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External Assistance

'THERE is a polite convention that the Plan Papers—in this particular case, the Draft Plan—are to be treated as confidential until they are published, and circulated for eliciting public opinion. This will be some time at the end of February, along with the Budget papers, or early in March. So, until then, high secrecy must cover all deliberations. But as the National Development Council was set up to enlist the support of the States as also of the people to the Plan, when the Standing Committee of this Council meets, or for the matter that, when the Panel of Economists meets, certain things come out in bits and pieces. The trained seals who frequent the Finance Ministry catch the fish and are allowed to have access to some of the details which they have neither the time nor the appetite to digest. These they pass on to their papers untouched and news editors, always on the look out for scoops, and convinced that anything about the Plan is good copy, pass them on to their readers. The result is good publicity, more confusion and little understanding.

Though much remains to be known about the Plan, however. It is not because of this veil of secrecy. For, the polite convention notwithstanding, the Draft Plan has not remained such a great secret; it cannot when Bombay money bags want to read the writing on the wall and speculators want it for possible tips. There are so few cards to be put on the table. What remains to be known is something that the Planning Commission themselves do not know. The target has been raised. The Planning Commission, with their fingers on the pulse of the country, could not possibly have done otherwise. The target however, is a reading of the political barometre; resources are quite another matter. Not that there is no scope for wishful thinking in figuring out the latter. After all, these are but estimates and estimates can be optimistic or they may be on the low side. It is all a matter of the psychological approach to the problem. Here the Finance Ministry is not under the usual constraint of past receipts and rates of increase, or whatever the criteria that it uses in forecasting revenue. These estimates are spread over a number of years and in fields that are untrodden. But even with all this, only half the resources are visible; the other half is just not there or no one can see them.

True, the situation might have been no better when the Draft Plan-frame was presented in last April but, since then, it is to be presumed, the Planning Commission must have put in a lot of labour and the Finance Ministry had time to probe, scrutinise and investigate. What is the result of these labours and researches? The Finance Minister has agreed to raising the target. The Finance Ministry has persuaded itself that the upper limit of deficit financing suggested some months ago can now be regarded as safe. Allowing for this larger measure of optimism, there still remains a gap. But the gap is now smaller than what it looked in April. Indeed, it is only half of what it was. This is because, after prolonged deliberation, one would presume, it has been found possible to bank on a larger measure of external assistance. The gap, in short, has been reduced by half and external assistance has been doubled.

Not to speak of foreign aid, even foreign exchange earnings may be tricky in the extreme. Of that there was a painful reminder this week. While TTK is busy with export promotion and in ensuring that the quality of cloth exported maintains a proper standard, and a Committee has just been set up to devise ways and means for insuring exporters against some of the risks of export trade, Burma has decided to reserve 60 per cent of import licences for communist countries, which will mean a severe cut on Indian cloth exports to that country,

The required and not the promised external assistance has only to be converted in terms of dollars to explain why even the restoration of the cut in American Aid to India for the current US fiscal year has not aroused any enthusiasm. What is \$60 m against \$4000 m that is required? This is, however, not a fair comparison. American assistance during the first Plan period would not compare unfavourably to the total foreign assistance that India received, the aid under the T C M for these years being of the order of \$250 m, against the total of foreign assistance received of some 200 crores in rupees or \$1000 m. If to the TCM aid is added the wheat loan, the total American assistance will come to \$450 m. which is about half of all the foreign aid that India re-

ceived, in the period which slightly exceeds the First Plan period. Of course, the current year's U S aid can suggest nothing, one way or the other, about the probable magnitude of American assistance for the Second Plan.

True, Point Four running in millions is not even a fraction of Marshall Aid for Europe that flowed out in billions. True also, since the Korean war U S non-military aid has sharply come down while foreign military aid has not only been kept up but has been substantially augmented. But India has not fared badly so far, nor can one cavil at the purposes of this aid. Indo-American technical co-operation has ranged over so wide a ground that its focus has never been very sharp at any one point. It began with Community Projects. Though a recent U N publication has given a hint that community projects represent the evolution of Gandhian philosophy, which is a very polite compliment indeed, the Ford Foundation had much more to do with it than Wardha. But though TCM might have been community projects oriented in the beginning, the emphasis soon shifted to agricultural development in general. Later, may other things came in. A break-down of the programme for the U S fiscal years 1952-55 shows that agriculture and natural resources got the first priority with \$73 m

out of a total of \$268 m; industry and mining came a close second, with \$69 m; and transport came third with \$41. A recent State Department assessment runs as follows:

"In the first years, emphasis of the Indo-American programme was very largely on agricultural development, since this occupies top priority in the First Five Year Plan. . . . Although much emphasis remains on agriculture, natural resources and health under the 1955 program, increasing importance is attached to industrial projects. In line with the accelerated programme of industrial development under India's Five Year plan." (Bold ours)

So if the Second Plan is oriented towards heavy industry, there is no reason to suppose that T C M will fail to keep in step or be deflected by ideological considerations.

But whether Russia smiles and America frowns or America smiles and Russia frowns or both cheerfully agree to foot the bill, it is neither wise nor realistic to count on external assistance of this magnitude. At best, such assistance should only be marginal. For what is planned development, if it is not based securely on self-help? Even if others are willing to help, why embarrass them with such importunate demands?

Islamic Pakistan

EIGHT years ago, Congress agreed to the partition of the sub-continent on the basis of regional self-determination. Independent India adopted a written Constitution under which she became a secular, sovereign, democratic Republic. Eight years later, after prolonged political controversies and bickerings, Pakistan has framed a Draft Constitution. Well-wishers of Pakistan will welcome that a Draft Constitution has, at long last, been prepared. But this welcome will be accompanied by a profound disappointment that the Draft has a pronounced theocratic and undemocratic bias. From a perusal of the Draft, the question arises as to the basic purpose of a Constitution. In the main, a Constitution seeks to ensure equality of lights and opportunities to the country's population as well as to safeguard the interests of the people against the arbitrary excesses of the State. Pakistan's Draft Constitution

is a negation of these basic principles.

Under the Indian Constitution, India has not been declared a Hindu Republic. Hindus and Muslims have only one, common citizenship. Muslims have equal rights and privileges as Hindus. Under the Draft Constitution, Pakistan will be an Islamic Republic. Only a Muslim shall be the Head of the State. Only a Muslim can be the Vice-President of the Islamic Republic of Pakistan. "No law shall be enacted which is repugnant to the injunctions of Islam, as laid down in the Holy Quran and the Sunnah". There is a provision in the Draft that Islamisation of the law, which will govern the people after the codification has been completed and accepted by the Federal Parliament, will not affect "the personal laws of non-Muslims, the status of non-Muslims as citizens of Pakistan ..." Fundamental Rights

and Directive Principles will be included in the Constitution.

These provisions cannot obscure the Islamic status of Pakistan. That has never been in doubt. But hopes have been entertained that Karachi will have the statesmanship to assure statutory recognition of equal rights and citizenship to Pakistan's non-Muslim minorities. Mr I I Chundrigar, Pakistan Law Minister, is honest in his speech in introducing the Constitution Bill to the Constituent Assembly. There are apologists who cite the safeguarding provisions in the Draft Constitution as evidence that Karachi has no intention to impose an inferior status of citizenship on non-Muslim minorities. Mr Chundrigar is blunt, but not dishonest, in his claim that the Draft Constitution "envisages the establishment of an Independent sovereign State consistent with the ideology for which Pakistan "was