

SECOND
SHRI CHANDRA SHEKHAR
MEMORIAL LECTURE

**AN AGENDA FOR INCLUSIVE DEVELOPMENT
AND TO COMBAT GLOBAL WARMING**

Mohan Dharja



Institute for Studies in Industrial Development
New Delhi

08 December 2009

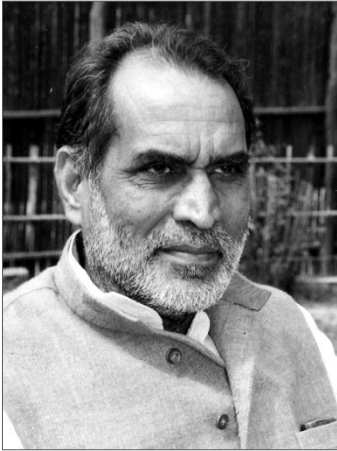
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Shri Chandra Shekhar (1927–2007)

Shri Chandra Shekhar was one of the foremost political leaders of Independent India. He was a statesman who has left an indelible mark on India's political and economic spheres. He was known for his courage to fight against authoritarian and obscurantist forces. His clear vision and understanding of the Indian polity was evident when he was chosen to lead the country in the midst of a great turmoil. These attributes stood him in good stead during the brief tenure as the Prime Minister of India and his leadership and administrative excellence were admired by many. Shri R. Venkataraman, who was the President of India in those eventful days, complimented him by saying, "During the short period Chandra Shekhar held the reins of office as Prime Minister, he displayed fine qualities of objectivity, sobriety, willingness to listen to criticism and dignity in conducting the affairs of the high office."

In preserving the unity and integrity of the country, he was well aware of the need to take the most disgruntled elements also into confidence and bring them back into the national

mainstream. Being a true democrat at heart, he was well aware of the value of healthy accommodation to another's point of view and arriving at acceptable compromises. That is why within the few months as the Prime Minister, he not only succeeded in dousing the fires of anti-reservation agitation, but also started addressing the festering problems of Punjab and Kashmir.

Shri Chandra Shekhar was born on April 17, 1927 in a farmer's family in Ibrahimpatti, a remote village in the Ballia district of Uttar Pradesh. Even during his student days he was known as a firebrand idealist. A post-graduate in Political Science from Allahabad University, having been inspired by Acharya Narendra Dev, the doyen of Indian socialism, he abandoned the pursuit of doctorate degree to join the socialist movement in the early 1950s. Subsequently, he joined the Congress party in 1964 and spearheaded the move to promote socialist policies vigorously and persistently. It earned him the epithet of '*Young Turk*' and brought him into direct conflict with the centres of economic power when he mounted a determined attack on the disproportionate growth of monopoly houses under state patronage.

Having entered Parliament in 1962 Shri Chandra Shekhar was one of its longest serving members and due to his sagacity and balanced views he became the moral voice of Indian Parliament. His passion for principles, faith in democratic norms and innate respect for Parliament made him one of the greatest parliamentarians of our times. As a member of the House he strived to maintain healthy parliamentary conventions of debate. His commitment and sincerity of purpose for safeguarding secularism and pluralistic ethos were amply demonstrated by his numerous actions and pronouncements in Parliament. In recognition of this distinguished service, he was honoured with the **Outstanding Parliamentarian Award** in 1995. He remained a member of the *Lok Sabha* till his death on July 8, 2007.

Shri Chandra Shekhar always opposed the politics of power and personalities. No wonder, when Emergency was imposed in 1975 he was arrested under the National Security Act and detained in solitary confinement for nineteen months. Having galvanized the opposition parties to come on to a single platform, it was but natural that he was chosen to lead the Janata Party as its President.

The *Padayatra* he undertook from Kanyakumari to Rajghat during 1983 to establish rapport with the masses was indeed a high point in his life. Late Shri K.R. Narayanan, former President of India, felt that the effort “will remain a landmark event in the history of our country for awakening people’s consciousness for their rights and duties.” According to Shri I.K. Gujral, former Prime Minister of India, “The songs and slogans of his fellow *Padayatris* had a ring of social reality asking for change that required intimate knowledge of the Indian masses and their sad fates in the liberated India.”

Shri Chandra Shekhar’s association with the Institute for Studies in Industrial Development (ISID) had been a long and a distinctive one. It was perhaps quite natural because of his concern over the growing monopolies and the influence exercised by the big business and large private corporations on the polity. Having been a researcher himself once, he always sought to give empirical content to the contemporary problems, instead of vaguely opposing or supporting a policy. This brought him in close touch with the academics very early in his political career. He not only sought their advice, but also suggested relevant lines of enquiry. This approach of his was responsible for the beginning of his close interaction with Professor S.K. Goyal (who later founded the Corporate Studies Group at the Indian Institute of Public Administration) in the early 1960s. The mutually beneficial association had profound influence on India’s industrial policy and thus had a far reaching impact on the country’s industrial development, the high points of which

were the nationalization of fourteen private scheduled commercial banks and enactment of the legislation concerning concentration of economic power and product monopolies. His association with academics never ceased and was instrumental in empirical analysis of new industrial and other economic policies from time to time.

It was, therefore, no surprise that when the ISID was set up in 1986, as a follow-up to the Corporate Studies Group, with the objective of conducting and promoting empirical research on India's industrial and corporate sectors, Shri Chandra Shekhar gave his wholehearted support to the endeavour. As a member of the ISID Board of Governors along with leading academics and public men, he helped steer its functioning and succeeded the Founder Chairman Professor Moonis Raza as Chairman of ISID on December 6, 1991. Since then and until his death he guided the Institute as Chairman with sagacity and helped it to progress from strength to strength and overcome occasional hardships.

In commemoration of his service to the nation, in celebration of his towering personality and in remembrance of his close association with ISID, the Institute has launched the **Chandra Shekhar Memorial Lecture** series. This lecture by Dr Mohan Dharia is the second in the series. The first lecture "Achieving Inclusive Growth: Recent Experience and Challenges Ahead", was delivered by Professor C.H. Hanumantha Rao on December 05, 2009 at the Institute.

Dr Mohan Dharia

Dr Mohan Dharia, fondly referred to as *Anna* by his admirers and followers, is a veteran freedom fighter, highly respected political leader, able administrator, noted social worker and a committed environmentalist.

Dr Dharia was born on 14th February 1925 in a small village called Nate belonging to the Raigad District of Maharashtra. He participated in the freedom struggle at the tender age of 17, in 1942. The participation and conviction in the Freedom Struggle made him opt for legal studies instead of medical profession and become an Advocate of the Bombay High Court.

He exhibited exceptional organisational skills quite early which were evident in the liberation of Janjira State in 1948 and founding of the National Trade Union Centre. He effectively led Trade Unions of Postmen, State Transport, Bank, Defence, Hindustan Antibiotics and other employees in the country. As a Youth Leader, he mobilized hundreds of students and youth in Maharashtra State. His organizational skills were admired even by Pandit Jawaharlal Nehru.

Dr Dharia has always insisted on politics of commitment against convenience and on politics of conciliation against confrontation. It made him oppose Emergency and landed him in jail. In fact he was jailed many times during the freedom movement and after for his political and social struggles. He always insisted on growth with social justice with due care for environment. As one of the '*Young Turks*', he fought for the nationalisation of banks and abolition of paper purses.

Dr Dharia was elected to Rajya Sabha in 1964 and to Lok Sabha in 1970 and 1977. As a minister, he handled several ministries— Planning, Works, Housing, Urban Development, Commerce, Jute

and Textile, Civil Supplies and Cooperation. As the Minister of State for Planning, Works, Housing, and Urban Development and made his mark as an able administrator. He made significant contribution to the policy making particularly in favour of the common man. During 1990–91 Dr Dharia was Deputy Chairman, Planning Commission. He played a significant role in the Cooperative Movement.

As a member of the National Wasteland Development Board of the Central Government during 1989–90, Dr Dharia proposed Joint Forest Management (JFM) by involving people to bring more than 16 million hectares of waste lands under additional green cover in India. He believes that they are not waste but wasted lands and it is possible to make them productive, generate employment opportunities to millions of people, take permanent care of food and water security, earn sizable foreign exchange, protect fast degrading environment and make India self-reliant.

He chaired the High Level Policy Committee (1995) constituted by the Government of India to consider the problem of nearly 175 m. ha. of degraded waste lands in the country. The Committee made path-breaking recommendations.

After retiring from politics, he formed ‘Vanarai’, a voluntary organisation in Pune, to develop and harness national natural resources like land, water, forests, medicinal plants, cattle wealth, etc. and the country’s human resources. Under his leadership and guidance Vanarai succeeded in involving thousands of people in rural development.

Dr Dharia is associated with many educational, social and cooperative organizations like Pune University, Indian Institute of Education, International Institute of Business Management, Centre for International Trade in Agriculture (CITA), Maharashtra Rashtra Bhasha Sabha, Yashwantrao Chavan

Pratishthan, Janseva Foundation, Yuva Shakti, Confederation of NGOs of Rural India, Rakta Data Pratishthan, Disha to empower women, etc.

He is a voracious reader, prolific writer and an eloquent speaker. He has written many books and articles. Dr Dharia's Political autobiography *Safar (Journey)*, *Bol Anubhawache* (some experiments) *Fumes and the Fire*, *Yehi Zindagi* (this is life), *Afforestation in India*, *Population Explosion and India*, reflect his vision and activities.

Padma Vibhushan, Indira Priyadarshini Vrikshamitra Award, Yashwantrao Chavan Award for Excellence and Development Jewel Award are only a few among the many awards conferred on him during the long public life. In recognition of his distinguished social service, he was conferred **Honorary Doctorate** by the Tilak Maharashtra Vidyapeeth, Pune.

AN AGENDA FOR INCLUSIVE DEVELOPMENT AND TO COMBAT GLOBAL WARMING

Mohan Dharía

I consider it a great honour and privilege to be invited to deliver a lecture in fond memory of a colleague, fellow '**Young Turk**' and friend of many decades—Late Chandra Shekhar. It is even more special because the event is being organized by the Institute for Studies in Industrial Development to which Chandra Shekhar contributed immensely. I shall cherish this occasion which gave me an opportunity to be amongst this august gathering comprising of renowned scholars, close acquaintances of Chandra Shekhar and leading personalities from various walks of life.

Chandra Shekhar was a firebrand leader with great conviction, courage and concern for the development of common people "**Aam Admi**". My association with him was a long and purposeful one. It started in the *Praja Socialist Party*. The journey together witnessed far reaching changes in India's political and economic spheres.

During 1968-69, we travelled extensively all over the country raising issues like land reforms, Nationalization of Commercial Banks, abolition of privy purses, electoral reforms and human rights. It was the golden period of our lives. Our emphasis on politics of commitment and democratic socialism as against politics of convenience was mainly responsible for the changes

and we are remembered as pioneers of this transformation. It was our firm belief that in a massive country like India, politics based on consensus through dialogue should be preferred instead of crushing legitimate agitations for a right cause. This brought us in direct conflict with the then Prime Minister during Emergency and landed us in jail. The subsequent developments are now part of history and Chandra Shekhar's contribution to keep democracy alive against many odds can never be forgotten.

Though over the years we differed politically, we remained close friends.

Today I will focus on the practical aspects of inclusive development, a subject which was very close to Chandra Shekhar's heart and which was inherent in many of his writings and speeches that gave primacy to equity over growth. It is pertinent to recall his anguish at the disparities in our society.

One India, consisting of a minority, is determined to compete with the developed world; while the majority of our nation is sinking into squalor and misery. The disposed are being pushed in to a desolate wasteland, while the arc of growth lifts one part of the nation at the expense of the other.... The Government must intervene to bring forgotten India on par with the rest of India. That is the first duty of a democratic government in a nation that is proud to call every citizen equal. You cannot have equality in theory and disparity in practice. You cannot have equality in the Constitution and exploitation in the market. (Excerpt from "**Explosion in Waiting**", editorial in *Young Indian*, February 26, 2000).

As freedom fighters, some of us were extremely worried over the unstable political situation in the country. Even after 62 years of Independence, the deterioration of values, love and

patriotism for the country and loss of character are indeed agonizing. Illiterate millions, ever growing unemployment, socio-economic disparities, rampant corruption and politics of convenience have shattered the dreams of Freedom Fighters and the Common Man.

The following emerged from my long experience in public life, earlier as Administrator and Planner and later at Vanarai—an Organization devoted to Integrated Rural Development, Wastelands Development and protecting and improving the environment.

Global warming:

The serious threat of Global Warming has to be met with all strength at our command by involving millions of our masses. It has become imperative as it is envisaged by eminent scientists that many developing countries including India will face acute shortage of water and food scarcity. India has abundant natural resources like land, water, forests, cattle wealth, sea-shore of 7,000 km, ever shining sun and manpower. If they are scientifically and fully developed, there cannot be any scarcity of food and water. On the contrary, India has potential to feed some developing poor countries dying from hunger.

Only high growth rate is not enough:

High growth rate alone cannot render socio-economic justice, nor could it help in improving quality of life of the people or save our great nature. Even the UNIDO noted that "**Despite strong macro-economic fundamentals and private sector performance, high economic growth (during the Tenth Five Year Plan) did not provide basic social services adequately and in turn, the whole development process failed to be sufficiently inclusive.**" A balanced approach for inclusive growth

with due care of environment is therefore imperative. The Government of India has been emphasizing on giving high priority for more investments and adequate employment opportunities on the backdrop of global recession. While this approach is laudable, an Agenda for Inclusive Development with priority on certain basic sectors, for social justice and equity are equally important. The mid-term appraisal of the 11th Five Year Plan may perhaps reflect similar views.

Food and water security:

India still lives in villages. Our primary target should, therefore, be the rural population. It deeply hurts to say that thousands of villages are even deprived of potable drinking water. This problem is also closely linked with their health and productivity. Abject poverty and lack of purchasing power have kept millions of families virtually hungry. All programmes to provide more incomes to the rural people if efficiently implemented with transparency are bound to enhance this purchasing power. With increase in purchasing power, the existing agro-produce in the country will be too inadequate to meet the growing requirements of the society. Besides, Global Warming has already endangered the very existence of the Universe. In this background, it has become essential to conserve every drop of water wherever and whenever it rains, use it effectively, prevent soil erosion, every inch of land to be made productive, and plant millions of trees every year. This calls for a Scientific Watershed Development Programme and greening, in all the 6,00,000 villages in the country as suggested by the High Level Policy Committee on Wastelands Development constituted under my Chairmanship. Top most priority should be given by the Government to this programme.

Agricultural sector:

Food security is closely linked to a healthy growth of the agricultural sector. The 11th Five Year Plan expects the Agricultural Sector's Growth Rate to be 4 per cent. It is possible to exceed the target through a sound package from proper sowing, supply of quality seeds, storage, processing and marketing, assured remunerative price, crop insurance and credit facilities at 4 per cent rate of interest. If for some reasons, it is not possible to charge such a low rate of interest for all the farmers, Government may consider providing credit at 4 per cent to small and marginal farmers who are dependent on rains and a somewhat higher rate up to 6 per cent for farmers having more than 2 hectares of perennially irrigated land. To begin with all the existing loans of rain-fed farmers should be immediately cleared. Even the Supreme Court of India has advised the Government to make all such farmers debt free.

Discriminatory treatment to agricultural sector and indifferent democratic system:

Whenever the issue of giving more and reasonable support price to agricultural produce is raised, some experts vehemently oppose as it will create more inflation. They never object if increased costs of industrial products are approved by the Bureau of Industrial Costs and Prices. Why same norms are denied to farmers? Besides, if farmers who constitute nearly 60 per cent of the people get more incomes, their money will come into market and help give a boost the whole economy. It is a great tragedy, when most of the elected representatives and also the Ministers belong to farming community; Indian agriculture should remain neglected. More than 1,58,000 farmers committed suicide within the last three years. This clearly reflects on the apathetic approach of the Government. In any other democratic country, people would have compelled the Government to resign or would have thrown the

Government out of power. It has not happened in India, as our democratic system has become a tool in the hands of money, power, mafia and *Goondas*. If this system is not immediately changed, it will only encourage uncontrollable "**Naxalism**" all over the country at the cost of our peace and great democracy.

Population control:

To speak of controlling population has virtually become an offence. No coercive measures are needed to control the population. It is possible to achieve this on the lines of Kerala by awakening the people and adopting healthcare programmes along with literacy to all. Instead of accepting the estimates of International Experts that the population of India may get stabilized by 2050, when it will reach the 160 crore mark, India should resolve to prove all such estimates wrong by controlling population with determination. This is all the more necessary to solve the problem of the acute shortage of drinking water, food grains, shelter to all and other essential requirements for all the citizens.

Employment to millions:

Scientific Watershed Development Programme, well implemented National Rural Employment Guarantee Scheme (**NREGS**), and similar such schemes could generate employment opportunities to millions of our people. It is also necessary to introduce certain innovative self-employment programmes for educated unemployed youth. The Government should make available at least 10 per cent seed money and loans to viable projects through Nationalized, Commercial and Cooperative Banks. This programme was successfully tried during 1973–74 under the "**Jobs to Half a Million Educated Youth Scheme**", when I was In-charge of the programme. In case of lowest

income groups, the Government should bear even the 10 per cent seed money.

Handlooms and handicrafts:

Millions of families are dependent on Handlooms, Handicrafts and similar decentralized occupations. Government should encourage these traditional occupations by restructuring *Khadi* and Village Industries Commission while simultaneously providing adequate funds and effective management. All these decentralized occupations require far less funding per unit and have tremendous potential to generate employment on a massive scale. There is an increasing demand for hand-made goods and articles in the global market. Training to develop skills, modern attractive packaging and marketing are equally necessary to make such products more competitive.

Use of *Swadeshi*:

Spirit and dedication to use "**Swadeshi**" could create our own material for indigenous production and captive consumption. Some countries have already initiated such action. For a massive country like India having population of more than 112 crores, this could be one of the most effective solutions to mitigate the effects of global recession on the country's economy. I treat that whatever is indigenously produced in the country is "**Swadeshi**".

Literacy and educational system:

It is a matter of immense shame that in spite of more than 60 years of Independence, nearly 30 crores of our people should remain illiterate. Government should take up a time bound programme to eradicate illiteracy within a span of 3 to 4 years and remove the worst backlog through innovative methods. The

Resolve to "right to education" should be taken to its logical conclusion. Even more importantly, dynamic changes are required to be made in the existing educational system. Education must be purposeful and productive. It must be able to develop the personality of the individual and make him / her self-reliant. Vocational training should be a major part of our educational system and not the present system introduced by Macaulay during the British Regime, which produces only '**bands of clerks like a factory**'. "**Sarva Shiksha Abhiyan**" should be made to work on these lines with specific direction to inculcate patriotism, values and disciplined life. Implementation of the 'right to education' is estimated to cost Rs 1.78 lakhs crores over the next 5 years. Attractive as it might sound, the task cannot be left to private initiative and has to be taken up by the Public Sector.

Health for all:

Since hundreds of years, India is known for its original Ayurvedic medicinal system including surgery. During the British Regime the country blindly accepted the Western Allopathic System neglecting the native systems. Research and Development has made the allopathic system more scientific, effective and attractive. Allopathic treatment may be useful for some serious diseases. However, for most ailments and diseases, indigenous **Ayurveda, Unani** and **Siddha Systems**, by and large, can take care of people's health needs. Unlike the allopathic medicines the prices of which have sky-rocketed, the indigenous ones are affordable and are not known to cause serious side effects. Indeed, in certain cases these offer quick and more reliable alternatives. Even today, indigenous systems are being used in our rural and backward areas. Government of India should prepare a National Policy of Integrated Medicinal System with more emphasis on *Ayurveda* and such other indigenous systems, with special emphasis on Research. The multinational

corporations and highly educated, affluent and influential people have a tendency to discredit this approach. However, this is the only way to redeem the pledge "**Health for All**" as announced by the Government.

Indian Yogic System is the least expensive and most scientific method to prevent and cure several ailments and diseases. *Yoga* is related to mind, body and soul. In these days of stress, *Yoga* has the potential to provide peace of mind, happiness and good health. It should be made an integral part of the objective of the country—**Health for All**. Yogic education and scientific "**Surya Namaskars**" should be made a part of our educational curriculum in all schools and colleges so that people could adopt it as a way of life.

Infant mortality:

Infant mortality and mortality of pregnant and lactating mothers is a serious problem. Lakhs of children and thousands of pregnant women die every year for want of nutritious food and proper healthcare. The conditions in distant and remote areas are unimaginable. As per recent report, nearly 5,000 children below age of 5 die every day. Government should immediately initiate action to prevent infant mortality and save lives of pregnant and lactating mothers. Integrated Medical System combined with locally produced nutritious food, milk and particularly mother's milk along with proper education and awakening could considerably mitigate this problem.

Dearth of nurses and midwives:

There is a **dearth of nurses and midwives** all over the country. Various hospitals and social organizations may be asked to provide training to nurses and midwives. Instant employment being available, women may opt for this service-oriented

vocation. Besides, there is a great demand for well-trained Nurses from all over the world.

Achieving 10 per cent growth rate:

It is possible to achieve 10 per cent overall growth rate including more than 4 per cent agricultural growth rate mainly through medium small and cottage sectors along with corporate sector and the Government owned infrastructural industries. Resolve to bring almost all available lands under cultivation and increase their productivity could certainly help not only to achieve but also exceed the targeted growth in the agricultural sector. It needs to be underlined that in the initial stage, China emphasized on agriculture and achieved more than 10 per cent growth in the agricultural sector alone. India too can achieve such a high growth given its favourable climate and trained manpower. I would like to urge that an **Integrated Plan for Agricultural Growth** should be prepared and executed by the Central Government and all State Governments in a time bound manner.

Urbanization and rural India:

In anticipation of better employment opportunities in cities, there is a growing influx of people coming from the rural areas. Indian cities are unplanned, overcrowded, congested and ugly and consequently have become a source of pollution of different kinds. At the same time, villages are looking deserted and rural life is getting destroyed. Government should, therefore, scrupulously discourage the growth of cities beyond manageable limits. Simultaneously the villages should be strengthened by creating adequate local employment opportunities along with providing basic facilities like education, health, sanitation, transport and communications. Similarly, several well-planned new urban centers should be created.

Such decentralization will considerably decongest the highly populated cities and strengthen the rural sector. This will considerably help in mitigating the threat of Global Warming.

Reverse migration:

Vanarai Foundation has successfully demonstrated that **Reverse Migration** is possible through developing and creating conditions to harness natural local resources such as land, water, cattle, forests, medicinal species, bio-mass and other natural endowments. Though the Directive Principles of our Constitution lay emphasis on decentralization, existing approach of pouring huge amounts of money for creating more amenities to congested cities is against these principles. The Government should adopt new **National Policy for Urban and Rural Development** to create environment-friendly atmosphere. **Panchayat Raj System** should be strengthened as stated in the Directive Principles and also our Constitution.

Millions without habitable houses or shelters:

It is estimated by the Planning Commission that nearly 25 million households need good shelter. While this may be an appropriate figure for urban centres, the conditions of houses in rural areas are too unhealthy and inhabitable. There are lakhs of *kachha* houses without even a single window. A programme to provide habitable housing with simple toilet, kitchen, cattle-shed and similar such facilities is essential. Government should take up such a massive programme. It is possible through people's involvement by using local materials and their partial contribution. Housing Cooperatives with marginal incentives could help in implementing this programme through *Shramdan* and peoples' contribution without much burden on the Government.

Shortage of raw material in future:

To overcome the problem of severe shortage of construction materials, it is essential to plant millions of trees in rural or urban areas so that reliance on materials like steel, cement, bricks could be minimized. With this programme green cover could be systematically increased. Without such well-planned advance action, it shall never be possible to solve the problem of housing. In all developed countries, wooden houses could be located everywhere except big urban centers.

Energy and environment:

Economic growth would necessarily be accompanied by growing demand for energy which in turn is likely to have adverse implications for the environment. To save the environment, Government should lay far more emphasis on non-conventional energy. Research & Development is necessary to make solar energy affordable to all. Massive bio-mass resources should be utilized to create energy. A novel scheme of energy plantations should be introduced in all villages to make them self-reliant in energy. Energy from winds and waves should also be tapped. All these programmes are environment-friendly. With more research, they could be cost effective. I am happy that the Central Government has recently decided to harness Solar Energy on missionary basis.

Green India forever:

Nearly 22 per cent of India's geographical area is in the possession of Forest Department. Government should immediately resolve to bring all forest land under Green Cover through Joint Forestry Management (**JFM**) programme within the next four to five years. Besides, Government should encourage farmers and the private sector to take up cultivation of several perennial plantation crops like mango, cashew, tea,

coffee, medicinal and other species to bring at least 11 per cent private area under Green Cover. NREGS and other Schemes should be geared to encourage such cultivation. It must be the Resolve of the country to maintain 1/3rd or even more area under permanent Green Cover to save the environment.

Infrastructure:

More investments in basic infrastructure like energy, steel, fertilizers, pesticides, communication and roads including highways, approachable roads and particularly for Scientific Watershed Programme in all the 6,00,000 villages are urgently required. Government should call for such investments from a variety of sources irrespective of their origin.

Black money, corruption and resources:

It is estimated that roughly more than 20 lakh crores of rupees in the form of black money run the wheels of parallel economy in the country. Corruption and black money go hand-in-hand and they characterize various sections of our society. The Government should resolve to unearth black money in a time bound manner. The Government did make some efforts in this direction. These, however, did not succeed because of lack of stringent measures and action against such social criminals. The Government should, therefore, **stipulate a fixed date for all disclosures** and resolve to punish the defaulters with rigorous imprisonment of not less than 5 years and confiscation of all their wealth. Such a move will certainly help in bringing out lakhs of crores of rupees of black money, and considerably add to the exchequer for utilization on various developmental programmes.

Black money in foreign countries:

All out efforts should be made to secure the names of all those who have deposited black money in Switzerland and other foreign locations. The Government should initiate negotiations with concerned countries and foreign banks to bring back such money. All persons and companies should be asked to disclose their wealth including black money within a stipulated time. Strict action should be initiated against such persons who siphoned off money abroad. Fortunately, the international environment is more conducive now for initiating such an action, than ever before.

Luxury taxes:

The 11th Five Year Plan Document clearly states on the widening gulf between the rich and the poor. To bring down this gap and also to mobilize resources without unduly burdening the poor, the productive sectors and to control exorbitant style of living there is a need to impose Luxury Taxes. For instance, luxury tax should be imposed on owners possessing more than 3,000 sq. ft. area for living within the jurisdictions of all the municipal corporations in the country. For the space over and above 3,000 sq. ft. luxury tax @ Rs 5/- per additional sq. ft. should be charged per annum. Similarly, all the Farm Houses (owned by the top brass of the city) within the vicinity of major cities coming under a radius of 50 kms, such tax should be imposed.

Luxury Tax should also be imposed on all persons possessing Gold in excess of 100 *tolas* and other jewellery above an approximate value of Rs 15 lakhs and above. Similarly all cars, helicopters and planes owned by individuals or companies valued at more than Rs 10 lakhs should be brought under this special tax. The luxury tax could fetch an amount of more than one lakh crores rupees every year. A tax such as this one will discourage unwarranted exorbitant lifestyles and investment in

unproductive wealth while making additional funds available for schemes that will help truly inclusive growth and close the rift between the rich and the poor. It is worth referring to the proposal that is presently being discussed in UK to tax owners of homes worth more than 1 million to pay an extra property tax to subsidize tax relief for the poor.

Cooperative movement and PDS:

India is number one milk and sugar producing country in the world. This could be achieved only because of the Cooperative Network in the country. In a massive country like India, Cooperative System could be the most effective instrument for socio-economic transformation. The Central and State Governments should lay far more emphasis on advancing the democratic Cooperative Movement run by dedicated workers right from the producers to the consumers and cover various stages of processing, warehousing, marketing, etc. It may be possible to give remunerative prices to the producers and make available the basic goods to consumers at reasonable prices. Through Public Distribution System (PDS), it should be encouraged as suggested by the Committee constituted by the Planning Commission during 1973–74 under my Chairmanship.

Information technology:

India has commenced use of Information Technology (IT) in Government Departments and other areas. However, it is essential to have extensive use of IT in the administration of development programmes for efficiency and transparency. The software prepared by Vanarai in cooperation with Software Institute of Rural Development (SIRD) has been approved by the Ministry of Science & Technology. Recently the Department of Science & Technology, NABARD and Vanarai have entered into a **Memorandum of Understanding (MOU)** regarding extensive

use of software for Scientific Watershed Development Programme. India being one of the leading countries in Information Technology, the Government should fully harness the indigenous capacities for all sectors. Education and computer Training to every House (**ETH**) designed by eminent scientist—Dr Vijay Bhatkar should be strengthened by the Government. This should include education of modern methods and technology to the farming community, artisans and young entrepreneurs for additional better production and more employment opportunities.

Tourism for foreign exchange and employment opportunities:

With many ancient historical places, forts, beautiful sea-shores, hill stations, high mountains like Himalayas, India could expand the tourism industry on a massive scale. This calls for attractive modest hotels, motels, swift transport and well-trained guides in the vicinity of such places. It is also possible to create Entertainment and Adventure Parks in certain parts of the country. Tourism industry has tremendous potential to earn foreign exchange as also to provide and generate employment opportunities to thousands of semi-skilled and unskilled people.

Restructuring planning commission & the NDC:

There was one party rule for several years in the past at the centre and in most states. In order that the national policies are accepted and implemented at various levels, there is need for greater involvement of multiple parties in crucial policy making and goal setting. In view of the plurality of the Governments, it would be advisable to restructure the Planning Commission and the National Development Council (**NDC**). The existing Planning Commission consists of deputy Chairman and 6–7 full time members. Henceforth, the Deputy Chairman and the members

should be nominated in consultation with the Leaders of the Opposition in *Lok Sabha* and *Rajya Sabha*. The full Planning Commission, along with 5 or 6 Cabinet Ministers nominated by the Prime Minister, should also have Leaders of Opposition in *Lok Sabha* and *Rajya Sabha* as Members.

At present the NDC consists of all the Members of full Planning Commission and Chief Ministers or Governors of all the States. **The NDC being a National Body should also include the Presidents of all the recognized political parties.** Five Year Plans and Annual Plans thus prepared by the Planning Commission and approved by the National Development Council shall naturally be **National Plans** and not a plan of a particular political party or combination of a few parties. The Five Year or Yearly Plans prepared by the restructured Planning Commission and the NDC will have to be implemented by the Centre and all the States without any reservation. Restructuring of the Planning Commission and the NDC will go a long way in removing any instability created by the coalition Governments and shall be able to do justice to the aspirations of the masses as envisaged in our Constitution.

Constitution of national missions:

In order to implement vital programmes in a time bound manner, the Government should consider constituting autonomous National Missions as mentioned below:

- (i) To develop and make productive all wastelands and our natural resources to take care of drinking water, food and energy while protecting and improving the environment.
- (ii) To eradicate illiteracy and blind faith and to inculcate love for values, patriotism, sense of sacrifice and social discipline.

- (iii) To control population in a democratic and participative manner
- (iv) To create employment opportunities and abolish poverty, and
- (v) To keep India ever Clean, Green and Eco-friendly or similar such other essential Missions to effectively execute the National Programmes.

Lavish life style:

Instead of leading luxury-oriented greedy life and directly or indirectly encouraging urbanization and multi-storeyed towers, India should give new direction to the world for sustainable rural and decentralized urban growth. To save the world including India from likely disaster, it is necessary to accept, **if not the Simple Living** advocated by our great Saints and Seers, **at least Moderate Living and High Thinking**. Small is beautiful should be our motto and Way of Life.

I have tried to put together some basic but essential steps for India to address the problem of inequitable growth and sustainable development. Understandably, many of the suggested programmes are intertwined. Wisdom lies in appropriate deployment of resources at places which benefit maximum number of people instead of concentrating on a few centres and activities. On the face of it, the measures may seem complicated but they are basic and implementation of which demands a receptive mindset and strong political will.

Gandhian engineering:

I am well aware that my approach is based on Gandhian Model. I firmly believe that renovated Gandhian philosophy, rather Gandian Engineering could help India and the whole world in

meeting several challenges created by greed, hatred and confrontations and also the threat of Global Warming. Gandhian Engineering adopted in an appropriate way could alone save India, the whole world and the universe.

My respectful homage:

I always admired Chandra Shekhar's ability to express his frank views even at the cost of losing popularity if he was convinced that it was in the interest of country and democracy. Chandra Shekhar was not an **Individual but an Institution by himself**. He was not only a fighter but a determined crusader. It gives me immense satisfaction to be with you today to pay my respectful homage to the departed close colleague.

Let me conclude by referring to Chandra Shekhar once again:

"The problems that we are facing are concrete, yet not insurmountable. With determination and will, which might of necessity entail suffering and sacrifice in privileged sectors—both private and public—we might still reach our goal." (Excerpt from "**Hunger and Planning**", editorial in *Young Indian*, October 24, 1974)

I am grateful to the Institute for Studies in Industrial Development (ISID), especially its Vice Chairman, Prof. S.K. Goyal, for giving me this opportunity. Prof. Goyal was a constant companion of ours during the *Young Turk* days struggling with us to give a New Direction to India's economic policies. As a Member of the Advisory Board of the *Young Indian*, the *Young Turks'* mouth piece, he rendered yeoman service to the cause and was virtually a Member of the group. I thank Dr Arjun K. Sengupta, Chairman, ISID and Prof. S.R. Hashim, Director ISID for inviting me to share my thoughts with you.

I am equally grateful to all of you for patiently listening to my views and welcome your involvement and suggestions to advance and speed up the process of sustainable and equitable development.

JAI HIND

About the ISID

The Institute for Studies in Industrial Development (ISID), successor to the Corporate Studies Group (CSG), is a national-level policy research organization in the public domain and is affiliated to the Indian Council of Social Science Research (ICSSR). Developing on the initial strength of studying India's industrial regulations, ISID has gained varied expertise in the analysis of the issues thrown up by the changing policy environment. The Institute's research and academic activities are organized under the following broad thematic areas:

Industrial Development: Complementarity and performance of different sectors (public, private, FDI, cooperative, SMEs, etc.); trends, structures and performance of Indian industries in the context of globalisation; locational aspects of industry in the context of balanced regional development.

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Employment, Labour and Social Sector: Growth and structure of employment; impact of economic reforms and globalisation; trade and employment, labour regulation, social protection, health, education, etc.

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ISID has developed databases on various aspects of the Indian economy, particularly concerning industry and the corporate sector. It has created On-line Indexes of Indian Social Science Journals (OLI) and Press Clippings on diverse social science subjects. These have been widely acclaimed as valuable sources of information for researchers studying India's socio-economic development.



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