Tshombe himself, of course, never had the slightest intention of joining the round-table conference, or rather his Belgian masters saw no profit in letting"' him embroil himself in a Congolese federation when the plum of Katanga was already separately in their control. They took Lumumba and turned their back on the conference. They saw the man as the last serious challenge to their machinations, and calculated that to get him out of the way would be the best means of removing the threat he posed. So they killed him.

But this is where they made their worst mistake. For Lumumba the martyr has risen from his grave a much stronger force than Lumumba the prisoner would ever have been. BY murdering Lumumba. Tshombe has put his own neck into the noose, and his own survival is now possible only if his sponsors and masters cast all pretence to the winds and come out physically and blatantly in his defence against the combined wrath of the rest of the world. That a blood-bath has not immediately fob lowed the news of Lumumba's murder is a miracle which can only be explained by the possibility that a sense of shock has momentarily paralysed the limbs of the Congolese nationalists. The shock will wear off before long and then will set in the deluge. It is only the brief interval between now and then which is available to the United Nations to avert the catastrophe of a brutal civil war in the Congo. But will this opportunity be used to the best advantage?

It is tragic that there is little sign of that happening as yet. The same interminable wrangles which made the already extra-cautious Secretary-General largely ineffective all along, are once again in evidence. There is only one way in which the situation can be brought under control; and that, as Pandit Nehru among others has emphasised, is to disarm all the armed bands in the Congo and reactivate parliament. But this task, fairly simple at one stage, is now-fraught with the greatest difficulties. If the U N is serious, it will have to be ready to fight each and every of the factions in the field. This will need a much clearer man* date from the Security Council than there seems any possibility of getting; and it will also need a massive concentration of physical power in the hands of the U N mission in the Congo, the prospect of which, too. is at present dim. The great Powers are still intent upon scoring political points in their cold war instead of rushing sincerely to the aid of the Congolese people. The debate which centres on the head of Mr Hammarskjocld should instead centre on the Belgians and their henchmen in Leopoldville and Elizabethville. Their expulsion is far more to the point than the Secretary-General's, whatever his errors and defaults.

The situation in the Congo is now at its most complex and critical; and unless the United Nations can find some quick way of tackling it boldly, it will almost certainly wreck the U N itself. That is the true enormity of the crisis. Lumumba's death has spread the Congolese chaos to the globe.

# The Railway Budget

SHRI Jagjiwan Rams decision to leave passenger fares and freight rates untouched in his budget estimates for 1961-62 comes as a surprise in view of the recommendations of the Parliamentary Railway Convention Committee. I960. The Committee had recommended, *inter alia*, that the rate of dividend payable by the Railways on their capital-at-charge to the General Revenues be raised from 4 per cent to 4.25 per cent and that the aggregate contribution from Railway revenues to the Depreciation Reserve Fund during the quinquennium 1961-66 be increased to Rs 350 crores, with an appropriation of Rs 65 crores in 1961-62 increasing by steps in each following year to Rs 75 crores in 1965-66.

The revised estimates for the year 1960-61 show traffic receipts down by Rs 6.50 crores at Rs 458 crores compared to the budget estimate of Rs 464.50' crores. The reduction is due entirely to the fall in goods earnings which was. however, compensated to a substantial extent by the increase over budget estimates of passenger earnings and other coaching and sundry earnings. Goods traffic earnings fell short of budget estimates by Rs 15.41 crores. The expected short-lead movement of raw materials for the steel plants did not materialise. Their average lead actually increased as these materials had to be moved from distant sources. The average lead of coal movement also increased due to the increase in movements from coalfields in Bengal and Bihar.

The total originating traffic at the end of 1960-61 is expected to be about 154 million tons which is considerably lower than the Second Plan target of 162 million tons. The Railways have, however, fully pushed through their investment programme which was geared to a freight demand of 162 million tons. In his budget speech last year the Railway Minister tacitly admitted the existence of idle capacity in the Railways and the revised estimates of goods movements for 1960-61 appear to confirm that the situation has not improved substantially. The question of securing higher returns in the Railways from existing capital stock instead of installing fresh equipment was glossed over at the time of framing the Second Plan but this is a mistake we cannot afford to repeat in the Third Plan.

The revised estimates of passenger earnings is fixed at Rs 130.97 crores, an increase of Rs 5.47 crores over the budget estimates and Rs 5.36 crores over the actuals for 1959-60. The revised estimate of gross working expenses at Rs 375.61 are nominally higher than the budget estimates while net working expenses are nominally lower. The revised estimate of dividend to General Revenues is placed at Rs 5.36 crores over the actuals for Rs 14.03 crores against Rs 18/13 crores in the budget estimates.

The budget estimates for 1961-62 are based on the tentative financial forecast for the five years 1961-66 considered by the Railway Convention Committee last year. Goods earnings for 1961-62 have been budgeted for on the anticipation of an increase in traffic of about 15 million tons over 1960-61. This has been done keeping in view a total increase of about 90 million tons in the Third Plan period but allowing for a more than proportionate increase of low-rated traffic which will raise the proportion of working expenses to gross earnings.

The excess of gross traffic receipts over working expenses anticipated in 1961-62 is Rs 154 crores approximately after allowing for the payment of Rs 12.5 crores to General Revenues for transfer to the States. Two important recommendations of the Railway Convention Committee have, however, to be taken into account before the net surplus of 1961-62 can be estimated. Appropriation to the Depreciation Reserve Fund will increase from Rs 45 crores in 1960-61 to Rs 65 crores. Second, the dividend to the General Revenues at the increased rate of 4.25 per cent will, on the present capital-at-charge, involve an additional payment of about Rs 4 crores. Taking into account also the increase in the capital-at-charge anticipated during the year, the dividend payable will increase by about Rs 8.7 crores. The budgeted surplus for 1961-62 is consequently only Rs 8.64 crores.

The outstanding liability of the Development Fund to General Revenues is expected to be Rs 29.40 crores at the end of 1960-61, representing the aggregate of temporary loans from General Revenues from 1958-59 to 1960-61 in order to finance expenditure charged to the Development Fund. In order to start the Third Flan with a clean slate, this liability will be liquidated, in accordance with the recommendation of the Convention Committee, by writing back the cost of unremunerative new lines under construction, hitherto charged to the Development Fund, to Capital and by appropriating Rs 8.7 crores from the Revenue Reserve Fund to meet the residual liability.

Withdrawal from the Development Fund in 1961-62 is anticipated to be about Rs 23 crores. As the anticipated surplus will not be sufficient to cover this, a temporary loan of Rs 14.77 crores will be required from General Revenues during the year. This is the procedure suggested by the Convention Committee to meet the demands on the Development Fund.

The practice of financing the Development Fund with "temporary loans" from General Revenues is. however, only an accounting solution to the problem posed by the inadequacy of the surplus from the normal operations of the Railways to finance expenditure on works met out of the Development Fund. If the Railways have to -draw upon General Revenues to the extent of roughly Rs 80-100 crores during the Third Plan period, which they must unless they can cover the deficit in the Development Fund by raising passenger fares and freight rates, the overall resource position for the Third Plan would surely be affected. It is in this context that the Railway Minister's decision not to increase passenger fares and freight-rates has to be viewed. Insofar as Railway expenditure has to be financed from the General Revenues, the impact will be on the general Budget. Shri Jagjiwan Ram has only passed on the baby to Shri Morarji Desai.