## THE NEED FOR GOVERNMENTAL CONTROLS\*

## MORARJI DESA1\*\*

There are two extreme views in the matter of government regulation of private enterprise and a third one which the government has. There is an extreme view which says that there should be no control and that everybody should be left free for every enterprise. There is another extreme view that everything should be completely controlled and should be under the government. The view of the government is that control are not by themselvess a rule nor the only instrument of progress. They should be relaxed or should be regulated differently as the need may be.

We have deliberately chosen democracy as our instrument and as our way of life because the freedom of individual is important to us, as his happiness cannot be secured unless he is free to develop himself. This requires a development of society and individual in such a manner that everybody has the fullest opportunity of development and that inequities in economic conditions are reduced to the minimum; and that social justice is fully secured for everybody. The controls that the government applies to private enterprise or to any other thing flows from the social and economic objectives which are enshrined in our Constitution and they are also included in the planned development that we are seeking and that we are constantly trying to achieve. It is therefore a very good thing that there is a discussion between those who are engaged in politics and government and those who are engaged in business, lawyers, economists and accountants. They are all involved in it. It is necessary that there should be a clear picture of what we want to do and how we want to do it, and how best we can achieve the results that we want to acquire. It is hoped that fruitful and useful discussions take place and real, practical and useful conclusions will be arrived at, though agreement is very difficult in such matters, yet we have got to come to an agreed solution of many problems in the sense that there is a general consensus of opinion which has got to be accepted in order that we are able to make steady and continuous progress. It cannot be claimed that the controls the government are exercising are all exercised completely, efficiently and prudently. We can only claim that we are trying to exercise the controls as best as it is possible for human agency to do. We are aware of the

\*Based on the inaugural address at the Seminar on Government Regulation of Private Enterprise held in March 27-30, 1969.

\*\*Deputy Prime Minister and Finance Minister, Government of India.

shortcomings of those controls in their working and want to see that remedies are applied to achieve the objectives of those controls. It is, therefore, that controls are relaxed, removed or new ones are applied.

The controls are a restriction on the freedom which everybody is entitled to enjoy. As a matter of fact absolute freedom may be a jumping ground for dictatorship and a complete loss of democracy. It is, therefore necessary that we should give up freedom in certain directions so that our freedom is secured to the maximum extent. The freedom of one should not be less than the freedom of the other. So long equal freedom is there for everybody there cannot be any complaint about some restrictions. Accordingly, the government has got to make rules and regulations to see that these freedoms are controlled to a certain extent which applies to everybody, and these controls ultimately are judged by the law courts whether they bring in discrimination or not. It is thus that the courts are also involved in it.

It is from this point of view that we have got to judge various controls that we apply. If we want to develop in such a way that we increase our prosperity to an extent that no body suffers from want, then we have got to see that prosperity is generated and distributed in a proper manner. If it is not distributed then it would mean only concentration in some hands which deprives others of it completely. This is why the controls become necessary.

We are also to remember that we have scarce resources. We have to utilise our actual resources in order to see that our potential resources will turn into actual resources and we utilise them fully. Until we are able to do that we have got to regulate the use of actual resources so that they go on developing in a proper manner and development of one does not cancel the development of another.

It is, therefore, that the Government has to control development and see that things are regulated, but the purpose of all control is not restriction but it is development and advancement. Wherever it acts otherwise there is someting wrong, and in that case either the controls are to be removed or applied differently. The *laissez faire* policy which went on in the world for a long time has created many evils in the world and the present day atmosphere will not tolerate that kind of thing. The desire and the urge for equality are not in thought only. These are the most healthy signs that have taken place in the world today, and ensure a great future for the whole human world. We have to find out the best possible method of choosing the least evil. Many a time the choice before one is the least evil and not the best good. The purpose of all regulation of government is to see that society benefits and not that it suffers.