

ranging foreign collaboration and even in raising funds locally, while relatively low priority projects have sailed through smoothly.

This is not necessarily a criticism of the private sector. For, it must be recognised that there is a basic difference between a target set for the public sector and a private sector target. The latter is not a command or an undertaking or even an agreement between the Government and the industry. The Government does exercise a regulatory influence through industrial and import licensing and other controls and incentives, but beyond that the achievement of private sector targets depends on profit expectations and changing market conditions.

If private profit expectations could be made to conform to the social return from investment to the extent predicated in the F I C C I's statement that private investment in the first two Plans went into activities "most desired by society itself", the Government and the Planning Commission could take credit for a remarkable, achievement. But that is not yet.

### **Unused Patents**

THE Government has not been able to make up its mind on amending the Indian Patents and Designs Act of 1911. At one time it was expected that the Minister for Industry would introduce in the winter session of Parliament a bill to change patents law governing drugs and food products. No such bill was, however, moved; it is not known whether the Government has altogether given up the idea. If it has, this will not be the first time that the Government has got cold feet on this question. As early as in 1953 a Bill to amend the Patents Act was introduced in Parliament on the basis of the Report of the Patents Enquiry Committee appointed in 1948. The Bill was, however, never taken up for consideration and was allowed to lapse. The issue then remained in cold storage till the appointment of Mr Justice Rajagopala Ayyangar as a one-man commission to report on the revision of the Patents Act. Though Justice Ayyangar submitted his report within two years, no action has been taken on it till now.

Though in favour of the continuation of the patents system. Justice

Ayyangar had pointed out in his report that "the Indian patents system has failed in its main purpose, namely, to stimulate invention among Indians and exploitation of new inventions for industrial purposes in the country so as to secure the benefits thereof to the largest section of the people". Those who advocate a change in the patents law, therefore, draw attention to the fact that, first, most of the patents registered in India are by foreigners and, second, very few patents registered are in fact exploited in the country.

The Annual Report of the Patents Office of the Government of India for 1962, just released, states that a total of 5,813 applications for patents were made during the year. Of these, only 814 'originated in India' while 4,999 were by foreigners. Patent applications covered substantially all the fields of industry and technology. Chemical industries accounted for the largest number of applications, mostly by foreigners. In civil, mechanical and engineering, similarly, the inventions mostly originated abroad. Even in the textile industry relatively few inventions were by Indians. Among the foreign inventions, there was an appreciable increase, as compared with 1961, in the number of applications from the U S, Germany, France, Italy and Japan, among others. On the other hand, applications from the United Kingdom declined from 1,161 in 1961 to 1,040 in 1962. The number of applications originating in India increased by 40 in 1962. Altogether 21,312 patents were in force at the end of 1962, of which 1,910 stood in the names of Indians.

The level of research activity in a country is naturally linked to the level of economic development and it does not follow that it is the patents system which has been holding up research in India. In an underdeveloped country grant of patents cannot be expected to make much difference, one way or the other. But the adverse impact of abrogation of patent laws is likely to be felt in increasing, rather than decreasing, measure as the economy develops and research activity picks up.

### **Compulsory Licensing**

THE really disturbing feature of the patents system for the underdeveloped countries is that only a very small proportion of the patents registered are exploited, the monopoly granted by patents being used by the foreign patentees primarily to *prevent* the use of the patented inventions in these countries. Patents in drugs and medicines are the best example of patentees using their rights just to sell their products, manufactured in the home countries, at monopoly prices which bear no relation to the cost of production. It is unfortunate that the report of the Patents Office throws no light on this vital matter. How many of the 21,312 patents registered are being exploited?

It has been suggested that the modification of the Indian Patents Act should have as its objective the development of manufacture in the country by compelling patentees to work their patents. The Government's Health Survey and Planning Committee, which reported in 1961, had made the following specific suggestions:

- (1) Automatic revocation of the patent in the event of manufacture not being undertaken within four years of the grant of the patent; and
- (2) Provision for compulsory grant of manufacturing license.

Section 22 of the present Patents Act does contain a provision for the grant of compulsory license for manufacture but it has not been very effective. Only five applications were filed for the grant of compulsory licenses in 1962. All of these were still pending at the end of the year. In 1961 the Joint Controller of Patents had ordered two compulsory licenses to be granted, but these orders were contested first before the Calcutta High Court and then before the Supreme Court so that the orders passed in 1961 remained inoperative till the end of 1962. Obviously, if compulsory licensing is to be effective, the present provisions need to be modified.

### **Letter to Editor**

#### **Facing Reality**

WHEN I left India in August 1963 frustration and despondency were gradually setting in; a feeling that problems were getting out of the nation's grip was growing. But we still lived in a world which

was to a great extent of our own creation.

To begin with, our Press, whatever its other shortcomings, is very international'. The proportion of international news in our newspapers is far more than in the press of many other countries — definitely more than in American newspapers. Very naturally international affairs are reported to us from the 'Indian' perspective. Again, we have a particular fascination for the anti-Communist liberal intellectual of the West. Our widely publicised 'intentions' appeal to them and to some extent our 'different' image provides a balm to their own tortured minds racked by the contradictions of the material achievements, on the one hand, and the almost primitive social and political set up, on the other, of their own societies. We feed like gluttons on their praise. All this gives us an extremely exaggerated notion of ourselves. Our 'history', our 'non-violence' and the 'new way' we are showing to the developing countries, round off very nicely our picture of ourselves. And then, of course, there is — or was — the legend of Jawaharlal Nehru.

The perceptive young Indian leaves his shores full of his own country and its problems. He may not want to whitewash its difficulties — but is pretty sure of the importance of what he has to say and the attention he will get. But it is not long before he comes face to face with reality — today the attitude that the world has towards us is one of pity and commiseration. We are not a serious political force. This is the galling truth which hits every Indian on the face like cold water as soon as he leaves his country. The shock is repeated again and again, till he learns to live with it. To many Indians, of course, this does not matter; for these are the ones who can explain, over cocktails, to a very receptive audience that India's future was all along linked up with the West (these are the ones who become the blue-eyed boys of the Foundations).

There are many ways in which the realities of our situation are forced down our throats. To begin with, there is the Attitude of the Press of the world. When the great issues of the world are discussed, the Indian

viewpoint is hardly mentioned; it does not matter. One is forced to contrast this with the attitude to China. China makes headlines. It is a serious political force which conditions the political responses of other powers. It would not do to feign contempt for such 'notoriety'. The writing is clear on the wall.

The illusion that we have of the rest of Asia and Africa "looking up to us" is also removed very quickly. The reaction to India in many 'international Houses' of young people from the developing countries is almost one of contempt, or worse, of sympathy. By contrast, far smaller countries like the UAR and Yugoslavia present the confident image of countries getting ahead. The callousness with which many of us treat people from Afro-

#### Capital View

## *New Postures*

**Romesh Thapar**

THE stirring continues—and not only at Bhubaneswar. The banal "India and the Dragon" programme of AIR has become the more sophisticated 'Focus'. 'A Nation Prepares', equally puerile, is now 'Progress Report'. And, believe it or not, 'Non-Alignment' is sought to be interpreted as 'Non-Involvement'. Only policies which spark a higher rate of economic growth are considered sacrosanct, not-to-be-interfered-with. The more one probes the apparently haphazard, contradictory moves of the Government of India, the more one is encouraged to believe that new postures, economic and political, are taking shape — emerging, as it were, from the stirring.

#### **The Contradictions**

Let me try to explain these subtle, but potentially qualitative, changes. For the past year, ever since the Chinese crossing of our frontiers, the Prime Minister and his policy-makers have been trying to resolve the inherent contradictions between the policy of military confrontation along the Himalayas and the policy of non-alignment, between the competing needs of

Asian countries and the complete unimaginativeness of those who are professionally engaged in projecting our image abroad complete our failure to influence people, let alone win friends.

The gilt has by now worn off the Indian image. Our "independence" now excites no one; our talk of "non-violence" seems strangely incongruous today; our experiments in economic growth fail to arouse interest as our economy continues to plod in and around poverty.

This is the reality of India's position in the world today. If we do not realise it, it is because we *really* are out of touch with reality.

YOGINDER K ALACK

Philadelphia,  
U.S.A.

January 3, 1964.

defence and those of development, and between national interests and the interests of a region. The desperate attempt to resolve these contradictions was dictated in large measure by our almost psychopathic desire to refute the propaganda barrage of Peking that we were neither non-aligned nor socialist, and to prove Maoism false.

This attempt failed, and failed hopelessly, because the policy-planners were unable to galvanise the people to make that stupendous effort so necessary to salvage the wreckage of non-alignment and to sustain the economic growth rate despite the threat of massive defence spending. The 'dragon' only perpetuated the 'drag on'. The agit-propism of AIR only reflected the bankruptcy and paralysis of the ruling cadre. The Nehru Fra. which started with a bold, inspiring flourish, seemed to be content with a whimpering finale.

#### **Emphasis on Growth Rate**

Again the ruling party's thinking sections have been busy trying to evolve a way out of the impasse.