

Weekly Notes

Praja Socialists Keep Door Open

THE Praja Socialist Party Conference met under the shadow of inconclusive talks; shadow, because those who participated in the talks had a lot of explaining to do to others who did not want the talks to have taken place at all. It is not Nehru alone who can be quoted against himself, nor, again, the Congress. What is the extent of the split inside the party that has been caused by Jayaprakash Narayan and Acharya Kripalani's friendly response to a friendly gesture of co-operation, only the future will reveal. For the present, those who have no inside knowledge of things have only the resolutions passed at this Conference to go by.

The first, though not in chronological order, is the one condemning the Praja Parishad agitation while demanding redress of the economic grievances of the people afflicted. This should please Pandit Nehru and help to maintain a favourable atmosphere for future co-operation. Next comes the resolution giving a free hand to Shri Prakasam to conduct the affairs of the Party in Andhra as he thinks best. The possibility, therefore, of a coalition Government in the State that is yet to be born is not ruled out. Third comes a resolution to ginger up the Government and the Congress, to expedite land reforms—the resolution supporting the Bhoodan movement,

Trade Agreement, No Hard Bargaining

THE agreement reached between the Indian and Pakistani trade delegations last week can be divided broadly into two parts. The first deals with points of friction between the two countries in the sphere of trade. The Government of Pakistan has removed, with effect from March 25, the licence fee of Rs 2-8 per maund on exports of raw jute to India and has reduced the export duty on loose jute or *kutch*a bales to the same level as the export duty on *pucca* bales. The licence fee was levied at the end of June, 1952 and obviously discriminated against Indian buyers of jute. Pakistan was more concerned with the development of a foreign exchange market at that time, outside India, and the Pakistani Commerce Minister had actu-

ally contended that the differential licence fee was meant to counteract the reduction in the Indian export duty on hessian from Rs 1,500 to Rs 275, so that other countries could be induced to buy more of her raw jute for purposes of manufacture. The higher export duty on loose jute or *kutch*a bales was also directed against India since it is India which mainly takes jute in this form. The removal of both these forms of discrimination is, therefore, highly welcome.

India was also accused of discriminating against Pakistan in the matter of surcharge on coal. This has now been removed by the agreement. Incidentally, Pakistan has also agreed to charge the same effective rate of duty per foot of exposed cinematograph film imported from India as that charged on imports from other countries.

The removal of these points of friction will not only facilitate the flow of trade between the two countries, it perhaps augurs better relations in other spheres also.

The second part of the agreement refers to the import of raw jute from Pakistan into India and the export of coal to Pakistan. India has indicated that she will require at least 18 lakh bales of raw jute from Pakistan so that the latter can plan her production on that basis. The agreement provides that should larger quantities be required by India, Pakistan will facilitate the export of raw jute up to 25 lakh bales in a year, the trade being through normal channels.

Does the agreement to import between 18 and 25 lakh bales of raw jute mean a change in the programme of self-sufficiency in jute? While India can and is growing more jute, it is certainly more sensible to get the qualities which grow best in Pakistan from Pakistan. Indian mills need some 20 lakh bales of this quality, of which at least half can be grown in this country without much special effort. The agreement, therefore, reflects willing concession rather than hard bargaining born of desperate necessity.

India on her part has agreed to provide improved facilities for the export of coal to Pakistan and to increase the movement of coal by rail to West Pakistan.

Casualty of Merger: Census of Manufactures

THE annual Report on the Census of Manufactures, the last of which was for the year 1948, appears to have been an unforeseen casualty of the Estimates Committee's well meaning effort to economise expenditure. True enough, the Census continues to be taken; the provisional results of the Census are also published in the *Monthly Statistics of Selected Industries*; but alas, no longer the full report. Why, it can be guessed from the latest report on the action taken by the Government on the recommendations of the Estimates Committee. The latter had recommended in their very first report that the office of the Director of Industrial Statistics should be reduced to the size of a small directorate. This office had been created during the latter half of 1941 in pursuance of the Industrial Statistics Act, which provided for the collection of returns in prescribed forms from factories. As the States Authorities were primarily responsible for the administration of the Act and for collecting returns, the Estimates Committee felt that "for mere collection of these returns it is not necessary to maintain a separate office with such a huge staff and big budget".

The report, Estimates Committee: Recommendations and Action taken thereon by Government (Vol I—No 4, January, 1953) states that as a preliminary to the final merger of the offices of the Director General of Commercial Intelligence and Statistics, and Directorate of Industrial Statistics, a common head of the department had been appointed for both these offices and a common budget was to be presented for both the offices for the next financial year. Further details of the merger, including the future of the statistical portion of the Office of the Economic Adviser are "under consideration in consultation with Professor Mahalanobis."

The reason which had impelled the Estimates Committee to make these recommendations was economy. The Committee expected a 50 per cent saving in expenditure on this particular department or Rs 1,55,000 in round figures. As the Explanatory Memorandum on the Budget does not give the esti-