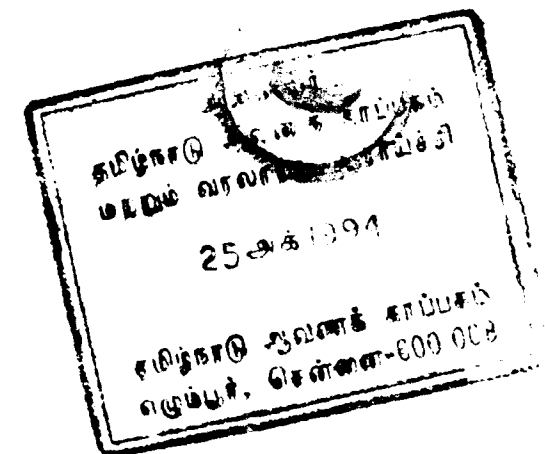


BULLETIN

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Wanted for the Family Planning Programme a
Positive Image : Lessons from Tamil Nadu Experience

Draft National Population Policy

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Introduction

THIS October editorial covers the major elements in August under the state, national and international areas along with other items in which the Institute is involved. The state report begins with the review of the comfortable power position in the state due to the good south west monsoon and refers to the Neyveli zero unit, the development of photovoltaics and wind energy and TNEB reversing the fall in plant load factor. On water it notes the surplus of Mettur, the excess rain fall in Nilgiris and Tirunelveli districts, the World Bank aided drinking water supply, the Krishna water prospects and the bright irrigation scenario. In regard to agriculture the good crop position, the bumper crop kuruval and the bright prospects of reaching higher food output target are noted. Jute cultivation, flori culture, acqua culture and the agitation surrounding it, NABARD and LDB and cooperative banks and the water shed project are passed in review. In industry Ashok Leyland's expansion and diversification, SPICs relation to the industrial park and UB petrol, Madurai textile units and its gem cutting industry, the fashion design centre, the leather estate, the ITCOT plan, the 2048 companies registered during the month, the development of TATA and TIDCO, the problem faced by foundry unit from power cuts, the new three industrial estates, the problem of Arni silk industry are reviewed. On individual items, Salem steel's increased production, HPFs restructuring, Sundaram Clayton's withdrawing from TVS whirlpool, Vijayalakshmi machines, Parry agri production, the activities of the Pentalour group, the BIFR report on Binny, the envi-

ronmental training institution and the efficient technology centre are noted. In regard to the national section, the start is with planning which is being restructured along the French model, and the various estimates on the country's population by the UN, registrar general etc. In the water field the draft national policy on water is reviewed. In regard to power the 75 power projects, the counter guarantee given to Enron, and the opposition against the grant of counter guarantees, the effect of the World Bank loans cancellation in the power sector are discussed. In the inflation field, the current rate of inflation is reviewed along with the budgetary deficit of the states which contributes to inflation. For stock exchange, the preferential issues, the public shares in such issues, the SEBI directive, sensix and GDR and the first effect of the national stock exchange are reviewed. Under economy, the full convertibility of the rupee on current account, the mounting forex reserves and the problem of its utilisation and the distortion it creates are discussed. GDP growth in the economy forecast by RBI, CSO etc, the effects of the economic reform on the economy, the development of hunger free districts, the level of private sector investment, CCFIs approval of Euro issues, the Subramanhya Swamy Commission, the setting up of the Board for Financial Institutions, the state of the infrastructure industries, 5 per cent limit imposed on FI investors, and fall in coffee prices, the successful move of coffee exports in raising its price, and the growing of rubber in non traditional areas in the north east are passed in review.

In industry, industrial growth and industrial output in April and the action on MNCs on the oil pipe line and on the oil exploration areas, the performance of heavy industry, the good report from Hindustan fertilisers, the approval of the link between Mercedes Benz and Telco and approval of six foreign firms, the ADB support to ONGC and OIL, the coal beneficiation plants, and the growing coal stock in pit heads, the clearance by the empowered panel of Rs.1200 crores of FDI, the soft loan being negotiated for oil exploration, the closing down of 50 PSUs, IDBI report on IISCO reform, the clearance of Soni and 14 EOUs, the performance of national fertilisers, the new drug policy being developed, the decline in the corporate sector, and the start by government of disinvestment in October are discussed. In foreign trade, the trade deficit of the first quarter, the fall in exports during the time period, the role of states in the export trade and the emphasis on quality in agri exports are discussed. On individual items, the good performers are jute, silk, garments, handlooms, textiles and rubber goods. The loans and aid section begins again with a review of the Bretton-woods institutions, ADBs large loan for India's infrastructure, and its industrial energy loan, IBRD loan for solar project. India investing in US government bonds, IFC loan to SSI are passed in review. In regard to the Human Resource Development section, starting with education, the poor state of primary education and the banks resources made available for its corrections, SIMAs centre, the need for an academic audit for universities, the HRDs ministry's hesitation on reservation, the crisis facing Kerala education, the scramble for evening courses, the UGC aid for the Bharathidasan institute of Management, the need to take quick action on the six fake universities in the country, the new technical institutions being developed and the panel reports recommendations asking the institutes to raise funds through private means and the development of compact discs in education are discussed. In Sciences the fall in the R&D ratio in relation

to GNP, the bio diversity consultation and policy, the royalty cess on foreign technology imports being put into a fund for the development of S&T, the call to conserve the genetic resources of the country are discussed. In the labour field the fall in unemployment recorded by CSO, the relation on privatisation and employment, the displacing of people by the Veeranam project, the social safety net scenario, the failure of voluntary retirement schemes, the security scheme being developed for unorganised workers, and the very serious problem of child labour, particularly in Tamil nadu are passed in review. With regard to the international area, the Brettonwoods institutions record and lessons from their 50 years functioning, the world economy as seen by the World Bank, IMF and Unctad, the declining profits of the World Bank, the growing investment by the third world in the US, the falling commodity exports from the third world, the recommendation of the expert panel asking the World Bank to shift its focus from the governments to the private sector, WTO and the disputes settlement body, the world population conference and its many sided preparation and fall out, and SAARC's decision to go ahead with SAPTA are reviewed. In regard to other items with which the Institute is connected, the new cultural areas being explored by the Tamil Christian Cultural Association, the evaluation of the Ford Foundation fellowships by IG Patel, the two monthly meeting of SRC/TNBCE, the Independence Day celebrations, the IIC panel discussion on employment and the seminar on the report of the National Population policy (which appears in this issue) are noted.

State

Power

With the good South West monsoon particularly in Kerala and Karnataka and in parts of Andhra Pradesh and Tamil Nadu the hydel

reservoirs are comfortable. The inflows into the Tamil Nadu reservoirs is about one and a half times higher than the 10 year average. Neyvell reports that the central electricity authority has cleared its zero unit, the 210 MW unit, involving an investment of Rs.420 crores is exclusively ear marked for Tamil Nadu. In the field of electricity generation, SIEMANS India reports its plan to build a capacity of 2 MW per annum using the photovoltaic route. TNEB reports a fall in its plant load factor from 65.20 to 63.23 per cent, largely due to the aging Ennore Thermal plant. The Board reports initiating action to step up the PLR to ensure higher generation. The generation of wind energy in the state is expected to reach 200 MW by March 1995 which is a sharp increase from the current 88MW. This is one of the important sources of renewable energy for the state.

Water

As noted in the last issue, the Mettur level was at the beginning of August 2.6 ft above full capacity and so the entire inflow into Mettur was discharged into the Cauvery. As on August 7, two districts, Nilgiris and Tirunelveli report receiving excess rain fall during the south west monsoon. Five districts, Coimbatore, Kanyakumari, Chingleput MGR, North Arcot Ambedkar, and Madras recorded normal rainfall while Kamarajar, Periyar and Tiruchirapalli recorded deficiency. Madras got 136 mm. against the normal 156 mm. The irrigation scenario in the state is reported to be exceptionally good both in respect of irrigation potential and farm operations. All the main irrigation sources report comfortable storage so that they have discharged water earlier than the scheduled date for irrigation. Similarly more than 4000 of the 8000 system tanks have received copious supplies. The TWAD Chairman states that the World Bank drinking water supplies schemes in the state is to be completed by the end of the year. This report is based on a personal inspection of Thiruparkadal and other schemes. Another

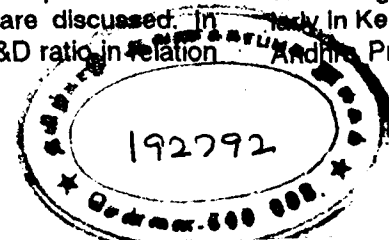
plus point for the state is that the Metro Water authorities on the basis of the storage in the city reservoirs which will meet the demand upto February next year expect a problem free year during 1995 which is the interregnum before the completion of the two major drinking water projects, Krishna Water and Veeranam, both in early 1996. With the completion of its discussions and negotiations with the World Bank, the state expects to receive its loan to complete the Veeranam project in 15 months.

Forestry and Building

The World Bank loan for the state's massive afforestation and tribal welfare programmes at a total cost of Rs.3.71 crores is reported cleared. Preliminary work on the projects have started so that they can be completed in the current year. About 6200 hectares of forest land in Periyar, Dharmapuri, Chengal MGR, North Arcot Ambedkar, South Arcot Vallalar and Tiruchi districts will be covered under this afforestation scheme. Some 400 matured fully grown trees in the southern reaches of the western ghats are in danger through the so called MAS exports affair which relates to two private forest lands in the ghats at stake is the health and ecological future of the western ghats itself. The MAS exports plans to fell and remove tress in its two private forest lands which lie within the reserved forest area and so may spread to it. On the building side, 30 Kattidamayams or building centres have been established by the Tamil Nadu government which will help in building technologies transfer, training construction artisans and aid production cum construction through adopting various cost effective building components and technologies.

Agriculture

With the rate at which transplantation of short term paddy (kuruval) is proceeding and the reservoirs surplusng, a bumper kuruval harvest is estimated at 7 lakh tonnes, against



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5.5 lakh tonnes last year. The acreage under kuruval is high this season adding 2.5 lakh hectares against 1.9 lakh hectares last year. This will be the third year when the kuruval paddy harvest will record a bumper crop. This has led the state government to raise the production target of foodgrain from last year's 100 tonnes to 110 tonnes this year. This trend will be further strengthening with the government's decision to make a series of award to state farmers such as a gold medal to the farmer who achieves maximum production, the cultivation of hybrid varieties and not only HYV ones, the identification of 140 villages from 140 blocks where productivity was less than the state average. These villages will be given Rs.50,000 for constructing assets of public interest which is a recent development in the state and is being developed on a large scale with the help of UNDP. 100 acres in South Arcot district will be the site for jute growing, and the South Indian Textile Research Association has established a tie with MGF for the development of its superior blended jute. This would push forward jute products through SIPCOT, which was a project approved back in 1986. This kind of delay is regrettable because this is a labour intensive activity which the employment situation needs. A 100 per cent export oriented computer based floriculture and horticulture project begun operation in the state from September end. This Rs.224 crores project will be spread over an area of 30 hectares in Kanyakumari and Dharmapuri districts which will use computerised inhouse technology and plants grown in pre prepared soil condition. There is great deal of discussion going on in the state on acqua culture and shrimp farming. An all women acqua culture estate farm has been set up in Karaikal by the Union department of biotechnology which employs 100 landless labourers and assetless women in an acre to do acqua culture for five years. Further the Centre for cellular and molecular biology in Hyderabad reports that it has developed an inexpensive fish feed that will give boost to acqua culture, and meet the country's prob-

lems in protein and calorie mal nutrition. It is stated that most of the land area used for acqua culture is unsuitable for agriculture and economises on increased land cost and scarce of water supplies. On the other hand the five member fact finding team of the People's Union for Civil liberty after a survey of the coastal areas of Nagapattinam Quaide Milleth and Thanjavur reports a clash of interest between prawn farmers, fisher folks and agriculture labour and the ecological problems of unregulated acqua culture. It therefore recommends that a ban should be placed on acqua farms until the government comes up with a detailed study on the environmental impact on acqua farms which are spreading very fast and in which lakhs of rupees are being invested. Further the Tamil Nadu Labourers Movement has engaged in a judiciary enquiry into environmental degradation caused by the conversion of agricultural lands into prawn farms in Seerkazhi taluk. For this purpose the movement has undertaken a fast near Kuralagam to protest against using agricultural lands as prawn farms. There is a sharp difference of opinion between acqua culture protagonists and ecologists, with agricultural labourers and small land owners in the coastal areas being caught in the conflict. To some extent this might be regulated if the intention of the Tamil Nadu government to legislate for the regulation of the fast growing acqua culture industry particularly shrimp farming is implemented. It has appointed an expert committee to suggest norms and guidelines for such legislation. The comprehensive water shed development project implemented by the state agricultural engineering department is being expanded to the composite Ramanathapuram district. 17,000 hectares have been covered under the water shed project in Tirunelveli, Kattabomban and Chidambaram districts, the project is now moving on to wind erosion control and rehabilitation to the protected areas. NABARD is active in the state through its provision of Rs.14 crores of capital to the land development banks. It is assisting in improving the

financial liability and profitability of the state's land development banks.

The state government announced an increase in paddy procurement prices of Rs.30 per quintal with effect from September 1. The coarse variety would be procured at Rs.304 per quintal against the previous price of Rs.310. There is no increase in the PDS prices. The decision to raise procurement prices has been taken to enable the farmers to get the remunerative prices. This needs study and investigation.

Industry

Ashok Leyland's phase two expansion involves both growth and diversification of product lines and participation in the Hinduja group ventures. The modernisation and expansion schemes call for an expenditure of Rs.640 crores in the first phase Rs.1000 crores in the second phase which will complete all phases. The collaboration with IVECO and Hinduja which has provided the technology for a new intermediate range of cargo vehicles is being intensified in the second phase in light of the marketing and production failure of these vehicles. It is Hinduja and IVECO which are keen on this tie up with Ashok Leyland which is a plus point for it. The firm is also entering the market with a floating rate debenture with the revolving under writing facilities which is the first in view of this instrument in the state. The state government announced that it has chosen SPIC as the private sector promoter from the Indian side to set up the proposed Madras Industrial park which is the Singapore Corridor. The Madras Industrial Park company will also have a Singapore promoter. The park will have 400 developed plots and factories with a total cost of Rs.407 crores. The lead time on the project is too long, other states have over taken Tamil Nadu in this kind of venture. SPIC and the UB group of computer products have signed a memorandum of understanding and through this acquisition, SPIC is constituting its

polyurethane business through the Manali Petro Chemicals. The UB group will be concentrating on polystyrene. The 600 textile units in Madurai have met the target, the Tirupoor success story which has already recorded its mark on exports is supplemented by the 600 garment making units in Madurai and its rural neighbourhoods which have emerged as a model in decentralised entrepreneurship. It received no government support and is now competitive in both cost and quality meeting 10 per cent of the South's demand for ready made garments. Madurai also faces a problem with regard to gem cutting industry with the alleged untapped Rs.900 crores export market not being a reality. The lesson here is that an over emphasis on exports and under realisation of market realities has among other needs led to the Rs.20 crores loan by the commercial banks lying idle. Against this sorry situation of the large majority of IRDP beneficiaries in this industry is the success of the initial batch of 24 of them trained to take up gem cutting and polishing and to get commercial loans to set up their units which are continuing to work against all odds. They have met working capital requirements from the personal funds and are already repaying the loans. The other 300 gem cutting and polishing units should learn from this experience. Tirupoor exporters Association have now put into operation their long standing plan for a Fashion Design Centre with a help of eximp bank. This will meet the demand of the growing number of exporters who are diversifying into garment manufacturing. Another area which calls for attention is hides and skins of which 9 million pieces have been lost every year. It is therefore suggested that in addition to the state government's proposed industrial estate for leather goods manufacturing there should be many recovery centres all over the state and country. Each centre could then cater to a well defined cluster of villages. This would be a boost to the centre. Uslampatti is known for the problem of female infanticide which is being tackled at the root through agri business

strategies. Under this programme 300 broiler chicken production units on a cluster basis are being implemented in this area from this year, each unit costing about Rs.15,000 and will provide employment and economic independence to the women folks who are employed. This project conceived by ITCOT is being implemented with the help of NGOs to meet the large unsatisfied demand for poultry birds in the Madurai area. The state government reports that 2048 companies with aggregate authorised share capital of Rs.423.34 crores were registered during the first quarter April/June 1994 which include 340 public and 1706 private companies. Many of the companies are concentrated in the Coimbatore area because of its appropriate infrastructure. The Titan Industries is negotiating with TIDCO for a fresh investment of Rs.1100 crores in two new projects. Titan is already at work with a Rs.232 crores investment at Hosur on capacity expansion and indigenisation, further Rs.25 crores are being invested in the Timex. This is a reflection of Tata's satisfaction with the industrial climate in the state and the sound functioning of TIDCO. The foundry units in the state generating an annual turn over of Rs.3000 crores are facing a serious problem due to irregular power supply and the rising costs of power at Rs.250 per unit, the cost per tonne of metal is Rs.5000. If the power per unit rises any further the foundry industries' stabilities will be threatened. The handloom cooperative society, COOPTEX is to procure sarees directly from other cooperative handloom society. This will help the power handloom weavers particularly the 8000 in Kamarajar district. Tamil Nadu is to get three more major industrial estates through SIDCO setting them up with yen loan of Rs.96 crores. This will boost the export potential of the state with the estates providing employment to about 30,000 persons. The estates will house hosiery garment, food processing and auto ancillary units at Mudulaipalayam, Tirupoor. The well known silk industry in Arni has been hit by the indefinite closure of business by the 300 silk saree wholesale

shops, 200 raw silk twisting factories, 150 raw silk traders and one lakh handloom weavers since the end of July. This is part of the war of the sericulture industry against the 3 per cent sales tax levied on their product since April 1. This needs urgent attention as the rate of sales tax might lead to the closing of the entire industry. On individual items, the Salem Steel Plant reports exporting 1037 tonnes of stainless steel (Rs.6 crores) in July which is a record. Exports during July constituted 24 per cent of total sales, as cumulative exports during the first four months of the financial year amounted to 3328 tonnes (Rs.22 crores). On the production front the plant is doing very well with a growth of 33 per cent. The Hindustan Photo films which is facing a crisis due to paucity funds can turn the corner in 1995-96 if the Centre makes available funds immediately to it. In addition to the company reducing its losses from Rs.117.30 crores in 1992-93 to Rs.69 crores in 1993-94 it should be encouraged to help to go to the market to raise the needed funds, because the centre has already stated that it has not funds to support its public sector enterprises. The plant has broken new ground in R&D and is ready to run the second unit as a joint venture with the Rs.50 crores being diverted from its working capital. Sundaram Clayton has decided to divest its holdings in TVS whirlpool in favour of whirlpool cooperation of the US which has a stake of 51 per cent in TWL. After restructuring of the capital of TWL and achieving of a majority stake, will Sundaram Clayton continue as an important partner, the situation is intriguing because the US firm has acquired a controlling interest in Kelvinator India which might be merged with TWL for pooling available resources. The position of TWL and Sundaram Clayton are in a flux and only time will tell what the outcome will be. The Vijayalakshmi engineering works, Coimbatore continues to enjoy the major share of the market for its two for one twister textile machinery, its upstream integration of the textiles spinning units is met through the establishment of the yarn processing house.

This expansion programme is being funded by both domestic and NRI capital. Parry Agro Industries reports increased turnover of Rs.5868 lakhs during 1993-94, with the production of tea registering a 8 per cent increase. It reports rather ambitious growth plans for its pesticides business calling for an investment of Rs.100 crores over five years. A backward integration into the manufacture of technical grade pesticides and major intermediaries is now being planned. It has acquired 140 acres at Cuddalore for setting up its manufacturing plant. Penta four products reports recasting its expansion and diversification plans. It is planning to implement its copper clad lamination project and chemathi project to avoid undue delay in implementation. For financing the projects estimated to cost Rs.105 crores, Penta four is raising its capital from the market. In regard to BIFR's rehabilitation and restructuring scheme for Binny, the Madras High Court has approved the scheme not only because of its being planned by BIFR but also because it believes that it is in the best interests of the company and workers. With the Environment Training Institute being set up by the state pollution control board, the inter-face between the state industry and environment will acquire a new dimension. It will train 1000 people a year most of them from industry and over a range of courses on environmental issues that are of special relevance to Tamil Nadu. The Institute is conceived as a financial self sufficing project by charging fees from private industry which will be offered a variety of need based courses with practical application for the respective business.

National

Planning

As reported in the last issue lessons from the French planning experience are being used to restructuring the national plan. First the

formulation of plan is to take into account the information supplied and views expressed by the private sector. Secondly it is to help government evolve a frame work of policies which are expected to influence remark trends through providing incentives or disincentives. Third the fixing of targets - whether macro or micro is to be avoided. Fourth there is to be close link between plan objectives and the type of planning within this frame work. Agriculture is likely to be exposed to external competition and will be included in this indicative plan.

Population

There are varying estimates of India's population into the future. UN estimates that in June 1994 India's population was 919 million and by 2000 will be 1.64 billion. The World Bank study states that India is the second most populated country which will grow from the current 944 million to 1.4 billion by 2030, when China will grow from 1.2 billion to 1.5 billion followed by US with 295 million and Indonesia with 274.7 million. On the eve of the International Conference on Population and Development in Cairo from September 5, two new studies from Bangladesh and Kenya provide evidence that population programmes can succeed even in very poor countries when a few key conditions are made. These include strong consistent support to family planning programmes which meet some of the most basic aspects of productivity, health needs of women and their families, improvement in children's health and long term investment in education, and small scale development which improve the status of women. Following these conditions Bangladesh recorded a decline in fertility rate from 7 births per woman in 1975 to 4.2 births per woman in early 1990 and in Kenya the rate dropped from 8.1 in 1978 to 5.4 in 1993. While raising the age of women at the time of marriage plays a small part, an increased contraception use is the main mechanism. The common elements of the successful projects in these

countries are frequent contact between outreached workers and clients which increase contraceptives use, high quality service, clear lines of authority and decentralised decision making, communication, clinical back up and ancillary health services, NGO services, availability of surgical contraceptives and accessible non clinical supply and sources. The government set up an expert group on population policy headed by M.S. Swaminathan. It reviewed India's approach to family planning: it notes that though there has been a decline in total fertility rate, India is still far from meeting the goal of total fertility rate of 2.1 by 2001. The report on the basis of its review recommends some paradigm shifts in policy. It recommends that family planning should be on family health welfare or improvement in the quality of life. This should go along with an enabling environment in which families will take control of fertility. Families should plan their size on the basis of their own thinking and conclusion about the number of children they can support. The choice about family size should be influenced by education and opportunity for children. It refers to the study which shows that because of their triple burden, reproductivity duties, household duties, general economic activities, women do not want more children minimum needs are essential, particularly the unmet minimum needs for which the population and social development commission has been proposed to provide an enabling environment. The report recommends two disincentives on the age of marriage and political commitment as in Haryana and Rajasthan. It recommends abolishing the department of family welfare and places the redeployment with delivery services in the health ministry and the policy makers in the proposed commission.

Water

The government has formulated a draft National Policy for water allocation to help early resolution of inter state water disputes. The policy sets forth a series of guidelines

according to which all co-basin states would be parties of the process of water allocation in which the centre also will be a party to look after national interest. The national interest covers environmental concerned pressing needs of co-basin states, needs dictated by international relations and obligations and needs of national water. These guidelines are very largely based on the Sarkaria Commission.

Power

The World Watch Institute in its report states that new technologies and a more competitive market will seriously affect the power industry in the next few years. Pressured by real competition, for the first time some of today's huge debt burdened power companies may break up and many high cost nuclear and coal plants be shut down. The government reports to the Lok Sabha that 75 private sector power projects have been received for a capacity addition of 32,661 MW involving an investment of Rs.164151 crores by the domestic and foreign investors. The proposals include a 3000 MW thermal power project in the ID Valley of Orissa and the 2015 MW thermal project at (Iceberg group, Israel) at Dabol, Maharashtra (Enron). The Union cabinet in mid August approved as noted earlier the proposal for providing counter guarantees to the Dabol Power company for payment applications of MSEB. This gas based project is being set up by Enron in collaboration with Maharashtra State Electricity Board. The counter guarantees will hold the centre responsible if the promoter fails to comply with the power parties agreement. The Rajya Sabha was informed that the government does not propose to give counter guarantee indefinitely to private foreign investors and that future projects will be examined on a case by case basis. The objections to these counter guarantees have already been referred to in the last issue and also the reservation by the World Bank. The World Bank has cancelled the major portion of its loans to the Indian power sector,

aggregating \$1 billion. This is serious as it may force the government to revise its low target for the 8th Plan to 18,000 MW. It will affect more than 2.5 lakh workers in the power equipment industry and delay additions to existing generation capacity and accentuate power shortage.

Inflation

The annual rate of inflation as at July 30 was 10.16 per cent. This rate is based on the provisional over final estimates of WPI. When the provisional is replaced by the final, there will be a further increase in the rate for the 19th consecutive week. There has been a rise in the official WPI which rose by 0.4 per cent from 267.8 to 269.9. This rise was led by higher indices of all the major groups with the highest being that for primary articles (1 per cent). As per the final estimates of WPI, the annual inflation on a point to point basis for the week ending June 4th stood at 11.8 per cent against the earlier figure based on provisional estimate of 8.10 per cent.

States budgetary deficit

There is a rise in the budgetary deficits of the states in 1992-93 due to large scale fiscal imbalances, both the gross fiscal deficit and the revenue deficit have gone up substantially. The state's failure to contain the increasing budgetary deficit results in a deficit of Rs.4300 crores during 1993-94 and a rise in gross fiscal deficit by 18.6 per cent. This calls for urgent action by the states. As the central transfers is only a short term measure and as an increase in tax rates would be inconsistent to the present tax reform, it will in the long term interest of the states to enhance their own non tax revenue. On the radical restructuring of the state's finances, the problem of mounting long term expenditure needs to be addressed immediately. As the country's fiscal deficit as a percentage of GDP is likely to remain at 5.7 per cent against the stipulated 4.7 per cent, the centre would be in a difficult position to

contain the over all deficit during the forthcoming year. This may also jeopardise the achievement of many plan targets.

Stock Exchange

Promoters of foreign and Indian companies have enriched themselves by a very high Rs.5000 crores by allotting themselves shares and warrants on a preferential basis at heavy discounts on market prices. On June 3, RBI issued guidelines to curb the issue of discounted shares to foreign promoters on a preferential basis. This is like closing the stable doors after the horse is bolted. The guidelines became necessary as the financial institutions were unable to move against preferential allotment resolutions in MNC affiliates in which the FIs have little or no holding. The question now is how to correct the damage already done. Promoters may be asked to distribute the preferential allotment among the share holders and the beneficiary promoters may be asked to sell back the companies the shares at the same prices in which they have been offered. This would be part correction. Also the latest (August 4) directive of SEBI on preferential issues has financially rung the curtain on this trend which saw many companies misusing Section 81 of the Companies Act in order to enable a select few among the management to profiteer at the cost of the common investors. The share of the Indian public in the total amount of public issues by the corporate sector in 1993-94 fell to 67.7 per cent from 82.8 per cent. The mutual fund and FIs were the major gainers as their share increased sharply. It is to be hoped that the SEBI directive referred to above will prevent a re-..... of this in the future. The National Stock Exchange states that a money market mutual fund is to be introduced in the next six months which will help develop a vibrant debt market in the country and which could outstrip the equity. The National Stock Exchange started on June 30th as initiated trading in government securities, treasury bills and PUC bonds to a cumulative order

of Rs.10,489 crores. The surge in the Bombay Stock Exchange Index (Senssex) seems somewhat like the multi crore stock scam when senssex touch the peak of 4560. Currently senssex is at 4350 and is expected to touch 5000 by the end of the year. In real terms the gain could be even higher because the BSE index is based on 30 scrips which hardly include any cash shares which have been in the lime light in the past few months. The finance minister states that foreign institutional investors will have an increasingly important role in the Indian capital market which is in a vigorous stage of expansion. In this the credit rating agencies have an important role to play as rating agencies will enable the larger population to make the right investor choice.

Economy

This August review of the economy must begin with the full convertibility of the rupee in current account as announced by the RBI on August 19. IMF has been advised that India would move over to Article 8 status of the IMF with effect from August 20. This announcement comes six months after the finance minister stated in his budget that the rupee will be made fully convertible on current account. It should be noted that this delay is part of the slow and deliberate process in the area of exchange rate. The devaluation was undertaken in two stages, followed by two exchange rates, one on government account and the other on trade account, followed again by a unification of the two rates on trade account. Now has come the full convertibility of the rupee which is again in stages and it is only after 1996-97 that foreign repatriation of profits will have no limitation. As for the convertibility of the rupee on capital account, it is still some time away. This slow and deliberate policy is in the national interest and is a means of safeguarding the foreign exchange reserves in the country. The forex reserves amounting at the end of July to 17.5 billion is said to further increase during the year to \$27.5

million according to one estimate. The government however, states that net foreign exchange reserves accretion for the rest of the year will be \$5 billion. It should be noted that the major effect of the reform programme has been the foreign exchange reserves build up. This has again due to the investment in physical assets remaining well below available domestic savings, while import demand of plant and machinery for industry and infrastructure has been weak. The increase of foreign exchange inflows have set share prices soaring and in one proof of the foot loose domestic money thrown up by the savings not being invested in industry and agriculture. Hence there is need to accept either accelerated inflation or to let the rupee harden further. External funds are not the only cause for the rise in share prices there is a large pool of foot loose domestic money thrown up by the savings not invested in industry or agriculture as just noted. Is it time for a policy of import profligacy which would use up the embarrassingly increasing foreign exchange reserves, as advocated by NRI economists. Apart from the sad experience in the closing years of the 7th Plan when such profligacy was indulged in, there is not much except the consumption goods sector in which import profligacy can be practised. The stagnation of the economy with accelerating inflation might drive out foreign portfolio investment for greener pastures abroad. Another way out is the use of our foreign exchange resources for providing suppliers credits. This could provide some relief, provided we do not repeat the seventh plan experience in giving such credits to countries like Iraq and Iran for non technical reasons and who are still in arrears of their repayment. There are sound markets abroad as in South Africa, Vietnam and Egypt where suppliers credit can be provided. The large foreign exchange reserves have also caused some macro imbalances in the economy. But for the pre payment of \$1.4 billion to IMF for it loans, our reserve would have gone up still further by 3.8 billion in the first four months

of the year. The huge quantities of foreign exchange inflows though not debt creating have resulted in large monetary expansion M_3 which not backed up industrial recovery is catering to inflation. Further the reference price of dollar being dictated by the Reserve Bank has lost its usefulness, the fixed exchange rate has made the rupee cheaper for foreign investors on the one hand and exports uncompetitive on the other. The increased money supply has defeated the efforts of RBI and the government to hold money supply to pre determined levels. The options of checking the flow of foreign exchange and so prevent macro economic distortion have been difficult to exercise. IMF suggests lowering domestic interest rates which the prevailing inflation rate makes impossible. The World Bank has suggested a tax on foreign inflows which takes us back to the controlled economy that we have left behind. There seems to be no way out of this dilemma.

The GDP growth rate for 1994-95 is variously forecast. RBI forecasts an average real GDP growth of 5.6 per cent based on the wholesale price index of 9.6 per cent for the year. Other forecasts are for a GDP growth, rate of 4 per cent based on 0.3 per cent agricultural growth a decline of 0.4 per cent manufacturing growth which illustrates that agriculture is still the main support of the economy. The demand for industrial goods is improving, particularly for consumer durables and consumer goods. On trade and related services the growth forecast is 0.4 per cent, in banking and insurance 2.1 per cent, public administration and advances 4.3 per cent. The trend in the tertiary sector is around 6 per cent compared to 2 per cent in primary and 4 per cent in secondary industry. Gross capital formation has declined to Rs.19,953 crores from last year's Rs.20,860 crores. The quick estimates indicate that rise in the production of capital goods may have been due to the gross increase in the change in stocks, meaning a large amount of unsold capital goods. The crux of the problem in GDP is that together

with a quantitative reduction of fiscal deficit, the quality of fiscal adjustment should be looked into.

The effect of the reform programme on the economy has been referred to in connection with the growing foreign exchange reserves. As a rule it is appropriate to aim at constant decreasing debt to GDP ratio, which however in certain circumstances as in the case of the country today when funds are available for investment avenues might yield enough to lower the proportion of debt to GDP. There is no scarcity of investment opportunities in the country and this should be undertaken speedily in order to revive the economy. Further India as a means to create a place for itself in the world services market, in most of the service areas, Indian exports and comparative costs advantages are acknowledged. The reforms have speeded up the growth of services such as the computer soft ware, advertising etc. which as the area of the future should have policy formulations which will help this trend on its export side. Further the government has indicated to Parliament that in regard to 16 categories of industries which are still under license, it is not in a hurry to decided on their delicensing as the issue needs both discussion and further examination.

The 48th round of NSS in 1990-91 reports a major decline in hunger compared to the 38th round in 1987. The proportion of people having two meals a day through out the year is raised from 81.09 per cent to 88.3 per cent in rural areas and from 93.25 per cent to 95 per cent in urban areas as between the two years. The proportion of those not getting two square meals in any month declined from 2.35 per cent to 0.7 per cent in rural areas and rose marginally from 0.77 per cent to 0.8 per cent in urban areas. This data should be place along side of the people living in poverty which is a staggering 360 million in 1988. A hunger free district programme starting with hunger free villages and towns is now being planned. The district programme is based on sensitisation and

mobilisation of public opinion, intensification and diversification both off and on farm, access to food at affordable prices, ensuring universal compulsory schooling, ensuring protective social security for the assetless and promotion of social security involving access to information and training in new skills.

RBI reports that investment in the private sector during 1994-95 is estimated at Rs.37,551 crores, an increase of 15.5 per cent over the previous year. This forecast is based on the data provided by the borrowing companies to IDBI, ICICI and IFCI. IMF cautions the union government that the proposed reduction of the fiscal deficit this year would fall short of what was needed to ensure the sound budgetary position over the medium term. This is the result of the discussions the IMF team had with the Indian government, urging the government to return quickly and decisively to the path of fiscal adjustment. This of course does not take into account the effect of such sharp reductions on the economy. The Cabinet committee on foreign investment approved the setting of a joint venture company with Telco and Mercedes Benz at a total cost of Rs.400 crores, the Committee has also approved the proposal of SR shipping for \$172.5 million euro issue along with that of 5 other companies.

The government has set up a three member commission under the chairmanship of Subramaniam to deal with the various conventions of the International Labour Organisation and their applicability to India. The Commission should set forth India's response to ILO conventions on exploitative practices in a manner which will make the industrialised countries realise that they have no justification to criticise the developing countries in this regard. The Commission will however, not ignore the problems faced by India, particularly in the area of participation and exploitation of child labour which will be referred to later. The Commission needs to bring sensitivity into its examination of the

domestic labour scene and set forth India's response to the industrial nations in a forthright manner.

The RBI has set up the long expected Board for Financial Supervision in pursuance of the recommendation of the Narasimhan Committee and the observations of JPC. This high power Board must effectively supervise the banks, financial institutions and non banking institutions. Four nationalised banks - the Canara Bank, Bank of Baroda, Union Bank of India and Punjab National Bank have decided not to accept any fresh capital contribution from the government this year as they are of the view that any additional loan from the government will lower the premium that they can charge when they go to the capital markets. Further the government's 5 per cent ceiling on investment in a company by any foreign institutional investor has made it difficult to invest funds only in middle size Indian companies which are very attractive to them because they are regarded as having considerable growth potential. The RBI is to levy penalties on banks not meeting their agricultural targets. Some profit making banks which have achieved the priority sector lending target of 40 per cent in 1993-94 have not been able to attain the agricultural credit target of 18 per cent, these include State Bank of India, Bank of Baroda, Union Bank of India which will come under this penalty clause being discussed. The key infrastructure industries including coal, petroleum, telecommunications, fertilisers and cement have failed to achieve their April-June 1994 targets. Unless they make up for this in the balance of the year the economy will suffer. Under the 73rd and 74th Constitution amendments, the country would be run now by 22.5 lakh additional elected representatives of whom 10 lakhs are reserved for women, plus 7.5 lakhs representatives of municipalities. This should help the sound and proper implementation of the outlay for rural development which this year has been raised to Rs.7000 crores. The allocation for JRY is Rs.385.5 crores, employment guarantee scheme

Rs.1200 crores, IRDP Rs.634 crores and accelerates rural water supplies Rs.880 crores. Instead of central government directly monitoring these programmes, the decentralised local bodies will ensure that they are properly administered and also prevent migration of labour, and improve considerably the results of the concurrent evaluation of these programmes for 1993-94. The ministerial group headed by the home minister has recommended the setting up of the private radio and TV stations and to allow private firms to up link from these. This report is being forwarded to the cabinet committee for a thorough review and if accepted would be path breaking for the country.

The government announced that 75 posts above the rank of joint secretaries have been identified for additional abolishing, this accounts to 8 per cent of the total positions and follows the prime minister's statement to NDC in December 1991. So far about 18,000 positions have been abolished and another 3500 identified for abolishing. Safe drinking water not available now is to be provided to 278 villages under the rural development programme. The drinking water is to be made free from worms and bacteria causing cholera, typhoid, etc. Similar steps are also being taken to remove brackishness, excess iron, and arsenic in underground water sources. An Indo dollar market might be developed in the near future with the Reserve Bank and the finance ministry looking for a viable alternative to utilise the mounting foreign currency reserves. This move to set up the rupee dollars market will provide a dollar market within India and make unnecessary the Indian government investing in US government bonds to the extent of \$5 billion as it is doing now. The government intends to stay out this project, leaving it to the Reserve Bank and the financial institutions to set up the Indo dollar market under which RBI will lend foreign currency to financial institutions who in turn will lend it to Indian companies needing it. This will mean that Indian compa-

nies who are now paying 7 per cent for their commercial borrowing will be paying 7 per cent when borrowing from the Indo dollar market. At present the Indian government investment in US bonds yields an interest of 4.5 per cent to 5 per cent.

Agriculture

The very good south west monsoon has given new fillip to the agricultural sector where the growth is forecast at 3 per cent for 1994-95 (compared to the previous year's 1 per cent). The Planning Commission estimates is achieving 189 million tonnes of foodgrains for the year. The Ministry expects 180 million tonnes which will also be supported by its 10 per cent increase in kharif support prices. For 1993-94 foodgrain production is estimated at 182.04 million tonnes which is 1.3 per cent over 1992-93. Infact in 1993-94 the production of rice is estimated at a record 70 million tonnes and wheat at a record 58 million tonnes according to the government's statement. The storage capacity with FCI is about 256.69 lakh tonnes. The government has placed the normative foodgrain requirement by the year 2000 at 180 million tonnes for a population of 1 billion. The rice procurement target for 1994-95 kharif has been placed at 13.5 million tonnes compared to the previous year's 13.6 million tonnes due to limited storage capacity. On July 1, the country has a record foodgrain stock of 29.7 million tonnes and is expecting kharif foodgrain production at 98.90 million tonnes. The heavy rain fall in the country with the reservoirs capacity being at a record level makes also the rabi prospects bright. As on July 29 the reservoir level was at 61 per cent of total capacity as against the previous year's 35 per cent. The government has decided to allow the export of 5 lakh tonnes of non durum wheat. The cabinet committee on economic affairs has approved the export without any price restrictions against the current practice. Private traders are allowed to export the wheat as well as FCI. The National Water Shed Development

Project for rain fed areas presently in its fourth year of operation in Tamil Nadu is well supported by the villagers particularly in Thirumangalam blocks, Salem district, which is encouraging. On agricultural research, August records 28 research reports with breakdown as follows: cereals 7, pulses and oilseeds 5, fruits 3, vegetables 6 and animal husbandry 7. In regard to plantation crops, on tea, the department of waste land development has set up a working committee to study the techno economic feasibility of cultivating tea plantations on the non forest waste lands in the non traditional areas of the north eastern region. 50 projects have been identified in the integrated waste land development scheme and 70 have been sanctioned this year. With regard to tea exports, a package of subsidies and credits to domestic companies to recapture lost markets after the collapse of the Soviet Union is being developed. The project will create a blend to meet the demands of tea export markets and aim the to sell between \$1.25 and \$1.75 per kilo in packages of 100,250 and 500 grams initially. 35 million kgs are to be blended and marketed of the 207 million kgs expected to be exported in 1994. This may to some extent counter India's slipping to the 4th position in exports in which it has slumped to 16 per cent in 1993 from 19 per cent in 1991. India is concentrating on the large markets such as Egypt, Iran, Libya, Russia, UAE and UK. In regard to Coffee, coffee exporters are urging the government to convene an urgent meeting to formulate the long term coffee policy. The meeting will also examine striking a balance between optimising foreign exchange earnings for coffee exports and meeting the needs of the domestic market. The government also in August has directed the Coffee Board to limit the issue of export permits to 1.1 lakh tonnes till December 1994 which it expects will help increase domestic availability of coffee and reduce prices. The coffee Board also recommends a 100 per cent free sale quota for 1994-95 and till such time as this is implemented the 50 per cent FSQ

should be continued. Coffee is continuing its high prices and the forecast it will do so for atleast two years more, unless its prices come down in the international market. This is the Coffee Board forecast. The Coffee Board suspended retail sale of raw coffee in August. In Madras all four depots have closed down. Despite the prices hike both in seeds and powder, the coffee Board President points out that in 1989 coffee prices in the international market started falling and continued to do so upto 1992. Prices have been going up in the world market in the last two years. This fluctuation means that the coffee board is unable to help the domestic consumers. In mid August the 16th coffee board auction recorded a decline in prices of all grains which is the first after the government's decision to ban export of certain grains and cap over all exports during the current year at 1.1 lakh tonnes. Whether this will have an effect on the coffee prices in the state remains the same. There was a move to supply coffee seeds through PDS which has not taken off. Coffee intake has fallen by atleast 30 per cent in the last few months according to a recent survey. Coffee traders in the south are facing stiff resistance from their customers against increased prices of coffee. With regard to rubber, despite the off loading of buffer stocks by the International Rubber Organisation the prices of rubber continues to rise in the international market. The fall out of this has been the Indian Rubber growers prefer exports to domestic sales. Rubber users in the country are opposed to exports. The synthetic rubber industry has here an opportunity to market its product including the general purpose varieties. This is one of the areas where the liberalised policy is not serving the rubber user industry in the country. The market forces decide whether rubber should be exported or imported. The role of synthetic rubber is left to these forces. But like all raw materials whether it be cotton or rubber what is available locally must be used largely for domestic manufacture and the pricing should be consistent with this aim.

Industry

1994-95 begins with a report for April of 8 per cent increase in industrial production compared to a year ago. The turn around was reflected in the resulting growth of customs and excise duty collections which seems to predict that the increasing trend is likely to be maintained for the two months. There is also a structural change in industrial production. Instead of being concentrated on consumer durables, this time the entire manufacturing sector has posted the growth of 9.7 per cent, with capital goods recording a high 24.3 per cent. It is hoped that all this is a response to the economic reform measures. Many international companies from the US, France and Italy are preparing a feasibility report for the \$3 billion Indo Iranian gas pipe line project for the supply of natural gas. Also for the first time a foreign multi national CRA exploration has applied for prospecting license for a total of 83,200sq km in its plots spread over six states. The heavy industry public sector index increased by 3.84 per cent in June compared to the previous year's June. The public sector units which exceeded their targets in June 1994 are Hindustan Salts, Scooters India, NEPA, Hoogly Printing and Hindustan Newsprint. In an independent bid to solve a long standing problem of sick PSU under its charge, the fertiliser ministry proposes to review the ailing Hindustan Fertilisers through a rehabilitation package of Rs.270 crores of fresh investment. The government has decided not to place the public sector oil exploration and production companies (ONGC and OIL) on the same footing as foreign companies in matters of pricing, profit and production sharing. This was requested by ADB as the condition for its hydro carbon sector loan. It is good that the government has stood up to ADB on this. 14 major Indian and foreign companies have offered to set up coal beneficiation plants including those from US, Australia, South Korea and major Indian companies such as Agro Yule, Bhilai engineering and

McNally Bharath. CII reports that pitheads stocks of 50 million tonnes worth Rs.1600 crores remain for years in CIL and its subsidiaries. This rather large stock is remaining more or less constant for the last three years. The government has approved the proposals of Unilever and Heinz to set up wholly owned subsidiaries in India. The Empowered Committee on foreign investment approved the two proposals and also another 71 foreign investment proposals. These 73 proposals involve a total direct foreign investment of Rs.1200 crores. These approval include a 100 per cent subsidiary by Soni Corporation to manufacture and marketing of electronic products. The government has decided to provide Rs.550 crores as soft loan to private sector companies engaged in oil exploration during the next three years. The ministry will provide Rs.50 crores to the private oil companies in the current financial year, Rs.200 crores in 1995-96 and another Rs.300 crores in the following year. When implemented this will give a real boost to the private sector. Planning Commission has decided to scrap about 50 public sector projects in light of the severe resources crunch being faced by the government. Most of these projects are either those where the degree of implementation has been around 5 per cent or where the cost over runs have been substantial. Over Rs.1000 crores which have been incurred on these projects will be considered lost. IDBI has been appointed the operating agency to evaluate proposals for revival of the ailing Indian Iron and Steel Company (IISCO). This decision of the BIFR should be welcomed because IISCO has been lying dormant for so long. Unlike the popular criticism of public sector units even when they record a good performance for some years, the National Fertilisers Ltd reports Rs.439 crores pre tax profit and Rs.389 crores after tax for 1993-94, record sales of Rs.1350 crores and net worth of Rs.1200 crores, nil debt to the banks and over 100 per cent capacity use in the last four years. What is impressive about this

performance is the sound financial fundamentals for showing excellent results in successive years. The major reason for this performance is because each unit works as an independent profit centre and is responsible for its decisions. In late August a draft drug policy was approved by the prime minister and is now to go before the cabinet committee on economic affairs. This long awaited policy in its proposals proposes to cut the list of price controlled drugs from 142 to 73 by fixing a turn over limit of Rs.4 crores for imposing price control on drugs. It proposes an independent body to recommend price controls in future on the basis of a clear set of guidelines. The policy if approved will bring industrial licensing and foreign investment rules in tune with the liberalisation policies in other sectors. The government will allow foreign equity upto 51 per cent for all bulk drugs, their intermediaries and formulations. On this basis, the prime minister states that the bill in Parliament to set up a National Drugs Authority and to reinforce the inspectorate system to monitor the quality of the drugs is to be introduced. The policy is based on the fact that there is no free market in drugs and therefore calls for government intervention in the matter of price control of drugs. Drug prices are soaring outside India and so it is the policy of price control that has kept drug prices under control in India. A few questions which should be cleared up in the coming months relate to (a) reserving some items for the public sector undertakings, (b) compensating the manufacturers for the increase in the manufacturing and post manufacturing expenses and (c) with the raging inflation, is the Rs.4 crores ceiling too low, unless prices are indexed to WPI but that will involve a heavy load of work for the National Drug Authority. Even though the corporate sector registered a good growth in sales and gross profits in 1993-94, its over all performance was below that of the previous year. ICICI, in a study refers to operating profits and net profits recording high increase in 1993-94 over that of the

previous year. The over all performance was dominated by a decline in the rate of growth of depreciation and only marginal increase in interest payments. Though profits increased from 5.5 per cent in 1992-93 the 7.7 per cent in 1993-94, it was below the 10.5 per cent recorded in 1991-92. In other words, the profitability indicators of 1993-94 is on the very low basis of 1992-93 and should therefore be examined with some caution. On the other hand RBI estimates a 15.5 per cent nominal and 10 per cent real term growth in the private corporate sector in 1994-95. The investment figure for the year is expected at Rs.37,551 crores not taking into account corporate investment funded through the capital markets where Rs.50,000 crores are forecast to be raised by them. The finance minister states in the Rajya Sabha that banks and financial institutions will not perpetually finance loss making public sector units because it wants them to stand on their own legs. He states indefinitely funding loss making PSUs does not make for equity or social justice. The government announced that the first round of the public sector disinvestment to the extent of about Rs.2400 crores will take place in October this year. Though there was disinvestment in April/May that belonged to the previous year, so that this would be the first for this year. A group of NRIs from the US and Canada are setting up the country's first 100 per cent export oriented grass roots petroleum refinery in Vishakapatnam at the cost of \$1366 million. The project named Black Gold Refineries Ltd. will have the perspective of such international firms as Badar Trading of Quartz, Dabi International of US, Parsons Corporation and Ferniz Engineering of US.

RBI is considering offering back to back letter of credit as an incentive to ensure easy finance to exporters. The scheme is based on the World Bank report and will result in a major step in increasing exports as it eliminates the system of collateral while extending finance.

Foreign Trade

In regard to foreign trade, during the first quarter of the year 1994-95 exports recorded a growth of 9.3 per cent and imports 7 per cent narrowing the trade deficit for the quarter to \$197.94 million against the previous year's \$301.5 million. The government's export target for the first quarter was 25 per cent so that the 9.5 per cent recorded a short fall in the target. For this sluggish growth in exports the commerce ministry blames the rising inflation in the economy. The high inflation rate has resulted in erosion of the country's competitive position in exports, the Indian inflation rate is higher than that prevailing in major trading nations such as US, EU and Japan. NCAER in a study commissioned by the Agricultural and Processing Food Products Export Development Authority (AFPEDA) after examining the export competitiveness of 17 agricultural commodities recommends strategies to improve their performance. These recommendations reflect the views both of AFPEDA and the exporters. The study used comparisons at home and abroad of similar products through the National Protection Coefficient (NPC). If the NPC is less than unity the commodity in question is treated as globally more competitive and vice versa. The study has not given as much emphasis to quality as compared to prices of agri goods exports due its stated lack of relevant information. The role of the state is important in regard to exports. This could be important against the poor export performance recorded to date. With liberalisation and economic growth, imports are bound to increase and domestic short falls in important critical areas like petroleum and oil seeds are being met through imports. India's external debt is mounting and debt servicing is estimated at \$9 billion per annum, which means that exports need to grow by 25 per cent per annum. Since industry is the responsibility of the states, they have the major responsibility for exports through the increase of which their total production, employment and income and industrial development will get a fillip. This would also

help them attract foreign investment. Some of the state initiatives to promote exports include export promotion cells in 10 states including Tamil Nadu, export agencies with export house status in 17 states including Tamil Nadu, Apex bodies headed by the chief minister or chief secretaries in 12 states including Tamil Nadu, export policies and action plans drawn up as in 7 states and special incentives for exporters as in 10 states including Tamil Nadu. There is need for the states to develop an export culture which is lacking and for this the IIFT recommends (a) improving infrastructure particularly power generation, (b) modifying urban land ceiling act, (c) restructuring the state level financial and investment bodies to provide finance at competitive rates and (d) reducing the time taken to get various clearances. The states should now act on some or all of these recommendations to take advantage of the opportunities offered by liberalisation. In this regard the finance ministry's decision to introduce "standard checks" for about a dozen export items initially will help exports in leather garments, textiles, finished leather, electronic goods, chemicals, paints and woollen goods. The good export performers are jute goods which increased to Rs.370.16 crores in 1993-94, silks which shot up to Rs.791.25 crores in 1993-94, garments from Madras which reached Rs.150.18 crores in July, handlooms which at \$430.75 million during 1993-94 exceeded its target, textiles which in the first quarter of the current year at \$9 billion increased by 19.1 per cent compared to the previous year, rubber goods which have risen by 80 per cent during the last five years from Rs.114.40 crores to Rs.892.3 crores in 1993-94. handicrafts exports from the South however, were a meagre Rs.65 crores in 1993-94 which was 2 per cent of the total exports of the Rs.3200 crores.

Loans and Aid

The Brettonwoods Commission referred to in the last issue comprising world renowned

experts has recommended the World Bank to shift more of its activities to the private sector and the IMF to change its focus back to world monetary issues. The Commission urged the World Bank "to increase its own efficiency" and to "significantly cut its staff". ADB announces that it will invest \$900 million in the infrastructure sector of the country. The World Bank announced a credit for India's solar photovoltaic market development of \$4.2 million which will establish an aggregate capacity of 215MW. ADB proposed to lend \$115 million to augment energy efficiency of Indian industry. IMF reports that RBI has invested increasing amounts in US government bonds as noted earlier. The International Financial corporation announced investing \$8 million (Rs.25 crores) in South Asian Regional apex fund for small and medium industries.

Human Resource Development

Education

To counter the alarmingly low level of learning and enrolment of under age children in primary system along with the inadequate teacher training brought out in the studies conducted by NCERT, NIEPA and New College in 46 districts in 8 states, Rs.1950 crores is being invested to over all the district primary education programme APEP, in the 46 districts of Assam, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra and Tamil Nadu. South Indian Mills Association (SIMA) has inaugurated in August its Human Resource Development Centre for strengthening its training activities and the supervisory development of executives, workers and trade union leaders. The Chairman of University Grants Commission referred to the absence of an agent to assess the quality of teaching and research in the university and has announced the setting up of an assessment and accreditation council for this purpose. The

audit work will be conducted at the invitation of individual of universities and carried out by a panel of experts. This system of academic audit will contribute to the accountability of universities. The education ministry seems to be hesitating over the UGC committee recommendations to make job quotas for SC/ST legal by the central universities. This is sound and should be recorded as a necessary part of the reservation battle which is now on. The declining population which the demographic transition in Kerala is recording marked by a low birth rate has resulted in a sharp decline in school enrolment in the state. This in turn has involved a number of schools becoming surplus. The state planning board's committee of expert estimates that by 2001 school enrolment would drop by over half a million and the number of surplus teachers increased to 25,000. Already 67 uneconomic schools were closed in 1990-93 and 89 in 1993-94, the state directorate of public instruction has now identified 1200 uneconomic school, that is those which do not have a minimum number of the standard strength of 25, out of which 491 are in the government sector and 798 in the private sector. This crisis should be now planned for as a means of redeploying the teachers in other avenues of self employment. Tamil Nadu reports a scramble for evening courses and colleges. These part time courses which have covered newly introduced job oriented courses are over taking the conventional courses. In view of the resource crunch, Tamil Nadu government is not able to fund new courses like BBA, BA (corporate) whereas the unaided evening colleges have obtained affiliation for these courses which are seen by the students as providing greater job opportunities. Many of the top school students are able to use their free time to do courses in computers or prepare for competitive examinations. This may be a "back door privatisation" of education as the teachers association sees it but it is what the students want and the country needs. UGC announced a grant of Rs.67 lakhs to

the Bharathidasan Institute of Management, Tiruchy, to help it develop as a prior management training institute. This is aided by an excellent system of selection of the best among the 10,000 applicants, highly skilled, qualified and educated faculty from other management institutions and BHEL, and consistent renewal and upgradation of the syllabus. The minister of education informs the Lok Sabha that on the basis of the information given by UGC 25 fake universities are functioning in the country in violation of the UGC Act. These universities are located in Bihar, Uttar Pradesh, Delhi, Tamil Nadu, Kerala, J&K, Maharashtra. The government and the UGC should widely publish the names of these universities in order that students may not be deceived into enrolling in them. In the area of technical education, the All India council of Technical Education reports that it has approved new technical institutions in the country in concentration to the state governments. It has appointed a number of task forces of representatives of state governments, universities and state directors of technical education and experts to consider the proposals of unapproved universities. A committee on technical education has recommended that government funded and aided technical colleges and universities including IITs should turn to the private sector to augment their resources. The steps suggested by the committee involves a substantial rise in tuition fees, increasing involvement of private industry in funding research projects and setting up chairs and encouraging the teaching staff to do consultancy work. It has also suggested changes in the administrative structure of government aided colleges and employing only 60 per cent faculty on full time positions, the rest should be part time lecturers. Phillips(India) announced that it has developed compact discs interactive systems (CID) for educational purposes. These CID discs are being diverted from the Chinese to the Indian market. In regard to Sciences, it should be noted that total national expenditure on research and development in

relation to the GNP fell further during 1992-93 according to the Department of science and technology. The fraction was 0.84 per cent in 1991-92 and it fell to 0.83 in 1992-93. Though in absolute terms the amount spent in R&D has increased, as a percentage of GNP it has been declining since 1988-89 when it was 0.96 per cent. The centre for cellular and molecular biology reports as noted earlier that it has developed an inexpensive fish food that can provide a boost to the aquaculture industry in the country. This might also meet the perennial problem of the protein calorie mal nutrition in the country. As reported earlier the union government has decided to credit the 5 per cent cess on payments of royalty for imported technologies towards a new fund for technology development and applications. This fund is placed at the disposal of the Department of science and technology to help indigenously developed technologies reach the stage of commercial applications. The 10 day international consultation on biological diversity called by the SAARC, ASEAN and other regional countries recommends the consultation and sustainable use of genetic resources. The Bangalore declaration on conservation of biological diversity with which the conference concluded called upon the governments to undertake conservation of genetic resources with the support of international inter governmental and non governmental organisations. It passed the resolution on framing guidelines governing genetic material and biotechnology in relation to the hotly discussed intellectual property rights. The declaration called for the establishment of regional links of scientific and technological capabilities and optimal utilisation of existing institutional capabilities and net works and the strengthening of national capabilities including building up of relevant knowledge pertaining to the conservation and sustainable utilisation of biological resources. In this connection, the union ministry for environment and forestry has issued an order which bans the export of all genetic materials from the country.

This should save India's biodiversity riches from lop sided commercial exploitation by powerful overseas interest. The arrest of two foreigners at the Delhi airport while they were trying to smuggle out 30,000 specimen puts into disturbing focus the kind of biodiversity misuse which the richer countries could resort to if the developing countries are not watchful. Countries like India should encourage the native species being worked upon in their well develop R&D facilities. If it is necessary to send them abroad, the exporting countries should be allowed to share the benefits from the products derived from its original resources. This should be the policy

which India and other developing countries having rich bio diversity flora and fauna should pursue. This would be the proper follow up of the Bangalore declaration. With regard to labour and employment, the latest mini NSS survey 1990-91 shows that unemployment is decreasing. This trend in the 46th NSS round in the decline in unemployment rate by all indicators at the start of this decade is based on "the usual status classification which indicates the magnitude of persons employed for a relatively longer period during the year. The table below brings about vividly the data on the basis of the gender classification.

Year	All India Urban				All India Rural			
	Male		Female		Male		Female	
	Usual Status adjusted	Current weekly status	Usual Status adjusted	Current weekly status	Usual Status adjusted	Current weekly status	Usual Status adjusted	Current weekly status
1990-91	1.1	2.2	0.3	2.1	4.5	5.1	4.7	5.3
1989-90	1.2	2.8	0.6	2.1	3.9	4.3	2.7	4.0
1987-88	1.8	4.2	2.4	4.4	5.2	6.8	6.2	9.2
1983	1.4	3.7	0.7	4.3	5.1	6.7	4.9	7.5
1977-78	1.3	3.6	2.0	4.1	5.4	7.1	12.4	10.9

On the above basis the government forecasts that the number of unemployed by the end of the IX Plan will be a higher 94 million. To fulfil the target of full employment by the end of the century, the government will have to create 8 million additional jobs every year.

The problem of child labour which is serious in the country is the highest in terms of the percentage of children engaged in manual jobs in Delhi. The central government is formulating a scheme to eliminate child labour in hazardous industries. The state labour ministers conference resolved: "on the occasion of the 75th anniversary of the ILO and 50th anniversary of the declaration of Philadelphia reaffirming the principles and fundamental values of the ILO, that the ILO

standards are important and relevant today". The Centre is having informal consultation with states to chalk out the programme of abolishing child labour. The labour ministry has also convened a meeting of state labour secretaries in September to formulate a policy to eliminate child labour, starting with those in hazardous occupations. In this connection, it is with regret that the Tamil Nadu Government reports that the small industry belt of Kamarajar and Chidambaranar districts employs more than 80,000 children the match industry alone account for 65,908 working children. The task before the government to eliminate child labour in five years which is its aim calls for a relentless pursuit of bringing children back to school. The government reports that its drawing the sec-

ond and last tranche of the World Bank's social safety net adjustment programme loans amounting to \$250 million. This programme has a wide coverage of primary education, primary health care, disease control, nutrition and food security as well as employment and income generation. The need for an exit policy is urgent, but in the last budget this has not been referred to. The social safety net World Bank loan is inadequate to deal with these wide problems. The resulting difficulties of the over manned public sector units cannot be solved by relying mainly on the World Bank loans. Here some part of the domestic investment which go into consumer durables should be diverted for dealing with unemployment problem. As noted earlier voluntary retirement schemes have been non starters for many reasons. The combination of state reluctance and trade union insistence needs to be squarely faced in regard to this problem. The private sector would have to create more employment opportunities for the socially deprived sections. Economic liberalisation has led to dwindling of employment avenues in the public sector which is covered by the reservation policy. Employment cannot be left to the market forces, the government has a primary responsibility in this regard so that we have a pattern of development which is sufficiently indicative and uplifts those at the bottom. According to the economic survey 1993-94 at the beginning of the 8th V Year plan open unemployment was estimated at 70 million of which educated unemployment was 7 million. Severe unemployment was estimated at 6 million, the task of reducing unemployment and under employment by the end of the century was referred to earlier. It means that employment growth should be of the average annual rate at 2.6 to 2.8 per cent over the 10 year period 1992-2002. A uniform social security scheme which should cover workers in the unorganised sector is being developed by the government. Nearly 249 million workers and their dependents are in this sector and will benefit from this scheme. The scheme in its later stages will provide the unorgan-

ised workers with educational, medical and housing security. The new Veeranam project is likely to displace over 4000 persons belonging to 900 families, along with the 230 km from Veeranam to Padayachar district on to Madras. The alternative sites to settle these displaced persons should be worked out even before the project goes into operation. The national commission on rural labour reports that agricultural labour in 7 states, Andhra Pradesh, Arunachal Pradesh, Gujarat, J&K, Maharashtra, Karnataka and Pondicherry, receive less than the minimum wage of Rs.20 a day. This needs attention and action during the 8th Plan.

Regional engineering college at Tiruchy reports that over 40 of its computer engineering M.C.A. and M.E. students have firm jobs offers from WTA consultancy services. Even before they finished the final year. This is due to the academic excellence and exposure to industrial experience provided by the Computer Support Group (CSG) of the college whose facilities are among the best in the country. Apart from the regular computer department of the college the CSG started in 1985 has a unique methodology and has emerged as the outstanding unit in the computer arena.

International

50 years of BrettonWoods

Returning to this subject again, we noted that despite its many failings the World Bank has become a vehicle of economic transformation, the IMF has become a leader of the last resort and the World Development Organisation (WTO) which is coming up will be active in the trade field. Apart from the conditionalities, the inbuilt preferences and attempt to be a superior manager is the base of the World Bank aid and this is not needed by the developing countries. Even though the industrial

countries gradually have moved away from taking IMF help, an increasing number of developing countries sought its assistance to deal with their Balance of Payment problems and so IMF became a major force in their economic policy making process. The various structural adjustment facilities introduced in 1986-87 have been used to direct the developing countries. This temptation which should be avoided. These adjustment scheme were directed to build up market lending, while the Brettonwoods system which was meant to pull the third world out of poverty, which it has not been able to do. For this there has to be a better and close cooperation between the developed and developing countries which is today absent. So the question can be asked, is the system relevant to today's conditions? For major industrial countries the IMF provides an important form for cooperation and a mechanism for serious policy coordination. On the whole it can be said that IMF's performance has been somewhat mixed, it needs to be strengthened in order to make it more viable in present economic context. Thus both the World Bank and IMF have been transformed into two parallel multi lateral agencies which are guided largely by the voting strength of the G7 countries. After 50 years of Brettonwoods, thought should be given to changing this situation. Among suggestions which have been made for change, rather than abandoning this system, radical change in policies relating to financing and reform of the institutions are to the fore. The thrust of these suggestions is that two institutions could be made more open, more democratic, and more accountable.

World Economy

The managing director of IMF states that economies of industrial countries with the exception of the US remain virtually stagnant and that the entire world economic growth last year came from 40 developing countries. The world grew at 2.8 per cent but all the growth came from the 40 developing countries. He states that while their economies

were opening up, what was needed is not to expose them to harsh competition without atleast protecting them. In its last published collection of analysis, Adjustment and Growth of Developing Countries, the Fund states that the short term prospects for developing countries is good against the back drop of recovery in the industrial countries a fairly moderate interest rate milieu and the some what improved climate for commodity prices. It concludes that there is need for greater access to industrial country markets, the elimination of price support schemes and the protection to agricultural markets in these countries, the World Bank states that the present rise in commodity prices is likely to be a short term one ending in 1995. In its report, Global Economic Prospects and the Developing Countries 1994, the World Bank states that the countries that depend on the export of primary commodities do not have to remain poor as the efficient production of these commodities can be a means for sustained growth as the history of industrial countries and some developing countries show. Their total factor productivity growth in agriculture can be just as high if not higher than in manufacturing. Improved efficiency in the primary sector in a developing country is often the precursor to diversification into manufacturing and sustained economic growth. This seems a somewhat poor consolation to the poor agrarian African countries. In its review of the World Economy, Unctad, in its world investment report states that policy makers and trade unions must move fast and innovatively to respond to the rapid changes in the global economy, particularly the increasing trans nationalisation of the production of goods and services. Policy responses to unemployment must take place against the background of a fast integrated world economy where TNCs play the pivotal role, it warns. The report states that 100 largest TNCs (excluding those in banking and finance) hold \$3.4 billion in global assets in 1992, of which about 40 per cent was located outside their home countries. TNCs are estimated to employ some

73 million people representing about 10 per cent of paid non agricultural employment in the world and close to 30 per cent in the developed countries. The report states that the actual flow of foreign direct investment to India may touch a record \$2 billion by 1995 if this is so it will bring much needed capital for the country's infrastructural industries particularly power and telecommunication. This forecast has been made on the basis of the approved and natural flows of investment reported by the country.

World Bank

World Bank reports a decline in its profit this year. Its net profit stands at \$1.03 billion in fiscal 1994 against \$1.13 billion in the previous year. It borrowed \$8.9 billion in 1994 against \$12.7 billion in the previous year. Its resources to loan ratio was 13.88 per cent at the end of fiscal 1994 (June 30) which was within its target range of 13 to 14 per cent, liquidity holding rose to \$19.2 billion and its Multi Lateral International Guarantee Agency (MIGA) issue a record of 38 contracts in technical 1994 to facilitate \$1.3 billion in direct private investment. MIGA has brought about \$7 billion of direct private investment and encouraged foreign investment in developing countries. IMF reports that most of the new investment in the US has come from the developing countries including India, and others being Malaysia, Taiwan, Brazil, Mexico and Cuba. Foreign Bank investments have become so large that they now equal one of every \$12 savings in the US. The World trade organisation set up under the final Act of the Uruguay round is arranging for a Dispute Settlement Body (DSB). The DSB will be the sole authority to establish finances, maintain servicing of implementation of rules and recommendations and "authorise the retaliatory measures" in case of non implementation of the decision under the final Act. In the final Act the WTO members have committed themselves not to take unilateral action against cases of violation of trade rules. The US seems to be taking full

advantage of this clause until the WTO is set up and states function.

World Population Conference

In a report prepared for the World Population Conference, being held at Cairo from September 5, the state of the world population report 1994, which is not a gloomy prediction of our growing global population but is a powerful argument for placing women in the centre of developing strategy, it says that empowering women is the best contraceptive. It warns that even the optimistic assumption on declines in fertility rate, the natural global increase in population, now estimated at 94 million may still be 85 million by 2020. A firm commitment of governments is needed to increase national investment in population programme along with education and health. but this is not enough. More important is the empowerment of women which is any way an essential human rights objectives. It states that in Family Planning Programme there are no short cuts to full and free choice, rather the aim should be to remove obstacles and provide an array of contraceptives to pave the way for achieving desired family size and for reproductive health. The 350 million in developing countries who do not use modern family planning techniques and the number of women who desire to avoid pregnancy but do not use contraceptive is has high as 120 million. This unmet need for family planning, if fulfilled, can contribute to better reproductive health. The report pleads for affirmative action on the part of men to ensure gender quality. Since 85 per cent of contraceptive use are for women, more efforts must be spent in developing male contraceptive. Population policy should not lead to a crisis response in which response for the individual is lost. As the demographic potential are not bleak, successful strategies that meet individual needs and contribute to national development must be advised and followed. The report also calls attention to

the fact that 30 per cent of the developing world's population (1.1 billion people) are living on about a \$ a day inspite of the economic growth in 1980s being above the 1990 levels for them. The phenomenon of population growth rate has led to spiralling increase in the number of poor. Africa has experienced the greatest increase in poverty but South Asia holds the greatest share, having 62 per cent of the world's poor. At the close of the debate in the conference will be the government's spending priorities in raising enough resources in meeting the basic needs not only from the stand point of justice and human rights but also as an effective stage to achieve lower birth rates. The Conference is attracting strong opposition from the Roman Catholic church with regard to its advocacy of contraceptives and abortion, and from muslim fundamentalists as a result of which some of the heads of the Arab states are not attending the conference. The World Bank report to the Conference states that Bank's population policies are being re-structured with a promise that the packaging will highlight not just demographic goals but the needs of women and couples as well. This is shift in the theme of the Bank which has so far focused on demographics. The message that comes from the report is that rapid population growth is both a symptom of poverty and an obstacle to poverty reduction. This is sound.

SAPTA

One important outcome of the 14th meeting of SAARC council of ministers which conclude in Dhaka was the agreement between the foreign minister to carry the South Asian Preferential Trade Arrangements (SAPTA) forward. It decided to hold in September session the intergovernmental group of experts in trade and liberalisation. This meeting to be held in Islamabad, will, it is hoped, ensure completing negotiations on the trade concessions under the umbrella of SAPTA.

Other Items

Cultural Association

An arresting performance of Tamil Music and Drama was organised by the Tamil Christian Cultural Association. The immediate purpose was for the cultural events to be made available to those who are physically handicapped. The decisions also urged that these events should be recorded and made available to the tamil churches who are still following western music.

National Centre for Industrial Harmony

A meeting of the Executive Committee of the National Council of Industrial Harmony held in August. Its first item was to receive with regret the resignation of its chairman, Mr. Ramanujam because of his appointment as Governor of Goa. The Council recorded its deep debt of gratitude to him for his founding of the Council and the untiring effort that he had put in to build it up. The council then proceeded to elect the Chairman of MIDS as the new Chairman of the Council. The council reviewed the activities under way and prepared its annual report and the statement of accounts to be submitted to the General Body on September 15.

Evaluation of Ford Foundation Fellowships

Mr I G Patel was appointed by the Ford Foundation to evaluate its fellowships made available to universities and research institutions for post doctoral work. MIDS had availed itself of two fellowships and the evaluation showed that they were used effectively by the two scholars from the Institute to enhance their research activities and capacity.

SRC and TNBCE

A meeting of the Governing Body of SRC and TNBCE was held in August to review the

total literacy programme under way in all the districts. It was found that the programme is doing well except in a very few districts where there was political interference. The Council approved the new level of salaries and allowances being applied to the staff for which the ministry of Human Resource Development, Delhi had enhanced the council's budget. There followed a meeting of Executive Committee of Tamil Nadu Board of Continuing Education which concentrated on finalising the arrangements for its annual conference. The venue of the annual conference has been shifted to Kanyakumari as Madurai is unable to host the conference. It was also decided to invite the minister of education from the state to inaugurate the conference and the minister of finance to conclude it.

Independence Day

August 15 as the independence day was celebrated in the state with the chief minister hoisting the flag in the Fort. The governor gave the reception in the evening which was attended by over 500 people. This was an event when many of the independence fighters were able to meet each other and also exchange views with the next generation.

India International Centre

The monthly panel of discussion on the subject of employment was held in the Centre in August. The picture of employment in the country is not very bright and the unemployment reported to be increasing. The discussion therefore concentrated on the strategy and the programme to increase employment.

Seminar on National Population Policy

The report of the National commission on Population Policy chaired by Dr. M.S. Swaminathan was the subject of a well attended seminar in MIDS. Mr. Swaminathan and Mr. Antony who was the member of the commission explained clearly the highlights of the report. In the discussion which followed there was appreciation for the quality and the emphasis on fighting poverty as an important means of slowing population growth. The women members of the seminar were however highly critical of the report because it continues to place the responsibility for action on women, which was not a very fair comment.

First Article

The paper for the September seminar on "Wanted for the Family Planning Programme a positive image: Lesson from Tamil Nadu" Experience appears as the first article.

Second Article

The report on the Draft National Population Policy of the Swaminathan Commission appears as the second article.

Book Review

The review of the book *Indira Gandhi: A Biography* appears in the book review section.

MIDS News

Dr. Chandra Guha gave a seminar on "Criteria for Classification of Goods with Special Reference to the Management of Common Resource Systems" organised by the Working Group on Public Institutions on October 1, 1994 in the Institute.

Dr. C.T. Kurien presided over section on Economics and gave the Presidential Address on "Kerala's Development Experience" at the International Congress on Kerala Studies, Thiruvananthapuram from August 27-29, 1994.

Dr. K. Nagaraj gave two lectures on Statistical Methods in Historical Research at M.S. University, Tirunelveli on October 3-4, 1994. He also gave a seminar on "Agrarian Structure, Market Formation and Urbanisation" at the Institute of Development Studies, Mysore on September 21, 1994.

Dr. S. Neelakantan participated in a roundtable discussion on "Foreign Policy of

Clinton Administration" organised by USIS, Madras on October 8, 1994.

Dr. Paul P. Appasamy participated as panelist on "Role of Informal Sector in Solid Waste Management" at Bangalore on September 21, 1994.

Dr. A. Vaidyanathan chaired the session on Employment and spoke at the valedictory session giving some overall impressions of the conference at the International Congress on Kerala Studies, Thiruvananthapuram from August 27-29, 1994.

Drs. A. Vaidyanathan and Nirmal Sengupta attended International Conference on Irrigation Management Transfer, at Wuhan, China from September 19-25, 1994.

Drs. A. Vaidyanathan and Nirmal Sengupta gave a talk on their "Impressions in China" on Friday, October 7, 1994 at the Institute.

September Seminar

Wanted – For the Family Planning Programme A Positive Image : Lessons from Tamil Nadu Experience

T. V. ANTONY, IAS (Retd.)
Former Chief Secretary
Govt. of Tamil Nadu

Tamil Nadu's Experience

The 1991 Census has judicated that by March 1991, the population of India had reached the figure of 844 million. While demographers and population specialists take pride in the fact that this figure is almost exactly the same as that earlier projected, the horrifying fact is that in the decade 1981-91, India's population has gone up by another 161 million, equivalent to almost thrice the total population of the UK or about two-thirds of that of the entire US. In these 10 years, population has increased by 23.5 per cent at an annual rate of 2.11 per cent which is only marginally lower than the 2.22 per cent growth rate of the 1971-81 decade. At the present rate of growth India's population will definitely cross the billion mark well before AD 2000.

India was the first country to launch an official programme of family planning way back in 1952. The expenditure on this programme amounted to about Rs.3,500 crore by 1987, and is currently at a level of about Rs.6000 crore per annum. The programme covers about five million sterilisations every year and persuades nearly 20 million more acceptors to adopt other forms of contraception every year. Despite all this, the birth rate in India remained almost static at about 33 per 1,000 from 1977 to 1985 and is still reported to be at a level of about 30 per 1,000. At the present rate, it is impossible to reach the long-term goal of achieving a net reproduction rate of unity by the turn of the century, for which time, probably India will have to feed house and care for a few more hun-

dred million Indians! What is most frustrating is that despite the disastrous implications of this explosive population growth for every sector of the economy and in particular to the environment there does not appear to be much public support for the family planning programme. Whereas inflation, natural calamities, environmental degradation etc.. are all among the many topics which capture media and public attention today family planning rarely gets any mention. What is forgotten is that these problems which are now being highlighted represent only the external manifestation of our primal malady namely, a rapidly growing population! For over a decade, few public figures have cared to express themselves about the population problem and what can be done about it. I must add that very recently this subject is again beginning to attract attention at the highest levels. All this points to the need for considerable rethinking and perhaps for an altogether new strategy and image for this vital programme.

To my mind, the family planning programme - presently the family welfare programme - has suffered considerably by its very close and almost exclusive identification with contraception and particularly with sterilisation. Family planning methods, family planning devices, family planning targets, family welfare achievements, etc., have all become synonymous only with contraceptive achievements. The emphasis given in the last two decades about reaching the sterilisation target has given to the programme the rather unpleasant image of just a surgical intervention in a very private part of the body! Even today men think of vasc-

tomy, as a possible cause for importance and not just sterility. For women, tubectomy is still too serious and too embarrassing an operation to be thought of except in the most unhappy terms. As regards political entities, few venture to talk about family planning or family welfare for fear of hurting minority and religious sentiments as they probably apprehend that an appeal in favour of family planning would be construed as a call to adopt contraception and in particular sterilisation.

Despite our official preoccupation with contraception and sterilisation, many are aware that apart from the contraceptive prevalence rate, there are many other important factors which influence fertility, such as the female age of marriage literacy and in particular female literacy, the infant mortality rate (IMR) and spacing between children. I would like to add one more important factor, namely, stopping to have children at a comparatively early age or adopting sterilisation by the time the wife is about 27-28 years. Table 2 gives some of the figures of these important determinants of fertility for some of the major states of India (I have deliberately not included all the major states to avoid an overlong table). As is well known, Kerala's birth rate has already come down to about 19 per 1,000 which is below this decade's target figure of 21 as indicated in Table 1. Tamil Nadu is second with a figure of 22.4 per 1,000. It may be noted that the literacy level of Kerala is very high, the infant mortality rates are way below that of any other state in India, it has the highest age of female marriage and the lowest age for acceptance of tubectomy. On the other hand, neither its per capita income nor its couple protection level are at the top. To some extent, Tamil Nadu has become a leader in these fields, but of course far behind Kerala. On the other hand, UP and Bihar are at the bottom of the rung in practically all these parameters and consequently have also the highest birth rates as shown in Table 2.

Perhaps, it is time to make some strong efforts to change the image of the programme from the present rather negative and unhappy concept into a more positive one of a programme in which couples are persuaded to plan their family and to have children of their choice at the time of their choice. This would incidentally include helping sterile couples who are desirous of having children, to have children, by setting up and guiding them towards fertility clinics, which should also be part of the family planning programme. Instead of just pursuing the contraceptive targets what should be attempted is to preach 'a way of life' which would include trying, to push up the age of marriage for women to at least 21 ensuring that the woman is literate before she gets married, taking effective steps to reduce the IMR rates by about 3-5 per cent per year, persuading couples for health reasons to ensure a spacing of at least three years between each child, and finally persuading couples to stop having children before the woman is about 27-28 years of age so that both husband and wife can reasonably expect to be active till the last child leaves the parental fold. To ensure all this, different forms of contraceptions will have to be readily available for adoption, by couples of varying age groups and temperaments. Admittedly, all these suggestions are being officially talked of as desirable, but the fact remains that targeting and attention are primarily focused on contraception particularly sterilisation. This is evident from the fact that whereas the room of any family planning programmer will give figures and charts of sterilisation. IUD, oral pill, etc., over the years, there will hardly be any trace of infant mortality rate (IMR) and literacy. Time and again, I have personally asked Primary Health Centre (PHC) doctors to quote the prevalent infant mortality rate in their areas. Usually, they immediately turn around to their computer (statistical assistant) who in turn has to refer to his notes. On the other hand, most of us who have been involved with this programme

TABLE 1 : Crude Birth Rate (CBR)

State	(No. of births per 1000 population)																				
	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Gujarat	40.0	40.2	35.4	38.8	37.0	37.4	26.1	35.8	35.7	35.8	34.5	34.3	34.2	33.4	33.0	32.2	30.8	29.5	28.7	29.6	27.5
Karnataka	31.7	31.5	28.9	28.0	27.7	29.4	26.3	29.2	28.9	27.6	28.3	27.9	29.1	30.3	29.6	29.0	28.9	28.7	28.0	28.0	26.8
Kerala	31.1	31.2	29.2	26.8	28.0	27.8	25.8	25.2	26.1	26.8	26.6	26.2	24.9	22.9	23.3	22.5	21.7	20.3	20.3	19.6	18.1
Maharashtra	32.2	32.2	28.8	29.0	29.7	29.3	26.2	26.9	27.1	29.3	28.5	29.8	29.8	31.1	29.0	30.1	28.9	29.4	28.5	27.5	26.2
Punjab	34.2	34.6	33.4	32.0	31.8	31.6	31.0	29.4	29.3	29.9	30.3	30.4	30.2	30.3	28.5	28.7	28.7	28.5	28.3	27.6	26.6
Tamil Nadu	31.4	32.4	30.0	29.2	30.7	30.7	29.8	28.8	28.1	27.9	28.0	27.7	27.9	28.0	24.7	23.8	24.0	22.7	23.1	21.8	20.7
Andhra Pr.	34.8	35.8	31.6	34.6	34.9	33.7	32.2	33.6	31.9	31.0	31.7	31.2	30.8	31.2	29.9	31.6	30.3	27.4	25.9	26.3	28.0
Assam	38.5	36.4	33.3	32.8	30.1	32.8	30.1	30.8	32.4	31.9	33.0	34.2	34.7	35.3	34.3	34.2	32.9	29.4	29.7	30.9	30.9
Haryana	42.1	40.5	39.4	39.5	38.0	36.3	34.6	33.5	36.4	37.2	36.5	36.7	35.9	37.2	35.7	35.3	34.5	33.8	35.2	31.9	33.1
Himachal Pr.	37.3	33.1	37.6	34.9	32.7	32.5	32.5	27.3	31.8	32.1	31.5	32.5	32.9	30.8	30.2	30.6	30.8	32.2	27.7	27.4	28.4
J & K	32.9	31.6	32.5	29.2	31.9	32.1	31.6	31.8	31.1	31.3	31.6	30.7	32.0	33.5	33.6	33.4	31.0	33.1	30.1	31.4	NA
Orissa	34.6	34.5	34.8	33.6	33.6	34.8	29.9	32.9	32.4	31.6	33.1	33.4	34.0	32.7	30.7	32.5	31.0	31.9	30.5	30.0	28.8
W. Bengal	NA	NA	NA	28.0	28.7	31.9	32.1	28.4	NA	31.7	33.2	32.3	32.0	30.4	29.4	29.7	30.7	28.4	27.2	28.2	28.7
Bihar	32.8	33.1	31.4	28.7	27.7	31.1	30.1	31.2	32.0	37.8	39.1	37.3	37.2	39.9	37.8	36.5	36.6	37.3	34.3	32.9	30.5
Madhya Pr.	39.1	39.3	37.4	36.6	40.3	39.8	38.3	37.2	37.8	37.1	37.6	38.5	38.5	36.9	39.4	37.2	36.4	37.0	35.5	37.1	35.8
Rajasthan	42.4	42.4	38.1	36.3	36.9	33.4	33.8	35.5	35.2	38.7	37.1	38.0	40.1	39.7	39.7	36.4	27.0	35.5	37.1	35.8	-
Uttar Pr.	44.9	43.2	41.7	42.1	43.1	40.0	40.3	40.4	39.6	39.4	39.6	38.6	38.4	38.7	37.6	37.5	37.9	37.1	37.0	35.6	35.1
All India	36.9	36.6	34.6	34.5	35.2	34.4	33.0	33.3	33.2	33.7	33.9	33.8	33.7	33.9	32.9	32.6	32.2	31.5	30.6	30.2	29.3

1 - including Meghalaya NA - Not Available Source : SRS * Provisional

TABLE 2 : Select Indicators Influencing Birth Rate of Some Major States of India

State	Birth rate 1990 (provisional) SRS	Mean age at marriage 1981		Couple protection rate (1989 Provisional)	Mean age of accept- ance of IUD in 1987-88	Mean age of accept- ance of tubectomy in 1987-88	Literacy rate 1991 Census (Provisi- onal)	1989-90 per capita- income 1970- Prices (in Rs.)
		Infant mortality rate (1990 Provisional)	Male	Female				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Kerala	19.0(1)	17(1)	27.25	21.52(1)	49.7(5)	25.9(2)	28.6(1)	3389(7)
Tamil Nadu	21.4(2)	67(4)	26.60	20.25(3)	55.0(4)	26.4(4)	20.1(2)	3894(6)
West Bengal	27.3(3)	68(5)	25.70	19.23(5)	32.7(7)	26.6(6)	29.3(3)	3963(5)
Karnataka	27.8(6)	71(6)	25.86	19.21(6)	44.2(6)	26.5(5)	29.5(4)	4075(4)
Maharashtra	27.5(4)	58(3)	24.24	18.77(7)	95.1(3)	25.7(1)	29.9(6)	6184(2)
Punjab	27.6(5)	55(2)	24.36	21.07(2)	69.6(1)	28.8(8)	32.0(8)	7081(1)
Gujarat	29.5(7)	72(7)	21.47	16.55(9)	25.8(9)	26.7(3)	29.6(5)	5404(3)
Bihar	32.9(8)	75(8)	21.47	16.55(8)	25.8(8)	26.0(3)	30.5(7)	2122(9)
Uttar Pradesh	35.7(9)	98(9)	20.96	16.71(8)	32.2(8)	29.5(9)	33.7(9)	3072(8)
All India	29.9	80	23.29	18.33	41.9	27.4	30.2	4252

Figures in brackets indicate the relative ranking

Sources : For cols (2) (3) (4) and (5) Directorate of Family Welfare. Government of Tamil Nadu cols (6) (7) and (8). Family Welfare Programme in India. Year Book 1988-89, Ministry of Health and Family Welfare, Government of India, pp 221, 240, 241, Col (9) Census 1991 Col (10), The Economic Times, 30 August 1991

over the last two decades could probably recite the sterilisation target achievement even in our sleep!

I have been personally involved with the family planning programme of Tamil Nadu for the last two decades in various capacities. Much of what is related below concerns the programme carried out in Tamil Nadu in the hope that what has been achieved without much coordinated direction, but which has resulted in a steady fall in the birth rate of Tamil Nadu by about 6 points between the years 1984 and 1990 could be applied elsewhere to produce similar results. Tamil Nadu had reached a birth rate figure of about 28 by the late 1970s but continued to remain at the same level along with many other states till 1984. Since then, the birth rate of Tamil Nadu has fallen to 22.4 as per the provisional Sample Registration System (SRS) figures for 1990.

In Tamil Nadu, the mean age of marriage for females has been steadily rising from 18.37 in 1961 to 19.61 in 1971 to 20.25 in 1981 and 20.70 in 1987. As neither the economic standards nor the literacy level of Tamil Nadu nor its employment potential for females were much higher than most of the other states in southern India, the comparatively high age of marriage and easier acceptance of the concepts of family planning has to be ascribed to a strong social awareness programme created by a great social reformer named Periyar Ramaswamy. Long before governments introduced the family planning programme Periyar emphasised the need, 'to liberate women from frequent delivery by use of contraception'. Also 'not to allow marriage of a woman before she is 22, so that '3 to 4 births can be averted and to explain 'the desirability of the two child norm at every marriage, at Periyar's doctrines had a strong impact on successive political government in the state as some of his disciples later became political chiefs of the state. From the 1960s it had become normal for VIPs, political workers and even prominent administrators to preside over

marriage functions and talk forcefully about family planning and the 'small family norm'. Public participation in marriage functions by leaders from various walks of life, when they talked of the advantages of the small family did provide the proper climate for programme administrators to convincingly push active and effective family planning programmes. A few years ago, at my instance was then Chief Secretary) the then Director of Medical Education Dr. Sivaraman prepared a study on 'Medical Reasons for Postponing Age of Marriage of Girls' after studying several thousand deliveries in the Institute of Obstetrics and Gynaecology at Madras. The ideal age for producing a child, according to medical textbooks, is between 20 to 30. However, her report had also indicated that while 20-30 is an ideal span 24-25 was the age when perinatal mortality, low birth weight (below 2.5 kilos) and complications at delivery in general were minimal. My personal discussions with obstetricians have confirmed that the age of 24-25 may be called the 'ideal' age to bear a child with the least complications to the mother and child. Taking a cue from this study, the message now in Tamil Nadu is that 22-27 (i.e., + or - 2 of 24-25) is the 'ideal span for reproduction', and hence that 21 should be the minimum age for marriage. While today T.V. programmes do recommend later marriage much more needs to be done to educate parents about the dangers of teenage marriage and in particular pregnancy, for both the mother and child. An attempt is now being made in Tamil Nadu to install in every village a Marriage Register, which will at least provide a record of marriage for all communities and at the same time, perhaps influence parents to some extent not to get their daughters married before 18 years. Postponing the age of marriage besides reducing total fertility would also ensure healthier children. The programme of family planning should also have among its important targets, raising the age of marriage to a minimum of 21. For this, the I.E.C. messages will have to be stepped up. No doubt, in this effort compulsory educa-

tion for females improved employment opportunities for women and strong enforcement of the Marriage Act are important factors.

Today it is accepted that there is a close affinity between female literacy and fertility. States which are high in female literacy have also recorded lower growth rates with ofcourse Kerala leading them and by a very long margin. Literacy ensures that couples become aware of what is happening around them, about how to ensure child survival about the advantages of the small family, and finally overcome hesitations to seek and adopt contraception. Many districts particularly in south India are attempting to introduce total literacy programmes. With sustained efforts, political and administrative support and a missionary zeal, it is estimated that it would be possible to raise female literacy to about 90 per cent within a span of about three years. These efforts have commenced in many districts of Tamil Nadu and have already been successful in Kerala. Any state intending to successfully reduce fertility, would have to introduce a target-oriented plan to eliminate or at least considerably reduce female illiteracy. This will be one more target to be monitored by the family planning programmer. Selected indications influencing birth rates of the major States in India is referred to in Table 3.

Lower child death rate is another important factor in inducing a lower birth rate. This is because infant death ends the suppression of ovulation, which is caused by breast-feeding. In the absence of any other methods of family planning a new pregnancy becomes more likely. Again, the death of a child often prompts couples to 'replace' the loss by a new pregnancy. Without too much concerted effort, the IMR in Tamil Nadu has been brought down from 93 in 1980 to 67 in 1990. There has been an average fall of about 2.5 points per year, which can certainly be improved upon in the coming years. Kerala's provisional figures for 1990 have already touched 18 which makes its child

survival rate better than that of most developing and almost on par with some developed countries. There is no doubt that Kerala's low infant mortality rates have also influenced its birth rate fall. While this is now admitted, the exact relationship between IMR and birth rate has to be brought to the direct notice of all those working in the field of birth rate reduction. With close monitoring, it should be possible in providing rewards and recognition only for the achievement of contraceptive targets, the PHC doctor who has so organised the health and nutritional needs of the mother and child in this area so as to bring down the infant mortality rates by 5 per cent per year should get higher recognition. In Tamil Nadu, every PHC displays its record of performance in the area of reducing IMR in the last five years.

Closely related to the reduction of child mortality and morbidity is the reduction of the incidence of low birth weight (below 2.5 kilos). An attempt is being made in Tamil Nadu to spread the concept that it is not sufficient to reduce the incidence of low birth weight, but it is necessary to think of having healthy children with an ideal birth weight-3kg. The monthly statistics put out by the Family Planning Department indicate that the average weight of the child born in Tamil Nadu is about 2.6 kg. A stepping up of sanitation, health and nutritional levels for expectant mothers can raise the birth weight gradually to the level of about 3kg.

Ensuring sufficient spacing between children ensures maternal and child health and in turn reduces child mortality. In the report prepared by Dr.Sivaraman referred to earlier, it was indicated that to ensure a minimum weight gain of about 8 kg by the mother during pregnancy, and to ensure a baby weight of about 3 kg a spacing of at least three years between the first and second pregnancy is absolutely essential. A spacing of three years also ensures that the elder child can be admitted to a health care centre or to the kindergarten before the next child is born, ensuring better attention for both

TABLE 2 : Select Indicators Influencing Birth Rate of Major States of India

Sl. No.	Major States	Population in millions	Birth Rate 1991	Female Literacy Rate census	Age at Marriage 1981 Female year	Age at Marriage 1981 Female year	Institutional Delivery	Infant Mortality Rate 1991	Mean age of IUP in 1988-89	Mean age of IUP in 1988-89	Couple Protection Rate 1990%	Total Fertility Rate 1989	1989-90 Per capita income price
1	Kerala	29.0	18.1	86.9(1)	21.85(1)	21.85(1)	85.7(1)	17(1)	25.9(2)	28.7(2)	55.4(5)	2.0(1)	3389(8)
2	Tamil Nadu	55.6	20.7	52.3(2)	20.22(3)	20.22(3)	48.7(2)	57(3)	26.5(5)	28.7(3)	57.3(2)	2.5(2)	3894(7)
3	Andhra Pradesh	66.5	26.0	33.7(11)	17.25(11)	17.25(11)	32.8(4)	73(8)	25.5(1)	28.4(1)	45.3(8)	3.1(3)	3211(9)
4	Maharashtra	78.7	26.2	50.5(3)	18.76(8)	18.76(8)	33.3(3)	60(4)	27.8(11)	29.5(6)	55.3(6)	3.4(5)	6184(2)
5	West Bengal	68.0	26.7	47.2(6)	19.26(5)	19.26(5)	29.6(6)	70(7)	27.1(9)	29.1(5)	34.1(11)	3.3(4)	3963(6)
6	Karnataka	44.8	26.8	44.3(7)	19.20(6)	19.20(6)	30.3(5)	77(10)	26.4(3)	28.6(4)	48.2(7)	3.3(4)	4075(5)
7	Gujarat	41.2	27.5	48.5(5)	19.51(4)	19.51(4)	21.6(7)	69(6)	27.5(10)	29.9(8)	57.0(3)	3.6(6)	5404(3)
8	Punjab	20.2	28.6	49.7(4)	21.04(2)	21.04(2)	6.8(13)	53(2)	26.1(4)	31.7(13)	73.6(1)	3.3(4)	7081(1)
9	Orissa	31.5	28.8	34.4(10)	19.04(7)	19.04(7)	8.4(12)	126(15)	26.7(7)	30.5(9)	40.2(9)	3.6(6)	2438(14)
10	Bihar	86.3	30.5	23.1(14)	16.52(12)	16.52(12)	11.3(11)	69(9)	27.0(8)	31.4(12)	24.7(15)	5.1(9)	2122(15)
11	Assam	22.3	30.9	43.7(8)	NA	NA	17.3(9)	81(12)	28.2(13)	32.7(15)	27.6(14)	3.4(5)	2756*(12)
12	Haryana	16.3	33.1	40.9(9)	17.87(9)	17.87(9)	17.9(8)	68(5)	29.0(14)	31.4(11)	55.9(4)	4.4(7)	5274*(4)
13	Rajasthan	43.9	34.3	20.8(15)	16.09(14)	16.09(14)	4.2(14)	77(11)	28.0(12)	30.7(10)	29.5(13)	4.7(8)	2923*(11)
14	Uttar Pradesh	139.0	35.1	26.0(13)	17.77(10)	17.77(10)	3.9(15)	93(12)	33.9(15)	32.5(14)	33.7(12)	5.2(10)	3072(10)
15	Madhya Pradesh	66.1	35.8	28.8(12)	16.52(13)	16.52(13)	11.5(10)	122(14)	26.6(6)	29.8(7)	38.8(10)	4.7(8)	2739*(13)
16	All India	—	29.3	39.4	18.32	18.32	—	80.0	29.0	29.9	43.5	—	—

.. Major States with a population exceeding ten million
States are arranged in ascending order of CBR figures
Brackets indicate comparative performance level

Source : i) Govt. of India letter no. 11015/2/E&1 dated 25.12.92
ii) Year Book 1989-90 Ministry of Health and Family Welfare, Government of India

children and less anxiety for the mother. A three-year spacing also reduces the birth rates effectively and should therefore be one of the targets of the family planning programme.

A special aid to the planned family programme though not specifically designed as such which was commenced in the 1980s in Tamil Nadu, was the Chief Minister's midday meal scheme. The then Chief Minister strongly motivated to eradicate hunger and malnutrition among children introduced a massive programme in the state, which still provides a hot midday meal of rice and vegetable curry to nearly 83 lakh children in about 67,000 centres spread all over the state both urban and rural. The scheme presently costs almost Rs.230 crore is operated by nearly 200,000 women of the lowest economic strata recruited in their own environment and serving their own village or slum children. The programme also supplies to about a lakh of expectant mothers a health food packet every afternoon. The women serving at these 67,000 centres have always been important communicators of the planned family concepts as they are in daily contact with just that level of the population, which needs the message most. However, I must mention that while this is a very desirable programme, it would be difficult to implement except with the highest level of motivation, and a very strong administrative machinery.

One more important factor which would favourably influence the birth rate is to persuade couples to adopt permanent methods of contraception as early as possible. The reason why India's programme of sterilisation or even IUD insertion has not made sufficient impact on the birth rate, despite very large numbers getting sterilised every year (about five million) is because the average age of tubectomy is still reported to be over 30 by which time most couples have completed and perhaps exceeded their desired family size. In Tamil Nadu, a consistent effort was taken in the 1980s to persuade at least 60 per cent of institutional delivery

cases, who have had one or two children to accept an IUD and about 70-80 per cent to adopt sterilisation after the third child. Massive training programmes were also conducted to train ANMs and lady health visitors about spacing techniques. Between 1984 and 1990 IUD adoption in Tamil Nadu increased eight-fold from 55,000 in 1984 to five lakhs. Consequently, the mean age of tubectomy acceptors has fallen from 30.1 in 1980 to 28.4 in 1990, and of IUD acceptors from 27.4 to 25.8 in the same period. It may be noted from the figures in Table 2 that tubectomy figure for Kerala in 1987-88 was already at 28.6 and at 25.9 for IUD. A combination of the concepts of later marriage and early acceptance of contraception, both spacing and permanent has in effect compressed the span of fertility to about 7 or 8 years instead of 17 or 18 seen in other states. If this is combined with a good spacing programme ensuring a 3-4 years interval, the total fertility rate will decline to less than 2.5 as already seen in Kerala, and to some extent, in the areas of Tamil Nadu. An additional message that is being propagated in Tamil Nadu is that a child leaves the parental fold around 25 years of age. Parents are being informed that if the last child is born when the mother is about 27-28 when she is at her healthiest, the chances are that both she and her husband would be alive and active till their last child leaves after about 25 years. Government servants and organised sector employees are being made aware of the advantages of ensuring that their last child is settled before retirement at 58 (so that children would not be a burden on meagre pensions) which again implies that the child must be born before the man is 33 or his wife is 27-28.

In preaching 'a way of life', involving later marriage, lower IMR, higher birth weights for children spacing and stopping the child birth cycle early, contraception has an important role to play-not just to ensure contraceptive targets are fulfilled, or that contraceptive prevalence rates are reached, but to ensure

that every couple is properly educated and assisted to use the right type of contraceptive for his or her stage of life, spacing methods for younger age groups, and sterilisation for couples who have produced two or three children. The targets would also be a way of ensuring that the contraceptive supplies and delivery mechanisms are properly organised. To ensure the universal adoption of this new strategy or way of life, the different important stages detailed above would have to be carefully monitored and targets fixed and achieved as carefully and systematically as is now being done with sterilisation or IUD targets.

A very well thought out IEC Programme (preferably developed by a non-governmental organisation) is essential for teaching people the new way of life. Ever since the 1980s, in Tamil Nadu, the message has been spread through various media including posters, processions, films, etc. In the mid-1980s, the Transport Commissioner of Tamil Nadu was requested to persuade public transport owners to paint on the rear side of their vehicles a red triangle and a prescribed message about the small family norm. This is a unique practice in Tamil Nadu with lakhs of vehicle daily carrying the red triangle and the relevant message all over the state. Messages are also conveyed by word of mouth through the family planning staff medical and health staff midday meal assistants and films covering concepts like the advantages of a small family that child bearing should stop when the main is 33 that land being limited one family should not have more than one heir (a concept widely practised in Periyar district) and that rapid aging and even servical cancer can be the result of too many children produced in quick succession. By and large, it can be said that almost all over Tamil Nadu and Kerala the small family concept is accepted even at the lowest economic level.

To bring about a significant reduction in the birth rate which in Tamil Nadu has been at the average rate of about 1 per 1,000

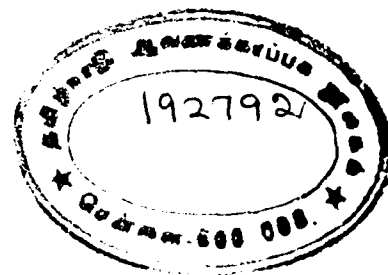
every year for the last six years (1984-28 per 1,000, 1990-22.4 per 1,000) the involvement of many government departments and the support of non-official organisations is essential. For instance, a Marriage Register requires the support of the Revenue Department, raising the age of marriage needs the support of socially conscious political leaders, the Social Welfare Department, etc., total literacy for women involves the support of the Education Department; IMR reduction, spacing, etc, fall within the parameters of the Health Department but can be strongly supported by many other departments, in particular. Information and Publicity. A successful programme can be evolved best when there is strong political commitment and good administrative support. Ideally, the planned family programme can be effective if the Chief Minister of the state or at least the Chief Secretary with the tacit approval of the Chief Minister takes up an active and personal interest in the programme with periodic and effective review meetings in which all departments are involved. Where such conditions prevail, it should not be impossible to bring down the birth rate to about 1 per 1,000 every year after 2-3 years of well coordinated preparation.

I would like to add a few more words about what can be done in the so-called BIMARU states, namely, Bihar, Madhya Pradesh, Rajasthan and UP. Perhaps for these states, a lesson could be taken from the concentrated agricultural programmes of the 1960s which were evolved between the Food and Agriculture Ministry and the Ford Foundation to raise food production quickly. All over India, one or two districts were selected in every state where the infrastructure and environment were assessed to be ideal for higher food production. I happen to have been District Collector of one of these districts namely: Thanjavur in Tamil Nadu at that time. These districts which were termed intensive Agricultural Development Districts were provided with the best inputs by way of new research stations, seed production

centres, extension advice and supplies of the high yielding strains of rice and wheat. The higher supplies of fertiliser and pesticide needed for these new varieties of seed as also the irrigation support were provided in full. Assured marketing facilities were also arranged. A combination of these factors ensured within a few years a change from a PLASO dependent state to a self-sufficient India. Why not apply the same technique in the field of family planning?

If the governments of the so-called BIMARU states could be convinced, it should be possible to select perhaps three districts in each of these states with presently the best infrastructural facilities for health and family welfare. A baseline study could be undertaken to indicate the prevailing levels of age of marriage, literacy, infant mortality,

spacing, etc. Achievable targets could be fixed for each of these factors and a massive IEC programme tailored to influence local sensibilities created (a very difficult task) by communication experts. The contraceptive inputs needed and the channels to provide them would have to be carefully estimated and provided. Above all, the programme will have to be monitored at the level of the Chief Minister himself as has been pointed out earlier, as the efforts of several departments are called for. If all this can be done, it should not be unreasonable to expect a steady fall of about 1 point per 1,000 in the birth rate after about three years of intensive preparation. As seen in the case of the agricultural programmes of the 1960s, the fall out from the Intensive Family Planning Districts can be expected to influence the rest of these states within three to four years.



NATIONAL POPULATION POLICY *

PART A

POLICY FRAMEWORK

- 1 THE National Health Policy of 1983 emphasised the need for "securing the small family norm, through voluntary efforts, and moving towards the goal of population stabilization". While adopting the Health Policy, Parliament emphasised the need for a separate National Population Policy. The National Development Council appointed a committee on Population in 1991 under the Chairmanship of Shri K. Karunakaran, the Chief Minister of Kerala. The report of this committee endorsed by NDC in 1993 recommended that "a National Policy on Population should be formulated by the Government and adopted by the Parliament." The present Population Policy statement is in response to this directive of NDC.
- 2 Improving the quality of human life based on the principles of self-reliance, social justice and harmony between human population and nature has been a cornerstone of India's development policies and strategies since the beginning of the First Five Year Plan in 1950-51. India has been one of the first in the post World War II era to attend seriously to population issues. This has led to substantial achievements. For example, the crude death rate was 10.3 per 1000 in 1990, as against the goal of 10.4 per 1000 envisaged in the National Health Policy of 1983. The Infant Mortality Rate (IMR) came down in 1990 to 80 per thousand. However, the birth rate remained at 30.2 per thousand in 1990,

while the goal was 27 per thousand (and 21 per thousand by the year 2000). As a result, the annual growth rate of population remained at 2 per cent in 1990, as against the target of 1.66 per cent. However, the annual exponential growth rate came down to 2.14 per cent during the decade 1981-91, in contrast to 2.22 per cent during the decade of 1971-81. According to preliminary estimates of SRS 1992, the annual natural growth rate has come down to 1.9 per cent. The major reason for the persistence of a high population growth rate is the more rapid decline in death rate including infant mortality rate as compared to the birth rate. It is worth recalling that the infant mortality rate has declined from around 200 in the mid - 1940s to 78 in 1992. Expectation of life at birth has risen from 32 years at the time of independence to 60 years by 1992. The total fertility rate has declined by 40 per cent, from over 6.0 in the 1940s to 3.6 in 1991.

- 3 Uneven progress among states in population stabilisation has been one of the factors responsible for a high national growth rate. Thus, while for the country as a whole the Total Fertility Rate (TFR) was 3.6 in 1991, it was 5.1 in Uttar Pradesh, 4.6 in Madhya Pradesh and Rajasthan and 4.4 in Bihar. On the other hand, the TFR was 1.8 in Kerala and 2.2 in Tamil Nadu, the two major states which have already reached near or below replacement level of fertility. The four large states contributed 40 per cent

* Extracts from the report of the Commission chaired by Dr. M.S. Swaminathan and discussed at the Seminar held at MIDS on August 29th, 1994.

of the net increase in India's population during 1981-91. It is thus evident that population stabilisation strategies will have to keep in view the wide range of diversity prevailing among states in total fertility rate, death rate and infant mortality rate. Policies and programmes will have to be tailored to suit the particular socio-cultural and socio-economic factors prevailing in each area. The year 1994 provides an excellent opportunity for promoting the concept of Unity in national population goal but diversity in implementation strategies. With the Panchayati Raj Act coming into force in all States and Union Territories, there is a real opportunity for planning at grassroot level. Hence, this Population Policy is structured on the basic premise: think, plan and act locally and support nationally. Such a shift in approach is fundamental to achieving a population policy driven by peoples' perceived needs. Based on the national population policy framework, each panchayat and nagarpalika can develop a blue print for action based on integrated attention to health, education and environment with sensitivity to gender and poverty issues.

4. The emergence of grassroot level democratic structures provides unusual opportunities for correcting the prevailing gender imbalance in the acceptance of contraceptives. The neglect of the girl child, the higher levels of child mortality of females as compared to males, persistence of female child labour, low literacy rates for women, the high drop-out rates for girls, the low age at marriage, the high proportion of teenage high risk mothers and low birth weight babies, the high maternal and infant mortality rates and increasing violence against women are all areas where urgent remedial action is called for. The decline in sex ratio is a warning signal. The sex ratio for the country of 929 females per 1000 males observed in the 1991 census is indicative

of extensive discrimination against women. Only Kerala has a sex ratio exceeding unity. Women's participation in formal groups such as panchayats or informal groups such as Mahila Mandals and voluntary organisations are the most effective and sensitive vehicles for rectifying gender imbalances and promoting the interests of women. Nearly one million reserved seats will be available for women in panchayats in the country as a whole. Such a political and social empowerment, if supported by steps designed to strengthen the capability of women in decision-making processes, should help us to make a new beginning in integrating gender equity in plans for health and family welfare and also help to arrest and reverse the declining sex ratio.

5. The consequences of our failure to achieve a continuous improvement in the quality of life in harmony with nature are grave. Prime farm land is getting diverted at a rapid rate for non-farm uses. Per capita land and water availability is declining to levels where both national food and drinking water security are at grave risk. Nearly 50 per cent of the irrigation water now comes from ground water and increasingly, the static component of ground water (which is not annually replenished by rainfall) is being exploited. Precious biological diversity is getting lost due to the destruction of coastal, mountain and forest habitats rich in genetic diversity. Pollution by non-biodegradable and toxic wastes is also growing. The unsustainable life styles of both wealthy nations and wealthy people everywhere are posing threat to climate, particularly precipitation and are contributing to a potential rise in sea levels and ultraviolet-B radiation. Under such circumstances the loss of every gene or species limits our capacity to adapt to new situations. It is high time the limits to the human carrying capacity of the supporting eco-systems are recognised.

6. Annually more people are added to the population of India than any other country in the world. Even now, those living below the poverty line are numerically as many as the total population of India at the beginning of the First Five Year Plan, i.e., about 360 million. Population, poverty and environmental degradation have close linkages and quest for food, education, health and work for all will remain illusory unless success is achieved in limiting the growth of population. It must be recognised that given India's age structure and the current levels of fertility and mortality, the population has an in-built momentum for continued growth. This implies that population will continue to grow for the next few decades in spite of continuing decline in the birth rate. By the year 2000, a population of over 1000 million seems inevitable. In terms of employment, this would mean that nearly 100 million new jobs will have to be created by the end of this century. An enabling environment and empowerment mechanisms are both needed to accelerate the march towards the goal of population stabilisation by achieving a Total Fertility Rate (TFR) of 2.1 by the year 2010.
7. The World Health Organisation (WHO) defines health as "a state of complete, physical, mental and social well being and not merely absence of disease or infirmity". To achieve this, it is necessary not only to adopt a holistic approach to health but also to recognise the need for giving priority to effective implementation of our policies and programmes designed to ensure poverty eradication, environmental protection and gender equity. The current global development pathways are leading to a continuous increase in the gap between the incomes of the poor and the rich and to jobless economic growth, besides damaging basic life support systems of land, water, flora, fauna and the atmosphere. Development

which is not equitable will not be sustainable in the long run. Programmes for generating an enabling environment where all people can experience a healthy and productive life will call for speedy and effective implementation of the Minimum Needs Programme and in particular, for according the highest priority to (a) safe drinking water and good sanitation, (b) ensuring the health of families, (c) providing opportunities to plan the size of one's family, (d) education of children, with particular attention to the girl child, (e) provision of creches and child care services to support working mothers, and (f) increasing the income earning capacity for both men and women.

8. There is need to achieve a proper match between steps to promote an enabling environment and those designed to empower governments, communities and families in achieving the family welfare goals. The proposed empowerment mechanisms are enumerated below:
 - a) **Family :** The current trend towards shifting the entire responsibility for family limitation to women will be checked and the culture of joint responsibility of the couple in all matters relating to the family will be nurtured through various steps including the removal of gender bias in textbooks, media and public services. The contraceptive services provided to the family will be based on informed choice and decision will rest with the users.
 - b) **Panchayati Raj and Nagarpalika Institutions :** Each Panchayat and Nagarpalika will be encouraged to prepare a socio-demographic charter for the respective village, town or city. The village/town level charter will have specific goals for population stabilisation developed after discussion among the people of the area. The charter will pay particular attention to achieving a balance be-

tween human population and land and water resources. In addition, the charter will indicate the steps which the local community plans to initiate for ending social evils like dowry, child marriage, female foeticide and infanticide and female and male illiteracy. It will also develop guidelines for improving the quality of life. Such a charter will include a blue print for action, which will spell out the financial and technical support needed.

- c) **District :** At the district level a broad-based District Population and Social Development Committee with representation of all the stake-holders, including mass media, will be formed. The Chairman of the zilla parishad or a reputed local social worker will head this committee which will also include all elected Members of Parliament, Legislative Assemblies and Municipal Corporations/Council from the district. The committee will monitor progress in implementing the village and town socio-demographic charters and ensure their success. An important responsibility of the District Population and Social Development Committee would be achieving convergence and synergy among all on-going governmental and non-governmental programmes in the areas of population containment and social development.
- d) **State :** A major role of State Governments will be the promotion of integrated quality of life improvement measures, with a focus on education and population limitation methods. The quality and adequacy of the health care and contraceptive delivery systems will need particular attention. Effective and safe contraceptive methods, chosen on the basis of informed choice should be available to all who want to use this. Since it seems unlikely that there will be any dramatic breakthrough in contraceptive technology in the near future, the best use will have to be made of the techniques,

proven to be safe and currently available. A State Population and Social Development Committee, comprising elected representatives of people from different political parties, professionals, representatives of NGOs, womens' and youth organisations and mass media should promote convergence of the on-going programmes and monitor the availability of acceptable contraceptive technologies and services information, education and communication programmes and the development of the needed infrastructure will receive high priority. Special efforts will have to be made to reach the unreached. The aim should be to move away from negative to positive goals. The State Population and Social Development Committee will also prepare a socio-demographic charter for the state as a whole based on the local level charters prepared by the grassroot level democratic organisations. While preparing the charter the available on-going programmes, schemes and resources have to be considered in order to identify how these programmes, can reach all those for whom they are intended. Gaps in ongoing efforts and the resources needed to fill those gaps will have to be specified. This charter should also set the priorities for the local area. The State Cabinet will establish a Standing Committee on Population and Social Development chaired by the Chief Minister to monitor progress and remove bottlenecks. An annual report should be submitted to the State Legislature on Population, Gender Equality and Quality of Life Improvement. Each State should strengthen and restructure the administrative entities essential for achieving the desired goals in population stabilisation and family welfare, in harmony with the principle of linking authority and autonomy with accountability at the level of task implementation. Above all, effective linkages between gender equity and population goals will have to be estab-

lished to serve as a basis for a better life for all. The changes necessary in inheritance laws for promoting gender equity will be introduced. Adoption of orphan children will be encouraged and facilitated.

- e) **National Level:** Several fundamental changes will be made in the existing policy-making and task-implementation structures. This is essential for replacing the present vertically structured family welfare programme with decentralised, democratic planning through Panchayats, Nagarpalikas and State Legislatures. Some of the proposed changes are indicated below:
- i) MCH and family planning services would be merged with health. the intention of such integration is not merely to change the nomenclature of the Ministry/Department but truly to integrate the different components of health like MHC, reproductive and sexual health, care of the elderly as also the national campaigns for the control/eradication of malaria, leprosy, tuberculosis, blindness and AIDS. This will help to promote a concern for total health.

Thus, a holistic and comprehensive approach to health would be identified and implemented. This will mean that the programme will be reaching beyond maternal and child health care and family planning services to cater to gynaecological and sexual problems, safe abortion services and reproductive health education. The health package will include attention to AIDS. The emphasis will shift from a curative approach to a prevention and control approach. Research and development efforts would strive to identify ways to integrate the necessary components relating to reproductive tract infections with ongoing health and social welfare programmes, instead of evolving new vertical programmes.

- ii) No targets for specific contraceptive methods would be set by the Central and State Governments, except the goal of achieving a national average of Total Fertility Rate (TFR) of 2.1 by the year 2010. This implies that targets for specific contraceptive methods would be abandoned. These steps will help to move away from physical targets and to concentrate on the availability and accessibility of contraceptives keeping in mind the urgent need for improving the quality of services rendered to the people.
- iii) Incentives in cash or kind given by the Central and State Governments for the acceptors of contraceptives as well as to motivators and service providers will be discontinued. Instead, all the funds available from Government and bilateral and international donor agencies will be credited to a newly created Population and Social Development Fund (See Part B 1.3). This fund will be utilised for filling the critical gaps in the effective implementation of the village, town, district and state level socio-demographic charters and to ensuring that there is proper match between goals and resources. Innovative schemes specifically directed to improving the status of the girl child and eliminating adverse sex ratio would be developed. Special attention will be given to the areas and states having a high TFR and IMR.
- iv) The Life Insurance Corporation would be asked to draw-up suitable schemes for group health insurance for workers in the unorganised sectors and their families. It will be mandatory for the employers in the organised sector to provide for such group insurance.
- v) Every effort will be made to eliminate before the end of the century all discrimination against women. In this context the media and advertisement agencies must develop a gender code which eliminates glorifying violence and vulgarity. Steps

will be taken to provide special care for the girl child and the adolescent girls through higher levels of school enrollment, skill formation and income generating capacity. This will also be conducive to raising the age at marriage and adoption of contraceptive methods based on informed choice.

- vi) It is clear that in a country like India with its size and socio-cultural diversity, the Government bears the primary responsibility for policies, planning and country-wide promotion of programmes for population and social development. At the same time, not only are its tasks made easier, but it is a part of good governance to evoke the whole hearted participation of the people in population stabilisation measures on the basis of shared perceptions and goals. Voluntary and non-governmental organisations can be particularly effective in mobilising the community, bringing about social change in attitudes and behaviour as in gender issues, fighting evil customs like dowry and increasing people's participation, through communication, management and marketing skills. They can also help to promote the adoption of orphan children after a couple have had a child of their own, so that children already born have a chance to have a happy life. Voluntary organisations will hence be fully involved in policy, planning and implementation of all programmes related to population stabilisation and social development. They will be given the necessary authority and autonomy to be innovative in socially relevant ideas, subject to financial accountability and ethical norms.
- vii) Monitoring and evaluation will be done on the basis of a new set of sustainable human development indicators to be worked out jointly by the Planning Commission and the Population and Social Development Commission (Part B. 1.2).

viii) Research on biomedical and social sciences relevant to population stabilisation will be strengthened. The ethical aspects of field testing of new contraceptive technologies will be thoroughly examined. Every effort will be made to attract young scholars to work on population issues, particularly on building indigenous knowledge systems and practices relevant to health and family planning.

- ix) Information, Education, Communication (IEC) efforts are not a substitute for actual service in the field or for the quality and reliability aspects of the programmes. IEC activities are supportive to the programme; hence the linkages with the service delivery aspects and the ground realities will be strengthened.

Informed choice is a pre-requisite to a radical paradigm shift and change in the scene. Providing full information and supportive counselling that enable informed choice of methods is the only way for sustained motivation and that will be a prime task of IEC.

Mass media should create a social environment for population stabilisation and echo the initiatives and programmes at the panchayat and nagarpalika levels, as is the case with literacy campaigns. School, college and university systems should have more vigorous population, family health and sex education modules as part of syllabi at various levels in order to crystallise the concept of responsible parenthood and safe sex.

To strengthen a broadbased population stabilisation programme, sustained efforts will be made to utilise the services of various media of communication including feature films, private medical practitioners of Allopathic and indigenous systems of medicine, members of professional and para professional organisations such as the Indian Medical Association, Medical, Dental, Pharmacy and

Nursing Councils, youth and womens' associations, and other reputed voluntary organisations. Networks of retailers including those dealing with Public distribution System and sale of petroleum products will also be harnessed for spreading appropriate messages. Special efforts will be made to enlist the support and participation of religious leaders in this task, in view of their crucial role in influencing public opinion.

The need today is for a more decentralised, locally relevant use of media of communication, in order to carry the messages effectively at the grassroots level.

The motivation of field cadres in the social sector departments and the extent of their involvement in the population stabilisation efforts will be strengthened.

- x) The question of internal and international migration will be studied in all its aspects including the proliferation of urban slums. The growing problem of AIDS will receive particular attention.
- 9 To plan and implement this new paradigm of population stabilisation, based on environmental sustainability, economic replicability and social equity, both in terms of gender and economic status, a new professionally managed statutory body called the Population and Social Development Commission (PSDC) will be constituted. The conceptual and operational framework of PSDC will be similar to other action-oriented Commissions of Government like those relating to Atomic energy and Space. The details of the structure and functions of PSDC are given in Part B 1.2. A new organisational structure has become necessary to take a holistic and inter-departmental view of population issues and serve effectively the grassroots and state level democratic institutions. Population stabilisation is a long-term goal and relentless efforts must be made to achieve

it. This is a multi-dimensional task which requires effective co-ordination at different levels. PSDC provides a mechanism and structure for such co-ordination. The Planning Commission will continue to play an effective role in taking a holistic view in the formulation of five year plans as well as long-term perspective plans. In particular, the allocation of resources for the social sector will be considerably stepped up in future.

The paradigm shift which the present population policy involves, is essential for achieving the demographic goals articulated in the socio-demographic charters, which will become the main instruments for democratic, decentralized planning at the grassroots level. National socio-demographic goals for the year 2010 will be as follows:

- i) Implementation in totality of the Minimum Needs Programme, and in particular, universalisation of primary education and reduction in the drop-out rates of primary and secondary school students, both boys and girls, abolition of child labour and priority to primary health care.
- ii) Reduction in the incidence of marriage of girls below the age of 18 years to zero.
- iii) Increase in the percentage of deliveries conducted by trained personnel to one hundred per cent.
- iv) Reduction in maternal mortality rate to less than 100 per 100,000 live births.
- v) Universal immunisation of children against Tuberculosis, Polio, Diphtheria, Whooping cough, Tetanus and Measles and reduction in the incidence of diarrhoea and acute respiratory infections.
- vi) Infant Mortality Rate (IMR) of 30 per thousand live births, and a sharp reduction in child mortality rate (1-4 years); also, a sharp reduction in the incidence of low birth weight babies (below 2.5 kg).

- vii) All individuals to have access to information on birth limitation methods, so that they have the fullest choice in planning their families.
- viii) Universal access to quality contraceptive services in order to lower the Total Fertility Rate (TFR) from 3.6 in 1991 to 2.1 by the year 2010.
- ix) Containment of AIDS and sexually transmitted diseases.
- x) Full coverage of registration of births, deaths and marriages.

10. This Population Policy, if implemented by individuals and governments, irrespective of religion, caste or political affiliation, will help to provide a better common present and future to all our people. It is being introduced in a year of historic transition in the evolution of political instruments capable of enabling people in villages and towns to guide and shape their own destiny. If our population policy goes wrong, nothing else will have a chance to go right.

PART B

IMPLEMENTATION

I New Structures

1. Cabinet Committee on Population and Social Development
 - 1.1. The paradigm shift suggested in the policy framework will need a multi-departmental approach to both planning and implementation. There is need for a structure which has the requisite authority, autonomy and accountability. For this purpose a Population and Social Development commission (PSDC) will be set up, reporting directly to the Prime Minister. The Ministry of Health will perform the important functions of developing and delivering an integrated health package including contraceptive services.
 - 1.2. the composition of the Cabinet Committee, which will take the final decisions and provide the necessary political and policy guidance, would be as follows :

Chairperson : Prime Minister

Members:

Minister for Health
Minister for Finance

Minister for Human Resource Development

Minister for Welfare

Minister for Information and Broadcasting Minister for Rural Development

Minister for Urban Development

Minister for Environment

The Deputy Chairman, Planning Commission, the Chairperson PSDC and Member Incharge of Health and Family Welfare in the Planning Commission will be standing invitees to the meetings of the Cabinet Committee on Population and Social Development.

2. Population and Social Development Commission (PSDC):

- 2.1. The new Commission (PSDC) will function in a manner similar to other Commissions of Government with executive powers such as the Atomic Energy and Space Commissions. It will be headed by a full-time chairperson who will be an eminent social worker or a professional respected in the country

for commitment to the cause of population stabilisation and social development. The chairperson will have the status of a Union Cabinet Minister. There will be four whole time members who will have the status of Ministers of State. The Commission will not duplicate the work of the Planning Commission but will play a complementary and supportive role by focussing continuous attention on population, social development and related issues both from the planning and implementation angles. The PSDC will service the Cabinet Committee on Population and Social Development. Administratively, PSDC will be under the charge of the Prime Minister.

- 2.2. The composition of the Commission will be as follows:

1. Chairperson (who will be incharge of overall policies, strategies and coordination).
2. Full time members:
 - i) Member (Research, Development, Monitoring and Evaluation).
 - ii) Member (Gender and ethical issues, Voluntary and Corporate Sectors and community participation, Zilla Parishads, Panchayats and Nagarpalikas).
 - iii) Member (Information, education, communication and training including organisation of computerised data bases and multi-media information systems).
 - iv) Member (Finance, Management and State Liaison)

The full time Members will be eminent professionals in their respective fields.

In addition, the following will serve as ex-officio members:

Secretary, Health
Secretary, Finance

Secretary, Planning Commission
Secretary, Human Resource Development

- 2.3. The Commission's responsibilities would include:
 - a) Formulation and implementation of policies and strategies and achieving convergence and synergy among ongoing programmes, so as to consolidate and enlarge the gains already achieved,
 - b) Ensuring effective task implementation, monitoring and evaluation.
 - c) Achieving linkages between gender equity and population goals and initiating steps to counter discrimination against women.
 - d) Formulating special programmes directed at the specific needs of vulnerable sectors of population including minorities, scheduled castes and tribes and other socially and economically under-privileged sections of the society.
 - e) Giving special attention to states and districts which need additional attention.
 - f) Ensuring integrated and co-ordinated attention to the quality, adequacy and accessibility of services.
 - g) Laying guidelines for foreign-aided programmes in the field of population, based on direct interaction with donor agencies.
 - h) Initiating steps for strengthening the research backup for the implementation of the population policy and for restructuring the existing network of population research centres and training institutes so that they function in an environment of academic freedom.
 - i) Consideration of demographic issues in a wider context like international migration (legal, illegal and refugees),

internal migration, AIDS, urbanisation, ageing population and demographic aspects of planning for sustainable human development.

- j) Preparation of a report on Population and social Development for being presented to the Parliament every year giving the status of ongoing programmes and of achievements and constraints.
- 2.4. Finance
- The PSDC will operate the Population and Social Development Fund described in (B 1.3) on the basis of transparent and well defined guidelines.
- 2.5. Staff
- The staff of the Department of Family Welfare, excepting those whose functions are more appropriate to the operation of the integrated health services, will be suitably absorbed by PSDC. Additional staff, particularly specialist consultants, will be recruited by PSDC in accordance with needs.
3. Population and Social Development Fund
- 3.1. The Population and Social Development Commission (PSDC) will take over many of the responsibilities now borne by the Department of Family Welfare of the Government of India. The funds available to this Department for the functions transferred to PSDC will be credited to a Population and Social Development Fund, to be administered by PSDC. Keeping in view the national goal of achieving a Total Fertility Rate (TFR) of 2.1 by the year 2010, PSDC will prepare a socio-demographic charter for the country as a whole based on the village, town, district and state level charters. Such a charter will indicate priorities in relation to both programmes and regions.

PSDC will extend support and promote integrated action plans like the 'Dr. J. Jayalalitha 15-point Programme for Child Welfare, Government of Tamil Nadu'.

- 3.2. The Population and Social Development Fund (PSDF) will have the following sources of revenue:
- Government of India funds, including the amounts now spent on incentives.
 - Bilateral donors.
 - Foundations, multilateral donors and UN agencies including UNFPA.
 - Corporate and co-operative sectors, and
 - Voluntary contributions from within the country as well as from non-resident Indians and foreign nationals.
- 3.3. The Fund will be administered by PSDC on the basis of guidelines to be approved by Cabinet Committee on Population and Social Development. In order to ensure that important programmes do not collapse when external support is withdrawn, PSDC will promote cost-sharing and other self-help methods which will make the programmes sustainable and replicable. State Governments will make every effort to augment financial, technical and institutional resources. Panchayats and nagarpalikas will be encouraged to mobilise local resources, particularly in kind.
- 3.4. The first call on the Fund will be the consolidation of the gains already achieved. Research and development, IEC, training (at all levels), primary health care and the improvement of the quality of services will be other priority tasks from the point of view of resource allocation. Regional Media Resource Centres will be supported financially. High priority will be given to improving the capabilities of panchayat,

nagarpalika and zilla parishad members who are to be involved in the preparation of the socio-demographic charters. The social and professional empowerment of the women members of panchayats, nagarpalikas and zilla parishads will be another priority task.

- 3.5. The tasks needing immediate attention are vast and varied. Funds required to achieve the twin goals of population stabilisation and improvement of the quality of life are huge. It is, therefore, hoped that the corporate sector and public at large will make generous voluntary contributions to the Fund. Suitable tax incentives will be provided for this purpose.
- 3.6. The Fund will also support the programmes of voluntary agencies, which address the felt-needs of local communities. Voluntary organisations can play a particularly important role in capacity building, social mobilisation, improvement of quality of health care, provision of contraceptive services, monitoring and evaluation.
- 3.7. In administering the Fund, PSDC will take the help of appropriate expert committees. The administration of the Fund will be characterised by speed and transparency, without loss of rigour and a sense of priority in examining proposals and sanctioning projects.
4. State level structures
- 4.1. Each State Cabinet will establish a Committee on Population and Social Development chaired by the Chief Minister. The other administrative and implementation structures may be tailored by the respective State Governments in accordance with their needs on the analogy of central structures. In such structures there should be a proper match between form and function and an integration of the

principles of authority, autonomy and accountability. An annual status report will be presented to the state legislature on the lines of the national report suggested earlier. While preparing this report due consideration will be given to the district-level socio-demographic charters prepared by the District Population and Social Development Committees constituted by the zilla parishads. Similarly, the charters prepared by nagarpalikas and panchayats will also be taken into account. Well defined indicators will be developed to measure progress and identify bottlenecks. States with a high TFR will redouble their efforts in mobilising public support for the adoption of a small family norm. PSDC will extend technical and financial support to State Governments and institutions as well as to voluntary organisations for enabling them to accomplish the desired demographic goals.

II Other Resource

1. Restructuring of the Ministry of Health and Family Welfare
- 1.1. The principles of integration and decentralisation envisaged in this policy, call for a restructuring of the Ministry of Health and Family Welfare. The target oriented approach of a centrally sponsored vertical programme has to yield place to a people-oriented, decentralised approach. Apart from the Family Welfare Programme, there are other vertical programmes like those relating to Malaria, Tuberculosis, Leprosy, Blindness and AIDS. These vertical programmes will be gradually integrated with other health programmes at the central, state, zilla parishad, nagarpalika and Panchayat levels. In other words, there will be one health care package of MCH and family planning, as well as the other

centrally sponsored programmes just mentioned. Operationally this would imply the merging of the service component of the Department of Family Welfare with the health care services of the Department of Health. No separate Secretary of the Department of Family Welfare will be necessary, since role of this department relating to policy, strategy, planning, monitoring, evaluation and IEC will be strengthened and enlarged under the Population and Social Development Commission. Such a reorganisation would lead to the transfer of the existing staff dealing with services to the Directorate General of Health Services and the Department of Health. The staff relating to the roles assigned to PSDC will be suitably redeployed and utilised in an appropriate manner by the Commission.

Such a reorganisation would also have to be worked out and implemented in an appropriate manner at the state, zilla parishad, nagarpalika and panchayat levels.

2. Training of Staff

- 2.1. The service staff consisting of medical and para-medical personnel will continue to provide services in the rural and urban areas under state governments. However, there will be an effective programme for induction, promotion, continuing education, training and orientation at all levels, right from the Chief Medical Officer of Districts to the grassroot level functionary at the primary health centre and sub-centre. There is also need for reallocation of duties and above all a change in attitude towards the whole programme. In all medical matters, the leadership will be with the medical community. In particular, the Chief Medical Officer in each district, who should have public health training and orientation, will

prepare a district morbidity, mortality and fertility profile. This will help in prioritising various on-going health programmes. In this context, health management and skill formation will be key factors. The provision of quality health services and in particular, screening and aftercare services for all contraceptive acceptors are high priority issues. The credibility of the programme can improve only through improving the quality of services, efficient logistical support and better management at the grassroot level.

3. Contraceptive Methods

- 3.1. The Indian Family Planning Programme in its earlier years could offer mainly barrier methods for women, until some leading medical experts and administrators promoted the vasectomy operation for men as a terminal method. Female sterilisation also soon became well known, and as the programme spread from urban to rural areas, sterilisation became prevalent as it was a safe, one-time procedure, freed the acceptor from further action, and limited the size of the family.
- 3.2. The balance between the numbers of vasectomies and tubectomies has drastically altered in the last few years, and today women bear the brunt of sterilisation operation. It is necessary to redress this. Men should come forward again for vasectomy where family limitation is desired, as also in adopting the condom method, thus sharing the responsibility for family planning.
- 3.3. Another even more crucial consideration lies in the fact that there should be as wide a range as possible of methods available from which to choose. Sterilisation still continues to be the leading method, but in demographic terms it has shown diminishing

returns, since it is resorted to by older couples who already have three or more children. In view of the prevalence of early marriage, methods which help to space birth intervals need to be easily accessible with quality services for younger couples who, on completion of their family, may choose sterilisation thereafter.

- 3.4. Apart from the barrier methods, there are now the newer hormonal methods which women can use for spacing. It has to be recognised that no medication, including that for contraception, is completely free from side effects. But India has an efficient scientific set-up for testing for safety, effectiveness, reliability, and acceptability of contraceptive methods before introducing them into the family welfare programme. Although controversies are raised from time to time about various methods, there is no reason why a range of methods, provided they are scientifically tested and approved, meet ethical standards and are backed up by appropriate services, should not be made available to men and women. In delivering services, it must be ensured that all potential users can exercise a free choice, backed by full information and counselling about the safety, efficacy and possible side effects of each method, and how they should be used. Changing methods when so desired is also a part of informed, free choice.
- 3.5. Safe and effective methods, counselling, informed choice, quality services, and careful follow-up, are essential requirements for promoting contraception.
4. Information, Education and Communication (IEC)
 - 4.1. Information, Education and Communication (IEC) efforts are vital for the

successful implementation of the population policy. However, the infrastructure for implementing IEC measures, both at the centre and in the states, remains inadequate. The IEC strategy tends to be centralised and the arrangements confined by and large to official sources.

- 4.2. PSDC will now assume responsibility for IEC and will ensure adequate resource support for national and regional IEC efforts. It will take into account the rapidly expanding network of mass media in the country, both outside and inside the purview of the Government and involve them in such a way that a decentralised approach is encouraged. PSDC will establish Media Resources Centres at a few locations to provide media with credible information.
- 4.3. The State Committee on Population and Social Development in turn will take up the task of formulating state-specific strategies on IEC. Panchayats, zilla parishads, nagarpalikas and NGOs will be involved in implementation and follow-up. IEC will be an integral part of the population planning process at all these levels.
- 4.4. All these efforts will be such that informed choices on all issues are facilitated, educational efforts both formal and non-formal are sensitive to population issues and the process of communication is holistic and focussed, keeping the diversities and imbalances in the country in view. The role of inter-personal communication is vital and therefore health providers should be suitably trained.
- 4.5. The media of communication, as well as the institutions and the individuals involved, whether of government or outside, should be persuaded of their social responsibility to take up issues

relating to population and family welfare voluntarily and systematically within the overall approach of the PSDC and the state level committees.

- 4.6. The emphasis in IEC will be equally on men and women. Such an emphasis will be nurtured and maintained through various steps including the removal of gender bias in text books, and in print and electronic media.
- 4.7. Sustained political support for the positive goals involved in the population problem at all levels in the country will go a long way toward fostering a mind set favourable for achieving goals and the desired results.
- 4.8. Curricula at various levels of the education system, formal and non-formal, should encompass population issues and aspects related to family life and reproductive biology.
- 4.9. The identification of family planning with contraception/sterilisation has limited the perspective of the family welfare programme and has created a negative image in the minds of the people. This in turn has not been conducive to enlisting the voice and advocacy of many political entities. If the family planning/family welfare programme is to succeed in enlisting a broad spectrum of political and public support, it is essential to erase its present negative image, and substitute it with the positive image of the programme. Such a programme will emphasise measures like higher age at marriage, literacy, education, reduction of infant mortality, increasing birth spacing, management of infertility and the desirability of having a planned family.
5. Panchayats, Nagarpalikas and Community Participation
 - 5.1. Under the new legislation, one-third members of the panchayats will be

women and another one-third will belong to the weaker sections of the community. In order to make decentralised, democratic planning effective, every step will be taken to give the much needed information to all members of the panchayats, zilla parishads and nagarpalikas about various ongoing programmes and also upgrade their level of knowledge about the issues involved through continuous orientation programmes.

- 5.2. Initiatives should be left to the people to help themselves through community participation and voluntary efforts, thereby reducing their dependence on government. There should be increasing community participation in areas like literacy, education, hygiene, sanitation, public health, family welfare and environment protection. Management of primary and community health centres and dispensaries and hospitals in rural areas will be passed on to the panchayati raj institutions.
6. Women and Children
 - 6.1. During the last two decades, several programmes specifically aimed at the girl child, adolescent girls and women have been in operation. All such programmes will be reviewed, streamlined and strengthened. Every effort will be made to universalise female literacy and also ensure high enrollment rate for girls right upto the secondary school level. Circumstances which necessitate child labour will be addressed and the process of abolition of child labour will be accelerated. Adoption of orphan children will be promoted.
 - 6.2. Health, including reproductive health, is another priority area. The use of amniocentesis and chorionic villus biopsy and any other technique for prebirth sex determination to avoid a

female child, will be declared illegal. Much more than this, it is important to build up public opinion and social pressure against such misdirected use of technology. Sex education and premarital and marriage counselling will be introduced for promoting responsible parenthood.

- 6.3. Another critical area deserving attention concerns the large number of unsafe abortions conducted by unqualified persons which has led to high morbidity and mortality among women. Every effort will be made to reduce such unsafe abortions. Primary health centres and community health centres will be properly equipped to carry out safe abortions and such facilities will be made more accessible.
7. Youth
 - 7.1. India continues to be a youthful country and for several decades to come, the proportion of youth will continue to be high. Therefore, every effort will be made to inculcate in youth, the dynamics of population growth and the concept of responsible parenthood. Youth organisations like NCC, NSS, Scouts and Guides will be harnessed for activities related to population and social development. Students of medical colleges will be involved in preparing the district health and population profile.
8. Non-Governmental Organisations (NGOs)
 - 8.1. A new climate of partnership between government and voluntary and non-governmental organisations will be created to encourage the extensive participation of such organisations at all stages and at all levels in the national programme for population stabilisation and social development. After mutual consultations, criteria will be developed to identify such organi-

sations as will be eligible for financial and technical assistance. Indices for accountability, monitoring and evaluation will also be developed.

9. Organised Sector
 - 9.1. The employees of the Central Government, State Governments, Municipalities as well as employees of various public sector undertakings must give the lead in adopting the small family norm. The service rules in the central and state governments and their undertakings would be suitably modified to ensure that the small family norm is adopted by their employees. Similarly, all new entrants to the government who are married before the age of 21 years in the case of boys and 18 years in the case of girls will be debarred from recruitment. Promotion policies should be such that the adoption of small family norm is encouraged. The entire organised sector (public as well as private) must also take similar steps in order to create an environment where the small family norm is adopted by these relatively better off classes of society.
 - 9.2. The army and para-military forces have a better opportunity of promoting the small family norm. Innovative schemes on the analogy of Ecological Battalions of the Indian army which are involved in helping to overcome environmental degradation in several parts of the country, may be developed wherever feasible to serve the cause of health and population stabilisation.
10. Monitoring and Evaluation
 - 10.1. Currently, the monitoring and evaluation of the family welfare programme is being done by the Evaluation Division in the Department of Family Welfare itself. In future, PSDC will take steps to review and evaluate

Independently, objectively and scientifically the ongoing programmes under its jurisdiction. The PSDC will seek the assistance of eminent experts in the fields of demography, public health, reproductive health and social sciences. A new system of reporting of data will be worked out. At present, female Multi-Purpose Workers (ANMs) in sub-centres are burdened with several registers for maintaining and reporting routine data on MCH and family planning. The eligible couple registers are often not being maintained properly. The recently introduced Management Information and Evaluation system (MIES) will be extended all over the country. It will also be necessary to conduct from time to time, field surveys to supplement the routinely collected data. It will be necessary to generate data on birth, death, maternal and infant mortality rates and age at marriage, at the district and block levels. At present, the vital statistics division in the Office of Registrar General conducts regular sample surveys under the Sample Registration Scheme (SRS) to yield data on birth, such data are not available at the district level, which is a prime requirement.

- 10.2. It is not necessary to centralise such data collection or estimation. The whole work can be decentralised at the state level and even district level, provided a uniform format is maintained for collection of such data and a proper manual prepared in order to eliminate any bias on the part of investigators. Modern techniques of sampling for generating statistics of small areas can be effectively used. This work can be taken up by the PSDC. In particular, data must be collected on the age at marriage and marriage rate in order to enforce the Child Marriage Restraint Act which prohibits the marriage of

girls below the age of 18 years and boys below the age of 21 years. The Central Government will enact a comprehensive Marriage Registration Act which will make it obligatory to register marriages all over the country. Judging by the experience of the Compulsory Registration of Births and Deaths Act which has so far not succeeded in getting reliable data on births and deaths in most states of India, it would be unrealistic to rely only on legislation alone. Hence, this is a fit area for a decentralised approach and accordingly, data on births, deaths and marriages will be collected and the fullest coverage ensured through village panchayats and nagarpalikas. Here again, a decentralised approach will have to be worked out under the general guidance of PSDC.

- 10.3. International migration as a proportion of total population is small. Nevertheless, at the local and sub-regional level distress migration as well as illegal migration create serious problems with far reaching implications. The census cannot give any estimate of illegal migration. Therefore, a suitable monitoring mechanism will be established in the office of the Prime Minister. A senior level officer will be entrusted with the task of confidential assessment of illegal migration on a yearly basis in order to take effective steps to deal with such migration.

11. Strengthening of Data Bases

- 11.1. In future, greater demands will be made on the statistical system by planners and policy makers in view of the key role assigned to social development in this policy. The decennial census is the most important single source of demographic data. The office of the Registrar General

will be geared up in order to enable it to conduct smoothly the census of 2001 AD covering over a billion people. In addition, this office conducts sample surveys under the Sample Registration system (SRS) to generate annual estimates of birth and death rates and details of fertility and mortality patterns at the state level. The requirement today is also for district level data. Further, the Civil Registration system (CRS) needs revamping and strengthening.

- 11.2. The population policy will require a higher degree of professionalism in data collection among other measures. The office of the Registrar General will be upgraded and made into a Department of Census, SRS and CRS, under the Ministry of Home Affairs. The post of the Registrar General will also be upgraded. An autonomous Governing Council comprising experts will be appointed to oversee the technical aspects of the conduct of Census, SRS, and CRS. In view of the massive work involved in conducting the census enumeration and the equally massive task of tabulation and analysis of data, there will be a bifurcation in the allocation of responsibilities. The Department of Census will be responsible for the census enumeration only and their main preoccupation will be with the collection of high quality data. The work of tabulation and analysis which requires considerable technical expertise, will be entrusted to the Planning Commission and suitably co-ordinated with the National Sample Survey Organisation (NSSO) and the Central Statistical Organisation (CSO). While re-organising the office of the Registrar General, care will be taken to ensure the autonomy of census work, in order to impart objectivity

and scientific validity to the data collected, tabulated and analysed.

12. Population Research

- 12.1. The Population and Social Development Commission will promote networking among the existing institutions engaged in research and training in population dynamics, health and related subjects and also suggest new areas of research to give the crucial research back-up to population programmes and policies. At the same time, basic and theoretical research with long-term perspectives will be encouraged. The Population and Social Development Fund will augment the financial resources for such research and training. All concerned institutions, and in particular, the International Institute for Population Sciences (IIPS), the National Institute of Health and Family Welfare (NIHFW), State Institutes of Health and Family Welfare and the Population Research Centres at various universities and research institutions, will be given autonomy and the fullest academic freedom in order to generate an environment of creativity, original thinking and sensitivity to social concerns. Biomedical research including traditional and frontier technologies will be promoted and funded in suitable institutions. The PSDC will bring about an effective co-ordination with the Indian Council of Medical Research (ICMR), the Indian Council of Social Sciences Research (ICSSR) and other agencies. Steps will be taken to ensure a fair distribution of research projects all over India. The fullest cooperation of professional associations and selected NGOs will be sought in research and training programmes. A data base will be developed on indigenous knowledge systems and methods with reference to contraception. Proposals

Indira Gandhi : A Biography : Pupul Jayakar, Viking 1992, pp XI+535, Rs.295.

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Involving foreign collaboration will be examined by PSDC, which will arrange dialogues between the concerned scholars for a free exchange of views, prior to taking decisions on such proposals/projects.

13. Political will and Freeing of Seats in Parliament and Legislatures

- 13.1. Rajasthan and Haryana have enacted laws which debar prospectively persons who do not adopt the two child family norm from contesting elections for panchayats, zilla parishads and nagarpalikas. This reflects political commitment. Even if such legislation does not exist, there should be a code of conduct which enjoins on all elected representatives of the people, from parliament to panchayat, to adopt voluntarily the small family norm. Elected people's representatives will then become role models for the public to emulate. Future legislation in this area at central or state level should however safeguard the interests of women, particularly those belonging to the socially and economically underprivileged sections of society.

- 13.2. As of now, the seats in parliament and legislatures are frozen till the year 2001. Consistent with the goals of this policy, it is proposed to extend the period of freezing of seats upto the year 2011.

14. Conclusion

- 14.1. This policy is based on the promise that positive, forward-looking and proactive efforts leading to the achievement of its goals within a specific time-frame are not only necessary but their accomplishment is well within the capacity of the state and central governments and of the people.
- 14.2. The setting up of the Population and Social Development Commission supported by a Population and Social Development Fund will enable the concerned ministries and departments at the central and state levels, zilla parishads, panchayats and nagarpalikas and voluntary and non-governmental organisations to have the means, flexibility and not the least, the will and enthusiasm to achieve the national goals.

INDIRA Gandhi is shown as an illustrious daughter of a great man both of whom worked for the destiny of India as Prime Ministers for over 3 decades. While Jawaharlal Nehru created a niche for himself in Indian history both by fighting for the freedom of the country and by becoming the first Prime Minister of Independent India; Indira Gandhi will go down in history not only as the first woman Prime Minister of India but also as a shrewd politician who imposed internal emergency and ruled the country like a dictator for over two years between 1975 and 1977.

The book under review is divided into eight parts based broadly on the periods of importance in Indira Gandhi's life and political career. Further, the sub-sections in each of these parts make it a easier reading. Besides, the book also provides many interesting insights into the life of a woman Prime Minister because the author was a close friend of Indira Gandhi whom the latter had, in fact, requested to write her biography. Of course, the author had started working on it only at the fag end of her heroine's life. And the author needs to be congratulated for her meticulous care and detail in writing the biography of a rare personality. Roughly half of the book is devoted for the description of social and political environment in which Indira Gandhi grew into adulthood, especially in the shadow of her great father. The second half of the book deals mainly with the political achievements of Indira Gandhi till her untimely tragic death in 1984. The book also describes at length how Indira Gandhi changed from one of timid and soft spoken person into one of the courageous Prime Ministers of this country. By the end of her

political career, she also emerged as one of the most admired leaders of the world. The galaxy of world leaders who attended her funeral ceremony bears ample testimony to her status in the world at that time.

With the father in jail and the mother in hospital for long periods when Indira Gandhi was a child, the author has rightly stated that her heroism grew like a way side tree. It is also interesting to note that Indira Gandhi always remembered her accusing aunt - Vijayalakshmi Pundit - as one who destroyed her self confidence right from the beginning of her childhood days. But what the author has missed to report is that Vijayalakshmi Pundit continued to find fault with her niece till the end of her life. Apart from these domestic quarrels not being sufficiently reported, the author has also chosen not to report much about the nature of relationship which Indira Gandhi as Prime Minister had with the then President Neelam Sanjiva Reddy who was her one time political adversary.

Since the author has written the biography of her friend mostly based on her lunch and dinner discussions and on her holiday trips with Indira Gandhi, the book is found to be excessive with the descriptions of her heroine's domestic life rather than with the problems of her political life which could have very well interested the common reader. However, from the author's account it is also clear that Indira Gandhi never revealed her political strategies even to her close friends till they are actually implemented.

By and large, the author has also chosen to ignore the bitter criticisms of Indira Gandhi