

through next year, one can foresee difficult times ahead for the industry in finding oil to meet the demand. It is easy to say that the solution is a rise in production. The problem here is, as with other food crops, one of increasing productivity.

The other aspect of the problem of edible oil shortage is to use more efficient methods of extraction. Solvent extraction leaves less than 1/2 per cent residual oil in the cake. Groundnut cake from *ghanis* can leave as much as 15 per cent residual oil. Even the most efficient methods of expelling oil still leave 5-6 per cent oil in the cake. Yet except for soyabean oil (this year) solvent extracted oil is not permitted for edible use by Government. The reason is that many small units use non-food grade solvents to extract oil and are also not very efficient in separating all the solvent from the oil.

However, this prohibition of solvent extracted oil from edible use has not prevented unscrupulous people from breaking the law and mixing solvent with expelled oil and selling it as edible oil. Delection of such mixing is in many cases well nigh impossible. All that the prohibition has achieved, therefore, is to prevent the vanaspati industry from using solvent extracted oil even when it can be certain that the oil is extracted with food grade solvents. The Government could immediately reduce the pressure on vanaspati prices by permitting solvent extracted oils to be used in vanaspati, if food grade solvents have been used in the extraction.

The long-term solution to getting maximum oil yields in extraction is to encourage the setting up of large solvent extraction plants and to ensure the availability of food grade solvents. One way of ensuring that solvent extracted oils are not injurious to health is to ban the use of all non-food grade solvents in oil extraction.

Mystery of Star Fighters

A Correspondent writes:

THE Star Fighters (F 104s) of Pakistan remained a mystery in the recent conflict. To go by news reports, they made an appearance early on in the Chhamb sector, did rather badly and then disappeared from the operations. Since they are the most advanced aircraft in the Pakistan Air Force, the inference was that there were difficulties of personnel or servicing. Recent reports from Western Germany

suggest, however, that the fault might be with the planes themselves.

A decision to use a slightly earlier version of the Star Fighter, F 104 F, as the basic aircraft of the West German air force was taken by Franz-Josef Strauss nearly four years ago when he was Defence Minister. Star Fighters were to be built in West Germany under licence from Lockheed Corporation to be used as lighters interceptors and fighter-bombers. Their association with a controversial figure like Strauss was bound to bring them critical attention: and ever since Strauss went, Star Fighters have been obliging their critics with new troubles.

The production in Germany has itself been somewhat erratic. West German experience in building planes is extremely limited: as a result of post-war restrictions placed by the Allies, little planes for pleasure, business and spraying pesticides are about all the West German aircraft industry can make. The Star Fighter presents a further problem: it is a highly automated plane, and carries a correspondingly elaborate electric system. The first reactions to difficulties were that the West German firms were at fault; the more recent view is, however, that the basic design is defective. Most faults can be traced to the elaborate electronic system or to the heaviness of the plane as a fighter. The introduction of a newer version, F 104 G, has not made much difference.

The most disturbing fault of the Star Fighter is its tendency to crash. Some twenty have crashed in the last year in West Germany; crashes have become so frequent that the village of Schortens, which is near a military flying school, has appointed a committee to protest against them and take steps for its protection. All 656 Star Fighters of the West German air force were grounded recently for the second time this year.

The Star Fighter is the first problem that the Defence Committee of the just-elected Parliament has taken up. The Committee will probably only emphasise what is known about the plane already — that its navigation system is inaccurate and its engine out powerful enough: it is difficult to see what further it can do. For the F 104 will remain the chief aircraft of West German air force right up to the 1970s, and its faults are too serious to be remedied piecemeal. The United States, insofar as it has any use for aircraft,

has gone over to the TFX, so no one — probably not even Lockheed — has much interest in keeping the Star Fighter alive.

Postal Savings Deposits

POST office savings bank deposits are large enough to make the institution a mass repository of small savings. Total deposits at the end of March 1964 were Rs 512 crores, not much lower than Rs 600 crores at the State Bank of India. The number of depositors has increased steadily from 84 lakhs in 1960 to 110 lakhs. The growth of deposits, however, has been rather sluggish; in 1962-61, in fact, withdrawals were almost as large as deposits. In spite of more attractive interest rates offered recently, deposits have not increased significantly and the average balance per depositor has hardly risen at all over the last 5 years. What is more, the fairly large amounts of withdrawals indicate that the deposits are more in the nature of current than long-term savings accounts.

The distinctive role of postal deposits in the broad spectrum of small savings schemes is no longer clear. This institution was built up at a time when banking offices were almost exclusively confined to the principal towns and there were practically no other small saving schemes. Both these conditions are radically altered now; there is a considerable variety of taxable and tax free, official and private, small savings schemes. The greatest scope for postal savings, one would imagine, is in areas where banking facilities are poor and public confidence in private banks has still to be built up. A dually, a considerable part of the deposits seem to be in areas which are fairly well provided with banking facilities. The magnitude of the accounting work involved in managing these accounts has become large enough to justify mechanisation in the principal centres. One of the greatest disincentives to opening a saving bank account at a post office is the 19th century formalities associated with it while the traffic is of modern dimensions. It would also be worthwhile to link up saving bank accounts with money order remittances. The latter involve and concern the great majority of postal customers who are exposed to great inconvenience and waste of time every month. Could not the Post Office evolve a transfer system for remittance from the principal towns to villages?