

The Budget-A Gamble

M. R. Masani, M.P.

MOST of the commentators saw this budget as a choice for the Finance Minister between additional taxation and deficit financing and felt that he was bound to choose one or the other. As if one has to choose between plague and cancer! My answer is that I choose neither, because there was the way out of good health. There *was* a third alternative which would have made both deficit financing and added taxation unnecessary, and that was the way of cutting the bloated expenditure of the Union Government. In other words, the whole public discussion, if I may say so, in the press has been in regard to false choice. The right choice has hardly been mentioned, I am sorry to say, even by our economic commentators, all of whom want to take the easy way out of jubilitating too early. But that third alternative is the real one. If unnecessary and wasteful expenditure had been cut down, we could have balanced the budget *without* deficit finance and *without* additional taxation.

There is ample scope for economy. Let us not believe the Finance Minister if he tells us that this Rs. 300 crore gap could not have been avoided. There is first non-developmental expenditure, civil and military, unproductive expenditure which gives not a rupee back to this country. Unfortunately, that expenditure is going up twice as fast as developmental expenditure. If you take the base year 1964-65, up to today while developmental expenditure both at the Central and State level has gone up by 27 per cent, the non-developmental expenditure has gone up by 55 per cent. If you take 1961-62 as the base with 100, then developmental expenditure has gone up to 205, while non-developmental expenditure went up last year to 290. In both cases, the rate of galloping expansion in the wasteful and unproductive expenditure is twice what it is of Plan expenditure. This means that less and less of our country's savings and less and less of our taxes is being devoted to fruitful and productive returns and more and more to wasteful purposes.

The Centre and the States today employ 6½ million employees, most of them under-employed and under-paid. While I believe that all further recruitment should be stopped — retrenchment is difficult, but certainly I would expect Government to stop a single

new man being taken or a single new post being created — I am sorry to say that this time, in the Demands for Grants so cheerfully passed by the Finance Ministry, I find that that overgrown body, that parallel government, the Planning Commission, which has already been criticised by the Administrative Reforms Commission and by all of us for developing a big pay-roll and big staff and doing very little except ruining the country, has been given even more clerical and peon staff. It is unforgivable. I do not know whether the Finance Minister is conscious of this horrible thing. I have the figures here. He has sanctioned an increase in the number of peons in the Planning Commission from 224 to 290 and of clerks and assistants from 557 to 1041. I want to ask him: Without even a Plan before the country, with a Plan Holiday that the country is enjoying at last, what excuse can there be for increasing the menial and ministerial staff in a body that should have been liquidated long ago for its incompetence?

I turn to Defence expenditure. It has been called the 'sacred cow of Indian economics' by a journalist the other day, because nobody has the courage to attack it. Certainly none of us wants that the defence of this country should be weakened in any way. That is farthest from our minds. We do not want the security and defence of this country to be weakened in the slightest. But surely defence and security are not proportional to the money sanctioned or spent!

I think I can say this with a sense of responsibility that in the defence expenditure of over a thousand crores of rupees — it has already gone up this year by Rs. 45 crores more than last year, and crossed the thousand crore mark for the first time in our history — if the budget had been cut by Rs. 100 crores, this country would not have suffered an iota in so far as its security and defence are concerned.

I now turn to developmental expenditure which is supposed to be more productive. Certainly it is not a complete waste like the Civil Service expenditure. But I find there is an obsession that, if you spend more and more on the Plan, then you get better results. I have not the time today to go into details. My time is limited. But may I commend to the hon. Members a study of the investments in the first three Plans and a study of the rate of national income growth, food production and industrial development during these three Plans? I have got the figures here. They show very clearly that the more we invested in the Second and the Third Plans, the more ground we

lost. As regards the Third Plan, which was the biggest, it was the most disastrous in our history.

Our State enterprises are a sad story of waste. Bokaro, to which we are now allocating Rs. 110 crores, is the biggest White Elephant in this country. It could have been dropped altogether from this year's budget without any harm. The factory has not been put up. Only workers' houses have been built. Nothing would have been lost if those houses are allowed to stand and if the project is postponed for five years. Rs. 110 crores could have been diverted to the needs of the people, to the needs of agriculture, or saved. But because of our commitments to a foreign Government on which we are leaning a lot, which we seek to placate, it seems that we could not perform this elementary task.

Hindustan Steel is the biggest of these white elephants. We have invested Rs. 960 crores in HSL, and it is effecting an annual sale of Rs. 130 crores. That is, for every Rs. 100 of total capital employed, HSL effects a sale of Rs. 14 per annum. As it happened, the Jamshedpur plant of Tata Iron & Steel Co. doubled its production from one million to two million tonnes some time back. At that time, Rs. 60 crores more were invested by Tata Steel. At the end of the execution of the Two Million Tonne project, their annual additional sales were of the order of Rs. 40 crores. In other words, Hindustan Steel's sales ratio for Rs. 100 crores of capital invested is Rs. 14 crores, while Tata's was Rs. 66 crores for the same Rs. 100 crores of investment.

That is why eminent socialists are now realising that Indian Socialism is a very poor advertisement for what they have tried to do in their own country. Mr. Lee Kwan Yew, the Prime Minister of Singapore, one of the most intelligent leaders of Asia, happens to be a socialist. He came to Bombay to talk to his fellow Asian Socialists some time back and he made this remark:

"It is pertinent to ask how is it that, in Asia countries like Japan, Hong Kong, Formosa, Thailand and Malaysia, which have bustling free enterprise societies have achieved success, while countries professing socialism have failed to produce satisfactory results?"

And then, we had that great socialist in our country, the author of the *Affluent Society*, my good friend Mr. Kenneth Galbraith. He came full of admiration for our planning and our socialism. But, judging by his latest book called *The New Industrial State*, he seems to have gone away bitterly disappointed with us. He says, talking about our pattern of investment:

"In India and Ceylon, and also in some of the new African countries, public enterprises have not, as in Britain, been accorded autonomy. Here the democratic socialist prerogative has, in effect, been fully asserted... India in particular, as a legacy of

colonial administration, has an illusion of official omniscience which extends to highly technical decisions... The effect in these countries of this denial of autonomy has been exceeding inefficiency in operations by the public firms."

I do suggest in all seriousness that the Finance Minister and the Government join with us some time this Session in having a full length, serious discussion on what is to be done with these State enterprises which are ruining the economy of this country. If they are to be run from now on, let us consider how they should be run. If there are defects which are inherent in them, as some of us suspect, let them be handed over, as in Germany and Japan, to those who can convert the losses into a profit.

Eschewing this path of economy, the Finance Minister has chosen to undergo a "revolutionary conversion," as it has been called by the *Economic Times*. A person who last year stuck to intellectual and financial probity and rectitude now comes before us to what I would describe as an irresponsible course.

This Budget is a gamble, at the very best. I am prepared to concede it may just come out right. It is a gamble with the security and life and fortunes of our people. The root cause of it is the failure to curb expenditure.

Driven to the choice between additional taxation, which is not possible, and deficit finance, the easy path of creating money with the facilities available at the Nasik Printing Press has been resorted to. Acharya Kripalani some years ago referred to deficit finance as "pick-pocketing." Certainly that is correct, because money is being picked out of the pocket of the people when they are not looking. I would prefer to call it "legalised counterfeiting."

The quantum of deficit finance is tremendous. Let us make no bones about it. This is deficit finance with a vengeance — Rs. 300 crores last year and Rs. 290 crores this year, that is, a total of Rs. 590 crores in two successive years, aggravated by the reduction in the bank rate, because the reduction in the bank rate from 6 to 5 per cent creates credit and credit is the equivalent of money. The Explanatory Note on the Budget itself admits that over-all deficit finance at the Centre has been rising steadily. It was Rs. 114.5 crores in 1961-62, and it rose to Rs. 172.76 crores by 1965-66, making a total of Rs. 782 crores during the Third Five Year Plan period. If to that you add the present Rs. 590 crores, you get over twelve hundred crores of deficit finance already accumulated. On top of that, now we want to add this new deficit finance, this new inflation.

Let me appeal, if I may, from Philip Drunk to Philip Sober. Let me remind the Finance Minister of what is said on Pages 59 and 100 of the Third Plan document. It said:

"On a broad view of all the factors, the limit for
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The Speaker's Role

A. G. Mulgaokar

READING from time to time in the papers about the crisis created in the legislatures of our country by legislators themselves and on occasions even by Speakers of these assemblies reminds one of the picturesque English phrase: A bull in a China Shop. It is no wonder if people are beginning to ask themselves the two fundamental questions; Is this country fit for democracy and whether parliamentary rule can function smoothly ever here. This, of course, is to take the extreme view forgetting the fact that for the last fifty years the country has been fed on slogans which were as empty as they were tall and false; that whole generations have been raised from birth on these empty and false slogans. That it is small wonder if faith in these slogans is fortified when it is seen that all the big political prizes go to those who are able to mouth these slogans loudest and most attractively. No doubt, in a democracy, ability and character are apt to get swamped by the more spectacular qualities. But, democracy's success in a country lies in the ability of its citizenry to keep the percentage of such undeserving elements to the smallest proportions. It is in this direction that India must move fast and determined, deliberately reversing the trends of the past fifty years and abandoning the false values created in public life. It is in this light that an attempt should be made to evaluate the crisis in the legislatures created by the Speakers and the legislators and lessons drawn.

The main principle in these matters, however, must never be lost sight of. It is that the first duty of both the Speaker and the legislator is to keep the legislative processes alive and going and not to thwart them. When they do that we are justified in comparing them to the proverbial bull in a China Shop. It must not be forgotten that the Speaker's is an historical and arduous office, though we have travelled far since the Cromwellian days when the Speaker was forcibly held down in his seat to enable the House of Commons to transact business he was opposed to. We must also remember that even the Mother of Parliaments has had its troublous days (or more appropriately nights) when the Irish members, in order to draw the attention of the House to their country's grievances, made use of its rules of business to obstruct its working and Speaker Gully had to use uniformed Policemen to eject them. But never in the history of the British Parliament has the office of the Speaker or he personally been allowed to suffer in dignity. Nor in the long line of Speakers of the House of Commons during the centuries that the Office has existed is there a known case of a Speaker causing

deliberately obstruction to the legislative processes of the august body over which he was called upon to preside. The people, the Members and the Speakers themselves have combined to clothe the office with the dignity and the authority which it has consistently enjoyed.

This has naturally been possible only by observing certain conventions which, although they had not the force of law, were scrupulously adhered to by all, even when sometimes it happened that their policies clashed violently. One of the most important such conventions was that on election the Speaker ceased to be a member of the party to which he belonged till his election. Thereafter he was above party and every individual member could look to him for encouragement and protection. There were other conventions too like peerage and pension on retirement and quarters in the Palace of Westminster which were peculiar to the circumstances of England; but another worth copying was that at the next general election he stood as an independent and was returned unopposed. It was, therefore, with sadness that many saw that some of these healthy conventions were given the go-bye right from the start when independence came and Jawaharlal Nehru was installed as the Prime Minister. He seemed unaware of the importance of the healthy convention that the Speaker should be above party and therefore on election cease to be a member of the Congress Party; and so poor Mavlankar remained tied down to his party membership and subject to party discipline. Never could he say on election, as his British counterpart could, that he belonged to no party but to the whole House. So the first cornerstone of that grand edifice came down. And so, in time, as more and more corner-stones came down or were taken down until now when the whole of that structure threatens to come down altogether, many of us give ourselves to the poor consolation of the dismal thought: For how much of democracy's losing battle in India must Jawaharlal, the acclaimed democrat, be held responsible?

Today the position in regard to the Speaker's exact position and also his powers in the constitutional structure are receiving much attention owing to the difficulties created for the administration by the two different decisions on points of order given by the Punjab Speaker and previously by the Bengal Speaker. One thing should unhesitatingly be made clear, that the Speaker of a legislative body does not decide questions of constitutionality. He certainly is entitled to decide points of order raised before him (*or motu*). But this power which deals largely with the

admissability of bills, motions or amendments thereto does not extend to the power of deciding whether the particular act either of the Governor or of the Government is constitutionally permissible. This power is expressly reserved under the Indian Constitution to the courts and the last word therefore on that point would be the judgment of the Supreme Court thereon. In the case of the Bengal Speaker he presumed off his own bat to raise the question whether the then Bengal Chief Minister was legally appointed by the Governor. On this point the Constitution is explicit because it gives the Governor the power of nominating any person who he thinks enjoys the confidence of the majority of the legislature as the Chief Minister. This supposition of the Governor can only be tested in one way; and that is on the floor of the House. The Governor in appointing a person in this manner is hardly likely to take the risk of a person who will be thrown out immediately he faces the legislature because in doing so he will be courting a rebuff. It may not be unfair to point out here that the parallel of both the Bengal and the Bihar Governors in recent months of appointing the two individuals, whom they did was unfortunate, though it may safely be presumed that they did so under the direction of the Central Government. In both cases the Governors invited rebuff, but unfortunately they have thereby created questionable precedent, and certainly in the case of the Bihar Governor's appointment of Mr. Mandal it was a shocking case of bad judgment and extremely questionable exercise of the Governor's right of nomination.

In the case of the Punjab Speaker, speaking entirely in respect of his holding the Governor's orders pro-roguing and summoning the Punjab Assembly "illegal, unconstitutional and void" the Speaker has used his authority in a manner and for a purpose which it was never intended to be used. In the old days, it may be recalled that, the presiding officers under the rules of business framed for the conduct of the proceedings in the legislature were directed and responsible for helping the administration's smooth functioning and that is why when in 1924 a particular demand in the Bengal legislature was withdrawn by the Government and a member came to the courts asking that the President of the Council to be directed to place the demand before the House, the Governor issued a Gazette Extraordinary directing the President of the House that the power of admitting non-official bills was primarily with the Governor. On the issue of this notification it was held by the court that the proceedings pending before it would be infructuous. Similarly in 1930 in certain proceedings against Sir Ibrahim Rahimtoola, the then President of the Legislative Assembly was a defendant in the Bombay High Court in a proceedings to prevent him from admitting certain demands in connection with the protection given

to the Tata Iron Company and when it was pointed out to the court that the President of the Assembly was subject in these matters to the direction of the Governor-General-in-Council, the court dismissed the proceedings. The object of giving the details of these two proceedings is to show that it is not as if the interruptions to legislative processes are of recent growth. In the Punjab case the technical lacuna on which the Speaker relies for his order is completely negated by the Article 166(2) which lays down that the validity of any order or instrument made or executed in the name of the Governor cannot be questioned.

What then is the remedy? For a remedy there must be; because if there isn't, there is the abyss for the country and everyone of us. It lies only in one direction. For all men (and women, of course) who see the danger ahead to get together, discarding all those who have degraded public life in one way or another, chalk out the precise lines on which the country's well-being lies in their judgment and staking all educated public opinion.

Without Comment

John Chamberlain reviews in the *Freeman* the latest book of James Burnham — *The War we are in*. James Burnham is not only a very active journalist; he has travelled extensively in Africa and Southern Asia. Burnham's views about the Communists is summarized in the *Freeman* review:

"The essential feature of Burnham's thinking is his belief that communist policy, far from being a riddle inside an enigma wrapped in a mystery, is perfectly clear. All true Marxist-Leninists, he says, believe that capitalism is doomed and that it is the duty of communists of whatever persuasion to give the tottering structure of the West a push whenever it is safe to do so. Communists may bicker among themselves, and behave in "polycentric" fashion even to the point of seeming to be nothing more than good nationalists, but communist countries have not yet engaged in such suicidal struggles as brought capitalist Europe to the verge of dissolution in 1914-18 and 1939-45. When the United States which both Moscow and Peking regard as their prime enemy, finds itself in trouble (as in Dominican Republic, Cuba, and Vietnam) communists of all persuasions form an effective "united front from below" to back whatever Leftist faction is fighting us."

—Swarajya, March 9, 1968

Towards Understanding Madras Politics

(M. D. Kini's article in the last issue entitled, "One Year of Non-Congress Governments" has provoked some controversy. We publish below two articles to them.)

received from friends in the South and Kini's reply to them.)

K. VEDAMURTHY writes:

CERTAIN observations of M. D. Kini in the article "One year of Non-Congress Governments" appearing in the March '68 issue of *Freedom First* are quite likely to mislead many readers of this journal. That all of them should relate to the D.M.K. Party is a measure of the 'Understanding' displayed by non-Madrasis regarding Madras politics. I have by now become very familiar with this kind of uncharitable observations about Tamil Nad and Madras politics in most of the Hindi and English journals published from the North but it really pained me to see similar biased views finding their way into this esteemed journal.

Kini has alleged that the DMK promised three measures of rice for a rupee to all in Madras State. Even a casual perusal of the election Manifesto of the DMK Party issued just before the 1967 General Elections will show that the D.M.K. had promised, not three measures but only one measure of rice for a rupee which as Kini himself has observed, is now provided by the DMK in Madras and Coimbatore 'only'. The inability of the DMK to extend the scheme to cover the whole State is due to the Central Government's refusal to subsidise sale of rice whereas wheat is subsidised by the Centre to the tune of 100 lakhs of tons or so per year. The electorate of Madras appreciate the difficulties of the D.M.K. Government in this regard as can be seen from the fact that even pro-Congress weeklies of standing like *Ananda Vikatan* have called upon the local Congress Party to co-operate with the D.M.K. in getting the Centre agree to subsidise rice also as it does for wheat. (It is altogether a different question whether subsidy scheme is economically feasible or not, for there is no valid reason why rice, the staple diet of Madras should not be subsidised when sale of wheat is subsidised by the Centre).

Next, M. D. Kini says "It (DMK) organised the Second World Tamil Conference on a massive scale" and he has also dubbed it a "big circus". The Second World Tamil Conference was not organised by the D.M.K. It was organised by a private body—The International Association for Promotion of Tamil Studies and Research and the first World Tamil meet was held in Malaysia two years ago with the enthusiastic support of Tunku Abdul Rahman's enlightened Democratic Government which has (incidentally) recognised Tamil as one of the Official languages of Malaysia on par with Malay and English. The then

Chief Minister of Madras Mr. M. Bhakthavatsalam (who is not a DMK man) who participated in the Malaysian World Tamil Meet invited the Conference to hold its second Meet in Madras City. At the time fixed for the second World Tamil meet, Mr. Bhakthavatsalam's Congress Party was voted out of power in Madras and the D.M.K. Government merely fulfilled the desire of the Tamil people to make the Second Tamil Conference a grand success by actively participating in it. The D.M.K. Government whose Ministers follow Jawaharlal Nehru in the matter of religion in their personal lives (they are all rationalists of Ingersoll variety) did their best to see that the Mahamagham festival in Kumbakonam went off well. According to *The Hindu* of Madras, about fifteen lakhs of pilgrims had come to Kumbakonam to have a dip in the sacred Tank there and the arrangements like transport, food, shelter, etc. for the pilgrims made by the agnostic DMK Ministers have won universal praise from friends and critics alike. Both the Second World Tamil Meet and the Kumbakonam Mahamagham festival go only to prove that the D.M.K. Government is more interested in attending to the comforts and convenience of the people whatever their own private opinions on such matters be. Is it a crime to respect the sentiments of a large number of people when they cause no harm to others?

Among the participants of the World Tamil Meet were Dr. A. Lakshmana Swamy Mudaliar, Madras University Vice Chancellor, Mr. Malcolm Audiseshiaiah, Secretary-General of the UNESCO, Hon'ble Mr. Tiruchelvam, a Cabinet Minister of Ceylon's Dudley Senanayake Government, Dr. Suniti Kumar Chatterjee, a linguist of fame and former Chairman of the West Bengal Legislative Council who signs his name in Tamil as "Nanneri Murugan" and Mr. C. Rajagopalachari whose contribution to modern Tamil literature is universally acknowledged. Besides these wellknown personalities, there were a number of scholars from other countries, far and near, who had travelled all the way to Madras to participate in the Conference. A very highly placed Railway Officer who is a great scholar in both Sanskrit and Tamil (a friend of the Bharatiya Vidya Bhavan) told me that never before had he been to a Conference where such an intelligent and enlightened discussion on literature and connected matters took place. He also (incidentally) pointed out that there were more number of Tamil Scholars from Europe and America than from the North of India. To call such a Meet a

big circus" amounts only to insulting all these foreign scholars and our own eminent citizens who participated in the Meet.

But then Kini has given a clue in the same article for the very poor understanding he has displayed about the Second World Tamil Meet. From his ivory tower, Kini observes that "they (DMK) are riding a tiger (meaning language controversy) which they will not be able to dismount". So it is the anti-Hindi stand of the D.M.K. that has angered Kini so much as to call the biggest cultural event of the year inaugurated by the President of the Indian Union as "a big circus"? I can very well understand the difficulty of non-Madrasis, especially the Northerners to appreciate the Madras stand on the Union language issue. But then to assume that the rest of the country must necessarily agree with them on this issue and if they do not do so, they are being traitorous or "riding a tiger which they cannot surmount", etc. etc. only betrays an intolerance of dissent which a person subscribing to a paper like *Freedom First* should eschew first. As Acharya Kripalani observed in Parliament, the man who spearheads the anti-Hindi agitation in the South is not the DMK but *Rajaji*. Does Kini mean to say that Rajaji is riding a tiger which he cannot dismount? There may be quite a few of us who might differ from Rajaji on certain issues but none will accuse him of a charge like this except those who equate Hindi with patriotism itself. *And those who consciously or unconsciously are equating acceptance of Hindi as the Union language with patriotism and concern for a United India are really sowing the seeds of partitioning India once more, partitioning India into two parts — Hindi-India and non-Hindi India.* Rajaji has coined a new phrase to describe the status of the citizens of non-Hindi India if Hindi were to become the Union Official language — he calls them as *step-citizens* while Hindiwallahs will be the real citizens of India. That a statesman like Rajaji who battled so much for the freedom of the country and who still fights hard to save India for democracy, is feeling so strongly on the union language issue should itself have awakened the real patriots of Indian unity, at least to listen to him and discuss the issue with him. *The D.M.K. Government, is really fighting for the Unity of India*, for they have merely carried out what Rajaji has been pleading for many years now, namely the bilingual formula—*regional tongue plus English*—in Schools and Offices. The DMK holds the key to solve the Union language problem. So far as people of Madras State are concerned, the problem has been solved already for them. If others in the rest of India have not caught up with them, they can only sympathise with them in their plight. Unity as Mr. C. N. Annadurai said recently in the Madras Assembly is

a *two way traffic* and sooner the pro-Hindi fellows understand it, the better for the unity of India.

I have already made out how the DMK Government in Madras *has made* a difference to the people of Madras, both in respect of the language issue and the cheap rice scheme. M. D. Kini is only turning a blind eye to facts when he clubs the Communist Government of Kerala with the D.M.K. Government in Madras to say that 'they have made no difference to the common man'. *The Indian Express* which on no account can be called a D.M.K. Daily or anti-Hindi paper wrote as follows in its issue of March 9:

"Without much justification the Kerala Chief Minister has expressed "satisfaction" at the record of his Government while the Madras Chief Minister, *who really could have made the claim*, has refrained from doing so. Very few will share Mr. Namboodiripad's "satisfaction". On the other hand, few will respond unfavourably to Mr. Annadurai's reasoned appraisal.

The two Chief Ministers disagree on an important point. While the Kerala Government has made attacks on the Centre its political stock in trade, the Madras Chief Minister has handsomely, but realistically, conceded that the Centre has been "kind" to his Government..... Mr. Annadurai has a valid point in urging that the States should be allowed more money to implement their schemes. It would be to the national good if this were brought about without endangering the country's political unity which, as recent events underline, depends on a strong Centre. Divisiveness, that besetting course of Indian politics, should be countered. The diatribes of the Kerala politicians do not take this into account. A weak Centre has obvious uses for the Communists.

.....Food can never be the plaything of politics or politicians. The Kerala Government makes this mistake with the inevitable result of distress for the people. *If this is to be avoided in Madras, everybody should help the (D.M.K.) Government in ensuring adequate production and proper distribution of food.*

.....But the Kerala Chief Minister seldom rises above the level of a Party politician. His first year of office finds Mr. Namboodiripad in uneasy leadership of a disparate group of politicians, facing enormous problems. Mr. Annadurai is more happily placed. It should not be difficult for Mr. Namboodiripad to realise that the reason for this is his lack of a *national vision, which is what Mr. Annadurai brings to his task.*" (*Italics mine*).

One hopes observers like M. D. Kini will take a more realistic view of Madras politics and educate the pro-Hindi wallahs to understand the disservice to the country they are rendering in the name of "Nationalism" and "Unity".

P. S. SRIDHARA MURTHY writes:

THE article—"One year of Non-Congress Governments" (*Freedom First*, March 1968) by Mr. M. D. Kini, does not do justice to the D.M.K. Government of Madras. By clubbing it with Communist Government of Kerala for the remark, "it has failed to make much difference to the common man," and by criticising it by making much of "its failure to redeem its pledge on the bread front", the author has failed to analyse and approach the D.M.K. administration properly.

D.M.K. is the abbreviation of "Dravida Munnetra Kazagam" which means, the Deccan Progressive Front. It is a party nearly 35 years old, built mainly on the pride and glory of the South India that was. The history of the Pallava and Chola dynasties which speaks of a chain of noble Kings who had political and trade connections with Jawa, Sumatra and Singapore, and their oceanic achievements are such that any South Indian can legitimately be proud of. A big volume can be written about the origin, growth and philosophy of the D.M.K. movement. Its goal and aim was cultural revival but the language controversy awakened them to take to politics. It is no wonder that a movement with a cultural basis, with a leadership made of idealists, having intellectuals, professionals, students, and ordinary people in its field, easily developed in a strong and stable political party. Let me briefly list the achievements.

Firstly D.M.K.'s identity with the best that is in the tradition and culture of the South and its ability to make people proud of it served a great purpose. It enabled people to discredit and defeat the communists, who have no love of culture and attachment to motherland. The cheap books of communists, which preach class conflict and hatred theory could not make an appeal to the people who had learnt to adore the ancient but rich and forceful literature of Tamil which preached love and charity or Gandhiji's trusteeship theory in different words. The lesson is, communism cannot attract a proud people to its fold.

Secondly, D.M.K. is not committed to any economic ideology and it took over the administration with a clean and unprejudiced mind. The result is that they are guided by economic pragmatism or realism and not by socialist dogmas and slogans. No doubt the credit for establishing a non-socialist alternative to the morally wrecked Congress rule, goes to Rajaji who is now looked upon by the D.M.K. as their "Bheeshma". True to the ancient traditions the D.M.K. ministers listen to the "elder statesman" with reverence. Chief Minister, Mr. C. Annadurai recently said, "If I had started with a lurking animosity for industrialist, but then when opportunities came to me of knowing them at close quarter, I found how meti-

culously they had planned the progress and the industrialization of the State." Here is an example of a clean and unprejudiced mind which an administrator should have.

Thirdly, it must be borne in mind that D.M.K. has inherited a machine which the Congress was driving all these years. The D.M.K. has to attend to its repairs while keeping it running. Their promise of "one rupee-a-measure of rice" is being fulfilled steadily and the scheme is sure to be extended to various cities. It is significant that D.M.K. fought for the Centre's subsidy to rice on the same terms as was being given to wheat, the staple food of North India. The policies of the Congress that had invested petty officials with much power and thereby made way for corrupt practices are being revised. The fall in the prices of rice and other food grains, hotel meals, bus fares, and removal of Hindi — the unequal burden on pupils in colleges and schools — have made people happier. The number of industrial licences issued during D.M.K.'s one year of office compared to other States, shows the friendly attitude they have towards the enterprising producers.

Fourthly, the D.M.K. ministers are able to devote all time and energy to solving of problems as there is complete political stability, material backing and moral support of the people and above all availability of Rajaji's guidance. The D.M.K. ministers do not visit or attend to party work while on official tours and when they attend party work, they don't draw their allowances. The ministers are not living in government buildings and use as far as possible their own cars. Perhaps it is the only ministry which would have received very hearty blessings of Gandhiji because the ministers have kept government and party apart and live in simplicity. Ministers elsewhere would be doing better by following the Madras ministers, if they cannot find time to read what Gandhiji wrote on how ministers should be.

Fifthly, by enacting the two language formula, with Tamil for all regional purposes and English at the inter-regional, national purposes and for higher education the D.M.K. has done — nothing more than fulfilling its very important poll-pledge. The truth about the languages is that it is English that brought about political unity for the first time and it is Hindi that is splitting us. It is the people who are against Hindi and no party can do anything except carrying out the people's will. It is very unfortunate that Mr. M. D. Kini by calling the conference of literary luminaries of India's oldest language, that has taken roots even in foreign lands, as a "big circus", has insulted the entire people. The real circus is being enacted by the "Angrezi Hatao" patriots of the Hindi region.

Lastly, D.M.K. enjoys absolute majority in the state and what type of a people it represents? The statistics published by the Registrar of Newspapers and periodicals, New Delhi, discloses that Tamil journals have a circulation above all others which fact testifies

the high literacy rate and political awakening of the Tamil speaking people. Leaders are bad everywhere, but people are awakened here. The leaders cannot afford to go bad and if they go bad, they go the Kamaraj way.

M. D. KINI replies:

MESSRS K. VEDAMURTHY and P. S. Sridhara Murthy have raised more issues than it is possible for me to answer within a reasonable space in *Freedom First*. I will try to answer in brief and as best as I can on what I feel to be the important and interesting issues.

Let me make a confession first, I am one of those who welcomed the non-Congress governments after the fourth general elections. I believed that Congress had become corrupt and unresponsive to public opinion, that without a strong opposition party which can take over the responsibility of governing the country, the Congress will not become more efficient and that if this situation continues democracy will earn the disrepute of the electorate. Most of us were under the impression that the opposition parties who would form the coalition when the spell of Congress was broken, would not be as bad as the Congress. The infighting and the game of musical chairs played by the opposition parties have disillusioned many people. I had expected a better performance by the D.M.K. in Madras since it has a stable majority. In spite of my best efforts, all that I can recall to my mind when I think of D.M.K.'s one year in office are only three things. One is, cheap rice, second is the Hindi agitation and the third is the Tamil Conference. I have not been impressed by any of these things. I believe that India's problem is mainly economic. I would support any government which tackles this problem even to the exclusion of all other problems. This is the criterion by which I judge all governments. I may be wrong. But I believe this is the only criterion by which any government in an underdeveloped country should be judged.

I am glad to be corrected about the sponsors of the Second World Tamil Conference. It is true that the Conference was convened by the International Association for Promotion of Tamil Studies and Research. I would like to be enlightened as to how much money was spent on the Conference and how much was the contribution of the Madras Government. I hope even after knowing the share of the Madras Government, the distinction between the organisation that sponsored the Conference and the Government can be maintained.

I am sure both the correspondents have come across the phrase "bread and circus" which is used figuratively without any derogatory meaning to it. It has no more derogatory meaning than the phrase

"carrot and stick". May I mention here that there is a report on the Conference in the *Economic and Political Weekly* of February 10, 1968 (Vol. 3, No. 6) under the caption, "The Carnival and After". May I hasten to add that though the weekly is published from Bombay the report seems to have been written by an Indian born in the Southern part of our country. If my friends have no objection to this word, I would gladly change "circus" to "carnival". If they are against this word too, I will have the consolation that I am in good company. With the statues, the historical pageant, the Tamil torch, the illuminations, the cultural exhibition and the Forum "Poom Puhar", it was quite a circus or carnival, if you please. I would like to know from my friends what they have to say to Periar Ramaswamy Naicker who has called Tamil language as "barbarian". I hope it will not be irrelevant here to plead for a touch of humour which makes life bearable and enjoyable.

Again, I am glad to know that D.M.K. promised only one measure of rice per rupee. I took my fact from the *Weekend Review*, July 1, 1967. "The promise itself was considerably whittled down from its earlier unrealistic level of three measures for a rupee to one measure for a rupee". (page 17) I hope my friends will agree with me that the *Weekend Review* of Delhi does not suffer from Tamil phobia. Then there is the question of subsidy. I don't hold any brief for the Central government but I believe that they subsidise all the imported grains — rice, wheat, milo. Since we import more wheat than any other grain naturally wheat is subsidised more. While the subsidy was of the order of Rs 106 crores in 1967-68, it will be only Rs. 1.06 crores in 1968-69 (*Hindu*, Madras 2). It is quite possible that the Central Government is very diabolical in subsidising wheat indirectly on the principle of its being imported!

It has been said that the prices of rice etc. in Madras have come down. May I submit that they have tumbled down in Maharashtra too. Bumper crop of this year is an all-India phenomenon, credit for which must go to the god of rain and all the governments to a certain extent. It has been suggested that more licences have been issued by the D.M.K. government than other governments. In cases like this, only statistics carry conviction. Mr. A. V. P. Asaithambi of the D.M.K. told the Legislative Assembly "It must be said

(Continued on page 10)

Unrest In Poland

(Contributed)

STUDENT demonstrations in Warsaw, now clearly supported by the general population of the city, are directed against the whole system of secret police rule and censorship in Poland. This impression is strengthened by the reaction of the authorities, who seem determined to handle the demonstrations harshly. *Warsaw Radio* on March 9 quoted the official youth newspaper, *Sztandar Mlodych*, as saying that those who had taken part deserved "determined condemnation". It blamed "small groups of unbridled and mostly well-off students with political ambitions".

The students' motives clearly were political inasmuch as their goal was the liberalisation of Poland's régime on the Czechoslovak model. Trouble began at Warsaw University on March 8, when a students' meeting to discuss internal matters was banned by the authorities. Clashes occurred later when riot police cleared the university and charged into a crowd of several thousand students. On March 9, police and students conducted a running battle through the streets of Warsaw. Students shouted "freedom", "democracy", and "Long live Czechoslovakia". About 50 were reported to have been arrested — some dragged from their homes and hostels. On March 11, 10,000 people were involved in demonstrations and fighting. Of 300 people arrested, according to *Warsaw Radio*, only 30 were students.

The demonstrations were in protest at the arrest of two students who had attended the Warsaw University meeting, called because of the expulsion of two other students. Both had expressed strong views against the withdrawal from the Warsaw National Theatre of the 19th century play by Adam Mickiewicz, "Dziady" (Forefathers' Eve), which contains some anti-Russian lines. The first demonstration was a purely student affair, but for the second the students were joined by other young people on their march through the streets. The police retaliated with baton charges and teargas.

The Communist Party controlled newspapers have denounced the students for "excesses" — but have said nothing about police brutality in dispersing them. The *Warsaw Zycie Warszawa* spoke on March 9 of "irresponsible actions" by a group of students who, it said, had been joined by "hooligans" — the Communist term for any protest by youth. The two expelled students, it said, were known for their "anarchist" behaviour. The newspaper revealed that "social-political activists of certain Warsaw factories" — presumably, Communist officials or party activists — had tried, together with the university authorities, to control the situation. But because this had no effect

the Citizen's Militia (i.e. the riot police) and the Militia Reserve went into action.

In demonstrating for such basic freedom as the removal of censorship and other restrictions the students have taken considerable risks. They have been acting as the spearhead of a political movement which, although unorganised and largely unexpressed, strongly reflects the feelings of the Polish people. The rough handling of the students by the police suggests that the authorities are not treating this as an isolated incident; if the student movement is not suppressed it is bound to fuse with the general discontent among Poland's intellectuals.

Early in February, 230 writers — all members of the Warsaw branch of the Polish Writers' Union — signed a petition demanding an extraordinary meeting to discuss the withdrawal of the play "Dziady". When the meeting was held on February 29, the main items for discussion were the expulsion from the Communist Party in October, 1967, of Professor Leszek Kolakowski, an eminent philosopher who in a speech at Warsaw University had criticised the Communist Party leader, Gomulka, for "betraying his own programme"; the ban on "Dziady"; the ban on another play, "Guybal Wahazar", by Ignacy Witkiewicz, which denounces "all tyrannies"; and the case of the satirical writer, Janusz Szpotanski. Szpotanski was arrested in January, 1967, and sentenced at a secret trial to three years' imprisonment on charges that his play, "The Silent and the Talkers" in which he ridiculed some members of the Communist Party leadership, was "harmful to the nation".

Highlight of the writers' meeting were two resolutions, one by a group of party members and the other by the more liberally-minded writers. According to the French *Le Monde* of March 2, a delegation calling itself "representative of the Warsaw factory workers" arrived at the conference hall on the first day demanded that a resolution adopted "spontaneously" by the working class should be put on the agenda and accepted by the writers. This "resolution" condemned the writers who ignored the party's cultural policy and demanded that they should support the party line.

In the event, the progressives' motion was finally adopted. It expressed support for the students in their campaign against the party's cultural policies. Slonimsky, a poet and member of the Writers' Union, said the fact that 3,500 students had signed a petition to the Polish Parliament was "evidence in itself of the strength of feeling among the students". During the discussion on censorship, Stefan Kisielewski, a pro-

minent Catholic intellectual novelist and composer, complained that Szpotanski had been treated with unnecessary harshness considering that his "crime" was to have made a political joke. "We all make political jokes", he said, "and if all of us meeting here were to be punished in the same way there would be over 1,000 years' worth of prison sentences among us alone". Kisielewski added: "We are ruled by a bunch of thick-headed dictators".

Among those arrested on March 9 was Karol Modzelewski, son of a former Communist Foreign Minister of Poland, and co-author of a "Open Letter to the Party" calling for radical economic and political reforms, who was sentenced in 1965 to 3½ years' imprisonment and conditionally released in 1967. Moreover, during the two-day demonstrations, the students shouted repeatedly "Long live the Writers". Apart from the evident concern of the régime, the

student demonstrations have shown that — in their demands for freedom and the lifting of the ideological straitjacket — writers and students have joined hands.

According to the latest information, Mr. Gomulka has so far taken action against twelve prominent intellectuals. They have been removed from their posts and also from their positions in the Communist Party. They are stigmatised as "reactionary elements, Zionists and demagogues". The most prominent amongst them is Prof. Stefan Zolkiewski, Head of the Social Science Department of the Polish Academy of Sciences. He was also a member of the Central Committee of the Communist Party. A former Polish Ambassador to India and permanent delegate to the U.N., Prof. Julius Katz-Suchy is also accused of being one of the "spiritual instigators" of the current student unrest.

MADRAS POLITICS — Continued from page 8

to the credit of the D.M.K. Ministry that its achievements within a period of one year was remarkable. In agriculture they had stepped up food production by introducing double-crop cultivation in areas wherever single-crop cultivation was in vogue. There was no complaint of non-availability of fertilizers by the farmers as in previous years. The Government was responsible for re-opening 18 textile mills in Coimbatore district by providing bank guarantees to them." I don't think this is something to rave about, gloat over and shout about.

Less said the better about the Hindi agitation, for and against. I hope it is agreed on all hands that D.M.K. climbed the ladder of power through the language controversy. Surely nobody will deny that the language agitation has gone out of their hands. Even though there is a government in Madras which has committed itself against the so-called imposition of Hindi, the students of Madras have gone on a violent agitation, even against the declared wishes of the Chief Minister and other leaders of the D.M.K. Though I am all for Hindi, I am against its imposition on anybody. Hindi will take quite a few years to replace English even if there is no opposition to its introduction. The opposition of the D.M.K. to Hindi just because it will benefit the people of North and the preference for English because it will put equal burden on all is the most pernicious argument I have ever heard. This means no Indian language will ever take the place of English because an Indian language will always give advantage to the speakers of that language. Let me assure Messrs Vedomurthy and Sridhara Murthy that I am not a Hindi fanatic for the very simple reason, my knowledge of Hindi is precious little. I come from a district which was a part of Madras State. And

thanks to the Madras government I did not learn Hindi at all in the High School and later in College because it was optional.

I would conclude this, with a quotation from the *Thought of Delhi*, March 16, 1968, "The illiterate and semi-literate masses, whose ears are constantly tickled by slogans of the glory of ancient Tamilnad, are still persuaded that they have never had it so good. But the intelligentsia, represented by a section of the middle class, who can still think on their own, are showing signs of disenchantment and the limited uses of a negative vote seem to have dawned on them, better late than never". Again, this is written by a Tamilian from Madras.

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BY

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THE BUDGET — Continued from page 2

deficit finance in the Third Plan period has been placed at Rs. 550 crores."

For five years, Rs. 550 crores was felt to be a tolerable dose. Anything more than that would be a lethal dose. In two years — last year and this year — the Finance Minister wants us to absorb Rs. 590 crores of inflationary finance. This massive inflation has to be judged against the backlog of the past rise in prices. Taking the wholesale price index as 100 in 1962-63, it rose to 105 in 1963-64, 119 in 1964-65, 129 in 1965-66, 149 in 1966-67 and 168 in 1967-68. That is, our people have had to pay an average annual rise in prices of 14 per cent over the past seven years. Today's rupee equals only 62 paise of the 1965 rupee. On this oppressive burden of inflation comes this additional impost. I cannot help feeling that this may prove to be the last straw that breaks the back of our economy as it does of the proverbial camel.

The point I am making is that Agriculture is the key to our prosperity and our future. For twenty years we have neglected it because of an obsession for heavy industry imported from the Soviet Union. The importance of Agriculture cannot be exaggerated. It is necessary, after twenty years of forced industrialisation, that we turn back to put our basic industry on its feet, and that is agriculture.

Even today it is neglected. Look at the figures of expenditure on industry and on agriculture now. In the Third Plan, which everyone agreed neglected agriculture, agriculture got 20.4 per cent of the total outlay, while industry got 20.09 per cent. In other words, in the Third Plan they were running neck to neck, but the difference was that, while 70 per cent of the people were working in agriculture, only a small minority were working in industry. That was the "social justice" given to farmers. What is the position today. In 1967-68, it is 23.3 per cent for agriculture and 23.16 per cent for industry, still running neck to neck. One would have thought that agriculture should have been given at least twice as much as for industry. That is what it should be, and that is why I say it is a bad budget which does gross social injustice to the poorest people in our country.

If they really want this dose of deficit financing to be absorbed, then may I suggest to the Finance Minister to use his good offices to secure a change in the agricultural policies which will make them saner and more progressive? I suggest four or five concrete measures to cope with this gamble which he has taken and may yet prove to be a success. If these suggestions are carried out, I believe we might get away without a rise in prices.

First of all, abolish all zonal barriers and other barriers and make India a Common Market. The whole of Europe has become a common market. But our country is being divided into several sovereign

States. Secondly, abolish levies and procurement measures and let Government buy in the open market at prevailing prices like anyone else. Let there be a floor price, but no maximum price. Now, I will be told: "How will you feed the people who are on rations? How will you feed the poor people in the towns and in the countryside?" I suggest a constructive answer to that. I am not suggesting the scrapping of rationing yet although, I think the time is coming when that should be done. What I suggest is a replacement of the crude, out-of-date, system of rationing by a system of dual pricing by which only the under-privileged people in the cities and villages, that is, those who do not have any land at all or those who do not pay income-tax upto a certain figure, will be given the ration at subsidised rates in fair price shops. Let you and me, not have the ration; let us go and buy in the open market and pay a higher price. Today, the result of rationing is artificially to create a scarcity because, along with the poor man who needs the ration, I and also my wife will be tempted to buy the ration because it is cheap! Drive us to the open market to buy the grain at a higher price. I would suggest that there should be a dual pricing policy where the poor people are giving the ration and the rest, 80 per cent, those who have got some land and those who pay income-tax, are left to themselves to buy from the open market in so far as grain is concerned. If this happens, I suggest you will be able to stop the import of foodgrains. Your distribution policy will be rational and it will be such as to bring out the foodgrains in the country. Mahatma Gandhi had said that and his experiment was tried and it succeeded many years ago. I ask the Finance Minister to pick up courage and follow his own master whom he appears to have forgotten in so far as these policies are concerned.

—Based on a Speech in Parliament

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"The deep
Moans round with many voices. Come, my friends,
'Tis not too late to seek a newer world."
—Tennyson.

Stone Age and Glass Age cannot co-exist, although, paradoxically enough, both seem to be flourishing and progressing at an equal pace.

—R. K. Narayan, *Hindu*, February 22.

In a repetition of what is now happening in a great part of north India, we are not many mid-term elections away from the danger that the people will weary of democracy itself.

—*Weekend Review*, March 2.

The Congress continues to live on the stupidity of the opposition leaderships.

—C. Rajagopalachari, *Swarajya*, March 9.

All of us are suffering from infantilism of one kind or the other.

—N. G. Goray, *Janata*, March 10.

The United Front, of which the Marxist party is the biggest partner, is the "B" team of India's ruling class with Congress in the "A" team.

—An editorial in *Deshabrati* quoted in *The Indian Express*, March 12.

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He (Morarji Desai) runs in blinkers — that is the whole trouble about him.

—T. T. Krishnamachari, *Current*, March 16.

In Kashmir itself, Sheikh Abdullah is riding the crest of a wave.

—*Weekend Review*, March 16.

If communism attempts to be anything here in India, it will produce nothing but anarchy.

—T. T. Krishnamachari, *Current*, March 16.

Inequality of incomes, inequality of military rank, re-introduction of profits, managers' initiative, all the ways of Western free societies had to be and are being re-introduced in the Communist States.

—Salvador de Madariaga, *Thought*, March 16.

Censorship is unnecessary, because free speech is impotent.

—Kenneth Tynan, *The Observer Review*, March 17.

I appeal for the retention of English intact; it is for preserving the unity of India, not for the enhancement of the glory of English.

—C. Rajagopalachari, *Swarajya*, March 23.

A Government at bottom is a political entity, and one way of meeting regional political pressures is to give way to them.

—*The Economic Times*, March 26.

After all patriotism must be judged in Rupees and Paise.

—*Current* on Raj Kapoor's tax dues totalling Rs. 13,60,476. March 30.