

# MPs seek high-power inquiry into economic monopolies

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A HIGH-POWERED committee to make a thorough probe into the extent of concentration of economic power in monopolistic hands, and a permanent commission to regulate the price structure were suggested by several members of the Congress Parliamentary Party which met specially today to discuss the Hazari report on the industrial licensing policy.

A suggestion that another committee of experts be set up to examine the findings of the interim report submitted by Dr. Hazari was also made by some members.

After ten members had participated in the two-hour debate this afternoon, the meeting was postponed for a further discussion so that the Government may be in a position to assess the opinion of the party before making up its mind and reply to the debate coming up in the Rajya Sabha next week.

## DEBATE DELAYED

The Hazari report was originally put down for a discussion in the Rajya Sabha on Wednesday, but, since the Opposition has demanded priority for a food debate, it is not likely that the Hazari report will be taken up before Monday.

Both in the executive committee, which met this morning, and at the general body meeting of the Congress Parliamentary Party in the evening a demand was made for a thorough inquiry into the set-up of all Birla concerns.

The Prime Minister, Mrs. Indira Gandhi, presided over the general body meeting. The Deputy Prime Minister, Mr. Morarji Desai, was also present, but neither of them spoke today since the debate is continuing later this week.

Mr. R. K. Sinha, who spoke first in the general body meeting, observed that monopoly concentration was on the increase. While the Government's policy was to help small entrepreneurs, big monopolists were trying to dominate not only the economy through their industrial establishments but also through their chains of newspapers and finance institutions.

The Congress should seek to strengthen the public sector and prevent vested interests and the old bureaucracy harming the interests of the common man.

## PRICES MANIPULATED

Mr. Debabrat Barua said even in countries like the U.S.A. and the U.K. monopolists were not permitted to fleece the common man nor to pre-empt new entrepreneurs. Monopolists were manipulating the price structure in India.

Mr. Barua demanded that not only licensing but the whole economic system should be looked into. Controls could be successful only if the social objective and political power were directed along the right channels. He said there were other concerns, besides Birla whose industrial expansion needed looking into.

Mr. A. S. Saigal asked for a thorough discussion of the Monopoly Commission's report to enable a proper debate on the Hazari report.

Mr. Kashinath Pande and Mr. Abid Ali also asked for a further scrutiny of the Hazari report. Mr. Pande referred to certain differences between it and the contents of the Monopoly Commission's report.

Mr. Amrut Nahta referred to certain limitations within which Dr. Hazari had to work. All the neces-

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## Not enough aid for small business men, say MPs

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sary papers and other relevant material were not available to him. The very objective of the Industrial Development Act was to encourage small industrialists and secure a regional balance in economic development. Dr. Hazari's report indicated that this purpose had been defeated.

A high-powered committee should go into the causes and a code of conduct for M.P.s along the lines suggested in the Santhanam Committee's report should be evolved so that M.P.s would not be a party, directly or indirectly, to the encouragement of monopolistic growth.

Mr. M. R. Krishna wanted a thorough probe since certain charges had been levelled against particular groups of industries. Something should also be done to prevent the recruitment of retired Government officials in high positions by big business concerns.

## CONTROL OF BANKS

Mr. A. G. Kulkarni referred to the handicaps of the co-operative sector mainly because of obstacles created by monopolistic interests. They controlled banks which refused to extend credit to the co-operative sector. Monopolistic lobbies should not be allowed to pressurise politics and parliamentary life.

Mr. R. K. Bhuwalka contended that some 75 names had been mentioned in the report, who, to his personal knowledge, had no connection with the Birlas.

Mr. Chandrajit Yadav did not want to treat the report as the "Gita," although all were of the view that monopolistic concentration of economic power should be ended. Mere slogans would not do. The Prime Minister should "muster courage to take bold steps in this direction in the budget session itself and definite steps should be taken to implement the decisions of the Congress Working Committee."

P.T.I. adds:

The executive committee and general body of the Congress Parliamentary

Party had separate two-hour meetings today to discuss the Hazari report. Both meetings were inconclusive and would be resumed in the next few days.

At the executive meeting, presided over by Mr. Morarji Desai, members are understood to have said that the Government's attitude to the report should be decided before the issue was taken up in Parliament.

At the executive committee meeting, members are understood to have urged that, whatever the past defects, the Government should, in future, strictly adhere to the Industrial Policy Resolution and not allow concentration of economic power in one group of firms.

The discussion was initiated by Mr. Chandrashekhar, a secretary of the party.

The Minister for Industrial Development, Mr. Fakhruddin Ali Ahmed, and his two colleagues, Mr. Raghunatha Reddy and Mr. Bhanu Prakash Singh, and a special invitee, Mr. Babubhai Chinai, were present.

## OPEN MIND

Mr. Morarji Desai is understood to have indicated to members that he had an open mind on the subject and he would take a decision after getting himself posted with all facts and figures.

Members who participated in the discussion included Mr. Mohan Dharia, Mr. S. N. Mishra, a deputy leader of the party, Mrs. Tarkeswari Sinha, Mrs. Sharda Mukherjee, Mr. Kamalnayan Bajaj, Mr. Govinda Reddy, Mr. I. K. Gujral, Mr. Akbar Ali Khan and Mr. Bibhuti Mishra.

A member is understood to have said that the past mistakes were due to the fact that the licensing committee was more anxious to achieve production targets than to serve social objectives.

It was also said that financial institutions and LIC had favoured big business and not given adequate assistance to small and middle entrepreneurs.