

# frontier

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## THE FLOATING REPUBLIC

THE Sovereign Democratic Republic of India steps into its twentieth year on January 26. Preparations are afoot for the annual ritual in the States and especially at the Centre, which has to stage the biggest show of them all. During the three days of celebration and its hangover much will be heard of this Republic of arrested growth which seems to have comfortably settled down to a state of permanent infancy and is unable to earn its keep. For its daily bread it has to depend on "friendly" countries and for its safety it needs a set of protectors, though glib talk of a green revolution and the growing might of the country continues. The Government has shown rare inventiveness in naming scapegoats for its own lapses, and some of them will perhaps be cited again in the next few days lest we forget. There are external enemies forever on the prowl and indifferent to our good-neighbourly overtures, and there are internal enemies intent on subverting the Republic that the people were said to have given unto themselves nineteen years ago.

This assiduous build-up of an enemy-complex is not without a purpose. It is designed to cover up the deliberate thwarting of the Constitution by the Congress party during its twenty-two-year rule of the country. Though it never tires of swearing by the Constitution and will stop at nothing to protect the supposed sacrosanctity of the document, the Congress has violated the Constitution more than any of the parties that regret its inadequacy. Many of the beneficial provisions of the Constitution remain in abeyance because they do not suit the Congress while the basic guarantees of the Constitution relating to freedom, equality, and justice are denied arbitrarily to those whom the party chooses to disfavour. Even as Republic Day is being celebrated, normal constitutional provisions remain suspended in four States where the bureaucracy rules and manoeuvres to bring the Congress back to power. All proprieties have been stowed away to help the Congress in fulfilling its yet-unaccomplished task of toppling the non-Congress Ministries. In some parts of the country a Constitution-holiday seems to have been declared permanently in the name of security, and in other areas neither the preamble nor the chapter on fundamental rights of the Constitution is being allowed to come in the way of interminable detention without trial of politically inconvenient persons. Yet the Government finds itself ill-equipped to deal with the "enemies" of the Republic, and there

is talk of fresh measures to legalise more arbitrary actions.

The Government's preoccupation with the country's security, internal and external, has come handy as a pretext for the Republic to drift. The grand debate on the fourth plan is adjourned, and it seems that the advocates of another year of non-plan are about to prevail. Regional disparities are growing under the generous patronage of the Centre which withholds assistance from non-Congress States and encourages flight of capital from there. The ugly head of communalism is popping up now and again, despite summer conferences of political parties in the cool heights of the hills on national integration. Casteism refuses to remain dormant any longer and is erupting into shocking savagery in different parts of the country. The Sovereign Republic has forfeited its freedom of action and manoeuvrability, and democracy has been reduced to ruthless suppression of the voice of dissent. The Congress has equated itself with the Republic and is transmitting its maladies to the State. The Prime Minister hesitates to fill Cabinet posts lest it should upset the precarious balance of forces in the party which keeps her in her present position. Aspiring colleagues keep her on tenterhooks, and regional satraps clamour for propitiation. As every policy decision has become a gambit in the power-game, the Republic is left to float on indecision and inaction. Republic Day has turned into an occasion for exclusive celebration by the power-elite and not for a joyous remembrance by the people of a bright beginning, because the Republic has belied its promise.

## Export Prosperity

In recent weeks, the Union Ministry of Commerce has been going to town with an inspired series of leaks in the newspapers about how India's balance of payments problem has been licked, and, as the Americans would say, hopefully for ever. Attention is being drawn to the substantial closing of gap between receipts and outgoings during

1968. From there, it is only a brief step forward to assert that the country is over the hump; very soon, the foreign exchange crisis that has been with us since 1956 will be a thing of the past. A large-than-life moral is left to be drawn from all this, namely, Mr Dinesh Singh is a wizard in matters concerning trade; he not only happened to preside over the gigantic United Nations Conference on Trade and Development; under his auspices, the country's commerce has attained a magnificent leap forward.

How much of this ballyhoo is public relations and how much constitutes solid facts? The reasons for the narrowing of the balance of payments gap are fairly generally known. Imports fell off during 1968 mainly because the Americans were reluctant to part with PL480 wheat; we have been forced to import about three million tonnes less of wheat than we would have liked to. This itself would explain nearly Rs. 175 crores of savings in imports. Exports to the United States and West Europe have remained more or less where they were, and exports to East Europe have in fact declined. It is only in relation to exports to South-East Asia, Middle East and Africa that we have been able to register an increase worth around Rs. 100 crores. The precarious nature of this expansion of trade with Asian, African and Middle Eastern countries has to be seen in its proper perspective. Our exports to these countries have bulged all of a sudden only on account of the closing of the Suez Canal. India's recent export prosperity is thus the end-product of a discretionary gesture on the part of our neighbours, who, rather than pay high transport costs for imports from the United States, West Europe and the Soviet Union, have decided to buy certain types of equipment from us. This transfer of affection is, by its very nature, of an ephemeral kind, and can evaporate the day the Arab nations and Israel agree to settle down to some sort of uneasy co-existence.

The fortuitous factor behind the export boom is not mentioned in any of the Ministry of Commerce hand-outs; in case one or other of the

mediating Swedes is able to work out a *modus vivendi* which satisfies the belligerents and the quasi-belligerents in the Near East, we will be back to our usual cycle of crises. Rather than composing lyrics in praise of Mr Dinesh Singh, we should therefore start worrying about the stagnation of our trade with East Europe during the last few years. Many of the East European countries still consider our 1966 devaluation an act of perfidy. They have also been complaining that, following devaluation, and the subsequent price increases in the country, our export prices have become altogether unrealistic for any worthwhile trade transactions. As a result, while we have been buying from the Soviet Union and other East European countries, the latter in their turn have lagged way behind in their purchases from us. The most significant shift in the longterm trend of our external trade had been the movement of exports away from West Europe to East Europe between the middle 1950s and the middle 1960s. If the East European market now collapses, we will be in deep trouble. There is at least one rumour that the Yugoslavs had had enough of us and are pressing for the abrogation of the long-term trade arrangements we signed with them towards the close of 1966. They have apparently also suggested that, since they find it uneconomical to buy from us, they should be repaid their trade dues, amounting to nearly Rs. 100 crores, in convertible foreign currency. It would be useful to have some enlightenment on these rumours, whether well-founded or otherwise, from the Ministry of Commerce rather than the routine airings concerning the daring exploits of the Prince of Kala-kankar.

## Trouble Again

From A Correspondent

The now famous Security Force of North Bengal University are again on the rampage. Holidays and floods temporarily deprived them of the opportunity to break young necks. The University's annual con-

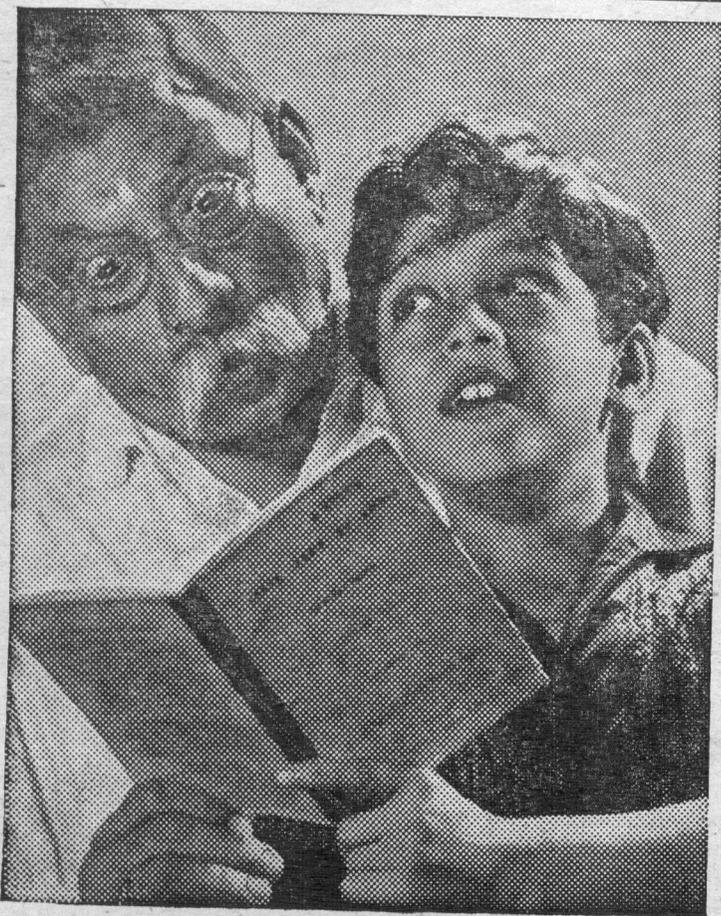
vocation provided them with an occasion to demonstrate their vitality. Hardly had the dignitaries assembled for the convocation left the campus when the Security Force attacked the students. Hadn't they dared to protest when the Security goondas tried to prevent them from putting up posters on the day before the convocation? The three 'guilty' students were dragged out of a tea stall outside the campus and kicked and beaten. One of them had to be hospitalized. A group of students wanting to see the Vice-Chancellor to complain about the incident were given a hot chase by Security men, armed with daggers and rods. Since then they have been prowling about the campus. Jeeps loaded of police joined them.

The teachers, fearing that the trouble might lead to another deadlock in the institution, met the Vice-Chancellor and offered their co-operation in finding a way out of the trouble.

Those who had seen the hooliganism of the Security Force told the Vice-Chancellor about it. But he simply washed his hands of the affair for no simpler a reason than that the beating had taken place well outside the campus. Moreover, he said it was the students who had attacked the Security Force no matter whatever weapons the latter always carry with them. Yet the teachers insisted that a committee composed of teachers, student representatives and officials should be formed to ensure contacts between the students and the administration. But the Vice-Chancellor would have none of it. The Security men, he said, were illiterate, hotheaded people and nothing could be done to pacify them unless their heads cooled off. (Whether a cool-headed man would retain his job is of course another matter). He also reaffirmed his philosophy that violence must be met with violence. Removal of the Security

Force was out of the question. While the lives of certain teachers were allegedly threatened by students the police would take time to come to their aid from a distance of 5 miles. The fact that not a single teacher or official was ever touched by the students or, for that matter, no university property was ever damaged by them was irrelevant to the Vice-Chancellor. Meanwhile, two students, victims of the Security Force, have been arrested by the police.

It would be interesting to note in passing that the Vice-Chancellor, according to press reports, has recently been criticised in the annual audit report for financial anomalies in the administration of the University like the unauthorised advance of Rs. 2 lakhs to a building construction firm of which he is the Chairman, for a contract worth Rs. 1½ lakhs. The contract was also given without proper notification for tenders.



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# পূৰ্ণা গাংলু নবাধাৰাংলু

(উপেছকিগোৰু বায়ু বৃষ্টি কৰাছনী অৱলম্বনে)

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STATE BANK FOR SERVICE

## Mid-Term Pandemonium

FROM A POLITICAL  
CORRESPONDENT

IT is just over a year since the Congress declared war on non-Congress ministries from the Fateh Maidan in Hyderabad and went on a toppling spree with the enthusiasm of a demolition squad. Then came the weird phase of propping minority ministries, all out of expediency, while the party leadership still talked of principles. Politics in the country had already begun operating at the lowest-level equilibrium when mid-term elections were thought of as the way out of the pandemonium.

But on the eve of the mini-general elections, the pandemonium continues and it is by no means certain that it would end with the new State assemblies coming into being. Anti-Congressism, which was the dominant motivation behind the non-ideological coalition ministries, lost its edge. The non-Congress parties are slugging it out first, but the slow erosion of the Congress base is certain to make its return to power in any of the four States impossible. It would at best emerge as the largest single party in all the four States with a stable majority in none.

What appears to be in the offing is another phase of opportunist coalitions. Though the Congress has officially set its face against coalitions (after the short-lived experiment in West Bengal) the State bosses have been more or less told that they could try coalitions with nondescript groups of breakaway Congressmen. You find this species everywhere and the pretence of ideological purity could be kept up. It all depends. It could be an alliance with the BKD in Uttar Pradesh and, depending on the party strength, with the Loktrantrik Dal in Bihar and Prof Humayun Kabir's motley crowd in West Bengal. It is all a function of political arithmetic of the market place, who controls how many MLAs and at what price.

In the two-year whirl of dissipation since 1967, the Left parties have emerged emasculated. Electoral alliance has become a philosophy of life and all political activity has become power oriented. Interpreting the Constitution and the Governor's powers became the principal pre-occupation. In a State like West Bengal, it is fairly certain that, as in Kerala, the people would tend to identify President's Rule through a bureaucrat-Governor with the Congress rule at the Centre and judge it as such. But there was no real mass movement led by the Leftists worth the name once the United Front went out of office. If extra-parliamentary methods could be used to force a mid-term election, it does not mean such methods are of no use until the mid-term elections are held. The United Front may yet win power in West Bengal, according to assessments here, but the alignment of forces would not have changed appreciably. Electoral gains can hardly reflect such changes.

The paralysis of the Left stems from its participation in the non-ideological coalitions, which were rationalised very dialectically to mean something of a prelude to a revolution. Political opportunism reached its logical climax when the possibility of a non-Congress government at the Centre was suggested by Mr Dange.

It was indeed amusing when the parties of the Left were talking on the same wavelength as the Swatantra Party which now wants a non-communist coalition (including of course the Congress) in the States as a remedy for the defection evil. If everybody is in government, there cannot be defections. Prof N. G. Ranga is right, from his own point of view. Defections are more likely where the threat to the ruling party or combination is the greatest. If the ruling combination is sufficiently large it would automatically place a moratorium on defections because nobody gains much by defections.

The Congress strategy now appears to be aimed at entering into a coalition with a fairly large-sized group which is not ideologically committed and is closer to the Congress. Logi-

cally this means any splinter group of ex-Congressmen.

Politics from Punjab to Bihar and Madhya Pradesh will continue to be in a state of flux and nothing can change the situation for a long time to come. But in West Bengal the instability was the product of Congress machinations. When the Centre could tolerate a communist-led Ministry in Kerala it would not let a United Front continue in West Bengal because of pressure from foreign and Indian vested interests.

So now what is the guarantee, other than a mass movement, of the survival of a Leftist government in West Bengal for long? Mrs Gandhi, who perfected toppling into a fine engineering skill in Kerala a decade ago, is now credited with the view that the situation in Kerala today is different from what it was in 1958 and therefore there is no question of an intervention now. The Centre is not sure that it can remove the political strength of the United Front by removing it from power. So the Centre would rather let the contradictions in the United Front work themselves out. It is not what the Centre really thinks of law and order in the State. It is not a constitutional issue but a political decision, timing it to the best advantage of the Congress. Law and order situations can be manufactured at will. The one compulsive factor the Centre is aware of in Kerala is that, as in Madras, the Congress is not in a position to capture power after a Central intervention or after a mid-term poll.

In West Bengal, the Centre thought the Congress and its allies could make it at the mid-term elections. It was a desperate gamble. But the concern for electoral fortunes have cramped the manoeuvrability of the Leftist parties. When they were all keyed up for the mid-term poll, it was put off because of the floods. Whether the midterm elections would make any difference to the pattern of politics in the State is an imponderable in the situation. The outcome in the 60-odd straight contests would provide a clue to this.

January 18, 1969

# Calcutta Diary

GYAN KAPUR

IN the land of Dharma, that is Bharat that is India, religion still pays. Witness the rich harvest reaped by the Kapila Muni Ashram on Sagar Island and on which the West Bengal State Government is reported to have rightly set a covetous eye. Which perhaps also explains how the Governor, Shri Dharma Vira, could find the time to be on the spot and be the first Governor of the State to do so, while at the time of the North Bengal disaster he took days to come down from Darjeeling.

About thirty lives have been lost in the disaster that struck some pilgrims. Maybe more actually died. In such things no one can say for certain. Many may have perished without leaving anyone to enquire about them or report their loss. Death during pilgrimage, of course, is no new thing for the Hindus. In fact through the ages it had even been rationalised and acquired a sort of sanctity. Such instances as of the Ganga Sagar mela this year only show there has been no basic change in the lives of the common people all over India. The biggest disaster in living memory at any place of pilgrimage occurred after independence at the Kumbha Mela at Allahabad not so many years ago.

Official estimates apart it does not seem that there has been a lesser influx of Ganga Sagar pilgrims this year. The mela has been the life's aim of many devout Hindus all over India but the perils attaching to it were also clearly understood, whence, according to a North Indian saying, all places of pilgrimage could be visited time and again but Ganga Sagar once only. Here in Calcutta and West Bengal nearness seems to have bred a sort of apathy but still the number of people going is not inconsiderable. However, being local people their coming and going does not attract attention so much as that of the outsiders. Or it may be that due to their closeness to the mela site, they realise

the perils better and this daunts them. Happily it seems the days when pilgrims were carried away by man-eating tigers are over. I have no real personal experience of the occasion and wish to have none. Ironically though I acquired the virtue attaching to a visit to Ganga Sagar long time back for I accompanied my parents in my first year of life. It was from them I heard that the lucky ones were those who sheltered in the hutments in the centre while those on the outskirts prayed to their favourite gods, lighted bonfires and hoped the prowling tigers would ignore them and pick their neighbours instead.

Death by tiger may be over but the other ills remain. If anything, they have increased. More and more people come over for a visit due to the greater ease of communications up to Calcutta. Not the least of the problems is the health hazard the yearly influx sets to the permanent residents of Calcutta and West Bengal and the strain it imposes on the police and administration of the State. Secularism is all right and the devout are fully entitled to their holy dip. But certainly not at the cost of money and health of others.

Drugged by their religious fanaticism, the bulk of the pilgrims are themselves the greatest obstacles to measures to protect them against overcrowding and the risk of smallpox and cholera. They want to get to Sagar, somehow, anyhow and if death by drowning or disease comes they accept it as their fate. Attempts by the police to regulate embarkation from Calcutta show this.

Maybe the Governor, Shri Dharma Vira, is genuinely moved by the misery of those going to the Ganga Sagar. Or maybe under mounting pressure from both the left and the right, the Congress has no choice but to lean to the right and try and show that secularism does not mean the party is indifferent to Hindu dharma and can protect it as well if not better than the Jana Sangh. Anyway, permanent arrangements for Ganga Sagar are now being talked of. Whether all this talk, like that of removal of khatalas, will be soon for-

gotten only time will show. Whether they want it or not, the pilgrims have to be protected as human beings. But what is more important is that this should not be at the cost of others. If expensive schemes such as reclamation of long stretches of marshlands are to be taken up, plans should also be made for making the pilgrims pay for the cost of looking after them during their stay here and for cleaning up the mess left by them. The least that a secular State should do in such cases is to impose a pilgrim tax and see that it is collected and not a single person goes without vaccination against small pox and cholera.

\* \*

The Employees State Insurance Scheme is nothing much to write home about; but still it offers some sort of medical treatment to those covered by it. The entire working of the scheme, however, has been vitiated by serious malpractices difficult to pin down on anyone but known to exist widely. Drugs are frequently not available for those needing them and at the same time vast quantities purchased under the scheme pass from dealer to dealer in the normal trade. Wily traders were not slow in finding loopholes in the system and making a quick paisa with the willing co-operation of many patients and may be a few unscrupulous doctors even.

To plug these loopholes certain decisions were taken during the UF regime as a result of which many ESI shops were opened making direct purchases. Logically the whole system should come completely under the State and apparently the decision to open service dispensaries as against the present panel system for running the scheme is in pursuance of this policy and a step in the right direction. The Indian Medical Association's expression of regret at this decision does appear to be misplaced.

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# Foreign Aid : Illusion And Reality

N. K. CHANDRA

LIKE all other non-socialist countries in the underdeveloped world, Indian planing strategy is heavily dependent on foreign aid, foreign capital and foreign collaboration agreements between foreign and Indian capitalists. The basic rationale behind this is the paucity of domestic savings and technical know-how, which can be made good only through leaning on the help of the rich and friendly foreign countries. The last decades of Imperial Russia or the years between the 1870's and 1913 for the USA could provide historical precedents for the Indian strategy; in both cases foreign capital did undoubtedly play a catalytic role in intensifying the pace of industrial development. These historical parallels, however, cannot carry us very far for the simple reason that the specific circumstances are likely to vary a good deal from country to country; these examples can merely tell us that the strategy is "plausible" but no more.

A whole number of complex issues have to be discussed for a full comprehension of the foreign aid syndrome. Without going over the whole ground, we shall presently confine ourselves to a few simpler issues. First, are we mobilizing enough domestic resources at home or are we taking to foreign aid in order to avoid unpleasant fiscal measures at home? Secondly, if the aid is supposed to meet the temporary, balance of payments gap (which, according to many, is unavoidable if the country is to import more and more of capital goods in the earlier stages of development), are we aiming at a conscious re-structuring of the economy so that the gap narrows over time? Later we shall look exclusively at the problem of import-substitution, ignoring the export aspect.\* Thirdly,

\* We do not accept that the Government could do no more in this matter. Only two examples may be given. (1) Many foreign firms and their

was the amount of food aid that we received a fair indication either of the contribution by the donating country or of our own needs? Indeed, as we shall see, a lot of PL480 stuff that looked like aid was only partially so, while much of it was superfluous, if not actually harmful, from India's point of view. It would be interesting to apply the same kind of analysis for other types of aid and we have to postpone it to some later occasion.

## Domestic Savings

India's record in mobilizing domestic resources\* has fallen far short of her requirements. In the First Five Year Plan it was envisaged that the domestic savings rate would be stepped up gradually through a high rate of marginal savings. If the originally postulated rate of 20% (marginal savings) were achieved, and given the actual rate of increase in real income during the three plans, then the savings rate ought to have been around 7½% in 1956-57, 10% in 1960-61 and 11½% in 1965-66. The actual savings rate achieved was fairly close to these levels except perhaps for 1965-66. Currently, the savings rate is supposed to have fallen to about 8%. One must then admit that leaving aside the exceptional years since the Kashmir

Indian associates have been unwilling to go into third markets where they might compete with their parent companies. (2) Profit margins in India are often reckoned to be much higher than elsewhere so that exports do not appear lucrative enough. If the Government itself purchased goods at a "fair" price, say at DGSD rates, and tried to sell them through the STC or some other agency, much better results could be achieved. But then it would infringe the sacred property rights of foreign and Indian firms.

\* We shall mainly concern ourselves with the public sector as a whole.

war, actual performance was not at all disappointing for the planners.

We believe, however, that the targets have always been too low. The slow progress in savings rate is by no means inevitable. Some time back C. Bettelheim<sup>1</sup> put forward a rather moderate hypothesis of potential savings. Instead of squeezing the masses living perennially below the poverty line, he merely envisaged mobilizing one-half of all property incomes in the country. Combining this with S. J. Patel's estimates<sup>2</sup> of property incomes in various sectors of the national economy we have found that the potential private savings rate could come to about 14% of the net domestic product (NDP) in 1960-61 and would remain pretty much the same for 1965-66. This, however, does not include the potential savings from the public sector, including administration. Even with present Government policies, the total of department savings of the government and operating surplus and depreciation allowances of the departmental enterprises,<sup>3</sup> varied between 3.4% and 4.3% of the NDP between 1960-61 and 1964-65. (The year 1965-66 is ignored, because of the heavy rise in military spending and the steep fall in agricultural incomes). To be on the safe side a rate of 4% can be taken so that the total savings potential of the economy comes to 18%.

So far we have equated the actual with the potential for the public sector. Could it not be bettered? Now the public savings rate as measured

1. *Studies in the Theory of Planning*, Bombay, 1959, p. 308 ff.
2. "The Distribution of National Income in India," 1950-51. *The Indian Economic Review*, Feb. 1956. Total property incomes would be double the respective percentages for the sectors.
3. Item 5 in Table 6 and items 4 and 5 in Table 7 of *Estimates of National Product* (Revised Series), 1967, published by the Central Statistical Office. Unless otherwise mentioned all data in the section are taken from this source.

against the NDF hardly improved over 1960-65 and declined to a mere 2.5% in 1965-66. All this while the shares of the public sector in the NDP steadily improved from 10.7% in 1960-61 to 13.3% in 1965-66. (Only in 1964-65 was this upward trend reversed). Thus the Government despite its increasing control over the economic life of the country failed to utilize it for raising the saving rate; in other words, for the public sector as a whole the marginal propensity to save was less than the average propensity, thus pulling down the latter.

The public sector performance looks quite as gloomy if we consider the real as against money savings. The volume of real savings increased by nearly 50% between 1960-61 and 1963-64, but dwindled back to the 1960-61 level by 1965-66.

What are the reasons for this state of affairs? Firstly, one may consider the relative contribution of the administration on the one hand, and the departmental and non-departmental enterprises on the other. The administrative expenses accounted for a rather stable proportion of total government output, i.e. grew faster than the NDP. Non-departmental enterprises fared somewhat better, thanks mainly to the starting up of many public sector plants, than the departmental concerns. It is clear that if the savings rate is to be stepped up the growth in administrative outlays, including military ones, has to be curtailed; otherwise, with an increasing proportion of the population engaged in administration, the "productive" population would relatively shrink, leading in the long run to stagnation and/or inflation.

#### Tax Revenues

Secondly, we may consider the growth in tax revenues. On the face of it the achievement, specially during the Third Five Year Plan, is rather impressive; for, the ratio increased by nearly two-thirds, whereas in the earlier plans the rise was much slower. Indeed, the ratio at 15% is higher than what we had earlier put forward as the potential private savings rate. However, the

actual tax incidence is entirely different from what we have in mind. Two points may be noted in this context. The main increase has been for indirect taxes which, by any reckoning, are mostly borne by the poorer sections of the community.

Although the proportionate contribution of all direct taxes has also increased over the entire period, corporate taxes<sup>4</sup> accounted for a large part of it; its share in the total direct taxes rose almost without a break from about 16% in 1951-52 to nearly 43% in 1965-66. The corresponding ratios for land revenue were 20%, and 12%,<sup>5</sup> and for various income taxes<sup>6</sup> 64% and 45%. Another interesting indicator would be the ratio of income taxes to the private incomes in the non-agricultural sector. For the same years as above, this ratio stood respectively at 3% and 3.1%. It is then permissible to conclude that the income-tax burdens decreased over the 1960's although it had increased over the 1950's.<sup>7</sup>

How does one explain it? No objections on grounds of equity could

4. There have been recent debates in a number of countries regarding the incidence of corporate taxes. Without pretending to answer the issues it may not be wrong to presume that corporate taxes are not fully borne by the shareholders. In other words these taxes should not be added to the income taxes in order to obtain the total tax incidence on personal incomes in the non-agricultural sector.
5. 1965-66 was a rather exceptional year, since land revenues were often not collected due to crop failure. The ratio stood at 14% in 1964-65.
6. Including Income tax, Wealth tax, Estate Duty, etc.
7. It would have been better from our point of view if we could compare income taxes to non-corporate incomes in the non-agricultural sector. However, the ratio of dividends paid out to profits retained after tax has not changed in a persistent manner over the 1950's or 1960's. Hence our calculation remains valid as indicators of the trend.

be raised if it could be shown either (a) that the inequalities in income in the urban sector have diminished or (b) that the tax exemption limits have been raised (by more than the rise in the cost of living) or (c) that the effective tax-rates in the lower ranges have been reduced. There is no empirical evidence, as far as we know, in support of any of these hypotheses. Indeed certain indications point to the contrary. Hence the falling share of income taxes in urban personal incomes can only be due to the growing phenomenon of 'black' money.

A similar picture emerges from a comparison of direct taxes on agriculture and the income generated in agriculture. The proportion of taxes is very much lower than the corresponding percentages for the non-agricultural sector. Secondly, the percentages increased a little over the Second Plan but declined during the next 5 years.

We have so far left out another crucial area—the mobilization of surplus through non-departmental enterprises. A lot has been written on this topic and we do not propose to enter into the matter at length. Only two obvious but brief points may be made. Firstly, to these enterprises went a growing share of national investments. Secondly, the rates of return on capital employed here have been much lower than elsewhere. There is, undoubtedly great scope for improvement here, although we are unable to offer any worthwhile estimates of the potential surplus from this source.

In conclusion one can assert that although there has been notable progress in tax-yields specially in the 1960s, the surplus from public sector enterprises should have been higher. If we further consider the wasteful expansion in administrative and military expenditure, then the government savings rate was even less satisfactory. Moreover, the tax-structure became more regressive—with lower effective tax-rates for the upper-income groups and more for the poorer sections in both rural and urban areas. We do not think that

there were any compelling economic logic behind this state of affairs; it was just a reflection of the class character of the ruling groups. Hence it follows that it was again the political premises of our ruling classes that explain why instead of augmenting the domestic savings potential, higher rates of capital formation were financed to an increasing extent through foreign loans.

### Import Substitution

The extent of import-substitution can be measured in a number of ways, each of which is quite interesting in itself. But no one measure can fully answer all the questions that may possibly be raised.

A comprehensive measure, in our view, is provided by changes in the ratio of total imports to NDP. If this ratio is decreasing (increasing), then it implies that higher (lower) proportions of total supplies in the country are obtained from domestic production. A rise in this ratio need not be harmful under all circumstances. A country lacking in natural resources may have to resort to increasing imports as its manufacturing industries become more and more sophisticated. If, moreover, its merchandise exports and/or invisible earnings can expand at least as fast, then it need not face any balance of payments problems. However, for a developing country with limited prospects of expanding exports rapidly enough, a policy of import-substitution, i.e. lower ratio of imports to NDP is imperative. A case for exception can be made if it is *shown* concretely that a temporary rise in the ratio will ultimately (i.e. after a relatively short period of time) raise exports to much higher levels than otherwise. From all available indications, India's policy-makers have not convincingly argued the case for an exception and hence a rise in the ratio would be tantamount to a policy failure.

To derive the ratio of imports to NDP, both these series could be measured either at current or at constant prices. There is no doubt that the latter are much more pertinent for

our country. Available statistics for imports use 1952-53 prices for the 1950's and 1958 prices for the 1960's; NDP estimates are given both in 1948-49 prices for the entire period 1948-49 to 1966-67 or at 1960-61 prices for the 1960's. Due to the differences in the base-year prices, computation of the ratios between the two series is vitiated. It is preferable to present the growth-rates in import-volume and in NDP-volume separately.

We have also worked out estimates of Net Domestic Material Product (NDMP), by excluding organized banking and insurance, commerce and other services from NDP<sup>8</sup>. Since imports refer to physical goods only, the national income concept has been accordingly adjusted. It may be noted that our NDMP includes just those sectors or activities which can directly make use of commodity imports. Leaving out some minor items, the development of the excluded service sectors hardly depends on these imports. As with NDP, we have estimated NDMP at constant 1948-49 prices for the 1950s and at 1960-61 prices for the 1960s. For the constant prices series, since no inter-period comparison is envisaged, the 1960-61 prices are used for obtaining the magnitudes of NDMP for the 1960s.

In estimating the NDMP series the lack of sufficient details in the official statistics forced us to make a simplifying assumption. Transport other than railways is not shown separately for the 1950s. In the 1960s, however, a remarkable stability was noted in the ratio of 'all transport and communication' to 'manufacturing, mining, and utilities'. We have used this proportion for the 1950s as well. Although further investigation will most likely prove us to be wrong, yet the extent of error from this source may not be very

8. Our definition of NDMP is somewhat similar to the Soviet definition of national income; it differs from the latter by including passenger transport and excluding banking and commerce.

large. From a common sense point of view, our procedure can be regarded as reasonable, as the underlying assumption is that transport and communication develop at the same rate as agriculture, mining, manufacturing, etc.

*Average Annual Growth Rates in Volume of Imports, Net Domestic Product, and Net Domestic Material Product.*

	(Percentages)		
	First FYP	Second FYP	Third FYP
	1950-51	1955-56	1960-61
	to	to	to
	1955-56	1960-61	1965-66
Imports	8.36	10.86	4.06
Net Domestic Product	3.70	4.29	3.34
Net Domestic Material Product	3.28	3.65	1.84

The picture is quite clear. The import volume has consistently risen faster than the NDP; the gap is still wider if the NDMP is considered. Hence the economy as a whole is becoming more and more dependent on imports instead of there being any import-substitution.

### Food Aid

Food aid, specially under the U.S. PL 480, has accounted for a substantial part of Western aids to the underdeveloped world. Given the present trends, this will remain an important item for some years to come. Theorising on the particular merits of it has been the order of the day.<sup>9</sup>

The real value of food aid is, however, much less than the nominal value shown in official statistics. Firstly, the official prices are too high<sup>10</sup> and

9. UNECAFE: *Economic Survey of Asia and the Far East* 1964. Bangkok, 1965, pp. 51-54.

10. For an opposite viewpoint see J. P. O'Hagan and T. Lehti, "Some Economic and Policy Problems of Food Aid" in *FAO: Monthly Bulletin of Agricultural Economics and Statistics*, February 1968, p. 10. Also J. J. Kaplan: *The Challenge of Foreign Aid*, Prager, New York, 1968, p. 330.

secondly, the volume of imports by the receiving countries would have been much less if they had been forced to buy food with scarce foreign exchange resources.

As it is well known, PL 480 shipments were not, until recently, valued at world market prices but at the much higher domestic support prices in the USA. At the very least, the quantum of "aid" should be recalculated at the existing world market prices. Thus for the year 1962 total assistance under PL 480 amounted to \$1.8 milliard,<sup>11</sup> but the value would be less by \$600 million or by one-third if world market prices were to be used.<sup>12</sup> Many economists are inclined to the view that if the USA disposed of its food surplus commercially, the world market prices would have declined considerably. Harry Johnson seems to endorse the estimate of Pincus<sup>13</sup> that if the surplus were sold at world-market-clearing prices (or if the US had preferred to store its surplus), the value of aid would have come down by another \$500 million; on this assumption then the "real" value of PL 480 aid in 1962 was no more than \$700 million. Pincus' estimate of the probable decline in world market prices is supported by an earlier study of T. W. Schultz;<sup>14</sup> the latter thought that the world prices would have gone down by 37% of its actual level, given the existing demand elasticities.

On the other hand, the "real" or "opportunity" cost to the US of supplying the food was put by Schultz at zero. Since the US Government was politically obliged to help its farming community there was no practical alternative to the accumulation of food

surpluses;<sup>15</sup> this surplus over domestic consumption would grow with improvements in American production irrespective of whether the excess was shipped as aid, or sold at lower world market prices or simply destroyed.<sup>16</sup>

So far in our discussion we have assumed that in the absence of food aid the same quantum would be bought at commercial rates by the developing countries. But would they?

For India we give below the figures relating to per capita net availability (including imports) of cereals for all the agricultural years since 1950-51 to 1966-67 (shown in the table as 1951 and 1967 respectively, and similarly for later years). The table indicates quite clearly that the range of variation has been rather large, from 324.6 grams/day to 412.8 grams/day.

*Per Capita Net Availability of Cereals*  
gms/day)

1950-51	..	335.5
51-52	..	324.6
52-53	..	348.9
53-54	..	386.9
54-55	..	371.8
55-56	..	359.5
56-57	..	374.4
57-58	..	349.5
58-59	..	392.7
59-60	..	382.0
60-61	..	398.0
61-62	..	399.3
62-63	..	381.3
63-64	..	397.9
64-65	..	412.8
65-66	..	355.0
66-67	..	359.0

Source: GOI—*Economic Survey* 1967-68, New Delhi 1968.

Were the overall supplies too little in one year and too much in another? Could one have stocked more food in good years for use in bad years? Could imports be cut down this way? It is to these questions that we now turn.

One approach would be to postulate a level of per capita consumption that would, under the given conditions, ensure a stability in prices of food-grains.<sup>17</sup> Such models may be used to measure the rise in total supply necessary to maintain price-stability. If, however, one refuses to accept the inevitability of the pattern of food-distribution, if one is unwilling to concede the private traders' right to monopoly in food-grains,<sup>18</sup> then models of this type may not be relevant.

Another alternative would be to project demand for foodgrains on the basis of expenditure-elasticities (derived from cross-section studies) and forecasts of real income. Despite the neglect of the price-factor, these projections<sup>19</sup> are undoubtedly of great value purporting to establish the equilibrium level of demand.

*Ceteris paribus* it is preferable to have a plan that ensures a corresponding supply. However, there are some important difficulties in utilizing these studies. Firstly, there is a wide discrepancy between the levels of per capita consumption indicated respec-

17. V. V. Divatia and P. K. Pani, "Variations in Cereal Prices, 1951-52 to 1966-67". *Economic and Political Weekly*, Special Number, July 1968.

18. State procurement was virtually absent until a few years ago and even then has been quite inadequate by any standards. The efficiency of the machinery had little to do with the apparent success in 1968.

19. Of the many such studies one may mention only two whence further references may be obtained.

N. S. Iyenger and H. V. Rao: "Theory of Additive Preferences: Statistical Implications For Consumption Projections", *Economic and Political Weekly*, Special Number, July 1968.

A. Rudra—*Relative Rates of Growth. Industry and Agriculture*, Bombay, 1967.

11. OECD: *The Flow of Financial Resources to Less-developed Countries* 1956-63, Paris, 1964, p. 116.

12. H. G. Johnson: *Economic Policies For Less-developed Countries*, Allen & Unwin, London, 1967, pp. 25, 122.

13. J. A. Pincus, "The Cost of Foreign Aid". *The Review of Economics and Statistics*, November 1965.

14. "Value of Farms' Surpluses to Underdeveloped Countries". *Journal of Farm Economics*, December, 1960.

15. The existence of a very large body of unemployed workers precluded all possibilities of re-employing farm workers in other sectors of the economy; and thus of reducing farm production.

16. I. U. D. Little and J. M. Clifford also share Schultz's argument that the real cost of PL 480 aid is nil. See their *International Aid*, Aldine Publishing Company, Chicago, 1966, pp. 73, 76, 160.

tively by Table 1 and by National Sample Survey (NSS) which were used by most econometricians. Secondly, every NSS indicates a much higher level of per capita consumption of cereals by the richer sections than by the poorer ones. If one, however, accepts the logic of rationing then there is a good case for reducing the consumption levels of these richer sections; consequently, average consumption may be allowed to go below the level indicated by the NSS.

The problem essentially consists in defining an "acceptable" level of per capita consumption, which is by no means easy. For illustrative purposes, we estimate the "necessary" imports of cereals, according to an arbitrary assumption that the per capita food consumption should have remained at a fixed level of 360 gms/day, which is well within the actual range of variations observed.

Against actual imports amounting to over 60 m. tons, our "theoretical" needs amounted to no more than 19.5 m. tons; or, nearly 2/3 of the actual imports were not strictly necessary. On the other hand, we should have imported more during the first FYP, especially in 1951-52, than we actually did. It may also be noted that for every 10 gms/day rise (fall) in "theoretical" needs, the volume of imports would go up (down) by 8.43 million tons over the entire 15-year period.

Is our hypothesis of 360 gms/day as the "theoretical" need plausible? First of all let us note that this is well below the averages indicated by the NSS or by the NCAER Household Consumption Survey, 1960.<sup>20</sup> Second-

20. According to the NSS 19th Round, July 1964-June 1965, the average monthly per capita consumption was between 15.7 and 16.6 kg. for the rural and between 11.5 and 11.8 kg. for the urban areas. The corresponding NCAER data for 1960 were 14.1 seers for the rural areas and 10.8 seers for the urban areas. For the latter data see NCAER—*Long-term Projections of Demand and Supply of Selected Agricultural Commodities 1960-61 to 1975-76*, New Delhi, 1962, pp. 217-18.

ly, our estimate is well above the rationed quantities (2 kg. per adult per week) received by the citizens of Calcutta for a long while. According to the scale of coefficients worked out by the Nutritional Research Laboratories of the Indian Council of Medical Research, the average food requirement of a female adult is only 90% of that of a male adult; a child below 15 years requires only 60%.<sup>21</sup> Now the proportions of male adults, female adults and children in the total population for the country were respectively 31.7%, 30% and 38.3% for the 1951 Census and 30.3%, 28.5% and 41.2% for the 1961 Census.<sup>22</sup> It may be permitted to simplify these percentages to 30, 30 and 40 so that the average number of male adult units in a population of 100 comes to about 80. Consequently consumption per male adult amounts to 450 gms/day (or 3.1 kg/week) if the per capita level is only 360 gms/day. It is doubtful whether food-riots would ensue had such consumption levels been maintained.

We may also consider the 1958-59 survey data on the consumption pattern of working class families in different industrial centres. For 12 such centres<sup>23</sup> we found out that the weighted average daily consumption per male adult<sup>24</sup> was 470 gms/day which is quite close to our 450 gms/day. The Nutritional Research Laboratories also worked out desirable levels of food consumption in terms of

21. Labour Bureau, Ministry of Labour and Employment, GOI: *Report on Family Survey Among Industrial Workers 1958-59*, Bombay. Delhi, 1965. p. 37.

22. Various issues of the UN *Demographic Yearbook*.

23. Bombay, Calcutta, Howrah, Jamshedpur, Kanpur, Amritsar, Jaipur, Ajmer, Ahmedabad, Nagpur, Hyderabad and Madurai. The reports for other centres were not available to me at the time of writing.

24. Conversion ratios of 0.9 and 0.6 respectively for female adults and children were systematically used in reports for each of the centres.

calories, protein, vitamins, etc. for each centre. For calories the differences between the recommended and the actual levels were sometimes positive (upto 10%), sometimes negative (also upto 10%). Hence the actual calory intake by industrial workers may not have been at a disastrously low level. Now as far as the rural population is concerned, we have no similar studies on their nutritional requirements. But are there any a priori reasons to believe that the peasant *needs* more food than the latter? I do not know of any. Taking 470 gms/day per male adult as our yardstick, the volume of "necessary" imports, i.e. the excess of requirement over domestic net availability, amounts to around 31 million tons or only about one-half the actual imports.

In a sense, our calculations are really beside the point. Since the various nation-wide sample surveys indicate much higher levels of per capita consumption than those in the table above, it is quite likely that the official time-series on 'net availability' of foodgrains is systematically biased in the downward direction and to a considerable extent. Had there been more adequate knowledge of actual production in the country and if the governmental procurement machinery were set up in earnest at the very beginning of the Plan era, food imports could be considerably reduced, with per capita consumption levels much higher than those prevailing in the statutory rationing areas. There was nothing of a categorical imperative about our massive food imports. It was more in the nature of a soft alternative.

If the requirements were thus reducible, the supply too could have been augmented at a faster pace than it actually did. As the matter has been discussed by many others, only a few points need be made. (a) Despite land-reform laws throughout the country, the share-cropping system that greatly diminishes the peasant's incentives prevails over large parts of the country. (b) The various Community Development Projects and Rural Extension Works, undertaken for the benefit of the entire rural folk, actual-

ly helped relatively small and affluent sections. Similarly, government support to the cooperative societies controlled almost exclusively by the well-to-do, the distribution of seeds, fertilizers, etc., the absence of a progressive land and/or agricultural income tax, and the whole system of Panchayati Raj—all these ingredients of our agricultural policy worked only to the advantage of the richer sections. Thus the Government came to rely only on the better-off farmers to improve their output. Had some serious efforts been made to tap the resourcefulness of the poor and middle peasants, surely the results would have been much better. However, given the political composition of the Central and most of the State governments, it is doubtful whether such efforts could ever have been made.

In short, then, the actual food-gap in India could be attributed to a considerable extent to the failures of our socio-political set-up. Any other government that was unafraid of hurting the vested interests whether in food-trade or among the well-to-do farmers, could do better. Marginal imports might still have been necessary specially in bad agricultural years. But most of it could be procured on normal commercial terms without any great loss of scarce foreign exchange resources.

The argument can be carried one stage further. If the food-aid itself increased the deficit, then its contribution (through savings of foreign exchange) to development was at least partly illusory rather than real. If food-aid in any way diminished domestic food supply then it retarded the economic growth of the receiving country; although there are strong presumptions to this effect, it is impossible to make any quantitative estimates of the probable increase in food supply in the absence of aid. Consequently we have to abandon any attempt at measuring the overall net contribution of food aid to India. It would not be surprising if this latter measure becomes negative rather than positive.

Although we have not examined the question, we suspect that what

has been said of India might well be true in varying degrees for most other recipients of American food aid.

#### New Find

Finally a few words regarding the recent developments in the organization of future food aid may not be out of place. Officially, the current move is towards greater multilateralism that would promote a higher all-round efficiency. Since the end of World War II many attempts were made in this direction. All these failed, according to the Director-General of the FAO, because of the reluctance of donor governments "to undertake measure which might weaken their national initiative and national powers of controls".<sup>25</sup> A small beginning was made with the establishment of the World Food Programme under the UN/FAO in 1962; even the modest targets remained considerably underfulfilled towards the end of 1967. A much more important Food Aid Convention, providing for an annual supply of 4.5 million tons over 3 years, was drawn up by the rich Western countries as part of the International Grains Arrangement 1967; if ratified, it will take effect from 1969.

Some FAO experts have hailed it as a step in the right direction.<sup>26</sup> They start from the "generally" acceptable premise that as a result of large-scale American food aid, there was a diversion from the normal trade channels and prices were lower than they would be under normal conditions. Hence the food-donors have an obligation to try and protect the commercial interests of the third countries that were adversely effected. The U.S. Government had all along been taking measures to ensure that the food-receiving countries did not reduce their intake from the usual exporters.

Under the 1967 Agreement, "*importing countries bear directly a part of the burden of aid* and a rise in the price range potentially cushions the

25. FAO : Development Through Food : A Strategy For Surplus Utilization, Rome, 1962, p. 14.

26. O'Hagan & Lehti, *op. cit.*

cost to exporting countries of providing aid supplies".<sup>27</sup>

One reason often advanced to justify the recent changes is the disappearance of food stocks in the USA. But as a recent OECD publication points out, there is still surplus capacity. It continues : "Recent studies within the OECD have shown that on the assumption that policies are not radically changed, the developed countries combined are likely to see their production of cereals increase to an extent that will permit them to satisfy their own demand and at the same time increase their net exports to other parts of the world substantially. In fact, the surplus available for exports is likely to exceed the quantity that would be imported by the developing countries...".<sup>28</sup> If this argument is correct it does not follow automatically that world food prices must rise to meet higher costs.

Ungrateful souls in the receiving countries may however see it all in a very different light. We have already mentioned reasons to think that the U.S. food aid in the past had probably stabilized the world market prices at higher levels than those warranted by the supply and demand conditions. Moreover, since practically all the food-exporting countries belong to the group of rich nations, the 1967 Arrangement would lead to a further deterioration in the terms of trade of the developing countries. Finally, the political consequences are unlikely to be any better. U.S. supervision over the receiving countries will not diminish, but, as the dominant partner in the Arrangement, the U.S. could exercise greater powers over the other exporters as well. In short, the Arrangement can only be viewed as a U.S. dominated international cartel trading in human hunger.

27. *Ibid.*, p. 14. Our italics. This linguistic sophistry to avoid the use of the term "aid-reduction" is undoubtedly in the best Orwellian tradition.

28. OECD : *The Food Problem of Developing Countries*, Paris, 1968, p. 55.

# State Capitalism In India

PARESH CHATTOPADHYAY

**W**HAT is the nature of State intervention in the Indian economy? In this paper, we shall not treat State intervention in the whole of the Indian economy, but shall be mainly concerned with the organised industrial sector.

The Draft Outline of India's First Five Year Plan said that "planning under present conditions means an economy guided and directed by the State". In November 1954, Mr Nehru pressed the National Development Council to adopt the "socialistic pattern of society" as the economy's goal. In January, 1955, the famous Avadi Resolution of the Congress was passed in almost the same terms and later, in December, the Indian Parliament adopted the goal of "socialist pattern".

As is well known, the successive plan documents have emphasized the increasing role of the public sector in the economy while re-asserting the socialistic pattern as the goal of planning in India.

The share of the public sector in the total investments in industry in course of the first three plans was as follows :

TABLE I

(Crores of rupees in current prices)

	Plan First	Plan Second	Plan Third
Public	55	938	1520
Private	233	850	1050

[Source : Fourth Five Year Plan : A Draft Outline (Government of India), p. 11].

The share of the public sector in the reproducible tangible wealth of the country thus increased from about 15 per cent in 1950-51 to 35 per cent in 1965-66.

At first sight all this is very impressive. But let us examine the developments in some detail.

It must be pointed out at the outset that intervention by the State in the

economy is not the monopoly of socialism. According to Adam Smith himself, among the duties of the State are the "erecting and maintaining (of) those public institutions and those public works which though in the highest degree advantageous to a great society are however of such a nature that the profit could never repay the expense to any individual or small number of individuals" and which therefore they cannot be expected to undertake.<sup>1</sup>

In real life as well capitalist societies have long abandoned 'laissez-faire' even if such a thing ever existed. The great depression of the 1930s and the Second World War with its unprecedented stress on mobilizing the total economy brought about an increasing intervention by the State in economic affairs. Necessities of postwar reconstruction and the so-called "defence" expenditures brought about by the cold war accentuated the process still further.

Engels had foreseen the movement of capitalism along this line. He had pointed out that at a certain stage of the development of capitalism the contradiction between the social character of production and the capitalist character of appropriation creates a situation where the productive forces themselves press forward to put an end to the contradiction, to the "actual recognition of their character as social productive forces" [nach tatsächlicher Anerkennung ihres Charakters als Gesellschaftlicher Produktivkräfte] and it is this pressure of the productive forces which compels the capitalist class itself more and more to treat them as social productive forces in so far as this is at all possible within the framework of capitalist relations. This leads first to various forms of joint stock companies and later on, when even that method becomes insufficient, to the direct ownership and control of the means of production by the State, as the

official representative of capitalist society.<sup>2</sup>

This line of thought was later further developed by Lenin in his various writings.<sup>3</sup> He pointed out that direct intervention by the State in the capitalist economy, necessitated by the exigencies of capitalist development itself, leads only to State capitalism or State monopoly capitalism.

The trend towards State capitalism, true in general for the advanced capitalist countries in this century, manifested itself with particular keenness in the under-developed countries after they became formally independent in the post-Second World War period. The exigencies of development were so urgent that the governments just could not leave the matter in the hands of individual capitalists because, first, they were ill-equipped for those investments that were essential but least paying, particularly in the short run; and secondly, they lacked, in general, funds, initiative and experience. In a word, those segments of the economy that needed huge investment, modern and sophisticated technology and a long gestation period before being able to provide a strong base for massive industrialisation, were brought under the direct purview of the State.

## Planning

In India planning and the institution of the public sector were the outcome of several factors that acted together. There was active State intervention in the economy in India long before Independence. The railways, forestry, the manufacture of arms and ammunition, the generation and distribution of electricity were some of the outstanding examples of such intervention. There were even cases, e.g., in the (princely) State of Mysore—where some basic industries were owned and operated by the Government.

The Indian bourgeoisie who through their political organisation, the Indian National Congress, had led the struggle for independence, wanted to develop India along an independent capitalist path. The most mature bourgeoisie in Asia outside Japan was very much conscious of the economic difficulties faced by an under-developed country

and it was specially aware that private enterprise alone, given the meagre financial and technical resources at its disposal, could not deliver the goods. It had two alternatives—increasing collaboration with foreign private capital or intervention by the State in the economy at an accelerated pace.

As regards the first alternative the Indian ruling class had great reservations on the morrow of Independence. They apprehended that a massive invasion by foreign capital of the economy might jeopardize the very purpose for which they had fought, namely the independent capitalist path. So, though welcoming foreign capital for rapid industrialization, it was proposed to introduce legislation for regulating the conditions under which foreign capital might operate. In particular the Government instituted an exceedingly slow, uncertain set of procedures for the case-by-case processing of applications by foreign enterprises for business licences. Above all it was proposed that the major interest in ownership and effective control should always be in Indian hands.<sup>4</sup> On the other hand the foreign investors, particularly the American investors, were at first doubtful about India's political stability and, quite mistakenly, apprehensive about the prospect of nationalization implied in the 'socialist' postures of the Government of India. The upshot of all this was that during the first decade of Independence the Indian ruling class was quite willing to utilise the State apparatus to further the capitalist development of India in the interest of the capitalist class as a whole even if this State intervention occasionally went against particular capitalists.

Secondly, in course of the anti-imperialist struggle the Indian bourgeoisie who, by and large, did not constitute a 'comprador' class unlike its counterpart in pre-liberation China, represented, to a large extent, the genuine political aspirations of the broad masses of the people and was allied to them. The price of this alliance was the establishment of the institution of parliamentary democracy based on universal suffrage and its

economic counterpart was the 'welfare state' with its inevitable concomitant in planning and an extended public sector.

That by opting for a public sector in the Indian economy the Indian bourgeoisie however wanted to see capitalism develop is proved by the fact that the so-called Bombay Plan formulated in 1944 by J. R. D. Tata, G. D. Birla and six other big capitalists also provided for not only a large extension of State control but also a considerable extension of State ownership and management of the economy.

An examination of the Industrial Policy Resolutions of 1948 and 1956 shows that the State has agreed to step in only where private enterprise for various reasons cannot do the job alone. The Resolution was the first formal enunciation of Government's intentions regarding industrial policy. It asserted that "for some time to come, the State could contribute more quickly to the increase of national wealth by expanding its present activities wherever it is already operating and by concentrating on new units of production in other fields, rather than on acquiring and running existing units. Meanwhile, private enterprise, properly directed and regulated, has a valuable role to play". On these considerations the Government decided that the manufacture of arms and ammunition, the production and control of atomic energy, the ownership and management of railway transport should be the exclusive monopoly of the Central Government. As regards coal, iron and steel, aircraft manufacture, ship-building, manufacture of telephone, telegraph and wireless apparatus, excluding radio receiving sets and mineral oils, the State would be exclusively concerned with the new establishments while existing undertakings would be allowed all facilities for expansion to continue for the following ten years at the end of which the position would be reviewed. The rest of the industrial field was normally open to private enterprise. There was, besides, a list of 18 industries which would be subject to Central regulation and control.

Looking closely at the Resolution

one finds that the first category of industries meant no fresh nationalization; it merely codified what was already obtaining and seemed self-evident. The second and the third categories, on the other hand, were saddled with reservations and exceptions and subsequently these exceptions often became operationally more significant than the formal rules laid down by the Resolution. For instance, under 'mineral oils' in the second category, the Government allowed three private foreign firms, Standard Vacuum, Burmah Shell and Caltex, to establish petroleum refineries in 1952. Then, again, as regards iron and steel, late in 1953 when the Government of India decided to establish a steel plant in collaboration with Krupp-Demag the latter was to have a share of one-third of its total investment and a corresponding share in the board of the company.

As regards the second Industrial Policy Resolution of 1956 it specified, again, three groups of industries. Group A included munitions, atomic energy, iron and steel, heavy engineering and heavy electrical plant, coal, oil, railways, mining, aircraft, air transport, ship-building, communications, generation and distribution of electricity, "the future development of which will be the exclusive responsibility of the State"; group B included aluminium, machine tools, ferro-alloys, heavy chemicals, fertilizers, synthetic rubber, road and sea transport, "which will be progressively State-owned and in which the State will therefore generally take the initiative in establishing new undertakings, but in which private enterprise will also be expected to supplement the effort of the State"; and group C comprising the rest whose "future development will be left to the initiative and enterprise of the private sector". When one compares the two Resolutions it becomes clear that apart from the formally more pronounced emphasis on the responsibilities of the State in the second Resolution there is really no material difference between them. While both envisaged increasing State participation in industry both recognized its limits as well. For example, oil was a State subject in

terms of the Second Resolution. During the Second Five Year Plan, however, a joint company, Oil India, a partnership between the Assam Oil Company and the Government of India, undertook the exploration of the resources of the Noharkatya oilfield in Assam. Similarly in West Bengal the Government enlisted the services of the Standard Vacuum Oil Company.

In fact a study of the implementation of the 1956 Resolution suggests that wherever private capitalists were found wanting, the State on behalf of and in the interest of their class as a whole stepped in to undertake the job. The big bourgeoisie itself seemed to accept the logic perfectly well.

#### Two Purposes

The intervention by the State in the Indian economy was meant to serve mainly two purposes: first, to create conditions for the rapid development of the economy along the capitalist path and second, to prevent excessive

concentration and monopoly of economic power. This second purpose was dictated, on the one hand, by the exigencies of parliamentary democracy and, on the other, by the necessity of not alienating the small and the middle bourgeoisie from the big bourgeoisie. Thus this step was meant to serve the interests of the capitalist class as a whole, even though it might occasionally go against the interests of particular capitalists.

As to the first purpose of State intervention, namely, to carry forward the Indian economy along the capitalist path, it is proved specially by (a) the essentially capitalist character of the State intervention itself and (b) the phenomenal growth of the private sector during the plan period.

To illustrate the first point let us take into consideration some of the important acts of nationalization effected so far. If we consider the nationalization of air transport in 1953, the Imperial Bank in 1955 and life insurance in 1956 we see that each of them was undertaken with some specific objective in view and none formed part of any concerted anti-private enterprise strategy. The resources at the disposal of air transport were singularly insufficient for extending its services in India and abroad. That is why the State took it over, appointing, significantly, as its chairman no less a person than J. R. D. Tata, one of the top capitalists of the land. Then, again, the necessity of having an extensive credit structure well beyond the scope of the private moneylenders prompted the nationalization of the

Imperial Bank. As regards the insurance business some reforms were introduced by the Insurance Amendment Act of 1950 more or less on the same lines as the banking reform. The nationalization undertaken six years later affected only the life business and that too was done partly in order to mop up savings for large industrial investments and partly to clean up an industry which was inefficient and corrupt. It should be noted that none of these acts involved confiscation. Compensation in each case was generous.

The capitalist character of State intervention is further manifested in the manner in which the public undertakings have been organized in India.<sup>5</sup> They have been organized under four forms: statutory corporations, Government companies, departmental undertakings and committees, boards and commissions. Of these, Government companies are the most important; they have been registered under Joint Stock Companies' law and are governed by its provisions. This bias in favour of a form so common in private undertakings is significant. Moreover, the members of the boards of directors of these public undertakings are almost exclusively drawn from persons holding high positions in the bureaucracy—which on the whole continues the British tradition—and from big business magnates.

Apart from the question of the character of State intervention, the share of the State itself in the economy need not make one enthusiastic, as the following figures illustrate:

TABLE II

Government share in the generation of net domestic product.  
(crores of rupees in current prices: percentage in brackets).

Year	Net output of Govt. Sector			Total Net Domestic Product
	Enterprise	Administration	Total	
1948-49	240(2.8)	400(4.6)	640(7.4)	8670
1950-51	290(3.0)	430(4.5)	780(7.5)	9550
1955-56	420(4.2)	570(5.7)	990(9.9)	9980
1960-61	570(4.0)	900(6.4)	1470(10.4)	14190
1961-62	600(4.0)	1000(6.7)	1600(10.7)	14870
1962-63	670(4.3)	1170(7.6)	1840(11.9)	15480

[Source: India, 1966, Publication Division, Ministry of Information and Broadcasting, Government of India, 1966, p. 150].

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Towards the end of the Third Plan period almost nine-tenths of the domestic product was still at the disposal of the private sector and the share of the Government rose only by about 4 per cent over a period of fifteen years. If we look at the table a little more closely and concentrate on the share of the government in enterprise—a much surer sign of control over the economy—the picture becomes even less encouraging. Here the growth of the Government share over fifteen years was less than 2 per cent and there was even a mild regression during the Second Plan period.

Very significant also is the fact that the private sector has grown phenomenally over the entire planning period. What is more, this growth has been facilitated by the activities of the public sector. Particularly the public sector outlay on the infrastructural assets provided the private sector with new markets and those assets themselves helped create external economies for the private sector. The paid-up capital of joint stock companies rose as follows :

TABLE III

Year	(crores of rupees) Amount
1947	.. 480
1948	.. 570
1951	.. 760
1955-56	.. 1024
1962-63	.. 2256

[Source : (1) *Commerce*, December 9, 1961 ; (2) B. V. Krishnamurti in *Economic and Political Weekly* (27.5.1967)]

The index of industrial profits (before tax) of public limited companies rose from 100 in 1955-56 (base) to 185.8 in 1962-63 and the corresponding index for private limited companies from 100 to 303.8.<sup>6</sup> In course of the fifteen years of planning there has been a spectacular increase in industrial production under the private sector as the figures for some selected items show :

TABLE IV

Commodities	1950-51	1965-66
Cloth (mill made, power loom, hand loom) (million meters)	4318	7580
Aluminium ingots (000 tons)	4.0	65.0
Sugar (000 tons)	2040*	3515**
Bicycles (000)	99	1700
Jute manufactures (000 tons)	1046*	1120**
Cement (million tons)	2.7	10.8
Sewing Machines (000)	167*	411**

[Source : (1) *Fourth Five Year Plan: A Draft Outline* (Government of India, (2) *Eastern Economist*, Annual Number, 1969. \*1957, \*\*1966].

An important way in which the State has helped the private sector is the setting up of a series of financial institutions for extending long-term credit to big industries. The Industrial Finance Corporation was set up in 1948 with an authorised capital of Rs. 10 crores. The total financial assistance approved by the Corporation between 1948 and 1964 exceeded Rs. 190 crores, against which disbursements amounted to about Rs. 120 crores. The industries that have mainly benefited from this are textiles, paper, cement, chemicals and fertilizers, metals and metal products, machinery and motor vehicles. Since 1960 the Corporation has been empowered to directly subscribe to the shares of an industrial concern. The State Finance Corporations were established by the Government of India in 1951 to supplement the IFC. Besides helping small and medium industries, they also help large industries. The National Industrial Development Corporation was established by the Government of India to develop industries and to act as an agent of the Government for granting loans to an industry that the Government desired to assist. The modernisation of cotton and jute textile industries and the expansion of the machine tool industry have been the principal work of the corporation.

This development is, of course, not surprising. Even in 1956 when the propaganda about the 'socialist pattern' reached its high water mark the Government showed no consistent hostility to the private sector. Since 1956 the Government has grown more and more 'pragmatic', to use its own expression, in its attitude to the private sector. Some of the controls over the private sector have been relaxed lately. Liberalized imports and delicensing of certain industries furnish examples of one type of relaxation. Thus eleven industries were delicensed in May 1966 following the recommendations of the Swaminathan Committee. At the same time many direct controls on prices, production and distribution have been relaxed or lifted.<sup>7</sup> Then there is the liberal interpretation of the Industrial Policy Resolution itself. Kidron has shown how the Government has condoned the growing encroachment of the private sector into spheres reserved for the public sector by the Second Industrial Policy Resolution.<sup>8</sup> Of the seventeen industries listed in Schedule A of the Resolution, "industries the future development of which will be exclusive responsibility of the State [and in which] all new units will be set up only by the State" seven at least have been opened to private interests [these are (1) arms, (2) heavy plant and machinery, (3) heavy electrical plant, (4) the processing of lead and zinc, (5) the production of telephone cables and telegraphic equipment, (6) the generation and distribution of electricity, (7) coal]. The greatest shift towards the private sector took place in 'Schedule B' industries which, by the terms of the 1956 Resolution, were to be "progressively State-owned and in which the State will therefore generally take the initiative in establishing new undertakings". Of the twelve industries listed at least nine have been heavily invaded by the private sector. [These are (1) aluminium, (2) machine tools, (3) ferro-alloys and tool steels, (4) basic chemicals and intermediates, (5) antibiotics and other essential drugs, (6) fertilizer (7) synthetic rubber, (8) road transport, (9) sea transport].

### Concentration

Turning to the second purpose of State intervention, namely, to prevent—in the interest of the capitalist class as a whole—excessive concentration and monopoly of economic power we note at the outset that this motivation as such has nothing to do with socialism. Anti-monopolist measures are to be found in almost all capitalist countries. However, State intervention in India had very little negative effect on the growth of concentration and monopoly. Thus, as R. K. Hazari has shown, the four largest groups of capitalists—Tata, Birla, Martin Burn and Dalmia Sahu Jain—who had nearly 18 per cent of the share capital of non-government public companies in 1951—had more than 22 per cent in 1958. Their share in the gross capital stock, namely, net fixed assets plus accumulated depreciation plus inventory of non-government public companies expanded during the same period from 17 to 22 per cent. In 1958 the public companies in the Tata and Birla complexes had nearly one-fifth of the gross capital stock of all non-government public companies.<sup>9</sup>

In 1960-61 the total number of companies having paid-up capital of less than 5 lakhs each constituted 86 per cent of the total number of companies at work during this year, but their share of total paid-up capital was only 14.6 per cent; as against this the companies having a paid-up capital of 50 lakhs and above constituted only 1.6 per cent of the total number of companies but claimed 53 per cent of the total paid-up capital.<sup>10</sup>

The Monopolies Enquiry Commission listed, as of 1963-64, the top 75 groups of monopolies like Tata, Birla etc. each having a minimum asset of rupees five crores. These groups owned 1536 companies out of a total of non-government and non-banking companies numbering 25,661. But the proportion of the assets of the 75 groups to those of all non-government and non-banking companies worked out at 46.9 per cent and the proportion of the total paid-up capital of these groups to that of all non-government, non-banking companies worked out at 44.1 per cent.<sup>11</sup>

From a slightly different angle the same phenomenon of concentration of economic power, with special reference to the extreme inequality in income distribution, has been conclusively shown by a contemporary Indian author. After a careful study of the relevant data he has shown that under the Indian "Power Elite Planning"—by which he means planning by the Ministers, the top bureaucrats and the organized big business—0.3 per cent of the urban population (0.06 per cent of the country's total population) having a fabulous standard of living control the entire course of economic development of the country; 2.0 per cent of the urban population enjoy a comfortable living, 12.1 per cent live just above subsistence and the rest below subsistence. Similarly 0.9 per cent of the rural population (0.72 of the total population) enjoy a fabulous living. They serve to mobilise the agricultural surpluses of another 12.2 per cent. The rest live below subsistence.<sup>12</sup>

As we have pointed out above, given the conditions of economic backwardness in which an underdeveloped country finds itself at the hour of its emergence from colonial dependence, some amount of State intervention in the economy followed by the creation of a nationalized sector is indispensable for its economic development. Such a step is even progressive if, besides creating the conditions of rapid capital accumulation, it helps to fight feudal and semi-feudal production relations, monopoly capitalism and imperialism. Only then can we speak of the nationalized sector serving the interests of the nation as a whole. Otherwise the nationalized sector through State capitalism only serves the interests of the ruling capitalist class as a whole and its national and international allies. Whether State intervention takes the first or the second form depends basically on which class wields the State power and what is the nature of class contradictions prevailing at the moment.

In India the State power, ultimately and on the whole, lies in the hands of the capitalist class (in alliance with the landlords). Given the relative

weakness of this class—even though it is the strongest and the most mature in Asia outside of Japan—and the fast sharpening class struggle inside the country as well as given the contemporary international situation—more particularly the triumph and consolidation of the Chinese Revolution—this class cannot pursue the logic of independent capitalist development however subjectively it might want to. The reason is that in the given circumstances the contradiction between the capitalist class and the people—mainly the working class and the peasantry—has become primary and that between the capitalist class on the one hand and the semi-feudal interests and imperialism on the other secondary; naturally, faced with increasing hostility of the working class and its allies the bourgeoisie cannot afford to alienate itself from the landed vested interests at home and imperialism abroad. In a word the bourgeoisie cannot successfully carry out the basic anti-feudal and anti-imperialist tasks which the pursuance of independent capitalist development demands. This is amply reflected, on the one hand, in the compromising character of its so-called 'land reforms'—signifying its failure to implement what it itself promised earlier—and, on the other, in its increasing dependence on foreign aid including foreign investments.

In these circumstances, as we have tried to show above, the State capitalist sector, instead of serving the interests of the people as a whole really, has become an instrument of exploitation for the domestic and foreign monopoly capital and their allies. Indeed, the Indian ruling class is neither following the socialist path nor the so-called 'non-capitalist' path of economic development. It is trying to follow the capitalist path, though haltingly and increasingly compromising itself at every step with the semi-feudal elements at home and imperialism abroad.

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# The Dragon and the Sacred Cow

SATRAJIT DUTTA

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THE myth-makers in Washington as well as their mirror-images in Delhi have always cried themselves hoarse against the Chinese socialist system and made strenuous efforts to sell the image of the great Indian 'democracy' as a far superior alternative model of socio-economic development in the "Third World" countries. India, as a bulwark of democracy, it is suggested, should be the example to the "developing" countries in Asia, Africa and Latin America, which are striving for socio-economic emancipation.

The facts, of course, are quite simple and straightforward. China, liberated in 1949, is politically, socially, and economically the most self-sufficient and powerful country today in the entire "Third World". It has a completely independent and expanding economic base. In contrast, India with a two years' head start as an 'independent' nation is still almost totally dependent on foreign monetary and material "aid", its political role is a farce, its economy a tragedy, and its 'democracy' is perhaps nothing less than a perfect tragi-comedy.

Actually, even in the late fifties, the very frequent comparison, in bourgeois economic literature as well as the political Press releases, between China and India as two conflicting models of socio-economic development would almost inevitably end up with the following prophetic conclusion: despite its initial all-round advance and superior economic growth, China's socialism was bound to lag far behind India's democracy in the long run. The initial successes of China, as contrasted with an almost stagnant Indian economy, could not possibly be denied; but great pains were taken to point out that such successes were not only of highly dubious character but were solely due to a terrible totalitarian system of government which thrived on ruthless regimentation and coercion. Surely in the long run, it was repeat-

edly emphasized, a "free society" which accommodated free enterprise, recognized freedom of speech, respected religious and other basic and traditional values and, finally, was supported by the "Free World" with its vast reservoir of financial, technical and national resources would far outstrip an oppressive system based on the totalitarian philosophy of communism. The unfortunate fact that socialism was also the officially proclaimed doctrine of the Government of India was regretted. But to that extent this particular brand of socialism, as painstakingly defined by the Congress leaders, was an entirely non-violent, legalistic and peaceful concept, and to the extent it recognized the sanctity of private ownership and was opposed to any "undemocratic" method of implementing equitable distribution of wealth, the super-imposition of the concept of socialism on Indian "democracy" was not considered particularly harmful. After all, it was argued, since in exchange of foreign aid the Government of India was more than willing to ensure liberal investments of foreign capital and to safeguard their commercial interests, the ultimate development of this free, lawful and non-violent land of the sacred cow would unquestionably prove superior to that of its monstrous neighbour, the land ruled by the dragon.

Today, of course, all the economic experts and the political prophets are conspicuously silent over the entire issue of the growth of the Indian economy as compared with the Chinese. The "yellow peril" is defined today as more ominous and evil than ever; the hypocritical words of sympathy for the stagnation, chaos and recurrent crises in the Indian socio-economic system have become more pronounced and regular; and yet, the ad-men and the P.R. specialists in the bourgeois Press have gradually been forced to shed their verbosity so far as the comparison between the

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two systems is concerned. The predictions and prophecies of yester-years regarding the inevitable outcome of the competition between two conflicting models of development, as followed by two rival Asian nations, have almost entirely disappeared from the current Western economic literature.

#### Deliberate Silence

But since the deliberate silence over this extremely crucial issue is meant to reinforce the myths and to perpetuate the confusion in the minds of people with respect to the comparative merits of the two systems, it is time the reality was recognized. This paper merely presents some statistical comparisons reflecting the relative performance of the two countries since their independence. In order to avoid any controversy or suspicion, all the statistics are primarily based on sources universally accepted as respectable and reliable.\*

Besides, research data compiled by various Indian economists have been used as secondary sources of information.

For the sake of simplicity as well as brevity, all the data are presented only in terms of percentages or proportions. The absolute figures are easily available from the sources quoted.

To start with, the respective growth of the national incomes of the two countries may be compared. Between 1952 and 1960, the national income in India reached an average annual increase of 2.9 per cent as compared with 21.9 per cent in China. More specifically, whereas the average industrial growth in India was calculated to be only 3.9 per cent per year, the average annual growth of the industrial sector in China amounted to 22.0 per cent. In the agricultural sector, the annual growth in India was 3.4 per cent on the average as compared to 4.5 per cent in China (taking 1958 as the end period). In case of per-capita growth rate, the trend is very

much the same. The per capita net income increased in India by 0.9 per cent annually on the average, whereas in China it rose at an annual average of 11.3 per cent. In the industrial sector, the per-capita net national product in India increased by 2.0 per cent annually and in China by 19.3 per cent. In the field of agriculture, India's average annual growth per person amounted to 1.5 per cent as compared to China's 2.0 per cent. Whether compared in terms of total or per capita growth rates, the Indian economic growth rate clearly turns out to be a poor second to that of China.

It is unnecessary to point out that even in 1952-54, the base period for our comparison, the total national income of India was approximately half that of China in absolute terms; besides, the per-capita income already showed a difference of about 24.0 per cent in favour of China. By 1958-60, this lead in per-capita income had been magnified to 123.1 per cent. If broken down into separate economic sectors, China led India by 20.6 per cent in the agricultural sector and by 24.5 per cent in the industrial sector in 1952-54. This lead was increased further, reaching 22.8 per cent in the former and as high as 133.1 per cent in the latter sector by 1958-60. These growth differentials are all the more remarkable and fascinating if a very crucial historical fact is noted—the fact that in 1949 China just emerged from a long and ruinous civil war and had to face the colossal task of building up its shattered economy almost literally from the rubble. And yet only within a short period of three years (during which it also fought the Korean war), China developed its economic base to the amazing extent of taking a significant lead over India which started its career in 1947 as an independent nation with an inheritance from its former colonial ruler of a functioning economy, an elaborate administrative machinery and a ready-made State apparatus.

The same pattern of comparative development of the two economies is revealed when three specific sectors—foodgrain production, heavy industry,

and energy—are selected as particularly crucial indicators of their respective growth rates. In case of foodgrains, the average annual production between 1949 and 1952-53 was considered the base against which the productivity for the year 1960 was measured. Only two commodities, namely, wheat and rice, were taken into consideration. It was found that in both cases the increase in absolute production was significantly higher in China than in India. For rice the absolute production rose by 44.3 per cent or at the rate of 3.7 per cent per year in China as compared to the absolute growth of 42.1 per cent or at an annual rate of 3.5 per cent in India. In case of wheat, China's production increased by a total of 89.3 per cent at the rate of 6.6 per cent annually, whereas in India total production increased only by 44.4 per cent at an annual rate of 3.8 per cent. Comparing the productivity in terms of average yield per hectare, India was shown to be able to raise its rice yield from 2.26 tons/ha for the base period to 3.4 tons/ha in 1960, and its wheat yield from 1.34 tons/ha to 1.70 tons/ha. During the same period, per hectare productivity in China increased, for rice, from 4.34 tons/ha to 5.08 tons/ha, and, for wheat, from 2.26 tons/ha to 3.40 tons/ha. This pattern of a significantly faster rate of overall growth as well as higher production per unit of land is again very consistent with comparative per-capita production figures of the two countries. It should be noted that during the base period the rice output per head in China was greater than that in India by 11.5 per cent and Chinese per-capita output of wheat was 70.6 per cent higher. At the end of the period under consideration, the Chinese lead in case of rice was somewhat reduced to 8.9 per cent; on the other hand, for wheat its lead was more than doubled and was calculated to be as high as 109.5 per cent.

#### Heavy Industry

In the field of heavy industry, the production data for iron ore, crude steel and cement, were specifically selected as the key measures of the re-

\* U.N. *Yearbook of National Accounts Statistics*, New York, 1963.

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lative growth of the two economies during the period between 1952-54 and 1958-60. The iron and steel industry in India was founded during the second decade of this century and by 1952 it was operating at a sufficiently developed level. In contrast, China started from a rather unfavourable and handicapped position; its iron and steel industry was very little developed (the disastrous effect of the civil war, too, was yet to be overcome). Thus, between 1958 and 1961, China's iron ore output increased by only 6.7 per cent or 2.2 per cent a year. India's production during the same period rose by 80.8 per cent at the rate of 21.8 per cent annually. And yet, it should be noted that in case of per-capita production, China's output was almost twice as much as that of India.

The overwhelming superiority of the Chinese economy over the Indian, however, is clearly indicated in the area of steel production. While China's output during 1952-54 and 1958-60 progressed by 702.1 per cent at an annual rate of 41.5 per cent, India raised her output only by 56.9 per cent or 7.7 per cent per year. When compared in terms of per-capita production, China's lead over India amounted to 252.9 per cent.

In the cement industry, the total output in China during the same period rose by 209.3 per cent at an annual rate of 20.7 per cent, whereas total production increase in India amounted to only 76.1 per cent, or 9.9 per cent per year. Besides, the per-capita output in China at the end of this period was greater than that of India by 4.7 per cent. This lead is to be considered highly significant due to the fact that in the base period Chinese per-capita production was 39.0 per cent lower than in India.

For comparison of outputs in the field of energy production, the period between 1954 and 1960 has been considered. Electrical power production increased very rapidly in China, reaching 329.5 per cent at an annual rate of 53.9 per cent by the end of this period. India's total production in comparison reached only 84.5 per cent or 13.1 per cent per year. Although in 1954 China's per-capita output of

electrical power was lower than India's by 27.8 per cent, by 1960 the Chinese per-capita production exceeded that of India by as much as 45.0 per cent.

But it is needless to prolong the list of comparative data. Whether compared in terms of a few selected areas of production or on the basis of the general features of the two economies, the overwhelming evidence consistently leads one to the same conclusion: the Chinese economy developed at a strikingly faster rate than the Indian. In the industrial sector, China's rate of growth was sometimes twice as fast as India's; even in the agricultural sector China's progress was distinctly superior. The last point, i.e., the consistent superiority of China over India in the field of agriculture, is to be noted as especially significant in view of the following facts: India's soil was uniformly more fertile than China's. The climate was considered generally more favourable in India than in China. According to experts' views, China had to develop its agriculture on a soil substratum which was less suitable than India's as an object for additional input and yield. Erosion and other sources of ecological deterioration caused much more widespread damage to Chinese agriculture than to agriculture in India. Besides, the population pressure on the cultivable land was about half as severe in India as in China. In China 5.90 persons subsisted from one hectare of arable land whereas in India the distribution was 3.36 persons per hectare. Finally, a total of \$1,325 million of what is euphemistically known as "foreign aid" was received by India in loans and grants from member countries of the World Bank and an estimated total of \$280 million was invested in India by foreign private investors during the period from 1949 to 1957. In comparison, grants received by China from European socialist countries amounted to a total of 300 million U.S. dollars. In addition it received about 700 million U.S. dollars in credit.

Since the comprehensive production statistics released by official Chinese publications are available only up to the year 1961, the comparison between

the economic growth rate of the two countries could not be extended beyond that date. Although an overall trend might be traced out on the basis of partial information available from different Chinese sources, it has not been attempted for obvious reasons. Instead of referring to such "unreliable" and "propagandistic" sources of information, the basis for our comparison is strictly restricted to the statistics available from the most unquestionably "neutral" and "reliable" quarters regarding the economic growth in these two countries during the fifties. And yet, there is hardly any reason to doubt that the general pattern of Chinese superiority over India has been the same, if not more pronounced, during the last eight years. The fantastic growth of the Chinese economy during the last few years is clearly testified by its numerous achievements in diverse areas of productive activity. The available evidence, whether direct or indirect, of its remarkable progress is too overwhelming today to be questioned even by the myth-makers in Washington. After all, myths, however grandiose, are a very poor substitute in the long run for cold economic facts. And yet, "the greatest bulwark for democracy and freedom in Asia", sinking fast into the quicksand of underdevelopment, is still to discover the crucial credibility gap.

But then, devotion to myth has always been considered as our most sacred tradition and the greatest national heritage.

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# Options Before America

MARC GREENBERG

WITHIN the United States today there is a growing realization that capitalism, as a social and economic system, must be changed and a rational, just society built in its place. This in itself is a significant phenomenon in American history. Unfortunately, a large non-Marxist segment of the disenchanted do not agree as to who will carry through a social transformation. At the same time, among the committed Marxists, there exists a variety of opinions in other important areas which require at least some explanation and critical analysis. The purpose of these notes, therefore, is to clarify the central position of such movements in a brief and general manner, and to offer hopefully valid criticisms from a Marxist viewpoint relative to U.S. society today.

Marxists view the working class as the decisive force for social change in modern society. This is so because of the proletariat's numerical strength and because of its central position in the capitalist production process. Now it is well known that the working classes in so-called advanced capitalist countries have never led successful revolutions there, nor have they, with the possible exception of the French proletariat, possessed even a significant revolutionary tradition. In fact successful revolutions have occurred, not in the "advanced" capitalist nations where for a long time Marxists maintained they would, but rather, significantly, in the world's "backward" areas—Russia, Vietnam, China and Cuba. Bourgeois anti-Marxists, eager to discredit the ideas of socialism in any and all ways, have gleefully emphasized this "fact" as sure proof that Marxism is fundamentally wrong. Unfortunately, some radicals in the United States have either succumbed to such superficial arguments, or else have independently arrived at similar conclusions.

Among the radicals who maintain an anti-Marxist or even a "beyond-

Marxism" posture (as they put it) are those commonly known as the New Left. While the New Left does make its appearance in many countries of the West, I shall refer to that group only within the United States itself. It must first be pointed out that the New Left is really the term applied to an amorphous movement which is by no means totally political or intellectual. Yet in speaking of this movement we must consider the ideas which emanate from its most politically and intellectually sophisticated spokesmen. In my opinion the New Left movement, much like the early Black Power struggle, was a necessary stage in a new, yet fairly rapid politicizing process still to be considered in the incipient stage. Despite this fact, it is still useful to criticize its core assumptions; indeed, criticism is part of the very process of radicalization.

Speaking very generally, the New Left sees no possibility of organizing the American working class as the main agency of social change. The New Left puts forward the idea that the burden of changing society falls on the intellectuals in industrialized countries and on the peasantry in the underdeveloped countries. As proof of this thesis they point to the Cuban revolution which was, they claim, made by a peasant-intellectual coalition. Since the U.S. working class has become such an integral part of capitalist society, content and well-fed, it will never move or be moved to change it. The New Left claims to have derived at least some of its basic tenets about society and much of its political strategy from the works of C. Wright Mills and Herbert Marcuse.

At first glance this appears strange because Marcuse never even hinted that a student-intellectual revolution was conceivable. In fact, Marcuse never held any other than a Marxist view of revolution: namely, that without the working class, revolution in modern capitalist society is impossible.

Unfortunately, the New Left incorporates Marcuse's scepticism into its elitist position. Marcuse writes that the proletariat in modern society is impotent, and therefore revolution will not come about. Mills likewise considered the proletariat totally impotent. Just before he died in 1961, he wrote a "Letter to the New Left" published in the September-October 1960 *New Left Review*. In that article he presents the view that left intellectuals must undertake a fearless, thoroughgoing criticism of the societies around them and the ideologies which justify them. He says: "If there is to be a politics of the New Left, what needs to be analyzed is the *structure* of institutions; the *foundations* of policies. To be 'Left' means to connect up cultural with political criticism, and both with demands and programs. And it means all this inside *every* country of the world."

Mills regretted that some New Left writers still "cling so mightily to 'the working class' of the advanced capitalist societies as the historic agency, or even as the most important agency, in the face of the really impressive historical evidence that now stands against this expectation. Such a labor metaphysic, I think, is a legacy from Victorian Marxism that is now quite unrealistic." To this "labor metaphysic" he opposes the alternative of "the cultural apparatus, the intellectuals—as a possible, immediate radical agency of change." "We've got to study these new generations of intellectuals around the world as real live agencies of historic change. We must learn from their practice and work out with them new forms of action." The New Leftists have seemingly assimilated portions of Mills and Marcuse into a leftwing potpourri of ideas standing beyond the "outmoded" Marxist ideology of social change. I would venture to say that most New Leftists have never read Marx. They are therefore at direct odds with Marxism by denying that a disciplined revolutionary vanguard, guided by scientific socialism, is required to lead the people in their efforts to overthrow capitalism and construct a better world. Part of this weakness stems

from the fact that a sizeable portion of the New Leftists are, frankly speaking, indulged middle-class youths lacking the desire to assimilate any sort of self-discipline and organizational demands so vital to Marxists.

### Crucial Point

This is obviously an extremely crucial point, since the answer a movement gives to the question of revolutionary change will determine its programme, orientation, and tactics. Thus the acceptance of a student-intellectual elite as the only moulders of a new society determines for now the character of the New Left. Marxists recognize the vital role that a minority group can play in inspiring and even initiating a workers' movement. But at the same time, Marxism teaches that the proletariat is the sole force capable of sustaining the revolution throughout its entire course, supplying the correct programme and perspective, and carrying it through to the destruction of the capitalist State and the creation of socialism. In my opinion, a rejection of this position is as unrealistic as it is dangerous. Assuredly a minority group such as intellectuals and students can spark the workers' movement; but the ultimate success of the revolution depends solely on the working class. Only by the workers conquering supreme power can victory for all be guaranteed. The French uprising of 1968, initiated by the students, demonstrated this ultimately decisive position of the proletariat in any modern capitalist society. Control of the factories, of communications and transportation—of the very life of the nation—by the proletariat, could have meant victory for the people. Without the workers to deal with, de Gaulle could have chosen the exact hour to suppress the students.

Should we, therefore, reject the New Leftists completely? Many of their current ideas and notions are undoubtedly unrealistic, elitist, and even dangerous. Yet at least several positive attributes can be garnered from the mere existence of this movement. First, the New Left movement in the United States, ambiguous and incomplete as it may be, and contain-

ing many apolitical adherents, is nevertheless the largest and most serious youth-intellectual rebellion in many years. Never before have so many challenged the very tenets of capitalism and its dehumanizing, exploitative nature; and never before has the recognition of its militarist-imperialist base been so widespread and growing. If the absence of Marxist ideology is the present status of much of the New Left, then its future development can only be towards a Marxist direction, if it is to survive as a movement. It must again be emphasized that the New Left movement is at a nascent stage of development. No doubt a substantial body of the New Left will either consciously arrive at a Marxist ideology or else be forced to see the reality of Marxism through the course of events both at home and abroad. Incidents such as the continuous suppression of Black people, the Columbia University police brutality, the Democratic convention at Chicago, Illinois, clearly reveal the domestic nature of capitalism to wide segments of the North American population, and serve to accelerate the radicalization process. And, of course U.S. aggression in Vietnam will continue to be a major crystallizing agent for many young American radicals.

Within the Marxist left itself, there exist several assumptions concerning the organization and degree of revolutionary potential of the American working class. A critique of these assumptions lies more in the nature of theory and emphasis, rather than in a debate over the course of action which most Marxists agree must be undertaken. They are brought up here for the important reason that emphasis on these assumptions coincides with the fairly recent, although by no means new, emphasis on the global structure of imperialism and its consequent effects on the so-called Third World.\*

\* See, for example, A. Gunder-Frank, *Capitalism and Underdevelopment in Latin America*, New York: Monthly Review Press, for a crucial analysis of the metropolis-satellite re-

### Thin Crust

One assumption held by particular Marxists is that the apparent lack of revolutionary consciousness—of class consciousness—within the working class is directly related to the absence of a large, dedicated and revolutionary North American Marxist movement. A corollary to this idea is that the American working class does have the potential to be radicalized at the present time. In other words, given the existence of labour collectivization, of the right to strike, of a minimum wage, and so on, the majority of workers can be so organized as to support and join in the fight for socialism. Granted it will take tremendous effort and a long time. Proof of this argument lies in the reality that a majority of industrial workers receive extremely poor wages relative to the ever-rising cost of living, and that working conditions in factories are far worse than is commonly known. Thus a socialist revolution in the United States will occur only through the tireless organization of the working class on Marxist-Leninist principles. Revolutions and wars of liberation abroad will assist this task mainly by spreading thin and tying down more and more of the counter-revolutionary resources of U.S. imperialism, as in Vietnam, and by getting the United States to reveal its true nature domestically. The relative conservatism of the working class is really a superficial political appearance; below this conservative surface throb all the revolutionary instincts of the working class. What is needed to break through this thin crust is dedicated organizing and more dedicated organizing.

Recently I worked with several young and newly formed, yet remarkably sophisticated and active Marxists who adhered strongly to these views. Each voiced the following position: "I am thoroughly disgusted with so-called socialists who argue that it is currently useless to try to organize the American workers because they

relationships produced by a world-wide imperialist structure, based on P. Baran, *The Political Economy of Growth*.

are 'bought off' by capitalism, and because they aspire to middle-class values. Workers are not 'bought off'. Most wages in fact are absolutely, not relatively low; workers need to stay hours overtime simply to bring home a living wage, working conditions are poor and frequently hazardous, and the workers definitely recognize their class enemy."

Before commenting on these views, I would like to put forward another position relative to the condition of the U.S. working class.

In our opinion both the defeats and the ensuing defeatism of the working class (of modern industrial conditions) are primarily attributable to the established heads of the labour movement—Socialist, Communist, Labourite or pro-Democratic—who did their utmost to demoralize and disorient the workers and deter them from conducting effective struggles against the masters of capitalism.\* (Emphasis added.)

This view maintains that the past and present non-revolutionary condition of the working class in the industrial countries is "primarily attributable" to a "sell-out" of the workers by the established heads of the labour movement. This position is no doubt valid—up to a point. To say that established union leaders within the United States are co-opted by capitalism, and do their utmost to prevent workers from effectively struggling against the capitalist system, is to put it mildly. Not only do powerful union leaders collude with the ruling class of the United States to prevent working class consciousness and militancy, they also extend their counter-revolutionary activities to Latin American labour unions, for example, where they attempt to frustrate any signs of revolutionary and anti-imperialist sentiments appearing among the workers there. For many years "the established heads of the labour movement" have been responsible, not to the workers, not to socialism, but directly to their capitalist and imperialist

\* George Novack (William F. Warde), *International Socialist Review*, New York, Spring 1961.

masters. Does this imply that if the union leaders were dedicated Marxists who strove to achieve not only immediate material gains for the workers (shorter working hours, higher wages, better working conditions, etc.), but who also did their utmost to instil a socialist class consciousness among the working class—does this imply that the working class in the U.S. would in fact be any more revolutionary and class conscious than it is today? A similar question could be asked in regard to the absence of a large Marxist movement in the U.S.: has this absence been the cause of a non-revolutionary working class? Which comes first, the chicken or the egg? All this means is that at a given moment both are in fact true. In other words, as there has never been a relatively large working-class-oriented American left, so correspondingly, the working class has never really risen above trade-union politics. And vice versa. It is easy to blame the established labour heads, or the presence of a merely nominal socialist movement, as being the cause of traditional economism in the unions. But it seems more relevant and valuable to ask: why have there not been more Marxist labour leaders: why has there never been a large Marxist movement in the United States? Why, for example, did the official Communist Party of the U.S. turn bourgeois long ago? Some argued that these conditions are due to right-wing persecution after World War I, and then again in the early 1950's. That may be a partial cause. Yet in Russia, Lenin's Social Democratic Party underwent every Czarist persecution imaginable, and still remained intact. So did the pre-revolutionary Chinese Communist Party. Obviously, it is not solely a matter of persecution, or even of the presence of great individuals—a Trotsky, a Lenin, or a Mao—for great individuals are not born, but arise out of great struggles. The causes are rooted in the imperialist U.S. of 1968 as well as in the Russia of 1917 and in the China of 1949. Unfortunately, I cannot answer the question: why?, although it is indeed worthy of examination and extended research.

Today, North American Marxists are faced with the problem of such a non-revolutionary tradition. What does it mean? As the editors of *Monthly Review* have asked: "If, for whatever reason, the emergence of a revolutionary situation is long delayed, what will be the effect in the meantime of modern industry's revolutionary technology on the composition and capabilities of the proletariat?"\* The industrial base of U.S. capitalism (and British capitalism) was successful only by the immense exploitation of its own working class. Yet there was no proletarian revolution in the United States as there was in the early capitalist phase of Czarist Russia. No real revolutionary situation emerged on the North American scene. This much, then, is clear: as the years have passed in the U.S., the initial threat of a domestic working-class revolution, ever more likely in the rudimentary period of industrialization, has been virtually bypassed. Throughout this process staggering technological changes have taken place, drastically affecting "the composition and capabilities of the proletariat" within all the industrialized countries. The dislocation and exploitation of workers in the U.S. has never ceased, nor can it cease, although it has been eased slightly owing to imperialism's fantastic rate of exploitation of workers abroad. Yet the composition of much of the working class has changed in terms of its position in industry (fewer and fewer unskilled workers\*, its rise in real wages, the growth of a huge, non-productive "service sector" of the economy, and so on. The immense wealth and power of the U.S. capitalist-imperialist machine has, to a great degree, overwhelmed and undermined the roots of proletarian class consciousness. This cannot be

\* *Monthly Review*, New York, December 1965.

\* According to P. Baran and P. Sweezy (*Monopoly Capital*, New York, 1966) the number of unskilled productive workers in the U.S. dropped from 13 million in 1950 to some 4 million in 1962.

over-estimated. Many of the lowest paid, most overworked members of the working class believe that they will some day be able to purchase a house, an automobile, and, more important, a ticket for their children to college and middle-class life—most assuredly, by selling their souls to capitalists—but they believe it.

**System As a Whole**

If this explanation is acceptable, does it, therefore, imply the impossibility of a working-class revolution in the United States? Indeed, does it mean that the position of the New Left is more realistic than we assume? It does, only if we view the American working class in isolation from the rest of the world. But that would fly in the face of the realities of imperialism, past and present. Once we realize that capitalism is not and never has been confined to a few geographic areas, "but is rather a global system embracing both the (relatively few) industrializing countries and their (relatively numerous) satellites and dependencies, it be-

comes quite clear that the future of the system cannot be adequately analyzed in terms of the forces at work in any part of the system, but must take full account of the *modus operandi* of the system as a whole."\*

Up to the present in U.S. society, there has been no social grievance of enough magnitude to enlist any considerable number of people. Exploitation abroad has enabled American capitalism to wisely scatter a few extra crumbs of wealth about its own working class, but in its wake imperialism leaves poverty and misery among the great mass of the working people in the satellites. These masses now become an agent of revolutionary change in precisely the sense that Marx believed the industrial proletariat of the mid-19th century to be". (*Monthly Review*.) Do not the revolutionary successes after World War II—highlighted by Vietnam, China and Cuba—demonstrate beyond any doubt

that these masses do indeed constitute a revolutionary agent capable of challenging and defeating capitalism? The super-exploitation of the so-called Third World by capitalism leaves no alternative to those peoples but the ruthless rejection of a capitalist future and the determined struggle for a socialist one.

Is the struggle to organize labour within the United States therefore futile, as the New Left would have it, or unnecessary, in view of the international revolutionary movement? On the contrary; there is no doubt whatsoever that the concentration and centralization of capital within the U.S. have resulted in permanent internal social ramifications which alone are irreparably damaging to the fabric of U.S. capitalism. The total economic and cultural dislocation of millions of Black people, the alienation of an increasing number of young people and intellectuals, and the widespread discontent over U.S. aggression in Vietnam are but a few of the inherent effects of monopoly capitalism.

\* *Monthly Review*, December 1965.

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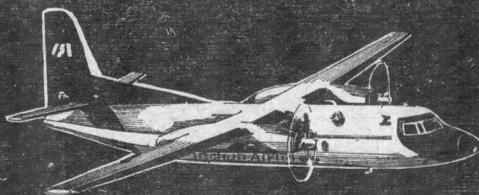


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It seems to me, therefore, that the decline of U.S. capitalism will begin not so much from the impetus of domestic revolutionary activity, but rather from the reaction to increasing domestic oppression rising from defeats of American imperialism abroad, and from the threat of a Black revolution in the urban centres. The tenacious U.S. aggression in Vietnam, and the open brutality at the Democratic Convention in Chicago, Illinois, clearly reveal that the U.S. capitalist-imperialist system will do whatever necessary to preserve its dominant position. As domestic oppression increases—as the students, intellectuals, and professionals are clubbed and thrown into jails along with others, as losses abroad force capitalists at home to reduce wages, to eliminate collective rights, such as the right to strike—then, not only will the revolutionary left—the vanguard—swell in numbers and be forced to act with determination, but, of crucial significance, the American working class will be ready to listen. Whether they will listen and respond as a class depends on the strength and determination of the vanguard. The creation of a revolutionary situation does not inevitably lead to a class war against capitalism: white workers may wield guns against Black workers; workers may be on both sides of the barricades. This is precisely where the dangers of the New Left's position lie, for the fate of the American revolution is in the hands and hearts of the American working class. It is a step in the right direction to recognize this, and many of the New Leftists will, hopefully, realize who is to make the revolution. But it is only a step. To recognize must inevitably lead to organization, and the workers must be organized, beginning with the present.

Capitalism has more than created its gravediggers—it has marked its own burial site in global dimensions. The awaiting crypt may still lie hidden beneath tawdry opulence and a thousand missile bases, but it is there. It may fall on the revolutionary vanguard to announce the burial; but it rests with the working class to secure the corpse.

## The Struggle For The Muslim Mind

IQTIDAR ALAM KHAN

**H**AVE Indian Muslims a culture of their own, separate from the culture of the people of India in general? There is no simple answer to this. Muslims belong to various classes and regions, and the class and regional differences which appear within Indian society in general also appear among them. In this sense, there is no single, well-defined Muslim culture in India. But it is also true that large sections of Muslims share a number of cultural values derived partly from their religious tradition and partly from history. What is more important still, they tend to set a very high value on such cultural features, and regard them as peculiarly their own; others, conversely, disown these features and ascribe them to Muslims. The outstanding illustration of this is Urdu, which has increasingly become associated both in the minds of Muslims and non-Muslims as the language of Muslims alone.

The present outstanding problems that face the Muslims of India appear to be two-fold. First, how they can preserve their cultural heritage in increasingly adverse conditions; and, second, how, while desperately trying to preserve their heritage, they can yet shed part of it so as to be able to modernise and improve their own social and economic position.

The present stalemate in the position of the Muslim community is not by any means fated or inevitable. History shows clearly that Muslims did not lack the capacity to adjust themselves to new conditions. Most instructive in this respect is what immediately happened after Partition. Indeed, it looked for about ten years after 1947 that Indian Muslims were on their way to integrating themselves in the political and cultural mainstream of the country without being called upon to lose their identity.

The phenomenal popularity of the trend of patriotic progressivism in Urdu literature in the post-independ-

dence period was an index of the changed mood of the average Muslim elite, mostly former Muslim Leaguers. Similarly, the inclination towards Marxism on the part of a considerable section of the Muslim youth, the emergence of a large number of district-level Muslim leaders in the parties of the democratic left in the areas having sizeable Muslim pockets, combined with the emergence of leftist and progressive elements as influential sections in the Muslim educational and cultural institutions strikingly indicate the definite shift in the position of the Indian Muslims during the early phase of independence. This was not a superficial change merely dictated by the situation. In fact, this new trend came despite stiff opposition by the revivalist elements amongst the Muslims themselves who received indirect encouragement from the dominant sections of the national leadership.

It is worth remembering that in the early years of Independence both Jamaat-i Islami as well as the Ulama, the allies of the Congress—the so-called nationalist Muslims—were trying their best to bring the common Muslims under their influence and to achieve this end they were particularly trying to combat the spread of progressive ideas among the educated Muslim youth. Both these groups presented before the common Muslims a line of action which was essentially the product of their overall revivalist attitude. The Jamaat-i Islami advised the Muslims to concentrate on character building after isolating themselves completely from the social and cultural developments taking place in the country. The Nationalist Muslims, while echoing Jamaat-i Islami's slogan of withdrawal from political and cultural life, also tried to persuade the Muslims to seek shelter under the protective wings of the ruling party. Moreover, sections of the Congress leadership also looked with disfavour at the popularity of progressive ideals

among the educated Muslims and they gave direct and indirect encouragement to the revivalist elements in their efforts to combat such trends. In this connection the role of the Youth Congress in the Aligarh Muslim University during the fifties provides interesting grounds for study. This organization, formed in 1952 with the blessings of Mr Jawaharlal Nehru, became one of the most effective forums from which the reactionary and communal elements waged a relentless struggle against all manifestations of liberal and progressive attitudes in the name of fighting communism. At Aligarh the Youth Congress actively campaigned against the participation of Muslim girls in cultural activities. As late as 1960, the Youth Congress issued a leaflet opposing the organization of music and dance programmes by the University Cultural Committee on the plea that such activities were being deliberately planned by leftist teachers with the aim of dampening the fighting spirit of the Indian youth in their struggle against external enemies.

If despite these reactionary and revivalist pulls, the Indian Muslims adopted a responsive attitude towards the social and economic changes taking place in the country till the mid-fifties, that could not have been due simply to opportunism and considerations of safety.

#### Visible Shift

But from 1956 there began a visible shift in the position of the Indian Muslims. The communal riots which occurred at many places in the wake of the agitation against the book, *Religious Leaders*, published by the Bharati Vidya Bhavan, once again made the Muslims uneasy and anxious about their safety. It is worth remembering that during the period 1951-56, communal violence had virtually disappeared from the country. There did not occur any significant communal incident in any part of the country after the March 1950 riots in Aligarh. The fresh wave of riots proved all the more disturbing for Muslims; and in the new, growing sense of insecurity they started withdrawing from political

activities. During the late fifties many of the Muslim political workers who had joined the left parties after partition became inactive. A few of them turned revivalists.

Subsequently, a large section of the Indian Muslims gradually passed under the influence of a petty-bourgeois leadership having ideological roots in a pan-Islamic and revivalist political theory. Side by side, there also grew the influence and scope of the Tabligh movement which is making sustained efforts at the grass-roots level to strengthen the emotional commitment of the ordinary Muslim to traditional Islam. This situation tends to integrate further the various Muslim castes and regional communities and so, to strengthen the bonds among Indian Muslims as a single community. It has also made them hostile to various attempts at modernising social and political institutions. Even such proposals of reform in Muslim Personal Law as have long been implemented in most of the Muslim countries, are looked upon by a majority of the Indian Muslims as an encroachment on their religious freedom.

These obscurantist attitudes ultimately react upon the position of the Indian Muslims themselves. They are increasingly becoming alienated from the social and political realities of the country and betray a tendency to retire into their own shell. As a community they are becoming more religious but less enterprising. They are now one of the poorest and educationally backward communities. Despite their large numbers they have also become relatively ineffective in political matters. The Muslim representation not only in the services but even in the voluntary membership of the political parties and cultural and social organisations is negligible. This suggests that their own separatism and lack of initiative may be as much responsible for their exclusion from positions of importance as the discriminatory and biased attitude of a section of the majority community. Their isolation from the general democratic movement combined with their growing economic and social backwardness have made them an easy target for

the forces of Hindu chauvinism. Taking advantage of this situation the semi-fascist elements try to paint an Indian Muslim before the general public as a practically sub-human being, a pervert and a brute carrying in him a natural urge to kill, rape and burn. This helps in creating an attitude of indifference towards the sufferings of innocent men and women of the Muslim community and thus enabling our neo-fascists to organise communal riots with impunity.

One important factor that brought the Indian Muslims to their present retrogressive position was the psychological impact of the downgrading of the Muslim community in the caste structure. The Muslims were somehow left far behind even by some of the lower castes in the countryside who had succeeded in improving their social standing as a result of land reforms and partial success of the First Five Year Plan. In many areas the Muslims also improved their position; but on the whole, their place in caste structure has gone down considerably. This was felt more acutely in the almost total eclipse of the Muslim upper class because of migration and partly because of the abolition of zamindari in U.P. and Bihar. An additional factor is the gradual divorce of the Muslims from their traditionally dominant position in certain small-scale industries in northern and central Indian towns chiefly owing to communal riots, and to a lesser degree because of excessive competition. Moreover, the constant flow of a considerable number of educated young men to Pakistan in search of suitable jobs tends to perpetuate their present backward state. Owing to this backsliding in their cultural and social standing, the Indian Muslims naturally developed a kind of inferiority complex which reacted on their general behaviour in various walks of life. This situation particularly facilitated the spread of the influence of Tablighi Jamaat which tries to explain the plight of the Muslims in terms of their negligence of their religious duties. In this connection the explanation put forward by Tablighi Jamaat and other revivalist sections of the

Muslim leadership for the Arab defeat of 1967 is worth mentioning. According to them, the Arabs were in fact punished by God for neglecting their religion. The moral thus conveyed is that the Indian Muslims could hope to overcome the present difficulties only if they became particular about their religious duties, specially prayers and acts of piety prescribed in the Quran and Sunnah.

The cultural backwardness of an average Muslim, combined with his lack of initiative and enterprise which to a large extent is the direct result of his inferiority complex, distorts his image in the public view. The chauvinist and communal elements of the majority community not only exploit this situation for their nefarious purposes, they also make deliberate efforts to further distort the image in the eyes of the people in general. The degree of success already achieved by them is evident from the way in which many people have imperceptibly come to treat a Muslim with unconcealed contempt. This is at least the feeling of a large number of very sensible Muslims and they give vent to it in private, narrating personal experiences.

#### Hindi Films

A close scrutiny of Hindi films produced during the last ten years reveals that there is a strong and general tendency to caricature the Indian Muslim as either a comic figure or a criminal. Even in the so-called Muslim social pictures the image projected is a highly distorted one. In most such pictures the heroine is the daughter of a prostitute and the hero either a poet-and-qawall or a degenerate nawab. This is a recent phenomenon. In films produced before or just after partition the characters used to have a more humane and idealistic air around them. To my mind this development signifies a basic change in the public image of an Indian Muslim. Some of the Muslims go to the extent of thinking that this particular trend in Hindi films is the result of a deliberate effort to run down and demoralise them.

It would not be out of place if two letters are reproduced here from a

popular Urdu magazine, *Shama*, which specialises in reporting on films and film stars. The writer of one letter (1965) complains that "in almost all the Muslim social pictures the hero is depicted as either a poet or singer. For example, in films like *Barsat ki Rat*, *Shama*, *Naqli Nawab*, *Dil Hi To Hai*, *Mere Mahboob*, *Qawwali ki Rat*, *Ghazal*, etc., the position is the same. In the forthcoming film *Palki* also the hero is described as a poet. Don't Muslims produce persons other than poets and singers? Are they (the Muslims) not fit to be considered useful members of society in any part of India? In another letter in the same issue the correspondent complains: "Nowadays sacred words and phrases like *allah*, *maula*, *mashallah* are used in film songs in a most impertinent fashion. Sometimes one feels like disfiguring the faces of the composers and the singers. In Rajinder Krishan's recent film, *Yeh Zindagi Kitni Haseen Hai*, there is a song entitled "*awan hu tum mashallah*", in which a verse reads: '*agar tum apni nazuk kamar ko haule se lachka do, jo mangoge khuda dega*'. Even atheists would consider such obscenity improper and in bad taste. May God pardon these composers of film songs and also grant them wisdom, as probably they themselves do not realise what they are doing." These letters need no comment. One can see how touchy the writers are on certain issues and with what bitterness and anguish they react against anything which may be interpreted as casting the slightest reflection on the social and cultural traditions associated with Muslims.

But the most significant factor promoting separatism among the Muslims after 1956 remains the rise of Hindu chauvinism in general and that of semi-fascist trends in particular. The feeling of insecurity caused by the open declarations, followed up by concrete actions, by the semi-fascist elements that they would not allow the Indian Muslims to preserve their cultural identity, induced even those not subscribing to revivalist views to think in terms of exclusive and separatist solutions of their problems. The fact

that separatism and revivalism among Muslims have grown in direct proportion to the growth of the forces of fascism in the country is demonstrated by the following comparison. An influential weekly of the capital, well known for its fascist and communal slant, recently published a chart depicting the fluctuations in its circulation. The circulation declining since 1948 (i.e. following Gandhiji's assassination) was at a very low figure till 1956. It showed an upward trend in 1957 and has continued to grow since then. It was precisely during 1957 that the cooperation between *Jamaat-i-Islami*, *Jamiat ul-Ulama* and other sections of the Muslim leadership started in the form of a movement for *dinitaleem* which in course of time resulted in the formation of *Majlisi-i-Mushawarat* (1964). This point is also borne out by the history of the student movement in the Aligarh Muslim University. The last time when the Student Federation was able to rally a considerable section of Muslim students in the University was on the occasion of union elections in 1957. Subsequently the leftist influence among the Muslim students became progressively weaker and ultimately a situation arrived when among the Muslim students there remained only two influential groups; i.e. the *Jamaat-i-Islami* and the *Tablighi Jamaat*. After 1957 the opposition to the participation of girls in dances and dramas turned so virulent that it became difficult to continue any kind of cultural activity inside the campus. In 1959 the Executive Council of the University was persuaded to formally prohibit girl undergraduates from coming on the stage.

#### Segregation

A concrete example of how the growth of the militant forces of Hindu chauvinism has directly contributed to the strengthening of separatism among the Muslims is the flight of the well-to-do families from mixed middle-class areas to predominantly Muslim localities in most north Indian towns. Now very few Muslims, usually those in government service, live in the so-called civil lines or more developed

middle-class areas. Even those who can afford to live in better places sometimes prefer to take a house in slums having a large Muslim population. This tendency has specially grown since the killings of the Muslims in the middle-class locality of Hatia near Ranchi. This has naturally resulted in further restricting the scope of meaningful cultural contacts between Muslims and Hindus, which, in turn, increases subjectivism among the former.

To a certain extent the responsibility for strengthening separatism and revivalism also lies at the door of those enlightened and progressive Muslims who in their overzealousness to promote modernisation actually rendered a disservice to that cause. This is particularly true of the progressives of the Aligarh Muslim University who for some time had started believing that by promoting cultural activities in that institution they would be able to engineer a basic change in the outlook of the Indian Muslims. But the outcome of those brave efforts was just the reverse of what was desired. This example incidentally also highlights the absence of any kind of rapport between the common Muslims and the Westernised as well as politically radical elements amongst them. An average Muslim looks at the modernists with the greatest suspicion. At best he considers them irreligious idealists and at worst mercenaries in the pay of the ruling circles who earn their bread by betraying the interests of the community to which they belong.

Recently there has come up an important issue on which the total lack of understanding between the common Muslims and the so-called modernists and radicals has been fully revealed. That is the problem of reform in Muslim Personal Law. It is beyond the comprehension of an average non-Muslim as well as that of a Westernised Muslim as to what is the basis for such stiff opposition from the Muslims to the innocent set of reforms proposed by the government in Muslim Personal Law. Here it may be pointed out that Muslim public opinion is worked up not so much over the contents of the proposed reforms

but because they fear that this step is a part of a bigger plan to dilute and destroy their cultural identity. They get this feeling because reform in Muslim Personal Law is demanded most loudly precisely by those people who till the other day were opposing the passing of the Hindu Code Bill tooth and nail. It will be a grave mistake on the part of the modernist section of the educated Muslims to blindly support such a demand without first removing the suspicions and fears lurking in the minds of the community over this issue. Muslim Personal Law, as it stands, is irrational and obsolete. But an immediate reform of this law is less important than winning the hearts of the Muslim masses and emancipating them from the influence of their present revivalist leadership. I am sure that if the current efforts to force reforms down the throats of the Muslims are abandoned and steps are taken to remove their fears, very soon, there would rise a powerful movement among the Muslims themselves demanding not only reforms but even the rejection of all laws based on religious sanctions. The objective conditions for such a radicalisation of the Indian Muslims fully exist. In this respect the frank discussions that took place at the Seminar on Muslim Personal Law, organised at Aligarh by the Islamic Research Circle on 14-15 September 1968, were revealing. At the Seminar some of the well-known legal positions derived from Quranic injunctions were openly questioned by the speakers, who, by no stretch of imagination, can be described as progressives or even modernists. One pertinent question that cropped up again and again in the course of the discussion was: how far are Muslim women really agreeable to submit to the Quranic injunction allowing a person to have more than one wife? Hence, it would appear that the primary duty of those who want the Muslim community to progress and become modernised is to help in combating the revivalist influence over them rather than strengthen it by joining the chauvinist clamour for immediate abolition of Muslim Personal Law.

One effective way of combating the social and cultural backwardness of the Muslims could be the spread of scientific and liberal education among them. But, unfortunately, higher education in our country is increasingly becoming a part of the spoils system which particularly militates against the interests of the backward and weaker communities. Although no census figures are available about the number of educated persons among the Muslims, it is almost certain that, partly owing to open and hidden discriminations in admissions and partly because of their own backwardness, Muslims are not able to take advantage of the available facilities for education. The existence of discrimination against Muslims in admission to educational institutions is proved by the simple fact that most of the institutions of higher learning in the country are controlled by different castes and in each of these institutions it is an open policy to favour persons from the dominant castes at the cost of other groups. Naturally this would result in wide discrimination against poorer communities like the Muslims and scheduled castes. Sometimes, conditions are so created as to make it difficult for Muslim students to study at these institutions. It was noted by an official committee, for example, that hostel regulations in the Banaras Hindu University make it difficult for a non-vegetarian Muslim student to be a resident. In this situation Muslims tend to think that their sectional interests in the field of education would be served only by institutions fully controlled by them. It is this understanding that works behind the sensitiveness of Muslim public opinion to any attempt at changing the composition of the student body at the Aligarh Muslim University. They feel that the ruling circles under the cover of certain constitutional niceties are out to deprive them of the control of this institution as well. The demand that the Aligarh Muslim University should be placed under the sole control of the representatives of the Muslim community is in fact the result of the growing frustration of the Muslims over their failure in the sphere of higher

education. It is important to find out a practical solution of this problem. In the absence of such a solution there can hardly be any possibility of modernising the Indian Muslims and of their emancipation from backward influences. Governments at the centre and the States should consider it their responsibility to provide special facilities for the imparting of scientific education to Muslims. Such a policy would be the most effective way of combating the separatist demand for a university or colleges fully controlled by the representatives of the Muslim community. For a long transitional period it is possible to conceive of an institution like the Aligarh Muslim University to be an instrument of modernisation and the spread of scientific attitude among Muslims. But at the moment the prospects are not bright.

A crucial matter, which to many Muslims in Northern India appears vitally linked with their very cultural existence, is the struggle for the preservation of Urdu. The way Urdu is being made to die a lingering death in the very region which is its birth place and where lakhs of people still consider it their mother tongue, is a unique example of the silent suppression of a language. The recognition of Urdu as the second regional language in areas where Hindi is the other spoken language is an issue on which the latent chauvinism of even comparatively democratic minded and leftist sections of the political leadership has been revealed in all its nakedness. The way successive Congress ministries in U.P. and Bihar, despite occasional outbursts by Mr Jawaharlal Nehru, failed to give Urdu its rightful place as the second language of these States and the manner in which the CPI clung to office in SVD governments tolerating the open flouting of the provisions regarding Urdu in the minimum programmes, convinced the Muslims that it is one issue on which they cannot hope to get a fair deal even from the democratic left of the Hindi-speaking areas. There is no denying the fact that the cause of Urdu is dear to a considerable section of non-Muslims as well, but this sec-

tion has been steadily contracting. Fewer and fewer new non-Muslim writers appear in Urdu. It seems as if even those non-Muslims, for whom Urdu was previously part of their cultural heritage, are deliberately rejecting it. On the other hand, Urdu evokes an emotional response among the Muslims as they consider the legacy of Urdu literature as one of the chief features of their cultural personality. No democratic solution of the minority and regional cultures can be considered fair unless it provides full opportunities for the growth of Urdu, which in terms of the number of people speaking it, is the second major language after Hindi. The tradition of Urdu literature is basically secular in character and therefore it has always been helpful in undermining the orthodox and rigid attitudes among the Muslims. This is one reason why the more extremist and dogmatic sections among the revivalist elements do not bother too much about the claims of Urdu language. In their view this is a problem of the Muslims as a community (*qaum*) while they are more concerned about Islam as a way of life and Muslims as its torch bearers, irrespective of the language which they speak. The suppression of Urdu may well result in a greater emphasis on religious teaching in Arabic which may breed greater orthodoxy and rigidity of outlook among the Muslims.

I have not raised some of the basic questions, such as whether Muslims should have a separate culture at all. I do not necessarily share the almost mystic belief that various cultural streams contribute to the glory of Indian civilisation. It may be better, from a dispassionate point of view that all sections of the people of India should have a uniform and modern culture. My fear is, however, that we may have uniformity without modernisation; and the consequences of that would be appalling. The fight for the preservation of Muslim culture may then be seen as part of the larger struggle against reaction and chauvinism in India. As such, it is a fight not to be waged by Muslims alone, but by all the progressive and democratic people in the country.

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## Book Review

INDIA AND WORLD POLITICS :  
Krishna Menon's View of the World.  
By Michael Brecher,  
Oxford University Press. Rs. 45.

**K**RISHNA Menon became the USA's *bete noire* because there was none in his time better versed in manipulating the differences in the Western camp to thwart its plans. This happened in Korea, Indo-China, and the Suez; out of each the West emerged somewhat bedrabbled, a little dwarfed. In the height of the cold war such discomfitures of the West were positive gains for the communist world, and this gave an opportunity to the USA and its lobbyists in this country to label him as a communist wolf in Congress sheep's clothing. With the thaw in the cold war the scope for his special talent became restricted, and it is doubtful if in the period of Russo-American detente that followed he would have been able to retain his eminence in international affairs even if he were not hounded out of Indian politics in the mean time. His enemies did not have the patience for this natural process; they wanted him to come down like a stick because he had gone up like a rocket. The task of those who had been gunning at Menon for a long time became easy after Jawaharlal Nehru had started capitulating on all fronts. There are occasional reports that he may seek election to the Lok Sabha from one constituency or another. If he does and gets elected—the latter a much bigger if—he will at best be a shadow of his former self. An adept in the art of survival as she is, the Prime Minister can have no use for a controversial person like him. Menon is now out of everything and practically a nobody; only a miracle can rehabilitate him politically.

Michael Brecher's book is, therefore, of little contemporary interest. But Menon was not so completely out of politics in 1964-65 when Brecher had a series of tape-recorded interviews with the former Defence Minister, which form the main part of the book. Served up earlier, the book

would have added to the ammunition of the anti-Menon lobby, for Brecher's deductions from the interviews present Menon as a person who regards "American imperialism as unquestionably the pre-eminent evil force" but whose criticism of the Soviets is "rare and invariably mild". Those who in their hatred for Menon went to the length of echoing the American condemnation of the police action in Goa would have lapped up Brecher's indictment that Menon's inability to apply the doctrine of equidistance from the blocs was costly for India's foreign policy or that Menon's image of China (shared by Nehru) was widely at variance with Peking's real posture towards India, and the gap continued until it was too late. The second part of the book in which Brecher analyses the interviews to construct Menon's view of the world abounds in such pieces; there is hardly a single aspect of the view which Brecher finds rational or commendable.

This is not to suggest that whatever Menon says can be accepted unquestioningly. In spite of his liberal socialist inclinations, his attitude towards Pakistan approximates that of the Jana Sangh or the RSS, the sole difference perhaps being that he does not bemoan partition and does not "even want union with Pakistan". He believes that the Pakistani leaders looked upon Pakistan as a first instalment, and they never seem to have accepted the partition as final, as India did. Their main approach to the problem was that India was a Muslim country historically; the British had taken it away from them; now the British had gone away, and it should be handed over to them. Elsewhere he says that Pakistan is India's main enemy and it will do anything and everything against India. Curiously, Menon has never been criticised for his closed mind on the Pakistan question. To believe in what he says is to consign Indo-Pakistan relations to perpetual enmity with disastrous eruptions occasionally as in 1965.

Menon has, however, his reasons for what would appear to be an obsession to many. He says that there is no Pakistan *simpliciter* today;

"it is Pakistan plus the United States so far as the Indo-Pakistan issue is concerned". The Pakistani people would not stand for the suicidal adventurism of their leaders, if the USA were out of the picture. It is Pakistan's military alliance with the USA more than anything else which irks Menon. He maintains that there will be no peace on this continent unless the United States, which in this context represents interventionism, retires from the Far East. What is needed is the withdrawal of a Mind, of the assumption that the Americans are born to police the world and abandonment of the hypocritical idea that the security of the United States requires a fleet in the Indian Ocean.

### Policy On China

Although quite candid on other matters, Menon is reticent about the Indian policy towards China in September-November 1962. He merely repeats to Brecher what he told Nehru in his resignation letter on November 9 that year: I should not say anything that would help the Chinese, anything that might reflect on my colleagues in the Government, anything that might affect the morale of the army, or anything that might affect the position of the Government as a whole. But he gives an inkling of what was happening in the Government before 1962. According to him, the 1960 visit of Chou En-lai was "spoiled" by the fact that too many people were involved in it. "On our side, inside the Congress and in the country, public opinion had become aroused so that it was no longer possible to talk in terms of negotiations. And the Home Minister (Pandit Pant), who had by that time acquired a powerful influence over the Prime Minister, was not in favour of negotiation".

Menon throws some light also on the controversy over whether Nehru had actually said at Palam airport on October 12, 1962 that he had given orders to the Army to throw the Chinese out. If the statement had been really made, Menon would not question the wisdom of it; he is too loyal to do that. But he says that neither he nor anybody else had briefed Nehru.

He does not contradict the report that at a meeting in the Prime Minister's house on the evening of October 11 the orders to throw out the Chinese were rescinded or altered to a purely defensive posture in the Thagla Ridge area. But he "thinks" the version of the Palam interview "is inaccurate". Later on: "I don't say that it is inaccurate; please don't misunderstand me. I merely say that it *may* be inaccurate. I cannot tell you exactly what happened, nor can I tell you why the Prime Minister said this or that and so on. Loyalty is more important than what you may consider to be my duty to posterity". Of course, there were other people to make such statements. Lal Bahadur Shastri went all round the country making similar speeches. "Oh, there were lots of such speeches". The main speeches were made by Shastriji in the country, and the Chinese must have taken them seriously.

Menon has no doubt that after the failure of the Nehru-Chou talks in

1960, groups who were antagonistic to the Prime Minister, to the Government's social policies and against non-alignment utilised the position. At that time American influence in the country was anti-India. These groups exploited the Chinese invasion to influence opinion "against the Prime Minister, against me, and against others". In an unguarded moment he says, "We should not have yielded to that". These groups zealously cultivated the view that America came to the rescue of India; but "not a matchstick was used against the Chinese that came from abroad or that we did not have ourselves". Whatever did come came after the Chinese withdrawal. Menon sharply reacts to the propaganda that the Chinese withdrew because of the presence of a US aircraft carrier in the Bay of Bengal or that Nehru requested in writing the use of American planes as air cover for Indian cities. He says that in any other country such a wild statement would never be allowed to go unchal-

lenged on the spot. "Do you think the Americans would want to become involved in a direct clash with China or any great power which may escalate into a world war? Have you found any desire in the American people to get involved in a major war or to start a world war? Their leaders play at brinkmanship which, of course, is a dangerous game and may lead to catastrophe. This is another matter. But so far as I know there is not an iota of truth in the story."

The book contains many interesting sidelights on men and matters. For instance, who could have thought of John Kenneth Galbraith, one of President Kennedy's New Frontier men, as exercising pressure on Nehru to put off the liberation of Goa? He got the date of police action through "illegitimate and unknown channels" and succeeded in pressurising Nehru into postponing it. Another date was fixed; Galbraith came to know of it and tried to persuade Nehru to do nothing for six months. Meantime, the USA

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would see what it could do about the matter. Nehru almost succumbed but the troops had moved by then. Menon says that Galbraith regarded himself as a kind of super-ambassador, like an old-time British resident of a Princely State; to him the whole of this country was just a little worm under his feet. "At no time have I come to a worse conclusion about anybody I have had to deal with. There are only two such people; he is one of them—largely because he was so ignorant". Then there is General Chaudhuri, who was GOC-in-C, Western Command, at that time. He went to Goa to take the

"surrender", though he had done nothing, neither participating nor planning. "I was disturbed", Menon says, "because there should have been no question of surrender in this, it was an internal matter, an internal action. That was the line we took. He played the role he did to show off. He should not have done that". The rivalry between Menon and Mrs Vijay-lakshmi Pandit was well known in the fifties, but not so known was to what length it could go. As leader of the Indian delegation to the UN, Mrs Pandit had asked Menon to take Korea "without knowing that it would be a

big thing". She said she did not want to have anything to do with it. At one stage, Menon wanted an adjournment. The Americans did not want it, "so Mrs Pandit did not want it either". When Menon stood firm Mrs Pandit "went round to the British and asked them to vote against us". Completely at a loss about what the British should do, Selwyn Lloyd asked Menon to tell him what he should do. Menon told him to do what he liked. The British voted against the adjournment, but it was carried by three votes.

S. G.

## Rabindra Rangshala

T. S. KAR

IT was the first time that I was in Delhi and that too for a few days. Most of the time was taken up by attempts to see the "right" persons who, I was told, would be able to fix the particular thing I was interested in. The "right" persons were extremely difficult to locate among the endless rooms along the endless corridors of the endless number of enormous buildings. I was thus left with precious little time to do the sights. Not having the time to go to the tourist office I asked, notebook in hand, one of the occupants of those endless rooms who, the peon assured me, was an Old Delhi Hand. Helpful always, except in such small matters as taking decisions or pushing the file in hand along its devious and charted course, he gave me the locations and the lowdown on the familiar names, Red Fort, Jama Masjid, Kutab Minar, Raj Ghat, Humayun's tomb. "Most of them are tombs you know. Delhi after all is Indian history," he said with a flourish and went on with his list: Nizamuddin, Lodi tombs, Jantar Mantar, Rabindra Rangshala . . .

"Is that also a tomb?" I interrupted involuntarily. He did not seem to like it. "What was that? What do you mean, tomb. It is the biggest theatre in India, in Asia in fact," he

said with some asperity and dismissed me.

I am not sure whether the scooter-walla, to bilk a newcomer, took me along circuitous routes but the place did seem miles away from anywhere. I detected a few small official looking buildings, the only ones in the vicinity. Otherwise all around were trees, stones and the hilly aspect of the Ridge. The nearest locality of any size, I learnt, later, was the new Rajendranagar a couple of miles away. The other inhabited areas nearest to it, the two Patel Nagars and Karol Bagh, are 3 to 4 miles away. As for the other numerous nagars in old and new Delhi, a trip to the Rangshala could only be in the nature of a pre-planned picnic, food packets and all. The point about the food packets is not to be taken lightly. The restaurant which has been built on the site is a good 300 yards away and unless the duration of the intervals were also the biggest in Asia it is doubtful if a spectator would risk it. Safer to carry food packets.

The Rangshala (do not pronounce it as Rangashala or you would be taken as a provincial Bengali without the benefit of true U culture) itself is truly impressive. Exploiting a natural bowl-like depression and built on an

area of 37 acres, the enormous stage and the tier upon tier of ascending rows of seats are a majestic sight.

Looking for someone to explain things I was lucky to meet an official of the Works and Housing Ministry who had come on a round of inspection. He viewed my awe-struck and goggly state and volunteered to show me round.

"The biggest open air theatre in Asia, one of the largest in the world," he began and proceeded to reduce me to an even more goggly state by the flow of impressive information that followed. The theatre has taken seven years to build and has cost nearly half a crore of rupees. It has a seating capacity of 8000 persons but at a pinch 10,000 persons can view a performance together. The stage has an opening of 115 ft. and a depth of 52 ft. The orchestra pit measures 72 ft. x 11 ft. "The main door shutters are operated electrically," he repeated twice to underline both the bigness and the modernity. Stage lighting consists of two rows of spotlights and five rows of flood lights of various wattages. The battens can be raised or lowered by controls mounted on the side walls of the stage and the control cabin with the dimmer set is on the balcony outside the stage.

"And now to sound," he went on methodically. The sound system has been mounted in seven rows which can be raised and lowered as required, Microphones have been installed at various distances in each row. There is in addition a set of sound system which has been installed on the floor of the stage itself. The sound system is connected to six high frequency speakers on the top of the stage and twelve low frequency speakers at the bottom of the stage. There is of course provision for playing gramophone records and taped music.

He did not forget to mention the number of make-up rooms, green rooms, costume rooms, rehearsal rooms and some other rooms I forget. "The biggest in Asia," he repeated by way of peroration as we completed the tour.

I was of course bowled over and muttered words of admiration. To express my thankfulness and show my interest I asked about the use the theatre was being put to and about performances being held. "That is not my department's concern. You ask the Committee," he replied and walked away, a little peevishly it appeared to me. But where was the Committee? There was no one else in sight and the whole place was deserted and eerily quiet.

Later the same day I was introduced, quite by chance, to a person who seemed to be knowledgeable about things theatrical. I asked him about it. "Performances at the Rangshala? What performances?" he demanded belligerently. If I had known before how intensely the young man felt about the theatre and how torrential his flow of indignant words could be I would have refrained from trying to gather the useless (for me) bit of information. But it was too late.

"They opened the thing on October 24 and brought over singers from Calcutta and Santiniketan. On the day of inauguration car owners—invitations were sent out to officials mostly—came in droves but for the next two days when, mind you, it was announced that the shows would be free, not more than a thousand came. After that nothing of course has hap-

pened. Nothing at all. It became too cold in the open in any case. It will be too cold till March and will be too hot from May. And then the rains will come. You think you will fill up a 8000-accommodation theatre with a play or a concert in Delhi? With people paying for admission? You are mad. If you get more than 200 you would be lucky. The only way to fill it up would be either to have AICC sessions there or to get the Russian circus from Moscow." After a pause he relented a bit and added, "Well if you get Dilip Kumar

dance a twist with Waheeda Rahman on the stage you *may* get a full house provided it is neither cold, nor hot, nor dusty, nor raining. How many such days are there in Delhi?" He had worked himself up by now and I was desperately looking for a chance to escape. But he was not to be denied his final outburst. "It is a tomb they have built at a cost of half a crore. And why not? The Poet is dead, isn't he?"

It struck me that the involuntary question I had asked the Old Delhi Hand was not so inapt after all.

## Taming Of The Shrew

BY OUR DRAMA CRITIC

**A**FTER reading the report of the Amateurs' *Taming of the Shrew* in one of our leading contemporaries one must have felt ill in mind, for oh what a fall from those days when reading reviews in those columns was nearly as exciting as seeing the play.

The stage is important, Shakespeare is important and the players, amateurs though they be, are also important and any one who tries to filch from them their serious role leaves all of us poor indeed.

It is not the business of these columns to suggest what a critic should do, but if the "play's the thing" then the measure of its success can only be established against the understanding of the audience. And as a conscious member of the audience a critic is expected to develop a keener appreciation and higher standard of judgment for the play. By mere praise or otherwise of individuals in the cast the cause of the theatre is not served. The total effort against the total effect has to be established.

Douglas Algar's production of the *Taming of the Shrew* was in a sense shrewd. He set out to achieve his task with a young and vigorous cast, a capable set designer and a gifted costumier. Added to this was efficient stage management: things that pro-

fessionals strive for. And to cap all the Kala Mandir stage.

One has to confess that the Amateurs' previous full length Shakespeare, *Julius Caesar*, was not an encouraging venture, but that was many years ago. The amount of work this group has put in since then has developed its understanding and ability beyond all recognition. To prove a point Kamal Bhagat's Caesar was facetious and off the point whereas his cameo as Vincentio was handled with precision and aplomb. The whole production was intelligent and had a sense of direction right through.

According to the "producer's note" in the programme, Katherina was being presented as an "intelligent modern girl" rebelling against some of the hypocrisies and accepted social conventions of her day. The producer only partially succeeds because the play hardly lends itself to this interpretation. Most of the available evidence points to her being jealous of her younger sister: "She is your treasure", Katherina tells her father.

Petruchio succeeds in wooing her, particularly when others have failed simply because he panders to a woman's vanity in so many words and of course through so many cussed deeds. Katherina herself

admits "that which spites me more than all these wants, He does it under name of perfect love." Katherine would not yield otherwise. She was flattered by Petruchio's attention and believed that he really cared for her. Her last speech, "Fie, fie! unknit that threatening unkind brow" is proof positive.

It was unfortunate that Pamela Perks was caught in between Shakespeare and her director. Thus she was unable to establish either "bonny Kete or Kate the curst" despite all her talented rendering of the part.

Less affected by this interpretation was Vimal Bhagat whose straightforward villainy stood out all the more blatantly and Petruchio actually came alive on the stage. He took a little time to change from Sly to Petruchio—despite the evocative sound effects—so that his "plain Kate" speech lacked some of its persuasiveness.

The beautifully designed stage sets provided for the action taking place at two levels. The direction, however, failed to take full advantage of it in justification of its own avowed intentions. By placing Katherine on a higher level than Petruchio at their first meeting the idea of her "superiority" could have been conveyed. Then as the battle of the puns proceeded she could slowly have descended to his level. After all, this was the only "intelligence test" that took place between them.

It was commendable indeed that so many in the cast "spoke" Shakespeare as it should be spoken. Some might have considered the speech slow by modern standards but by local standards it was clear, intelligible and pleasant. Noel Godin's Baptista was studied and sensitive while Vijay Krishna as Tranio would have been quite in character as Lucentio if he had chosen to displace his master.

Victor Banerjee's Lucentio and Matthew Huntley's Hortensio were both believable young lovers pining and plotting for Bianca's love. Ashley Simmons' Beondello, though at times incoherent, was as mischievous as Roger Walkers' cockney Grumio (misspelt in the programme) was foolish.

Gremio, the third suitor for Bianca's

hand, was unnecessarily affected while Radhika Das as Bianca was all of sweetness and honey.

Just one last question. Would it not have helped in establishing a distinction between Baptista's residence and Petruchio's country-house by making the front porch detachable? After all its main function was to provide Petruchio a high platform to deliver just one speech. This is a fine point—

*But their fine points are raised  
Only when fine things appraised.*

#### Two Events

During the recent centenary celebrations of the Hindi Theatre two interesting events were arranged by the organisers: a symposium to discuss society's responsibility to the arts and an exhibition related to the history and activity of her theatre.

Guided by the title of the subject there was a tendency among some of the speakers to treat the problem as one of accountancy. Since the artist gives this much to society he must in all fairness receive that much from it.

One speaker who set aside this aspect of the problem veered off into a dissertation on the philosophy of art. Yet another came up to the platform but was in two minds about being an artist himself. One is led to presume that this doubt prevented him from tackling the main question.

And then there was one ardent spirit, presumably an artist, who was prepared to do all the work if only the other conditions were fulfilled: in the words of the speaker, "provide the cart and we will pull it". Speaker after speaker spoke but no one established the responsibility of society towards the arts.

It was left to the chair to place the subject in its proper perspective. In his summing up Justice P. B. Mukherjee gave a quick resume of the points made by some of the previous speakers and started his own discourse by giving a definition of art. By placing the artist in society and making him a part of it, he established the true relationship of the artist with society. The artist possessed the ability or sensibility to squeeze out the essential

meaning of things and place them before his fellow-men so that they may see, understand and get the benefits of his perceptions.

Just as each person had a particular duty to perform so also the artist. He takes from society that which he wants and gives in return that which he feels he must. If society provides this freedom to the artist it would have performed its duties. Justice Mukherjee then made a pointed reference to periods when society denied the artist this freedom and in doing so brought about its own decay.

#### Exhibition

Another adjunct to the theatrical performances given at the Kala Mandir was the Drama Exhibition, planned and arranged by Mr E. Alkazi, Director, National School of Drama. The basement of the Kala Mandir was utilised for this purpose. One felt, however, that the display could have been more effective.

Actually the main items of interest to the student of drama were the scripts of plays. Amateur producers could have picked up a thing or two from these quite profitably. Apart from the scripts were the stage models preferred by the pupils of the National School of Drama. These two were very instructive in the sense that preparing a stage model for a production could help those involved in following the action easily and accurately.

The other exhibits could be considered historical relics, particularly manuscripts of old Marathi and Gujarati plays. Supporting photographs of productions and personalities added interest. It did seem, however, that this being the centenary of the Hindi Theatre, a far more detailed treatment should have been given to this section. If memory serves then some very important phases of this activity were overlooked. Since the Hindi stage was flourishing in the earlier part of this century records should not have been difficult to find.

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# Open House

6 I do not want my house to be walled in on all sides and my windows to be stuffed. I want the cultures of all lands to be blown about my house as freely as possible. But I refuse to be blown off my feet by any. Mine is not a religion of the prison-house; it has room for the least of God's creations, but it is proof against insolent pride of race, religion, or colour.



(Young India, June 1921)

MAHATMA GANDHI

406/69/201



**MAHATMA  
GANDHI**  
BIRTH CENTENARY  
OCT. 2, 1968 TO  
FEB. 22, 1970  
**महात्मा  
गांधी**  
जन्म शताब्दी  
अक्टूबर 2, 1968 से  
फरवरी 22, 1970

# G.E.C.

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