

hat-trick of ousting the British from Cyprus, Libya and Aden and to fight 'the imperialist plans to divert the course of the Jordan River'. He has even suggested that Egypt might be included within the ranks of 'socialist nations'. In return, he has asked that Nasser recognise that Russia, like Egypt, has a foot in two continents, and, since one of the feet is Asian, has a right to attend the next Bandung Conference and participate in a front of Afro-Asian nations to fight colonialism and imperialism. This is all a little transparent, and reiterates the substance of last week's Russian note to all Afro-Asians denying the Chinese charge that the Russians are not Asians and accusing the Chinese of racialism. The Chinese for their part can, and no doubt will, shortly reply that the Russian foot is Asian only insofar as it is treading upon the legitimate national rights of other peoples and on territory filched from China.

The visible Russian eagerness to attend the Bandung Conference gives to that assembly somewhat more significance than anyone thought it had, but the shape of the campaign to attain Asian status for the Russians is in line with the new militancy of the Russian counter-attack. The latest charge, that Mao Tse Tung and the Chinese Communist Party are not the legitimate leaders of the Chinese people since they have not held the statutorily obligatory elections, sounds like an American prelude to non-recognition. Despite much feet-dragging by Poland, Hungary and Togliatti, and explicit opposition by Rumania, Khrushchev seems still firmly set upon holding the great show-down, although the autumn is a somewhat optimistic target date for this jamboree. The Chinese maintain that such a conference will take four or five years' to prepare, by which time, one presumes, there will be no point at all in holding it. Meanwhile, Khrushchev's flamboyant but empty warning of 'catastrophic consequences' of any United States attempts to protect its buzzing of Cuba, is probably an attemptedly virile reply to Chinese gibes that: Russia is frightened by the paper tiger. Ultimately, for both Russians and Chinese, barks and bites diverge. Very nasty to each other as they may be, both are restricting expression of their mutual dissatisfaction to political visits and brave words, which, notoriously and fortunately, give no-one broken bones.

Bitter Sugar

SUGAR is a controlled commodity, but with two successive seasons of poor production market forces of demand and supply have asserted themselves to raise prices well above Government-fixed levels. As in food-grains, shortages have proved a bonanza for the trade, but perhaps the industry has not been entirely left out in the cold, though officially the ex-factory price is fixed according to an archaic Tariff Commission formula. The bitter opposition of the mills to the proposal to set up a Sugar Marketing Board to regulate internal distribution and exports confirms this presumption.

In his address to the thirty-first annual general meeting of the Indian Sugar Mills' Association last month, Shri G M Modi, President of the Association, alleged that the Marketing Board would "sap the initiative in the industry for expansion and extensions" which would "go to hamper production in the long run". This is a little difficult to understand since if what Shri Modi had in mind was the returns to the industry, as appears to be the case, these depend on the ex-factory price which is in any case fixed. How, then, will the formation of the Marketing Board make a difference? On the contrary, to the extent that the Board is able to curb profiteering by the trade, it should make possible an increase in ex-factory prices without raising the actual prices paid by the consumer.

The sugar trade, however, has much cause to be apprehensive since so far it has flouted price control with impunity. But even the trade need not fear displacement; it has been officially stated that the Marketing Board will operate through existing channels of wholesale and retail distribution. In fact, this aspect of the scheme raises doubts about its success even though it is pointed out that the Board will make the maximum use of cooperatives and the fair price shops. That apart, the setting up of the Board will only centralise, in the hands of one agency, the control over release of stocks and allocation within the trade which is now exercised by the Centre and the State Governments.

It is true, of course, as Shri Modi pointed out, that the Marketing

Board will make no difference to the industry's basic problem which is insufficient output. In fact, shortage of supplies constitutes the Board's *raison d'etre*. It is well known that production of sugar depends almost wholly on availability of cane and it is the poor cane crops which are at the bottom of the low sugar output in the last two seasons. It needs to be mentioned, however, that altogether too much attention has been focused on diversion of cane from sugar to gur and khandsari when the fact is that the total supply of cane has been inadequate to meet the combined demand of the three industries. Relative to demand, gur and khandsari have also been in short supply as is evident from the very sharp rise in their prices. This explains why the increases permitted in the cane prices payable by the sugar mills have had no perceptible impact. What is striking, of course, is that the attractive prices which have resulted from the keen competition among sugar, gur and khandsari producers seem to have had no effect at all on cane output. It is surprising that no one has suggested an investigation of this highly significant instance of insensitivity of agricultural production to prices. The phenomenon is all the more intriguing in the light of the Food Minister's assertion that the Government's cane development schemes "fully provide for the basic needs of irrigation, improved seeds, plant protection measures and simultaneous production of subsidiary crops".

Sardar Swaran Singh was silent about the crop prospect for the coming season and instead sought to mollify the ISM A by promising to take steps to "secure an equitable adjustment of cane supplies among the three users of available cane". Similar steps taken last season produced no appreciable results. It is true that the Minister hinted at extension of Government control to gur and khandsari, for which the sugar industry has been long clamouring, but the administrative difficulties in the way of such a move are at least as formidable as the likely political opposition to it.