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## EDITORIALS

Food and Finance	671
Germany and Disarmament	673

## WEEKLY NOTES

India and Japan — Ambar Charkha Programme — P E O Study on Co-ops — Janata Life Policies— Sugar Exports	674
---	-----

## OUR DELHI LETTER

The Lone Battle	676
-----------------	-----

## OFFICIAL PAPERS

Little Drops of Water ...	677
---------------------------	-----

## FROM THE LONDON END

Crisis in Britain's Press	679
---------------------------	-----

## SPECIAL ARTICLES

The Socialist Pattern and the Second Plan —T P Subramonian	683
--	-----

Role of Tax-System in the Present Situation —Contributed	685
--	-----

Federal Finance and Nation- al Planning —B R Mamidi	687
---	-----

Relief to Foreign Investor in the Budget Proposals —Pritam Singh	689
--	-----

Budget Proposals—II —Indirect Taxation	691
---	-----

## AROUND CALCUTTA MARKETS

Steady to Firm	693
----------------	-----

## AROUND BOMBAY MARKETS

A Crisis of Understanding	694
---------------------------	-----

CURRENT STATISTICS	696
--------------------	-----

## Food and Finance

DELHI seems to be passing through some heart searching.

There is much talk of cleaning up the Congress, of ridding the administration of corruption and inefficiency and of curbing the extravagance and misbehaviour of the Ministers. It may be one of those periodic introspective spells which afflict some Congressmen who are not in office. Whether it need be taken seriously or not, time alone can tell. But as the present phase happens to synchronize with certain disturbing economic symptoms, it may be something more than the occasional prick of conscience in those who are politically ineffective. Why such expanse of spirit in a waste of shame? Even the noblest of moral urges or indignations are of no avail unless they spring from a conscious desire for change and are motivated by a proper realisation and firm grasp of realities. Why is there is a general cry for moral regeneration? Why do questions of individual morality or of ethical standards of classes of people arise whenever prices rise, taxes are raised, trains do not run on time or are overcrowded, food prices go up and other necessities of life become hard to get?

There is on such occasions an appeal to idealism, a demand that the administration should be cleaned up and made efficient. Blame the Government, lambast the civil servant, hang the profiteer and everything would be all right. Of course, when mass discontent mounts and the wrath begins to rise, many things may be swept away. Delhi has known many cataclysms in the past but index numbers do not usually record such seismic shocks, at least not sufficiently in advance.

Yet it is not difficult to see how utterly irrational much of it could be. Moral urges should be reserved for the right things. If this is not done, there is frustration and worse. Take all this gossip about Ministers' extravagances, carpets and cars; the next may well be a salary cut, and demonstration of austerity. True, every penny counts, every naya paise in this country where the unit has to be smaller. But are the Ministers only to be show-pieces and is austerity to be made into a ritual? [We have plenty of instances of modern Gurus who have renounced their all and who do not touch money and yet manage to thrive exceedingly well on the adulation of their disciples. If Ministers have a job to do, they have to be made reasonably free from cares and must be given the comforts and conditions necessary for efficient discharge of their duties. Persian carpets and electricity bills that would be adequate for a medium size factory, divert public attention from the main point viz whether the ministries under their charge are run properly and people out-value for their money, due economies are observed and parsimony not pursued at the cost of development.

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Politicians, however, have to be before the public eye. They set the tone and spirit of the Government. It is a little awkward when Congressmen don the regalia of office and do things which they should better not do, mistaking pomp for dignity. People will talk on such occasions but when the tirade is against civil servants, it is against waste and extravagance of an altogether different sort. Unfortunately, it is their contacts with them which antagonise the public against civil servants and yet this is largely inevitable. One cannot tax and please. Administration of vexacious regulations and controls even in the best hands is bound to leave behind it a trail of irritation, annoyance and hardships which may appear to be quite unnecessary to the sufferer. But damn the civil servant and you make him lose his initiative which even at best is never his strongest point. To ask him to serve in an atmosphere of criticism-cum-condemnation is to pay him without getting any work out of him. The administrative changes by which a greater popular participation would be made possible calls for new techniques, sanctions and norms which are not being developed, at least not with any appreciable speed or success.

Behind all this something may be brewing. There has always been an undercurrent of political discontent which finds an outlet whenever the conditions of living deteriorate. True, of late, the food situation has been causing some anxiety, and prices have been rising steadily throughout the year, though not as fast as in last year. There are some other factors, however, which warrant and justify a measure of confidence. According to the latest figures, production of cereals this year has been a little better, and food imports have been substantially stepped UP. That despite large scale distribution of foodgrains through fair price shops and the reasonably satisfactory position of food production, food prices have not shown any tendency to come down is certainly a matter of concern for the food authorities,

though not yet for the public. The development of the Plan has reached a stage where jerks and jolts to projects which have been taken on hand or even the postponement of others which are needed for the successful completion of those that are under way should be prevented at all costs, except of course in the situation of a national emergency. There is grave danger that difficulties on the food front may be exploited to create the apprehensions of just such an emergency.

Since food prices and food shortage are the focal points of attack, the Food and Agriculture Minister cannot help feeling that he is being pilloried for another's fault. If price rises are not just reflection of the shortfall in supplies, what else could they be due to? Has nobody heard about the Marshallian scissors?

To all this there is one comment. Food prices are now-a-days collected telegraphically from as many as 700 or 7000 centres all over India and all these telegrams" flow into the Food Ministry every day. Statistics of food production have been greatly improved and are now claimed to be fairly reliable. But sensitive as they are, food price changes can be interpreted as in the past only on the assumption that there has not been a major institutional change in the agricultural sector. We know about food prices and also about food production. There is a gap in our knowledge of the marketed surplus, which can only be inferred, ex post from price movements, if at all, for the latter are mixed up with too many things. Without waiting for an expert probe into the situation which he had wanted earlier, the Food Minister has demanded special powers under the Essential Commodities Act to take over stocks at below current market rates. This is to check speculative holding of stocks by the trade. But speculation feeds on shortage; it can create shortage only under very exceptional circumstances.

It is not often realised that it is more than a sizeable problem to make the grower part with his

grain' What had induced the grower to sell in the past was not primarily his own demand for other things i.e. movement of relative prices, but a number of institutional factors such as the share of the crop he was forced to give to others or the demands he had to meet for payment of rent and money-lenders interest. Every country that has launched upon planning had to face this situation and none has been able to solve it easily and satisfactorily. Needless to say, the problem is a great deal worse in an economy of peasant farming where in the best of circumstances price incentives can have only a limited appeal. The offer of powerful inducements to the grower in the shape of incentive goods is largely ruled out for the present. Agricultural development is the linch-pin of planning, which brings Nehru into the story: the task before him is not the narrow one of reforming his party but of organising the country for development, which means rehabilitating the rural sector. The administration we have got can be effective when its various agencies are concentrated at selected points, on specific undertakings. Whatever the cost, it can deliver the goods when the job is production of fertilisers or construction of multipurpose projects. But when the administration is dispersed and spread thin over a wide area, it ceases to be effective. Unless agriculture pulls its full weight, the Plan cannot succeed. The Finance Minister has literally to take arms against a sea of trouble; the wisest fiscal measures he may devise will not ensure an adequate increase in agricultural production nor induce the peasant to part with his grain. The spectre of inflation cannot be exorcised by fiscal measures alone. Pandit Nehru has given the Finance Minister moral support by stoutly defending the tax proposals; he could give him material support by helping to reorganise agriculture. If the Prime Minister is thinking of a change short of renouncing office, surely the next best would be to take up agriculture as his special charge.