

MR. SPEAKER : The question is :

"That Clauses 2 and 3, the Schedule, Clause 1, the Enacting Formula and the Title stand part of the Bill".

The motion was adopted

Clauses 2 and 3, the Schedule, Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI K. HANUMANTHAIYA : I beg to move :

"That the Bill be passed".

MR. SPEAKER : The question is :

"That the Bill be passed".

The motion was adopted,

GENERAL BUDGET, 1972-73—GENERAL DISCUSSION

MR. SPEAKER : The House will now take up the general discussion of the General Budget. Shri Samar Mukherjee.

SHRI SAMAR MUKHERJEE (Howrah) : I would like to have half an hour. I would like to know how much time is allotted to my Party.

MR. SPEAKER : Of course, he will get half an hour today before we adjourn.

SHRI SAMAR MUKHERJEE : There will be two Members speaking from our party. That was why I wanted to know.

MR. SPEAKER : The hon. member will have half an hour.

SHRI SAMAR MUKHERJEE : The Budget placed before us here after the general elections and the slogan of the war against poverty or *garibi hatao* and democratic socialism, however, reveals that it has no relation with the slogans and the promises made. It reveals just a continuation of the same old policy of building capitalism and strengthening the hands of

the monopolists. So it is not a budget for *garibi hatao*, it is a budget for *garibi badhao*. (An Hon. Member : *Amiri badhao*.) Or the counterpart of it is *amiri badhao*.

Last time when he placed his Budget before us, he said that there would be a general revival in the economy. But in this budget speech, he has observed :

"The rate of growth has slackened in 1971-72. There are also other trends which we can not overlook. While imports other than those of foodgrains have increased rapidly, this cannot be said of exports. As a result, the trade gap is likely to widen appreciably in the fiscal year. The various programmes for promoting social welfare which have been taken in hand over the past two years have yet to gather momentum".

This is also a review of the economic policies enunciated in the last budget, the programmes taken up and how they are implemented. So from the results, it is seen that the economy has started slackening.

Sluggishness of the economy is not an isolated thing. It is the inherent weakness of the capitalist system when it is faced with crisis. Capitalist economy is not free from crisis. Sometimes the economy will pick up; but again crisis will appear. In one sector, there will be some growth and development; in others there will be decline. This is the feature of capitalism. Our country will not come out of the crisis unless the whole basis of the economy is thoroughly, fundamentally and basically changed. This budget is a budget to build capitalism and help growth of monopoly. That was why just after the presentation of the Budget we saw in the Bombay Stock Market and in Lyons Range in Calcutta considerable jubilation. Because there is no extra burden of taxation on them. In this Budget the old policy is being continued, the policy of imposing greater burdens and taxes on the common masses through indirect taxation. The

direct taxes portion is very negligible. Only Rs. 24 crores by way of direct taxes are envisaged throughout the year; out of that, during this budget period, only Rs. 16 crores have been imposed on them. The rest is entirely indirect taxation. The tax on Kerosene is a hit on the common people; so are other taxes like those on aluminium, steel, rayon, art silk, tobacco and others. Ultimately, the impost falls on the common consumers. So they suffer.

Everybody knows that when taxation is increased, it has its effect on prices. In the background of rising prices, another big dose of taxation has been administered on the common masses.

Not only that. A big amount has been set apart for deficit financing. Last time it was Rs. 220 crores; this time it is Rs. 242 crores. Last time we had also warned that deficit financing would not remain limited to that amount. It has further increased; and this time also, this Rs. 242 crores of deficit financing will not be sufficient. The Government will further extend the amount through inflationary methods or various other methods for deficit financing. The logical result is that there will be a further rise in prices.

Moreover, the increase in the railway freight also helps the rise in the prices of commodities. So, the total effect is not curbing down of the price-rise, not the stability of prices, but further rise in prices. So, it amounts to a further erosion of the income of the common masses, and the result is that poverty will further increase and the disparity among the people is bound to grow further.

What do we see? We see that this budget has been depicted as a basis for advancing towards socialism. The Finance Minister, in the last sentence of the first part of the budget, has said :

"Hon. Members may rest assured that we shall continue our efforts in the same spirit and over a broad front

over the coming months so that the mandate for creating a socialist society is carried out with speed and vigour."

If the Finance Minister thinks that this is a socialist society which he is going to build, then, he is befooling himself.

Now, the world has seen socialist societies. You have got a great friend, the Soviet Union, a socialist country. At least you must try to learn how socialism was built up in that country. That was the first country which has inspired the world to the path of socialism

AN HON. MEMBER : Revolution.

SHRI SAMAR MUKHERJEE : Socialism is a world process, and the whole world is bound to take to the path. Socialism, means a basic, fundamental change, which is opposite to capitalism. There may be various forms of socialism, but the essence of socialism is the rule of the proletariat. There may be various forms of capitalism, but the essence of capitalism is the rule of the bourgeoisie. These are so very fundamental that you cannot ignore this and call your society, a capitalist society, as a socialist society. By this jugglery of words, you can only deceive the people, confuse them, and try to save capitalism under the cover of socialist jargon.

What is your budget? The budget is an instrument of your economic policy. Through the Five Year Plans and budgets for several years what ultimately happened in India is the concentration of capital in the hands of a few. 75 monopoly families have become the major owners of assets of private corporate sector excluding banking. It was when the Monopolies Commission prepared the report that they stated that 75 business houses led by Tatas and Birlas control 1,936 companies and 46.9 per cent of the assets of the private corporate sector excluding banking, which the Commission placed at Rs. 5,552 crores.

[Shri Samar Mukherjee]

Since then, has there been a weakening of the monopolies due to planning? They claim that these plans are oriented towards socialism. No. According to the latest survey of the Research and Statistical Division of the Company Affairs Department published in July 1970, the assets of the entire private corporate sector excluding banking companies increased to Rs 7500 crores 1967-68 and the share of the monopoly houses was 53.8 per cent in 1967-68 compared to 46.9 per cent in 1963-64. This shows how the concentration has actually increased.

The Five Year Plans are actually contributing towards the process of concentration of economic power in the hands of monopolies. India is heading towards monopoly capitalism, not socialism. They talk of socialism more and more because they see in people's eyes that capitalism is rejected and exposed. That is why while actually defending capitalism, they cover themselves up in the guise of socialism. Otherwise capitalism cannot be maintained.

Last time also I referred to this matter. Between 1963-64 and 1967-68, Birlas recorded an increase in assets of Rs 283 crores, Tatas Rs 176 crores, Mafatlal Rs 90 crores, Surajmal Nagarmal Rs 50 crores and so on. They have started the slogan of *Garibi Hatao*. Is the Government really interested in removing poverty? No. After the dissolution of the last Lok Sabha, between 15 August 1970 and 30 April 1971, 97 fresh licences were issued to monopolists. They include 7 for Tatas, 8 for Birla's, 4 for Srram, 3 for Sahu, Jain, 6 for Singhanja, 2 for ACC and 3 for Dalmia. Is this also *Garibi Hatao*? After the 1971 elections, in the calendar year 1971, 113 licences had been issued to big businessmen. This is how the Government is building up the economy in the country, by helping in all possible ways the monopolists.

The incidence of tax on the common masses due to indirect taxation is evidence of the continuation of the

same policy. Last time I read out the percentages, starting from 1950-51 the ratio of direct tax has gradually lessened and that of indirect taxation has increased. The Government's claim that taxes are spread equitably has no basis because larger amounts are collected from the common people. Since 1963-64 the taxes on income and property have increased from Rs 554.52 crores to Rs 1122.37 crores, that is a rise of about Rs 567.85 crores, about 100 per cent. Other taxes on commodities increased from Rs 1,079.30 crores to Rs 3,106.11 crores during the same time, a rise of 300 per cent. This is how the common man is served to fatten the profits of the big monopolists. So, the claim of socialism is nothing but a deception for vote-catching.

In the Budget they have claimed that the price level is reasonably stable. This claim is not justified by actual reality because in one year the rise of price of daily necessities has been nearly 30 per cent. According to the National Commission on Labour, the same amount of consumer goods and services that Rs 100 could buy in 1969 required Rs 228 in 1970. In 1970-71 prices have registered an increase of 16.2 per cent according to a survey made by the *Hindustan Times* on January 4, 1972. This price rise directly hits the common man, particularly the employees and workers. They have cited some items: Meat has gone up from Rs. 5.3 to 6 a kilo, now Rs. 6.5, rice from Rs 1.7 to Rs 2, Desi Wheat from 90 Paise to Rs 1.10 a kilo. Sugar has increased phenomenally, it has gone up, according to that calculation from Rs 3.05 in the first week of March to Rs 3.40 within a fortnight. The price of a popular brand of tea has gone up by 5 to 20 Paise per packet during the same period. This is a very serious thing. This additional taxation and deficit financing will help further enormous rise of prices which will affect the whole economy and daily life of the common masses.

18 hrs

MR SPEAKER. This morning I observed that the time lost on Saturday should

be made up by having an extra half-hour sitting today.

SHRI JYOTIRMOY BOSU (Diamond Harbour) : Please see the attendance. There should be some quality in our performance, not quantity alone. Let us continue tomorrow.

MR. SPEAKER: If you do not want to sit for half an hour extra, all I can do is to reduce $1\frac{1}{2}$ hours at the end of the debate. There is no other way out, I have calculated and found that the time lost on Saturday cannot be made up.

SHRI SAMAR MUKHERJEE : I was not prepared to speak today. But I had to start my speech.

MR. SPEAKER : You have another 8 minutes left. We will continue tomorrow.

SHRI SAMAR MUKHERJEE : Some more minutes may be added to it.

SHRI JYOTIRMOY BOSU: I apprehend that there will be more repetitions of what happened on Saturday. I am sorry to say the house has become very dull and people are losing interest.

MR. SPEAKER : It is not dull. Members had previous engagements for Saturday without knowing that the House will be sitting. The House stands adjourned till 11 A. M. tomorrow.

18.02 hrs.

[The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, March 21, 1972/Chaitra 1, 1894 (Saka)]