

RESOLUTION ON ECONOMIC AFFAIRS

At the 82nd Plenary of the Indian National Congress at Hyderabad in January 2006, the AICC adopted a comprehensive Resolution on Economic Affairs. That session took place within 20 months of the formation of the Congress-led UPA Government. The Resolution recalled the promises made in the Congress' Election Manifesto for the Lok Sabha Elections 2004 and recorded with pride and satisfaction that a beginning had been made in fulfilling many of the promises.

Restarting the growth process

2. In the short period between May 2004 and the 82nd Plenary in January 2006, the Congress-led UPA Government had successfully re-started the growth process that had remained stalled during the period of the NDA Government. For example, the Government created the Ministry of Panchayati Raj to empower the people at the grass roots and the Ministry of Minority Affairs to enlarge opportunities for the minorities. It re-launched agricultural rural credit and started the ambitious Bharat Nirman programme with its six components of irrigation, roads, housing, drinking water, electricity and telecommunications. The National Rural Health Mission was launched in 2005; the ICDS was expanded and made nearly universal; and the Mid-Day Meal scheme was introduced in all schools. A new thrust was given to the Self Help Group movement. The Jawahar Lal Nehru Urban Renewal Mission was launched with the object of providing infrastructure in 65 cities. The Government also announced the Rajiv Gandhi Grameen Vidyutikaran Yojana to provide electricity to rural India.

3. Many more initiatives followed the 82nd Plenary of the Indian National Congress. As a result, 2004 to 2009 marked a period that witnessed the highest growth rate of the economy since Independence. In the first four years of the UPA Government, the GDP grew at an average of 8.9 per cent and, despite an unprecedented international crisis, in the fifth year too GDP grew at a satisfactory rate of 6.7 per cent. The average for the five year period was 8.5 per cent as compared with the growth rate of 5.8 per cent during the NDA rule in 1999-2004 – a clear vindication of the economic policies implemented by the Congress-led UPA Government.

Faster and More Inclusive Growth

4. Congress' economic policies are firmly rooted in the principle of "faster and more inclusive growth." The principle reflects the Congress' core values of nationalism, secularism, prosperity, economic and social justice, and a better quality of life for all sections of the people. It emphasises the paramount importance of growth and underlines the need for faster growth. At the same time, the principle makes it clear that growth should be inclusive, that the benefits of growth should be available to all sections of the people – especially the poor, the disadvantaged and the marginalised sections – and that the disparities between the rich and the poor are reduced.

The People Renew the Mandate

5. It is a matter of great satisfaction that the people of India reposed their faith in the economic policies of the Congress. They stood by the UPA Government as it implemented the policies and programmes. When the time came to deliver judgment, in the General Elections of 2009, the people of India gave a resounding vote of confidence in favour of the Congress. The Congress won 206 seats in the 15th Lok Sabha, as against the 145 seats it held in the 14th Lok Sabha. It is noteworthy that among all national parties it is the Congress alone that increased its tally in the elections; every other party suffered a decline. The Indian National Congress accepts the vote of confidence with humility and solemnly vows that it will continue to formulate and implement policies that will advance the goal of "faster and more inclusive growth".

6. After the General Elections, the Congress was once again called upon to form the Government in association with its allies. Accordingly, the Congress has formed the UPA –II Government under the guidance of the Congress President Smt. Sonia Gandhi and under the stewardship of the Prime Minister Dr. Manmohan Singh.

7. The Indian National Congress is conscious of the promises it made in the Manifesto released just before the Lok Sabha Elections 2009. Those promises are in line with the long-held and core economic values of the Congress as well as the vision of the Congress for a prosperous India. The Indian National

Congress notes with satisfaction that the Government has, since May 2009, taken a number of measures to implement the promises, policies and programmes outlined in the Congress Manifesto. The Indian National Congress compliments the Congress President Smt. Sonia Gandhi for her wise guidance and the Prime Minister Dr. Manmohan Singh for his sagacious leadership.

A Strong and Resilient Economy amidst a Global Crisis

8. The Indian National Congress congratulates the Government for successfully steering the Indian economy through the turbulence of 2008-10. In fact, India is one of the few countries that has maintained a satisfactory growth rate when the rest of the world is in the grip of a recession. The Government, acting wisely and promptly, announced a series of stimulus packages to ensure that the sectors driving economic growth did not sputter and come to a halt. The three fiscal stimulus packages in the form of tax reliefs to various sectors boosted demand, increased public expenditure, and helped create public assets and greater employment. Measures to enhance liquidity and accommodative monetary policies also helped to steady the economy. The extent of fiscal accommodation is estimated at nearly Rs. 186,000 crore. As a result, the growth rate of GDP was 6.7 per cent in 2008-09 and 7.4 per cent in 2009-10, a tribute to the sound management of the economy by the Government. Domestic investment began to rise and foreign investors returned to the Indian market. The first half of this fiscal year (2010-11) has recorded an impressive growth rate of 8.9 per cent and the second half will no doubt be just as good, if not better. As we end the year 2010-11, we can say with confidence that, in the short term, we had steadied the Indian economy; in the medium term, we had put in place measures that would make the economy strong; and in the long term we look forward to double digit growth and become one of the fastest growing economies of the world.

Moderating Price Rise

9. The foremost concern of the people is the rise in prices. Hence, it is necessary to address the issue with candour and courage. In a developing economy, some prices rise because of supply-demand gaps. Some prices rise because of the need to give a reasonable income to the producers of goods and services. And some prices, especially those of imported goods, are determined by the international market. All three factors are in play in India. Supply-demand gaps have caused the rise in prices of pulses and edible oils; remunerative procurement prices have increased the price of rice, wheat and sugar to the consumer; and oil prices are affected by the international market. The answer to the interplay of these factors lies in boosting production and productivity in the medium term. In the short term, however, some relief can be provided to the consumer through generous subsidies – which is why the Indian National Congress supports the Government in the grant of subsidies for rice, wheat, kerosene, LPG cylinder, diesel and fertilisers. The food subsidy bill alone will amount to Rs. 60,446 crore in 2010-11. The fertiliser subsidy bill will amount to Rs.54,981 crore. On every litre of kerosene there is a subsidy of Rs.16.53 and on every cylinder of LPG there is a subsidy of Rs.232.52, at current costs and prices. The Indian National Congress appeals to the people, especially the consuming class, that they should not grudge the grant of higher procurement prices for farm produce. Unless our farmers are adequately remunerated for their hard work and devotion, it will not be possible to feed 1.15 billion people. At the same time, the Indian National Congress wishes to caution the governments – both the Central Government and the State Governments – that they should not tolerate inefficiency or corruption in the system that lead to artificial scarcity of goods or arbitrary increase in prices. The Indian National Congress calls upon all State Governments to deal sternly with hoarding, black-marketeering and profiteering. The Indian National Congress notes with satisfaction that measures taken by the Government in the recent past, including monetary measures, have moderated inflation and that it is the Government's expectation that inflation will further moderate to about 6 per cent by the end of the financial year 2010-11. The Indian National Congress urges the Government to maintain constant vigil on prices and continue to take monetary and administrative measures in order to moderate and contain inflation.

A New Set of Rights

10. The Indian National Congress believes that everyone, howsoever poor or humble, has a role to play in the economic development of the country. The key to unlocking the potential of millions of our countrymen and women is to empower them, assure them of certain entitlements and make such entitlements legally enforceable. Many rights are basic to any human society. For example, the right to information is the key to empowerment; the right to education must be available to all children; the right to work must be available to all able-bodied men and women willing to work; and the right to food must be

available to the deserving sections of the people. It is in this background that the Indian National Congress declared the extension of certain rights as the centrepiece of its policy of inclusive growth.

11. The 'Right to Information' was made a statutory right and all governmental and public authorities were brought under the scope of the law. Millions of citizens have exercised this right and have compelled the authorities to be fair and transparent; many long pending grievances have been redressed through the Right to Information Act.

12. The 'Right to Work' was made a legal and enforceable right under the National Rural Employment Guarantee Act. The Indian National Congress congratulates the Government for guaranteeing 100 days of work to every family and increasing the wage to Rs. 100 per day. Thanks to the efforts of the Government, the national average of the number of days of work provided has increased from 42 days in 2007-08 to 48 days in 2008-09 and to 54 days in 2009-10. The Indian National Congress calls upon the Government to strengthen the programme through computerisation of identity cards and wage cards, payment solely through post offices or banks, and periodic propriety and social audit. Besides, the kinds of work that can be undertaken should be expanded in order to create durable public assets as well as to tap into the special skills of those who seek employment.

13. The 'Right to Education' was also made a legal and enforceable right with effect from April 2010. All children – and for the first time, differently-abled children – have been conferred this right. The Indian National Congress notes with pride and happiness that the number of children out of school has declined to a historical low of 81 lakh children. At the same time, it is important to make the school a magnet that will naturally attract the child. There is a strong case for greater allocation of funds to the Sarva Shiksha Abhiyan; for establishing more Kendriya Vidyalayas, Navodaya Vidyalayas and Kasturba Gandhi Vidyalayas; and for constructing more schools and classrooms. More teachers must be appointed to schools in order to reach the desired teacher:student ratio of 1:30 in primary and 1:35 in upper primary schools. The Indian National Congress urges the Government to pay the highest attention to school education and to ensure that no child is left behind.

14. The 'Right to Land' had been, by and large, assured to the tiller of the land. Nevertheless, tribals were denied this right and even the customary rights enjoyed by the tribals were expropriated by unscrupulous traders and encroachers. The Indian National Congress compliments the UPA Government for enacting the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 that paves the way for restoration of the rights of the tribal people.

15. The 'Right to Identity' is a unique right and can bring manifold benefits to the poor and the disadvantaged. The decision of the UPA Government to introduce Unique Identity (UID) cards is a revolutionary step that will not only give to each resident a unique identity but also give him/her access to a large number of benefits, goods and services that are now routinely denied under one pretext or another.

16. The 'Right to Food' is another basic right. Thanks to the Green Revolution and the devotion and hard work of millions of farmer-families, India is able to produce the foodgrains that are required to feed nearly 1.15 billion people. Nevertheless, we are still short of producing the required quantities of pulses and edible oilseeds. Although there is enough rice and wheat, there are millions of people who do not get an adequate quantity of rice or wheat. The Indian National Congress would like to highlight the areas of deficiency: these are storage, distribution and prices. The Indian National Congress notes that the Government has launched an ambitious project to build storage capacity both in the public sector and the private sector, and urges the Government to quicken the process.

17. The Indian National Congress is constrained to point out that the public distribution system is still in a state of repair. Barring a few States, there are not enough PDS outlets in many States; foodgrains allotted to an outlet often do not reach the outlet; and there is pilferage. Foodgrains available at the outlet are often not sold to genuine card holders and part of the foodgrains is diverted to make illegal gains. Private distribution channels and private traders often indulge in hoarding and profiteering. Many State Governments are loath to exercise the powers delegated to them under the Essential Commodities Act to crack down on such malpractices. These deficiencies must be rectified. The Indian National Congress calls upon all Congress-led State Governments to improve the quality and efficiency of the public distribution system as well as of the private distribution channels and be an example to other States.

18. It is in this context that the Indian National Congress recalls its historic pledge of “Right to Food”. The outline of this pledge is contained in the Congress Manifesto 2009. The Indian National Congress renews its pledge and declares that a specified quantity of wheat or rice will be provided every month to every deserving family, with special attention being paid to Antyodaya families, families below the poverty line, the Scheduled Tribes, the disabled, children under the Mid-Day Meal Programme, beneficiaries under ICDS and other disadvantaged or special groups. The Indian National Congress calls upon the Government to enact, as early as possible, the Food Security Act. The Indian National Congress notes that the Food Security Act will entail huge responsibilities in increasing production, improving productivity, procuring larger quantities of foodgrains, enhancing storage capacity, reforming the public distribution system and cracking down on corruption and leakage, and calls upon the Government to rise to the occasion in order to discharge these onerous responsibilities.

The Primacy of Agriculture

19. The Indian National Congress takes note of the structural changes in the economy of India. The ‘Services’ sector is the fastest growing sector and accounts for nearly 55 per cent of the GDP. ‘Industry’ occupies the second place at 28 per cent of the GDP. This leaves ‘Agriculture’ with a share of only 17 per cent. Nevertheless, the Indian National Congress is of the firm view that there is no question of diluting the primacy accorded to agriculture. Many years ago, Jawahar Lal Nehru said “everything can wait but not agriculture”. That remains true even today because it is agriculture that provides employment to 52 per cent of the work force. Besides, a country as large and populous as India cannot import its requirements of food. For India, self sufficiency in food is not an ideological premise but an inescapable necessity. The Indian National Congress takes note of the many bold steps taken by the Government since 2004 to address the challenges of the agriculture sector such as expanding agricultural credit, guaranteeing remunerative prices, subsidising fertilizer and power, giving a thrust to food processing industries, and launching major programmes to improve production and productivity. Nevertheless, the agriculture sector continues to face many challenges. For example, the low rate of capital formation in agriculture is a cause of worry. The diversion of agricultural land for non-agricultural purposes is another serious concern. The Indian National Congress calls upon the Government to address these challenges and redouble its efforts to make agriculture a viable and vibrant sector of the Indian economy.

Industry that creates Jobs

20. The Indian National Congress remains firmly committed to rapid industrialisation. It is industry, especially manufacturing, that will impart a competitive edge to the economy and create more jobs. The Indian National Congress urges the Government to adopt a National Manufacturing Policy that will raise the share of manufacturing in the economy and absorb a large number of young people who will join the work force. The Indian National Congress draws attention to the fact that the domestic savings rate in India continues to be high at nearly 35 per cent. Hence, Government needs to adopt policies that will channelise these domestic savings into the productive sectors of the economy, especially manufacturing. Such policies should also specifically target key drivers of growth such as automobiles, textiles, chemicals, pharmaceuticals, fertilizers, iron and steel, metals, electronics and telecommunications, power, oil and gas, food products, paper, leather and plastics. Special attention should also be paid to the micro, small and medium enterprises. MSMEs contribute about 8 per cent of the GDP, about 45 per cent of manufacturing output and about 40 per cent of exports. They provide employment to about 60 million persons, of which 28 per cent are in MSME manufacturing units. The Indian National Congress calls upon the Government to initiate new policies and administrative measures that will extend full support and encouragement to MSMEs. Likewise, Government should adopt preferential procurement policies that favour scheduled castes, scheduled tribes and the minorities that will create jobs for these sections of the people.

21. Some sectors are already identified as employment-intensive sectors. The foremost example is the textiles industry that begins with cotton and silk growers and ends with fabrics and apparels, and includes handloom and powerloom weavers. At every level, millions of people are employed, and any decline in the textiles industry will immediately cause massive unemployment and distress. Similarly, the fishing industry is an employment-intensive industry that provides livelihood to millions of fishermen in the coastal States of India. The Indian National Congress calls upon the Government to pay special attention to the employment-intensive industries and ensure that they adopt modern technologies, grow at a brisk pace and continue to provide employment.

22. While domestic savings will be the largest source of investment, Foreign Direct Investment also has a crucial role to play. The Indian National Congress welcomes FDI, especially if it is directed towards the

productive sectors of the economy. It is important to put in place transparent rules and regulations that will encourage FDI to flow in an orderly manner into sectors that need and can absorb foreign capital together with the advantages that such foreign capital brings to the sector. The Indian National Congress congratulates the Government for adopting policies that have helped to attract FDI to the tune of US\$ 25.89 billion in 2009-10 and US \$ 11.01 billion in 2010-11 up to September, 2010.

23. The Indian National Congress draws the attention of the Government to the low capacities in India in several sectors, especially in comparison with China. For a country with a population of 1.15 billion and likely to become the most populous country in the world, it behoves the country to establish new capacities in order to produce the intermediate and final goods for the domestic market as well as the export market. In particular, huge capacities are required to be added in sectors such as steel, metals, power, fertilisers, and oil and gas. The Indian National Congress calls upon the Government to remove all unnecessary obstacles to new investments in these sectors. Both the public sector and the private sector have vital roles to play in these industries. Healthy competition between the public sector and the private sector, not only in capacity addition but also in innovation, management, marketing and employment generation, will bring greater efficiencies to these industries and make them truly world class and give them a competitive edge in a global market.

A Key Role for the Public Sector

24. The public sector remains a dominant player in the 'Industry' sector, especially manufacturing. The Indian National Congress takes pride in the fact that it was under Congress governments that primacy was given to the public sector and public sector enterprises became leading players in several industries including steel, oil and gas, and transportation. By definition, a public sector enterprise means that its ownership and control remain in the hands of the Government that represents the people of the country. Such ownership and control are assured if the Government holds 51 per cent of the equity with voting rights in a public sector enterprise. Consistent with this definition, it is necessary to unlock the true potential of our successful public sector enterprises. The Indian National Congress endorses the approach of the Government to public sector enterprises – provide more capital, raise more resources, expand capacities, increase market shares, infuse new technologies, introduce new products, and reach new markets. The Indian National Congress congratulates the Government for the massive additional capital infused into the public sector since 2004. An amount of about Rs.83,545 crore has been ploughed into public sector enterprises since 2004-05. Public sector banks have been provided Rs.43,729 crore as additional capital since 2004-05. The Indian National Congress calls upon the Government to continue its multi-pronged approach to strengthen public sector enterprises and make them leading enterprises in an open and competitive market.

Services – the Driver of Economic Growth

25. The Indian National Congress acknowledges that the 'Services' sector is the fastest growing sector of the Indian economy and has the potential to generate the maximum employment. Trade, road transport, railways, shipping, civil aviation, telecommunications and tourism have immense potential in a developing country like India. There is a huge and unsatisfied demand for such services in all parts of the country. While it will take many years to meet in full the demand for services, the demand-supply gaps present huge opportunities for investment and growth in these sectors. Many businesses falling under 'Services' have the capacity to attract private investment, both domestic and FDI. The role of the Government in the 'Services' sector is largely that of a facilitator and enabler. The Indian National Congress calls upon the Government to pull together all the measures – legislative, administrative and regulatory – in order to enable the rapid growth of the 'Services' sector.

Creating Employment

26. The growth of each of the three sectors – Agriculture, Industry and Services – will be complementary to each other. Growth in one sector will stimulate growth in the other sectors too. However, such growth will be meaningful to the overwhelming majority of the people, especially the youth, only if it creates jobs or throws up opportunities for self-employment. Jobless growth must be avoided. Hence, the Indian National Congress calls upon the Government to ensure that sectoral and investment policies are designed to create employment. Among the sectors that have the potential to create regular jobs or promote self-employment are mining, retail trade, transportation and tourism. Bank credit also has the potential to create employment, particularly self-employment, and must be made available more liberally to MSMEs and to Self-Help Groups. Skill development will make more people employable and hence the numerous programmes for skill development, including the projects undertaken by the National Skill

Development Corporation, must be expanded. The Indian National Congress welcomes the initiatives taken by the Government to create 50 crore skilled manpower by 2022 and thus reap the benefit of the 'demographic dividend'. The Indian National Congress calls upon the Government to continue to keep its focus on the creation of jobs as an important pillar of economic policy.

Building a Knowledge Society

27. Science and Technology play a central role in the development of a country. It is science and technology that will provide the base for building a Knowledge Society and only a Knowledge Society can aspire to a position of leadership in the world. The Indian National Congress has always supported and promoted science and technology and research and development. The establishment of national scientific institutions is due to the farsightedness of Pandit Jawahar Lal Nehru and Smt. Indira Gandhi. However, it is not enough that science and technology reside within the four walls of a laboratory or research institution. The scientific temper must imbue every child and every citizen; science and technology must become the preferred subjects of study in schools, colleges and universities: and the fruits of scientific and technological research and development must reach the common citizen and must be applied in every walk of life. The Indian National Congress calls upon the Government to strengthen the existing institutions of science and technology, establish more such institutions, provide generous scholarships to students to pursue studies in science and technology, and give a greater thrust to applied science and applied technology. On this occasion, the Indian National Congress wishes to congratulate our scientists for their spectacular achievements in Space, Oceanography, Missile technology, Atomic energy and other areas.

Addressing the Infrastructure Deficit

28. The Indian National Congress wishes to lay stress on the fact that every sector of the economy – agriculture, industry or services – will benefit if the country is able to provide world class infrastructure and will suffer if the infrastructure is absent or neglected. Infrastructure extends to 'manufacturing' and 'services' and often involves both. Examples are Power, Telecommunications, Railways, Shipping, Road Transport and Civil Aviation. The Indian National Congress points to the inadequate capacities in critical infrastructure. The Indian National Congress notes that an amount of Rs.45 lakh crore will be required for investment in the Twelfth Plan (2012-17) for infrastructure development and urges the Government to redouble its efforts to create infrastructure commensurate with a fast-growing economy. Serious issues have been identified in the infrastructure area, and these include issues such as land acquisition, rehabilitation, environmental concerns, enforcement of contracts, dispute resolution, availability of skilled manpower, and regulatory uncertainty. The Indian National Congress calls upon the Government to rise to the challenge of infrastructure and address the embedded issues in a comprehensive manner. The goal must be to convert infrastructure that is seen as a bottleneck today into a catalyst that can trigger higher growth in the economy.

A Comprehensive Land Policy

29. Among the issues that affect growth is the vexed issue of land. In recent years land has become a major bone of contention. It was the Indian National Congress which first advocated comprehensive land reforms and raised the banner of 'land to the tiller'. When it formed governments in the States, the Indian National Congress implemented land reforms. Nevertheless, there are serious shortcomings in some aspects of land policy. Land records have not been updated or digitized. Land use regulations and land allocation policies have tended to be opaque and discriminatory. Land administration in tribal-dominated areas has, ironically, resulted in displacement of tribals. Extraction and mineral-based industries have dislocated tribal communities without fair and sufficient compensation or alternative means of livelihood. Illegal mining has economic as well as national security implications. Besides, the environmental consequences of misuse of land have not been adequately addressed. Land is a vital and scarce resource that is required for economic growth and development. Hence, the Indian National Congress calls upon the Government to formulate a comprehensive land policy that will protect the interests of all stake-holders, especially the tribal communities, and give them a share of the profits of the industries and businesses that use the land and its resources. In this connection, the Indian National Congress urges the Government to enact, as early as possible, the proposed comprehensive amendments to the antiquated Land Acquisition Act, 1894.

A Holistic Water Policy

30. Just like land, water is also a vital and scarce resource. Water is required for virtually every human activity including agriculture, industry and domestic consumption. Water has given rise to numerous

disputes between State and State, village and village, and neighbour and neighbour. Climate change and the depletion of ground water have added to the woes of farmers. Polluted rivers and water bodies have caused grave damage to the environment. The Indian National Congress calls upon the Government to formulate a comprehensive and holistic water policy that will deal with conservation, distribution, sharing and use of water.

Environment

31. The Indian National Congress welcomes the growing awareness among all sections of the people, especially the youth, about the environment and sustainable development. No country can grow by destroying the environment or the eco-system, particularly the forests and water bodies. Growth must be people-friendly and environment-friendly. Wildlife – especially, in the Indian context, the tiger and the rhinoceros – must be protected. Nothing should be done to affect the sensitive ecological balance created by Nature. The Indian National Congress compliments the Government for setting up the Prime Minister's Council on Climate Change to guide all departments in matters relating to environment and climate change. The Indian National Congress also compliments the Government for its advocacy on climate change and for championing the cause of developing countries in the ongoing negotiations under the auspices of the UNFCCC.

High Growth, Inclusive Growth

32. The stated goal of the UPA-II Government is to achieve double-digit growth rate and maintain that rate in the medium to the long term. The Indian National Congress is confident that this goal is not only attainable but that it will be achieved during the term of the UPA-II Government. At the same time, the Indian National Congress wishes to reiterate that growth is not an end in itself. The Indian National Congress reiterates that the aims are high and inclusive growth, growth that does not widen economic disparities between the rich and poor, and growth that ensures social and economic justice. Hence, the Indian National Congress calls upon the Government to set for itself ambitious goals that must be achieved in order to advance social and economic justice.

33. While all round economic growth can be driven by the policies of the Central Government, it requires the active cooperation of all State governments who are at the cutting edge of projects and programmes. The oft-repeated complaint of some States is that they do not have adequate resources. Nothing can be farther from the truth. Thanks to high economic growth, abundant resources are available to almost all States, especially the large States. It may be noted that all States put together had a cash balance of Rs.95,398 crore as on Dec 13, 2010. Besides, no government has transferred so much resources to the States as the UPA-I government and now the UPA-II government. For example, in 2009-10, the Central Government transferred Rs.285,227 crore to all the States in the form of share of taxes, grants-in-aid and loans. The Indian National Congress calls upon all State governments, especially the Congress-led governments, to put the resources to the best use so that we can achieve the goal of high and inclusive growth.

34. Just as there are poor and neglected sections of people, there are also poor and neglected regions in the country. Even fast-growing and prosperous states have many pockets of backwardness. Backward regions and backward districts deserve the special attention of the Government. Many of these backward areas are also areas affected by Left Wing extremism or insurgency. Poverty, disease, illiteracy and isolation have turned these areas into breeding grounds for militants. The Indian National Congress congratulates the Government for setting up the Backward Regions Grant Fund and allocating significant sums of money each year to the fund since 2006-07. In line with this approach, Government has recently announced an Integrated Action Plan for the insurgency-affected districts in central India. Government has promised a sum of Rs.13,000 crore over a period of 4 years and has committed Rs.3,300 crore for the remaining sixteen months of the Eleventh Plan from December 1, 2010 to March 31, 2012. The North-Eastern States have also remained backward. The Government should facilitate these States to look both to the rest of India and to the neighbouring countries for investment, trade, commerce and tourism. The Indian National Congress urges the Government to continue to pay special attention to the backward areas of the country and ensure that, through greater investment and developmental efforts, these areas also catch up with the rest of the country.

Unorganised Sector

35. Among the most vulnerable are workers in the unorganised sector. The unorganised sector accounts for 94 per cent of the work force in India, but only 16 per cent of those employed receive regular

salaries. The unorganised sector workers include farm labour, daily wage earners, street vendors, contract labour and tradesmen. The Indian National Congress congratulates the Government for the numerous measures that it has taken to provide a degree of social security to these persons. Notable among the new schemes are the Aam Admi Bima Yojana for life insurance; the Rashtriya Swasthya Bima Yojana for health insurance; and the three pension schemes named after Smt. Indira Gandhi for old persons, widows and the disabled. The Indian National Congress urges the Government to rapidly expand the coverage of these schemes and bring all families below the poverty line and other vulnerable persons into these schemes. The Indian National Congress also urges the Government to review, from time to time, the minimum wages prevalent in the country and the progress made in the implementation of the Contract Labour (Abolition) Act.

36. In Budget 2010-11, the UPA Government launched the Swavalamban scheme that will cover 40 lakh persons in the unorganised sector and provide a monthly pension in their old age. The worker can save as he works and, for those who save between Rs.1,000 and Rs.12,000 per year, the Government will contribute Rs.1,000 each year for four years. The scheme is expected to yield a pension of not less than Rs.1,000 per month after a contribution period of 20 years. The UPA Government will also soon launch the Swabhimaan scheme to reach banking facilities to the aam aadmi. Habitations with a population of over 2,000 and not having brick and mortar banks will be provided banking facilities through business correspondents and hand-held computers. About 73,000 habitations will be covered by March 2012 and 10 crore persons are likely to benefit and gain access to deposit, credit, micro-insurance and micro-pension facilities. Besides, all government payments can be routed through this arrangement, thus avoiding middlemen.

Our Vision

37. The Indian National Congress has been at the centre of the Indian polity since its formation. After Independence, it is the vision of the Indian National Congress that has shaped the political, economic, social and foreign policies of the country. Even non-Congress Governments were obliged to borrow from the vision of the Indian National Congress. The remarkable continuity in policies during the last 63 years is because of the steadfast yet evolving vision of the Indian National Congress. The Indian National Congress takes pride that it is present in every village and town of the country; it has within its fold people belonging to all religions, races, castes and communities; and it accommodates and gives space to different opinions and views. In short, the Indian National Congress reflects the diversity and pluralism of India. While the Indian National Congress is firmly rooted in the centre of the political spectrum, it has always looked in the direction of the poor, the vulnerable, the disadvantaged and the unempowered, and leaned in their favour. Every Government formed or led by the Indian National Congress will always keep in mind the talisman given by Mahatma Gandhi that: *“Recall the face of the poorest and the weakest man whom you may have seen, and ask yourself, if the step you contemplate is going to be of any use to him.”*

Our Promise – a Decade of Social and Economic Justice

38. Having won political freedom for the country, the Indian National Congress pledges to win economic freedom for the people of the country. That economic freedom will have meaning to over a billion people only if economic progress and prosperity are irrevocably linked to social and economic justice. Hence the Indian National Congress urges the Government to dedicate itself to making the next decade – 2011 to 2020 – as the **decade of social and economic justice**. The Indian National Congress identifies the following key goals that will ensure social and economic justice by the year 2020:

- Inclusive governance: effective devolution of functions, funds and functionaries to, and the empowerment of, panchayati raj institutions and urban local bodies.
- Financial inclusion: credit for all, especially the farmer, the student, SHGs and MSMEs.
- Health for All: child nutrition; universal vaccination; comprehensive health insurance; and expansion of the Public Health/Hospital network.
- Education for All: universal enrolment; mid-day meal; skill development; loan or scholarship to every student; and higher Gross Enrolment Ratio (GER).
- Make every habitation livable: assured drinking water, all weather road, electricity or solar power, and a toilet in every household.
- Tribal development: empowerment of tribal communities; enforcement of rights under the Fifth Schedule to the Constitution, PESA and the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006.

- Empowerment of women: special laws to protect women; representation in elected bodies; equal rights to inheritance and property; equal wages; and equality of opportunity in every field.
- Food security: eliminate hunger and assure food at subsidized or reasonable prices.
- Social security: unique identity cards that will provide access to benefits and opportunities; life insurance; health insurance; pension to senior citizens, widows and the disabled; and self-financed pension schemes.
- Universal employment: jobs, self employment opportunities and a safety net like MNREGA.

The goals set out above are within the reach of the nation. If the economy grows at 9 per cent and above, it will throw up abundant resources that will be adequate to fund our efforts to reach these goals. What is important is that the nation and the Government must summon the will to overcome all obstacles and pursue the goals with single-minded determination.

39. The vision of the Indian National Congress is building a prosperous, equitable and just society where all citizens are equal and all citizens enjoy equal opportunities. Economic progress is vital to the creation of such a society. India, like every other developing country, must remain on the path of development and should never stray from that path. As the nation moves forward on that path, it must always be alive to the suffering of the poor and the disadvantaged and marginalised sections of the society and take measures to bring them out of poverty and include them on the journey to prosperity.

40. The Indian National Congress calls upon the Government to continue its work to build a prosperous, equitable and just society.