

SARAJYA

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CHEAPER ELECTIONS

THE INEFFECTIVENESS of legislation as an instrument for improving political morality has been amply demonstrated by the Company Law Amendment of 1969 that prohibited corporate donations to political parties. The Santhanam Committee recommended and a few senior leaders of the country even believe that corporate contributions led to corruption and low standards of public life. The clamour for banning company contributions to political parties came in the wake of disclosures of such donations after the 1967 general elections and gathered momentum during the debates in Parliament. But events soon proved that the remedy was worse than the disease. Clandestine payments of unaccounted money flowed into the coffers of political parties varying with their respective prospects in polls. The making of unaccounted money was brazenly defended as a necessity to feed the demands of political parties. Soon it became an excuse for making black money by the unscrupulous who missed no opportunity of making illegal gains on the sides. Political leaders who received such contributions lost the moral strength to condemn black money and even if they did in public, they were neither believed nor respected by the people. Since no accounts could be kept of such collections, there was always a suspicion that the entire receipts did not go into the party coffers but had gone to enrich the private assets of persons.

The comfort and luxuries commanded by some politicians have proved that such suspicions were not far from facts. This is the way in which a good piece of legislation honestly well-meant had worked during the last seven years and tarnished the image of politicians, in general and leaders of political parties, in particular. Human ingenuity was also not slow to devise legal means of evading the law. Brochures and souvenirs sponsored by political parties secured large advertisements from Business Houses depriving the nation of its legitimate taxes. Since publicity is a revenue expenditure of a business house, the contributions made to political parties by taking large advertisement space earned income-tax deduction as well! In the circumstances, the repeal of the ban on company donations comes not a day too soon and will help to restore a measure of honesty in public life.

Under the present laws, political parties are under no obligation either to have their accounts audited or to publish them. The Wanchoo Committee recommended the auditing and publication of the accounts of political parties. Opportunity may be availed of on this occasion to implement this recommendation, so that people may know the extent of the contributions made to a political party and the manner in which they have been disposed of. Since bribing of voters is still rampant, the publication of the accounts of political parties may

help to mitigate the evil. The removal of the ban on company donations by itself will not radically alter the situation. Some corporations may make both legal as well as not so legal contributions as much as political parties may solicit them. Unless the country is rid of black money, the evil cannot be completely eradicated.

As a cure for the evil of seeking corporate donations, political parties had suggested even before the Wanchoo Committee recommendations, the adoption of the West German pattern of financing elections. But the German system, where the State contributes election funds in proportion to the votes cast in the previous election, does not ensure that parties and candidates will not supplement the State contribution with private unaccounted donations. Moreover, providing funds to political parties in the context of the poverty and misery of the vast mass of our people who are living below the poverty line is a crime against society. Nevertheless, it is the duty of political parties in the country to evolve a pattern of election where money will not play a dominant or deciding role in the results. Election expenses have been mounting in geometric proportion with every succeeding general election. The statutory limit on expenses is no more than a dead letter. The reckless waste of money on flags and festoons, processions and fireworks, dances and dramas indulged in election campaigns demonstrates our medieval outlook. Gigantic pos-

ters in glittering colours or vulgar portraits of voluptuous widows supposed to have lost their husbands through Government repression have completely distorted the issues before the country and enabled many an unscrupulous party to rise to power through mass deception. A true democracy is one where people choose their Government on the basis of the election manifesto issued by each party. Every attempt to secure power either through bribery or corruption of the voter or by misleading him is

nothing short of deceit. The cost of the elections may be considerably reduced if —

- (1) processions, dances, dramas and demonstrations are prohibited;
- (2) posters except those mentioning the party and candidate are banned;
- (3) circulation of printed matter is confined only to election manifestoes and appeals to voters;
- (4) the State provides public meeting facilities in every

town panchayat with lighting and loudspeaker arrangement at its cost and allots facilities to parties in proportion to the votes polled by them in the previous general election.

Here is a grand opportunity to reform our election method and we are sure that our Prime Minister, who is very keen on cleansing public life, will initiate action in this direction.

—R. Venkataraman
(27-8-73)

PROSPERITY THROUGH EXPORTS

VIRENDRA AGARWALA

INDIA HAS successfully acquired a trade surplus in three successive months February, March and April, 1976. It is a happy situation but it cannot make us complacent if we have to achieve a trade surplus for a full year in 1976-77. From deficit to surplus has been a long journey but it must now be sustained by increasing exports of non-traditional items to new markets. Imports of foodgrains and fertilizers have slowed down considerably since January and had played an important role in bringing about a trade surplus in the months from February to April. As against this, there is bound to be an upsurge in the imports of machinery and raw materials. Industry is booming at the rate of 10 per cent and this naturally entails higher exports. It is almost certain that our total import bill will be substantially higher, about Rs. 5,600 crores in 1980-81 at constant prices. But allowing for a marginal import of foodgrains and inflation at the rate of, say, 6 per cent a year, our import bill in the next five years will shoot up to nearly Rs. 8,600 crores, 75 per cent more than in 1975. It is imperative that we plan now so that we earn the necessary foreign exchange to pay for the imports and external debt service charges.

End of the tunnel in sight

Exports showed an increase of about 11.4 per cent from April to December, 1975, while imports

showed a rise of 12.3 per cent. Exports went up from Rs. 3,328.83 crores in 1974-75 to Rs. 3,941.62 crores in 1975-76. Our share of world exports declined from 1.02 per cent in 1965 to 0.72 per cent in 1970 and 0.53 per cent in 1975. This fall in share need not cause undue anxiety, as the volume of world trade has gone up. However, in relation to our national income, exports rose from 4.2 per cent in 1970-71 to 6 per cent in 1975-78. In April-May 1976, exports totalled Rs. 728 crores registering a 46 per cent increase over those in the corresponding period last year. But we, as a nation, cannot afford to remain over-optimistic to expect the same

rate of growth in the subsequent 10 months of the current year. All the same this trend shows that we are coming to the end of the tunnel.

Cotton textiles and engineering goods

The biggest boom is likely to take place in engineering goods. There is every prospect of engineering exports rising by 50 per cent to Rs. 600 crores in 1976-77. The growth of garments export over the last few years has almost been 100 per cent a year and touched the total of Rs. 150 crores last year. A target of Rs. 250 crores this year is contemplated. Cotton textile exports in March hit an incredibly high level of Rs. 73 crores, which, if repeated every month in 1976-77 would yield an annual total of Rs. 730



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