

MR. SPEAKER: Prof Dalip CHAKRAVARTY—he is not here.  
Hon Prime Minister

11.55 hrs.

MOTION RE DRAFT FIVE YEAR  
PLAN 1978-83—Contd

THE PRIME MINISTER (SHRI MORARJI DESAI): Mr. Speaker, Sir, I heard the hon Members when they gave their views on the Draft Five Year Plan, particularly through out the debate, and I listened carefully to what they said even though at one stage a remark was made that I was not here to listen to the debate

SHRI SAUGATA ROY (Barrack-pore): That is permissible.

SHRI MORARJI DESAI: It is permissible I am not objecting to it. Hon Members have a right to say what they like but it is for them to consider whether what they say is proper or not I do not want to dwell on it further.

It was even contended that I believe I am always right and that I do not think that others can have anything to say. Well, there could not be a wilder statement than that and if I really believe that, then I think I would be a person totally devoid of all intelligence. No person can ever claim that he knows everything and that he alone is right and nobody else

can be right. It is however my creed that I must act on whatever I believe to be right and if I argue with another reason I do not argue to refute his point of view but to understand it. If I am not able to accept it or if the other person is not able to accept my point of view, then we can differ. He has a right to his view and I have a right to my view. But, to say, therefore, that I must accept every view that is given to me is something which will not allow any work to be done by anybody. Therefore, this is no way of making me do something which they think. I will do if they try to defame me like this.

It was said by the Leader of the Opposition that the Plan is backward. I do not know what he meant by the Plan being backward. It may be that I may be very backward in understanding. That is possible and I can grant it readily, but, I, for my life, have not been able to understand why he said so. But that can be a view if he wants to take that view. Beyond that, I do not know how the Plan can be called backward.

It was described as a capitalists' plan especially by those who believe in the Marxist philosophy. Naturally, they will depict every thing else which does not fall within Marxism as capitalism.... (Interruptions). But I do not believe either in capitalism or in Marxism.... (Interruptions). No, the methods are alike for both of them but they are opposite to each other....

AN HON. MEMBER: But they are your allies.

SHRI MORARJI DESAI: All are my allies? Even you are all my allies. Who are not in this country? But what is the meaning of saying this? This is not a correct way of looking correctly at the Plan.

The Plan, which is before the hon. Members, has been prepared as a result of the new policy declared by Government when it came to power. It was argued that the Plan has not

been prepared properly, in consultation with all, as was done in the past. But it has to be considered when we took charge of Government, the Fifth Five Year Plan was in existence and this year was the last year of the Plan. Now if we allowed this year to continue which is the last year of the Five year Plan, then we will have to wait for one more year....

12. hrs.

SHRI SAUGATA ROY: There is darkness in gallery.

(Interruptions)

SHRI MORARJI DESAI: You cannot make for Darkness by voice. There is no darkness here.

(Interruptions)

But there must be some interruption for some reason for the other, perhaps that is the practice and that is the habit. So something must be brought up.

There is no question of Plan being made in a hurry. Yes, we had to apply speed to it because we cannot wait for one year more to bring our policies into effect. Therefore, we had to take counsel together. The Planning Commission had to work at high speed and I must congratulate them for having worked at a very high speed and for having produced very efficiently about it and producing a Draft Plan in accordance with the policy of this Government. In the process we could not consult all the States in respect of the plans for all the five years. We have seen by experience, and I have had more experience with the planning process than many people here have because I have been connected with the Plans from the beginning and as a result of all this experience, we came to the conclusion that we must now see that planning must be not only planned well, but must be implemented far more efficiently. It has often been said by past Governments by Prime Ministers, that the implementation was not proper and, therefore, the Plans went

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awry. Personally I consider that is not a proper explanation and I had said it even then that if the implementation goes wrong, it is also the fault of planning and of those who execute them. But we were new to planning and, therefore, these shortcomings were bound to be there.

Planning has been introduced in this country mainly on account of Pandit Jawahar Lal Nehru and we are indebted to him for it. I do not think planning would have come here but for his insistence on it even before freedom. But it must be remembered that we got freedom in 1947 and yet the First Plan was prepared in 1951-52. Though planning had begun early, it takes time when it is new to concretise it. Even then the First Plan was only an assembly...

**SHRI DHIRENDRANATH BASU** (Katwa): It was first sponsored by Netaji Shri Subhas Chandra Bose, in the Indian National Congress.

**SHRI MORARJI DESAI:** He was the President. But the idea was Pandit Jawahar Lal Nehru's and not Subhas Chandra Bose's. Let it be understood properly. Let credit be attributed properly to proper quarters. It is no use trying to give credit to one person in everything whether it is deserved or not.

But, in this particular matter, it must be said that Pandit Jawahar Lal Nehru fought against heavy odds in order to persuade people to accept Planning, and it was accepted.

The First Plan was an assembly of the programmes which had been taken up earlier. It was not a regular Plan, with an indication of targets, resources, etc. That is how the Planning process began.

During the Second Five Year Plan period I became the Finance Minister. And then I had something more to

do with it. It was at that time that I pointed out to Panditji that to aim very high is a good thing, but to aim higher than what one can do will certainly be injurious. And that is what had been done in the Second Five Year Plan when it was drafted. And, at my suggestion, he was good enough to accept the pruning of it, because of the resources problem, both internal and external; and it was pruned. As a result, we did better than what was prescribed in the Plan at the end of the Second Five Year Plan and that gave a fillip to the Plan.

But in the Third Five Year Plan we started again the same process, of aiming higher than what one could do, because our needs are numerous. If our Planning is to be according to all our needs, it will have to be something gigantic. But then, it has to be in conformity with our capacity to implement and with our resources. It cannot be according to our desires. And that is what I tried to plead.

In 1963 resigned but immediately called also, where it was sought to expand the Plan, I pleaded with the Members that this would not be wise, and this will land us in trouble, and it was accepted.

In 1963 I resigned but immediately thereafter the Plan was inflated, and it came into serious difficulties.

And then three years went without Planning. It was ad hoc Planning for three years because the whole thing went wrong. It was taken up in the Fourth Five Year Plan, and continued in the Fifth Five Year Plan. That is how Planning in this country has passed through different vicissitudes.

I cannot claim that this Plan is perfect. It would be wrong on my part to claim that, nor would it be right to say that it cannot be improved upon. It can be improved upon, but it has to be improved upon in a practical manner and not on theoretical considerations.

During the course of previous plans, experience has shown that what was lacking was that once we made a Plan for five years we then left it at that, woke up after three years and began with the preparation for the next Plan. We did not go on assessing all the while what was being done. That is why the implementation was not taken care of as it should have been.

It was therefore after great deal of deliberation that I came to the conclusion that we must apply a new concept to it, which I call, a Rolling Plan.

That concept of a Rolling Plan was ridiculed in many quarters; but those who laugh best are those who laugh last. That is why I am not worried by the ridicule showered on it.

I examined it further whether it was wrong and whether we should change it. The more I examined it, the more we found that it was necessary to adopt this concept. And what is this concept? The concept is that the Five Year Plan is made and, at the end of the first year, we examine the whole thing, assess what we have done, see the implementation and see whether there are shortfalls and whether the resources are coming forward and take stock of all these things and regulate the next four years in the light of experience gained, so that it becomes more realistic and more capable of implementation so that it becomes to be a continuous Five-Year Plan. But, it is a Five-Year Plan at any given time. And that is why it is called a Rolling Plan. Otherwise, there is no other meaning in it. It helped us this year to prepare the Draft Five Year Plan. We could not get in touch or consult all the States about all the Five-years. It was not possible. But, we consulted the States for the first year and we got their agreement for the Plan for the first year of the Five-Year Plan. And, it is with their agreement, that the first year's plan has been properly includ-

ed in it and the Plans for the next four years have also been included by the Planning Commission after proper deliberation and that is how the Draft Five-Year Plan has emerged.

It was in the National Development Council that I said that we have not been able to discuss this with the States as thoroughly as it should be. Therefore, we are going to do it and we will have the meeting of the National Development Council again when we will finalise it at that time.

There was another reason. The Finance Commission is having its deliberations. It will bring in its report in October or so and that will give us also the allocation of financial resources between the States and the Centre which will have to be taken into account for the future years. We propose to finalise it in November or December. That is why we said we will call the meeting again. That was agreed by all. They have the agreed with the objectives of the Five-Year Plan in the National Development Council. It was, therefore, that it was not put before the House earlier.

It is true that there had not been consultations with many people before. But, there was no time to do so. The deficiency is now going to be made up. We are trying to have consultations with people. My hon. friend, Shri Mishra, said that formerly there was a Cell in the Planning Commission where Members of Parliament used to go and discuss. I have suggested that to the Deputy Chairman and, I think, he will make the necessary arrangements for all those who want to do it. I have already conveyed that to him sometime back.

But, then again, it is said that the Plan must be brought from below. Is it ever possible to frame the Plan from the village upwards or even from the district upwards? I would like to meet the genius who can show me the



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way how to do it and do it in a given time. I would like to know whether it can be practicable because every district or every village, will want to have its full planning and full development irrespective of resources. They are not bothered about the resources at all. That will be the bother of the planners at the top. Their business will be only spending money. Therefore, if the plans are to be brought up like that and then they are to be collated together and made into one, it would be an impossible task. But, the Plan has got to be made with the help of the States. And this is what is being done. The States take into account other things; they have their own planning machinery. Therefore, they take into account the requirements of the districts and the villages. That is how the Plan is being made. In the period between now and November, there will be constant deliberations between the States and the Planning Commission and then the National Development Council will meet.

Therefore, the Plan is not going to be finalised in a hurry or without proper consultations and deliberations with the concerned people in full measure. Therefore, to say that it is made in a hurry would not be right. It has been done certainly speedily. For that we should have got the credit. But, instead of giving credit, we have been blamed. This is all my grievance about this criticism. The First Year Plan has been done in consultation with all the States. They have accepted it. There is little or no difference of opinion on broad objectives. There can be some little difference, here and there. But by and large, the whole thing has been accepted and has given satisfaction to the states, if I may say so, in the first year's plan. I hope that the National Development Council will be able to come to a satisfactory conclusion when it meets to consider the whole Plan. That is my expectation.

It is said that this is a capitalist plan, which means we must nationalise all the industries; and all the trade and everything else should be nationalised. That is not the policy of this government and it will not be the policy of this government; it has not been the policy of the government in the past. It is a policy of mixed economy; mixed economy means there is scope for both private and public effort. And if the private effort is not done properly, the public effort also will be wasted. Ultimately it is the people for whom the plans are made. It is man's capacity which has got to be increased and man has to be in the centre of the picture. Man's capacity can be increased only if man gets full opportunity to develop himself and to do whatever he wants to do without let or hindrance so far as he does not come in the way of other people. That freedom everybody must have and that can be assured only in a mixed economy. We do not believe in *laissez faire* policy. In that sense there can be no question of anything being completely uncontrolled or being completely controlled. Both things are wrong.

SHRI JANARDHANA POOJARY (Mangalore): May I know whether the essence of planning is socialism or not?

SHRI MORARJI DESAI: If the hon. Member is patient, I would come to that. He is not patient. If socialism means impatience, I do not want anything to do with that socialism. What is the meaning of being impatient about everything and then repent at leisure? We do believe in socialism of Gandhian concept. I shall define the socialism in which we believe so that it will be clear. I do not think there should be any difference of opinion in this matter. That is what I hope. What I mean by socialism is that it is free from exploitation of any kind of man by man and it is a society in which every person has freedom to develop himself or herself to the fullest measure he or she is capable of reach-

ing. There must be equal opportunity for every person. That is socialism... (Interruptions) I think my hon. friend will take many years to understand basic things. He is only in a hurry to differ to show his individuality. That is not the method of showing individuality.

SHRI VAYALAR RAVI (Chirayinkil): Only difference is in the definition.

SHRI MORARJI DESAI: If anything is wrong in the definition, I am prepared to learn; I am not prepared to teach everybody. We are all here equals. It does not mean that because I am the Prime Minister, I am superior to all others. I do not believe in that. Yes, I have greater responsibility and therefore, you must have greater sympathy with me because I have greater responsibility.

SHRI VAYALAR RAVI: Sympathy and respect both.

SHRI MORARJI DESAI: The hon. Members must share in that responsibility. Otherwise, equality will also have no meaning. Therefore, this definition is not a definition which has come from my imagination. I have seen it from all the wise men who have preceded in the world before me.

Therefore this plan has been conceived with that policy and if we have not mentioned in it 'socialism' or something to that effect, it does not mean that we must go on repeating these mantras every time we say or do something. Then it becomes only a mantra and that has been the bane in this country. We have very important mantras, they are very good, very efficacious, very fine, but then they are repeated mechanically and they have lost all their force and strength and it has brought only hypocrisy and that hypocrisy is our bane. I do not want to go into it at all.

SHRI KESHAVRAO DHONDGE (Nanded): Is Gandhism capable of implementing socialism?

SHRI MORARJI DESAI: Now the world is recognising, the thinkers, writers, philosophers and economists are recognising Gandhism. I do not know whether they are reading them or whether they are content with their own ideas—but if they read the literature of the world, they will find that they are all coming round to this, that the only safety for the world and the salvation for the world is to take the Gandhian path. That is what we see. But if they appear to flounder it is because there is not that background for it in those countries but they philosophically accept it. That is why the late Schumacker wrote the book "Small is beautiful" and he went on preaching it in America, England and other countries. I had the good fortune of meeting him before he passed away, when I went to England and I had a long talk with him and he was very keen on this. Therefore, it will be seen that Gandhiji was not an idealist soaring in the sky, he was an idealist, but he was the most practical man on earth, more practical than you or I or anybody else. That is why he succeeded in getting this country free in spite of ourselves. It is he who got us freedom. But my hon. friend is not even grateful for it.

SHRI KESHAVRAO DHONDGE: Do you practise Gandhism?

SHRI MORARJI DESAI: I do try to do so. I cannot say, I am Gandhi. That would be an insult to him. But I do try to go on that path to the best of my capacity.

SHRI KESHAVRAO DHONDGE. What about your Government?

SHRI MORARJI DESAI: My Government will also do it, if my hon. friend tries to understand it and tries to follow a little of it. My Government will do it a little more. That is

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all that I will say. It is not for preaching to me and asking some questions that he does so; let him understand it first before he talks about it.

SHRI KESHAVRAO DHONDGE:  
You also understand us.

SHRI MORARJI DESAI: Then, it will be better. I can have no quarrel with him if he differs from it, I can have no quarrel with him if he rejects it. I have actually no quarrel. (Interruptions)

MR. SPEAKER: Interruptions have a limit.

SHRI MORARJI DESAI: The question of growth rate also assumed some importance in the discussion and it was said that the growth rate is very small, 4.7 per cent as it has been put down. Naturally, Members of my party also feel that we have mentioned in the party's policy that it should be 7 per cent; it may be possible to do it for a year, but it is not possible to do it on an average for five years. We came to that conclusion. Therefore, let us be quite realistic in assessing the whole thing and do what is possible to do and then go on to try to achieve more. We will go on to seven per cent if we can. We are not going to rest at 4.7 per cent. That should be our strategy. The strategy should be to plan what is possible and what can be implemented fully and then try to do more than that so that we increase our capacity and do not create any disappointment. But if we say seven per cent, as it was said before and then come to only 3.5 per cent average, then we get disappointment and then there is complete pessimism. That is an atmosphere which is not healthy for planning or progress at any time. It is therefore that we have deliberately said it will be 4.7 per cent. And, we will see that it is 4.7 per cent; not only that

but something more than that, but not less than that. That will be our full attempt to do so. But when it is said it should be more than 4.7 per cent and it should be 7 per cent, the resources of Rs. 13,000 crores which are envisaged in the draft plan are considered too high by some people, that they are not realistic and that we will not be able to mobilise them. If you want 7 per cent growth, you will require far larger resources. How are you going to do that? If Rs. 13,000 crores are not possible, how are you going to have more? How are these contradictory things to be reconciled? At the time of every budget, I hear in this House also people saying, "Reduce these taxes; reduce those taxes. Give more here; give more there!" From where? That is not considered at all. Many friends, even industrialists, came and saw me when I was Finance Minister and said "This tax goes against us". I said, "All right; I will remove it. But show me another way from where this money is to come. You give me and I will take it!" Nobody was prepared to do it. Not only that. When they came separately, to talk to me each one said, "tax the other". This is another game that is being played. Some people say, tax the industrialists. Others say, tax the agriculturists. Others will say, tax the other people. It goes on like that. Are we not all together? Should we not consider the total interest of all? It is in the prosperity of all that the proper growth of the economy lies. Yes; the prosperity of the lowest must be the first concern. Otherwise, there will be no prosperity. It is therefore that Gandhiji defined it as Antyodaya. Sarvodaya was defined as Antyodaya, so that in one word, he explained what it meant. It meant that the lowest person should be taken care of first. When the lowest man is taken care of, others are taken care of. It is therefore that the Rajasthan Government have now started rural uplift by their own method. They have taken up five poorest families in every vil-

lage. In one year in all about 150,000 families will be taken and they will bring them up within the course of one year or two years, so that they are fully employed. Like that they will go on increasing the number of families every year so that all the villagers are covered. That is what they are trying to do. These are being tried in different ways in different areas. There are bound to be different methods, because it is a novel thing to be done. This has not been done in the past. We have, therefore, to try these things and see what is best suited for us. That is how we are trying to do it. That is why I said that growth should not be judged merely by percentages but it should be judged more by the effect the planning will have at the end of the year on the economy of the country in the villages, where we want to concentrate. It does not mean that towns or cities are to be neglected. There is no question of a conflict between cities and villages. Both are vital for the economy of the country. The cities will be all right only if the villages are all right, because 80 per cent of the people live in the villages in this country. That has been its history for thousands of years. Let it not be forgotten that there were big cities in this country even in the hoary past, very large cities. But the villages were always preponderating. 80 per cent of the people always lived in the villages. If the villages are happy and prosperous, the cities are bound to be prosperous. Cities are necessary because where will the surplus production of the villages go? It has to be consumed somewhere. It can be consumed in the cities where we do not produce those things. All these things have got to be correlated. But it is vital that the rural sector must be attended to very properly. And it is there that we have not paid as much attention as we should. I am not one of those who would say that nothing has been done in this matter. It is said as if there is a fashion with some people even on my own side to say

that in the last 30 years nothing has been done. Well, they forget that they condemn me too in the same process? I have no objection. I take it from them, it does not matter to me; I have got to be taking it from them because they have been used to saying it for the last 30 years. That is also how the opposition has been working in this country. That is also the fault of the Treasury Benches in my view. I have realised this as a result of having had the advantage of being in the Opposition for a while. If I had not been there, I would not have understood it as I should have understood it, because it is only experience which gives you true knowledge and wisdom and not mere intellectual conception. I had always respect for the Opposition before. I never treated the Opposition with anything less than respect. But I did not have that much consideration for the Opposition which I should have had on the Treasury Benches when I was there, which I have now, because I realised it when I was there and I had the advantage of watching it very properly because I was a back-bencher. I could watch the scene in a silent manner. I could observe it and absorb it. That was how I could learn. It is, therefore, the duty of this side of the House of the Treasury Benches, to see that the Opposition is enabled to work in a responsible manner.

SHRI HARI VISHNU KAMATH (Hoshangabad): Keep them long enough there.

SHRI MORARJI DESAI: If they do not do that, in spite of our effort, even then we have to see whether it is not our fault. I would not want to blame them. But my friends in the Opposition also must recognise that people on this side are human, and therefore, they must not try their patience too much in this matter. Otherwise it will only mean that my efforts will not succeed. And yet I will go on

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making my efforts. Therefore, in the matter of growth, let us be judged by what happens rather than by theoretical conceptions. That is what I have to plead in this

Then the question of Central assistance to States came in for some comment. It was said that more assistance should be given to the States. Now more assistance is being given to the States and the proof of it lies in this Plan. It is for the first time in all these years that the State Plans together are larger than the Central Plan. It was always that the Central Plan was larger than all the State Plans put together. That is not the case now. That is because we are paying more attention now to the rural sector. And therefore larger allotments are made.

SHRI C. M. STEPHEN (Idukki): But Mr. Jyoti Basu thinks otherwise.

SHRI MORARJI DESAI: Everybody is entitled to think as he wants. I cannot make him think differently, I cannot make you think differently. I must think differently before I expect others to think differently. Therefore, we have to be very careful and considerate about other people. I have no quarrel with him. He can go on placing it and I can go on saying 'no', which I am doing and he can go on placing which he is doing. There should be no quarrel about it. Let us go on. Some day we will meet. He will meet me or I will meet him. Something will happen.

SHRI C. M. STEPHEN: Both are running parallel.

SHRI MORARJI DESAI: And that is why that demand is that the States must have all autonomy and all financial powers must be given to them and very few must be left with the Central Government. There is a demand for all this. Now, if that

happens, how is the Central Government going to take care of the needs of the backward States of the backward areas? When you ask us to allot them more funds, to give them more funds from where? How can that be done? It is, therefore, that the Constitution has been very properly framed so that the needs of this great country are fully taken care of, between the States and the Centre. Ours is not a federation. In the Constitution, India is a 'Union of States'. It is not called a federation. It is called a 'Union of States'. But it is not a unitary government. It is like a garland of pearls or diamonds, where the Centre is the strong thread keeping the pearls together. If the thread vanishes, the pearls vanish; and if the pearls vanish, the thread has no value. Both the things are equally true. Therefore, both have to be strong. But somebody has to see that all are strong; and that has got to be done by the Centre, which is being done by it in consultation and in co-operation with the States. That is why the scheme in the Constitution has been very rightly framed with very great imagination and justification. I have no doubt about it in my mind; but that is not the subject now, except the financial powers. That is why a Finance Commission is provided which takes into account periodically, the distribution of the resources between the States and the Centre, so that the States are helped and the Centre is able to do its duty by individual States and by all the States together. That is the concept of the financial structure of our Constitution, and of the Plan. And that is why the State Plans are being helped as much as we can, in the same manner when it came to notice that the States were indebted. That is what the States also have to consider. But if they go on incurring more and more debts, and then say 'Now, write them off', from where are we to do it? Who is to pay? The Central Government will then have to repay them. Somebody has to repay the debts that are incurred. Or, should we behave like bankrupt people? Then who will

respect us? Therefore, that cannot be done. Therefore, one has to apply one's own wisdom to it at every stage—both by the Centre and by the States. Therefore, we are going to be very careful in future—in the matter of debts so that such demands do not come up. It is, therefore, that we have said that there can be no indefinite drawing from the Reserve Bank by the States, as they want. But it cannot be said that no overdraft will be allowed. That will be allowed. That will be wrong. We don't want to have deficit financing. But immediately you cannot reverse the whole process all at once. We have to do it gradually. But in the meantime, this can be inflationary. We are trying to see that its effect is not inflationary. You must have seen that this year it has not been inflationary. There can be a difference of opinion and it may be said that it has not much improved. All right; I have no objection to that criticism. But the fact is that the prices in March this year are not higher than those in March last year. That cannot be denied. They may not have gone down much. They should go down. But there again, we are confronted with a contradictory demand. The moment the prices of any commodity go down, immediately there is a pressure on the Government to the effect that they must be raised.

**SHRI P. VENKATASUBBIAH** (Nandyal): We want only remunerative prices.

**SHRI MORARJI DESAI**: But remunerative prices are relative. If all prices come down, only then will the consumers and the country benefit. May I plead with my friends to consider one thing very seriously and deeply? We have been following the Western mode of development of economy. The Western economy is a high-cost economy. The cost goes on higher and higher. And I asked some of our friends in USA and elsewhere—Whether they have any limit, or is sky

the limit for your rising standards? Their economy is an economy of waste." They must waste many things, in order to keep up the tempo of the economy. Otherwise they would have unemployment. They produce a few million cars in the United States; and if they are not sold that year, the factories will stop. If the factories stop the steel factories will stop. Then other things will stop; there will be chaos. Therefore, what do they do? They throw away the cars every year and there are heaps of junk. I have seen it in several cities. I do not know whether there is enough space for even the junks to be kept. They are not able to use that junk. We can use it here, because we are trying to use all our raw materials in a proper manner. They waste their food. Whatever is served on the table, only a little of it is eaten. The rest goes waste and the people in the world starve. This is what is happening and this is what has happened, to high cost economy. Unless it is low cost economy, you can never bring up the people. Therefore, we have got to have low cost economy in this country and that can happen only when productivity increases, when production increases and when there is full employment and when there is sufficient availability of all consumer goods required by the people at large.

We can achieve this on the basis of mutual concern and not merely on political considerations. All politics is demand to be in the interest of the people. All theories are also meant to serve the people. There can be different theories. There are bound to be different theories. No two men of intelligence can agree on everything. How can they agree on everything? That is not possible. That is the charm of the world as it is, of all creation....

**SHRI JANARDHANA POOJARY** (Mangalore): You are saying you will not have deficit financing. Already there is deficit financing to the extent of Rs. 1,000 crores. How are you

[Shri Janardhana Poojary]

going to meet the situation?.....  
(Interruptions)

SHRI MORARJI DESAI: Therefore we are paying attention to employment, which is given the highest priority. We want to achieve employment in ten years. Now it is nine years, because one year has gone already. I cannot go on repeating 10 years every time, as it was done in the past. I do not want to do it.

Somebody asked: are you going to be here for ten years? I cannot say. I cannot say that I would not be there or I would be here. Who can say that? Can you say that you will be here for ten years? But we have got to plan for all people. We cannot say "the world will die after I die". Therefore one must see that the plans are prepared properly and that is how we are preparing them. We are trying to do it within our capacity. That is how we have set it in motion.

We cannot say that all this transformation will take place today. We cannot promise such things. It cannot be done. We do not want to make false promises. That is why we are talking of the rural sector being given greater priority. Because, in the villages there are far more unemployment, specially partial unemployment. There is far more partial unemployment in this country than complete unemployment. That has to be taken into account. Partial employment is very severe. Some are employed for only two days a week. That is very poor employment. Nobody can live on two days' wages. Therefore, we have got to ensure that we give them all full week's employment to everybody, employment which is satisfactory under the conditions in which they live, according to their capacity. They must have full liberty to increase their capacity to earn more and improve on what they do. This is what we have got to do in the rural

sector, and that is why have given the highest priority to agriculture.

Agriculture is really the basis of this country's economy. Whatever may have been the position in other countries, agriculture is the very basis in this country more than in any other country. Even our industries have to depend upon agriculture. That does not mean that agriculture does not depend upon the development of industries.

SHRI P. VENKATASUBBAIAH:

Unless there are village plans, how can you co-ordinate them? You have referred to the village plans, which has been mooted here. You have to integrate the village plan into the large plan. Do you contemplate doing anything effective in this direction?

SHRI MORARJI DESAI: What is going to be done is that we are going to take up the villages to see that there is full employment in every village. That has to be taken sector by sector. You cannot do it for all the villages together. We have got to do it according to the capacity in every State. I gave one example. In Rajasthan, they took up five lowest families in every village. And we attempt to do it in other States. It is true that unless the panchayats function properly, it is not possible to be effective in everything that you want to do. But panchayats also have got to participate in this work effectively. It is, therefore, that we gave it first priority and appointed a committee to give us proper suggestions to see that we bring the panchayats in all States in a proper working order. Now, that also requires the cooperation of all of us together. We must not make the panchayats again the battle-ground of politics. In the villages, there should be no politics. The village prosperity depends on the working together of all the people. And, therefore, unless from the

panchayats the party politices is eliminated. I do not think, the panchayats will ever come into their own.

SHRI DHIRENDRANATH BASU:  
What about Shri P. C. Sen?

SHRI P. VENKATASUBBAIAH:  
What are you doing in West Bengal?  
You have your own candidates in West Bengal.

MR. SPEAKER: One or two questions are interesting but not many.

SHRI MORARJI DESAI: That is why, we are waiting for the report of that committee and then, we will come before the House and see what can be done in the matter. Then, we have got to put in all our efforts. In the past efforts have been made to involve the panchayat, in this work. It cannot be said that it was not done. If it has not succeeded, I do not want to find fault with any Government or with any people. The fault lies with all of us. But we have now to make up for lost time and learn by the past mistakes. That is how, I think we will be able to activate panchayat system. Once panchayat system becomes effective, then implementation of the plans will become very effective and there will be no difficulty about it, to my mind. Now, panchayat means and includes panchayat and a gram municipality. Once all these work together, then proper decentralisation will follow. This is what we have got to achieve. But these are all things which have got to be done with the cooperation of all parties, by all of us together and if that is done, then we can do other things here or elsewhere. We can bring in different thoughts, to bear upon it and ultimately, carry it out properly. That is what we can do and that is what we are attempting to do.

Agriculture is to be enriched. That has to be enriched not by again the same modern methods as they are called. Modern methods have to be used but they have to be applied to our conditions, to our needs and to the villagers capacity of doing whatever they have to do. There cannot be any complicated technology given to the villagers if their village is to be simple and free from pollution and environmental difficulties. We have got to see that we adjust these technologies to simple technical devices for the villagers so that they are able to do their work more satisfactorily, with greater speed, with better efficiency and better production. This is what we are attempting to do in agriculture.

We want to see that our cottage industries for which this country has been known for centuries are revived very thoroughly. Every home can have a cottage industry which he can take. I will not force on anybody any particular thing. That cannot be done. But we have got to have a variety of cottage industries from which people will choose. Now, this is a matter where public opinion and non-official effort have to be mobilised first. Government has to aid and assist in it. Government machinery cannot do it. That is why these things are being gone into and being organised. But unless they come actually into a working arrangement, it is not possible for me to describe everything that is being done.

Then, the question of labour came in. It is asked:

What is the role of labour? The role of labour is known. Labour is a partner in everything that it does. We are all partners. But we are partners both in profit and in loss. Labour cannot be a partner in profits, not in losses. That has got to be understood. Therefore, we have to see that there are no losses. Then there will be no difficulty. We all have



[Shri Morarji Desai]

got to ensure that. If it comes to losses, they are junior partners and if it comes to profits, they become senior partners. It will not be workable. After all, one has got to have a sense of proportion in such matters. We are, therefore, bringing in the Industrial Relations Bill before this House as soon as it is ready. It is being got ready. I hope it will be introduced before we adjourn in this session. That is my hope. You can then see what we mean.

In the matter of industry and commerce, two things were said. It was suggested that foreign trade should be completely nationalised. It will be disastrous if that is done. It must be understood. Nor it can be left free. A proper via media has got to be found. That is what is being done. Foreign trade is not done merely for the purpose of import and export. It is also necessary for our production, for our quality and for seeing that productivity also increases. Therefore, foreign trade is vital. But we will have to always have a balance in trade. That is what we are trying to achieve.

It was said that import liberalisation is going to do harm. We are not going blindly into import liberalisation. What are we importing? We are importing only those things which are in short supply here. In the matter of consumer goods, if they are in short supply here, then we have to see that prices do not rise but we bring them down. In the matter of capital goods, we do not import capital goods which are manufactured here. What is not manufactured here will only be imported, not with a view to perpetuate and dependence on imports but to see that we also begin to manufacture these items as soon as we can. Therefore, there is no question of any thoughtless importation. We have

not yet gone mad. I hope, whatever the hon. Members may do opposite, we are not going to get mad—they might be so in the process....

**SHRI DHIRENDRANATH BASU:**

Almost all the public undertakings are running at a loss. Even the Heavy Engineering Corporation which is the biggest public undertaking is running at a loss.

**SHRI MORARJI DESAI:** That was when my hon. friends were looking after them. Now, they are making profits slowly and they are going to make more profits. We are going to see that. The public undertakings become more efficient than the private sector. That is why we must have a healthy competition between the two. That is what we are seeking to do. The public sector has a vital role to play. I have no doubt about it, in this country specially. That is how we are looking at it.

When we say that we are paying more attention to the rural sector, the cottage industries, the rural industries, immediately, a conclusion is drawn that we are going to neglect the industry. How are we going to do it to industry? We do not live in a backward age. We cannot live in isolation from the world. We have to live in the world, as it is. This is a world which is in constant communication. We have got, therefore, to have all the essential modern things of life. But we have got to see that they do not overpower our culture and do not reduce us to absolutely mute imitators of other people, as if we have nothing of our own. And that is why we have got to apply our mind to it and see that we do not blindly imitate other people.

In the matter of foreign aid it was again argued that we are depending more on outside help. That is wrong. The outside help now will be 5 per cent instead of 13 per cent which

was there in the last Plan. That also is reduced and we do not want to continue to depend on other people at all.

The question of self-sufficiency was brought in that we are now looking at self-sufficiency properly. Now is that argument right? We want to be self-sufficient, but self-sufficiency does not mean that we do not have any connection with other countries of the world. No country can live in seclusion like this in this world at present. No village can live only by itself like an island anywhere.

SHRI K. P. UNNIKRISHNAN (Bada-gara): What about self-reliance?

SHRI MORARJI DESAI: Self-reliance we have and we are bound to have it. Therefore, I told those people who came from outside to have more investment here and they were ready to invest anything that we wanted. So, please understand that we do not want any investment in areas where our people have the knowledge and have the capacity to do it. We are not going to allow any investment in those areas, but in areas where we do not have the technology or know-how, there we will certainly invite them but do business with them on terms of mutual benefit. They do not come here as philanthropists nor are we philanthropists. We have got therefore to have a business proposition.

SHRI K. P. UNNIKRISHNAN: The agricultural processing industry, you are forgetting—Cadbury. Please find out about it.

SHRI MORARJI DESAI: This was permitted in the past, not now.

AN HON MEMBER: And you are now here.

SHRI MORARJI DESAI: You point out to me and I will stop it. Please give up the attempt to make vague allegations. Therefore, it will be

seen that we are being practical in everything that we try to do. Therefore, when we say we are having more irrigation, the question is now to what extent. Until now, we have added 27 million hectares to our irrigation capacity which was 23 million hectares before 1951. We are going to add 17 million hectares in the next five years. No country has ever attempted this in five years. And I only hope that we will succeed in doing it. In the same way, in the matter of energy also we are going to add 18,500 KW in the next five years which is 76 per cent more than what we have today. At present only about 56 per cent of the capacity is utilised. We want to see that full capacity is used for generation of power. We have got to make various State Electricity Boards more efficient. But this depends more on the States and I am quite sure that the States will also do it because they are interested in doing it. We have to put our heads together and help each other in doing it. That is how we are attempting it.

Therefore, it will be seen that this Plan has been made carefully in conformity with the policy that this Government has declared. And if it takes time, we take time in order to see that we do not make mistakes which are avoidable and we see that we go ahead with the Plan with a view to implementing not only 100 per cent of it but more than that, if possible, but not less than that. That is the attempt that we have made in this Plan.

SHRI C. M. STEPHEN: There are two points for clarification. There are two points on which I would like to have some clarification.

MR. SPEAKER: Is it the pleasure of the House to extend the time of the House by a few minutes, so that we may dispose of it?

There are cut-motions to be put to the House. Several hon. Members: Yes.

13 hrs.

**SHRI C. M. STEPHEN:** One is with respect to the Rolling Plan. As I understand it, every year in the past, there had been an evaluation of the performances, shortfalls and then making them up the next year. This exercise has been going on. I want to know whether the Rolling Plan of your contemplation is different from this exercise which has been in existence or it is only that you are giving a name to the exercise which we have already been having. What you said was that the framework would remain, the year to year evaluation would take place, the shortfalls would be assessed and they would be made up. That sort of year to year evaluation is what you mean by 'Rolling Plan'. That is how we have understood you. But this exercise has already been going on every year we have been getting documents; from year to year the Planning Commission has been giving us documents. I want to know whether or not this evaluation has been going on. We have been getting these documents. I want to know whether your concept is different from this exercise, and if so, what is the difference.

Secondly, with respect of self-reliance, what we have said from this side about industrialisation is what is given in the Plan documents. It is said here that only on-going schemes will be allowed, full utilisation of the capacity will be attempted; there will be no further expansion. In the Plan document, industry by industry you have taken and said, 'No further expansion'. You have said that. You have said that, in the case of short-fall, imports will be made and those industries which cannot stand up to competition on the basis of the price against the goods that are imported will be permitted to close down. That

is the picture. I read that out. That is in the Plan document. Is the Plan document absolutely different from what the Prime Minister has now told the House? The Plan document gives an entirely different story. The story has been spelt out. I have not got the reply. It is there that I said that self-reliance was being scuttled.

**SHRI MORARJI DESAI:** This is how I read the Plan document. I ought to know better than he because I am concerned with it, he is not. He is only a critic. If he looks at it carefully, he will find that that is not the position. We do not want to see that industries will not be expanded at all. But, they will only be expanded according to needs and not more. Surpluses were created in the past, and we went on suffering. That, we do not want to do. We must have more if we require; if it is required they are going to manufacture it; it is not that we are going to neglect it. But we do not wish to join in a mad race for thoughtless growth. How can we have industries here merely for the fun of them? That, we are not going to do.

**SHRI C. M. STEPHEN:** You have said that imports will be made....

**SHRI MORARJI DESAI:** Imports will not be allowed at the cost of our own manufacture. That also must be seen. We are trying to see that. We do not want to close down our factories and import goods from outside. That, we shall never do. Let my hon. friend know that. (Interruptions)

**SHRI VASANT SATHE (Akola):** Sir, I want to seek a clarification. So much is being said about greater allocation for agriculture. He has said about greater importance and allocation to agriculture. I want the Prime Minister to clarify this. I had pointed out to the hon. Prime Minister... (Interruptions). Allocation to agriculture is in respect of the total

Plan in terms of percentage. Then only we can say whether it is greater or lower. In the First Plan, the allocation to agriculture was 12.8 per cent; in the Second Plan.... (Interruptions).

**SHRI MORARJI DESAI:** If my hon. friend meets me, I will discuss with him. I cannot go on like this. In the last Plan it was 11.8 and in this Plan it is 12.4. That means it is only 0.6 more and you say there is greater allocation for agriculture. I want an explanation about this. Why are you drum-beating and trumpeting that there is greater allocation for agriculture? You will find from your own Plan book that it is only 0.6 more.

**SHRI K. P. UNNIKRISHNAN:** The Prime Minister just now told the House and assured the House that 'we do not want to go in for imports where we are self-sufficient'. I had specifically mentioned the case of sugar machinery—where we are supposed to be 100 per cent self-sufficient—where permission has been given by the Commerce Ministry under the new import policy to go in for global imports and global tenders. Is this the kind of self-sufficiency we have? He is saying we are 100 per cent self-sufficient and yet, under the new import policy global tenders are going to be permitted. This is a contradiction.

**SHRI VAYALAR RAVI:** We would expect the Prime Minister to explain how the price-line would be maintained because in the Plan document, he has suggested an increase in the railway and transport fare and freight and in other things. So we expect him to explain how the balance in the price-line, as between the proposal to increase revenue through daily consumer items and freight etc., and agricultural commodity will be maintained.

**SHRI MORARJI DESAI:** I cannot go on replying.

**MR. SPEAKER:** Now, there are a number of substitute motions which have been moved. Before putting them to vote....

**SHRI M. N. GOVINDAN NAIR** (Trivandrum): Sir, I want a clarification....

**MR. SPEAKER:** He has said is not going to reply any further.

**SHRI M. N. GOVINDAN NAIR:** I want only a clarification.

**MR. SPEAKER:** He has said nothing more will be replied to.

**SHRI M. N. GOVINDAN NAIR:** Your attitude is very wrong.

**MR. SPEAKER:** Now, a number of substitute motions have been moved. Before I put them to vote I would like to know if any Member wants to withdraw his motion.

Now, Shri P. K. Deo is absent.

Mr. Lakkappa, are you pressing?

**SHRI K. LAKKAPPA** (Tumkur): Yes, I am moving them.

**MR. SPEAKER:** You have already moved them; so you are pressing. Shri Dajiba Desai is not present. Shri Gomango?

**SHRI GIRIDHAR GOMANGO** (Koraput): I am pressing them as there are a number of them in my name.

**MR. SPEAKER:** Shri Vinayak Prasad Yadav?

**SHRI VIYANAK PRASAD YADAV** (Baharsa): I would like to withdraw it.

*The substitute motion No. 10 was, by leave, withdrawn.*

**MR. SPEAKER:** Shri D. D. Desai?

SHRI D. D. DESAI (Kaira): I would like to withdraw my substitute motions.

Substitute motions Nos. 11 to 16 were, by leave, withdrawn.

MR. SPEAKER: The substitute motions of Shri P. K. Deo are Nos. 1 and 2. He is not here. I put the substitute motions Nos. 1 and 2 moved by Shri P. K. Deo to the vote of the House.

Substitute motions Nos. 1 and 2 were put and negatived.

MR. SPEAKER: I put the substitute motions Nos. 4 and 9 moved by Shri B. C. Kamble to the vote of the House.

Substitute motions Nos. 4 and 9 were put and negatived.

MR. SPEAKER: Now, the substitute motions of Shri Lakkappa are Nos. 5 to 8.

SHRI K. LAKKAPPA: With your permission....

MR. SPEAKER: At this stage here can be no speech.

MR. SPEAKER: No speech at this stage, Mr. Lakkappa. Rules do not permit a speech at this stage.

SHRI K. LAKKAPPA: You permit me, Sir.

MR. SPEAKER: I shall now put Substitute Motions No. 5 to 8 moved by Shri K. Lakkappa to the vote of House.

Substitute motions Nos. 5 to 8 were put and negatived.

MR. SPEAKER: Is Shri Dajiba Desai there? He is not there. I shall now put Substitute Motions Nos. 17

and 18 moved by Shri Dajiba Desai to the vote of the House.

Substitute motions Nos. 17 and 18 were put and negatived.

MR. SPEAKER: Shri Giridhar Gomango.... He is also not there. I shall now put Substitute Motions No. 19 to 25 moved by Shri Giridhar Gomango to the vote of the House.

Substitute motions Nos. 19 to 25 were put and negatived.

SHRI YUVRAJ (Katihar): I seek leave of the House to withdraw my Substitute Motion No. 26.

Substitute motion No. 26 was, by leave, withdrawn.

MR. SPEAKER: Now, the House stands adjourned for lunch till ten minutes past fourteen of the clock.

13.12 hrs.

The Lok Sabha adjourned for Lunch till ten minutes past Fourteen of the Clock.

The Lok Sabha reassembled after Lunch at ten minutes past Fourteen of the Clock.

[MR. DEPUTY SPEAKER in the Chair]

CALLING ATTENTION TO MATTER  
OF URGENT PUBLIC IMPORTANCE

REPORTED RECENT LARGE-SCALE PURCHASE  
OF SHARES OF SOME BUSINESS HOUSES  
BY THE LIC, GIC AND UTI.

SHRI K. P. UNNIKRISHNAN (Badagara): I call the attention of the Minister of Finance to the following matter of urgent public importance and request that he may make a statement thereon:

"The reported recent large-scale purchase of shares of some leading