

arms' and 'negotiate from positions of strength', etc. Europe sees its wealth and resources being drained to the point of bankruptcy and of the loss of its independence as a consequence of pursuing such policies. "Containment", similarly has proven to be disastrous as a result of the newly evoked discussions of 'Who started the war in Korea?' The uncertainties of the cold war, its rigid divisions, its known fears, are beginning to dissolve. The sense of coming change so far matters more than the change itself.

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tion will fail so long as it is unable to evolve continuing development, for it is not enough to train up boys and girls in a vocation, but to develop whatever is in them so that they may follow their own aptitudes, unhampered by the need to learn a trade which becomes an end rather than, the means for unfolding their faculties. The same schools must equip, them for higher education, if they have the necessary ability and inclination. Again, current fashions and tyranny of social values create the demand for college education which is difficult to deny or resist, though patently thousands who seek admission to colleges are neither fit to profit by the education imparted in them nor have they the desire for anything better than a hallmark which does not have any economic value any longer. So selection has to be more stringent but that will be only a beginning. A member of the Public Service Commission who had been a renowned teacher and had much to do with the administration of University affairs lamented the other day at a Rotary Club speech that Universities are not producing the type of mental efficiency which is required of them. But before we can come to the end point, we have to set right the system of primary education which is after all the base and foundation. One cannot hope to build on foundations which are so manifestly weak and insecure. To seek a short cut by making the cobbler stick to his last, or the peasant's son to his tiny plot of land, and every one to the status to which it had pleased God to call him, through the abuse of State power is a cruel joke. It is a pity that those who mean well do not always see the complexity of the problem nor the obvious injustice and inappropriateness of the solution.

Book Review

A Report on India

Overseas Economic Surveys. India. September 1952. Her Majesty's Stationery Office, London, 1953 Available from British Information Services, Mansingh Road, New Delhi, pages 405. Price; Rs 8-4.

THE Overseas Economic Surveys provide for the British industrialist or trader a guide book to the conditions in other countries which are likely to affect him. The pre-fatory note says, "Full information is given concerning the types of goods in demand and attention is drawn to developments in production and other factors that affect, or are likely to affect, the export trade of the United Kingdom". The report on India, prepared in September 1952, has this primary purpose in mind. "Much of what follows," says the Report, "is not for general reading but for reference purposes, for advantage has been taken of the publication over the last three years of a great deal of new information to attempt a compendium and economic guide to post-war India".

While there is no doubt about its success in this task, much more is attempted in the volume. The Overseas Economic Surveys issued by the Board of Trade have established a standard of economic reporting which is rarely surpassed by anything produced by the Governments or trade associations of the countries concerned. The coverage has changed since the days of the famous Ainocough's Reports, presumably because information on India was then readily available from other sources to people in Britain. The volume is surely as informative as any that one could pick up or lay one's hand on; the information brought together is wide in its range, it is neatly arranged, nothing of importance is left out and available facts relating to particular topics has been selected and condensed with great competence.

The authors have been impressed by the progress made during the five years since independence. Pointing to the peculiarly intractable problems that India faced at the time of Partition, developing inflation, declining production, both agricultural and industrial, and a heavy deficit in the balance of payments, the Report says, "Today, she can claim that inflation has been curbed, that industrial production is increasing, that plans for

the development of 'agricultural produce are taking practical shape, that the food shortage has eased, even if only temporarily, with a prospect of some reduction in the trade deficit". This is qualified by a statement made only a page later. One of a number of disturbing spectres behind the rosier picture of 1952 is "the reluctance of politicians and trade unions to see the economic implications of a large and static labour force insured against retrenchment and unemployment and with security financed by industry in bad as well as good years".

Of great interest is the chapter on industrial and commercial policy. The Report is naturally concerned with nationalisation and foreign capital. It appreciates the Indian Government's attitude in this respect, though it does take note also of the growing volume of opposition to it. As the policy stands, however, the Report points out, foreign investment must be "in a field where indigenous investment is inadequate or technical 'Know-how' not available", but does not try to assess how much the field for foreign investment is limited by it. Foreign capital will have to comply broadly with the programmes in the Five-Year Plan also and British industrialists will have to take note of this.

Particularly helpful is the brief but to the point account of commercial policy and practices relating to licensing of exports and imports, the system of purchase by the various departments of Government and the guidance to British firms contemplating entering the Indian market. The special features of Indian business, *eg*, the managing agency system, the medium of commercial publicity, *cij*, press advertising and the new developments in advertising through the radio or the cinema, the Government of India's commercial relations with other countries have been adequately covered. Not only the novice but the hard-boiled old timer may find enlightenment.

It is tempting to dip here and there to savour the quality of the stuff that is retailed. The reader

who succumbs will be rewarded.' In the section on cottage industries: for example, after drawing attention to what is being done to remove the deficiencies, eg, by setting up the Cottage Industries Boards the grants-in-aid to the State Governments and non-official organisations for schemes of development, the *Survey* recounts an interesting development initiated by the firm of Gillanders Arbuthnot & Co Ltd under the title of Gillnot Small Scale Industries Ltd. This is an experiment in organising small industries on commercial lines by something like a managing agency firm, especially adapted to the job of supplying material, finance, technical assistance and inspection. Gillnots buy the products from these small producers provided they are up to the standard and sell them under their own trade mark. Any product that Gillnot do not want the producers are at liberty to sell elsewhere. It would be difficult to come across this interesting development in any of the standard publications,

The coverage on industries is particularly interesting and almost every new venture in manufacture has been listed with sufficient in-

formation to enable the reader to size up the possibilities though here, as elsewhere, the author are reluctant to express an opinion. There are however exceptions as in the case of the automobile industry about which the *Survey* observes:

"There is a legitimate reason to doubt whether the interests of the country will best be served by trying to force the development of a manufacturing industry; the market is likely to remain small and the local industry faces a serious problem: it can survive only if foreign competition is rigorously excluded and on present showing it will not have the resources to keep pace with developments elsewhere or be able to reduce its prices and so expand the market. If only locally-produced vehicles can be used, there can, at most, be one or two types of private car and one or two types of commercial vehicle. Even if the idea of complete manufacture is abandoned, however, it is hard to see how all the present assemblers can survive unless an export trade is developed, when those seeking to engage in it will have to face the competition of producing units operating on a sounder economic base."

There are of course sidelights, useful hints to British manufacturer where exactly he can fit in. On the subject of road development, it mentions that equipment is used very roughly and largely by unskilled operators and calls the attention of the manufacturers that although most British designs are robust and good, certain machines require modifications to render them suitable for Indian conditions. Simplicity and accessibility are essential. Agents of UK firms, in addition to providing servicing facilities, should be in a position to inspect all equipment supplied at least once a year. Moreover, it is desirable that road making machinery should be delivered in working condition and full and continuous training facilities should be provided for teaching operators how to work it, and that adequate foreman's data should be supplied by the manufacturers. The desirability of advertising is stressed particularly in specialised journals.

Appendices contain the full texts of industrial policy statement of the Government of India, and of the Prime Minister's statement on non-Indian capital and investment.

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