

A scheme for the supply of machinery to small units on hire-purchase supplements the above. Applications had been invited a few months ago by the Regional Small Industries Service Institutes for supply of machinery to small-scale units. It is understood that applications for supply of about Rs. 10 lakhs worth of machinery to small-scale units were recommended by the Small Industries Service Institutes. However, recently, the National Small Industries Corporation, which will actually execute the agreement and supply the machines, decided that the Director of Industries of the State where the small-scale factory is situated should also recommend the application for loan. Small units are to pay outright 20 to 40 per cent of the cost of the machines depending on the nature of the machine, and the balance would be realised in suitable instalments spread over a period of five years or 50 per cent of the estimated life of the machine, whichever is earlier. Interest will be charged at 5 per cent from industrial co-operatives and at 6 per cent from the other small units on the block capital. It may be noted that the rate of interest charged on machinery loans is double that charged on "money" loans.

jobs for Educated Unemployed

WHILE Shri Krislmamachari was urging expeditious execution of schemes of State Governments for development of Small-scale Industries in Bombay, Shri G

Nanda, the Planning Minister, announced at Delhi that employment opportunities for the educated unemployed would be increased by organising small-scale industries and the co-operative movement. The Development Commissioner for Small-scale Industries had originally put up a scheme for training a lakh unemployed matriculates to set up small-scale industries e.g., hand tools, sports goods, cutlery, agricultural implements, bicycle parts, small machines, machinery parts, automobile parts, repair shops, etc. and later, a study group of the Planning Commission went into the entire question. The report of the study group has not been published yet, but it is significant that Shri Nanda should make it clear that small industries meant town Industries, and not village industries. The idea appeals, but can the Government's administrative machinery be suitably geared to implement such a training and production scheme?

U S Foreign Aid

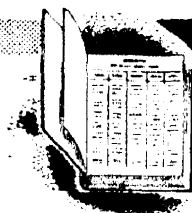
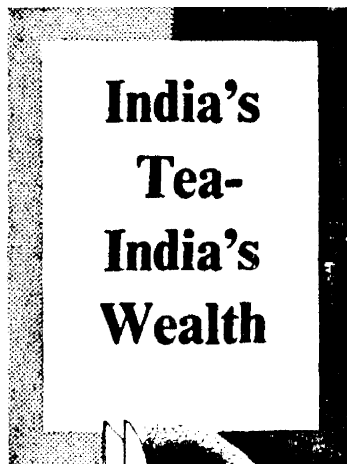
THIS is the election year in America. In recent history, election years have invariably seen political stalemate in the States. Today, President Eisenhower is in a dilemma which paralysed Mr Truman at the end of his second term. Both Houses are dominated by Democrats, the political rivals of the Republican Party. In such circumstances, it is natural that President Eisenhower, the Republican President, is hesitant to initiate any new policy. Yet, this was just the time and occasion when President Eisenhower could have enhanced his Party's chances in the coming elections by enunciating a bold and imaginative policy. His State of the Union message shows that he has lost, the opportunity.

There is an implied admission in his message that the international situation has changed since the "summit" conference at Geneva among the Heads of State President Eisenhower is not unaware that Russia has taken the initiative in

exploiting the "Geneva spirit" to her advantage. But he interprets the post-Geneva Russian diplomacy to mean "reliance on division, enticement and duplicity". He emphasises that the Russian threat may have become "less obvious", but has not become less dangerous. It has been remarked that the post-Geneva policy of Russia is not yet properly appreciated by the Western Powers. President Eisenhower's State of the Union message confirms such suspicions.

Some of the observations of the Russian leaders during their visit to this country have been criticised on the ground that these statements underline Moscow's determination to perpetuate the "cold war". On second thoughts, such an assessment of Russia's policy since Geneva, is admitted to be hasty. There has been a shift in Russia's foreign policy. It is clear that Russia's current diplomacy assumes that there will be no third world war. On this assumption, Russia started the drive for competitive co-existence. It is evident that the implications of this shift in Russian policy is either not adequately understood or deliberately ignored by Washington. "Our policy", President Eisenhower observes, "must be dynamic and flexible, designed to forward achievement of our own objective rather than to meet each shift and change in the communist front". This explains President Eisenhower's implied assertion that America's policy will continue to be based on negotiation through strength.

Even though President Eisenhower takes elaborate pains to deny that there has been any basic change in Russian foreign policy, one of his major recommendations in his State of the Union message belies such an appraisal of the current phase of Russia's foreign policy. In requesting Congress "to grant limited authority to make longer-term commitments" to non-Communist countries, President Eisenhower confesses, by implication, that Russia's "Point Four" policy needs to be matched by an extended foreign aid programme by America. This is the only positive aspect in President Eisenhower's State of the Union message. His request to Congress is a clear proof that Washington admits that the shift in Russian policy demands a similar change in Washington's foreign economic policy. Underdeveloped countries will welcome the American President's awareness of the implications of competitive co-existence.



REVENUE :

The Indian Tea Industry contributed to the National Exchequer Rs. 19 crores as export duty, and over Rs. 3 crores as central excise duty in 1954-55. Besides, it contributed large sums by way of State income tax, agricultural tax, road tax and certain imposts.



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