

PM calls for end to gridlock as retail plan roils parliament

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By “disrupting parliament we are doing injustice to the people who have elected us,” Singh said in a speech to members of the youth wing of his ruling Congress party in New Delhi.

Indian Prime Minister Manmohan Singh appealed for opposition parties to end the gridlock in parliament while defending proposals to allow foreign companies to open supermarkets, saying they will help lower inflation.

Rival parties should raise their grievances in parliament and work with the government to resolve disagreements, Singh said today at a Congress party rally in the capital. Debate in parliament was suspended for a sixth successive day as lawmakers demanded the government reverse its policy on allowing foreign investment in multibrand retail.

By “disrupting parliament we are doing injustice to the people who have elected us,” Singh said in a speech to members of the youth wing of his ruling Congress party in New Delhi. “Whatever differences there are with the opposition, it should be debated in parliament.”

Singh, whose government has been assailed by charges of graft and policy drift for more than a year, had hoped the winter session of parliament that began last week would mark a new beginning. Instead plans to pass 33 bills, including legislation to create an anti-corruption agency with powers to prosecute government officials, have been sidelined by protests over a host of issues including rising prices, demands for separate states and now the controversial move to allow foreign direct investment in retail.

The government argues that attracting foreign investment in retail infrastructure will tame the highest inflation among Asia’s largest economies by reducing waste in a country where 40% of food and vegetables rot before they can be sold. India’s inflation exceeded 9% for the 11th straight month in October.

No Assurance

Finance Minister Pranab Mukherjee failed to broker an end to the parliamentary gridlock during a meeting with party leaders earlier today. Some allies of the government have joined opposition parties protesting the retail decision.

“The government did not give any assurance on the rolling back of the FDI decision,” Basudev Acharya, a leader of the Communist Party of India (Marxist), told reporters after the meeting with the finance minister. “Mukherjee told us he will discuss it further with the prime minister.”

Congress President Sonia Gandhi, in her first public speech since having surgery overseas for an undisclosed condition in August, said the government planned to pass a series of anti-corruption bills in the coming months and appealed for rival parties to help get them passed.

“Corruption is indeed a plague of life at practically every level,” Gandhi told the Youth Congress meeting. “I hope that the opposition will support us in passing these important measures.”

Parliament has seen repeated disruption for four sessions. Last year’s winter sitting was the least productive in 25 years. Session ‘Doomed’

“This session of parliament looks doomed, the level of opposition at the moment is so high,” said N. Bhaskara Rao, chairman of the New Delhi-based Centre for Media Studies. “The government miscalculated. They should have tried to push some of the less controversial bills through parliament first.”

Political leaders have voiced the concerns of small shopkeepers and farmers who worry the arrival of foreign retailers will harm their interests. Tamil Nadu’s Chief Minister J. Jayalithaa said foreign retailers had in other countries led to price rises as companies establish a monopoly and exploit farmers and consumers.

“We categorically said no to FDI in retail but we want the parliament to run,” Sudip Bandyopadhyay, a leader of Trinamool Congress, Singh’s second biggest ally in the ruling coalition, said after today’s meeting with Mukherjee. “We are not in a mood to destabilize the government at the moment.” Single Brand

India’s cabinet last week took the decision, which doesn’t need parliamentary approval, to allow overseas companies to own as much as 51% of retailers selling more than one brand. The government also approved plans allowing companies that sell a single brand such as Nike Inc. (NKE) to own 100% of their operations, removing a cap previously set at 51%.

Commerce Minister Anand Sharma last week said foreign investment would create up to 10 million jobs and provide better prices for farmers. In a bid to cool tempers, Sharma yesterday said 30% of produce to be sold by foreign retailers must be bought from small Indian enterprises. A Cabinet note last week suggested that the cap applied to small businesses globally.