

# The Economic Weekly

A Journal of Current Economic and Political Affairs

(Established January 1949)

November 22, 1952

Volume IV—No. 47

Eight annas

## EDITORIALS

- Dissension in Congress Camp 1193  
Witch Hunt at UNO 1194

## WEEKLY NOTES

- Breaking Faith with Millions—  
Creating Employment in Com-  
munity Project Areas—Cotton  
Imports—Decontrol Levy in  
Madras 1196

## LETTERS TO THE EDITOR

- Coffee Marketing Anomalies 1197  
Coffee Dealers Protest 1197  
Collapse of UNO? 1197

## FROM THE LONDON END

- Economic Policy Debate 1201

## BOOK REVIEW

- Solvency for the Village 1202

## SPECIAL ARTICLES

- Decontrol of Foodgrains  
—D. Ghosh 1199  
Facts About the Food Situation  
—Contributed 1205

## FROM THE CHAIR

- The Indian Iron & Steel Co. Ltd. 1207

## AROUND THE MARKETS

- Recovery Continues 1210

## COMPANY NOTES

- Industrial & Prudential Assurance 1212  
Western Bengal Coal-Fields 1212

## AT HOME AND ABROAD

- Norway's Aid Takes Shape 1212

## CURRENT STATISTICS

1214

Yearly Subscription post free  
India and Pakistan Rs 24/-  
Foreign Rs 27/-

The Economic Weekly  
Noble Chambers, Parsi Bazar St.,  
Fort, Bombay.  
Phone: 23406

## Dissension in Congress Camp

NO less than three members of the Union Cabinet, besides the Prime Minister, have striven hard to explain to the country through the House of the People the Government of India's policy regarding food controls. In the constitutional structure we have, any one of them could have put before the House the Cabinet point of view if, that is, the Cabinet had a point of view. And yet, so many of them spoke, and spoke with authority. In the event, not only has the position regarding food policy become more, obscure than ever, but the constitutional position has become, disquieting as well.

For, the Ministers contradicted each other not only on facts but on the general economic approach of the Cabinet. The Union Food Minister, for instance, announced decontrol of millets as a first step towards a wider "adjustment" of controls, and said that his policy had the approval of the Planning Commission. He complained that the policy of procurement in delicti states had contributed not a little to the fall in food production in these states. And, therefore, he argued that as a realist he would save these states from the pernicious policy of procurement. Close upon his heels, the Finance Minister who, according to the Prime Minister, voiced the opinion of the Planning Commission, declared that Government policy in regard to controls was one of *status quo*. The Prime Minister then affirmed that *he* could not see how we could dispense with controls for year, to come. And to crown it all, the Minister for Planning told a thoroughly mystified House that controls were being strengthened.

What do all these statements add up to? Surely, if more than one member of the Cabinet explained the official view *en* the matter, all these should add up to the stand of the Cabinet as a whole. But the statements of the various Ministers just do not add up to a consistent picture. That being so, which of them is to be taken as representing the collective decision of the Cabinet? It has long been suspected that all members of the Cabinet do not think alike on the food question. That there has so far been no clear-cut statement on food controls is a natural consequence of this divergence. But if it is impossible for members of the Cabinet to agree upon some issue, proper government of the country requires that one or the other of the dissenters get out of the Cabinet and make it possible for the latter to come to a decision. Apparently, disagreements on food policy have persisted in the Cabinet, and the debate between the Ministers is now carried on openly on the floor of the House. And what is the Government policy in regard to food remains unknown.

In such a situation, what happens to the so-called collective responsibility of the Cabinet? Which of the statements of the Ministers reflect the joint view of all of them? And in any case, is the objective of the Government general decontrol or not? It would seem that the Cabinet prefers to keep these questions open, and while appearing to take a decision bypasses them. This is not because the Cabinet does

not consist of good men and true, but because it tries to attain the impossible aim of covering all different points of view in one synthesis. It is chary of weeding out, and recognising that certain things are quite irreconcilable. One cannot hope for general decontrol of food and stability of food prices at the same time; nor can one, quite obviously, hope for decontrol and equitable distribution of the available supply. And yet, the Cabinet strives to forge a policy which spares the population the discomfort and degradation of controls, keeps food prices steady and prevents starvation amongst sections of the people all at the same time. No wonder the Ministers differ, and differ openly now.

There is, apparently, a purpose in the Ministers talking at each other openly. The Cabinet has to get the hacking of the Parliamentary Party for its policies and when it cannot curie to a decision appeals to the latter. It may be that the Ministers decide to put their points of view before the Party and gain its approval for one or the other. But the Parliamentary Party is itself undecided between controls and decontrol. And that is so because the Congress is undecided; the State Governments do not see eye to eye in the matter. And the State Governments and the Provincial Congress Committees have yet to agree on the matter. Where does it all lead to? Surely some eggs have to be broken, and no one seems willing to point out the ones that should be.

In this confusion, amazing things could be said and done without anybody pointing an accusing finger. The President of the Bombay Pradesh Congress Committee, Shri S. K. Patil said that the Indian National Congress had in its past sessions unmistakably voted for progressive decontrol, and no congressman would be guilty of "indiscipline" if he voted against controls. By implication, Shri Deshmukh, Shri Nanda and the Prime Minister who are presumably convinced that there is still need for controls are liable to be accused of working against the mandate of the Congress Party. And an ex-Cabinet member, who is very much against decontrol, insinuates that pressure was brought by the Chief Minister of Madras to secure Central Government's approval for his policy of decontrol. How an ex-Cabinet Minister could disclose a secret of this sort, and insinuate

against somebody who was not in a position to defend himself on the door of the House without a reprimand from the Speaker or the Prime Minister is more than one can understand.

These are issues of constitutional propriety and procedure; and arising as they do in the very few years of constitutional and responsible government, need to be tackled decisively, so that healthy precedents might be created. Unless they are dealt with resolutely, they can so emasculate the Cabinet that it will be unable to do anything effective.

As regards the food situation itself, the various statements made in the House leave the mind which tries to analyse and pursue the fugitive ideas lost and bewildered. Shri Kidwai asserts that the objective of the Government is to maintain a machinery for equitable distribution of food and goes on to state that controls

have inhibited production in the deficit states, and therefore must be taken off in the deficit states. That surely deserves the cake for casuistry. If progressive decontrol is the ideal, it is surely in the so-called surplus states that it should start. In the deficit states, which would be deficit even if production did not fall, equitable distribution would require proper\* administration of controls and not their abolition. It is difficult to fit all his economic analysis into a consistent pattern. He, priding himself on being a realist, does not attempt it and leaves it to the Finance Minister and the Minister for Planning to do the best they can. And in trying to do so, they contradict the Union Food Minister. It is all very amusing or, rather, would be amusing were it not for the grave consequences it has on the country and on the working of the constitution that the country has given unto itself.

## Witch Hunt in UNO

POLITICAL historians are inclined to extend the duration of the nineteenth century by a decade and a half. They assume that the nineteenth century ended during the first world war. Some are inclined to ring out the century as America, entered the first world war. Others prefer to extend it by a few more years; they would like to fix the date of the beginning of the twentieth century to the year luring which President Wilson crossed the Atlantic to write-in his fourteen points in the Peace Treaty. All political historians are agreed that the nineteenth century was a British century. Not more than three decades have passed since the beginning of the twentieth century. Time alone will show when the political historians will ring out this century. Only the future will record whether they will agree to call it the American century. But within thirty years America has attained a world status which Britain never enjoyed during the nineteenth, her century.

Wars have been fought in modern times, according to one political interpretation of modern history, to maintain a system of balance of power or to create a new one. By the beginning of the nineteenth century, Britain had succeeded in treating a balance of

power which she was successful in preserving until Nineteen-fourteen. There was no world organisation then. The League of Nations was created later. But neither Britain, nor any other Power, has ever attained so exalted a status as to dictate her terms to a world organisation. America can claim that within thirty years she has not only become the world's biggest financial and military Power, but she has also reached a supreme status, never before attained by any Power, of dictating her terms to the United Nations.

There is a growing development in the United Nations. Serious students of international affairs are aware that no world organisation can achieve its aims unless it can assume the power and authority of a World Government. That was why the League of Nations failed. It had not the will to intervene in Abyssinia. Strange as it may seem, the United Nations may go the way of the League of Nations because of its intervention in Korea. Whether aggression should be resisted with lone or not, is not in question here. Whether collective security is a legitimate means to ensure world peace is also not the main point at issue. But whether the United Nations was right in intervening in Korea under the instigation of America is the more intriguing