

APPENDIX

(We are publishing here a speech made by Comrade T. Nagi Reddy in the Budget Session of State Assembly of Andhra Pradesh in the month of March, 1969. In this speech, Comrade T. Nagi Reddy, while commenting on the economic and political policies of State as well as Central Governments and critically reviewing experiences of 16 years as either Member of Assembly or Parliament has announced his resignation to the Assembly and faith in the revolutionary mass line which he had already taken up. Thus this speech is a most significant and revolutionary event not only in the political life of Comrade T. Nagi Reddy but also for the communist revolutionaries in Andhra Pradesh. This speech was made partly (mostly) in Telugu and partly in English. The italics is to indicate the English part of the speech.)

"To Move The People Into Revolutionary Action Is Our Task"

We are meeting today in the midst of the extremely serious crisis all-round. We can see it right in Andhra Pradesh. If we keep in our mind that we are in a great crisis not only here in Andhra but through out India, it will be possible for us to carefully understand all these phenomena.

A SEVERELY INTENSIFYING CRISIS, AND A GREATER SURGE OF STRUGGLES

As we come into (the House), we find some going on hunger strike and some others on strike for wage increase. If we do not have a policy or programme to control them, it is possible to think that our government has no policy other than resorting to lathi charge or repressive measures on them. After 20 years of rule, could the government establish a peaceful atmosphere anywhere in the peasants, farm labour or middle class people? I don't know if the government in the saddle can afford to ponder over this today. One thing is clear. I have no hope whatsoever that the policies followed, either in India as a whole or in the states, will help us come out of the crisis we are facing today. They will only further intensify the crisis. And there will be the consequent rise in restiveness, more apprehensions and a further increase in struggles. I don't think if these Assemblies, these governments, or the Parliament have any way out to search for and implement appropriate measures.

THE COMPRADOR RULING CLASSES MORTGAGING OUR COUNTRY TO IMPERIALISTS

What is our economic situation? To tell the truth, the economy of our state is not in the hands of the government, it had slipped away. Perhaps it is fondly hoped that it is in the hands of the Central Government. But then the economic plight of the Centre itself needs to be considered. It is surprising, but it is

characteristic of the entire country today. If in any country, the government runs into deficit, there are only two ways of tiding over the deficit. One way is to cover up the budgetary deficit with loans raised within the country. Once in a while, under special circumstances, we can attempt to cover up the deficit with foreign loans. But what is the policy adopted by our government? Since the last five or six years, the Central government had been relying more on foreign loans than on domestic loans to cover the deficit. Is this government called a national government? Or shall we call it a foreign government? This is my genuine doubt. As there is no time to give detailed figures, I will just show an instance or two.

If we examine carefully how the foreign loans raised by the government are increasing year after year, we find they were Rs. 711 crores in 1961-62 and rose to Rs. 1586 crores in 1967-68. Our budget stands on foreign loans. Our Indian government's budget cannot survive unless it draws Rs. 1500 crores annually as foreign loans. If Mr. Brhmanda Reddy (Chief Minister-Tr.) sits here consulting the stars as to how much money the Central government would grant us, the Central Government is also doing the same there as to how much foreigners would grant them. Beyond this and beyond befooling the masses by chanting about self-sufficiency and what not, what else are we doing here? Ponder over this and it will be surprising. And what is the effect of these foreign loans? The percentage of foreign loans in our national income was 0.039 in 1950-51. It went up to 11.1 per cent in 1955-56, to 15.4 per cent in 1960-61 and to 20 per cent in 1966-67. So, by 1966-67 itself the loans we have to repay to the foreigners is 20 per cent of our national income. We may all think that ours is an independent government and that we are independently managing all the affairs of the government. But to tell the truth, *It is a deceit deceiving ourselves and deceiving the people.*

THE ANTI-NATIONAL GOVERNMENT : PRIORITY TO DEFENCE

Why is this crisis? Why are all the people coming on to the streets? Why is it they are being roughed up by lathis? Is it enough to say that we are passing through a hot period? Will development be possible if the major portion of our budget is to be earmarked to repay foreign loans? *Therefore, a situation has arisen. It has*

become impossible for this country to progress even a step forward unless certain very important decisions are taken; of course which neither this government nor the government based on this society can take : That is the fundamental feature of this crisis. This is why there is a feeling that there is no regional development, that some from outside are bossing over here - and that jobs would not be available unless they are driven out. Such diversionist trends are seen at many places. *That only shows the greatest crisis that has entered into our society.* What should the government do then? Alas. them there is only one way and they are doing it. What is it? It is not spending on developmental measures, but to spend on defence and police to bash up - lash up-the people. So as our loans increase, as we increasingly rely on foreigners, the government expenditure can no more be on development but will have to be on defence. It is good to keep this also in mind. Look into the budget, the revenue budget of the Central Government. If Rs. 545 crores are spent to repay foreign loans and interest and Rs. 895 crores on defence annually, from where Mr. Brahmananda Reddy can get loans for development, I ask? Out of a total revenue of Rs. 2,595 crores in 1968-69, Rs. 895 crores is for defence, Rs. 545 crores for debt servicing. This debt servicing increases year after year. *Therefore, I would say that the present government is anti-national.* When I said this last time, I put it briefly as I spoke only for 10 minutes. I said only in two words that this is a government that has come only to implement an anti-national policy. If I take more time now, it is to substantiate it. For that I put this before you. *Let us not deceive ourselves thinking that we are the independent government - we are not.*

FIVE YEAR PLANS - AT THE MERCY OF THE IMPERIALISTS

Whenever we had to formulate and shape our Central budget during the last 10 years, we had been inviting men from World Bank, whom we call, 'experts' in the technical knowhow etc., and we are preparing our budgets as per their likes and dislikes. If anybody entertains or mistakes that we are doing as per our likes and dislikes, it is harmful to the country. *I do not want to create that opinion. This will be wrong, false,* I have also seen what are heads showing rise. Leaping forward in our state or nation as a whole? What happens in Delhi will reflect here also. Though we have a separate budget, can we leap a step forward

here if they leap a step backward there in the Centre? Impossible. But then why are they putting up pretence, there in Delhi? During the first plan, for 5 years, our debt servicing was Rs. 199 crores. It was Rs. 276 crores during second plan, Rs. 1,293 crores during the third plan. Three years have passed. They say fourth plan is in the offing. But I don't believe it would come off. It is not there, it is blown away. After the eagle from America has knocked it away, what is left for you ? During third plan, for 5 years, the debt servicing was about Rs. 1,300 crores. And then in the three years that followed we paid out Rs. 1,500 crores. As we increasingly resort to loans, the interest due is also growing. Besides interest, we have to repay the principal amount. Where is budget for it? They brought out a stamp also to commemorate Wheat Revolution and presented us with it. They said everything is O.K. now : the country is self-sufficient. Then why do they take steps, as part of the government policies, which prevent self sufficiency? If there is to be self sufficiency by chance, by default, they take steps to prevent it. They know how to strangulate such a development. No consideration on what to tax and not to tax. After all, when the (foreign) money lender sits before you wielding his stick, what else would you do except mopping up everything by taxation? Can you escape this? You brought out a stamp on Wheat Revolution. And you taxed fertilisers. A first class step, a clever one indeed! Nothing cleverer was forth coming. It is a surprise. But it is only one part of the story.

It is three years since the third plan was over. They said gigantic industries are set up. When I read the R.B.I. report, there was a surprising thing. Of the industries set up in our country, 80% of the industries are foreign-owned or foreign collaborated industries. We have little. Mr. Chairman, We are all nationalists (!), perhaps with one exception. As Mr. Chavan (the Union Home Minister-Tr.) puts it, ideas from across the mountains are said to be pouring into the heads of some people. I do not want to deny it. I said it plainly in one of my statements. But what pains me is that orders are coming from across the mountains. You cannot prevent ideas from flowing across the mountains. It is impossible in the world (Mr. Chavan was referring to Maoist ideas, while Com. T. N. was referring to Imperialist orders - Tr.) Do we profit from 80% foreign industries? I said it the other day. *The drain of our resources from this country has began to flow with full force. It has not even happened at the period of colonial exploitation of this*

country. Dadabhai Naoroji and R. P. Dutt wrote great things about exploitation, about drain of our resources in those days. If we closely examine them, we find the resources drain from India today is huge, greater than in British regime it is twice or thrice. We should not forget this.

SERVILE TO FOREIGN MONOPOLISTS

Is it enough to say, 'Look the factories here, look there'? Yes, in Visakhapatnam there are some industries, no matter who erected them. Walls are erected there, there is smoke going up the chimney, something is being produced Is it enough to say this? Assume they are ours? What sort of factories are they? I will read out. This address (which T.N. quotes - Tr.) is of Mr. Adorkar, Deputy Governor, Reserve Bank of India :

"The collaboration agreements had been (having) number of restrictive clauses. Apart from heavy royalty fees, there were clauses to obtain material, equipment, and personnel from the collaborating firm and also to fix price in consultation with it."

Would you enlighten as to what are our powers in this? We say ours is an independent India ! In this independent India, what is the control we exercise over these industries? We cannot determine the price ! We cannot determine where to purchase new material, nor about production ! What do you call it? *"Even restrictions on exports were also fairly common."* After the imperialists have tied down the economy of this country., when Telangana people are wronged and when money needs to be spent on them I ask, where is the money ? Would it go in to repay loans to America? Or is it for doing something for Telangana people? Where is the money? This drain goes on in unpteen ways. Adorkar said : *As a matter of national policy, the industries should be free from any conditions. It cannot limit its freedom to export or to fix a price.*

After so much time, after having left all the industries for them to gobble up, today we want to control them. But we cannot. I told you - The fertilizer unit would not come up in Kothagudem. It is not in the hands of the Central Government to say that it would come. It is in the hands of America or some other imperialist,

of some capitalist. It is neither in the hands of Indira, nor of Brahmananda Reddy. To set up a fertilizer factory in India, there are no powers to decide anything here. If you think you have - (go, set up the factories ...) you have raw material for that in Kothagudem. You have enough of it for two fertilizer factories in Visakhapatnam. That is why I said - *You cannot rule this country in the interests of your own country. You are ruling this country in the interests of foreign monopoly. This is anti-national.*

After you started implementing such policies, the budget, the economy, the raw materials, everything of this country are at his call. Perplexing ! Our coal mines are closing down, in Bihar, in Kothagudem. But trains are being dieselised. I wonder, is dieselisation so important? Even if the coal mines close down? To make steam engines we set up gigantic units in the public sector. Even if it has to close down, yes dieselisation is a must. With American aid you have to set up a factory in Varanasi for switch over to dieselisation. And that is not a factory to really produce those engines. It will import material, it is merely an assembling unit. *It is not a production factory. It is a process factory. That is the state of affairs of this country, and these people who think that we all anti-nationals are deceiving us, the public, but not for long.*

When this is the situation, after you handed over the reigns of development of this country to somebody else, if you ask me to give instructions and suggestions, I can't. (It was budget session of the House-Tr.). *I am at a loss. There is no constructive suggestion that can be given to our degenerated budget which is already placed in the hands of foreign monopolists. The state cannot function on its own, except on the good wishes of somebody who is outside our country. That is the totality of the picture.*

We have also to see how the resources in our country are being drained out as a result of this penetration. *Do you know, as per my calculations - it is only a rough calculation, perhaps a technical committee can give a more accurate one than mine, minimum of Rs. 110 crores per year other than trade which is regularised trade between our country and other countries is passing outside our country every year.*

Towards repayment of principal and interests and sundries, we are paying to the foreigners Rs. 500 crores from the Central budget, four loans raised afresh. For the capital invested in our

country, we are paying out a few hundred crores of rupees every year, either as interest or as profit over the capital. *It may be minimum of Rs. 10,000 crores. Repatriation of capital must be quite a big amount.* In addition to this, how much are we paying up as royalties? How much for technical knowhow? Because there is that clause in every company, the clause which I referred to in the R. B. I. bulletin and which stipulated that we should purchase raw materials etc., from specified sources, he is selling them to us after inflating the cost by anywhere up to two thirds its cost in the international market. So the costs of goods manufactured in factories within our country are rising. Once the drain has started, *It cannot be stopped. What can be done from here? Nothing can be done. That is the state of affairs to which we have come.* So these prices have to go on increasing. They will be. I have 12-14 years of experience with Assembly and Parliament. We have said many things. We have waited if anything we said would be implemented. *To my bitter experience, I don't think we have succeeded in getting even a single suggestion implemented.*

THE RULING CLASSES WHICH PROTECT THE INTERESTS OF LANDLORDS

As an example, let us take the recent two or three years. How many instances of atrocities by landlords and by police have we brought up here, either through our speeches, or call attention motions or adjournment motions? *Has, anything been done? At least in one instance, has any action been taken? What should I say when I go back to my village? Six miles from my own village, in one village, a landlord beat up a farm servant to such an extent that he was about to die. Then endrine was thrown into (his) mouth, and report was made that he died because he drank endrine.*

When an ordinary farm labourer is killed, we have never heard any landlord being arrested, never in the history of our society. That will not happen. For that matter, have we ever really enquired into complaints of police atrocities? A hotel worker of Anantapur town was taken to the police station twice (and beat up) even before could be treated he died. Was it enquire into and any action taken? Such things, countless instances of landlord and police atrocities in West Godavari district, in Khammam, in Kurnool were brought before this house by us. And not one of them

the government was prepared to order an inquiry. Under the circumstances, what should we decide to do ? *Nothing can be done here. The best thing is to rouse the people outside. That is exactly the decision to which I had to come.*

There is a movement going on in Srikakulam. Who inaugurated it? The day (31-10-'67) in 1967 when landlords fired on a procession of people going to a meeting and killed two people. And today police are being sent on a massive scale. S. A. P. squads are being sent. That day the government did not take any steps whatsoever to immediately arrest the landlords, to break into their houses and take necessary steps. *The softness to the landlord class is the very basis of this government, with the result that all classes are coming out in revolt today, may be in a small way in one place and in a bigger way in another place. The revolt, the tendency to revolt is the most evident factor in the whole country.* We are not even giving a temporary consolation to them that we are here talking in the assembly on their behalf. Instead, we are handing over the economy and politics of the entire country to the foreign countries. Neither are we able here, to resist the atrocities in the villages, nor are we organising the people outside for resistance. And thus the people are left to fend for themselves.

UNLESS PEOPLE ARE MOVED, EXPLOITATION AND ATROCITIES DO NOT END

Sitting here in the Assembly for 16 years, could I render the people any consolation by reflecting about these here? Would it even be possible? When I think of this, I find there was no other purpose served, except an attempt at a sort of demoralisation. Unless people are moved, unless people learn to stand up to and resist these atrocities on their own, there is no way out. Because I came to the conclusion that there is no other way except this *It is after a serious thought that I decided that I should get out of this Assembly here and now. That is one of the most important reasons. I have tried my level best to bring forward a number of things on various acts of exploitations, immoral and illegal and no body could even support in any manner. Nothing could be done. What else could be done? The country is going into a bigger crisis, economic and political. Are we going to leave the people to themselves and ask them to wait on, to see as to what is happening inside the*

Assembly. When this Assembly has become to my experience just a talking shop, a kind of mockery so far as the interests of the people are concerned what I have decided is a very serious decision after a long life of 16 years of parliamentary democracy in the country in which I have played a part all these years.

Meanwhile, I would like to inform the house also as I leave, that if you think that out of discussions, deliberations and decisions of the house, the situation in this country is going to be bettered, you will be disillusioned, just as I have been. There is no doubt about it. If you think that through the proceedings of this Assembly or in Parliament we are going to end the anti-national policies of this government, I am sure you will be disillusioned in course of time just as I have been now. Then what is our duty? The way out for any person to save his own country, is to rouse the people to action against the exploiting and ruling sections of imperialism and landlordism. That is exactly what I had said in my previous speech. It is to do that job that I leave this house and I wish I will be able to devote as much time with vigour as I have devoted my time in this Assembly. What ever the political opinions expressed, I must thank for the personal regard, affection and quite an amount of leniency that they have shown to me in this house. Quite a number of times I have been harsh and quite a number of times I have been excited and quite a number of times I have shown patience with the hope that something will be done. Whether I was excited, whether I was angry, or whether I tested the nerves of the ministers, the speaker or the members, they have always shown me a great regard and they have given me enough patient hearing. With all the disillusionment that I am carrying outside, on the achievements these 16 years of my existence in this house I carry with me pleasant memories; the house has treated me well and the members also have shown due regard I must specifically thank the Speaker for whenever I have provoked him quite a number of times, knowing that it is not proper within the rules of the Assembly, knowing that I have done quite a number of times, even then he has given me enough opportunity to express my opinion, and I must thank him and take leave of the house.