

# WITHDRAW NEW TAXES ON COMMON PEOPLE

11/13/524

## Present Budget Does Not Tap Real Resources

*This is the thirteenth Budget under planning. But added to this is the emergency today which, naturally, has an impact on the economic policies and, in particular, on the budget proposals.*

It is agreed on all hands that resources should be found for the strengthening of our national defence as well as for the country's economic development. I think, on the whole, it is a right approach in the situation that national defence and economic development, instead of being counterpoised, one against the other, should go hand in hand.

Indeed, we cannot have a strong self-relying defence potential in the country either now or in the future or in any future at all without having a strong economic base, for without a strong industrial base you cannot have modern defence in the world today.

The tragedy of the present budget is that it heavily penalises the patriotism of our people. It seems that those who have formulated the budget have taken into their heads that the legitimate sentiments of the people for strengthening the defence of the country, as we all stand for strengthening the defence of the country, could be exploited in a manner which is, in a large measure, against the interests of the people as well as against the interest of defence economy.

### TWO SIDES OF DEFENCE

I wish to make it very clear that defence has two sides, weapons and equipment on the one hand, and the human side as well as the labour power of the working people on the other. We cannot conceive of a strong defence in conditions of discontent, privations, sorrow and suffering. We will have to evolve a policy whereby the resources of the country could be mobilised simultaneously with the harnessing of the willing labour power, enthusiasm and initiative of our working people. That is how we should approach the problem of defence in a democratic set-up.

We are very glad that the Prime Minister has rightly pointed out, time and again, that in order to defend something, we must have that thing, and defence will be meaningless if we, in the name of preparations for the defence of the country, begin to sell our independence at some other counter. Such is not, fortunately, the policy of the Government as we understand it, and such can never be the policy of the Government.

Therefore there is national agreement on the question of defence and also on the question of economic development although it has been raised by some people that in order to prepare the country for its defence, we must abandon some of our good objectives in the Plan gradually and prune it. But, by and large, the Government, at least in theory, has not accepted it, and we would also like the Government not to accept it in point of fact because no defence worthy of a great inde-

By  
**Bhupesh Gupta**

pendent nation like ours, can ever be built except of the foundations of a solid, growing, and strong economy.

Now therefore, where does the controversy arise between ourselves and the Government? The controversy arises on the question of finding resources, and the question to be asked today is how to set about the task of fulfilling the needs of the situation as a whole and the emergency in particular, and where to find the resources for the purpose. It was possible for the Government to raise the resources without going in for some of the harsh economic burdens which they have decided to impose upon the people.

The dimension and the magnitude of the Budget proposals have been outlined by the Finance Minister in his speech but in that he has covered more or less the same ground; out of the same sources and the same set of people, he proposes to raise a larger sum.

Let us talk in terms of the people who are going to pay. The Public Sector is not to pay much. There is no scheme of nationalisation whatsoever. That would have a reorientation offering new sources of revenue for meeting the needs of the situation. This is number one.

Number two is the Finance Minister's claim that he has placed the Budget equitably. I wish it was so. The question is how do you call it equitable? The burden has fallen heavily on the common people, poorer sections of the community whereas it has fallen somewhat generously and lightly as far as the richer sections of the

community are concerned. Therefore we cannot forget that aspect of the matter when we discuss this Budget, because the human feature must emerge before our eyes as we consider the Budget proposals. After all, they relate to the problem of life, living, labour and all the rest of it.

This budget is inequitable. The taxes on items, such as, tobacco, kerosene, tea, paper, coffee, cotton yarn, woollen yarn and so on, will immediately directly hit the poorer sections of the community. If anything, these sections of the community deserve to be given relief. They do not deserve to be hit so hard by way of additional taxation.

The Union Excise Duties in our budgetary system have become a means of exploitation of the masses in order to raise revenue and in order to influence the economic policies of the Government in a direction not of people's interest but of the interest of the exploiting classes. From 1950-51 to the present budget, the excise duties have increased tenfold, from Rs. 87.54 crores to Rs. 890.57 crores.

This is a matter of concern because these excise duties in the first place hit the interest of the masses and secondly, they set in an inflationary pressure on our economy and lead to a growth in the disparities of our national income, all contrary to the declared objectives and policies of the Five Year Plans.

Let us take the income tax. We are not opposed to it. In fact, our criticism of the Government has been that as far as the higher income brackets are concerned, they have dealt with them leniently in fixing the tax rate, in assessing taxes, even in collecting tax arrears which are said to be of the order of Rs. 133 crores every year.

### BIG BUSINESS LET OFF

This figure, let alone other things, is accounted for by big business and other people who are in a position to pay and for whom it should not be difficult for the Government to compel them to pay. But now a thing has developed. A system of surcharge which will hit the workers, the peasants, the middle class employees and shopkeepers and traders who may not be in the category of those who pay income tax but who are to make a compulsory saving because of the surcharge on this category.

These taxes will lead to a rise in prices. On the one hand, deductions will be made at the source by compulsory levy of taxes and on the other there will be rise in prices of essential commodities, both simultaneously leading to further depression of living standards of low income group people.

We had been supporting compulsory deposits and urging on the Government to introduce some such scheme as would enable them to tap the resources living with the former princes, multi-millionaires, big business and other sections of the wealthy people. But things have been somewhat misconceived. If this happens through the compulsory deposit scheme, then it deserves our support but the Finance Minister is thrusting the scheme

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these could have been avoided if the Government had taken a different approach in this matter. I have tried to calculate and it seems to me that under the Union Excise Duties, taxes worth Rs. 40 crores are clearly unjustified. Under Customs, taxes amounting to Rs. 27 crores and a part of the levy under the income tax in the lower categories — surcharge and so on — of the order of Rs. 18 crores are also unjustified according to my reckoning. So, Rs. 80 crores to Rs. 90 crores seem to be within the category of unjustified taxes.

The question therefore arises as to whether we could have found these Rs. 80 to Rs. 90 crores by avoiding these unjustified impositions and by going in for some other methods for raising resources and my answer to this is in the affirmative.

It was possible for the Government to raise this amount by other means and methods without putting such heavily loaded burdens on the common man. Just by abolishing the tax holidays and certain other concessions, several crores of rupees could be found. More effective compulsory savings should have been tapped and restrictions on private salaries of the officers etc., should have been placed more effectively.

We should have compelled the ex-rulers to disgorge their hoarded gold and other wealth. We do not believe in writing letters to the Nizam; we believe in getting money from him. You do not write letters to the Government employees for their compulsory savings. And yet in the case of the Nizam, is such sweet reasonableness to be exercised rather than compelling him to disgorge his ill-earned wealth over which he is sitting today?

The Government's gold bond scheme has failed; it has brought

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### CHANGE OF ADDRESS

The Editorial Office of New Age (Weekly) has been shifted from 7/4 Asaf Ali Road to a rented premises at 5, Rani Jhansi Road, New Delhi-1. (First floor), since March 1.

All letters, news items etc., for the editorial department should be addressed to 5, Rani Jhansi Road, New Delhi-1.

The Managerial Office continues to be at 7/4 Asaf Ali Road and all communications concerning circulation etc., should be sent to that address.

Editorial Board

# INSULT TO NATION

## JAN SANGH EXHIBITION AT LUCKNOW

How anti-Communism today merges with anti-Nehruism, anti-Gandhism and anti-nationalism and becomes an integrated outlook of fascism has been demonstrated most vividly by the pavilion entitled Ma ki Pukar put up in the RSS-Jan Sangh-organised exhibition at Lucknow. We print below statements of Communist and Congress leaders protesting against this outrage.

**Dr. Z. A. Ahmad, member of the Central Secretariat of the CPI, in a statement issued on March 2 demanded immediate closure of the "Call of Mother" pavilion in the industrial exhibition.**

THE statement says: "It is a matter of grave concern that the RSS and the Jan Sangh are using the exhibition for their anti-national propaganda. The stall known as Ma ki Pukar distorts the history of the national movement, maligns national leaders and has been made a medium for launching a campaign against Pandit Nehru. In fact, the main purpose of the stall seems to be to exhibit posters and slogans derogatory to Pandit Nehru and his policies. Furthermore, the Muslims and Communists are portrayed as traitors.

The fact that the exhibition has the patronage and support of some members of the U. P. Government is more distressing.

I hope that the Chief Minister will take a serious view of such anti-national activities and put an effective check on them.

**Govind Sahai, Minister for Jails, has also issued a statement which reads:**

MR. Golwalkar and other Jan Sangh workers these days are laying a good deal of emphasis on Manohar (moral) but what type of Manohar they are trying to build can easily be understood by a visit to their industrial exhibition being held these days. In the pavilion known as Ma ki Pukar, the Sino-Indian conflict is being explained through maps and charts. This is a subtle attempt to ridicule and malign Pandit Nehru and depict him as a

weak-kneed compromiser. They try to show how his complacency is responsible for the reverses and how he is incapable of prosecuting any war against China.

In another section, the Muslims and Communists are branded as traitors. In the end, a list of Indian fighters for freedom is shown, and it is significant that not one outstanding Congress leader is there. Thus, the whole history of the struggle for freedom is being removed from our sight.

A question might well be asked—what is the purpose behind this distortion of historical facts. How does such a presentation strengthen us? The whole show has a set bias and purpose, and it is strange that this willful distortion of facts and history has not been taken notice of either by the leaders of political parties or even by the Intelligence Department.

If the Jan Sangh can twist history and produce this make-believe of a history in the Congress regime, one can very well imagine to what extent it would go if it came to power. The saner section of the public should ponder over this.

Ram Kumar Shastri, a senior Congress MLA, in a statement said that the exhibition had tried to "ridicule Pandit Nehru". "It gives an impression that Pandit Nehru was betraying the country", he said.

Shiva Sampat Sharma, MLA, in a statement said that

the commentary by the RSS boys explaining the charts and posters was worse than the posters and the pictures themselves.

SIX Congress legislators of U. P.—Jagan Prasad Rawat, Ram Kumar Shastri, Lal Bahadur Singh, Jaii Abbas, Naurang Lal and Mrs. Rajendra Kumari Bajpai—have in a joint statement appealed to the defenders of freedom, socialism and humanism to condemn the Jan Sangh-sponsored anti-Nehru exhibition and asked the Government to 'undo the mischief'.

The statement says: "It is strange that in spite of the association of some of the important members of the Government with the sponsoring committee of this exhibition and the participation of the state Government in the exhibition, the Government should have been quite in the dark about the ravaging campaign of hate and maligning resorted to by the Jan Sangh against the symbol of our national life—Pandit Nehru.

### Role of Congress Ignored

CHATURBHUI Sharma, Minister for Co-operation, in a statement to the press, says:

"The controversy over the exhibition, which has been organised by the Jan Sangh in the Aminudaula Park, prompted me to visit it. Two things struck me most. Firstly, the objectionable manner in which our beloved Prime Minister has been maligne and, secondly, the studied manner in which the glorious role of the Indian National Congress during freedom struggle days has been ignored completely.

Not only this, the exhibition has also systematically neglected the spectacular events which ultimately ushered in our 'swarajya'. The sponsors of the exhibition have certainly rendered a great disservice to the country by putting up such an exhibition at a time when national unity is the need of the hour.

## Enrolment and Renewal Of Party Membership

S. A. Dange, Chairman of the CPI has issued a circular on February 28 regarding the registration and renewal of Party membership for 1962. The Secretariat has also called on Party Units to organise a Party Membership Campaign fortnight from April 1 to 15. Following is the text of the circular:

THE National Council of the Party in its meeting held in Delhi from February 5 to 12, 1962 discussed the question of registration and renewal of Party membership for 1962 and decided to extend the last date to May Day, 1963.

Normally, the work of registration and renewal of Party membership for 1962 would have been finished by December 31, 1962. But the reports made to the National Council from various States showed that this work could not be finished in view of the national emergency and large-scale arrests and detentions of State, District and other Party leaders. Therefore, the National Council thought it necessary to extend the date by four months so that the lag may be made up and necessary steps taken for renewing the old membership and registering new members in accordance with the provisions of the Party Constitution.

It has been our longstanding experience that the political influence of the Party is not properly reflected in its membership. This organisational lag has been a major weakness of the Party in its struggle to discharge its political responsibilities. One of the primary means to overcome this lag is to increase the number of Party members. This task has been over and over again emphasised by the Party. This task retains its validity even today despite the temporary organisational dislocation suffered by the Party in many places due to arrests and other factors.

All State units are requested to send us reports about their Party membership registration and recruitment drive along with the Central quota of membership fee.

hysterical campaign of anti-Communism spearheaded by Right reaction is a challenge which has to be resolutely met and boldly rebuffed. This challenge of Right reaction has to be rebuffed, above all, by increasing, consolidating, unifying and activating the Party ranks on the basis of the National Council Resolutions. Conditions do exist in fact for increasing the membership of the Party. In the recent period thousands and lakhs have begun to appreciate the role of the Party and its political line in a new way. In the areas of the working class particularly, and also the poor and tolling middle-classes, the Party can make new and bold approach for new membership. Experience shows that we are not on the retreat but have found wider bases in the minds of the people. Despite the terroristic actions of Right reaction we can secure new genuine membership if the leadership at the different levels gives up diffidence and works with an understanding of the situation.

The State then launched the fourth measure—to attack the demand of the ordinary consumer of ornament gold. Having failed to attack the big illegal investors, they attacked the small investor, that is, the small man who held a part of his little money in the form of his ornaments. Was it necessary to do so?

The banning of future making of pure gold ornaments and forcing only 14 carats on the small consumer will reduce the demand for gold to some extent. How much? In the first place, it is wrong to assume that the major part of the smuggled gold goes in the small man's ornamental holding that is, Rs. ten crores worth, the new 14 carat ornaments will absorb about five crores worth of pure gold for the new ornaments.

This does not take account of the illegal pure gold ornaments that will be made, perhaps with a little cost added on as charge of the new small smuggler who will soon spring up as happened in the case of liquor prohibition.

Along with the big international smugglers, we shall be having now a new band of small local, town and village smugglers of pure gold ornaments under the 14-carat cover. Even then we may take the savings in the foreign exchange that will take place due to the fall in consumption of pure gold ornaments as about Rs. five to seven crores and not more.

How far will the internal price of gold be affected by this small curtailment of ornamental gold? Very little. The fall that we are seeing today is not due so much to the ban on ornaments. It is due to other factors. It is mainly due to the ban on futures.

Thus the State intervention in the small man's little investments and ornaments will cause no substantial savings or fall in price, it will add to the army of smugglers and bureaucrats. It will cause harassment of women wearers and small consumers, without much benefit to the national economy. Is there any alternative to

formed a Committee for Defence of National Basic policies with O. P. Bahl, a noted Congressman, trade unionist and A. C. Nanda, General Secretary of the Delhi State Committee of the AITUC as joint conveners to carry forward the campaign and to counter the propaganda of the unholy combination.

# The State, The Smuggler & The Small Man

We dealt with some aspects of the gold problem, as it affects the people in general. We have said that the present measures will not solve the problem, though a beginning has been made. What is the beginning?

IN the solution of this problem, the State alone can play the key role. Its two main measures had failed long ago. It had failed to stop the smuggler coming in. Secondly, it had failed to stop illegal black money being made by the big rich, who put that money in smuggled gold and bought it at any price. The failure of the third measure that is, to stop this forty or fifty crores of rupees—the purchase price of smuggled gold—from going out of the country and becoming a drain on foreign exchange was an inevitable corollary of the first two failures.

### FOR STATE TRADING IN GOLD

Government has to buy and hold a certain amount of gold in its reserves as a backing for its currency. For this purpose, it buys the gold from internal production or from foreign banks and markets. For foreign purchases it has to pay foreign exchange. That means a part of our exports have to be exchanged for a certain import of gold.

Before the war, import or purchase of gold outside the country on both Government and private account was permitted. Now it is not permitted on private account. This is not wrong because if private imports are allowed, the development of our economy and planning would be hampered. But private import of gold continues and that is called smuggled gold. It is done at double the international market price. It cannot be prevented. Hence, let the State trade substitute the smugglers' trade and beat it.

What will be its effect? First the smuggler will be hit. He will not be wiped out. But his operations will suffer on the main count, that is, the price. Today, the smuggler buys outside at about Rs. 54 per 10 grams and sells here at Rs. 130. If Government buys at Rs. 54, as it is entitled to and can do, and much more so than the smugglers from the international bankers and producers, and sell it on the Indian market at the rate of even Rs. 70, the back of the smugglers' price will be broken.

### GOOD BEGINNING

Government have been very hesitant in the past in attacking the gold and silver market, the speculators and hoarders of bullion. But it has made a good beginning in one respect. The Communist Group in Parliament has all along been pleading, not now in the context of Emergency, but even before, that if planning and prices is to be done successfully, one of the most essential preconditions is to stop the speculative market and transactions in all commodities, including gold and silver, stocks and shares.

### RADICAL RESULTS

The results of such an operation, even if done for one or two years, will be extremely radical. Even if Government meet all the demands including that of the illegal black money hoarder, the cost will be half of the Rs. 40 crores. Thus, twenty crores in foreign exchange which, in any case, are lost today will be saved.

The most vicious atmosphere of smuggling and its attendant evils of maintaining a vast State apparatus to prevent it (and with no success) can be done away with. The rise of the new small town and village smuggler and the harassment of the small man will be prevented. And so on. The gains of this are far bigger than the money saved through the present measures.

If all the demand is met, it will add Rs. 20 crores to our imports for 1961-62 was about Rs. 978 crores. An addition of Rs. 20 crores on gold imports account is not much in

terms of value as such. The gains in our internal economy will far outweigh the seeming loss.

One more advantage to Government of entering the trade in gold upto a certain limit is that it will be able to collect some of the inflationary money. That money which does not come to savings in any form and today is smuggled out will get frozen inside the country. It will also give Government at least a profit of 25 per cent, whereas the smugglers are making nearly 185 per cent.

We should certainly like to hear why Government should not do this.

Shall we not be, in this way, helping the illegal black money owner to put his money in gold as he was doing before? If Government meets the whole demand and does it on a free market, he may do so. But we propose that this sale should be controlled as regards quantity, should be restricted to families of small means and not take the form of an absolutely unlimited free market sales. Methods can be found to do this, which will not be as costly, cumbersome and ineffective as the present ones against the smuggler or those against the pure ornament maker are going to be.

### FORCED MEASURE

Thus the Chinese invasion set the Government machinery in motion to take those very measures which it had resisted. The measures against forward trading were good in themselves. But they were not all-inclusive nor rigidly carried out. They were not all-inclusive in that the food market was not included. The kerb traders doing things on the sly were not hauled up and punished. The good beginning has already started wearing out. In fact, it is surprising to know that India is the only country in the world, where future trading in gold and silver exists, according to a statement made by the economist, Prof. Shenooy. Our insistence now should be that these speculative forward markets and even daily delivery spot markets should be done away with for good. But we shall discuss this elsewhere.

To do a certain good thing, Government required false excuses and pretences. Is it not a bad commentary that what was necessary for developing our economy all these years was done under the excuse of defence, that it required a Chinese invasion to stop the speculative markets and the consequent anarchy of our commodity markets? Why could we not have done it against a handful of moneyed sharks even before? Because the ruling gentlemen were friendly to or afraid of these sharks? Let us not raise further questions in this vein here. The question of gold speculation has a longer history and we will look into it later on.

Having been forced to attack forward trading and particularly in gold, the Government instead of turning to compulsory requisitioning of bar gold, turned to the "social habits of ornaments". So it was made into a moral, cultural, psychological problem of social reform, rather than a problem of the capitalist class, of the monopoly hoarders and their anti-social class interests. The people were told that no country allows gold like that for private use.

Well, here is one report for you to note: "In the world around us, with few exceptions, gold is held and traded privately, serving its age-old function as the citizen's favourite hedge against paper-money inflation. More gold moved in 1962 into private uses and holdings than in any other post-war year. The tentative figure works out at 1.1 billion dollars or some 250 million dollars more than in 1961. This somewhat over three quarters of total new supplies went into private uses and holdings." This is the report in the Monthly Letter of January 1963, of the First National City Bank of New York, containing a review of the world gold position, as given by the Commerce (Jan. 5, 1963).

Where does our poor, small ornament holder with his bad "social habit" stand in the

context of this worldwide habit of capitalism (not very age-old function, as the writer says) to hold gold for private use against paper-money inflation? If the Indian peasant and small man wants his little gold against the depreciating rupee, what special wrong is he doing under the benign rule of our pious capitalism a "special habit"?

In short, our proposal is:

1 Ban all forward-trading or futures in gold and silver for all time.

2 Sell gold through the State agency to the small man upto a limit.

3 Put a ceiling on pure gold ornamental holding per family (not per head) upto Rs. 5,000 in value or similar value in quantity. The holding must not be binami, i.e., in fictitious ownership.

4 Requisition all pure bar gold from all holders above the ceiling on ornamental gold, as above, and give them a reasonable price, a little above the international price, without inquiry, as to where they got it from, as is being done in the Gold Bond issue.

5 Free ornamental gold from the 14 carat rule and confine it within the above ceiling.

There are some more problems to be discussed on this question of gold. What is the function of gold in today's capitalist economy? What is it in socialist economy? What is the relation of gold to the richness or wealth of a country today, as compared to medieval or ancient times? Which countries have largest gold reserves and why? These questions require study and understanding by our working masses if they are not to be misled by bourgeois thinking. We will deal with them next time. (March 5).

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by  
**S. A. Dange**

## Delhi Workers Demonstrate In Defence of Basic National Policies

From Our Correspondent

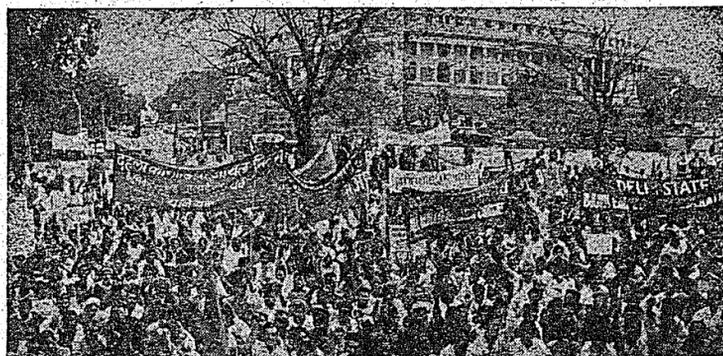
The Delhi working class by demonstrating in front of Parliament on February 28 in support of the basic policies of the nation has once again fulfilled its responsibility to the country at this juncture when the Right reaction is seeking to do away with all that is good in the life of the nation and bind it to the handgawon of imperialism.

MORE than 5,000 workers including mill workers, bank employees, rickshaw pullers, engineering workers, shop employees, newspaper employees etc., under the joint leadership of the AITUC, Hind Mazdoor Panchayat, and unions of Rickshaw pullers, newspaper and bank employees, demonstrated for more than two hours on February 28 for the defence of country's policies for non-alignment, peace and socialism.

This was a political task of the Delhi working class, particularly in view of activities the unholy combination of Jan Sangh, PSP, Forward Bloc, Akali Dal, Anti-Chinese

Aggression Committee and the Swatantra Party in Delhi which had been trying its best to scuttle the acceptance of the Colombo proposals by the Government of India as a basis for negotiation on the India-China border dispute. It is surprising how these elements could come together on joint programmes, from opposing Colombo proposals and anti-Nehru campaign down to the opening of a cinema house in Sabzi Mandi.

On February 10, this combination tried to hold a meeting at Hazrat Nizamuddin, the ill-famed place from where on October 31 an attack on the



A view of the demonstration outside Parliament.

CPI headquarters was organised by the same group of people. The meeting was convened to observe 'No Compromise Day' over the question of negotiation with China. It is true that in all only 85 people including the police and speakers attended that meeting and that the Delhi press for the first time

completely ignored such a meeting but this attempt should not be just taken with complacence.

Against the growing activities of the Right reaction, the Delhi working class demonstrated in support of the basic policies of the nation. This was timely and necessary. The Delhi trade unions have now

formed a Committee for Defence of National Basic policies with O. P. Bahl, a noted Congressman, trade unionist and A. C. Nanda, General Secretary of the Delhi State Committee of the AITUC as joint conveners to carry forward the campaign and to counter the propaganda of the unholy combination.

## RAJEN BABU

NEW AGE joins the rest of the nation in mourning the death of Dr. Rajendra Prasad. It sends heartfelt condolences to the bereaved family.

Rajen Babu's part in the struggle for national independence, as one of the closest followers of Gandhiji and as one of the top-most leaders of the Indian National Congress, won for him a high place in the affection and esteem of the Indian people.

His work as President of the Constituent Assembly and above all as the first President of the Indian Republic made him one of the outstanding leaders of independent India.

After retirement, Rajen Babu devoted his energies to constructive work. His participation last year in the Anti-Nuclear Convention marked the beginning of interest in the work for peace and disarmament.

What will always stand out in the memories of our people of Rajen Babu will be his contribution to the freedom struggle and the years he spent in helping to build the new India.

## DOGMATISM—DESPERATE AND DEFIANT

**EDITORIAL**  
THE COMMUNIST Party of China has rudely rejected the plea made by the leaders of the Communist Parties of the Soviet Union and other countries for a stop to polemics in the press on the ideological differences inside the international Communist movement.

The rejection of this eminently sensible proposal, which had been made in the interests of unity and with a view to undertaking serious preparations for a new meeting of the representatives of Communist and Workers' Parties, is accompanied by what may be correctly described as the most abusive and slanderous attacks ever made in the course of discussions among the fraternal Communist Parties.

These attacks are contained in the editorial of the Peking's *People's Daily* (February 27) titled "Whence the Differences?—a Reply to Comrade Thorez and Other Comrades" and in the article by the Editorial Board of the *Red Flag*, organ of the Communist Party of China, titled "More on the Differences Between Comrade Togliatti and Us—Some Important Problems of Leninism in the Contemporary World."

On every single issue of controversy, the position of the Communist Party of the Soviet Union, of France and Italy, of the entire international Communist movement, is assailed by the Communist Party of China in these articles, which are being given worldwide circulation. The declarations and statements of Communist leaders, and particularly those of Comrade Khrushchov, are deliberately distorted and twisted in a manner which can only help the imperialists and the enemies of socialism in their anti-Soviet, anti-Communist slander campaigns.

The present differences and conflicts in the international Communist movement have arisen primarily from the violation by the Communist Party of China of the common understanding of the movement as contained in the Moscow Declaration of 1957 and the Moscow Statement of 1960 of the Communist and Workers' Parties. At the root of these violations is the dogmatic and one-sided understanding of the leadership of the Chinese Communist Party.

Recent events—particularly the crisis in the Caribbean and the Chinese aggression against our country—have demonstrated to the entire world the grave dangers for all humanity of dogmatism, desperate at its growing isolation, defiant of all fraternal criticisms.

The attitude of the leadership of the Chinese Communist Party towards India is a part and parcel of its wrong outlook, of its persistent violation of the commonly agreed understanding of the international Communist movement. It is not an accident that the *People's Daily*

editorial reserves some of its choicest abuse for the Communist Party of the Soviet Union and for other Communist Parties and Communist leaders for their stand in regard to the India-China border conflict.

In fact, the *People's Daily* makes this question the "starting point" of differences. It says that "the internal differences among the fraternal parties were first brought into the open... on September 9, 1959, to be exact", the date on which the famous TASS statement on the India-China border clash was issued.

The *People's Daily* editorial launches a full-scale offensive against the international Communist movement for the stand it has taken on the Sino-Indian border issue. It condemns "certain self-styled Marxist-Leninists" who "abandon the principle of proletarian internationalism and assume a neutral stand" between India and China. The *People's Daily* minces no words, it says: "In practice, they have not only been giving political support to the anti-China policy of the Nehru Government but have been supplying that Government with war materials."

The Chinese Communist Party condemns Thorez, Togliatti and other Communist leaders and their Parties for supporting, as "a sensible policy" the policy pursued by the Soviet Union in regard to the India-China question. (There is no doubt left in the articles that "the self-styled Marxist elements" referred to are the leaders of the Soviet Union's Communist Party). Thorez is particularly attacked for daring to say that China's policy towards India has benefited imperialism.

The *People's Daily* editorial places the India-China question on a par with the Caribbean crisis as "evidence" of the "wrong policies" pursued by the Soviet Union and by the international Communist movement.

The imperialists and all the reactionaries everywhere are delighted at the sharpening of the conflict inside the international Communist movement; their dreams of a split seem to them more real than before, after the publication of the new Chinese articles, which appear to be almost a full-scale platform for international dogmatism of this period.

But the Communist Parties of the world will not permit the splitting activities conducted by any one party to succeed. They know that the unity of the international Communist movement is vitally necessary for the victory of the proletariat, both in each country and on an international scale, for the victory of the cause of peace, national independence, democracy and socialism. That is why they will preserve this unity, come what may, and frustrate the efforts of the dogmatist disruptors of this unity.

(March 5)

Notes of the Week

★By Romesh Chandra

## China Vs Colombo

THE *People's Daily* in its editorial of March 5 has made China's position clear in regard to the Colombo proposals. China is not willing to accept the proposals and their clarifications.

The editorial says quite openly that the Chinese Government considers the clarifications solemnly made by Mrs. Bandaranaike and her colleagues as invalid: they are "not formal Conference documents", they have been put forward by "only some representatives of the Conference."

These are amazing arguments, to say the least. Who can clarify the proposals better than those authorised by the Conference to do so? Mrs. Bandaranaike, Mr. Ali Sabri and the Ghana representative came to New Delhi with full authority of the Colombo Conference, precisely to clarify the Colombo proposals. But the Chinese Government refuses to recognise the right of Mrs. Bandaranaike and her colleagues to clarify their own proposals!

The *People's Daily* goes further to indicate more clearly its refusal to accept the proposals themselves. The editorial says:

"It is known to all that the task of the Colombo Conference was one of mediation and not arbitration and the Conference proposals and recommendations were not verdicts."

The editorial condemns India for urging China to accept the Colombo proposals. This, according to it, is "to lay down pre-conditions making the opening of negotiations altogether impossible."

This wall about India's so-called "pre-conditions" for negotiations has been part of the Chinese propaganda line from the very start. If India urged the vacation of the present aggression, it was imposing "impossible pre-conditions" (September 8 line—"impossible pre-conditions"). And now Colombo proposals—again "impossible pre-conditions!"

The truth is that the Chinese Government seeks by the repetition of this propaganda line to hide from the world the fact that it is itself guilty all the time of imposing pre-conditions (absolutely unfair and unjust pre-conditions, too) by insisting on the acceptance of its own proposals of November 21, before agreeing to any negotiations.

Even today it has unilaterally carried out its own proposals through its planned "withdrawal" of forces, paying lip-service only to one tiny part of the Colombo proposals, and it now calls on India to negotiate on its terms or not at all.

What is even more regrettable is the fact that the *People's Daily* should reject so firmly Prime Minister Nehru's suggestion for arbitration as a way to a peaceful solution of the conflict. Chinese propaganda talks incessantly of its desire for a peaceful settlement. But when it comes to brass tacks, it turns down every avenue towards peace.

All those in this country who sincerely desire an end to the present conflict between India and China will be sorely disappointed at the manner in which the Chinese Government is acting today, rejecting the Colombo proposals, rejecting arbitration, and instead entering into a provocative border agreement with Pakistan.

It would be amusing if it were not so sickening to read of China's complaint that "India, encouraged by certain Western powers, has redoubled its efforts to entice Pakistan into a joint anti-Chinese campaign."

Poor, innocent, enticeable Pakistan—which is tied so firmly by its rulers to the U.S. imperialists through a number of military pacts including the hated SEATO, whose avowed aim is to contain "Chinese expansionism in South East Asia!"

## STOP THIS ANTI-NATIONAL EXHIBITION

IT is now no more a surprise for the Indian people to see that the Right reactionary parties in this country take precisely the same stand as the Chinese on many questions. This week has seen, in Parliament and outside, renewed attacks on the Colombo proposals and on the Prime Minister's suggestion for arbitration, by leaders of the Swatantra Party and the Jan Sangh, as well as by the PSP and the SP.

Of deep national significance have been the events round the so-called Puroshottamdas Tandon Industrial Exhibition in Lucknow. In the U.P. Legislature this exhibition has aroused a furor. And no wonder.

As Bhupesh Gupta pointed out in the *Rajya Sabha* on March 5, "in that exhibition, the Prime Minister and his basic policies are being attacked through posters which are 'intended to rouse people against the Prime Minister and his basic policies and even meant to eliminate from the scene important national leaders.'"

The exhibition is a violent and crude projection of the hate policies of the RSS and the Jan Sangh. For example, in its gallery of so-called national leaders, Muslim patriots, like Maulana Azad, Dr. Ansari and the Ali Brothers find no place and neither does Prime Minister Nehru.

The posters portray a vicious attack on our defence policies in particular, and any Indian patriot would revolt at the depiction of Sri Nehru in them as "one who condones the slaughter of Indian children, who runs away from the Chinese enter Tibet, whose policy of peaceful settlement is a policy of betrayal."

Needless to say, the Communist Party and its national and State leaders like S. A. Dange, Z. A. Ahmad and others are attacked most savagely in the RSS-Jan Sangh Exhibition. There is a whole section which slanders the Communist Party and the international Communist movement in the filthiest possible way.

The *National Herald* has editorially urged that the objectionable portion should be shut down. It says that the exhibition shows "the extent to which unscrupulous political elements are making use of the emergency not for fighting the Chinese, but for carrying on"

★ON PAGE 13

Silver Jubilee Session of the Punjab Kisan Sabha

## NEW PLANS AND NEW DIRECTIONS

Despite the emergency and detention of the office-bearers of the Punjab Kisan Sabha, the Sabha has held a very successful delegates session which has been hailed as a landmark in the history of the Sabha by the delegates and the kisan workers in the State.

THE present session was the Silver Jubilee Session of the Sabha. Because of the difficulties arising from the emergency not much could be done on the spectacular side. Yet the democratic manner in which the discussions were conducted, the working out of a mass kisan policy for the emergency, the pooling of experiences to orientate the Kisan Sabha in a complicated situation of today, the concretisation of kisan policies on a number of problems vital for the kisan masses through discussions in special commissions and the spirit of unity and solidarity that grew as the session went on and found its full expression in the unanimous approval and acclaim given to the new team of office-bearers and the Working Committee—marked the session as worthy of the auspicious occasion.

This delegates session took place in the background of serious difficulties and handicaps. For the last three years no delegate session could be held due to one reason or the other. The total membership had gone down from 1,18,295 at the time of the last session (Malerkotla, August 1960) to 80,000.

The present session was first announced for July 1962; the delegates were elected and most district conferences held but it had to be postponed because of heavy rains in the district (Hoshiarpur) where it was to be held. Another postponement followed with the coming of floods and then the Emergency. Came the arrests which paralysed the State Kisan Sabha completely.

With a view to revive activities of the Kisan Sabha, a special meeting of the Working Committee with presidents and general secretaries of the district Kisan Sabhas was called on the initiative of Avtar Singh Malhotra, member of the State Working Committee.

This extended meeting was attended by 25 Kisan leaders. Besides passing resolutions on "National Defence" and "Kisan" and "Release of Kisan leaders", the meeting unanimously decided to hold the delegates session in the last week of February and appointed a Preparatory Committee.

Facing all sorts of difficulties, the session was held on 25 and 26 and was attended by 287 delegates and over one hundred visitors. All the districts were represented.

At the start of the Session, Avtar Singh Malhotra, member of the Working Committee explained the conditions in which the Session was being held and the difficulty which the Working Committee is facing when almost all the office-bearers are in detention. He welcomed Teja Singh Swatantra and other kisan workers whose warrants had been withdrawn recently.

Teja Singh Swatantra who was unanimously elected President in his Address, expressed happiness over the fact that he was able after so many years to work openly for the kisans and the kisan organisation. All the cases against him were filed in connection with the struggles of the kisans and the withdrawal of these cases was a victory of the kisans.

He outlined features of the present situation and stressed the need that kisans play their full role in strengthening the defence and defence potential of the

country and in firmly adhering to the foreign policy of peace and non-alignment in supporting the Prime Minister in his efforts for a peaceful and honourable solution of the border problem, after acceptance in full of the Colombo proposals.

The kisans must play their role in increasing agricultural production and in the economic and political life of the country. For this it is essential that the Government policies be changed in a pro-peasant direction—so that on the issues of land, taxes, democratic rights and facilities for production the kisan interest be safeguarded.

He gave a warning against the dangerous activities of reactionary forces that are seeking to subvert national policies and undermine democracy. These very forces are opposed to the very principle of ceiling and co-operatives. The Kisan Sabha must unite the kisans to oppose these anti-national and anti-kisan policies. He traced briefly the militant traditions of the Punjab Kisans and the great sacrifices made by the Punjab Kisan Sabha in the service of the kisans and the nation. He appealed to the delegates to carry forward those traditions and build a strong Kisan Sabha.

Darshan Singh Canadian moved the first resolution on "National Emergency and the Kisans" and said that since the Chinese invasion a special situation prevailed in the country in which the Kisan Sabha has to work. While supporting the national defence effort, the Kisan Sabha stands for a peaceful solution of the conflict on the basis of the Colombo proposals. Darshan Singh condemned those reactionary elements which are cam-

paigned against the Colombo proposals and the foreign policy of non-alignment and peace.

In this situation the Kisan Sabha has to rouse the peasants to increase agricultural production and fight against all the odds which prevent it. Darshan Singh demanded that the Government should distribute all the waste land to the landless labourers and poor peasants, institute radical land reforms, change the present taxation policy so that its burden falls on the richer sections, take urgent measures to solve the water-logging menace.

He said, the Kisan Sabha demands that the report of the Betterment Committee be published and acted upon and in the meantime its realisation be suspended.

The resolution on "National Emergency and Kisan Sabha" was adopted unanimously by the conference. The conference then discussed the resolution on "The Taxation Policy and the Problem of Resources for Defence and Economic Development" which was moved by Chain Singh Chain. The resolution pointed out that whereas the poorer sections of the people are overburdened with taxation—the richer classes are not shouldering their share of the burden. The resolution made it plain that in case any new direct or indirect tax burden was imposed upon the poorer sections of the people; the Kisan Sabha would campaign against them.

The resolution demanded that in order to find resources for the requirements of national defence and economic development the expenditure on the administrative machinery be reduced, the Chief Minister's Advisory Committee be dissolved, the Punjab Legislative Council also be dissolved, the privy purse be ended, the banks, tea gardens, mines, sugar and jute industries be nationalised. This resolution was passed unanimously.

In another resolution which was moved by Jagjit Singh Joga and seconded by Ram Kishan Bharolian, the immediate release of all the Kisan Sabha detainees was demanded. The resolution pointed out that foremost Kisan leaders such as Tapala, the president, Bhatial and Brar, vice-presidents, Dalip Johal and G. S. Atta, Secretaries and other kisan leaders like Master Hari Singh M.L.C., Harkishan Singh Surjeet, Dr. Bhag Singh, Sohan Singh Jash, Shamsher Singh Jash M.L.A., Makhan Singh Tarsikka M.L.A. and many others are being held in prison without any trial. Among them is Chanan Singh Dhut whose only son is sick. The resolution pointed out that the arrest of these leaders has only strengthened the hands of the anti-national reactionary forces.

This has created difficulties for the Kisan Sabha in implementing its line of national

NEW AGE

defence, national unity, and increased production. The resolution demanded their immediate release. It further protested against the inferior class treatment being meted out to these detainees, and demanded that they be accorded better class treatment immediately.

An important resolution adopted by the session is the one on Kisan unity and organisation. Moving the resolution, Avtar Singh Malhotra pointed out that all the decisions on Kisan policies, demands and campaigns depended on the adoption of a correct approach to the problem of kisan unity and Kisan Sabha organisation. Conditions for building broad kisan unity were very favourable.

The Punjab Kisan Sabha had waged great kisan struggles and won many demands. Its cadres had served, the kisan masses steadfastly and selflessly and the Sabha had led the kisans both in defence of their class interests and for playing their proper role in the life of the nation in the period before independence and after.

With its glorious traditions, the Sabha had a great role to play in building kisan unity, but the reality must be faced that the kisans were a victim to so many forces of disunity and only a small section was organised.

The Kisan Sabha has to build up kisan unity by:

1. Building up united mass campaigns on immediate issues of interest to the kisan masses, approaching all sections of kisans irrespective of political differences;
2. Building unity between the kisans and agricultural labourers, mobilising kisans to support the just demands of the agricultural labourers and to strengthen their organisation;
3. Fighting against casteism and communalism;
4. Building up the Kisan Sabha as a united mass organisation, opposing all tendencies, practices and methods that restrict it to a particular section of political opinion.

## Build Up Organisation

He emphasised the need to strengthen the kisan organisation which at present only covered a small section of the kisans who followed it, and the need to bring unorganised kisans and those following different political opinions into it. The resolution outlined the following tasks in

## New Executive Committee

THE following office-bearers and Working Committee members were elected in the session:

**President:** Teja Singh Swatantra; **Vice-Presidents:** Harjit Singh Bhatial (in jail), Ram Kishan Bharolian, Leeladhar Dukhi, Arjan Singh Bhadani; **General Secretary:** Daleep Singh Tapala (in jail); **Joint Secretaries:** Darshan Singh Canadian, Daleep Singh Johal (in jail), Dharam Singh Karnal; **Propaganda Secretary:** Ghamsher Singh Jash, M.L.A. (in jail) and **Finance Secretary:** Dharam Singh Fakkar.

Members of the Working

the field of kisan organisation:

● Enrol two lakh kisans in the Sabha upto August 31 through a continuous campaign, paying special attention to drawing women into the organisation;

● Make special efforts to draw the ordinary membership to participate in the activities of the village sabhas and to enforce democratic functioning at all levels;

● To regularise and activate separate Sabha offices, build up funds and organise Kisan Sabha schools for training cadres;

● To take steps to restart the monthly bulletin of the Sabha in Punjab and use other means of pooling experience and studying the problems of kisans;

● To organise kisan service squads in all districts. A very important feature of the session was the discussion held in five commissions in which the delegates were divided on the 25th night.

Malhotra placed before the delegates the proposals for election of new office-bearers and working committee. Ram Kishan Bharolian, the veteran kisan leader, seconded the proposals, which were accepted amidst enthusiastic slogans.

The delegates' session concluded with a brief speech by the new President, Teja Singh Swatantra, who exhorted the delegates to leave no stone unturned to implement the decisions of the session.

On February 28 night, the cultural programme was attended by over ten thousand. The gathering was addressed by Satish Loomba who conveyed fraternal greetings on behalf of the PTTCC and by Jagir Singh Joga, M.L.A.

On February 27, a procession of five thousand kisans went round the village at the end of which Ram Kishan performed the flag-hoisting ceremony. The open rally was addressed by Preetam Singh Litran, Chairman, Reception Committee, Ram Kishan, Avtar Singh Malhotra, Teja Singh Swatantra, Darshan Singh Canadian and others.

The session has been a big success. The delegates have gone with a new, richer understanding of the tasks facing the Kisan Sabha today, and the role and character of the Kisan Sabha as a united mass organisation, and also with a firm determination to build a strong Kisan Sabha organisation.

## New Executive Committee

THE following office-bearers and Working Committee members were elected in the session:

**President:** Baba Gurmukh Singh; **Jagjit Singh Lyallpuri;** **Harikishan Singh Surjeet;** **Avtar Singh Malhotra;** **Gurbux Singh Atta;** **Chanan Singh Brar;** **Dr. Bhag Singh;** **Wadhawa Ram;** **Rachpal Singh Ludhiana;** **Mohan Lal;** **Mohan Singh Mbava;** **Ajit Singh Chetanpuri;** **Chanchal Singh Chabba;** **Gurbachan Singh Ghagga;** **Mehta Satprakash Kangra;** **Gurbux Singh Gurdaspur;** **Vidya Dev Longowal;** and one each from Rohtak, Gurgaon and Mohindergarh to be added later.

The new Working Committee appointed Darshan Singh Canadian as acting General Secretary.

# Bye-Elections Will Not Be Free And Fair

## MEMORANDUM TO ELECTION COMMISSION

The decision of the Election Commission to proceed with bye-elections to the Lok Sabha and the State Assemblies has been taken without consulting the Opposition Parties, despite a solemn undertaking to do so.

The Communist Group in Parliament and the West Bengal State Organising Committee of the Communist Party have both protested against this action of the Election Commission.

THE decision to postpone bye-elections was earlier unanimously taken by the Chief Election Commissioner in consultation with representatives of all parties in Parliament. At that time it was decided that the Election Commission would convene another meeting of the parties to review this decision at the time of the Budget Session. No such meeting was called: the Election Commission and Government on their own decided to hold the bye-elections.

It is a fact that the situation in the country has improved since the time when the decision to postpone bye-elections was taken. But in regard to the holding of elections, the very question is: are there sufficient guarantees of free and fair elections, in the context of the misuse of emergency powers by Government, arrests and detentions, the scrapping of fundamental rights etc.

The Communist Group in Parliament through a letter to the Chief Election Commissioner answers this question in the negative. It writes:

"In our view such internal conditions as are necessary for any free and fair elections

have not still unfortunately returned. This is, of course, due to the continuance of emergency and the use of the Defence of India Rules and other emergency powers, particularly against our Party which is the country's main opposition and against others of the Opposition. Under the Emergency, the fundamental rights under the Constitution stand suspended and the Government is freely using in many places the powers under the emergency to attack these fundamental rights with impunity.

"The constant threat of the use of these powers by the Government against any one or any party whenever they like is also to be taken into account in considering the question of bye-elections...

"What is the guarantee under emergency that the Government and the bureaucracy will not misuse such powers for serving the electoral ends of the Congress Party or for intimidating and victimising the people and organisations for their speeches, etc."

The Communist Group in Parliament has urged the calling of a meeting of all political

parties to discuss the question of bye-elections and the creation of the necessary conditions for free and fair elections.

The West Bengal organising Committee of the CPI in a

## DANGE WRITES TO IRAQI PRESIDENT

S. A. Dange, Chairman of the Communist Party of India has sent a message to the President of the Republic of Iraq, protesting against the repression meted out to the Iraqi Communists and democrats. The message was sent through the Embassy of Iraq in India.

IN his message, S. A. Dange stated: "The Communist Party of India protests strongly against the wave of killings, arrests and persecution that has been going on against Communists and other democrats in your country."

"The Communist Party of India finds it difficult to square up this murderous campaign with the claims made by the spokesmen of your Government that they are seeking to return Iraq to

## AGAINST REPRESSION IN IRAQ

Communist Party of India, on February 28, has stated that the message of the CPI Chairman has been duly forwarded to the President of the Republic of Iraq.

He has further mentioned in this letter that he would, in this connection, wish to repeat the "assurances made by Ministers and high officials of the Government of the Republic of Iraq that:

- (1) all political arrestees are well treated and shall be given fair and just trial;
- (2) enquiry councils have been formed to screen all those suspected, and most of them have been released;
- (3) the Government of the Republic of Iraq are not against any person or group because of their political belief, though they are against those who stood to defend their gains and interests enjoyed by them during Qasim regime and thus opposed the march of the people and the success of the Revolution right from the start."

**ASSURANCES**  
The Charge d'Affaires a.i. of the Embassy of Iraq at New Delhi, Saeed K. Hindawi, in a letter to the Chairman of the

## Delhi Party Council Plans

# CAMPAIGN AGAINST NEW BURDENS ON COMMON MAN

The Delhi Provincial Council of the Communist Party of India met here on March 3, to hear a report on the recent meeting of the National Council of the Party and to discuss current events. B. D. Joshi presided over the session of the Council.

M. FAROOQ, Secretary of the Provincial Council and a member of the National Council made a detailed report on the decisions of the recent meeting of the National Council which was followed by a lively discussion. The decisions of the National Council were welcomed and principled inner-party discussion on national and international events were emphasised in order to strengthen the unity of the Party.

The Council adopted a number of resolutions among them paying homage to Dr. Rajendra Prasad and P. Jeevanandam. The Council welcomed the decision of the Government of India to accept the Colombo proposals in toto and urged upon the Government of the People's Republic of China to do likewise and thus pave the way for a peaceful solution of the India-China conflict.

The Council condemned "the forces of Right reaction in India, who are opposing the stand of the Government of India in regard to the Colombo proposals".

The Council by another resolution sharply condemned the continued detention of a large number of Communists and other democrats and de-

mandated their immediate release.

The Council decided to organise a campaign for the release of detenus.

The Council demanded withdrawal of case under D.I.R. against a local Communist worker, Ved Parkash. The Council discussed the new Budget proposals of the Central Government particularly those aspects of the Budget which affect the common man. The Council came to the conclusion that certain imposts like those on kerosene, vegetable ghee, soaps, cigarettes, tea, etc. would seriously hit the common man and further depress his standard of living. The Council was of the opinion that these imposts were totally unjustified and therefore should be withdrawn.

The Council demanded nationalisation of banks and certain other industries (coal, jute, sugar, etc.) to get enough resources to meet the demands of the defence of the country.

The Council decided to organise a campaign against "new burdens on the common man" and in support of its proposals of nationalisation of certain industries.

electorate to in a position to choose its representatives freely according to its choice.

"The Committee appeals to all democrats, irrespective of the party, to take up this issue as one of vital constitutional rights and to urge upon the Government to restore normal democratic conditions enabling free and fair elections to be held.

"The Committee calls upon all Party units and members in West Bengal to campaign actively for the demands outlined above."

The All-India Trade Union Congress in a circular to all its affiliated unions, dated March 4, on new problems posed by the budget, has called for opinions on questions arising in the context of the budget for consideration at the General Council meeting of the AITUC which will be held in April.

The circular states: has come from the tolling people.

BY now you must have seen the budget proposals of the Union Government and those of the State Governments. These budgets are being put before the country as "war-budgets", whose purpose is to strengthen the industrial and defence potential of the country.

All trade unions of the AITUC and the whole working class of India have fulfilled their role in the emergency that faced them. The workers have done overtime work and Sunday work in many places. They have donated to the National Defence Fund. The major part of the Rs. 45 crores collected in the NDF

While the working people, as also the middle-class donated even their meagre gold ornaments to the Defence Fund, the rich held on to their hoarded gold. And when the Gold Control came, the rich hoarders brought out only a small portion of their pure gold and loaned it to Government in Gold Bonds at 6% per cent compound interest. In this very single act, the approach of the two classes to the needs of the country was sharply revealed.

The working class fulfilled its promises and carried out the Industrial Truce Resolution. Yet, there were re-trenchment and closures.

There was harassment and many active workers of the AITUC were sent to jail under totally false excuses.

Now comes the Budget. The impact of the Budget on the life of the working class will be severe. Cost of living is going to rise, as the Government, as usual, will fail to hold the price line. Over and above this, all workers earning over Rs. 125 per month will have to pay three per cent of their wages in a compulsory deposit scheme.

The money will be kept for at least five years and may be repaid some time after that with four per cent interest. In contrast with this, it can be noted that the Gold Bonds of the rich, who put their illegal profits in smuggled gold, will give them 6% per cent at compound interest. Sin and robbery, it seems, pay more than hard honest labour under the laws and morality of the bourgeoisie.

We do not deny the need to raise money for development and defence. But surely, this is not the correct and proper way to do it.

I will not go into all the details and problems of the new situation that face our unions in these conditions. But one thing is clear. Since prices are rising and going to rise further and not in every case do we get an adequate cost of our real wages are going to suffer a cut. Over and above that, there will be a compulsory cut of 3 per cent for deposit with the Government.

Under such conditions, we will not be able to continue to pay the Defence Fund any more. With all the desire in our hearts to help economic development, we just will have no money to pay.

And there are enough alternative resources to raise money, if only Government will dare to curb the activi-

ties and tap the pockets of the big bourgeoisie, both Indian and foreign.

Each union, therefore should consider the questions arising in the context of the new budget and let the AITUC centre know its opinion at the time of the meeting of the General Council next month. March 4, 1963.

## Punjab Govt. Employees Protest Against Cut In Compensatory Allowance

From April 1 next, the employees of the Punjab State Government will receive no compensatory allowance for being stationed at Chandigarh and hill stations. The compensatory allowance was being paid in the hill stations since last 70 years and in Chandigarh since 1954.

THE Punjab state government had decided on September 5, 1962 to gradually abolish the allowance which was partially implemented by reducing it to half from January 1, 1963.

The government employees had demonstrated against these unjust measures through holding meetings, deputations to authorities, mass fast and so on. The government retaliated against the employees by transferring the ac-

than Amritsar, Jullundur, Ludhiana, Patiala etc., in regard to about 78 commodities which include cereals, vegetables, fruits, other food stuffs etc.

On December 28 the Punjab government opened fair price shops in Chandigarh as assured but surprisingly in these shops, prices for essential commodities were hardly cheaper, though luxury goods were sold at



Govt. Employees' Demonstration at Chandigarh.

tive employees to different places. But, in the face of tough opposition from the employees despite the transfers of the leading members of the United Council of the Employees, government had to yield and on September 19, it announced that the issue of compensatory allowance will be linked with prices and fair price shops will be opened to alleviate the difficulties of the employees to bring down the prices of commodities.

It further assured that the compensatory allowance will only be reduced and withdrawn if the government fails to bring down the prices. Be it stated here that according to official calculations, prices at Chandigarh are 20% higher

much cheaper rates. This, in practice, meant that while the low-paid employees were not benefited from these fair price shops, the officers in higher income groups enjoyed the benefits fully.

The employees therefore felt that while the government had not brought down the prices of essential commodities even by opening their own fair price shops, there is no justification to cut the allowance. On top of it, in the hill stations no fair price shops have yet been opened. They have therefore demanded that either the government brings down the prices of essential commodities by about 20% immediately or else the compensatory allowance be allowed to continue.

## PORT AND MINING WORKERS TO RESIST EMPLOYERS' ONSLAUGHT

In a statement issued to press on March 2, Gerald Pereira, General Secretary of the Marmagao Port, Dock and Transport Workers Union and Convener of Goa Trade Unions Committee has explained the role of the Goan workers in the defence of the country and their valuable contributions made in this regard.

GERALD Pereira, who was detained with another 11 trade-unionists and Kisan leaders of Goa in December last, was released on January 19. He has emphasised in his statement that the workers of Goa stand solidly behind the Government of India and fully support the defence measures. They have contributed one day's wages and raised production. "Before our arrests, all of us were actively mobilising the masses of the people for the defence of our country and we are still doing the same after our release; our arrests make no difference," Pereira has pointed out.

It has been stated in the statement that "We never considered that the country is the private property of the Congress or any single class of people. Hence, it is the main responsibility of the working class, the peasantry and all the working people to defend their country not only against the Chinese aggression but against all aggressions."

He also sharply criticised the disruptive role of the President of All-India Port & Dock Workers Union who has

set up rival unions in Marmagao and Kandia ports in spite of the existence of powerful unions while talking loudly of one union in one industry.

Pereira compared as against this disruptive activity, the good work done by the recently set-up Coordinating Committee of all port and dock workers unions of India which mobilised the port and dock workers for the national defence efforts.

In his statement, Pereira has also mentioned the immediate issues which are before the dock workers at Marmagao which include the questions of retrenchment and wage cuts. Already 500 workers have been thrown out of jobs by the employers taking advantage of the emergency in the docks and mining areas.

Therefore it has been proposed to call a conference of the Port and Mining unions in order to chalk out a common programme to fight back the onslaught of the employers, very soon.

## CPI National Council Resolution

### On Violation of Inter-Party Norms by the Communist Party of China

The following is the text of a resolution adopted by the National Council of the CPI at its last session (New Delhi, February 5-12):

The National Council of the Communist Party of India puts on record its grave concern at the unwarranted violation of inter-Party norms by the leadership of the Communist Party of China vis-a-vis the Communist Party of India.

IN recent months, the public attack launched on the Communist Party of India by the Chinese press and radio have crossed the bounds of honest expression of differences between two Communist Parties. The Chinese Party press, the Hsinhua News Agency and the Peking Radio have been carrying on a slander campaign against our Party, its leadership and particularly against the Chairman of our Party, Comrade S. A. Dange, by name.

They are denouncing the leadership of our Party as a "revisionist clique" and as "self-styled Marxist-Leninists".

They are encouraging a split in the Communist Party of India by constantly referring to one section of the Party as

"internationalist" and "militant", and another section as "nationalist" and "agents of the bourgeoisie".

They are accusing the leadership of our Party of having got Party comrades arrested and of exploiting the emergency for factional ends.

The National Council indignantly repudiates these allegations which, apart from being slanderous, are directed at creating split and disruption in our Party.

The National Council earnestly appeals to the leadership of the Communist Party of China to put a stop to this wrong and factional method which violates the agreed mandate of the 1960 Moscow Statement on relations between fraternal Parties.

Working Class

West Bengal

## Employers Violate Industrial Truce

A section of the employers in West Bengal have launched a concerted attack on the workers taking advantage of the emergency and violating the Industrial Truce, thanks to the weak-kneed policy of the State Labour Minister.

This was clearly revealed at a convention of the representatives of cotton mill workers of Hooghly district which was held at Serampore on February 22. More than 100 delegates from seven mills came and narrated their experience.

The management of Bangswari openly declared that they would re-trench workers, dismiss the workers' leaders and thereby reduce labour

Goa

## Khrushchov Tells Soviet People

# WE SHALL CATCH UP AND BE AHEAD OF THE WEALTHIEST CAPITALIST COUNTRY VERY SOON

"We are forging ahead at a high rate and are close on the heels of the wealthiest capitalist country; we shall catch up with it and be ahead of it!" Soviet Premier Nikita Khrushchov declared in his address to an election meeting in Moscow's Kalinin district on February 27.

SOVIET people, Khrushchov said, maintain a good pace in the peaceful economic competition with the United States of America. In the past five years increase in industrial output per head of the population was 48% in the USSR and only 8% in the United States. At present Soviet industrial output equals about 63% of production in the United States, as against 47% in 1957.

In the last ten years (1953-62) the average annual rate of growth of national income was 9.2% in the Soviet Union and only 2.7% in the United States.

In the past four years the real income of the Soviet people, counted per working person, registered an 18% increase. In these years the public consumption funds utilised for the benefits and payments to the population grew from 21,500 roubles to 28,400 million roubles.

"Comrades, our country has everything to advance still more confidently and faster along the road to communism. The only thing we need for this is peace, the possibility of working and building our bright and big house undisturbed. Safeguarding and consolidating peace and asserting the principles of peaceful coexistence in relations between states with different social systems—this is the general line of the foreign policy of our state."

### TEST BAN & DISARMAMENT

Khrushchov then dealt with the main international issues. Dealing with the deadlock in

Geneva in the test-ban and disarmament negotiations, he said:

The minds of the leaders of the imperialist powers are occupied with the idea of building up NATO military strength and not with that of searching ways and means for disarmament. With such an approach to matters it is not surprising that the 18-Nation Disarmament Committee will soon mark its first anniversary without having any success on its score to gladden peoples with.

The American Government reckoned neither with the appeal of the United Nations General Assembly to stop all nuclear tests as from January 1, this year, nor with the fact that considerable rapprochement in the positions was reached in the course of the talks.

The American Government bears entire responsibility for the consequences of its actions directed towards constantly whipping up the nuclear arms drive.

### WHY NO NON-AGGRESSION PACT

It would seem, what could be more natural for normalising the situation in Europe than to conclude a non-aggression pact between the countries of the Warsaw Treaty and the countries of NATO? This pact would not disturb the balance of forces but would be an important moral victory for the peoples, but the Western powers do not agree with this either.

No sooner had the Soviet Union submitted to the Geneva talks the proposal on the conclusion of a non-aggression pact than a statement appeared in France in which, referring to the "opinion of informed circles," a negative attitude was expressed towards this idea. What objections have been raised? They are worried that the conclusion of such a pact would "help to consolidate the present situation in Europe."

Obviously, the "French informed circles" have not drawn conclusions from the lessons given France by the German militarists. How many times did they trample upon French soil, defile it, and kill French patriots! And now the French Government is fraternising with the militarist forces of West Germany.

The present French ruling circles, today as well conduct almost the same policy as was pursued by the French Government before World War Two.

What is this if not the instigation of the revenge forces to unleash a new military conflict? The reckless policy of the revenge seekers and of those supporting them can bring enormous calamities to the nations. The results of World War Two are well known. If a new war is unleashed, it will end on the very first day of the war with the complete collapse of those who unleashed it.

Enemies of the normalisation of the international situation, who are as yet far



N. S. Khrushchov

from laying down their arms, he said, are doing everything to frustrate still further world trade, on the development of which to no small degree depend the promotion of co-operation and the establishment of trust between states.

Recently the US Government subjected West Germany, Japan, Sweden and other countries to crude pressure in order to wreck their agreements on the delivery of steel pipes to the Soviet Union. The American Government apparently is scared to such a degree by communism that it not only gives up profitable trade with us but also hinders other countries.

We do not know exactly who is responsible for these steps in the United States—people in uniform or in civilian attire. However, no matter who they be, they are staking on economic war against the Soviet Union, an old trump which has been beaten time and again. It should be clear to realistically-minded politicians that the United States is on a completely false road.

Earlier the Kennedy administration had given up frontal attacks in the war against neutralism and used flanking manoeuvres. The aim was to destroy neutralism from within to turn it from an independent policy of the newly independent countries into a cover for their alliance with the West. But the new tactic has not justified the hopes placed on it and the United States and its allies had to retreat even further under the on-

slaught of the independent foreign policy of young Afro-Asian States, the article declares.

THE weekly NEW TIMES declared here this week that in their efforts to force India to abandon her road of neutralism during the India-China border crisis, Western diplomacy and propaganda had suffered a new defeat.

The article by Lev Stepanov declares that the West had returned to the positional war against neutralism which was openly proclaimed by Dulles in his time and which has until now brought only defeats to the United States and its allies.

Only recently mankind experienced an extremely dangerous crisis in the Caribbean created by the American imperialism. The US aggressive quarters prepared an armed

attack on Cuba, and the Soviet Union gave the Cuban people a hand of assistance. The peace-loving forces succeeded in stopping the approaching avalanche of a thermonuclear war; the crisis in the Caribbean was settled by peaceful means.

However, as the events show, the American imperialists have probably not given up the policy of aggression and provocations. At present the most aggressive US quarters, the "madmen," as nicknamed by the Americans, are calling on the US government to invade Cuba under the pretext that Cuba allegedly creates a threat for the United States. However, can seriously-minded people believe this concoction?

The US imperialist circles are dissatisfied with the socio-political system of Cuba, you see. This is why they crudely trample on the elementary rights of the Cuban people, the principles of the UN Charter which proclaim non-interference in the internal affairs of other countries, respect for their sovereignty and dignity.

But if the yardstick of whether the social system of one country is liked or disliked by another country be employed in relations between states, then war will become inevitable. After all the system existing in the Soviet Union is also not to the taste of the United States. And if we be asked about the system in the United States we would reply that Soviet people also do not like it.

The "madmen" are pushing

the US government towards the criminal and perfidious road of invading Cuba, declaring that it is impossible to tolerate a different-minded neighbour. But what kind of logic is this? Other countries also have different-minded neighbours whose system is not to their liking.

If the United States takes aggressive actions against Cuba and the Soviet Union against its different-minded neighbours, then chaos will set in and this will inevitably lead to war.

The US government cannot but realise that an invasion of Cuba, if permitted, is incompatible with the obligations undertaken at the time of the crisis in the Caribbean. It is generally known that the US President undertook not to invade Cuba and we agreed to withdraw strategic missiles and IL-28 bombers from Cuba, and we withdrew them.

But this does not mean that we have abandoned heroic Cuba to the mercy of the sharks of American imperialism. We gave the Cuban people our word, a fraternal pledge that the Soviet Union would come to Cuba's assistance and we shall not desert her in her hour of need.

If, however, the imperialists violate the peoples' rights to themselves choose a social and political system to their liking, if they try to impose their order of things on the peoples, this will lead to a thermonuclear war.

Therefore, we resolutely warn Messrs. imperialists: if an attack is made on Cuba

of the People's Republic of China, the danger to which is coming from Taiwan where the Chiang Kai-shek clique which exists only with the support of the American imperialists has entrenched itself, if an attack is made on the Korean People's Democratic Republic, the Democratic Republic of Vietnam or the German Democratic Republic, or any other socialist country, the Soviet Union will come to the rescue of its friends and deliver a crushing blow at the aggressors.

If peace is maintained at present it is first of all due to the existence of the Soviet Union and the socialist countries which have rapidly growing economy and surpass the imperialist camp for armaments and armed forces.

The world reactionary forces attempted to strangle our socialist land by the hands of German fascism. But Hitler Germany was destroyed on the battle-fields of the Soviet Union, while those who incited it against us severely suffered from the German aggressors.

The imperialists can unleash war even now—no great intellect is required for this—and bring incalculable suffering and hardships to the peoples. But it will be the last adventure for them.

The Soviet Government's programme of action in international affairs is clear. It reflects the sincere desire of the Soviet peoples for peace, their confidence in their strength and in the ability of the peace-loving states to uphold the cause of peace.

Of course, we do not think that the imperialists will recognise our policy of peace and peaceful coexistence, that they will come and say: "Yes, you are right, while we were mistaken. Let it be in your way." We do not base our calculations on a flimsy ground.

The Soviet Union's foreign policy rests on the stable foundation of our economic and military strength, on the strength of the great socialist community as a whole.

## NEW DEFEAT OF WESTERN DIPLOMACY

### Soviet Press Comment On Western Failure To Compel India To Abandon Neutrality

\* From Masood Ali Khan

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One of the forms of this struggle is neutralism, i.e., refusal to submit to imperialist diktat. It is a weapon of defence against counter-attacking colonialism. To raise the hand against neutralism is to encroach upon the national inde-

## FRUITFUL TALKS

—R. K. Nehru

### DISCUSSION WITH KHRUSHCHOV

\* From Masood Ali Khan

Moscow, March 4: R. K. Nehru, Secretary General of India's Ministry of External Affairs, left here today after completing his tour of seven countries. In course of this tour he had visited Cairo and Beirut and the Socialist capitals of Belgrade, Budapest, Warsaw, Prague and Moscow, on a successful mission of goodwill and mutual understanding.

THE Secretary-General had talks with Heads of Governments and Ministers and finally here in Moscow he had an important exchange of views with Soviet Premier, Nikita Khrushchov, lasting for an hour-and-a-half. R. K. Nehru's tour has certainly been a step forward in India's relations with the highly developed and friendly Socialist States of Eastern Europe, has created a better understanding of India's stand and increased the chances of further economic aid from the socialist world for India's industrial development.

Speaking at a crowded press conference at the Indian Embassy here on Saturday, which was attended by local journalists, representatives of Communist papers and news-agencies of many lands as well as by Western press correspondents, R. K. Nehru declared that he had had a very warm reception everywhere and had clarified India's standpoint on all questions of mutual interest and met with understanding and friendship in all the capitals. He discussed economic collaboration, other forms of mutual contact, and the international situation and relations.

R. K. Nehru said that India's trade and economic relations were on a world-wide scale, but her collaboration with the Socialist countries was of special value and benefit for India. "They are importing India's manufactured goods in an increasing proportion.

nants climbed nearest to Cosmo". For people here Tensing is the symbol of the new and rising East, the ordinary man of the Orient who rose from the lowest of the lowlies to acquire legendary fame all over the world. He has been awarded the big Gold Medallion which is given to Soviet Sportsmen for highest achievement. And a big meeting was organised under the auspices of the Soviet Mountaineering Federation in the huge Hall of the Bauman Institute where presents and praises were showered upon this modest and brave citizen of India.

"I would like to climb the Himalays again together with Soviet mountaineers", Tensing declared amid stormy applause. He declared that the ascent of Everest was a collective achievement of all the 700 Sherpas, coolies and climbers who started on the expedition from Darjeeling.

### DAUGHTER'S RECORD

It was revealed that Tensing's younger daughter Nima has climbed upto 7000 metres, thus establishing women's world record in mountaineering. Tensing said that after visiting the Soviet Union he thought, he would like Nima to study in Moscow. There was a rush for his pictures and book to be photographed.

Tensing will visit Leningrad and make an attempt to climb Elbruz, the highest peak in Europe in the Caucasus range, the weather permitting.

### TENSING IN USSR

Tensing, the Tiger of the Snows, has received a warm welcome here. Komsomolskaya Pravda called him "the man who with the exception of Cosmo-

other Socialist Governments had a good understanding of India's policy on the border dispute". China's massive attack in October had led to an upsurge of unity in India, he said.

The attack was not only for territorial reasons. "Its aim was to destroy our policy of peaceful coexistence, non-alignment and industrial development and our friendly relations with the Socialist countries. Our reply is that we shall adhere to our policy of peace and non-alignment, we shall not give up our efforts for peaceful construction, we shall intensify it and make more sacrifices for it. We should strengthen further our friendship with the Soviet Union and the Socialist countries and not allow them to be weakened", R. K. Nehru said. India should continue to strengthen her defences as the Chinese threat was a long-term one and in this India would like to get the help of all countries. At the same time India shall continue to strive for a peaceful settlement in accordance with her honour and dignity and that of the other side. Changes brought about by armed action must be restored before talks could begin, R. K. Nehru said. The Colombo Powers were friendly to both sides and their proposals were broadly on these lines. Although they did not meet all our requirements, we have accepted them in toto. The Chinese had not accepted them and continued to make conflicting and confusing statements.

Asked as to what should be the next step, R. K. Nehru said it was for the Colombo Powers to inform India whether China had accepted their proposals and clarifications as India had done.

Asked whether China would give up the Akaichin road, R. K. Nehru said he could not speak on China's intentions but after the full acceptance of Colombo proposals by China talks could begin and measures to improve the situation could be considered on merits. The basis for this could be the Report made by officials of both sides two years ago. Or, he said, the International Court or some form of arbitration could be used to help bring about a settlement.

"In our view that is how peaceful and civilised nations should behave in order to settle questions", India will not yield to threats, he said.

Asked whether Khrushchov told him of his own difficulties with China, R. K. Nehru replied in the negative.

### COLOMBO PROPOSALS

I asked him whether in his talk with Khrushchov they had discussed the Colombo proposals and what was the Soviet view on the two different approaches being displayed by India and China towards these proposals. Replying, the Secretary-General said, "Yes, we discussed the Colombo proposals. I explained our position and I had the impression that he had a good understanding of our position. Mr. Khrushchov did not express his own concrete views on this. But the Soviet Government also desires a peaceful solution like we do."

R. K. Nehru was asked whether Khrushchov had expressed concern over the arrests of Communists in India. He said it was "a purely internal matter". He said that Khrushchov had not specifically raised the question. R. K. Nehru repeatedly emphasised that India will not give up her policy of neutrality.

### DETAILS COULD NOT BE REVEALED

R. K. Nehru said that it would not be proper for him to reveal the details of his talks before reporting to his government, but he said that the India-China dispute, the international situation and Indo-Soviet collaboration were discussed in his talk with the Soviet Premier. The talk, he said, was "frank, friendly and fruitful".

The Soviet Union is to help India for the remaining projects of the current Plan. Talks have already started on expert level in this connection. Broad agreement has been reached on four of the 17 projects of the Third Plan and the talks are continuing. As regards the Fourth Plan, R. K. Nehru said, "I had given some indication of our thinking last time so that the Soviet Union could tell us how much they could help. For the Third Plan also they had told us how much they could help us some two years in advance. Our next Plan is not yet formulated and no firm commitment could be expected at this stage; but we have indicated the kind of industries we would like to develop in our public sector."

R. K. Nehru said that it was clear even now that the Fourth Plan will be on a much bigger scale and investments in the public sector will be much larger. "We expect economic aid and collaboration on a much larger scale. They have told me that they are interested in continuing and intensifying our economic collaboration and also cooperation in other spheres. And they recognise the urgency of this matter and have promised to give us an early indication of the economic and technical help we could get so that we have time to finalise our next Plan."

Questioned whether he had asked Khrushchov for further military aid, R. K. Nehru said, "Our defence and industrial development go hand in hand. I did not raise the question of military aid with Mr. Khrushchov. I did discuss closer economic collaboration and on this I found sympathetic understanding and interest in the development of our national economy." Asked about reports in Delhi that India might get anti-aircraft equipment from the Soviet Union, R. K. Nehru declared that he could not discuss details of defence arrangements and that India's main interest was industrial development.

The Secretary-General said that the Soviet Government and

the weather permitting.

### READ

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At Leipzig Trade Fair

# INDIA BIGGEST OVERSEAS EXHIBITOR

★ From P. Kunhanandan

Leipzig, March 3: At the stroke of 9 this morning the four gates of Leipzig International Technical Fair were ceremoniously opened for traders and visitors from all over the world gathered here. Socialism and capitalism are engaged here in peaceful competition in their industrial and technical might.

WILLY STOPH FORST, Deputy Prime Minister of the GDR led a team of official and non-official delegations from several Socialist and capitalist countries and representatives of the world press round the fair.

We first visited the Kremlin-modelled marble looking Soviet pavilion, the biggest among the 24 exhibition halls and the centre of the greatest technical skill. The superiority of ever-growing socialist economy over the out-moded and crisis-ridden capitalist system is physically visible here. My memory could quickly compare what I saw last year in this same hall and what I have seen in U.S. and West German pavilions with this year's Soviet performance.

The Soviet Union has shown this year, for example, entirely new technical exhibits with highly automatic devices of control and operation which work with astounding perfect accuracy, operated by electronic brains. "Everything for happiness of man" this is the slogan inscribed in the Soviet pavilion.

Every one would agree that this fair, where two world systems meet and compete peacefully, has already laid certain practical basis for the convening of an international trade conference as recommended by the 17th General Assembly session of the United Nations. The Government of the German Democratic Republic has already welcomed such a conference which has resolute support of non-aligned countries of Asia, Africa and Latin America. From my talks with businessmen from Britain, West Germany and United States, I find they are enthusiastic about such a conference. They feel some of the present limitations of trade enforced by narrow trade groupings created by the imperialist powers should be abolished. They say further steps to intensify and expand trade between nations with differing social orders should be taken.

It is a matter of satisfaction that even a section of the West German monopolists have been recently advocating this moderate line as against the tough line of German militarists represented by Chancellor Adenauer.

## Compelling Admission

Their organ, *Industriekurier*, a few days ago wrote on East-West trade:

"The East today is mightier and more important than ever. East-West trade, whichever way we look at it, is a reality. The fairs and exhibitions in Moscow and Leipzig and other places are tempting the representatives of the West to come and expand trade with the East."

The influence of the circles in USA and West Germany totally opposed to East-West trade is weakening. This is seen in the expansion of GDR's trade with the capitalist countries.

In the years from 1958 to 1962, for example, GDR's trade with a

large number of capitalist countries in Europe and overseas was boosted, for example, with Italy by 12 per cent, with Sweden by 54 per cent, with Austria by 32 per cent, with Belgium by 30 per cent, with Brazil by 28 per cent and so on.

Countries such as India and UAR, along side the socialist countries, rank among the leading trade partners of German Democratic Republic.

With the collapse of the Brussels negotiations on British entry in the European Common Market, more and more capitalists and traders of all lands have begun to look upon Leipzig fair and greater trade with Socialist world market as an alternative. This conclusion is drawn from the unprecedented increase in the flow of visitors and businessmen, especially from West Europe and Great Britain.

Aggressive intensions of imperialism towards the socialist world market and discrimination against young national States of the African and Asian continents have received a mortal blow. Figures published on the occasion of the Leipzig fair show that the socialist world's trade with all newly independent States and several advanced capitalist States have been on the increase since 1962 Leipzig fair.

Guests gathered here from over 70 countries of the world realise that international trade has a large share to play in putting peaceful co-existence on a firm footing. They thank the German Democratic Republic for setting the stage for East-West trade and peaceful co-existence in Leipzig.

## Chinese Boycott

Every one, on the other hand, regrets the calculated boycott of the fair by China, which is interpreted here as an act challenging the possibility and necessity of peaceful co-existence and trade with the Western world. As a result of this disastrous policy, the Chinese foreign trade and national economy would suffer very much.

India is the biggest overseas exhibitor in this year's fair with a pavilion of 1,020 sq. metres and the largest number of visitors admiring our nice and colourful textiles, woollen and handicrafts and newly introduced heavy industrial goods. All German visitors, especially women, ask for Hall No. 9 where the Indian exhibition is housed.

This year's Leipzig fair is an index of India's industrial growth. In 1954, when India first came to Leipzig fair, ours was a small handicrafts exhibition. From cashewnut and jute bags, we have grown to a country manufacturing heavy industrial goods. India is slowly carving out a place for herself on the world map of industrial production.

Indian built lathes, leaf springs, power driven pumps, water-coolers, refrigerators, electric motor generators, microscopes, binoculars and cameras, complete telephone

equipments, sewing machines and cycles are proudly exhibited here this year.

The atomic energy establishment of Trombay has exhibited this year for the first time an atomic geiger counting mechanism, radiation measure instrument and electric timer. Young India's industrial growth is happily welcomed and admired by citizens of Socialist Germany.

GDR's first Deputy Prime Minister Willy Stoph told me, when asked to give his impression, that

India is a great country and we have high admiration of her magnificent achievements.

Deputy Minister of Foreign Trade Herr Weiss, after visiting the pavilion, told me — "Step by step, your industries are developing, year after year your country is growing; we are very happy to see them reflected in this fair."

An official of the Foreign Trade Organisation said that possibilities of importing some of your industrial goods and machines need careful consideration.

But most of these industries and machines came from the private sector, one notable exception being the atomic exhibits. India's public sector's participation in this fair when compared with countries like the UAR, is very disappointing.

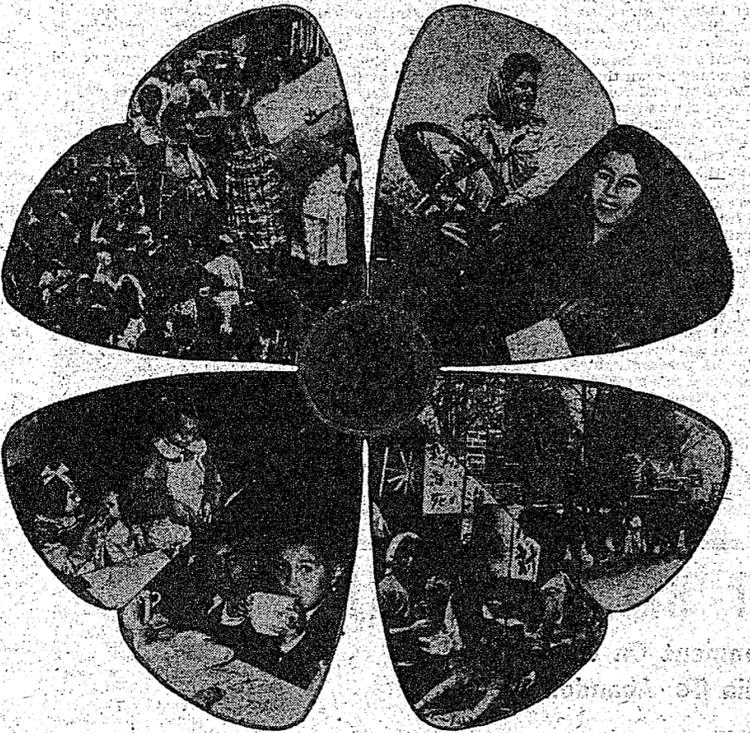
Many of our machine exhibits like the leaf springs etc., could not reach Leipzig in time. The ships carrying them were held up in

Hamburg, West Germany. Therefore, the heavy industrial wing of the pavilion could not be properly filled on the opening day.

Excluding socialist countries, India is the largest trade partner of the GDR this year. The trade volume between India and GDR has this year reached ten-fold increase from 1955. Compared with last year, the exchange of goods between the two countries has risen 40 per cent.

The total transaction in 1962 was worth Rs. 220 millions. This is an encouraging trend. Despite this increase in trade, India has not yet set up a trade representation in GDR, a lapse which is widely regretted. It is pointed out that a trade representation of India, if established here would greatly help the further expansion of trade between the two countries.

# Towards World Congress Of Women



In June 1963 in Moscow will be held the next World Congress of Women convened by the Women's International Democratic Federation.

In many respects, the Congress will be of vital importance for the women of the world currently engaged in their struggle for freedom, equality of rights and peace.

Following are extracts from the appeal issued in this connection by the WIDF:

## MOTHERS, CITIZENS, WORKING WOMEN! THIS IS YOUR CONGRESS!

ONE incontestable fact characterizes our time: the increasingly important position occupied by women in the economic, political and cultural life of the peoples.

Women defend peace because in doing so they defend the very roots of life, man's fruitful labours, everything that is beautiful.

They wish to obtain world disarmament because it means peace, a home and education.

They show a wonderful spirit of self-denial for the cause of progress, justice and the welfare of all.

Here are the main questions we propose to discuss at the Congress:

—The responsibility of society to guarantee the rights of women as mothers, working women and citizens; and the need for women to struggle to win, defend and implement these rights.

—The contribution of women to the struggle for a world at peace, universal disarmament, the need to change budgets from a war to a peace basis, friendship between peoples and peaceful coexistence.

—The participation of women in the struggle for the political and economic independence of all countries, and against all forms of colonialism, conditions that are essential for improvement in the life of the family.

—The role of women to protect children and youth and to ensure that they are educated in the spirit of peace and friendship.

—The election of leading bodies of the Women's International Democratic Federation.

## BHILAI ACHIEVEMENTS

BHILAI holds the place of pride in the field of steel making in our country. Not only did the Bhilai plant reached its target production ahead of schedule, but also it continues to establish newer and newer records as time passes. Right from its construction stage and finally in the quality and quantity of its output, Bhilai's records top that of all other steel plants in the country.

Here are some of the recent achievements of the Bhilai steel plant:

• February 27: The Blooming Mill rolled 253 steel ingots in one shift. A new record in rolling.

• February 25: The Steel Melting Shop made one heat of rail steel in 4 hours 30 minutes. The normal average time for one heat is about 10½ hours.

• February 25: Merchant Mill produced 1,638 tonnes of steel. The previous record was of 1,370 tonnes produced on October 31, 1962 in the Bhilai plant itself.

One can safely compare the

performance of other steel plants against that of Bhilai. Tata Steel plant, modernised and expanded to produce annually 2 million tons of steel ingots, still crawls to the target despite the completion of work in 1959. The Rourkela plant has not yet got over its initial set back. So is the case with Durgapur plant.

But both the Rourkela and Durgapur plants have recently shown substantial progress. The Indian Iron plant though producing to its full capacity has not yet made any record of achievement. Mysore's Bhadravati Steel Plant is, of course, a category by itself and is not strictly comparable.

## Letter To The Editor

I want to bring to the notice of the authorities concerned and the public, through your columns, the manner the Defence of India Rules, 1962, were used to deprive me of my liberty when I had been doing my best to further the cause of national defence.

Here briefly are the facts:

1) As soon as the large-scale invasion of our country by the Chinese troops was known, I sent a resolution to the Nellore Municipal Council on October 25, 1962, condemning Chinese aggression and supporting our Prime Minister. This resolution came up for discussion in the Council on October 30, 1962 and was unanimously passed with certain amendments.

2) As President of Nellore Co-operative Urban Bank, I requested the Registrar of Co-operative Societies, Andhra Pradesh, by a telegram dated October 24, 1962, to permit our bank to contribute to the National Defence Fund and in anticipation of such permission contributed Rs. 1,116 on October 25, 1962.

3) The Nellore Town Hotel Workers' Union met on November 5, 1962 under my presidency and condemned in unequivocal terms the Chinese aggression. The Union collected one day's wages from its members and the first instalment of Rs. 158.46 was handed-over to the Collector, Nellore.

4) I donated gold jewellery weighing about four sovereigns to the National Defence Fund on November 20, 1962 in a public meeting presided over by a Minister of Andhra Pradesh.

5) I addressed a big public meeting at the Nellore town hall on November 14, 1962 condemning Chinese aggression and appealed to the people to unitedly rise as one man and stand behind Nehru and Krishna Menon to defend our territorial integrity and national honour.

6) The working committee of the Nellore District Motor Labour Union met on November 2, 1962 under my presidency and condemned the Chinese aggression and appealed to the workers to increase production and contribute one day's wages to the National Defence Fund. Thousands of leaflets containing this resolution were distributed to the workers and the public.

There are several other acts done by me during the period October 24, 1962 and December 1, 1962 (the day I was arrested),

inspiring the public and rousing them to meet the challenge of any outside aggressor, Chinese or otherwise.

I got my reward when I was suddenly arrested under the Defence of India Rules, in the early hours of December 2, and detained in Rajamundry Central Jail. I learnt later that the people of Nellore town and district and people who knew me and my views (wherever they are) were rudely shocked at my arrest. Several prominent citizens seem to have expressed their surprise at this abuse of power and told so to the highest in charge of the State. I was released on January 9.

The Defence of India Rules, 1962, are meant to be used against persons "acting in any manner prejudicial to the Defence of India or Civil Defence and the efficient conduct of military operations." Surely they are not intended for the incarceration of persons sincerely supporting the progressive policies of our leaders!

It is widely rumoured in our place that an influential 'congressman' who is frankly against the policy of non-alignment and who openly advocates that our country should completely align itself with the West, influenced the concerned channels, to secure my arrest. I do not know how many honest and innocent persons are languishing behind prison bars having been detained under the Defence of India Rules based on the reports engineered by interested persons for reasons best known to themselves!

Will the Government of India and the State Governments take effective steps to prevent powerful persons from satisfying their malice by securing the perversion of powers under the Defence of India Rules? I appeal to the Central and State Governments to review the cases of detenus and order the release of innocent victims of private vengeance like me.

V. Anantharamaiah,  
President, Nellore Peace Council,  
President, Nellore Trade Union Council.

February 28 - Union Council.

MARCH 10, 1963

# Old Methods Vitiating Bhilai Atmosphere

★ By PRAKASH ROY

It was November 17, 1962, a glorious day for Bhilai workers when the General Manager Suku Sen admitted in presence of Steel and Heavy Industries Minister and trade union representatives attending that meeting, that the workers working in the Factory as well as in Mines have set up an example of discipline and patriotism in this hour of trial.

THIS was emphatically echoed by the Steel Minister C. Subramanian himself, the same evening while addressing a public meeting. This was inspiring no doubt and all who attended the meeting went back with determination to provide further proof of ideal management-workers relation in the Bhilai Steel Project.

Who did not know that immediately before the emergency, on the issue of 'Revised Pay Scale' the Bhilai Steel Mazdur Sabha enjoyed the overwhelming loyalty of workers at Bhilai and in mines, the Samyukta Khadan Mazdur Sangh was the only functioning trade union with absolute majority membership. This union won four out of five works committee seats at Rajhara and during the verification for recognition of the union under the code of discipline in October 1962 itself, 96 per cent of the workers announced their affiliation with this Union.

On October 27, 1962; these unions resolved not to go on strike and since then up till now these unions have been maintaining it, in spite of all odds and non-cooperation from the management side. Thus, the possibility of building up unity from below could be seen at Bhilai on October 29, 1962, when the leaders of both AITUC and INTUC Unions came together and addressed workers from the same platform.

## Same Old Rut

But bad things started happening. They were happening because the workers by their experience began to realise that all the high sounding words of the management, their orders and the policy matters on record, are simply to look very amiable and a section of them at least have made out a policy to take vengeance in their old bureaucratic way.

The fact remains that in spite of assurances given by the General Manager, question of revised pay scale benefits to the excluded categories (who were excluded by mistake) remained unsolved, the number of individual grievances kept mounting up and above all, when the General Manager in his order dated November 23, 1962 categorically said that in view of the changed circumstances due to National Emergency the officers should deal with workers sympathetically to attend to their grievances quickly so that there would be no occasion to resort to any disciplinary action; in actual practice, some officers were found to issue a number of charge-sheets to the workers taking advantage of the emergency period. The harmonious relations started cracking up.

And now, the motive of the management has been exposed thoroughly by the act of calling workers again, who are simultaneously organisers of unions. Generally the practice is that at the time of being made permanent workers are to submit their past references in order to facilitate verification. All these workers who are now asked to fill up attestation form once again, were all verified and found spotless. Now the information goes that by calling for the second time

the management wants to utilise some fishy reports against them so that it may victimise them.

Similarly the question of 2,300 Nominal Muster-Roll Workers in Mines department remained neglected although several times in the past assurances were given to absorb them in regular establishment granting benefit of time scale. They are kept as unfortunate onlookers. The Steel Wage board has granted interim relief to all, but for management's whimsical attitude these workers are deprived of this interim relief.

The Mining Department of BSP has some officers who in alliance with mining contractors mint money. Thousands of workers used to work here in the midst of great hardship under contractors to keep the supply of iron ore, lime stone and dolomite steady for Bhilai.

## Harrowing Conditions

Not to speak of other welfare amenities viz., drinking water, medical facilities, quarter, etc., even the daily average wage of a raising worker had been brought down to 0.75 nP when minimum wage has been fixed here by the Government at Rs. 1.75 nP per day.

This fact has been noted by the Zonal Inspector of Indian Labour Bureau, Simla, who came to inspect the mines recently. In January 1963 due to pollution in drinking water more than 40 raising workers died of cholera at Nandini Mines. This is only a part of the labour welfare picture under the BSP mines.

After a hard struggle throughout the country, the demand for abolition of contract labour system in non-coal mines was unanimously accepted in the third session of the Industrial Committee on mines other than coal, held at New Delhi in October 1962. Accordingly the Ministry of Labour and Employment on November 16, 1962 has directed the Chief Labour Commissioner to implement the agreement by March 31, 1963.

Since this information was circulated among the workers, the contractors under BSP seem to have gone mad. At Nandini Mines on January 5 a contractor fatally assaulted a worker with a sword.

On February 17, in the course of announcing the union's meeting, the Branch Secretary of S.K.M.S. was assaulted by another contractor. And on February 25, an employee in the Manual Zone in Nandini Mines while on duty was brutally beaten by 'gondas' as ordered by another contractor.

The Contractors now have given open slogan to crush the trade unions and their organisers before March 31, 1963. They further boast that the Superintendent of Mines being their own man, they would see that all the office-bearers of Union are victimised. The local police in spite of reports lodged was found inactive and whatever steps were taken by them were in favour of the contractors.

These are the conditions in contrast in Bhilai where workers do their best for the cause of nation and are simultaneously attacked with impunity by the men who only want profits for their own self.

NEW AGE

PAGE ELEVEN

## ROME LETTER

★ From Our Correspondent

# Communists Prepare for Elections— Working Class Fights and Wins— Against Europe of Monopolies, for A Basic Revision of Rome Treaty

Preparations for the general elections to be held on April 28 have got going.

**OUTLINING** the Communist Party's platform, General Secretary, Togliatti told television-viewers on February 22 that Italian Communists sought Italy's progressive disengagement from military blocs and adoption by the country of a policy of neutrality; rejection of atomic armament—in whatever form it might be sought to be imposed; removal of all rocket bases from the national territory of Italy and from the seas around it; recognition of the German Democratic Republic and the restoration of all its international rights to the People's Republic of China. As regards domestic policy, Togliatti said it was necessary to bring about a real turn to the Left.

The dissolution of Parliament was brought about, among other factors, by the surge of strike struggles on part of the working class, foremost among these being the eight-month long struggle of the metal-workers. It was in solidarity with them that a general strike was untidily launched on February 8 by the CGIL (affiliated to WFTU), CSIL (Catholic), and the UIL (Social Democrats). The three central organisations of the Italian trade union movement held joint rallies in all cities, resulting in more than 85 per cent of the working population joining the general strike.

During the week that followed, strikes and claims in all sectors intensified all over Italy. From February 12 to 15 a strike of bailiffs took place to demand integrated bonus; employees of the Tourist Office went on strike on February 13 for three days; the taxi-drivers of Milan staged a strike for fixation of working hours between February 12 and 15; in Sicily too tram and railway workers went on strike on February 12 demanding nationalisation of the services. A country-wide strike of miners to demand revision of wages took place on February 15.

A big rally of landworkers, coming from all over Sicily, was held at Palermo on February 14 calling upon the Government to fulfill its promises to the peasants.

Students, professors, doctors too joined the struggle. In Rome, Milan and Palermo on February 14, students occupied certain faculties of the respective universities in protest. This was followed by professors and assistants at all universities observing a one-day strike in protest against non-implementation of promised University reform. On February 14, thousands of doctors coming from all over Italy, marched through the streets of Rome with their white gowns on, demanding the reform of hospitals and creation of a National Medical Service.

Demonstrations and rallies against the rising cost of living continued, meanwhile, all over the country.

The metal-workers' forty days' strike came to a victorious conclusion on February 17 with the signing of a new agreement, conceding them a 12 per cent wage rise. Through the agreement, they also won rights to organise trade union activities inside the plants which had been denied them till now.

The Vice-President of the Employers' Organisation commenting on the agreement said that it was

perhaps the most "expensive" agreement that employers had accepted in recent years. *L'Unita*, the Communist Party organ, said: "It is a trade union victory and at the same time a political victory; it signifies a deep shift in the relations between employers and the workers, in the contractual relations and in the conditions under which respect for trade union and democratic rights in the working places would be ensured."

In a document released on February 22 demanding initiative to be taken by the Italian Government to secure revision of the Rome treaties on which the European Economic Community (EEC) is founded; the Political Bureau of the Italian Communist Party has analysed the situation created by de Gaulle's refusal to admit Britain into the Community and by the creation of the Paris-Bonn Axis as a result of the signing of the Franco-German treaty.

Profound contradictions affecting the entire range of economic, political and military questions have lately risen among the capitalist countries and Western Europe has now reached a dramatic turning point, says the Italian Communist leadership.

### Serious Anxiety

In the face of the complicated and tortuous course assumed and the sharp contradictions revealed by the failure of the Brussels Conference, serious anxiety now assails even those groups which upto now had supported the direction given through the EEC to the integration process, says the document. They are beginning to see that the role of big monopoly groups within the EEC has brought about, politically, an advantage to the most reactionary and ultraist forces and a grave menace to democracy and peace.

These dangerous developments, which pose with utmost urgency the problem of a fundamental choice, says the document—are the consequence of the fact that the need for a growing internationalisation of economic life (created by the expansion of productive forces) has been answered with an initiative dictated by the cold war and under the leadership of the monopolies, without any democratic control.

The Little Europe created by the Rome treaties has not had any democratic life. Its power organs were created at the summit and have been dominated by a technocracy which has assumed more and more an exclusive character. The National Parliaments themselves have had no power of control over the supranational organs and the designation of national delegates was made with criteria of political discrimination, excluding the representatives of the working class parties and of important trade union organisations.

As a result an abyss has been

created between these supra-national organs and the different national realities of member countries, says the Political Bureau.

Moreover, an absolutist system, which is the denial of democracy, has been set up and it tends to impinge on the democratic and representative institutions of the member countries of the Community.

This deformation of the need for a process of economic integration made in the interests of the monopolies was also expressed, behind the ever-growing competition among the big monopoly groups, in a co-ordinated action of these groups against the conquests and aspirations of the workers and in an attempt even to prevent the slightest renewal of political and economic life. If, on the one hand, the EEC has favoured the increase of production, employment and trade within Little Europe on the other, it has helped—even where employment and wages have increased—to sharpen the tendency towards a greater difference between earnings and labour productivity, common to all capitalist countries. Not only the working class countries but the whole economic

area.

It is in this framework that

life of the EEC countries is more and more determined, directly and indirectly, by the will and decisions of the big financial capital which orientates more and more the very policy of the member states.

The Little Europe, created through the EEC in this way, has revealed itself in fact as an obstacle and menace to relaxation of tension, democracy and social progress.

It is impossible, says the Italian Communist leadership, to continue on this path. Instead, it is essential and urgent to create a common front of struggle of all democratic forces in Italy and Europe in order to change radically the tendency assumed by the economic integration process, to defeat the anti-democratic and militaristic tendencies now ruling in Little Europe and to shape a great movement of all democratic and anti-fascist forces on a European scale to bring about a democratic renewal so as to transform Western Europe into a force of peace and progress.

This alternative, says the document, cannot be achieved by going back to the restricted national markets or to autarchical and protectionist positions. It can be achieved, instead, by the development of a united initiative so as to lay down the bases of a European economic co-operation, also between States with a different social structure. This may permit—within the framework of relevant UN economic and political organs—to intensify trade, to eliminate or reduce custom obstacles, to intervene jointly for the progress of underdeveloped areas.

It is in this framework that

the problem of extending of economic integration to Great Britain and other countries must be seen, going forward above all to reducing the external duties and stipulating agreements between the EEC and the EFTA on one side and the EEC and the Council for Mutual Economic Assistance of the Socialist countries (COMECON) on the other.

The overcoming of the present autarchical and closed character of the Common Market and of the consequent contradictions between capitalist countries cannot and must not be sought in the relaunching of the cold war, as a basis for new Atlantic unity. On the contrary, the overcoming of the present closed and autarchical character of the EEC must be sought for in a direction that allows the overcoming of the economic and political division dividing the continent today and permits Western Europe to establish fruitful and positive relations with the 'third world'.

The Political Bureau of the Italian Communist Party in course of its five-point proposal calls upon the Italian Government to promote an extraordinary session of the European Economic Commission of the UN to study concrete measures for the development of exchange and economic cooperation among all European countries, pending the world trade conference agreed to by the UN General Assembly at Soviet initiative. It also calls for the beginning of a debate among all European democratic forces preparatory to a conference, which would work out common action for "a Europe united in peace and democracy, against the dangers of authoritarianism and cold war."

Under this Budget, Government expects to get a sum of Rs. 25 crores by way of super-tax. I think this is an under-estimation and it is not something which speaks well of the budgetary knowledge or approach of the Government. I do not see as to why, when we are in trouble, we should not be recovering outstanding loans given to the Tata Iron & Steel Co., and the Indian Iron & Steel Co., which owe us Rs. 10 crores each.

This money was given in 1954 under a certain agreement, without any maturity date. No interest had been paid and now, lately, they have started paying interest on it but the Government decided not to recover either the whole

## NATIONALISE OIL REFINERIES

\*FROM FRONT PAGE

only Rs. 7 crores in and now Government is going after the ornaments of poor women. What about the gold of the Mahanajast? What about tapping assets in private accounts held by companies and others in foreign banks? These people do not pay. And penalty has to be paid by people who are not in a position to pay.

### Income Tax Evasion

Now let us see the position of income tax evasion. Recently, the Public Accounts Committee, in its report, has stated that a test audit of 572 cases of income tax assessment revealed that the total concealed income was nearly Rs. 50.5 crores and the tax thereon determined at Rs. 24.83 crores. This is one of the many examples that could be given. Mr. Kaldor, the famous economist has stated that the total evasion and avoidance of income tax in the country was of the order of Rs. 300 crores a year! This thing is not found out and naturally government introduces indirect and direct taxes as would hit the masses to find the money for the Exchequer.

Under this Budget, Government expects to get a sum of Rs. 25 crores by way of super-tax. I think this is an under-estimation and it is not something which speaks well of the budgetary knowledge or approach of the Government. I do not see as to why, when we are in trouble, we should not be recovering outstanding loans given to the Tata Iron & Steel Co., and the Indian Iron & Steel Co., which owe us Rs. 10 crores each.

This money was given in 1954 under a certain agreement, without any maturity date. No interest had been paid and now, lately, they have started paying interest on it but the Government decided not to recover either the whole

or any part of this amount from these two concerns whereas they have successfully utilised this loan from the Government in order to expand their factories and earn enormous profits.

And why in such cases, should it not be possible for the Government, in view of the stringency in our economy, to recover from them at least a part of this capital amount so that the Budget could be balanced without hitting the masses?

Then there are other taxes which the Government abolished or certain concessions given. In 1955-56, a development rebate of 25 per cent was given on new machinery irrespective of what the concern is, whether it really needs a rebate or not. We should cancel this rebate in respect of a number of concerns or cases. In the same year, business losses were allowed to be carried forward from year to year. This should be stopped.

In 1960-61, the wealth tax on companies fund was abolished and we protested against it. This must be restored in this emergency. In 1961-62 the tax on new bonus issues was reduced from 30% to 12%. Why should this concession be continued? In the same year, the benefits of the five year tax holiday was extended to newly started hotels and so on. The old position should therefore be restored and plenty of money will be coming under these heads.

Provident Fund contributions should be raised from 6% to 8%. This is demanded by the workers and trade unions and there is generally agreement on this issue. If that is done, the contributions in the Provident Fund will rise from Rs. 46 crores to Rs. 59 crores i.e., an increase of Rs. 13 crores. This will be a substantial gain in the savings account of the country and the money could be utilised for development and other essential purposes.

There is yet another aspect too. Every year remittances are

being sent by foreign concerns in our country and the quantum is increasing year by year. The remittances on profits, dividends etc., earned by foreign concerns amount to Rs. 40 crores, roughly speaking. This should not be allowed to continue in this manner and should be restricted to 50% and the other 50% could be utilised as compulsory loans to the Government and thereby we can easily get Rs. 20 crores or so. The Compulsory Saving Scheme should be directed against these companies.

The next thing is to develop our external trade in the state sector. Our external trade comes to Rs. 1,500 to Rs. 1,600 crores. If a big part or a substantial part of it is taken under the state sector, whether under import or export, we shall be earning quite a substantial amount as profit or commissions, which are now appropriated by the big business houses and in many cases, foreign business concerns.

If we improve our shipping industry, we can save considerably on account of freights which come to order of Rs. 70 to Rs. 80 crores annually. In the internal field also the Government should enter into trade. Agencies similar to the State Trading Corporation should be set up so that in the trade of the country, the Government and the State may participate and earn money for the purposes of development, defence etc.

### Suspend Privy Purses

I would like to ask Government as to why they should not at least suspend payment of privy purses to the wealthy princes. That can be stopped for the duration of emergency or for a certain specified period. I am not suggesting that payment to every one of them including those who are getting Rs. 1,000 or so, should be stopped but at least the payment to the top ones can be stopped.

Then, the state and central undertakings should be made to yield better returns. Under the Third Five Year Plan, the total yield from these undertakings is expected to be Rs. 410 crores and in the first two years of the

Plan, their performance has been of the order of only Rs. 20 crores.

What is more important in this connection is not only to set up new industries and wait till they yield revenues but to nationalise a number of concerns in the country. Only recently Burma has nationalised banking. We have done life insurance but certainly we should nationalise our banks.

Apart from the profits that we will get, huge amounts of money will become available to the Government for utilisation in the interest of the nation. There will be Rs. 2,000 crores worth of deposits available to the Government. Apart from that, once the Government gets control over the banking system, it will be in a better position to control or direct the entire course of economy of the country. Burma has done it; Egypt has done it; why can't we do it?

The oil refineries in the

hands of the foreigners should be nationalised. The requirements of defence demand it. We would not like, when we are dealing with our defence, that the oil refineries should be in foreign hands. If Ceylon could take them over, why can't we take them over?

Mining should be nationalised also. If the situation of emergency has to be met, we must make every effort to mobilise resources. We must have a revenue-yielding state sector especially in the key sectors of our industrial economy.

There are thus plenty of alternative resources available in the country. For finding adequate money for the budget, it is not necessary to tax the common people more. They are already under a heavy tax burden. We therefore demand that the current budget proposals that hit the masses must be withdrawn and breaking fresh grounds bigger resources must be tapped.

## CPI ON BYE-ELECTIONS

Following is the text of a communique issued by the Central Secretariat of the CPI on March 6, after its three-day session that ended on March 5:

THE Central Secretariat of the Communist Party of India at its meeting in Delhi from March 3 to 5, discussed the budget proposals of the Central and some of the State Governments and the stand to be taken by Communist Members of Parliament and State Legislatures.

The Secretariat also took note of the decision of the Government and the Election Commission to hold bye-elections to the Lok Sabha and the Assemblies. The Communist Party has already made representations, insisting that full guarantees should be created for holding these bye-elections in a free and fair manner. For this, it is essential that the Emergency powers should not be misused by the administration in favour of the ruling party, and full freedom for election work should be assured to opposition candidates. It is also essential that the Communist detenus should be released

immediately in order to enable them to participate in the election campaign.

The Secretariat further decided that the Party should put up its own candidates in constituencies where it has substantial mass support. However, where the splitting of votes between the Congress and the Communist Party is likely to lead to the victory of a candidate of Right reaction, the Party will not set up its own candidates but will work for the defeat of the rightist candidate and for the success of Congress. The State Councils of the Party have been authorised to take decisions in the matter, bearing in mind the above considerations.

The Secretariat has called on all its units to observe a Party Membership Campaign fortnight from April 1 to 15.

The next meeting of the Central Executive Committee of the Party will be held in Delhi from April 11 to 14.

## Week in Parliament

\*FROM BACK PAGE

Finance Minister, Tarakeshwari Sinha, sitting behind Morarji Desai twiddled with newly-made 14-carat gold ornaments and showed them round to her neighbours, opposition MPs bitterly complained about the hardships caused to goldsmiths and said that there were even cases of suicides. Gopalan asked government to see that relief was given to the goldsmiths rendered unemployed.

Morarji Desai, true to his stubbornness, would not budge an inch from his position in spite of all the criticism. He clung to his pet scheme and claimed that it had great potentialities. However, he also promised that government was willing to help goldsmiths who might have lost their vocations as a result of the gold control order. He said that he had already written to State governments to give loans to them and to help them in other ways also like training in alternate vocations and educational facilities for their children.

Compared to Morarji Desai, his colleague the Railway Minister had a much easier journey as he piloted his budget through both the Houses of Parliament. Sardar Swaran Singh escaped much of the harsh criticism, for the simple reason that he had not imposed additional passenger fares and he could show an impressive record of Railways' performance in the current year.

As against the original target of carrying 15 million tons of additional traffic this year, the Railways had actually carried 16 million tons and Sardar Swaran Singh promised that it will reach 16½ million tons by the end of this month. This is the highest record for Indian Railways. At the same time Sardar Swaran Singh promised that steps were being taken to improve goods and passenger traffic. He admitted to a number of faults like overcrowding in trains, ticketless travel and late running of trains. Such admission itself was a relief to members and they were more than prepared to travel with such a genial companion. Members who participated in the debate paid tributes to the patriotism and the hard work put by railway employees. Communist members, Ranen Sen, Vimla Devi, P. K. Kumaran and Vasudevan Nair drew attention to a number of grievances of railway employees like heavy workload, rents for quarters, victimisation after the general strike of 1961, withholding of recognition of unions as also the serious phenomena of increasing railway accidents. They expressed fears that the increase in railway freight would lead to increase in prices of commodities and suggested that the railways could manage their finances better if economy was effected and wastage eliminated. Quite a large number of members also voted the need for additional railway lines in their respective regions.

## Notes of the Week

### Stop This Exhibition

\*FROM PAGE 4

an anti-Nehru campaign."

But for all their close affiliation with the parties of Right reaction, it is amazing that Ministers of the U.P. Government like Smt. Sucheta Kripalani and two others should have dared to associate themselves openly with this violent anti-Nehru, anti-Indian demonstration. For all their later "disassociation" and lame excuses, the question democratic Congressmen are asking all over India is: What action will be taken against these friends of the communal fascists inside the Congress hierarchy?

The guilt has been underlined by the Chief Minister's statement that he and Minister Tripathi refused to associate themselves with the exhibition, because it was known that the organisers were Jan Sanghis.

It has been heartening to hear the healthy protests of the mass of Congress leaders and workers all over the country, who see in the exhibition both the prime dangers of the Right reactionary forces raising their heads in the country—and at the same time,

the necessity for patriotic Indians, irrespective of party, to unite to halt the advance of reaction.

### TWO VOICES IN CONGRESS

THE activities of Right reactionary forces are not confined to U.P. In West Bengal, there are the strongest Rightist trends inside the top Congress leadership. Evidence of this was apparent at a public meeting in the Calcutta maidan on March 2, addressed by AICC President Sanjiviah and West Bengal PCC President Atulya Ghosh. The contrast between the two speeches has been widely commented upon.

Sanjiviah referred to the resolution of the Communist Party of

India against Chinese aggression and said it had played a positive role. Atulya Ghosh openly said that whatever the all-India leaders might do in Delhi, he and his followers in West Bengal would continue their battle against the Communists and have no truck with them.

Sanjiviah called for national unity and stoutly defended the policy of non-alignment and attacked those who criticised it. He stressed our policy of building up our own defence potential and the necessity for economic progress and self-reliance.

Atulya Ghosh, on the other hand, made his usual slanderous attacks on the Communist Party and said he would never cooperate with the Communists in West Bengal, whatever Sanjiviah and the High Command may do on the national level.

It is interesting to note that at a meeting of Congress legislators and members of the PCC Executive Committee, Sanjiviah stated that common meetings in defence of the basic policies could be held with other parties, provided these parties abided by a certain code of conduct.

This explanation has been useful in countering the misinterpretation of the Working Committee resolution to mean that no joint meetings of Congressmen, Communists and other democrats should take place.

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## Aid That's No So Simple

# HOW DOES AMERICA BEHAVE IN AIDED COUNTRIES?

Some parties and leaders in India think that in building up the defence of India and its industrial strength, we should allow the Americans to hold "air umbrella" over the country, take their rockets and specialised weapons, let their military missions and technicians come and stay here and so on.

What we object to and say is that to do such a thing means India to lose her independence, to become a partner in the American war block and a pawn and a base in the US imperialist strategy of world war against the Socialist countries.

Objecting to our analysis, some people ask whether England or France or other countries, who have joined the USA in war blocks, or taken her missiles and weapons, lost their independence. We maintain that though the formal independence of these countries is not lost, their real independence in the political and economic field becomes mortgaged to the US warmongers and monopolists. There are plenty of instances to show this.

We give below the facts regarding the deadlock in trade in which Britain is forced, leading to unemployment, by the policy of the US and their dictates as published in a British paper.

Even the way Americans behave with the people when their armed forces or missile bases are located in a country is illustrated by the incidents we propose to publish from time to time. We publish here just an instance of the impunity of an American sailor at the Polaris base in Scotland:

## Polaris Base Officials Hide Guilty American Sailor

AMERICAN naval authorities at the Polaris submarine base at Holy Loch (Great Britain) were accused on March 1 of "obstructing the cause of justice".

They refuse to disclose the whereabouts of a sailor from the depot ship Proteus ordered by a Dumoon court to pay £500 damages to a civilian he stabbed.

The sailor, James Carol Elswick, was sent back home in August last year, a week after he was warned of the civil claim.

He was fined £25 in July for knife assault and breach of the peace after he had stabbed a welder Robert Simpson outside a bingo hall.

Simpson was later awarded £500 damages against Elswick in Dumoon Sheriff Court.

"He hasn't received a penny because of non-cooperation and passing the buck by the US authorities who have referred me from one department to another", said J. J. McLeran, Simpson's solicitor.

"We do not know where Elswick is or if he is still in the US Navy and the Americans won't tell us."

McLeran said: "I refuse to stand by and watch an inoffensive man like Mr. Simpson being denied his rights. I will fight this to the end, even if it means going to the White House."

The matter is likely to come up before the House of Commons as Simpson has approached Dickson Mabon, MP, to take it up.

Father of three young children, Simpson commented a few days ago while talking to a reporter: "I have received nothing from the Americans except a bunch of flowers when I was in hospital recovering from the stabbing."

## Police Raj in South Africa

THE police force in South Africa has increased from about 20,000 in 1955 to 50,000 last year. Today the main task of the police force is not the detection of crime but the harassment of the people and the suppression of anything that undermines white domination, states a report from South Africa.

This was made quite clear at the beginning of last year when Vorster, the present Minister of Justice, reorganised the police force and equipped it with weapons for combat duties.

At a passing out parade of young white police trainees at the beginning of this year Vorster again warned the police of their duty towards the whites, who he said had enemies everywhere in the country, some were white and others black, some were ministers of religion, lawyers, doctors, liberals workers and Communists. The Communist, according to Vorster, is anyone who opposes white domination.

The South African police have a black record of terrorism, brutality and murder which even their own Government cannot hide. The police faithfully carry out an order given to them by Mr. C. R. Swart in 1952, then Minister of Justice and now President of South Africa, that when they see a group of Africans they must "shoot to kill and ask questions afterwards."

In the past the Security Branch was a small body, it has grown with the rapid growth of the resistance movement. At the end of last year General Key, the head of the police, announced that the whole Detective Force of the country would now have to assist the Security Branch of the Police in unearthing what he calls "subversive activities."

The suppression of the resistance movement has been one of the main pre-occupations of Dr. Verwoerd's Government. They have used the Suppression of Communism Act passed in 1950 to try and silence almost every leader who opposes them. They have arrested leaders, charged them with treason and banished them, and they have outlawed the resistance organisation.

All these repressive acts failed to stop resistance. Last year they passed the Anti-Sabotage Act, a law which holds a death sentence over almost every conceivable form of political action, from the putting up of a poster on a wall or refusing to collaborate, to taking part in strike action. The Minister of Justice also armed himself with arbitrary powers to sen-

him for receiving visitors at his home.

The following day he was released on bail but in terms of the order it was impossible for him to pay his last respects to his mother and to attend her funeral without the permission of the Minister of Justice.

Under the Anti-Sabotage Act as well as in terms of the Suppression of Communism Act the Minister has powers to ban political leaders, ban them from attending gatherings including sports and church services as well as powers to ban newspapers and books.

Already in terms of these laws 102 leaders including Chief Lutuli and Nelson Mandela cannot have a single word they utter published in any newspaper, book or publication.

Recently, banned persons and listed communists have been prohibited from joining any organisation which might discuss, support or criticize the policy of any state. Which organisation on earth does not discuss, support or criticize the policy of some state at some time?

## Miners Defy De Gaulle

PARIS, March 4  
Over 250,000 French miners on March 1, defied General de Gaulle's threats of fines and imprisonment if they came out on strike in support of their 11 per cent wage increase demand.

THEY defied, too, the massive reinforcements of armed police which were drafted into all the coalfield areas of the North and North-East France in an attempt to intimidate them.

General de Gaulle countered the miners' unions' strike call by a "requisition" order which faces the miners with jail or fines if they do not present themselves for work on March 4. The miners refused to be cowed down and abstained from work.

This move had, in fact, increased indignation among the miners. Such a move has never been made against them before, although the procedure has been used against railway and postal workers.

All the three miners' unions charge that General de Gaulle and his Minister of Labour M. Bokanowski have "treated with contempt" their demands for higher wages and better

conditions to meet the rising cost of living and reduce the rising toll of sickness and accidents in the French mines.

Present average wages in the French mines are about £53 a month (about Rs. 700) a month for pit workers and under £40 (about Rs. 425) for surface workers—compared with an average £75 (about Rs. 980) for British miners.

The miners have been negotiating with the French government since 1961 and all they have had so far is a miserable offer of a 3 per cent increase.

Since General de Gaulle came to power in 1958, the cost of living has risen by 19 per cent, according to official figures.

The miners' action has spotlighted the rising discontent among industrial workers at General de Gaulle's failure either to halt the rise in prices or allow appropriate wage increases.

## Western Press Furore Over A Minor Incident TRUTH BEHIND AFRICAN STUDENTS' EXPULSION FROM BULGARIA

Refuting tendentious reports circulated by foreign news agencies about an incident involving African students in Bulgaria, a press release of the Bulgarian Embassy in New Delhi states:

THE slanderous fabrications are directed against the Bulgarian people who have been deliberately accused of nursing the feeling of racial hatred and these reports, evidently, are tailored to meet political ends in the purest traditions of cold war.

The traditional respect, which the Bulgarian people foster towards all races and peoples, the hospitality with which every foreigner in Bulgaria is surrounded is very well known. It may be recalled that even under the Nazi occupation of the country during 1941-1944 when the fascist government made every preparation to hand over to Hitlerite Germany the Jewish population for extermination, it was the mighty protest of the entire Bulgarian people which forced them to abandon this idea. Bulgaria was almost the only country in Europe whose Jewish minority was not exterminated.

The People's Republic of Bulgaria has always actively supported and is supporting the struggle of the colonial and dependent peoples for freedom and national independence, an example being the well-known fact of Bulgaria's active support to Algeria during the hardest years of their struggle for national independence.

Maintaining close friendly relations with a number of independent countries of Asia and Africa, the People's Republic of Bulgaria has rendered them friendly aid in various fields to help strengthen their independence and build up their national economy.

## Eleven Hundred Foreign Students

As a result of this very policy of the Bulgarian Government more than 1,100 foreign students, about 400 of whom are from Africa, are studying at the universities and higher educational institutions in Bulgaria. The Bulgarian Government has provided these students with all that is necessary for study and decent living. Almost all of them have scholarships which equal the average monthly pay of junior-experts and university graduates, working in Bulgarian administrative offices, enterprises and plants.

All foreign students live together with Bulgarian students in comfortable hostels, free of charge and are also entitled to free medical care and pay nothing for tuition. They spend their summer holidays in students' rest homes and camps for a minimum fee. They have free access to all the libraries and reading rooms. They go, free of charge, too, to all the gymnasiums, swimming pools and sports grounds, and besides, they have a cultural club of their own.

It will be evident from this that there could be no question of any racial discrimination. The truth is that about 40-50 students out of a total of about 400 Africans studying in Bulgarian universities, wanted to form an "All African Students Union" in Bulgaria.

In complete disregard to this and in order to press the

formation and recognition of this union, about forty to fifty African students took out a demonstration on February 12, 1963 when anti-Bulgarian slogans were raised.

It must be added also that about 220 of the African students had strongly opposed the formation of such an organisation, while the rest of the African students had shown themselves disinterested in the issue. On the other hand the competent Bulgarian authorities offered support to the African students to form associations of their respective countries.

Following the demonstration, the main organisers, seven in number, were asked

to leave the country. Later 99 more students left Bulgaria at their own will. Obviously, reports that a great part of the African students in Bulgaria have expressed their desire to leave or have left Bulgaria are absolutely incorrect.

## Only Seven Expelled

Reports that participants of the demonstration were maltreated by Bulgarian militia is a complete fabrication.

Following the demonstration, the main organisers, seven in number, were asked

to leave the country. Later 99 more students left Bulgaria at their own will. Obviously, reports that a great part of the African students in Bulgaria have expressed their desire to leave or have left Bulgaria are absolutely incorrect.

Once again the carefully prepared propaganda build-up of the imperialists met with debacle. In spite of the voluminous lies and slanders hurled against Bulgaria, the growing friendship and co-operation between the People's Republic of Bulgaria and the newly independent countries of Asia and Africa will grow stronger.

Spotlight

by Garuda

## Reaction's Khedda Operation

The Indian scene today resembles, in certain aspects, a great Khedda operation. Some people, most prominent among them, the Swatantra Party and the Jan Sangh, with the PSP and SP bringing the rear, are hetically engaged in creating a din and uproar to drive the elephant, namely India, into the Khedda of the West.

INDIA is too helpless for her own defence, so alignment with the West is the only way out for her—that is the burden of their song. Rajaji's famous pose—we lose independence any way, whether we do it to China or to the West is our choice—will perhaps, be eternally remembered in Indian history.

The same plea has, again, been graphically cartoonised in the Swarajya of February 23. The cartoon shows India faced with the choice of only two roads—one pointed by Khrushchev leading to Peking and a deep precipice; the other, pointed by Rajaji, that will take India astride a broad and asphalted road to Washington D.C.

THERE is an assiduous propaganda effort to project the image of the West as a selfless friend, whose embrace India will refuse at her own peril.

"A firm bond with America and other western powers in defence of India is the only answer to the threat now plainly disclosed," pleads Rajaji. "The days are gone when the western powers were eager to invite us to join them in an anti-Communist front," he adds to prove the West's selflessness. "The negotiations and intercessions of anti-West inhibited neutral are but the dance of Mohanaavataar to divert us from the road to security", he warns (Swarajya, February 23).

The U.S.-trained editor of the RSS-Jan Sangh mouthpiece Organiser puts in the plea: "The USA is not terribly anxious to help us. There are some (in the

nology of events, to support this theory. But it is becoming the most favourite argument of those who wish to hustle India out of her independence into military alignment with the West.

It is difficult to make these gentlemen see sense, for their striving to get India into a booby-trap is as old as themselves. The Swatantra party, it will be recalled, was born with the slogan of India for military

Joining issue with "Nehru's daughter" for her reported statement that "the West has made much noise about its aid to India, but what has been received is far short of our requirements," he remarks: "Does the noisy lady think that it is for the West to give, and for us to find fault?" (Organiser March 4).

It is evident that the blue-eyed darling knows his lines very well and can rehearse them beautifully. He deserves a lusty pat on the back and a special allowance of pocket money as reward.

alliance with South East Asia, on its lips, while the Jan Sangh has never felt secure in India without the West's patronage. Non-alignment has been their bete noire.

That this umbrella business is always a flop and can never be a substitute for a people's own, independent effort on their own behalf is proved once again by the latest event in South Viet Nam. The bi-partisan senatorial committee led by Mike Mansfield, has reported:

"It is most disturbing to find that after seven years of the Republic, South Viet Nam appears less, not more stable than it was at the outset." (Statesman).

Nevertheless, the show goes on. It often presents quite an amusing spectacle. But the performers overshoot the mark when they start admonishing India for "biting the hand that

feeds." (Organiser). India has never been in that abject position and these gentlemen had better beware of the insult they heap on the country by such pleas. Oddly enough, the people who bring forth such accusations today, were operating with altogether different yardsticks only a year back at another crucial moment of India history.

It was when India was on the verge of being dubbed an aggressor, through Western initiative, for having cleaned the rat's nest in Goa. It was the Soviet Union whose veto saved India, and prevented Goa from being put on a platter and presented back to Salazar. But what did these gentlemen, who talk so passionately of friends and friendship today, do at that time?

Rajaji was as angry as the USA at the Goa action. And about the Soviet Union he wrote:

"The veto of the anti-colonialist Soviet power in the Security Council came to Mr. Nehru's (!) assistance but it is a damosa haereditas" (Swarajya December 30, 1961).

And the Sangh mouthpiece said: "Soviet Russia's action is more an anti-west move on the international checkerboard rather than a deed of disinterested goodwill." (Organiser, December 25, 1961).

More. It went hammer and tongs at the USSR President Brezhnev who was on a visit to India at that time.

But the same Organiser has today invoked against "Nehru's daughter" the provision of the Indian Constitution that no one has the right to attack foreign powers friendly to India!

Double-standards could hardly go to lower depths.

But that is perhaps only a measure of their desperation. Despite its loud din, the Khedda operation is going to be a flop.



## Trade Ban on Britain US Govt. Maintains Its Stranglehold

London, March 2:  
BY refusing to allow an American airline to buy British planes the US Government has again shown its determination to keep its imports from this country down to the very minimum.

This would not be so serious if it were not for the fact that Mr. Macmillan allows the Americans to restrict our trade with other countries as well.

Only recently there was pressure from American oil interests against a deal with the Soviet Union in which a small part of the payment for British ships would be made in Russian oil.

With unemployment nearing the million mark, the British people are in no mood to tolerate American restriction of British trade with foreign countries.

Shortage of orders is responsible for the fact that two out of three firms in a recent survey said they could not keep their workers and machines fully occupied.

Britain's key industries are being hit. In some parts of the country the people are angrily talking of the return of the Hungry Thirties.

A big share of the blame for these difficulties must go to the American Government which has dictated regulations governing British exports. The other share must go to British Tory leaders who have meekly accepted this dictation although it has caused great damage to this country.

Under its Foreign Assistance Act, the United States got the Board of Trade to ban the sale by British firms of 200 different kinds of goods to the Soviet Union or other Socialist countries.

# Parliament Voices Anxiety Over Fresh Taxes: Bouquets and Brickbats for Finance Minister

Week in  
Parliament

★ BY OUR PARLIAMENTARY CORRESPONDENT

The spotlight this week was on Morarji Desai. His ruthless personality and conservatism were in bold relief as members of Parliament began examining his budget proposals for 1963-64.

THE very shock administered by Desai's gargantuan tax proposals seemed to have made him a hero in the eyes of some, while others were dismayed at the consequences. Even those who praised the Budget as "bold" and "imaginative" and "revolutionary" etc., etc., could not hide their anxiety at how hard the Budget would hit the common man. The Congress Party rallied to the support of the Finance Minister, but words of caution were none too few even there.

Almost without exception, members of the Rajya Sabha who participated in the general discussion on the budget, found themselves hoping that the Finance Minister would relent a little and take away some of the heavy burden cast on the poorer sections of the community by his move to tax their essential needs and his new scheme for compulsory savings imposed upon them.

## Defence and Plan

The two important points on which the Finance Minister could canvass support for his budget were his generous outlay for defence and for the Plan. For defence he announced an outlay of Rs. 708.51 crores, the biggest ever in the history of free India. As for the Plan, the Finance Minister had said that he was providing Rs. 1,228 crores for Plan outlay of the Centre, including assistance to the States, as against Rs. 1,107 crores provided in the budget for the current year.

Members welcomed these allocations and there was unanimity about the need for the unprecedented defence expenditure. The integrated approach of economic development and defence found ready response from all sections. At the same time, the tax proposals, particularly those affecting the common man like the excise duties on kerosene, paper, soap, etc., and the new postal levies and the burden of compulsory savings could not be so readily welcomed.

It was also sharply pointed out by many that the burden of additional taxation had not been distributed equitably among the different sections of the community and that the proportion of indirect taxes to direct taxes was unjustifiable.

Initiating the debate in Rajya Sabha, the leader of the Communist group, Bhupesh Gupta said that the tragedy of the present budget was that, it heavily penalised the patriotism of the people. The legitimate desire of the people for strengthening defence was being exploited by the government for imposing undue burdens on them.

Bhupesh Gupta pointed out that the right course for the government would have been to evolve a policy whereby the resources of the country could be mobilised simultaneously with the harnessing of the willing labour power, enthusiasm and initiative of the working people. He suggested a number of measures by which the rich could be taxed to pay more and adequate resources raised for meeting the defence and Plan expenditure.

M. N. Govindan Nair in his

speech pointed out that the new taxes imposed by the Centre have to be viewed in the context of the heavy taxation already resorted to by the States. He called for the scrapping of prohibition, confiscation of hoarded gold, and steps to improve agriculture and trade.

Discussing the stagnation in agricultural production, he stressed that unless the government took steps to introduce more radical land reforms, the position on the agrarian front will not improve.

Govindan Nair wanted to know why S. P. Jain, who has been severely condemned by the Violent Bases Commission which enquired into the affairs of the Dalmeida-Jain group, was still being retained in the Export Promotion Council. He warned against allowing more free entry to foreign capital into the country which would inevitably upset the growth of our public sector.

As against the Communist approach to the budget, an approach which laid stress on the strengthening of defence and raising resources by more taxes on the rich, the Rightist approach clearly sought to plead the cause of the big business in the country. While criticising the compulsory savings scheme for the rural population and levies like that on kerosene, the Swatantra leader Dayabhai Patel strongly argued against the ceiling proposed on the expenditure of companies on account of remuneration and perquisites to Rs. 60,000 per annum for an individual employee.

He also grumbled against the super-profits tax and said that it "will take away all resources which the companies usually plough back." "This high impost will stop expansion and development of industries. Because of less dividends, savings and capital formation will be affected," he argued. Dayabhai Patel opposed the budget proposals.

Another Swatantra member Ruthnaswamy pleaded that we should join a military alliance with the West "as a means of easing our defence problem." According to him "India cannot do it (defence) alone, cannot go it alone."

The Jan Sangh leader Vajpayee spoke in his usual strain making little effective contribution. He criticised the gold policy and also spoke about the taxation policy spoiling the climate of investment in the private sector.

In contrast to all these was the speech of M. S. Gurupadaswamy (FSP) who started by saying that he "broadly" supported the budget proposals and ended by almost shaking Morarji Desai's hands. While he pleaded for lifting the proposed taxes on ordinary articles of consumption, he nevertheless contended that the budget, by and large, was bold and realistic and that there was no other alternative.

## Congress Support

The Congress support to the budget was crystallised in the speech of Congress General Secretary K. K. Shah who claimed that

the rich had not been left out of taxation and paid tributes to Morarji Desai in these terms: "I cannot think of a more capable and greater socialist than the Finance Minister who has framed this budget." Flaudits for Morarji came also from S. N. Misra who prospected that taken together with the gold policy, this budget will entitle the Finance Minister "to an abiding place in the economic history of the country."

However, such pep talk by Congress members could not help even them to ignore the heavy burden cast on the common people by the new tax proposals. Even they ended up by appealing for adjustments and any possible relief to the poor. Particularly the excise duty on Kerosene and the application of the compulsory savings scheme to the rural population had caused considerable apprehension in Congress circles.

K. K. Shah, in spite of all the support he could muster for the Finance Minister, ended up by saying that he was also "joining in the plea that after hearing the arguments in both the Houses, wherever possible, unless it is absolutely necessary, unless it is inevitable, we should go to the rescue of the common man."

It was plain that the fears of "one and all were focussed on the price line threatened

by reckless indirect taxation. It was also interesting to note that while the Railway Minister prudently refrained from raising passenger fares, obviously knowing that the Finance Minister would be raising taxes and taking on his shoulders all the unpopularity on that account, the latter has, for all practical purposes, passed on the buck to the Planning Minister, whose headache it will now be to keep prices at reasonable level. Indeed, Gulzari Lal Nanda is the most worried man in the Cabinet today.

Another favourite topic with the MPs — for criticism as well as for praise — was Morarji Desai's gold control scheme. The scheme was hotly debated in the Lok Sabha for four hours and it was also the subject of much comment in the budget debate in Rajya Sabha. Opposition was sharply critical of the measure, whereas the majority of Congress members thought it a very great revolutionary measure.

From the Jan Sangh and Swatantra view point there was little to commend in the scheme, which they opposed totally. The Communists supported the scheme so far as its objectives went, but pointed out that it had too many bad points about it and

could not really achieve its objective. A favourite comparison of the scheme was with prohibition. There were one or two Congress members like Kamalnayan Bajaj and D. C. Sharma who joined the criticism against the scheme.

There was skepticism whether the gold control order could really result in preventing gold smuggling and the huge drain on foreign exchange. The government was pointedly asked by Communist members why it could not unearth the vast gold hoards of the princes and other rich people. Whereas it is estimated that there was Rs. 4,000 crores worth of gold hoard in the country, the gold bonds of the government have fetched only seven crores rupees. Where is all the rest of the gold gone, it was asked. A. K. Gopalan in Lok Sabha suggested that government should impose a ceiling on the possession of gold in whatever form including jewellery, instead of imposing a 14 carat restriction on gold ornaments. He also called upon the government to take over import and export trade.

But most of the concern expressed by MPs was about the sudden unemployment caused to over five lakhs goldsmiths in the country as a result of the gold control order. As Deputy

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## Let Us Find Out Whether Birla is Guilty or Not

### Bhupesh Gupta Demands Publication of Reports on Ruby and Asiatic Insurance Companies

Speaking on the Budget proposals in the Rajya Sabha on March 4, among other matters, Bhupesh Gupta, leader of the Communist Group made pointed reference to the Government's behaviour over the report of the Vivian Bose Enquiry Commission.

HE said that "this report should not be taken as if it relates only to those concerns or to those individuals. This is an exposure of the entire system of Big Business in our country and of the manner in which they function, of their countless frauds, swindle, defalcation, malpractices and thuggery of all kinds. All this has been exposed today and I think the whole country should discuss the entire thing concerned with the Big Business institutions and suitable action should be taken. The Government should not waste time in this manner by referring it to a Committee and waiting for what the Experts Committee has to say."

Bhupesh Gupta wanted to know from the Finance Minister as to why the Report which the Chartered Accountants submitted after enquiry into the affairs of the New Asiatic Insurance Co., and the Ruby General Insurance Co., were not being made public.

In the case of the New Asiatic Co., Bhupesh Gupta said, a report running into 132 pages was submitted to the Controller of Insurance on August 17, 1959. The report said that there was a regular conspiracy to falsify books of accounts systematically and manipulate profits from year to year for the purpose of showing a rosy picture before the shareholders.

This is finding No. 1 in the

Here again they say that the books of accounts of the Company were systematically manipulated for the purpose of showing a rosy picture to the shareholders.

Bhupesh Gupta pointed out that the investigators also said that the company had been "very liberal in settlement of claims" especially of the allied concerns of the Birlas and "has paid claims which are not payable."

He further quoted from the Report: "Books of accounts show that large amounts were withdrawn under the head, salaries to field workers, commission, organisation expenses, entertainment, travelling and conveyance expenses, which have been used for some other purpose... We are inclined to take the view that a substantial portion of these expenses relate to extra commission."

He further added that the investigator found that "in some cases the Commission accrued to Birla Bros. (P) Ltd., has been diverted to different names without sufficient reasons."

These are the reports, Bhupesh Gupta said, with the Government, and Morarji Desai knows inside out of what is contained in these Reports. But our Government will not make them public.

Bhupesh Gupta charged the Government with "suppressing these Reports with a view to covering up the Birlas", and added, let us discuss these in Parliament to find out whether Birlas were guilty or not, instead of suppressing these reports and sleeping over them.

He also referred to the House of Thekranav and demanded that these matters be placed before Parliament in order that they could be discussed.