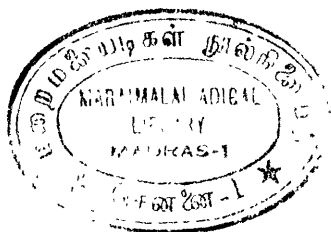


**“Carry on!
But Remember...!!”**

22A:156

Dr. C. N. ANNADURAI



Selling Right

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Madam Deputy Chairman, it is perhaps a painful paradox that we are today discussing about an amendment of the Constitution to give to the Government a new legal weapon to put down not an antagonist but a protagonist of a cause and that too immediately after expressing our desire and willingness to meet the Chinese aggressor round a table for negotiation. I have been hearing with more than extraordinary interest to the very many remarks made from both sides of the House. Let me, at the outset, as a sponsor of the idea which you seek now to put down by legal repression, give an analysis of the demand and its history not, of course, to reiterate my point of view but just to dispel some of the misinterpretations that have been made of that demand. One Hon. Member was saying that the demand for Dravidastan was based or immediately followed after what Phizo demanded. Truth is very far from it. Another member has stated here that such fissiparous tendencies arose after the advent of independence. That is coming very near the truth but not the truth itself. The DMK is an offshoot of the DK. The DK has been in existence long before independence and

while there were wranglings, problems and policies as to the future political set-up, the DK, in which I was at that time acting as the General Secretary, presented a political formula for the South. It is only as a corollary to that, that the DMK which is an offshoot of the DK is enunciating that principle. Therefore, this has nothing to do with the acts of commission or omission of the ruling party. It has nothing to do with similar or more ferocious demands in any other part of the country. I would request members of this House to at least analyse the problem before they pounce upon the problem itself.

Secondly, I want to point out that so soon after expressing our willingness to meet round the conference table an aggressor should you not try, as member of this great nation, to understand us before you try to ban the very propaganda itself? Are we so debased that we should be treated as untouchables in the political arena? Is not our demand so serious that you should try to convince us, convert the people? Are we not amenable to reason? Have you attempted that? That is my humble submission to this House. Irrespective of party affiliations I am requesting every one of the Members of this

House to bestow their very best thought over this aspect, whether we have been consulted, whether the ruling party has taken some trouble to analyse our problem. I am mentioning the word 'ruling party' because most of the opposition parties have tried to analyse it. This morning one Hon. Member was saying that the Communist Party was allied with us in this. To the honour of the Communist Party I may say this that when we approached them that they should accept our principle they had the guts to say that they would not. But electoral alliances or electoral adjustments have got nothing to do with ideologies and therefore when we approached the Communist Party and other parties we were not acting in accordance with ideologies but only with a view to getting political alliances. It may be of interest to know to this House that even now this very day the Madras Congress and the D.M.K. in Madras have come to an agreement over the Mayoral election. Therefore political adjustment is one thing, electoral alliance is entirely another thing and ideology is different.

MR. B. D. KHOBARAGADE (Maharashtra):

Then the Congress itself must be supporting disintegration.

MR. C. N. ANNADURAI:

That is why I am pointing out that an electoral alliance does not mean surrendering of one's ideology. The Madras Congress is strong enough to uphold its ideology and the Chief Minister of Madras is very strong in his conviction about the Congress ideology. I do not want the Chief Minister of Madras or the Madras Congress to be misconstrued in our debates. I am saying this just to point out that there can be electoral alliances without surrendering one's ideology. But I am pleading for an understanding of the ideology; I am pleading for an analysis, for a probe into that ideology.

Now this Bill is brought forward to safeguard and maintain the sovereignty and integrity of India. What the danger is to that sovereignty, I do not know and I have not been told. Perhaps the Law Minister—I am sure that he is engaged in drafting a new law and that is why he is not to be found in the House—if he were here would turn round and say: Know you not that there are fissiparous tendencies in this country? Know you not that we have constituted a National Integration Committee for this very purpose? Know you not that we are acting in strict accordance with the

suggestions of the National Integration Committee? I am perfectly aware of the constitution, Madam Deputy Chairman, of the National Integration Committee under the able leadership of Dr. C. P. Ramaswami Ayyar, a sturdy champion of India's sovereignty and intergrity, so sturdy indeed that as Dewan of Travancore he announced the independence of Travancore and proclaimed a Pact with Pakistan. Today fortunately for the Congress he is a non-aligned power and you have taken him as the Chairman of the Committee. Let me request Members of this House to analyse how this Committee functions. It was charged with a mission to find out how best to attain national integration, not merely to put down propaganda for secession. It was given the mission to find out how best to forge national integration. What are its constructive suggestions? What are its constructive proposals barring the penal provision that they want to get from out of the National Integration Committee's deliberations? The National Integration Committee, Madam Deputy Chairman, toured all over India and had the courtesy of course to go to our State. It interviewed men of various political persuasions but were not able to meet members of the D.M.K. because by that time the State Government of Madras had assigned to us apartments in the Vellore

Central Jail. That is the reason adduced by the National Integration Committee for not meeting us. But at that time if the National Integration Committee was interested in knowing our point of view, if they had wanted to have contact with us, the Organising Secretary of our party, Mr. N. V. Natarajan was outside the Jail, Mr. Manoharan, M.P. was outside; Mr. Raja Ram was outside. They could have got hold of any one of these people. I do not mean that Dr. C. P. Ramaswamy Ayyar should come to the jail to meet us. He has had experience of putting others in jail and not himself going to jail. So I do not expect him to come all the way to jail to meet us. We are very small men. I do not want such a show of generosity from a Committee manned by such stalwarts but they could have taken the trouble to get into contact with some people who were outside. Did they take that trouble? I would request every member of this House to forget for a moment the fierceness of our demand. Forget for a moment the dangerous consequences but please answer me. I need no words; a slight smile, a happy twinkle, a friendly nod is enough. Is it not common courtesy and democratic decency that the Committee should have got into contact with the members of our party? No; they did

not do that. But they have given a statement and in the Statement Objects and Reasons of the present Bill it is said that they are strictly following what the National Integration Committee has suggested. Therefore the genesis of the Bill is most undemocratic. It is to bring home that point of view that I have taken this trouble of taxing your patience.

Now, I will come to another point. The demand for Dravidistan has been erroneously said to be dangerous and many of the leading lights of the ruling party have been saying even months ago or weeks ago that they do not understand what we demand. They do not understand and yet they understand this that it is a potential danger. How it is rational or logical or even political, I do not understand. It was in this House or in the other House—I do not exactly remember—that the Home Minister was saying some months ago that all propaganda for secession will be put down when it goes out of bounds, when its dimension grows to a certain extent. Nobody sought any clarification because it was thought that any propaganda for secession will be put down if it leads to any overt act, if it leads to crossing the bounds of legality. That was stated by the Home Minister some months ago. What

has happened in the intervening period? Have we become skull-hunters or head-hunters? Did we indulge in any extralegal activities? No. On the other hand, as soon as the Chinese aggression took place we offered our unstinted and spontaneous co-operation to the war effort. I am very glad now that the Law Minister is not here.

AN. HON. MEMBER:

His deputy is here.

MR. C. N. ANNADURAI:

Because when the very same point was mentioned by the leader of our group in the other House, the Law Minister stood up, not with a smile but with a stern face and waving his hands majestically stated that it was all due to the Defence of India Act. The Law Minister is entitled to uphold the potency of law especially when he is the parent of it but in his anxiety to uphold the potency of law he has banished from his mind common courtesy.

I do not expect the Law Minister to give any commendation to the D.M.K. We have people's approbation in plenty and it cannot be strengthened by any commendation from the Law Minister. I may mention another

fact. In his anxiety to uphold the potency of law, he has minimised one other salient fact. The present unity of purpose, the national upsurge is entirely due to the ability and nobility of thought of the Prime Minister of India. That is more potent than laws. Laws are after all corrective and preventive. Law says, do not do this, do not do that. That is not as effective as the mighty influence that the Prime Minister exerts over the minds of millions irrespective of party affiliations. In his anxiety to uphold the law, I do not know why the Law Minister should minimise the influence that the Prime Minister exerts. He could have at least stated that the co-operative spirit today to be found in this country is due to the magnetic personality and the democratic liberalism of Pandit Jawaharlal Nehru. I do not know what happens inside the Cabinet. If the Law Minister's statement were read by an outsider, what impression would that create? The country is calm because of the Defence of India Act. Otherwise, everyone will become so anti-national, anti-patriotic that there will be trouble. I would request the Law Minister to have proportions when he makes assertions. Apart from that, the Defence of India Act is not and cannot be the conscience-keeper of the nation. It can only be the jail-keeper of the nation. Therefore, if the D.M.K. has come forward to

offer its unstinted support to the war effort, I do not expect a good conduct certificate from the Government for that. I do not want reciprocity. I am pointing this out to show whether you do not find a natural instinct, a spontaneous upsurge, coming up in our minds. Should you not allow this instinct to have a natural growth? And is this measure a sort of manure? It is a damper and an irritant. Why not allow this natural instinct and this spontaneous upsurge to have its full shape, to have its full blossom, to have its full force? What is the urgency behind this measure? Why are you so hasty? That is the point. And to bring home that point I was pointing out our support to the war effort. As I said, we are very small men, but we happen to represent 3·4 million voters in our country as against the five million voters who made the Congress the ruling party in Madras. I hope I need not argue very much about the difference between five and three. I assure this House that if you do not put dampers on our progress, I assure this House that if you do not bring in legal repressions, we are the next ruling party in Madras. And the Central Cabinet Minister, the Hon. Mr. C. Subramaniam, issued almost an invitation in his Coimbatore speech. He said: Give up separation, I would welcome you to form a Ministry.

It is to such a Party that you are denying the common courtesy, the democratic decency, by not giving us an opportunity to place our point of view before the National Integration Committee or even taking us into confidence.

The Leader of the Communist Party, my very esteemed friend, Mr. Bhupesh Gupta, has been very kind enough to put forward a suggestion. He said: Why not all the democratic forces and the nationalist forces unite together to counteract them? I welcome that. I would like to see whether the people accept my point of view or your point of view. Why should you run away from that chivalrous contest? I would even request Mr. Bhupesh Gupta to consider this aspect, whether it is not more politic to consider converting us before counteracting.

MR. BHUPESH GUPTA:

That is what I said. I will try.

MR. C. N. ANNADURAI:

I am very thankful to Mr. Bhupesh Gupta. Either his method of converting us is not effective or it has not been so intense as hedesires. But I would request this House to suggest to the Government that a consultative committee

be formed with members of all political parties to come and have discussions. Correct us if we are erroneous. Convince us if you have got solid facts. Convert us to your point of view. Instead of that you are compelling. Compulsion, especially through law—I need not say it in a House where there are so many luminaries in the legal profession—is the worst form of argument. When there are two ideas contesting in the competitive market of public opinion, if we debar one idea, if you make one idea to get legal force behind it, you are shirking that contest. And what was the statement being issued by members of the Congress Party in our State right up to the Tiruchengode by-election? They were saying and it was repeated in this House also, one Member, my friend, Mr. Bhupesh Gupta, stated that I am a solitary single figure, of course, with hungry looks. I do not think they are feeding me. He said that I am a solitary figure. Another member stated that we have no hold in Kerala, in Karnataka, in Andhra. I do not claim to have converted or even to have got hold of an appreciable dimension support in those sister States. I never claimed that. My only point is that when I am making this point it would be felt by those territories, by those linguistic States. I never claim that what I think is being thought

at Waltair or Hyderabad or at Mysore or in Trivandrum. I never said that. As a matter of fact, I have not gone to these places. I have not addressed any meeting in Hyderabad. I have not gone to Mysore to speak. And why not you allow me to go there, why not you come along with me? I would even make a sporting offer. Let there be a Consultative Committee of all the parties and let us all tour the country to find out what the country needs. Convince me and then say that my demand is unthinkable. But do not bring in this measure and then say : What are you going to do with this measure? My friend, Mr. Bhupesh Gupta, was saying that we may go underground. Now, we always remain on the ground. We propose not to go underground. But surely the sullen discontent will gounder ground.

MR. BHUPESH GUPTA:

That is what I said,

MR. C. N. ANNADURAI:

The sullen discontent will go underground which cannot be countenanced by any measure. Political philosophy has not yet formulated a measure to fight out hidden discontent in the minds of millions. And, therefore, by this measure you are driving discontent, sullen discontent, sincere discontent, underground.

There is another point that I want to make. How is it that you think that our demand endangers sovereignty? Before answering that we should be very clear about what we mean by sovereignty.

What is it that we mean by sovereignty? The Preamble to the Constitution says that the political sovereignty rests with the people. The legal sovereignty is divided between the Federal Union and the constituent units. Why not you take it that our scheme is to make the States still more effective sovereign units? Why not you take it in that light? Why do you think that the moment we demand Dravidistan, we are cutting at the root of sovereignty? Sovereignty does not reside entirely in one particular place. We are having a Federal structure. That is why the framers of the Constitution wanted a Federal structure and not a unitary structure, because as many political philosophers have pointed out, India is so vast—in fact it has been described as a sub-continent—so vast, the mental health is so varied, the traditions are so different, the history is so varied, that there cannot be a steel frame unitary structure here. My complaint is—and it has been endorsed by the P. S. P. Member, Mr. Gurupada Swamy and others,

that the working of the Federal structure all these thirteen years has created a sense of frustration in the minds of the States. They feel—they may not side me—that the States are fast becoming dole-getting Corporations. They feel that they are relegated to the background, and there is the very natural instinct in them that they should be given more power. When coupled with that there is the regional disparity and added to that there is the linguistic tangle, do you not think that it is very natural for men like us to feel disillusioned and that it is not very unnatural that we should think of separation? Well, come to us half-way and say: we go so far and no further. But when you say that, when you meet us half-way, give us proper answer to the puzzles that are created not by us but by the working of the Constitution to the detriment of the States. Did not the West Bengal Government and the Union Government have to go before the Supreme Court on the issue of the coal mines? The Law Minister happens to come from West Bengal. Are the Bangalees fully satisfied? Constitution-
 alists are they are, they have to abide by the Supreme Court decision, and if my friend, Mr. Bhupesh Gupta, were not of Communist persuasion, he would perhaps be the first to cham-

champion the cause of West Bengal. I bow my head to the national instinct of Bengalees.

MR. BHUPESH GUPTA:

I did champion it here, Dr. B. C. Roy knew it.

MR. C. N. ANNADURAI:

I am very sorry you have lost the battle. What I want to say is that the working of the Federal structure is in such a way that the States are more and more feeling frustrated, and their demand is to make the Union Government think that there should be a review of the Constitution, a reappraisal of the Constitution. And in that I am supported by a very presentable personality, a personality who can, when he wants, get out and get in the Cabinet. I am referring to the Hon. Mr. T. T. Krishnamachari, Minister of Economic and Defence Co-ordination. On September 8th, 1962, delivering an address in one of the institutions in New Delhi in memory of a great soul, the late lamented Feroze Gandhi, he has stated that as framers of the Constitution they have failed to incorporate a provision for a decennial review of the Constitution. Not only that, he said that public opinion should assert itself for that. Well, why do you take me as a Naga? Take me

as one as a guardian of public opinion and come along with me to the States and find out the mind behind the States. Well, I do not think that I want to place any difficulty or trouble in the way of any member of the ruling Party, but without mentioning names I may say that many of the members of the ruling Party in Madras may swear by India that it is indivisible, they may swear by the sovereignty and integrity of India but whenever they find one of their proposals brushed aside, whenever they find one of their projects not taken up, whenever they find that these are not allotted the amount they need, they think about me. (Interruption) That is why Annadurai is demanding support. Deny steel plant in Salem, I rise up there. Deny Tuticorin its development, the DMK comes in. Therefore, you should take the DMK as the spearhead of the opposition to the unitary nature of the Federal structure of this Constitution. As elder Members of Parliament; why should you take this into the jungle? Lift it up to the highest political arena and allow it free play; make the Federation become a real Federation.

Then some of the Members may turn round and ask: You are talking about separation. Mr. Bhupesh Gupta was saying that it was unthinka-

ble. Even if others are not aware of it, Mr. Bhupesh Gupta should be aware of the Soviet Constitution. It allows the prerogative of separation, and yet they are not raising a hue and cry that their sovereignty is in danger. (Interruption) Mr. Bhupesh Gupta seems to take the bad out of the Soviet Union and not the good out of it. I would request him and persuade him to see that the very mention of separation is not a danger to sovereignty. Not only that, even granting that our propaganda for separation endangers sovereignty, what should a democratic Party that controls the Government try to do? Should it not go to the people? Does not our Preamble say that sovereignty rests in the people? It is the people who have created the Constitution. It is to them, the repositories of our political rights, that you should appeal. I go to the people with confidence. I would request members of the ruling Party to assure your Government about your capacity, about your ability to counteract me by educating the public. Why do you give up your rights? You as members of the ruling Party and as responsible public men should suggest to the Government; "Do not intervene between us and the public. If Annadurai carries on a propaganda for separation, we are alive to that danger. We shall meet the people and make the people

understand the venomousness of the propagan-da". May I request Members of this House to give an amount of respect to the common man as a democrat. Do not think that the common man can be deluded by anybody. He may not be well versed especially in law but he has got a sound and robust commonsense. He knows how to distinguish between cheese and chalk, and when you bring in this measure, you are passing a vote of no-confidence against the commonsense of the entire nation. Why not leave the issue to the people? Let them decide. Do not think that I along with a handful of people in the Party can delude the people or mislead them. The Law Minister in the other House gave an argument which I can only say would please teenagers.

MR. N. RAMA REDDY:

A very misleading logic.

MR. C. N. ANNADURAI:

Mine?

MR. N. RAMA REDDY:

Yours is a very misleading logic.

MR. AKBAR ALI KHAN (Andhra Pradesh):

I would like Mr. Annadurai to consider what part communal passions have played in the history of India and how people are carried

away by communal feeling and communal appeals. I would like him to consider that.

MR. SANTOSH KUMAR BASU (West Bengal):

May I supplement it by putting another question before Mr. Annadurai who is dealing with this in a most admirable way in my humble opinion? Is it not a fact that the cry for Pakistan was preceded by the cry for more powers to the States in supersession of the idea of a centralised government and did it not form the preliminary to the cry for Pakistan which was ultimately won on the basis of their claim for more powers to the States?

MR. C. N. ANNADURAI :

Madam Deputy Chairman, after enunciating what I want to say, if you will be kind enough to allow me some more time, I will try to answer him.

THE DEPUTY CHAIRMAN:

You can have some more time.

MR. C. N. ANNADURAI :

I was saying that so long as sovereignty rested in the people, they should be the proper authority to decide upon issues. But, as I have been saying, since the federal structure has been to a certain extent debased and taken into the

unitary structure, the demand for separation can be viewed in consonance with the discontent of the other States. I was pressing that point that even granting that our propaganda was dangerous, the members of the ruling party should try to counteract us. And even granting that they are relinquishing their right, that they are granting this right also to the Government, to the executive, I would request the Members of the House to consider whether to counteract that propaganda, curtailment of the fundamental rights is necessary. I would ask the House to consider that point. Of course, I am conscious and perfectly aware that fundamental rights are not absolute and that there are limitations.....

MR. AKBAR ALI KHAN :

Quite right.

MR. C. N. ANNADURAI :

.....and Parliament has got every right to restrict them. These are the elementary principles. One need not take much trouble to understand them. But some trouble should be taken to understand that and the emphasis should be on the right and not on the limitations and that is why in our constitution it is stated in very clear terms that the restrictions ought to

be reasonable. My honest submission is that the restrictions are not reasonable, not reasonable in the sense that firstly, you have not analysed the problem ; secondly, you have not tried to understand us ; thirdly, you have not given us alternatives and fourthly, you have not taken the people into confidence. It may not be in the legal sense, but in the political sense the restrictions that you have placed are not reasonable.

And coming to the fundamental rights, I was saying that the Law Minister was giving a very funny argument in the other House. He said that if fundamental rights were to be allowed to have their full sway, some people might use those fundamental rights to invite the Chinese themselves. And he added that with some sentiment that could be had by members of the ruling Party especially from West Bengal. I am not concerned with that. But what I want to point out is, why should the Law Minister, or, for that matter, any Member discount the ability of the public to judge things for themselves? Would the public countenance anybody getting on to the platform and saying, "We welcome the Chinese?" No. Our people may not be well versed in the sections and in the chapters of the Constitution but they know

how to differentiate between good and evil. And that is why in spite of so much of enslavement by a powerful imperial power, the people were ready to come forward when there was a call for fighting for freedom. Don't minimise your abiding faith and confidence in the public.

And as regards the fundamental rights, the argument presented by the Law Minister in the other House, as I have said, is far removed from not only truth but also from all seriousness. But, as I said, limitations can be placed and Parliament is empowered to place limitations. But all these limitations should be in consonance with the extraordinary circumstances warranting such limitations. I argue, I submit that there has not been any extraordinary circumstance warranting such a limitation. In fact, in the Motilal Nehru Committee, I think in the year 1928, Pandit Jawaharlal Nehru has stated very clearly that we should not only get our fundamental rights but guarantee to the people that these rights will not be withdrawn under any circumstances. Note my words, Madam Deputy Chairman, and through you, I would request Members of this House also to mark all these words "under any circumstances." We may have grown weaker since I

can understand it. But has an extraordinary circumstance at least has arisen to warrant these restrictions? No. And arguments have been put forward that circumstances may arise, that the DMK might not have crossed the legal bounds but yet the tendency to create mischief is there, the tendency to create danger is there and we should put down with an iron hand even that tendency. I do not think that I have time enough to talk about the place of the phrase, 'tendency' in the legal field and jurisprudence known to the legal hierarchy. But I would say this that one of our best legal luminaries Mr. Justice Patanjali Sastry, has stated that it is better to allow certain noxious branches and have a luxurious growth rather than attempt to cut it off and sap the vitality of the plant. That is one of the judicial pronouncements about fundamental rights and its limitations. And in America, there are very many Supreme Court judgments. Of course, we are not bound by them but they point to the liberality of thought that can be found in democratic countries. At one time, in one of the States, New York I think, when a new law was brought in that those who wanted to become teachers should take an oath there that they would be loyal to the Constitution and that they would be loyal to the political

institutions, when such a Bill was brought forward, the Governor of New York stated that such an abridgment of the fundamental rights was unnecessary and vetoed it. He argued that a teacher is to teach and not express what he felt. I think that we should follow or at least try to shape our thoughts according to the liberal traditions built up in other democratic countries. If, instead of that, you say. "Well, we have the power to annihilate, annihilate any opposition party, today the DMK, tomorrow the Communist Party, the day after the Jan Sangh. You have got that power well, carry on but remember where any Government depending for its solidarity and supremacy only through the legal repression went. And what the result would be, I need not remind. Even today, we found on this side of the House, Mr. Bhupesh Gupta wanted not only the DMK to be counteracted but the Jan Sangh to be counteracted because to him the Jan Sangh is a communal party. And the P.S.P. has stated that the Communist Party is more dangerous than the DMK. So, we come in handy. We are on the opposite side.....

MR. SHEEL BHADRA YAJEE:

It would apply to all parties which would advocate separation from India whether it is the Communist Party or the DMK.

MR. BHUPESH GUPTA :

He is Mr. Yajee. Madam Deputy Chairman, if anybody should be counteracted by all of us, it is Mr. Yajee.

MR. A. K. SEN:

Madam Deputy Chairman, it was said that I said that this calm was due to the Defence of India Rules. I never said it. I said, to a certain extent, it might be and I have no doubt that for some miscreants those rules are meant. I never suggested either the DMK or anyone else. Far from it, I said this that, to a certain extent, the Defence of India Rules might be responsible. What is wrong in it?

MR. C. N. ANNADURAI :

My complaint was that expression of such a sort of sentiment is not in the nature of reciprocation of thought.

MR. A. K. SEN:

We cannot shut ourselves to the fact that there are miscreants about, who wanted to fish in troubled waters, but let the Hon. Member not accept the cap fitting him. I never mentioned him or his party.

THE DEPUTY CHAIRMAN:

You carry on, Mr. Annadurai. I hope it is clear now.

MR. C. N. ANNADURAI:

I was talking about this issue. If you allow the ruling party to get into the temptation to restrain or restrict freedom of speech and expression, it may be aimed at the DMK today but what guarantee is there that it may not be aimed at other parties tomorrow? For that the ruling party need not argue. We argue ourselves. The P. S. P. argues for restricting the Communists; the Communists argue for restricting the Jana Sangh. And the more the merrier for the ruling party. Therefore I would request Members of this house to look at this problem as a problem of restriction of Fundamental Rights. Let the Members of the ruling party atleast say that they can stoutly oppose us in our propaganda; Let them come forward at least to counteract us or at best to convince me and on that ground-if they can-let them oppose this Bill in toto, because my friend, Mr. Bhupesh Gupta, has said that he is accepting it in principle. My another friend, Mr. Gurupada Swamy, has said that he is accepting it as an overall objective, which means.....

MR. BHUPESH GUPTA :

Overall political objective.

MR. C. N. ANNADURAI :

.....Which means that they realise the consequences of such restrictions. I would request them to take into considerations the consequences of such a law rather than the party at which it is aimed at. It has been stated, Madam Deputy Chairman, that freedom of expression and thought should not be restricted in a democratic society if members of the ruling party are confident not only about themselves but about the people. Says Bagehot :

“One of the most important purposes of society and Government is the discovery and spread of truth on subjects of vital concern. This is possible only through absolutely unlimited discussion for”.....

as Bagehot points out,

“.....Once force is thrown into the argument it becomes a matter of chance whether it is thrown on the false side or the true, and truth loses all natural advantages in the contest.”

I would request the Government not to establish silence by coercion or force but to establish concord by talking in the language of the heart. I therefore appeal to the members of the ruling party to stand by the Fundamental

Rights, and to maintain your right to educate the public, instead of bringing in a legislation which is in the nature of a penal provision to put down all thought and all expression of dissent or difference.

Finally, Madam Deputy Chairman, I should inform the Hon. Member, Shri Sri Rama Reddy—he said I am having a defective logic, or something like that—

MR. N. SRI RAMA REDDY :

Misleading logic.

MR. C. N. ANNADURAI :

I think that no Member should allow himself to be misled, and I am not capable of misleading anybody. I thought perhaps my logic itself was misleading because I am very anxious to have logic in its pristine purity. But as to the criticism that I am misleading, I am not strong as that, to mislead people.

MR. PANNALAL SARAOGI :

Madam Deputy Chairman, the Hon. Member has been misleading the people of his State. That is why this Bill is going to be passed.

AN HON. MEMBER :

The fear is that you will mislead the people...

MR. AKBAR ALIAHAN :

On communal grounds, (Interruptions)

THE DEPUTY CHAIRMAN :

Yes, Mr. Annadurai, you please finish. He said that you are misleading the people of your State and that is why this legislation is necessary.

MR. PANNALAL SARAOGI :

People are being awayed by your arousing their sentiments and passions, and that is why this Bill is being enacted.

THE DEPUTY CHAIRMAN :

They are afraid they may be awayed also.

MR. C. N. ANNADURAI :

Madam Deputy Chairman the statement discounts the ability and capacity of Congress in Madras.

MR. SANTOSH KUMAR BASU :

On the question of force I would like to ask one question. My friend has said, "Do not use force. Passing of this law would mean—well-use of force in enforcing your ideas. Has the DMK altogether refrained from resorting to force, or people who are supporters of

that course? Have you always refrained from using force?

MR. C. N. ANNADURAI:

Certainly. We have made proclamations many times that we are a strictly constitutional party.

MR. SANTOSH KUMAR BASU:

In spite of that railway stations have been burnt, or at least the signboards at railway stations.

MR. C. N. ANNADURAI:

Not stations—but the constitution. My hon. friend is mistaking the activities of the DK for the DMK's. That is why the whole trouble. I may inform the House this, that at least by this measure you can make the DMK not contest the elections but the DK is a party which is not contesting elections, and therefore this measure is not going to affect them.

MR. SANTOSH KUMAR BASU:

We are not concerned with the DK or the DMK. We are concerned with the law, which may be applicable to all.

MR. A. B. VAJPAYEE:

But the DK is an ally of the Congress Party, I believe.

MR. C. N. ANNADURAI:

That is for the Congress Party to consider. My point, Madam Deputy Chairman is this: I appeal to the members of the ruling Party to suggest to their Government that a measure of this sort is unnecessary, is undemocratic, and it cuts at the very roots of fundamental rights. I am not referring to the Fundamental Rights in the Constitution but to the fundamental right of Congressmen. They are made not a party to this issue. They are asked to stand aside. The measure says, "Annadurai should be counteracted. You have failed in that. Let me come in." This is a sort of passing a vote of no confidence against the ability and capacity of the Congressmen of Madras, for whom I have the greatest respect. You seem to minimise their importance. That is my trouble. You seem to feel that they are incapable of counteracting this. This is the tragic situation; and therefore it is that I would request the members of the ruling Party to suggest to the Government, "Here we are, stalwarts to fight any flssiparous tendencies. Leave us to look after Annadurai, such a small puny figure. A mere look, an emphatic word is enough to scotch that fellow." Say like that to your party, to your Government and withdraw this Bill

because, if it enters into the statute book, it means, not only now but for all time to come, that a situation arose in India wherein the Government of India had to bring forward an amendment to the Constitution to counteract a small group or, to borrow a phrase from my friend, Mr. Bhupesh Gupta, to counteract a single solitary man.

MR. BHUPESH GUPTA:

No, No, I did not say that.

MR. AKBAR ALI KHAN :

I can assure Mr. Annadurai that it is not meant only against one single individual or a single party. It is against all secessionist tendencies, whether it is in Punjab or whether it is in Madras, or whether it is in any other part of the country keeping in view our experience of communal tendencies and communal passions during the last thirty years.

MR. BHUPESH GUPTA:

Madam Deputy Chairman, I never called him single and solitary, because he has, somehow or other, put the fear of God into the Congress-with his party. I know that.

MR. C. N. ANNADURAI:

I am borrowing his phrase with thanks, not with condemnation.

As for the Hon. Mr. Akbar Ali Khan's remark, I can very well understand the hesitancy with which he is putting that argument, but I would say this that the Bill is aimed at not only the DMK but at others also. My point is, I am concerned with the party to which I belong. If there are other representatives who may be talking equally in this way or if there are representatives of this ideal who are submerged with that ideal for their selfish ends. I am not concerned with them. My point is to present the point of view of the DMK. It may be aimed at others also. But if you look at the dailies, weeklies and if you go to hear speeches from political platforms, they will be pointing out only about the despicable DMK not others. Therefore, since you pinpoint the DMK, I have answered some of the criticisms.

Finally, I would appeal to the sponsor of this motion to drop it in the name of democracy, in the name of political decency, in the name of having abiding faith in the ability of the people to eschew evil. And if he is not able to free himself from the temptation completely, let me at least request him to defer consideration of this measure till the period of stresses and strains is over during which time we should not be discussing about controversial measures;

controversies should be kept in the background. And if the sponsor of the measure is not able to comply even with that request, Madam Deputy Chairman, please allow me to register my protest against the ruling Party's methods, move and measure.

Rajya Sabha Speech

25—1—1963.

FINANCE BILL

C. N. Annadurai (Madras) :

Madam Deputy Chairman, the Finance Bill which has had its discussion in the other House is being discussed in this House, and I have been hearing very many good suggestions offered by Members on this side of the House as well as on the other side. I come to understand on hearing the discussion that nobody is satisfied with the way in which the people are being taxed. Whatever may be the arguments advanced for the necessity for fresh taxation, no section of this House or no section of the public outside is prepared to bear any more burden. Moreover, the fresh burden of taxation from the Centre has been preceded by the Railway Ministry and is soon to be pursued by the State Ministries also by levying fresh taxation. Therefore, the first impression that one gets on going through the Finance Bill is that the present Government, puzzled over their own failings, is asking the people to bear an unnecessary burden. The present Government is not able to offer an explanation for its failures, for its acts of

commission and omission except to say that since it has got a Plan to be fulfilled, every burden ought to be borne by the people. When critics ask them what the criterion of their planning is, whether their planning is going to be socialistic or otherwise, they say: "We are very good people; we take bits from here and bits from there, mix them together and call it a mixed economy." Madam, you know that adulteration is a crime. And the Finance Minister was very vehement in attacking adulteration. In the other House he said that those people who were found to be guilty of adulteration should not only be whipped.....

Shri Morarji R. Desai :

I did not say that. There was a suggestion that they should be flogged.

C. N. Annadurai :

So, the Finance Minister is not willing even to punish them. But anyhow, adulteration is a crime and adulteration of economic principles is a crime for which the future generations have to pay as well as the present generation. Therefore, I would like the present Government to formulate a policy which would conform to the norms of economics. But they want a new interpretation for any economic

theory. Whenever it suits them, they take the old interpretation. Whenever it suits them not, they say, "We are not doctrinaires, we are a very practical people." The whole trouble arises because this Government lacks a philosophy behind it, an economic idealism behind it. They want to steal the thunder from every political party functioning in this country. They want to steal the thunder from the Communist Party, they want to steal the thunder from the Swatantra Party, they want to steal the thunder from every other party and say, "There need be no other political party here because we are socialists and we are capitalists, and we have got a mixed economy." Therefore, if there is a clear-cut exposition of the economic philosophy behind the implications of the present Government's policy, the other parties can formulate their own philosophies. And the Hon. Mr. Bhupesh Gupta was pointing out that there were groups inside the Congress, one group pulling towards the Right and another group pulling towards the Left, and he has stated very categorically that the Communist Party would help the Leftist group to oust the Rightist group. And unfortunately, I was sorry to hear Mr. Bhupesh Gupta clubbing the present Finance Minister in the Rightist group which he wanted to be shoved out.

But may I point out that whatever the philosophy behind the fiscal policies, the bare fact remains that these changes in direct and indirect taxation taken together will bring in a revenue of Rs. 71.7 crores in a full year, of which Rs. 44.5 crores will be from indirect taxation and Rs. 27.2 crores from direct taxation. There is almost a stoic pleasure when the Finance Minister says that these proposals will bring in revenue. But he does not understand the feelings of the people when they are asked or forced to pay taxes which they cannot bear. And he points out philosophically enough, undoubtedly that the richer sections must carry an increasingly larger share of the taxation and that the poorer sections must benefit progressively more through development, and that that is part of their concept of socialistic State. I would very much like the Finance Minister to substantiate both these statements. Is it that he has worked out the fiscal policy in such a way that the richer sections are carrying increasingly larger share of the taxation and the poorer sections are getting the benefit out of it? I would like to quote the opinion—I may even call it a stricture—of a member of the ruling Party itself and he has stated that the whole fiscal policy followed by the Government of India has lessened the value of

the rupee which is going down, that 95 percent of the people are on a marginal or sub-marginal level of subsistence and that more money is getting concentrated in the hands of a few. If Members on this side were to say that the value of the rupee is going down, they will be dubbed that they do not know the full facts but I have quoted the opinion expressed by the Hon. Mr. T. T. Krishnamachari, Minister without Portfolio, who had to get out of Delhi because man-eaters were on the prowl. I hope that the man-eaters have now been chased or perhaps, he may have come with a muzzle-gun. But any how, the fact remains that a responsible Member who has got a responsible post, Mr. Krishnamachari—I say ‘responsible’ because he has not got any portfolio and therefore he has got all the portfolios—has stated that the value of the rupee is going down. Who is to be accused for the value of the rupee going down? People on the opposite side? The ruling Party members do not have even the courtesy to consult us when schemes are being formulated. But it is Mr. Krishnamachari who is saying that the value of the rupee is going down and that 95 percent of the people are on a marginal or sub-marginal level, in spite of the fact that we have had a national Government for the past fifteen years conducted and

directed by a political party which can command the funds of the capitalists and also the votes of the poor. And yet after having had two Five Year Plans and being in the middle of the Third Five Year Plan, this is the stricture that is being passed by an Hon. Member of this Cabinet. May I ask the Finance Minister to point out whether this is the time to tax the people, especially to levy indirect taxes, when 95 percent of the people are stated to be on marginal or sub-marginal level of subsistence? Here again are the figures taken from the National Sample Survey (Agricultural Labour Enquiry), sponsored by the Government and it is stated that 27 million people have work for one hour a day, 20 million people have work for two hours a day and forty five million for four hours a day, and at other times they have no work. We have been spending crores and crores of money which we have got from our people and from outside-loans and aids and yet, after 15 years of freedom and 12 years of planning, we find that 27 million people are having work for one hour a day. How do we account for this state of affairs after having spent so much of money over planning, after having practically fleeced the people for the sake of the Plans ?

The other situation today is that our sterling balance has dwindled, our exports have fallen, aid from foreign countries is likely to be cut down, indirect taxation is on the increase, prices are rising, direct taxes are being evaded and black money is on the increase. And it is stated that Rs. 118 crores of income-tax is in arrears. May I ask the Finance Minister to point out why such a colossal amount has been left uncollected? With what audacity can he come to the people and say that because of the Plans you have to pay the taxes? Why should he not take up cudgels against these income-tax arrears of Rs. 118 crores? If he had only taken sufficient care and sufficient stringent measures to collect at least half of this sum of Rs. 118 crores, there would not have been any necessity for taxing the people. But he is not merely taxing the people for filling up the gap because he says right royally enough that these changes will bring in a revenue of Rs. 71 crores. Therefore, he has got a collector's mind, not the mind of a development officer of this great sub-continent of ours.

Therefore it is that my friend, Mr. Bhupesh Gupta, wanted to know the philosophy behind all these economic implications and

therefore the first charge that I am emboldened to make is that because of the lack of a political philosophy you are leading the country blindfold into blind alleys, and therefore we do not know what would be the consequences of all these taxes. But they have been going over saying that taxation and an increase in taxation is an index of prosperity. I accept it as an index of prosperity, but it has to be answered, prosperity of whom? of which section? That has not been answered, and therefore it is that indirect taxes, especially in essential commodities, ought to be curtailed, even though the Finance Minister has got the Finance Bill passed in the Lok Sabha. Even then, if the Finance Minister—he is reputed to be philosophically-minded—if he were to take note of the criticisms advanced by Members of the ruling Party itself, he would see that nobody supported him in these new taxes. But then their vote was got only by whipping them up into submission, and therefore he has not got a moral right to levy these indirect taxes and he would be doing a great favour, he would be conferring a great honour not merely on the poor people but on the philosophy to which he is stated to be wedded, if he takes the criticism offered by Members of his own ruling Party into consideration. And therein, Madam Deputy Chair-

man, I may be permitted to deviate for a short time into the strange and curious working of democracy in the country. Members of the ruling Party, in both the Houses, offered criticisms against the ruling Party's new taxation measures in as vehement a manner as Members on this side but yet, when they go outside, they are forced to defend the present Government, and according to the whip issued they have to vote for the Government. Presently, this month, the Communist Party, the Jana Sangh, the Swatantra Party and the Party to which I have the honour to belong, each one of us separately are organising protest meetings against the over-burden of taxation, and when we address the masses about the impracticability of these taxes, about how these taxes are going to undermine the poverty-stricken people still further, it is these same Congress Members, Members of the ruling Party, who are going to come and defend the Government. But do not think that the people will accept your words. People do not merely read the reports about what is said outside this House to defend their case but they also read what is said inside this House. Therefore it is that I am very glad that Members of the ruling Party have spoken very correctly and also very boldly in attacking the indirect

taxation that the Finance Minister has indulged in. The Finance Minister may turn round and say, "But I will have to get the money." One way of getting money, if I were to point out, is to collect the income-tax arrears, find out the evaders and get all the loopholes plugged. But I am not going to repeat what my Hon. friend, Mr. Bhupesh Gupta was saying, because you may not digest them, but I would say that even in your present set-up, if you economise the various departments in the administration, if you plug the loopholes in the various administrative set-ups, you can find enough money for carrying on the administration and even for carrying on the Plan. But whenever we from this side say that the administration is lopsided, that there is corruption and nepotism in this administration, Members of the Cabinet turn round and say, "Prove it". And the Hyderabad Economy Committee Report points out :

"Corruption, it is said, is often difficult to prove. All the more reason why there should not be the least hesitation in investigating every matter in which there is ground for complaint."

And yet what is the attitude followed by the present Government? During the Mundhra deal one officer of the Central Government Mr. H. M. Patel was found to be guilty, and yet I found in papers some days ago that he has been appointed to manage, for a temporary period of course, the Narmada Valley Corporation, and when questions were raised in the other House, the Prime Minister stood up.....

Shri. Bhupesh Gupta :

After two years he will be given the Padma Vibhushan.

C. N. Annadurai :

He may find a place in the Cabinet too. And when questions were raised in the other House, the Prime Minister stood up to say that he was not aware of that. I am glad he stated in that way because I would have been shocked if the Prime Minister had stated, "Well, I know who has been appointed and I have approved of it." Fortunately he has stated, "I am not aware of it." This is the sort of co-ordination that we have got between the Centre and the States. And yet you are gathering intellectuals from all over the country to formulate schemes for national integration.

First integrate your Governments. Here is the Prime Minister who is saying, "I do not know why he was appointed or how he was appointed. And what will be the verdict of the people when they read this? People know full well that the particular officer in question was found to be entwined in that Mundhra deal, and when the people read in the papers that he has been appointed to a lucrative post, what will the people say? What will the people say in spite of your socialistic talk and your socialistic philosophy? Therefore it is that I say that the loopholes ought to be plugged, and if loopholes ought to be plugged, there ought to be a permanent and real change in the administrative set-up, and Mr. Gorwala, whom the Government themselves commissioned to report on the reforms to be carried out in the public administration, is pleased to state about the income-tax system in his report as follows:

‘On the Income-tax side, the real complaint of the public is that while small men are often troubled quite unnecessarily, tax-evaders, whose assessment should run into lakhs, seem to escape. The failure of the Income-Tax Investigation Commission to produce any real results and

the ease with which the most blatant tax-evaders seem to be able to manage their affairs undisturbed has caused a very widespread belief in the impotence of Government when pitted against really influential and wealthy people.”

The word used is ‘impotence’; I would have thought twice before using such a strong word but Mr. Gorwala, because he had been commissioned by the Government to report on Public Administration says ‘impotence of Government’. And may I ask the Members of the Cabinet, ‘Under what right do you ask us to pay crores and crores of rupees when Mr. Gorwala says that your Government is impotent?’ Therefore it is that I would like to see some more potency and vitality in the administrative set-up.

And here is another stricture and this is about the Commerce Ministry:

“The Commerce Ministry had gained an unenviable notoriety in respect of the amenability of some of its principal officials to the wishes of big business.”

Perhaps this is what Mr. T. T. Krishnamachari means by “man-eaters on the prowl”. How he

is able to come to the conclusion that man-eaters are on the prowl, I have not been able to understand unless I make a bold conjecture and say that having been the Commerce Minister himself, he might have had some curious experience, but anyhow the Commerce Ministry is notorious for favouring the big business in issuing licences.

If these things are reformed, there will be, what the Hon. Member preceding me had stated, some enthusiasm for the people for the Plan. But when the people find the taxes mounting up, prices soaring, unemployment growing larger and larger in dimension, when they find that the present state of the Government is such that they cannot even provide the necessaries of life, how do you expect the people to be enthusiastic about the plans? Of course, there are people who have got to say something in favour of this or that item in the fiscal policy of the Government. Apart from the fact that I belong to a party which demands separation of Dravidanadu from India, may I point out that the way in which you have planned out the industrial reorganisation, it will make it impossible to get the maximum output from the whole subcontinent. Economic activity has been lopsided, industrial organisation

has been lopsided. It is only late in the day that the.....

Shri Bhupesh Gupta (West Bengal):

You give up your Dravidanadu demand and we shall join you in fighting for more industries for Tamilnad within the Republic of India. Let us have that deal. Will you have it?

C. N. Annadurai:

I am thankful to Mr. Bhupesh Gupta for his anxiety to be with me, but I would not like to have him as an ally, on my giving up my ideal.

I was saying that it is only late in the day that the Government have come to realise that their policy of industrialisation has been lopsided. They are now using an economic problem behind which there are many political philosophies the meaning of which most of them, who speak about it, do not divulge fully. They are talking about regional economic reconstruction. They say that particular regions are today economically advanced and particular regions are not advanced, and therefore they say that it is the policy of the Government of India, as far as industries are concerned, to give more attention to the neglected parts of the country as a whole. Therefore, it means all

these twelve years of planning you have had a defective planning, a lopsided economic planning.

The other day the Hon. Member, Shrimathi Devaki (Gopidas), when she was giving very lucid account of how Kerala is being left out in matters of development, stated that when Plans are formulated, the special features and special standards of the Kerala State ought to be taken into consideration and remedies found out, otherwise it will be a thorn in the further development of the Indian Union and that will affect the progress of the Indian Union. This statement comes from one who believes that India should remain one and indivisible. If you do not take into consideration the special standards or the special features of Kerala, Kerala would remain a thorn.

Shri P. A. Solomon (Kerala):

There are Dravida Kazhagam minded people in the Congress also.

C. N. Annadurai:

There may be Dravida Kazhagam-minded people in the Congress but I belong to the Dravida Munnetra Kazhagam.

Shri P. A. Solomon:

I mean Dravida Munnetra Kazhagam.

The Deputy Chairman:

How much more time would you take?

C. N. Annadurai:

I may be permitted to have five more minutes.

Madam, I was saying that she said that it would be a thorn in the further development of the Indian Union. Here, Madam Deputy Chairman, I would, through you, ask Hon. Mr. Bhupesh Gupta to pay attention to this. "It will be a thorn in the further development of the Indian Union", she says. What do we do with thorns? We take them away. That is what we do. If there is a thorn in the body politic or in the body what we do is we take away the thorn.

Shri Bhupesh Gupta:

What did you say? I have not followed you.

C. N. Annadurai:

I do not have enough time to discuss this with you here. We shall discuss it later. Therefore, Madam, even people who have got abiding faith in the Indian unity think that if the particular region in which they live remains industrially disorganised, the problem of unity will remain unsolved.

Shri Bhupesh Gupta:

I think your separation movement would weaken the democratic movement in Tamilnad and it will spoil the case of Tamilnad. It would neither bring what you want—which, of course, we do not want—nor will it bring industrialisation to that part.

Deputy Chairman:

You better carry on and finish.

C. N. Annadurai :

To Mr. Bhupesh Gupta's advice I will pay very serious attention. We will try to be as democratic as possible, but I do not expect the same thing from the Communist Party.

Shri Bhupesh Gupta:

We are fully democratic. I take your advice. I do not mind taking good advice from anybody. But will he take my advice that he give up the Dravidanad slogan, the slogan of separation from India? Madam Deputy Chairman, I have taken his advice.

Deputy Chairman :

The time is very limited. Please finish.

Shri Morarji R. Desai:

Mr. Bhupesh Gupta gets up often and goes on taking up others' time. He has already

finished his time. Why does he stand up again and again ?

Shri Bhupesh Gupta:

It seems he is very sympathetic to the D. M. K. slogans.

C. N. Annadurai :

Madam Deputy Chairman, but for want of time we could go on discussing this thing but I do not think that problems can be solved in this manner.

What I am trying to formulate is that there is a very real grievance in the minds of Members of any political party that there is regional disparity. I am pointing out this thing not for separation but because of the fact that due to the lopsided growth we have not brought out the maximum output that this country could give. That is my point.

For separation I have got other reasons, but I would not deviate into that even though one Hon. Member deviated into it and delightfully asked me to go to Ceylon to propagate it. I do not know whether he is more attached towards me or towards Ceylon. Anyhow, he has admitted that he is a Dravidian. But I am not going to be deviated into that. **But I may**

say categorically that neither cannons nor contempt is going to deter me from the mission to which I am wedded. About that there can be no compromise. Therefore, I am not going to deviate into that subject. But let me come to the subject of regional disparity.

From the economic point of view, to prove that there is regional disparity I am giving you a very delightful fact. I was talking about the income-tax arrears. It has been given State-wise or circle-wise. Bombay City-1 and Bombay City-2 and Bombay Central account for Rs. 36-crores, and West Bengal, Calcutta town, accounts for Rs. 43-crores. Therefore, the Finance Minister should set his gun towards these two regions wherein blocks of money are remaining unpaid.

Shri Bhupesh Gupta :

West Bengal has big capitalists. Mr. Shanti Prasad Jain bought house recently for Rs. 60 lakhs.

C. N. Annadurai :

Most of the capital of West Bengal is from outside. The economic disparity is being proved by statistics of State-wise distribution of income from agriculture.

In Madras we have got in 1958—59 Rs. 343.3 crores whereas in Uttar Pradesh it is Rs. 1,146 crores and in West Bengal it is Rs. 427 crores. I do not grudge U.P. or West Bengal becoming rich and wealthy. But may I point out that if there had not been this lopsided economic arrangement during these Plans, we would have been getting very much more than even Uttar Pradesh, in the matter of agriculture, because even now the yield per acre in Tamil Nad is the highest in the whole of India, though we do not have many irrigation programs and we do not have a Bhakra Nangal or even smaller schemes.

Shri S. Channa Reddy (Andhra Pradesh):

You have the Kunda dam.

C. N. Annadurai :

That is more for power than for irrigation purposes. So without all that we are able to increase our output per acre. If such sturdy, intelligent and understanding agriculturists are to be found there, is it not the duty of the planners to apply their eyes more to the South with regard to planning the agricultural sector? They could also have developed the fishing industry in the South. They could have developed, what may be considered the transport

industry in the Southern area. There are so many other things that can be done. There are so many opportunities. But they have not only missed those opportunities, but they have been shelving the issue wherever an issue like this was raised. When such issues were raised, they used to say "There is a strict economic principle that industries can be established only if the raw materials are to be found there." But they have now come round to recognise the principle that regional disparities should be done away with once and for all. For the information of the House I may say that the very same problem arose in Italy. Southern Italy was industrially very backward compared to Northern Italy and then the Italian Government took very intelligent, very bold and very radical steps formulating special schemes for Southern Italy. They offered tax concessions for new industries to be started in Southern Italy. They gave loans and other aids for this purpose in order to improve this part of Italy. I am not leading you on to the tempting ground where you can rise up and say: We will follow that example. You may follow it. I do not ask you not to follow it. Do follow it. **But I should not, I cannot and I need not guarantee that my Political party will give up**

its philosophy is something different from such compromises or such subsidies. I am only pointing out that if the economics of the South had been taken into consideration, we could have produced more wealth by this time. I may point out that the sea coast in the South is one of the best in the whole world. There are very many ports, used and unused, and I hope my Hon. friend Mr. Dahyabhai Patel will not come to grips with me when I say that he has got Kandla Port and yet we have not got our Tuticorin. Two days back the Industries Minister of our State, while addressing the Merchants' Chamber at Tuticorin stated that it is not enough to accept the proposal. The Government of India should move in the matter to get things done. Therefore, I say if at least economic re-organisation had been carried out throughout the country, especially in the neglected South, then the demand to pay taxes would not have been felt to be so heavy. I am only arguing from the aspect of the payment of the taxes. Therefore it is that the South especially finds itself being taxed too much for the benefit, not of its own territory, but for some other territory and so the tax pang comes as a double dose. It is our request to the Finance Minister and through him to other Ministries that they should find

out how they could reorganise or reconstruct the South economically so that more wealth may be produced and less taxation can be indulged in.

There is another erroneous impression that is being sought to be created by the Members of the ruling Party. They say: Do not ask for distribution of the profits now. You go on producing. It is your duty to produce. So produce more and more. But do not talk about distribution now, because distribution comes only after production. Let me add that only in economic books does production come in the first, and distribution, the second chapter. But in actual practice, while you produce you distribute. You do not go on producing and then pile up all the goods and one fine morning you come and say: "Now we shall have distribution." That is not the way in which economic activities are to be conducted. That is only the way in which economic books should be written. Therefore, the Members of the ruling Party should not trot out such a weak argument. We on this side say that what is being produced is not being properly distributed. If the goods had been properly distributed, if there had been proper distribution of wealth, there would not have been so much

poverty in this country of ours. If wealth had been distributed properly, there would not have been so much of destitution in this country of ours. Our destitution is such that in my State old men and old women who are destitute, are to be pensioned off by the State. I am glad that my State Government has got such a proposal. But that is an index of the destitution to be found in the country. Why is it that after producing so much wealth we find so much of poverty? It is because the question of distribution has not been paid enough heed. That is why there is wealth produced and we find newer and newer cadillacs and newer and newer bungalows and newer and newer business houses. I read the other day in the papers that even the Prime Minister was astounded to find that when the Government is not able to get cement, private contractors are able to get cement in any quantity that they like. I would say—I do not know whether it is too strong a word to be used—it is very shameful for such a national Government to find these two words **current-black-market** and **black-money**. We are using these words in a casual manner. When speaking of any article, we ask: What is its price in the open market and what is its price in the black-market? I was astounded to read in another paper that one of the Cabinet

Ministers once stated that he was well conversant with the black-market price of steel, not the present Minister for Steel. Therefore, it is clear that the Government knows that there is this black-market and the Government knows also how the black-market is being conducted. The Government, however, also knows that to book these black-market people will work havoc in their elections. Therefore black-markets are being allowed to flourish. When there is the black-market, there is also the black-money and this black-money cannot be ploughed back into the industry. When a private concern gets profit in the open it can bring it out and re-invest it in the business. But when they get black-money which is not capable of being accounted for, they cannot bring it out or put it back into the industry. Therefore it goes into ostentatious living. It was with a view to curtail that ostentatious living that the other Finance Minister thought of the Expenditure Tax. But the present Finance Minister perhaps thinks that this ostentatious living has gone down or that ostentation is good and he has taken away this Expenditure Tax. It might not have yielded much revenue. I find from the papers that it bagged only Rs. 77 lakhs. But whatever be the amount, the social value behind that tax has significance and yet

it has been taken away. On the other hand taxes on kerosane, match-boxes and tobacco are being increased more and more and the other day in the Lok Sabha the Finance Minister...

Deputy Chairman :

You asked for five minutes and you have actually taken more than ten minutes.

C. N. Annadurai :

I will finish in another two minutes.

Deputy Chairman :

Please wind up, because the time is very limited.

C. N. Annadurai :

The Finance Minister flourished a match-box in the Lok Sabha the other day and said : Here is a match-box and I got it at the correct price. I would now ask him to get the match-boxes. Now, the price of a match-box has gone up and the price of everything has gone up because even though the Finance Minister, like King Canute, has stated that prices would not rise, neither the waves stood silent before Canute nor the prices before the Finance Minister. Therefore, whenever, there are taxes, prices are bound to go up and if at least the

Government is capable of controlling price rise. then it has at least got not reason but apology for excise taxation or these indirect taxes. Therefore, the Finance Bill is a fleecing Bill. I can understand fleecing rams and sheep for weaving blankets but you are fleecing men, you are fleecing the poor people and you are fleecing the people in the name of the Plan and you are making the people look with horror at the Plan. People do want the Plan but whenever you say that because of the Plan all these taxes are being levied then they not only condemn the taxes but they begin to doubt the very necessity for a Plan. Therefore, in one way you are undermining the planning system to which you have been a votary yourself and, therefore, I would ask the Finance Minister not to advance arguments, intelligent logic sandwiched with statistics but to take into consideration the poverty-stricken people their plight, their unemployment, etc. Their taxable capacity has been reached to the worst extent and, therefore, you should take away the indirect taxes especially on essential commodities and try to get money from elsewhere but I can assure you that even if these taxes are taken away, he is going to get more money because whenever he presents a Budget, the estimate is

always given on a lower scale so that afterwards he can come up and stand before Parliament like a conjurer and say, "I expected only Rs. 23 crores but I got Rs. 32 crores". Therefore, I say, there is no necessity for such indirect taxation—to fleece the people.

*Rajya Sabha Speech,
21-6-1962.*

