

**ECONOMIC POLICIES
OF
THE INDIAN POLITICAL PARTIES**

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**1989
COMMONWEALTH PUBLISHERS
NEW DELHI-110002**

security measures and other amenities to the workers which will raise their efficiency. To provide greater employment opportunities, it has stressed upon the establishment of small scale industries in large numbers for which the State will provide credit facilities.

PUBLIC FINANCE

The D.M.K. is avowedly a Socialist Party as its manifesto clearly states: "Our ideal is to establish a socialist society...."³⁹ It asserts that it socialism has to be meaningful, it should comprehend within its fold programmes for the social uplift of the poor and the down-trodden whose existence has become hollow and meaningless. The D.M.K. is aware of the fact that in our society today "for the affluent few life is perpetual feast, for the remaining many life is a veritable vale of tears."⁴⁰ Therefore, the Party is pledged to transform this unequal society into just society. It is of the view that social justice should be achieved in such a manner as it can be distributed to one and all. Therefore, its fiscal policy will be arranged in such a manner as this end may be achieved. Apart from this, it stands for the State Autonomy in which the State should be vested with necessary resources and powers.

Thus the Party has given its economic programme of Joint Sector, its demand of State autonomy its pattern of casteless and classless society to achieve the socialism. Though its objectives are directed towards political power, the Party appears as a cultural interest group than as a programme oriented political party.

(C) BHARATIYA KRANTI DAL

The number of dissidents in the Congress were increasing day by day and at the time of the Fourth General Elections, the dissenters in many States were not prepared to concede to unity appeals of their leaders. In order to exploit the favourable moment many disgruntled Congress leaders formed their own parties in various States like Bangla Congress in West Bangal, the Janata Kranti Dal in Bihar and Jana Congress in Orissa as well as in Madhya Pradesh. Thus it may be called that these new parties were recruited from the 'havenots' of the parent organisation.⁴¹ All These leaders were originally ex-Congressmen, therefore, it was decided to form an all India Party.

Professor Humayun Kabir invited all important political non-Congress leaders in different States to meet at Delhi on December 6-7, 1966 to review the situation and take a decision. About 75 leaders, representing all States met and decided to form all India Party, namely, Kranti Dal.⁴² After the General Election of 1967, Professor Kabir again called a meeting of Chief Ministers of non-Congress government and other important leaders on April 9, 1967 at New Delhi. But the Matter was not finalised, therefore again these leaders met at Patna on May 5-16, 1967. After full discussion it was finally decided to form the Bharatiya Kranti Dal and Shri Mahamaya Prasad Sinha was elected its Chairman.⁴³ The first National Convention of the Dal was held on November 11-12, 1967,⁴⁴ where the draft of Constitution of the Party was approved and adopted.

In Article II of the Constiution, the Bharatiya Kranti Dal states its aim and objectives as: "The Dal shall, by and large, work according to the philosophy of Mahatma Gandhi for the creation fo a democratic society free from economic, political and social exploitation,"⁴⁵ In this way the Dal adopted Gandhian Path and Gandhian principles for the development of the country. To achieve this aim and object, the Dal laid down its certain economic policies.

This party got popularity only in U.P. where it was nothing but more than a personal following of popular Kisan leader Chaudhry Charan Singh. Though this Party made headway in Rajasthan, M.P., and Haryana yet it could hardly be termed as mass-organisation.

AGRICULTURE

There are three factors of production: land, labour and capital. An increase in agricultural production can be brought about if one or more of these factors is increased. It is the only agricultural development which can solve the growing food problem of the country. Therefore, the B.K.D. gave first priority to the development of agriculture. A prosperous or developing agriculture alone can:

- “(a) Provide raw materials to feed the wheels of manufacturing industry;
- (b) release workers to man the factories, commerce, transport and other services like power and education and to construct roads, railways, harbours and factories;

- (c) produce food to feed the workers engaged in the various services and industries;
- (d) provide the market for non-agricultural goods and services inasmuch as increased agricultural production will put more and more purchasing power into the hands of farmer and finally,
- (e) provide foreign exchange to finance necessary or unavoidable imports of non-agricultural goods and machinery.⁴⁶

Thus the Dal believed that the agriculture plays and can play a vital role in the India's national economy. Therefore it laid stress upon the development of agriculture. The country has limited area of land and surplus labour. Therefore, B.K.D. stood to foster an agrarian organisation based on intensive application of labour and capital per unit of land, through small farms managed by independent farmers linked together by the principle of cooperation.⁴⁷ Apart from this, it would provide certain facilities like improved seeds, manures, technical facilities and credit facilities to the farmers so that yield per acre may increase and the problem of food may be solved.

The problem of sub-division and fragmentation of land is causing a great difficulty for higher yield in the agriculture. The B.K.D. proposed to take effective measures for consolidation of scattered fields to a farmer, into one compact block or in two blocks. It would prefer small irrigation works to large ones and will take steps to see that all available organic manure is utilized and made to contribute towards increased agricultural production.

The B.K.D. was of the view that the psychology of a man, that he is the owner of a piece of land, plays an important role for raising the agricultural production. Therefore it stood for replacement of farm tenancy by peasant proprietorship. No intermediary or landlord shall be permitted to resume land from tenants for self-cultivation and no farmer, to lease out his land unless he is a member of the armed forces of the Union, suffers from an unsound mind or is physically handicapped from carrying on cultivation.

The B.K.D. was against the cooperative farm system where land, labour and machinery are pooled together. It believed in individual

farming. For higher production, capital investment and innovations in farming techniques should be used. It was not against the cooperative movement but it did not consider the cooperative movement a fit subject or policy to be executed through government department. In order to serve the aims of cooperation, it should develop as a result of an urge from within the people themselves.

The Dal stood for ceiling on land, holding also and the surplus land should be distributed among landless persons. At the same time, it stood for a remunerative price for the agricultural products.

Thus the B.K.D. gave the first priority to the agriculture. It stood for the use of higher capital investment and innovations in farming techniques, i.e. labour intensive capital, replacement of farm tenancy by peasant proprietorship, by providing certain facilities like credit, manure, irrigation, improved seeds and scientific and technical guidance to the farmers for higher production in the agriculture. If agricultural production is increased, it solves many problems of the country.

Thus the B.K.D. gave the highest priority to modernization of agriculture and to technical education and training. On the whole it may be said that the programme was heavily agriculturally oriented. A prosperous peasantry is not only considered essential for the increase in food production, but is also viewed as a stimulus for the general economic development.

INDUSTRY

In the field of industry, the B.K.D. wanted to establish an industrial economy based primarily on small decentralised units which would maximise employment and increase production and per capita income through labour intensive rather than capital intensive industries. In this way it advocated 'that the process of growth should be generated from below and not started from.'⁴⁸ This policy is based on the Gandhian principles. Mahatma Gandhi always advocated the use and encouragement of cottage industries in the country.

Thus B.K.D. tried to mobilise the masses in the style of Gandhi and to strike at the root of human problems. Therefore it is of the view that it would "work for a change in the motivation of our people so that

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they may shed fatalism and work hard for their own betterment as also for economic development of the country.⁴⁹ Thus, for the betterment of rural masses, it advocated the decentralised industrial development based on small scale and cottage industry. The economy based on Dal's ideology would be 'where small scale enterprises using labour intensive, capital saving techniques, dispersed over the countryside, will or should form the main pattern and not large scale industries which use highly automatic, costly machines and require more capital relative to labour and are usually located in urban centres.'⁵⁰

It does not mean that the 'Dal' was against the establishment of large scale industry. For the long-term interest of the country, it was of the view that the large-scale industries should come only in course of time as the apex of an industrial structure which cottage or small scale industries as its base. To avoid the competition between large scale and small scale industries, it would demarcate the sphere of these industries. No capital intensive should be allowed to establish for the production of goods which could be manufactured on a small scale. 'The existing mills or factories that are manufacturing goods which can be produced on a small or cottage scale, will not be allowed to sell their products within the country, but will have to export them.'⁵¹ government will do all that it can help them to compete in foreign markets.⁵²

Thus the industrial pattern of the B.K.D. was based upon the decentralization of industries through labour intensive and capital saving techniques. This pattern will provide a greater employment and reduce the burden on agricultural land while capital intensive techniques will result unemployment. The B.K.D. adopted this policy as it wanted to project itself as a party which would move on the path of great Mahatma Gandhi and promote as well as protect the Gandhian principles.

LABOUR

There are three factors of production: land, labour and capital. An increase in the production whether in the field of agriculture or in industry, can be brought about if one or more of these factors is increased or with improvements made in the method or methods utilizing these factors. So far as land is concerned, its total area is fixed and cannot be changed. Similarly, India is lacking in capital as it is a

developing economy. The only factor which the country possesses in vast number is the vast manpower. The B.K.D. wanted to establish such an economy where this vast manpower might be utilized. For maximization of employment, production and increase in national incomes, it was in favour of using labour intensive method rather than capital intensive technique in industries. Therefore it stood for the decentralization of industry through small scale and cottage industries. The 'Dal' was of the view that in a capital short economy, the adoption of an advanced industrial technology would mean employment of a few, though with higher income, at the cost of many with no incomes at all. Therefore, labour intensive policy should be used for industrial development.

The B.K.D. was not in favour of labour to be unionised because trade unions make the labour expensive far more expensive than it need be in under-developed or developing countries like India. Therefore the employers are compelled to introduce highly mechanised techniques which is labour saving technique. Therefore, the B.K.D. considered the cheap labour as our greatest asset and it should be allowed to go waste for the national interest. To use this cheap labour, the 'Dal' was in favour of labour intensive techniques in the industry. Apart from this, the role of trade unions would be ineffective in the cottage industries because there would be no hired workers in these industries but only a few in the small scale industry.

Thus, in the industrial economy envisaged by the B.K.D., there would not be much occasion left for the kind of employer employee troubles. It would not allow workers to be ill-treated and exploited. 'It will so refashion the labour policy that industrial costs are not inflated and the prices of industrial goods do not rise beyond the means of the mass of our countrymen.'⁵³

PUBLIC FINANCE

As the B.K.D. projected itself as a party which would move on the path of great Mahatma Gandhi, therefore, it rejected the approach based on privileges and class conflict and accepted the principle that socialism is the extension of democratic principle to the economic sphere. It had no faith either in a system known as capitalism under which individuals enjoy an unrestricted freedom to exploit the economic

needs of others or in a system known as socialism or communism, under which the State possesses an unlimited power to curb or take the economic freedom of an entire people. It believed in trading a middle way i.e. Gandhian Path which suits the country most. It believed that "as the introduction of socialism in the sphere of political meant denial or rights and privileges based on birth or status, it should also eliminate such privileges from the social and economic activities of man by controlling the profit motive, ensuring employment to all, replacing competition by cooperation, curbing private property particularly the means of production and by equalising opportunities for all."⁵⁴

The B.K.D. was opposed to concentration of economic power whether in the hands of the State or capitalists and stood for social justice which can be brought through the democratic process. Therefore it stood to reduce inequalities in incomes between one man another as wide disparities lead to tensions in the society. The fiscal policy will be so arranged as to attain this end. Apart from this, indirect taxation will be reduced because the [Dal] felt that these indirect taxes hit comparatively the poor section of the community.

Thus after discussing the economic programme as envisaged by the B.K.D., on the whole, it can be said that the programme was heavily agriculturally oriented, because it was of the view that a prosperous peasantry would not only increase the food production but also stimulate the general economic development. According to the B.K.D. affluent peasant class would contribute to the strength of the nation which in term would increase its influence in internal affairs and improve the opportunities of protecting its own interests. After agriculture, the B.K.D. gave the second place to the development of industry in a decentralised manner through small scale and cottage industries. Other programmes are negligible.

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