

The Economic Weekly

A JOURNAL OF CURRENT ECONOMIC AND POLITICAL AFFAIRS

SPECIAL NUMBER

July 6, 1957

Volume IX—Nos. 26, 27 & 28

Price Rs. 2.50

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Up the Garden Path

THERE is a story going round in the corridors of the North Block that when the present Finance Minister took over, he called the Secretary In charge of foreign exchange and asked him what checks the Finance Ministry had, over the foreign exchange spending of the Ministries. To this question, 'so rans the story, the official replied in correct manner, by scratch-in head and mumbling some-the' He had yet to size up his new boss and was naturally cautious. But the reply, whatever it was, did not satisfy the Finance Minister who snapped back at him rather sharply and said, whatever the rules were, the must be. pretty slack for

be knew for certain that the Ministry of Commerce and Industry was squandering a lot of foreign exchange. Since the Finance Minister had himself been handling that other portfolio, there was no reason to doubt; that he knew what he was talking about. The story is apocryphal, but it may well be true. And the truth of the story has been blazoned forth, week by week, for a whole year through the weekly returns of the Reserve Bank.

However much self-deprecatory the Finance Minister may have been, it would not be fair to say that the Ministry of Commerce and Industry had been squandering foreign exchange That it had never done.

True, there were some Imports we could have done without. But whatever one may think of the logic of token imports for raising the stand-and of internal production or for providing incentives to greater effort, such as nylons or haberdashery, too much can be made of these minor things or of occasional slips, if they were slips. Broadly, the import policy has been unexceptionable, for it has been a policy of fostering industrialisation. If luxury cars got through or domestic production was stepped up, with imported raw material, of non-essential but highly profitable consumer goods, well, the fault was not of import control. Cars were not allowed to be Import-