

UNWHOLESOME BUDGET

MAY 10 1960

Morarji Desai has pulled off quite a trick. The general reaction to his latest Budget is that it is a "hum-drum affair." But, in actual fact, the Budget is not so hum-drum as unwholesome. Taken together with the Economic Survey, which is its annual companion, we have rather indigestive fare which will do no good to India's economy.

THE Finance Minister has, in his Budget speech, advised that we consider his proposals against the general background of the present stage of India's economic development. We shall follow his advice, even if we cannot go further together with his solutions for our difficulties and his complacency.

National Income

Let us, first of all, take the national income position, as some sort of indicator of general economic growth—though strata-wise break up of the national income is conveniently avoided by the Government.

The Economic Survey computes that during the three years of the Second Plan total national income (at 1948-49 prices) has gone from Rs. 11,000 crores in 1957-57 to Rs. 11,570 crores in 1958-59, while the per capita increase has been from Rs. 283.5 to Rs. 290.7. Thus, the rate of growth has been on an average 3.42 per cent annual or 10 per cent in three years as against the Plan target of a 25 per cent increase.

As for per capita income, the report states: "Since, on

a recent estimates, the rate of population growth has of late been higher than assumed in these calculations, the actual growth of per capita incomes is somewhat smaller than that over the period would be indicated in the above figures." That is to say, it will be even less than Rs. 7 in three years!

Besides, the dangerous dependence of our national income on agricultural production, itself exposed to sharp fluctuations caused by the vagaries of the monsoon, stands clearly revealed. In 1957-58 we had a bad crop and the national income actually declined, while in 1958-59 we had good luck with the crops and national income rose by 6.8 per cent over the previous year!

Prices And Deficit Financing

Second, let us take prices and deficit-financing. The Survey points out that there has been a rise in wholesale prices by about 20 per cent since the Second Plan began. In 1959 itself the rise has been of the order of 4.5 per cent, while the all-India index of working class consumer prices rose from 119 at the end of 1958 to 124 in December 1959—the average

rise is 5 per cent over the last 12 months.

Naturally enough, this rise in prices has proceeded parri passu with deficit-financing which in the first four years of the current Plan comes to Rs. 1,120 crores—only Rs. 80 crores short of the limit laid down for five years.

Government deficits have also been helped by bank credit-inflation. The Survey states: "the increase in bank credit to the private sector was Rs. 129 crores in 1959 as against Rs. 22 crores in 1958 and Rs. 79 crores in 1957"—a rather spectacular rise.

In another place it states: "There has been in recent years a substantial increase in the credit extended by banks to industry." One possible impact of such lending has been the upward trend in equity prices—17 per cent rise in prices of variable dividend

industrial securities.

Pointing out that the price rise has not been accompanied by any significant step up in aggregate investment, the Survey adds: "The fact that prices and cost of living have, nevertheless continued to show an upward trend indicates the low margins on which the economy has been operating." This is not development with stability but instability with lack of development!



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Third, take the question of taxation. It has been estimated in the Survey that "the yield of additional taxation undertaken by the Centre and the States in the first four years of the Plan is estimated at Rs. 975 crores over the five-year period."

The Second Plan had estimated that the yield would be

And, to make matters worse, the bulk of this heavy tax revenues comes from indirect taxes—from the poorer sections of society. In 1959-60, out of the total gross tax revenue of Rs. 686.5 crores, as much as Rs. 522 crores was raised by indirect taxes—some 75 per cent of the total. This contrasts with 63 per cent of total tax revenue coming from indirect taxes in 1949-50.

Scope For Direct Taxation

Not that there was no scope for direct taxation. Take the single case of the profits of foreign firms—leave aside, for the moment, native profits! The profits repatriated in 1954-57 comes to Rs. 112.3 crores, and the profits retained in the same period Rs. 52.9 crores.

Now, if we subtract from the Rs. 137.28 crores increase in foreign capital over the four years the retained profits we arrive at a figure of Rs. 84.38 crores, which is over Rs. 30 crores less than what was repatriated.

Then again there has been the problem of tax-evasion. The figure has been variously computed but can safely be taken to be over Rs. 100 crores a year.

About evasion, the Tyagi Committee Report states that "opportunities for evasion are largest when the income is derived from business, profession or vocation...."

"One important reason for the prevalence of evasion is stated to be that in actual practice no deterrent punishment like imprisonment is being meted out to tax evaders when they are caught.

"Though the direct tax Acts provides for prosecution and imprisonment in cases of concealment and false statement in declarations, the Department has not during the last 10 years, got even a single person convicted for evasion.."

"Even moderate penalties levied by assessing officers are reduced to nominal sums by appellate authorities. Both these factors, the non-resort to prosecution and the non-levy of deterrent penalties, have, no doubt, encouraged the growth of evasion."

Apart from evasion, it is an amazing fact highlighted by the Tyagi Committee that only 71 per cent of total assessments necessary were completed in 1957-58. In higher income groups the percentage of cases pending comes to as high as 32 per cent. Similar is the case with Estate Duty and Wealth Tax assessments.

To add to all this inequality there is a continuous increase in the amount of direct tax revenue remaining in arrears—at the end of 1958-59 it

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by MOHIT SEN

WE WILL MARCH TOGETHER FOR PEACE —Khrushchov's Assurance

The scorching sun beat down as half-an-hour past noon on March 1, Nikita Khrushchov emerged from the Iyushin-18. Nehru, Padmaja Naidu and B. C. Roy were waiting to receive him—and a large crowd besides.

THE Soviet Premier was in excellent form, despite all the rigours of a long and strenuous tour. He laughed and quipped—suggesting, for instance, to Nehru that the two of them should try to be as tall as the six-footer West Bengal Chief Minister!

After a brief presentation function, the two Prime Ministers drove to Raj Bhavan along a densely-crowded route. Particularly massive and tumultuous was the welcome at Belgachia and the Shambazaar crossing—where a ten-deep mass cheered and sang. A striking painting was displayed on Bhupen Bose Avenue which showed Nehru and Khrushchov facing each other and carried the inscription "Long Live World Peace."

In the evening the Ranji stadium was packed beyond capacity to accord Khrushchov a civic reception.

After the garlanding and the bouquet presentation, Suchitra Mitra's glorious voice rang out with a Tagore song. Calcutta's Mayor, Bejoy Banerjee read out the Civic Address, which he later presented to the Soviet Premier in a silver casket. Khrushchov acknowledged the gift with his endearing namaskar.

The Mayor then made a short speech in Bengali in which he described India's

doves—symbols of peace and love—and from the crowds hundreds of other doves flew to join them.

ISCUS Reception

Later the Indo-Soviet Cultural Society held a reception at Marble Hall, Raj Bhavan, for the Soviet Premier. Speaking to the distinguished gathering Khrushchov said: "People may say that I am a Communist and when I go out I speak Communism. I think that is only natural.

"If I try to preach capitalism that will be something surprising and people may think that a cock is making the noise of a hen." Laughter and applause resounded in the hall at these words.

He went on to say "I speak my own voice and of my own convictions, but I am not imposing this on anybody. We want to be friends with all countries—even those with whom our relations are not so good now. The social and political system of this country or that should not be an obstacle in the way of friendship. Which system is better will be judged by history."

Turning to Pandit Nehru, whom he described as "not a member of the Indo-Soviet Cultural Society but a friend of the Soviet Union," Khrushchov said that he was sure the Indian Premier would agree that "nothing but friendship" exists between our two countries and we are all pleased at that. I can fore-

friend as "the Apostle of Peace" and the "wonder of our age." The speech was translated into Russian by Professor Narendranath Roy. A large portrait of Gurdev Rabindranath, done by the late Ramendra Nath Chakravarty, was then given to Khrushchov as Calcutta's souvenir-gift.

The Soviet Premier made a stirring address (extracts from which are reproduced elsewhere), a Bengali translation of which was read out by the well-known stage actor and director, Sambhu Mitra.

Replying in Hindi, Nehru recalled India's great traditions of peace. He fervently hoped that the coming Summit Conference would mark a big step forward in the ensuring of world peace and the banishing of armaments from the world.

He paid an eloquent tribute to Khrushchov "whom we looked on so long with love and care" for his unremitting work for peace. "Of all the many achievements which are to our distinguished visitor's credit, the one which lingered in the Indian heart was his striving for peace and the words which would ring long in the Indian ear were his utterances about peace."

After the speeches, the two leaders released two white

Andhra's "Prosperity" Budget

★ From V. Hanumantha Rao

Andhra Finance Minister K. Brahmananda Reddy presented a 26 lakh deficit budget to the Andhra Pradesh Assembly on February 20.

Like in previous years this year, too, it was made out that it was a budget without tears. There were no announcements of any new taxes. There were certain tax reliefs to the tune of 45 lakhs.

In the preceding years too budgets without taxes had been presented. They however had been preceded and followed by various legislations, imposing taxes.

The Finance Minister was very realistic—in fact he had to be—when he pointed to the two serious ills of Andhra economy, growing prices and increasing unemployment. But he failed to indicate any solutions to the problems. On the other hand, he indicated that people may have to continue to suffer.

Yet, he called it a "prosperity" budget. Why?

Revenue increased from Rs. 72.04 crores in 1959-60 (budget estimates) to Rs. 82.18 in 1960-61.

● But for the tax reliefs announced this year, the budget is really a surplus budget to the tune of Rs. 20 lakhs.

● As against the estimated expenditure of Rs. 2313 lakhs in 1956-57, the expenditure has increased to Rs. 4108 lakhs in 1960-61 (estimate).

Whose Prosperity?

P. Sundarayya, leader of the Opposition, agreed with the Finance Minister saying, it is true that our revenues have increased and expenditure on development works has also increased.

He also acknowledged the fact that even after leaving a margin to the extent of 10-20 per cent for wastage and corruption, large amounts were spent on people's needs. But, he asked, to what extent this prosperity was shared by the common people and to what extent did it lead to the improvement in the living standards of the people?

In face of the Finance Minister's own admission about rise in prices, increase in unemployment and his inability to arrest them, Sundarayya asked how we can satisfy ourselves saying that our State is prosperous?

His speech further on really became a "State of the Nation" speech, so far as this State is concerned. It was not merely finding fault with the Government for its commissions or omissions. He drew a realistic picture of the economy of the State of Andhra, its progress and achievements as well as its failure and warned the Government against possible consequences.

He pointed out the real reason behind the Government's announcement of tax relief. He revealed that two years ago, the Finance Minister had admitted the difficulty in realising and assessing taxes and had promised to rescind these taxes.

He referred to the injustice meted out to this State by the Central Government in the matter of giving grants. Whereas the Central Government collects an amount of Rs. 80-90 crores by way of taxes, etc. from Andhra, it

gives back only Rs. 30 crores either by way of proportion of taxes or grants or loans. Even giving a margin of another 20 crores to be kept by Centre, a bigger share is due to this State, than we are getting, he said. He added: "This is not the same proportion in which the other States are treated."

Then he proceeded to x-ray the progress claimed by the Government.

National Income: It was 919.56 crores in 1956 and went up to 989.10 crores only by 1958-59. Thus, it was only 7 per cent increase in 3 years or 2.5 per cent increase per annum as against the Plan target of 5 per cent per year.

Per Capita Income: It was Rs. 287 in 1956 and Rs. 296 in 1959, which means only an increase of Rs. 3 per year.

Employment: According to census figures, out of 3.6 crores people, 1.6 crores of people are capable of being employed. Out of these 83 lakhs are employed, 33 lakhs are semi-employed, which leaves a figure of 54 lakhs of employment-seekers. To this figure should be added the number of new employment seekers to the tune of 36 lakhs every year during the period 1956-

59, consequent on increase in population.

As against this, the performance of the Government is shocking. In 1956, factory labour stood at 1.80 lakhs, while in 1959 it was 1.90 lakhs besides 15,000 in shops and establishments. Thus, in 3 years, only 10 thousand more people could be placed in employment.

Prices: According to the wholesale price-index, the increase in prices from 1948-49 to 1958-59 was 25 per cent. But, retail prices registered an increase of 50 to 200 per cent. For example, the second quality rice which was sold at 15 rupees per railway maund of 82 lbs. was sold at 22 rupees in 1958-59. The price of tamarind rose from Rs. 14 to Rs. 59 per maund in the same period.

Food Production: The Planning Minister claimed that the increase in food production was 10 lakh tons during the first four years of the Plan and the total production would reach 78 lakh tons by the end of the Second Plan. This claim is preposterous. For, according to Government figures themselves, the total food production, in 1955-56 was 55 lakh tons and it went up to 62 lakh tons in 1958-59. By the end of the Plan period, it may at best reach 66 lakh tons and in no case 78 lakh tons.

Irrigation: During the plan period, Kadam Dam, Mallamadugu and Nagavallani were washed away. One crore rupees was the estimated loss in the construction of K-C

canal. As against the target of one crore acres to be brought under cultivation under Tun-gabhadra low-level canal, only 64 lakhs had been brought under irrigation. Similar is the case with most of the projects under the Second Plan. Money was not spent on as many as 34 irrigation schemes for which provision was made in last year's budget.

Education: There is a fall, not progress, in this field. For example, in primary education, the number of students, which was 10.39 lakhs in 1958 went up to 10.55 lakhs in 1959 registering an increase of 16000. By 1960 March, the increase would be 1.5 per cent in the number of students receiving primary education while in the same period if we consider the increase in population, there is a two per cent increase in the number of primary school going children, which means a fall of 0.5 per cent.

The same state of affairs is reflected in the case of education in other branches.

Public Health: According to 1955-56 statistics—there were no Government statistics relating to the later periods! All epidemics like cholera and smallpox as well as infant mortality are on the increase. According to the Minister of Public Health, it would require 1.25 crores to eradicate smallpox alone, whereas the whole budget for health is only 5 crores which reflects the interest of the Government for the welfare of the people.

The schemes and amounts are dropped or taken up, re-appropriated or not spent at the whims and wishes of officials and Ministers.

People have no confidence that because a certain scheme was included in the budget, it will be implemented in that year or even in the next year. There are schemes started as far back as in 1946 and yet awaiting completion.

Backward Classes: Government have enunciated a very sound principle that educational concessions should be given to economically backward people of all castes including those of higher castes. But, in practice, what Government did was to cut down the grant for educational concessions to backward communities and scheduled castes by three lakhs and allot it to the economically backward among the upper-classes.

The budget manual allows variation from budget proposals to the extent of five per cent.

But the present budget is a gross abuse of the legislature and a great hoax on the people. There is absolutely no relation between the estimates and revised estimates, between the revised estimates and actuals.

To illustrate this point: there were 214 schemes under the head of irrigation of which there were variations from budgetary allotments in as many as 135 cases. In 77 cases, the variation is to the extent of 50 per cent more or less than the budget allotment. Similarly, under the head of civil works, under capital account, out of 76 schemes, there are fifty cases where there is 100 per cent variation!

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General Disarmament Campaign

In pursuance of the call of the World Federation of Trade Unions and the General Council of the All-India Trade Union Congress, trade unions will conduct a campaign among the workers of our country for universal disarmament, for release of funds to develop the underdeveloped countries and for immediate freedom of all those countries in Asia, Africa and Latin America that are still groaning under the imperialist domination.

The horrors of the two world wars are too frightening even to be recounted. If the first war lasted for four years and four months, the second dragged on for almost six years. The first war involving 33 countries with a total population of 150 crores, while the second extended to 40 countries with a population of 170 crores.

The mobilisation of men in the first war was 7 crores while the same rose to 11 crores during the second war. The loss of life in armed forces was 92 lakhs during the first war while it mounted to the staggering figure of 3 crores in the second. The civilian casualties during the first war were 5 lakhs while the victims of the second war were of an order of 2½ crores.

Such is the horrifying tale of the two World Wars.

Even the non-belligerent countries could not be spared of the horrors of war. High prices and shortages, starvation and disease only multiplied the miseries particularly of the underdeveloped world even when they were not directly involved in war. In our own country in Bengal itself 35 lakhs of our people, men, women and children, died of starvation and epidemics.

During our lifetime, capitalism has thus inflicted two wars on us, the second much more horrible than the first. The third would spare no people and no country and could wipe out cities and whole regions. There would be many more Hiroshimas and Nagasakis. There would be many more Bengals enacted.

Could, therefore, wars be not banished from this planet of ours? The people's answer is a confident Yes!

Such shall be the noble outcome of complete and universal disarmament.

We saw during 1959 huge mass actions and mobilisations of workers against war and preparations for war. We saw the first protest strike in New Town

in Britain against the manufacture of thermo-nuclear weapons.

In Dortmund, West Germany, 100,000 people declared a protest strike against the installation of a missile launching site and brought all enterprises, offices and transport to a standstill for 10 minutes.

The All-Europe Trade Union Conference at Goerlitz—Zgorzelek and its decisions on the vital questions of German unity, disarmament and banning of atomic weapons and the subsequent great campaign in accordance with these decisions is an outstanding example of workers' action for peace.

Japanese workers staged several strikes and huge demonstrations against the "Security Treaty" between that country and U.S.A.

The great Spanish working class went into a glorious action shaking the political positions of fascism and monopoly capital in that country.

The world is spending 10,000 crores dollars every year on armaments. And within this very world of ours the underdeveloped countries require only 1400 crores of dollars every year to catch up with the advanced countries.

Could not the capitalist world, that had robbed and ruined the underdeveloped world and inflicted two wars and untold loss of human lives give up wars, abandon armaments, save this staggering amount and return part of their plunder to develop the underdeveloped countries?

Our answer is a firm yes! And our determination is to achieve this objective.

The richest capitalist country of the world, the U.S.A. spends millions on armaments, military pacts and cold war machinations, while in the richest city of that land—New York, 11 lakh people live in slums in conditions of overcrowding and lack of even elementary conveniences.

At present the military expenditure of underdeveloped countries is 400 crores of dollars every year. Half of this amount is spent by Asian countries themselves. In some of the Asian-African countries 2 to 8 per cent of total national income is appropriated for armaments while the capital formation is only 6 to 7 per cent. If disarmament could be secured the capital formation in Asian-African countries could be raised by 50 to 100 per cent.

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1959 also saw the breathtaking initiative of the first workers' state of the world—the Soviet Union—calling on all States for general and complete disarmament with control. The noble Soviet proposals have seized the world and have influenced men's thinking tremendously.

However, we see that the French imperialists have tested their Atomic Bomb on the African territory of Sahara defying all decent world opinion and exposed all Africa to "clouds of death".

We note with anxiety the U.S.-Japan "Security Treaty" further augmenting the explosive capacity of such war pacts as the SEATO.

Between a militarised West Germany in the West and a militarised Japan in the East is the chain of enslavement and death comprising of the NATO, the CENTO, the SEATO and the proposed NEATO girdling the globe and piercing right

through the hearts of Asian-African countries.

The trade unions shall campaign—

—that this chain be broken;

—that atomic tests be immediately banned;

—that all thermonuclear weapons be banished;

—that the war in Algeria be put an end to and Algeria be declared free; and

—that in accordance with the Soviet proposals the whole world be disarmed and money released to develop the underdeveloped world and raise the living standards of the people the world over.

The UN is convening the World Disarmament Conference in mid-March. We shall campaign for the success of this Conference.

The heads of the four big powers—the USA, the USSR, the U.K. and France are meeting in mid-May. We shall campaign for the success of the Summit.

LABOUR NOTES

● BY RAJ BAHADUR GOUR, M.P.
SECRETARY, ALL-INDIA TRADE UNION CONGRESS

PRAGA TOOLS EMPLOYEES' DEMANDS

PRAGA Tools Corporation is a public sector undertaking in Hyderabad occupying a proud place in our precision tools manufacturing industry.

This factory employs more than 1600 workers among whom over a thousand are daily-rated.

The unskilled workers in this factory and 'C' grade operators are at present in the same grade of Rs. 1-2-0 to Rs. 1-12-0. The D.A. including the ad hoc increase of Rs. 6/- amounts to Rs. 30/-.

Central Government holds 51.5 per cent of shares in this concern while the Andhra Pradesh Government holds another 34 per cent shares.

This factory has done very well during recent years and its production has increased from worth Rs. 12.84 lakhs in 1951 to worth Rs. 61.52 lakhs in 1959. Its sales have gone up from tools worth Rs. 10.87 lakhs in 1951 to tools worth Rs. 59.85 lakhs in 1958.

However, the workers have not gained much from this increased prosperity of the concern. Even the incentive scheme introduced, some time back did not mean much for the workers' pay pockets.

That is why the Praga Tools Employees' Union, of which N. Satyanarayan Reddy is the president, has submitted a memorandum of quite modest demands which are under consideration of the Management.

The Union has demanded a grade of Rs. 1.50 to Rs. 2.00 for the Mazdoors and Rs. 2.00 to Rs. 3.00 for the Mukaddams. The Union has demanded a grade of Rs. 2.50 to Rs. 3.00 for 'C' grade operators, of Rs. 3.50 to Rs. 4.50 for 'B' grade operators and of Rs. 4.50 to Rs. 5.50 for 'A' grade operators. Senior operators should according to the union get a grade of Rs. 5.50 to Rs. 7.00.

The Union has also demanded the formation of a Production Committee to secure maximum cooperation between the management and the workers to further increase the production and the quality of the products on the lines suggested by the National Productivity Council.

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For the monthly paid categories, the Union had demanded a grade of Rs. 35/- to Rs. 45/- for office boys, scavengers and canteen workers and so on; and a grade of Rs. 100/- to Rs. 130/- for junior clerks. Senior clerks should according to the union get a grade of Rs. 130/- to Rs. 200/-.

The Dearness Allowance as demanded by the Union would be Rs. 45/- for the cost of living index of 180 (Base 1943-44 = 100) and a rise of 25 nP for every point rise in the index.

Then there are other demands such as House rent allowance, Night Shift allowance, leave facilities and so on.

The Union has declared to abide by the Code of Discipline and has called on the Management to adopt the same and institute a proper grievances machinery.

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COST OF COMMONWEALTH LINK

PROF. Hiren Mukerjee, welcomed the resolution moved by Sri Braj Raj Singh, Socialist M. P. on February 26 in Lok Sabha that "India should quit the Commonwealth of Nations".

In the course of his speech Hiren Mukerjee said, "The old argument, which is sometimes rather pooh-poohed by Government, used to be—and it still has a certain value—that the break-away from Empire ties—Commonwealth being only another name for the Empire; wolves sometimes put on sheep's clothing—were thought of as essential to national exhilaration, to the lighting of the glow of freedom in the hearts of our people and, therefore, it was thought that it was only fair that we adhere to the pledge which we took 30 years ago in 1930."

"I should say in the beginning that there is no question of racial or national antagonism towards Britain involved in this. We are not chauvinists... We are opposed to the system which is represented by the Empire and now by its substitute the Commonwealth."

"Sometimes I have noticed a feeling in our country that, perhaps, the British Empire is different because it is generously denuding itself of power in Asia and Africa while the French Empire, for example, is rather keen and is clinging to its gains... The difference is, however, small and basically inconsequential. In different circumstances, the two Empires have behaved differently."

"The British might be a little more realistic, but that is about all there is to it. To cling to power as long as they can, whether it is Kenya or in Nyassaland, has been their objective, which is as much the objective of the French or the Belgian imperialists."

It may be said that the British Commonwealth is a large conglomeration of very dissimilar States in different continents and to that extent it widens the area of peace and understanding and of our own development. It is a very important argument. But I do not think that there is a large extension of the area of peace

something which at least I cannot fathom. How much understanding Britain has for India can be seen in many things... Take for example the question of the Portuguese possessions in India. Now England lifting her little finger can easily stop Portugal and make Portugal truckle down, but she would not. She enjoys India being in trouble. Wherever India is likely to be in trouble, she tries to muddy the waters. That is exactly what she has been doing.

"Do we get economic advantage because we are members of a large family presided over by the British Queen? It is on account of Britain's former policy in India that we were kept in a position of planned backwardness... "That is why even today India, depends very largely on the export of commodities like jute and tea, and now also, the commodity economics of the underdeveloped parts of the world have been hit very hard by the European Common Market and the European Free Trade Area, but our Finance Minister could bring back nothing but a few vague assurances regarding Britain considering the matter with whatever generosity that she can muster."

"When the Suez crisis took place, India protested. The financial effect of the Suez crisis on our Plan was that freight costs for our plan purpose increased by Rs. 15 to Rs. 20 crores; the delays in deliveries, etc., could not be assessed. Mere-

guese say about Goa. They have as much legal, and at least as little political justification."

"The paragon of British liberal excellence makes this kind of remark. It is only because they enjoy bedevilling the waters, only because they want India to be in trouble... Let us take the question of the India Office Library. It belongs to us by right, and yet since 1953 in spite of Maulana Azad himself making a journey to London, nothing has happened."

"Let us take our relations with Pakistan... In regard to bedevilling the relations with India and Pakistan, Britain's role is very clear... "In regard to Goa—India's claim to Kashmir is supposed to be a claim contested—the paragon of British liberal excellence represented by the Manchester Guardian Weekly not so very long ago made this editorial comment—I am quoting Manchester Guardian Weekly of April 10, 1958: "Kashmir, Dr. Graham was told, is an integral and inseparable part of India."

"That is our stand that Kashmir is an integral and inseparable part of India, and the Manchester Guardian comments: "That is exactly parallel with what the Portu-

and understanding because of the existence of the British Commonwealth and our presence in that body. South Africa and India, for example, are equal members of the Commonwealth acknowledging the British Queen as the head of the family, but we just do not belong together. That is the fact of the situation. Our links with countries like Burma, Afghanistan, the United Arab Republic and Indonesia, none of them though are members of the British Commonwealth of Nations, are very much closer and very much more natural."

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NEW AGE

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NEW AGE

VENGEFUL RELIANCE ON INDIRECT TAXATION

* FROM FRONT PAGE

came to Rs. 271.6 crores. Over 57 per cent of this sum was arrears going back beyond two years, i.e., more or less gone for good.

Finally, let us glance at the position of balance of payments and foreign assistance.

The Survey estimates that the total foreign assistance authorised from the beginning of the Second Plan to December 1959 comes to Rs. 839 crores. If the carry over of Rs. 198 crores from the First Plan is added, we get foreign assistance to the amount of Rs. 1,035 crores.

Further, commodity imports (foodgrains) under PL-480 come to Rs. 441 crores i.e. a grand total of Rs. 1,476 crores—easily some 30 per cent of the total Plan outlay.

In spite of all this, our foreign exchange reserves on February 19, 1960 stood at Rs. 203 crores, which is low enough to be dangerous.

It is true that in 1958-59 we have had a relatively low decline of Rs. 42.3 crores in our foreign exchange reserves as compared to Rs. 259.9 crores in the previous year.

"This was due," the Survey states, "to a sharp fall in imports amounting to Rs. 157.7 crores... and an increase of Rs. 124.4 crores in receipts of foreign loans. Exports, however, were lower by Rs. 18.9 crores..." The downward trend in exports in 1958-59 reflected the continuing impact of the capitalist recession.

Notable Rise In Industrial Production

As against this rather gloomy picture—further accentuated by the increasing dimensions of the unemployment problem—we have had a notable increase in industrial production. For the first 10 months of 1959 the increase was 7.4 per cent over the corresponding period of 1958.

Of this increase a major share was contributed by a substantial production growth of the intermediate and capital-goods industries. Iron and Steel production, for example, increased

by 35 per cent; non-ferrous metals by 27 per cent and aluminium by over 100 per cent.

This growth is naturally a welcome and happy feature and all measures have to be adopted to ensure even speedier and more diversified advance.

Now let us take the Budget as an instrument of planning and see how far it measures up to these requirements

Distaste For "Socialism"

At the outset it must be mentioned that Morarji Desai has stoutly stuck to his guns by repeating his performance last year of not even whispering the word "socialism." It is quite in keeping with the current fashion in official quarters, where the talk is of "self-generating growth" and no longer even of verbal mention of "socialist pattern".

Actually, this does not mean that anybody expected socialism from the Congress Government. But are we to take it that the days of lip-service are over? The Budget speech seems to tell us this.

Then take the question of holding the price line. We have noted earlier the already heavy dose of deficit-financing. Morarji Desai, now holds out the prospect of some more. Taking credit for market borrowings of Rs. 250 crores, small savings of Rs. 90 crores and additional taxes of Rs. 23.5 crores, he still insists on deficit-financing to the tune of Rs. 153 crores.

It has been glibly assumed that agricultural production, especially of food-grains, will remain at the record level of last year. If there is any significant downward fluctuation—of which there are numerous signs—inflationary pressures may get menacing.

It is quite extraordinary that the Budget speech has not even cared to mention what the Government intends to do about the already acute price rise problem.

The taxation pattern continues as of old. The Finance Minister ominously declares: "It is essential, in dealing with the budgetary needs of

each year, to think in terms of broadening and adjusting the bases of taxation... while direct taxation will be kept under constant and continuous review the bulk of the expansion of taxation will have to come from indirect taxation."

And he has emphasised this dependence on increased indirect taxation with a vengeance. Of the additional revenue of Rs. 23.53 crores postulated in the Budget all of it is to come from Union Excise duties and Customs—not any of it from direct taxation!

Of these indirect taxes, those on certain essential cycle parts, complete footwear and the 50 per cent increase on electric fans, bulbs and batteries will, directly hit the middle-class.

The increased duty on refined diesel oil and on internal combustion engines used in transport vehicles will surely be passed on to the consumer via increased freight charges.

Taxes on income other than Corporation tax, Estate Duty, Wealth Tax, Expenditure Tax, Gift Tax are all expected to yield considerably less even than what was fixed in the 1959-60 budget.

Direct Taxes Stationary

Formal action is to be taken to abolish the Wealth Tax on companies and the tax relating to excess dividends. There is no increase in company taxation rate, the higher rate of tax deduction at source of dividends is to be brought down to the lower rate. The period of exemption from income-tax of new industrial undertakings is proposed to be extended by five years.

The limit of exemption for "donations for charitable purposes"—omnibus evasion clause—is to be raised to 7½ per cent of total income.

It is little wonder that all the representatives of Big Business—Somani, Ruia, etc.—have welcomed the Budget!

Foreign assistance to the amount of Rs. 326 crores is expected and the dangerous direction is also made clear: "There will be need also for substantial external assistance... Private capital is apt to flow in more readily when the foundations of development have been well laid out. The scope for foreign investment in India will grow."

Of course, the Finance Minister will bring in the bogey of the Central Pay Commission recommendations to try to curb all criticism of increased costs of civil administration—but this will hardly serve the purpose—of the smokescreen.

Taken in all, Morarji's latest Budget offers no inspiration and there is more of threat, than appeal in his words that our Plan "will entail progressively harder work and larger sacrifices." As the Budget debate unfolds the Finance Minister will, however, realise that he is not going to have it all his own way. And the people will carry the debate still further to force changes in a progressive direction.

As with the case last year Revised figures are likely to show an increase rather than decrease.

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Editorial

HEARTENING NEWS

PRIME Minister Nehru and Premier Chou En-lai have agreed to meet each other in Delhi in April. For all those who wish tranquility on our borders and want to see each of the two countries, India and China, develop their economy and political life in the way each of the two has chosen for itself—and they constitute the overwhelming majority in India—this is the most heartening news of the year. For us Indian Communists who have been subjected to the most vicious ever slander campaign on the pretext of this India-China border dispute it is still more so. In fact it was the Communist Party that had long ago suggested a meeting between the heads of the two Governments and it has for a long time raised its voice for it.

Nobody would dare suggest that mere agreement to meet, by itself, solves the complicated problem, on the substance of which both the Indian and Chinese Governments have clearly stated their respective stands, backed with massive historical and other evidence. Still the fact of the agreement to meet is in itself a tribute to the wisdom of the two peoples, their Governments and their respective leaders. It is the first triumph in this unhappy episode of the two people's common desire for peace, good-neighbourly relations and their desire to restore mutual friendship.

We are conscious that besides those who developed a vested interest in India-China conflict and tension and who had never been very happy about these two countries remaining friendly, there is a large number of people in our country who have come to have genuine doubts about the success of the forthcoming meeting and the fruitfulness of its outcome. To them we would in all humility point out that we owe it ourselves and to Asia that good-neighbourly relations between India and China are established and placed on a firm footing, and we all should strive our utmost to that end. We are sure that the great Chinese people and their wise leaders desiring the same goal will similarly strive for the same end.

It is unlikely that even Rs. 4,690 crores of the reduced public sector outlay will be realised—after allowing for rise in prices the physical out, of course, will be much larger than scheduled.

Debt services are to cost Rs. 17 crores more than the Budget estimate last year (it went up by about Rs. 8 crores in the Revised figures) and civil administration costs will jump by Rs. 55 crores as compared to the Budget estimate last year (again the revised figures showed an increase of Rs. 11 crores).

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LEAGUE'S COMMUNAL PLATFORM

Nehru's "Ignorance" And Namboodiripad's Warning

P ANDIT Nehru's performance regarding the Muslim League at his last Press Conference left one thunder-struck. He claimed not to have known the contents of the League election manifesto. Yet in *New Age* of December 27, E. M. S. Namboodiripad had quoted from it and pointedly raised the issue of the Congress, sworn to secularism, allying with it. We give below the relevant extracts from the article.

"Such discrepancies and differences on policy matters between the three political parties (Congress, PSP and Muslim League) can be observed on several other issues. I would not take them up one by one in this article. There is, however, one issue on which the difference seems to be fundamental that I cannot leave it untouched. That is the question of political parties formed on communal basis.

"Here is the passage from the Muslim League Manifesto dealing with that issue:

"There are some political leaders, who are of a 'one-track' mind who blindly repeat the argument that India is a secular State and that, therefore, religious minorities will have no disabilities here. But it is not true that religious minorities have certain disabilities? Our Prime Minister himself has openly admitted that there are such disabilities.

"There are of course, some old and new political parties who pledge themselves to protect the interests of these minorities. But how can they protect the interests of these minorities? Is it not necessary for the minorities to tell these political parties what these disabilities are? How can the minorities speak out what they feel except through organisation of their own? Is it not true that such a political organisation is necessary? Is it not true that renouncing politics is renouncing life itself?"

"In other words, the Muslim League wants not only to preserve the Muslim League as a political party but also suggests the formation of all minorities parties on behalf of all minorities. In a country where people are divided into castes and religious communities this would mean political parties based on such castes and religious communities.

"The League goes a step further. It suggests that the basis of representation in Parliament and in the States Legislatures should be changed from the present one of single-member constituencies with distributive voting to multi-member constituencies with cumulative voting or proportionate representation with transferable votes.

"This suggestion is made not as a measure of extending democracy in general, but with a view to 'enable the Muslims and similar other minorities to secure representation in the Legislature through such representatives as enjoy the confidence of these minorities.' In other words, it is a suggestion which is made as the second best alternative to separate electorates.

"This completely explodes the theory (once advanced by Prime

Minister Nehru) that the present Muslim League is different in political character from the old Muslim League of Mohamed Ali Jinnah. Difference between Jinnah's '14 points' and the present 'charter of demands' drawn up by the Muslim League is only a difference of degree.

"It will, therefore, be obviously impossible for the overwhelming majority of Congressmen and other nationalist-minded people to reconcile themselves with the so-called alliance with the Muslim League.

"And yet the Congress in Kerala is today engaged in joint work with the Muslim League. Joint tour programmes have been arranged for Kerala Leaders of the Congress-PSP-Muslim League and NSS (Messrs Sankar, Pattom, Bafaqui Thangal and Mannath Padmanabhan) who are jointly to address meetings from the same platform to solicit the support of the voters for candidates of the three parties."

Manifesto Was Available

To make Nehru's position even more untenable and absurd the Muslim League—continuing ally of the Congress in

Kerala—has come out with a long statement in which it states that a coalition government, including it, was approved by prominent leaders of the Congress High Command. K. M. Seethi Sahib, leader of the Muslim League Assembly Party, further states that the League Manifesto was long available in English—Nehru had pleaded ignorance of Malayalam as the reason for not reading it earlier than after the elections. We reproduce below extracts from the League leader's interview to the Press at Kozhikode on February 27.

"When his attention was drawn to Mr. Nehru's statement at a Press Conference earlier in the week denying that there was an agreement with regard to the inclusion of the Muslim League in Kerala Ministry, Mr. Seethi Sahib said though it was correct to say that there was no formal agreement about the formation of Ministry the political parties in Kerala as well as the general public had taken it for granted that a coalition Ministry of the Congress, the PSP and the Muslim League would be formed ultimately.

"That appeared to be the general desire of the public. That was evident from the

views in Press expressed by leaders belonging to all parties both in Kerala and outside. The speeches of responsible Congress leaders like Mr. S. K. Patil, the Congress President, Mr. N. Sanjiva Reddi and U. N. Dhebar gave added strength to the expectation of the public.

"Mr. Seethi Sahib said the manifesto of the Muslim League, which was issued simultaneously both in English and Malayalam, would make it abundantly clear that it was substantially identical with the manifesto of the Congress and the PSP on the general question affecting the country."

PSP's All-India Alliance With League

At any rate the Congress is in governmental alliance with the PSP in Kerala. Now that Nehru has expressed his horror at the League programme, what does he have to say about his junior partner's attitude towards it? Let him not plead ignorance about it at a later date.

"Mr. K. Chandrasekharan, Minister for Law and Revenue, who arrived here (Kozhikode) this evening from Trivandrum met local Pressmen at the PSP office here and spent some time with them.

"Later he visited the office of Chandrika, the Muslim League daily published from Calicut. It is learnt that in reply to felicitation the Minister expressed the hope that the Muslim League-PSP alliance which had been in existence from 1957 in Kerala would be extended to other parts of India like Bombay, Uttar Pradesh and Bihar during the next general election when candidates were set up to contest the election to State Assemblies and the Lok Sabha. This was in the context of a report which appeared in this evening's Chandrika that the Muslim League would be contesting Lok Sabha and Assembly seats during the next general elections."

This is a special correspondent's despatch from Kozhikode which appeared in *The Hindu* of February 25.

It shows the depths to which the PSP has sunk and makes nonsense of Asoka Mehta's claim, in his correspondence with Sanjiva Reddy, that his party's alliance with the League in Kerala was a special case. But one hardly expects anything better from the dominant PSP leadership.

What is sad and chastening is the manner in which the Prime Minister has stooped to conquer.

UNITED KISAN SABHA IN MAHARASHTRA

FROM OUR CORRESPONDENT

AT a time when the disruptive activities of the Praja Socialist Party and its leaders are giving rise to doubts about the continued unity of the Samyukta Maharashtra Samiti after the formation of the Maharashtra State, it was reassuring to see the leaders of the Peasants and Workers Party, the Republican Party, the Mazdoor Kisan Party, Communist Party and many other prominent workers among the kisans gathered together on the platform of the Kisan Sabha and decide to form a united Kisan Sabha for the whole of Maharashtra.

Attending this conference held at Shinde in Nasik District from 12th to 14th of February were representatives of the regional Kisan Sabhas of Vidharbha, Marathwada and the Marathi districts of the former Bombay State.

Madhav Rao Galkwad in his inaugural speech said that though the formation of the united Kisan Sabha had been delayed for long, the workers of the Kisan Sabha had been very active among the peasantry of Maharashtra.

Under the flag of the Kisan Sabha, numerous local struggles of the peasants on their day-to-day issues had been fought in the past several years. These struggles have helped the growth of the kisan movement to a very great extent.

The formation of the united Kisan Sabha, he said, would facilitate the chalking out of a common programme of action for the entire Maharashtra peasantry and enable them to mobilise them in their lakhs for their demands.

In his presidential address, Nana Patil, paying homage to the martyrs in the fight for Samyukta Maharashtra, said that if at last the State was being formed today, it was not out of grace shown by the Congress, but it was the result of the heroic struggle waged by the people of Maharashtra which had inflicted a big defeat on the ruling Party.

With the formation of Samyukta Maharashtra, now the stage has been set for beginning the fight for building a socialist Maharashtra. In this struggle, the main forces are the workers, peasants and other sections of the oppressed and toiling people. All our energies should be devoted to organise them, he said.

Bhaurao Galkwad, veteran leader of the Republican Party, under whose leadership last year the landless peasantry of Khandesh fought the battle for land, greeted the Conference and wished it all success.

S. G. Sardesai, moving the resolution on unification of the Kisan Sabha stated that the Kisan Sabha is an all-party organisation of the peasants and agricultural labourers fighting for their

common demands. It is their broad class organisation.

Bhau Rao Galkwad in his speech had stated that he had come to the Conference for securing support for the struggle of the landless peasantry. Assuring him of the Kisan Sabha's support for their struggle, Sardesai stated that the unity of the Kisan Sabha and organisations of agricultural labourers and landless peasantry alone can guarantee a satisfactory solution of their problems.

A number of resolutions were adopted by the conference, the most important of which were ones on land reforms and ceilings on landholdings; on cooperatives; on the demands of the agricultural labourers.

The resolution on land reform and ceilings demanded that the basis of ceilings should be the size of holdings. It demanded security of tenure for the tenants and distribution of governmental wastelands among the landless agricultural labourers.

On cooperation, while welcoming the prominence given to cooperatives in the economic planning of our country, the Conference stated that the policies and practices of the Government had themselves resulted in restricting the spread of the cooperative movement. It made a number of proposals for the speedy development of the cooperative movement in the countryside.

The Conference elected a Council of 75 with Nana Patil as President and Madhav Rao Galkwad as Secretary.

With a membership of 42,000 on its list, the Conference elected 21 delegates to attend the coming session of the All-India Kisan Sabha due to be held in Ghazipur.

By a separate resolution, the Conference greeted the heroic struggle of the landless peasantry of Maharashtra which had spread to several districts last year. 55,000 satyagrahis had courted arrest in this struggle. The wide sweep of the united struggle and the democratic support behind it had forced the hands of the Government to come to terms with the leaders of the movement and agree to the demand for distribution of wastelands to the landless.

The Conference noted that despite the solemn agreement, there has been a lot of delay in implementing the promises made. In the meanwhile cases are being launched against the landless on the charge of unauthorised cultivation of the wastelands and fines are being imposed. This was against the spirit of the agreement.

The Conference warned the Government that if the terms of the agreement were not speedily and properly implemented by them, the landless peasants of Maharashtra will once again be forced to resort to direct action for securing their just demands.

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BLACK BILL RETREAT

CALCUTTA, February 29. FACED with the determined and mounting opposition of the people, the West Bengal Congress Parliamentary Party decided at its meeting on February 21 that the Bill, seeking to control meetings and processions throughout the State, should not be introduced in the present session of the Assembly, which was scheduled to meet next day. No decision was, however, taken about dropping the Bill altogether.

The Bill was gazetted in December last in order to elicit public opinion.

It is now learnt that over 100,000 people from all walks of life have sent mass petitions to the Government, strongly opposing the proposed measure. Voices

of protest have also been raised from hundreds of mass meetings and demonstrations throughout the State.

The workers and Employees' Committee, which was set up to mobilise all sections of workers and employees against the Bill, is currently organising a conference of trade union representatives to discuss the situation arising out of the Government's decision not to introduce the Bill in the present session of the Assembly, and to take steps to enforce unconditional withdrawal of the measure.

The BPTUC in a statement has wholeheartedly supported the move and has asked all its affiliated unions to participate actively in the ensuing Convention.

Talk Of Economy

On the expenditure side, the concern over the increase in civil expenditure is sought to be allayed by mention of reports on securing maximum economy—"consistent with efficiency"—no figures of economy could be provided.

Defence expenditure goes up by nearly Rs. 29 crores and more increases are hinted at because of "the background to the present threat to our borders."

The budget provision for Plan outlay is estimated at Rs. 1,174 crores. This is immediately followed by the damaging, though revealing, phrase "after allowing for the usual shortfall in expenditure." Rather candid admission but hardly creditable for what claims to be a planned economy.

AGADIR TRAGEDY

NEW AGE joins the entire people in sending heart-felt condolences and sympathy to victims of the devastating earthquake which has ruined the Moroccan town of Agadir.

Already the number of dead is estimated at 6,000 and the figure is expected to show a large increase. Homes, hotels and hospitals lie in shambles and the people suffer enormous disabilities and total disruption of their life.

Relief has already been reached to our brother Arab country. But much more is needed. We appeal to everybody personally, to all mass organisations and the Government in our country to do their utmost to bring succour to Agadir.

After the unprecedented earthquake, there was a gigantic tidal wave which swept all before it. It is now feared that epidemics will come in to claim further victims. It is reported that the earthquake shock was so great as to be recorded in places as far apart as Moscow and Montreal.

While mourning the dead we must do all we can to ensure the living a chance to again lead a human existence.

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NEW AGE

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NEW AGE

ITALIAN C. P. CHARTS NEW PATH FOR DEMOCRATIC RENOVATION

The Ninth Congress of the Communist Party of Italy (CPI) held in Rome from January 30 to February 6 was attended by 1,100 delegates. Among the fraternal delegations was one from the Communist Party of the Soviet Union led by M. A. Suslov and another from the Communist Party of China led by Lin Chang-shing.

ABOUT 2,000 representatives of various Italian political parties, public organisations and labour militants attended the Congress as guests. Terracini, the oldest veteran of the Italian labour movement and member of the leadership of the CPI, inaugurated the Congress.

Palmiro Togliatti, General Secretary of the Italian Communist Party, made a report entitled "for the democratic renovation of the Italian society, for progress to socialism."

Togliatti On World Situation

Togliatti first dwelt on the international situation. He said, "we are witnessing the beginning of a new stage in the international situation."

"The emerging relaxation of international tension is a result of two basic factors: the objective process of the world's changing economic and policy structure and the consistent defence of peace and the struggle for peaceful coexistence, which is waged by the Soviet Union, other socialist countries, the entire working class, progressive working people and the broad masses. These two processes are inseparable from each other."

He pointed out that under the new situation, the Communists in Italy confidently took up their tasks. He added that the Communists were full of confidence because the attacks on the Italian Communist Party by other political parties and groups in Italy in 1956 had been discredited. Today the Communist Party was not on the brink of the political life but in its centre.

Togliatti emphasised that the basic feature of the new situation was the new balance of world forces favourable to the socialist nations and the evident superiority of the socialist nations and the evident superiority of the socialist system over the capitalist system.

This superiority was a decisive factor of the current international situation. It was borne out by the successes and outstanding achievements of the Soviet Union in all spheres and by the achievements of the People's Republic of China and other socialist countries in building socialism.

He stressed the fundamentally peaceful and progressive nature of the Soviet Union and other socialist countries and their growing development in economy and technology. He heartily welcomed the proposals for general and complete disarmament made by N. S. Khrushchov, at the United Nations General Assembly.

He noted that these proposals were followed up by

the Supreme Soviet to reduce the Soviet armed forces by one-third. By its decisions, Togliatti said, the Soviet Union again confirmed the peaceful nature of its policy and set an example to all states and peoples.

All this proved the purely defensive nature of the Soviet military policy and the moral superiority and immense vitality of the socialist system.

He said that the Italian Communist Party was linked with the Communist Party of the Soviet Union by many years of fraternal friendship, community of ideas and great political and social purposes.

"Being convinced that we express the sentiments of the overwhelming majority of the Italian people," Togliatti said, "we tell the working class, the people of the Soviet Union and their leaders, that we deeply admire their tremendous achievements, their courage, their political wisdom, and also the priceless and decisive aid they give to all peoples striving to rid themselves of poverty and oppression, to establish a new order on the earth, an order of peace, justice and freedom."

He stressed, "no one will ever succeed in weakening even to the slightest degree the ties of international proletarian solidarity which link our Party with all Communist and Workers' Parties in the struggle for our common cause."

He pointed out that the strengthening of the camp of socialism and peace opened up new prospects for the peaceful development of the world. This did not mean that imperialism was no longer the force of war but that it was possible for the socialist world and the world forces of peace to prevent a new war.

Forces Against Relaxation

But certain imperialist leading groups remained indifferent to this situation and obstinately opposed relaxation. Togliatti cited as examples the aggressive policy of Adenauer, the increased military budget of the United States and new Treaty between Japan and the United States.

Every effort must be made to expose those groups which opposed relaxation of the international situation. Only by carrying out general and complete disarmament proposed by the Soviet Union and by banning the nuclear weapons could peace be assured effectively, he stressed.

He attacked the foreign policy which had been pursued by the Italian Government for the past 15 years. This foreign policy, he pointed out, had never been an independent policy but one of

subordination to the big aggressive imperialist powers.

Although there was a certain modification in this policy, such modification was fundamentally too small to be mentioned as significant. He also attacked the stand taken by certain leaders of the Catholic Church who held that they had to depend on the cold war to support their ideology.

Togliatti attacked the Italian Government for its stand of refusing to recognise the People's Republic of China and support the latter's entry into the United Nations.

Need For New Policies

Referring to the domestic problems of Italy, Togliatti said that the demand for a new social and economic policy had become universal. On the economic situation, he said that on the one hand, there was increasing capital concentration, and on the other, there was a decline in the medium and small enter-

prises and agriculture, the relative poverty, and the absolute poverty under certain conditions, of the working class.

He pointed out that by its further interference in economy, the State gave assistance to and did not attack the monopoly capitalist groupings. The above situation would be changed only after a change in the political situation, he added.

In the concluding part of his report, Togliatti dealt with some problems of Party work, such as the struggle against revisionism and sectarianism, the raising of the ideological level of Party members and the strengthening of their ranks.

He noted that the declaration adopted by the meeting of the Communist and workers' parties in Moscow in November, 1957 was of great importance to the Italian Communist Party.

"Guided by Marxist-Leninist theory, the Italian Communist Party faces the prospects of certain victory on the path of a socialist Italy," he concluded.

Following his report the Congress went in for serious discussion at both its plenary session and various commissions.

Gian Carlo Pajetta, member of the Political Bureau of the Party, discussed in his speech the central question in Italian politics, namely efforts to form a new majority capable of carrying out a programme for social and democratic renovation.

He said that this question arose because the old majority made up of the Christian Democratic Party, the Liberal Party, the Republican Party and the Social Democratic Party had gone

bankrupt and nobody wanted to restore it. On the other hand, the present majority formed by the Christian Democratic Party, the Monarchists and the Neo-fascists was in a crisis.

For New Majority With Communists

Thus, for quite some time people talked more and more about an approaching cabinet crisis and the press was speculating on the possibilities of a new majority.

Pajetta pointed out that the Christian Democratic Party had failed in its attempt to form a regional new majority in Sicily which would include the Socialists but exclude the Communists. It had failed because it wanted to pursue the old discriminatory and anti-Communist policy in the new circumstances.

He said that the new majority should include the Communists. This was not only proper but also necessary and indispensable. To exclude seven million voters of the

that both internationally and within the country, there existed considerable forces working against a relaxation of international tension. Relaxation of tension would not come of itself.

He said that in the course of striving to eliminate the "cold war," struggle would constantly develop within the bourgeoisie and between the reactionaries on the one hand and the democratic and popular forces on the other. This situation would open up new prospects for the struggle for peace and progress.

Socialist Party's Greetings

Referring to domestic questions, Longo said that to achieve democracy, all forces of peace and progress must take united action. Only by the initiative and positive actions of the broad masses could the balance of forces at home be changed and the way opened for a new majority.

News from brother parties

Communist Party and to form a new anti-Communist majority which was contrary to the wishes of several million more Italians who were against anti-Communism, could never succeed, he stressed.

Latterre Fig, delegate of the Sicilian Communists, dwelt on the cooperation of democratic forces in his island. This experience, he said, could serve as an example for the implementation of a programme for democratic renovation of society on a nation-wide scale.

Vello Spano, member of the Party leadership, dwelt on international questions. He said that a new situation had emerged in the world. The view that the danger of a new war could be ruled out had become very popular.

But to secure a genuine relaxation of international tension, it was necessary thoroughly to defeat the "cold war" advocates. It was necessary to effect general and complete disarmament as proposed by the head of the Soviet Government at the United Nations General Assembly, Spano stressed.

He added that the Soviet Union had set an example for other states by reducing its armed forces by one-third. Italy must follow suit, Spano then proposed a resolution of solidarity with the Algerian people. The resolution was adopted amidst long applause by the Congress.

Luigi Longo, Deputy General Secretary of the Central Committee of the Party, said that the forces for international relaxation were powerful. But the forces of the blocs against international relaxation should not be overlooked. He stressed that it should be understood

Francesco de Martino, Deputy Secretary of the Italian Socialist Party, greeted the Congress on behalf of his Party. During the worst years of the "cold war," he said the Communists and Socialists had fought side by side for peace and international security.

"We do not disown a single step taken together with you along this road. We say 'no' to anti-Communism," he said to the stormy applause of the delegates. Congratulatory speeches were made by the delegates of the Communist Parties of the Soviet Union, China and France. Their speeches were warmly received at the Congress.

During the six-day Congress, a total of 53 delegates spoke and had extensive discussions on the report made by Togliatti.

Realistic Programme

At the session on February 6, Togliatti made a summing-up speech on the discussions or the political report at the Congress. He pointed out that the Congress fully agreed with the political line of the Party which was expounded in the report presented by the Central Committee.

He said that the Party's political line supported by the Congress would become the solid basis for Party unity and discipline and pointed out the basic direction of the political and organisational work of the Party.

Togliatti said that people with democratic ideas in Italian society held that the Communist programme was a

T. B. Vittal Rao, Communist member from Andhra, speaking during the discussion on the Railway budget in Lok Sabha on February 25, said, "Having paid my tribute to the railwaymen, I would like to say a few words about the operational efficiency of the railways."

WE find that there has been a definite fall in the operational efficiency. For broad gauge, the speed of the goods trains in 1956-57 was 9.60 miles per hour, in 1957-58 it was 9.32 miles per hour, and in 1958-59 it was 9.42 miles per hour. Though there is a slight improvement in 1958-59 over the figures of the previous year, yet it is lower than the figure for 1956-57. In the metre gauge, the average speed is 8.27 miles per hour in 1956-57 as against 8.35 miles per hour in 1957-58 and 8.07 in 1958-59. So, there is a definite fall in the operational efficiency....

Will Targets Be Reached?

I now come to the other aspect of the question regarding goods trains. The originating tons moved by the railways are likely to be, during the current year, that is, the budget year, 162 million tons. When the reappraisal was done by the Planning Commission, it was stated that the railways would have to be called upon to move 168 million tons.

I do not know how the Hon'ble Minister now says that he will fulfil the target of the Second Five Year Plan, even though there is likely to be a shortfall of 6 million tons in the originating tons in regard to freight traffic.

Referring to the suggestion that wagons should be utilized during the lean season and that industry should be able to take all the raw materials to the place of consumption during the lean season, Vittal Rao said that it will not be acceptable to the industries as it will mean locking up of

their working capital and suggested giving of concessions during the lean period.

Referring to development works, he said that only 600 miles of new lines have been opened to traffic. He, however, pointed out that, "The sum of Rs. 1,125 crores allotted to the Railways in the Second Five Year Plan was given on the basis that there would be 842 miles of new railway lines constructed. I do not know what has happened to the Guna-Ujjain rail link which is about 175 miles, and the Robertsganj-Garhwa Road railway line. Similarly, in the Central India coal-fields, there was to be construction of 125 miles of new railway lines, but none has been opened."

That indicates that there is going to be a short-fall during the Plan period to the tune of 50 per cent with regard to new railway construction, whereas the amount allotted for new construction, Rs. 68 crores, is going to be exceeded.

For Workers' Participation

Referring to increase in freight charges, Vittal Rao said that the Minister should have waited for the recommendations of the Railway Convention Committee. He opposed freight increase on foodgrains and coal.

He asked, Is it desirable at this stage to increase the freight on coal? Already, prices have been increased during the course of the last two or three years to the extent of 10 to 15 per cent. As a matter of fact I would say the Railway Ministry is standing in the way of the

Italian Communists For Democratic Renovation

* FROM FACING PAGE

realistic, democratic one. In order to solve the most difficult problems now confronting the Italian people, it was necessary to realise this programme.

He said that the Italian Communist Party was planning to set up a new union of historical significance, namely, to make the working class the leading force of the entire society.

He emphasised that the purpose of the Italian Communist Party was to unite the working class, the masses of peasants, the middle section in production and progressive intellectuals, to set up in Italy a new democratic system, which would give democracy new content and open up a path for future progress.

Togliatti called on the Party members to go still deeper into the life of the working people and to bear in mind that it was an integral part of the work of the Party to study the life of the working people and raise demands for improving their situation, as well as to study and understand the situation of the intellectuals and students and

* SEE FACING PAGE

Railway Ministry Stands In Way Of India's Rapid Industrialisation

rapid industrialisation of the country.

Then again, take the question of foodgrains. The consumer price index has touched a new high of 126 points. This increase in freight would be reflected in the prices of foodgrains and there will be a further increase in the cost of living....

In 1949, when we had a loan from the World Bank, it was at the rate of 4 per cent. Today we pay interest on two loans from the World Bank at the rates of 5½ per cent and 6 per cent. When we take into account the dividend that the railways pay to general revenues on the capital invested—it is only 4 per cent—how is it that we are able to pay such a high rate of interest on World Bank loans? It will go against the very interest of the efficient working of the railways.

Therefore, the time has come when we should say that we should not have any more loans from the World Bank at this exorbitant rate of interest. If we want machinery and stores immediately, we will have to go in for loans from various countries, not from the World Bank at this rate of interest.

We have been successful in negotiating certain deals with regard to our steel plants where we have to pay only a very low interest rate of 2½ per cent on foreign loans. Is it impossible for us to get machinery on foreign loans at lesser rates of interest? I am afraid this has not been explored by the Ministry.

Regarding Railway Zones, Vittal Rao said that economy and efficiency expected to result from the constitution of these Zones have not been achieved and suggested that they be done away with. He also pleaded for more powers to Railway divisions to tone up the efficiency.

Referring to railway's problem, he emphasised the need of workers' participation in management which has not been done on the railways. About permanent negotiating machinery, he said, I may say that this has been working very well at the level of the Federation and the Railway Board. But it has not been functioning properly at the lower levels and the zonal administration levels.

Certain facilities which the workers should have under the Industrial Disputes Act and other Acts have been taken away from the workers. These facilities have been removed because of the rules and regulations in the Establishment Code. When we are removing such facilities it is

but proper that they are substituted and replaced by a very useful machinery.

Vittal Rao said that two lakh railwaymen out of a total of 11 lakh are temporary. We are in a developing economy. The Railways are developing. The workshops are expanding. Second shifts are being put in some places. Therefore, I would strongly urge that the confirmation of the temporary staff should be taken up.

Even the Central Pay Commission have recommended that there should not be such a huge percentage of temporary men and that they should be confirmed.

Referring to other demands,

senior subordinate service people. Their scales of pay should also be treated as gazetted officers.

Gangmen: Unfortunately, the Central Pay Commission has not gone into this question thoroughly. These gangmen who have to work in the sun and rain under very difficult conditions should be treated as semi-skilled people and all the recommendations which have been made by the Tapasse Committee should be implemented....

About corruption on the Railways, Vittal Rao pointed to an instance. The corruption that was involved in the doubling of the Raj Kharaswan-Barajamda railway....

COMMUNIST MEMBER'S SPEECH ON RAILWAY BUDGET

of workmen, he said. Then, this Ad Hoc Tribunal. This Tribunal was set up in the year 1952. The award came after 5 years of waiting—in 1958. We are told that for the implementation of this Ad Hoc Tribunal award they will have to await the recommendations of the Central Pay Commission. The recommendations of the Central Pay Commission have come. I do not know how long they will take to implement them.

We were told in reply to a question that the Deputy Chief Engineer and the Divisional Engineer of the South-Eastern Railway in charge of construction were suspended and the Railways had not yet assessed the amount of loss involved. Subsequently, we were told after a lapse of six full months after the first question was raised—this was raised in May, 1959 and in December a statement was laid on the Table of the House following assurances here—that the loss was computed at Rs. 24 lakhs. A few days ago, we were told that the loss was Rs. 9 lakhs....

No Curtailment Of Facilities

Then, I come to certain facilities, the passes and the P.T.Cs. I hope the Railway Board will consult its National Federation of All India Railwaymen and the All India Railwaymen's Federation and see that there is no curtailment of the pass and P.T.O. facilities.

About the accounts staff, they have been urging for a long time that for a section head the Appendix II examination should be done away with and all should be promoted if they are found suitable, without having to pass this examination. The accounts staff are very much discontented on this score. Government may give some consideration to their representations.

Assistant Surgeons on the Railways: While a medical graduate appointed in the State Medical Service gets a gazetted rank and while it is so in the Central Services also, I do not understand why the Assistant Surgeons on the Railways should be treated only as subordinate and

In the whole South-Eastern Railway section where huge works were being carried on, there is corruption to the tune of one crore of rupees....

There is such a wide gap of Rs. 15 lakhs in this transaction. Who examined them? Either the person who initially examined and investigated into these was wrong or the person who did it later on must be wrong. In either case, I want action to be taken against the officer who was wrong, after going into the matter thoroughly. Unless strong action is taken at the top level, I am afraid we cannot root out corruption on the railways.

I hope a departmental enquiry has been held. Let the Minister proceed taking action on the basis of the report received from the departmental enquiry and not wait for a report from the Special Police Establishment.

Finally, I once again pay a tribute to the railwaymen who have kept this life-line of our Indian economy going.

NEW AGE

PAGE SEVEN

PEOPLE'S DETERIORATING LIVING CONDITIONS

Reality Behind W. Bengal Govt.'s Tall Claims

In her address to the joint session of the legislature the Governor, Padma Naidu, tried to give the impression West Bengal was making appreciable progress under the benign dispensation of the Congress Government. She even called upon the people, impoverished by droughts, floods, unemployment, high prices and taxation, to dedicate themselves "to the high mission of making the Five-Year Plans fruitful even at the risk of some personal sacrifice... If we grudge this sacrifice now, we shall be condemned before the bar of history."

JYOTI BASU'S REALISTIC APPRAISAL

Initiating the debate on the Governor's address, Jyoti Basu said that the address was an attempt to cover up realities and to avoid all references to the condition of the people.

His speech, which was as much a trenchant criticism of the Government's policies as it was a devastating exposure of its tall claims, created a profound impression on the House.

Analysing West Bengal's economy with telling facts and figures, Jyoti Basu said that after over 12 years of independence there had been no improvement in the standard of living of the people. On the contrary, their condition had steadily deteriorated. While the poor were be-

coming poorer, a section of the rich people were raking in fabulous profits and concentrating a huge amount of wealth in their hands. This was the real face of the Congress brand of socialism, and the masses were becoming increasingly conscious of it, he added.

Referring to agriculture, the most important sector of the State's economy, he said that it was in a moribund condition. Food production had been declining in the past few years in spite of development schemes, proving that agriculture was still dependent on the vagaries of nature.

Moribund Agriculture

Emphasising the urgent need for switching over to double-cropping on a big scale, Jyoti Basu pointed out that of the 1,20,000,00 lakh acres under cultivation, the

area under double-crop was 15 per cent, the increase in past 12 years being only three per cent.

Referring to the Community Development projects, which were a "silent revolution", was said to be going on, he said that it was claimed that these Blocks in this State numbered 158 and covered 47.8 per cent of the population.

In Community Development Areas

Little wonder that Prof. Rene Dumont, UN expert who recently surveyed the CDP areas in India, described the atmosphere as one of "semi famine" in an article in the New Statesman of December 16, 1959.

It was thus evident, Jyoti Basu emphasised, that there could not be much improvement in the productivity of land in the present set-up.

Yet the Government had not done anything to distribute land to the tillers of the soil, although legislation had been passed six years ago. The Congress had adopted resolutions on grow-more-food, Co-operatives, etc. But what were the measures taken by the West Bengal Government, he asked.

Dealing with the Government's policy regarding the procurement and distribution of food, Jyoti Basu said that although there was a shortfall in internal production in West Bengal there was in reality no deficit because the Central Government was supplying adequate quantities of foodgrains.

Responsibility For Soaring Prices

Yet, year after year, food prices continued to shoot up. This was due to the "criminal activities of the Government in the interests of big producers, traders and rice mill owners," he emphasised.

Referring to the deteriorating economic condition of workers, office employees and other sections of people, he said that their expenditure on essential commodities had gone up without any appreciable increase in their purchasing power.

In one year since January 1959, the expenses of a low-income group family of five in urban areas had risen from Rs. 105 to Rs. 120 per month—an increase of 33 per cent. About 46 per cent of the State Government employees were temporary hands. Over 83 per cent of them received a basic pay upto Rs. 100/- a

month. The minimum monthly emoluments of class IV staff were no more than Rs. 55/-, increment between 1947-59 being Rs. 15/- only in D. A. The basic pay had remained stationary at Rs. 20/- a month.

Disputing the Governor's claim that there had been "an improvement in industrial relations", Jyoti Basu pointed out that the loss of man-days could not be the sole criterion. The Central Government employees had brought out huge protest demonstrations and had observed pen-down strikes against the recommendations of the Second Pay Commission. The State Government employees were in deep ferment. They went about wearing "Demand Badges."

Were all these indications of an improvement in industrial relations, he asked. He further pointed out that although one of the fundamental aims of planning was to eradicate unemployment, the number of job-seekers in West Bengal was increasing at a fast pace.

It was no doubt true that between 1947-58 about 12,622 new jobs had been created in organised industries; but unemployment had increased four times of the additional employment!

Big Rise In Unemployment

The other side of this dismal picture of people's sufferings, he pointed out, was the huge profits raked in by big industrialists and businessmen. He gave unassailable figures to show that by raising the price of cloth by 25 per cent mill-owners and traders in West Bengal had made a windfall profit of Rs. 8.40 crores in three months (October - December, 1959). Sugar magnates also reaped extra profits of Rs. 92.80 lakhs in two months by pushing up the price of sugar.

He said that industrial profits were increasing at an amazingly fast rate and pointed out that even the Governor of the Reserve Bank of India had admitted in a speech on November 30, 1959, that "between 1950-58 gross fixed assets of public limited companies alone were up by 120 per cent, in other words, in eight years this sector of private enterprise made more profits than several generations past."

Everyone was willing to make sacrifices for the country, he observed. But why should the people do it, he asked, in order to swell the pockets of these profiteers?

Jyoti Basu pointed out that the salary of J. D. K. Brown, Managing Director of Jardine Henderson & Co., and President of the Bengal Chamber of Commerce, had been recently increased from Rs. 53,400 to Rs. 1,20,000 per annum. Besides this, he received a host of other allowances and enjoyed many facilities. Another Director of the same firm had his pay increased from Rs. 44,400 to Rs. 84,000.

A class IV employee and a clerk of the same company, however, received Rs. 1,140 and Rs. 1,800 per annum.

Was this the picture of a socialistic pattern of society, Jyoti Basu pointedly asked.

Who Benefits From Increased Production

He said that there was no denying the fact that industrial production had gone up by 50 points between 1950-58. How far the people had benefited from this increase? The total earnings of factory workers in West Bengal had risen by only 23 per cent while the cost of living had shot up several times more. Further burdens had been imposed through the recent increases in train and bus fares.

Referring to the acute shortage of housing in the city, Jyoti Basu said that although the original target of new tenements during the Second Plan period had been reduced from 14,000 to 10,000, no more than 5,000 had been actually built.

The plight of five lakh slum-dwellers and thousands of pavement-dwellers

continued to be as deplorable as in the past. As regards public health, there were now eight lakh T. B. patients in the State, the number having gone up by 200 per cent since 1947. But the total number of hospital beds for T. B. patients was 3,000, of which only 1,500 were in Government hospitals.

Referring to the claim made in the Governor's address about the progress in primary education, Jyoti Basu pointed out that after over 12 years of independence it was enough to take credit for the fact that 25 lakh students were reading in 26,100 primary and junior basic schools in the State.

The point was how many students of the age-group of 6-11 years were getting the benefit of primary education. Their number constituted only 40 per cent of the total!

Pointing out the fact that refugees had not yet been economically rehabilitated, he said that the Government had distributed Rs. 33 lakhs as loans to industrialists for

creating employment opportunities for 9,000 refugees; but only 1,745 had been absorbed to date. Recently the Central Government had allotted Rs. 10 crores for setting up new industries. The amount was being distributed through a corporation headed by Birla! A sum of Rs. 22.65 lakhs had already been disbursed, but only 1,000 persons had found employment!

Were all these, he asked, features of a developing economy.

Tagore Centenary—Govt.'s Indifference

Strongly criticising the Government's inactivity in regard to the celebration of Poet Tagore's birthday centenary, he said that it was a matter of shame that the Government was showing no initiative while preparations were going on in countries like the Soviet Union, Czechoslovakia, etc. He urged upon the Government to draw up a comprehensive programme for the celebration.

He demanded that a stadium should be immediately put up in Calcutta and that black-marketing in sports goods must be stopped. Dealing with the question

of democracy, he strongly criticised the proposed measure to control meetings and processions throughout the State. He further pointed out that even now there was no adult franchise in municipal elections in West Bengal.

Adult Franchise Denied

In this connection, he revealed that when he had gone to Delhi to hand over to the President, Dr. Rajendra Prasad, the chargesheet prepared by the West Bengal State Council of the CPI against the State Government, the President had expressed surprise at the absence of adult franchise in civic elections and had asked Jyoti Basu, obviously in a jocular mood, whether they had adult franchise in the Assembly elections.

Jyoti Basu had replied: "We would have been deprived of that right if the West Bengal cabinet had its own way in the matter!"

Jyoti Basu concluded by saying that the people would continue to suffer so long as the present Government controlled the destinies of this State.

SCRAP-BOOK

CORRUPTION CHAOS

Many people are wondering why C. D. Deshmukh is so reticent in making his charges of corruption public. The most valid answer, of course, is that he does not want to short-circuit appropriate procedures and also not to make the issue a personal affair but keep it at the level of national concern.

Circles close to him, however, cite another reason. Deshmukh, like thousands of others, have got disgusted with manner in which the Government has dealt with such flagrant cases as the Mundhra deal, the S.P. Jain scandal and the Mathal affair. This attitude of the Government Deshmukh seeks to soften by getting it involved as much as possible before any actual charges are made. It is a sad state of affairs where the highest in the land have to be cajoled into making opposition to dishonesty fruitful.

In this connection a case has been cited which needs probing. It is essential that our Union Ministers should stand out as irreproachable models of public behaviour but not all of them do. It is scarcely uncharitable to say that Railway Minister's son is not over distinguished for brains or personality.

Yet he is now working for an Australian firm at a far from modest salary of Rs. 3,000 per month. Perhaps, it is just a coincidence but that firm has quite a lot to do with supplies to India's railways. Wouldn't it be better, if the report is true, that Jagjivan Ram asks his son to seek employment elsewhere so that not even an echo of a suspicion could be whispered?

Then there is another report that the Private Secretary of the energetic Oil Minister, who naturally

knows a lot, is very free—but firm—with recommendations for jobs in the big oil companies. Often enough he is obliged. Now naturally a feeling remains that he is not being obliged for nothing by the oil sharks, always on the hunt for news about the latest thinking in official quarters. Wouldn't it be much wiser for this gentleman never to approach oil companies for favours?

Many more such stories are at hand but Deshmukh and others feel helpless in face of Government obduracy.

GOD-KING'S GOLD

The story of Dalai Lama's stolen treasure gets more entangled every day. It is true that the Rs. 50 lakhs, named as the total by Thondup, are not to be sniffed at, but reliable information has it that the amount smuggled into the country, with Government connivance, is at least four times that figure.

It is quite odd that in view of public interest and the international implications, the Government allows the Dalai's brother to give any figure he likes and does not institute an enquiry.

Further, the American-accented kin of the God-King has openly declared that this money will be spent on financing trips to plead "Tibet's case" for "independence" at the United Nations—flatly opposite to our Government's own stand—and yet the authorities are unmoved. Why this amazing and unique tolerance?

Finally, it is a fact that an impeccable Calcutta lecturer, who was hard up for students and cash even for a railway journey, has suddenly blossomed into an air-traveller in India and abroad. Naturally enough he is busy espousing Tibe-

tan "independence" and, as a side-line, building and strengthening the Asian contacts of the FSP.

Is there any casual relation between his leap to affluence and the fact that the "Tibetan" funds had run so low that the Dalai's loot had to be disgorged?

POLICE POLITICIAN

ASSAM'S Inspector-General of Police is a tough man. He has decided not to wait till parliamentary democracy is subverted before snowing his hand—after all, faction-ridden Ministries are easy to manipulate.

So some time ago he decided to address public meetings and expound his politics. He graciously granted interviews to the leaders of various political parties. And then he openly thundered that corruption in public life was due to power hungry and uncertain politicians. But people like him were already powerful and had permanency of service—so if they ruled there would be no motive for corruption.

His fury knew no bounds when, despite all this plus dark hints about the Chinese "threat," the wretched masses in Nowgong elected a Communist as their M. L. A. He immediately shot off to Karimganj and summoned the district Congress and P.F.P. leaders.

And then a lecture followed, salted with rather lively epithets, on politics, politicians and the police. He upbraided the assembled gentlemen first for being in the political game and then for being so inefficient as to allow a Communist victory at a time when the anti-Chinese campaign had made that eventuality so remote. And in the peroration he talked of "non-politicians" like him as the only possible saviours of the country

from further Communist progress.

We pity the Congress and FSP leaders for their ordeal. But, then, it is their anti-Communism and lack of guts that brought it on their heads. More serious, however, is the fact that this I.G. of Police who is supposed to keep strictly aloof from politics, is obviously not. This would-be Assamese Ayub needs to be sharply pulled up.

MEN OF PRINCIPLES

PANDIT Nehru constantly thunders against the Swatantra Party and Rajaji replies with equally uncompromising, though more sly digs. One would imagine that the two parties are at daggers drawn and crusaders for opposing principles.

But, take a look at Andhra. Dr. Chenna Reddy, an ex-Congress Minister, and his group went over to the Swatantra Party barely 13 months ago. Chief Minister Sanjeeva Reddy, before elevation to Congress headmanship, condemned them tooth-and-nail and had harsh words for the Swatantra Party.

No sooner was his back turned than the Andhra Congress bigwigs calmly re-admitted Dr. Chenna Reddy and his stalwarts and are now said to be grooming him for Ministership.

One must congratulate all concerned. Dr. Reddy has amazing resilience in leaving and re-leaving "opposing" principles. The Congress leaders have amazing abilities and capacities in "convincing" Swatantraites of the errors of their ways and rebaptising them in to the Congress faith.

Perhaps, if Nehru could be removed as conveniently as Sanjeeva gara the all-India Congress leaders would emulate their Andhra satraps and give Rajaji a seat in the Cabinet—as a reconverted ex-Swatantra Congressman, of course.

Are they not all honourable men, all men attached to moral principles?

—ONLOOKER
March 2.

INDIA'S AIR TRANSPORT

Bhupesh Gupta Attacks Private Sector Mentality

On February 26 Bhupesh Gupta moved a motion for consideration of the six annual reports of the Indian Airlines Corporation and the Air-India International Corporation in the Rajya Sabha.

SPEAKING on the motion, he said that Air-India International has done well, and paid tributes to the pilots, engineers and workers or staff "who have made the Air what it is today". He, however, deprecated the tendency on the part of the ruling circles to underplay their part and boost a particular man, Mr. Tata.

The recent events in January which resulted in the strike of the pilots have proved that "Mr. Tata is a myth" because "he failed and he has been failing in the discharge of his responsibilities."

"Mr. Tata has smuggled into the corporation the mentality of the private sector", Bhupesh Gupta asserted and emphasised the need for proper labour-management relations in accordance with the "new set-up of things".

Recent Pilots' Strike

Bhupesh Gupta said that the recent pilots' strike was "avoidable" but was "forced upon the pilots' guild and the pilots" as seniority of pilots was jeopardised when Mr. Gilder was selected to go on deputation for command training at Seattle in the USA and it was done in violation of an agreement. Bhupesh Gupta said: A strike started, I think, on January 8 and agreement was arrived at finally on January 16. Any-

way, we lost about Rs. 2 millions.

It is necessary to find out who is responsible for this loss.... This loss was due to the callousness of the management especially of the Chairman and the General Manager, Mr. Patel....

Bhupesh Gupta pointed out that Mr. Gilder who was selected for training is the only pilot who is not a member of the pilots' guild and, therefore, he was favoured. "But this is not industrial relation."

"This Corporation is in the hands of such people who, we always say, are people who do not believe in the public sector. They are habituated to running the private sector as it is their zamindari and to looking upon the employees as if they are chattels to be trifled with at will. Such people should not be placed in command or at the helm of affairs of our public sector. We said it before and I say it now."

Referring to allegations against the department of Sales Manager and Deputy Sales Manager, Mr. Dastur himself, Bhupesh Gupta said, "I think on the December 26, 1957, a confidential meeting was held at the Deputy Sales Manager's office in Bombay and a secret circular followed that meeting.... In this circular, as you know, serious allegations are made about contraband trade and other things. Some people are in-

involved in that. Item 3 of this circular says:

"As the DSS are aware, under IATA regulations, agents should not be presented with any give-away items the value of which exceeds 25 US dollars. They should, therefore, be extremely careful in not indicating in their official records any presentation article the value of which exceeds the above amount as having been given to the IATA agents."

Fishy Circular

Why should such a circular be issued?

The circular then says that the correspondence regarding the breach of IATA regulations should be typed on plain sheets of paper, that the cover of the letter should be marked 'Personal and Strictly Confidential'. It also says that if it is to be despatched through postal channels, it should be enclosed in another covering which should show only the name and address without being marked 'Confidential' or 'Personal' etc., on it.

"There are some items like that but I need not go into all that. What does this indicate? It shows that something is there to be hidden, concealed. Secret circulars are issued. I read about the first item, about presentation and that violates the agreement with other countries. If this comes in possession of others, they would know that you are violating the rules and regulations."

"I would ask the Hon'ble Minister, 'Is he aware of this circular? If so, what action did he take? Is it permissible for any officer of the Corporation to issue such a circular, such a confidential circular in which a clear green signal is given for violation of the rules and regulations?'"

Referring again to the pilots strike, Bhupesh Gupta said, "I say that the pilots behaved with great restraint, magnificently and with courage and self-respect. It was a question of honour and right on their part which they could not allow to be bartered away just because some big man was holding the reins of the Air India International. This is a disappointing story and I hope that this will not be repeated and that the Corporation will learn from what happened."

It was a pleasant surprise to see some items from Ethiopia but for sheer joy it was Viet-Nam and Ghana which competed for the palm. The lacquer work of Viet-Nam stood out prominently as did the ebony from Ghana.

These apart there was a particularly beautiful bronze from Cambodia and richly ornate pieces from China to delight the beholder. The U.A.R. items were rather flashy but still there was within them the appeal of Egypt.

The exhibition was compact and much more a glimpse of what there is than truly representative. As a beginning it was a splendid achievement and one hopes the organisers will go on to bigger shows with a greater wealth of items.

fore this housing question will have to be gone into and they should be provided with housing....

Then a lot of money is being spent, I am told, for Delhi Office. It cannot be said that housing is not being undertaken on a big scale because of lack of funds, because for certain other things they find the money. I think in this matter where the mental element is very important it is very very necessary that we should pay attention to their comforts and conditions of living and, therefore, in that context housing must have a priority in the matter of claims and money should be found for housing.

Nationalise All Airlines

He stressed the need for nationalisation of all air-transport and said, "That is very, very vital. I think all employees' associations in Calcutta and elsewhere are demanding that all air transport in the country should be nationalised and that there should not be any private air lines."

"We find that a large number of non-scheduled services and lines are under the management of private concerns and in these private concerns we also find foreigners. There malpractices go on, all kinds of illegal practices go on and air rules and other things are evaded. Under-cutting goes on to the detriment of the Indian Airlines Corporation."

"For instance, allegations were made by the employees of Dum Dum about Indamer. Allegations were made of gold smuggling by Andersons and other illegal practices were reported on the part of Darbhanga Aviation."

"As you know, this company was responsible for carrying Captain Butti the American Pilot, to Assam. This Darbhanga Aviation was responsible for carrying two foreign journalists to the NEFA area which became the subject-matter of discussion."

"The Jamar have retrenched 30 workers and so on. This is how they run their companies."

Source Of Corruption

"There is another aspect also. Since they are not on the scheduled lines they are in a position to circumvent the rules and regulations, safety measures, and so on and thus they are in a position to offer cheaper freights to their clients and carry away the business. They make a lot of money, especially in the eastern sector and that is the sector from which I come. This is how they are operating not only causing danger to human life but also to the detriment of the Indian Airlines Corporation. Naturally, a demand has been made for their nationalisation."

"I do not see why all air transport should not be nationalised when we have taken the field. The only

reason I can think of—and we know the only reason behind all this—is that somehow or other these private concerns which are owned by big people, Maharajas, big capitalists and so on, get on the right side of the authorities and manage to continue."

"What is most depressing is that more incursions are taking place—since people have found out this type of business—in the field today. New lines are being opened by private concerns. I do not see why the service to Jamshepur should be left to themselves. As far as the eastern sector is concerned, as you know, it is very much in their hands. This, I think, should be very seriously considered because you would gain by it. I think a memorandum was submitted to the civil aviation authorities on the December 15, 1957 but nothing has been done. There it was pointed out:

"Among the various reasons for this set-up of our nationalised airlines is to be found, after due scrutiny, the influence cast by the private operators directly or indirectly over the entire cycle of business deals as well as the many irregularities in which these operators indulge."

"This is what is happening. Now this matter should be considered seriously by the Government. I understand from reports in the papers that if this were taken over, they would at once gain 20,000 flying hours, under-cutting of rates by these private lines will be stopped and the Government would be in a position to earn a lot of money. The revenue from cargo freight will enormously increase and that will be to their own advantage. I say this because the Indian Airlines Corporation is running at a loss."

Inquire Into Allegations

"Even in this Report loss is shown and this is bound to be so, because the one sector which brings in revenue, that is the freight trade, is left in the hands of the private concerns. They are making a lot of money although by book manipulation they show that they are not making money with a view to preventing nationalisation or, if you like, with a view not to give support to the case for nationalisation. This is a very very important thing and here again I think the Government is not doing anything."

Bhupesh Gupta referred to serious allegations of corruption in the Directorate General of Civil Aviation and asked, "Has there been any enquiry into the allegations that are being made from time to time against the Directorate General of Civil Aviation, especially when the Directorate is being accused of patronage and favouritism to private airline companies and concerns like the ones I have mentioned?"

He also pleaded for cheaper air travel and special treatment in case of air travelling to Tripura. He demanded replacement of old Dakotas.

RADICAL POLICY CHANGES NEEDED

Gopalan-Elias Report On Bhilai

The trouble that broke out in the Bhilai Steel Plant on February 17 need never have occurred had there been a proper labour policy in the matter of recruitment wages, machinery for redressal of grievances, workers' housing, medical facilities, transport and so on—say A. K. Gopalan and Mohd. Elias MPs in a statement issued in Delhi on February 25 after a four-day visit to Bhilai. The two Communist MPs had gone there as a delegation on behalf of the All-India Trade Union Congress.

THOUGH the situation has become somewhat normal as far as functioning of the plant as such is concerned, the delegation came to the conclusion, that what is absolutely essential to ensure industrial peace is a radical change in the labour policy of the Government in this important unit in the Public Sector.

The statement says: As a result of our talks with the workers of the plant, the construction workers, trade union leaders, representatives of the management and the people in the area, we feel that there is no case of alleged attempt to sabotage the plant by the organised workers. Workers in general felt proud of the plant and there was eagerness and awareness to increase production of iron and steel, which is so decisive in the plan for national reconstruction.

However, we came across rumours that certain officials who have been transferred to Bhilai from private sector steel plants were keen to bring discredit to the Public Sector plant and this, it is rumoured, played a hand in the recent developments. This, of course, needs scrutiny and detailed inquiry by the Government and if found correct, necessary steps should be taken to remove such elements from leading positions in the Public Sector undertakings.

The Real Issue

We definitely feel that whatever the seriousness of the grievances of the workers, violence and loss or damage of machinery is not the way to get it redressed.

However, the real issue in Bhilai today is something

While the progress in the construction and production of the Bhilai steel plant has been highly commendable, it is most unfortunate that the management did not pay adequate attention to assure fair conditions of work to the employees in this vital industry.

It is equally deplorable that in this large steel plant, the management has not provided a grievance machinery and grievance procedure which were evolved by tripartite agreement over two years ago. In the absence of such a machinery and functioning Works Committees, griev-

ances were allowed to accumulate and the recent strike can be directly traced to such a development.

Another failure of the management which is quite important is the refusal to recognise any trade union in the plant. Such a position makes the tackling of even ordinary grievances difficult, insofar as collective bargaining through the union is not encouraged.

We wish to point out that industrial relations in Bhilai should not be isolated from the general policy of Government in this respect for the Public Sector in general and the steel plants in particular. We would, therefore, urge the Government to pay adequate attention to this question and appoint a Wage Board for the indus-

try to lay down uniform minimum wages, according to tripartite agreements and work standards.

We found that there is no standardised wage in the plant, no proper classification and no grade and scale system. Employees are completely at the mercy of the various officials. As a result complete anarchy prevails in the wage structure and working conditions.

To put an end to such state of affairs, standardisation of occupational terms, proper wage differentials and scientific wage structure must be evolved and for this purpose, the constitution of a Wage Board is necessary. We have written today to the Prime Minister giving the above facts and requesting his personal intervention.

It is most scandalous that in a steel plant which has pride of place in the nation's economy, the minimum consolidated wage inclusive of all allowances was kept at Rs. 48 per month!

Moreover, there is complete anarchy in wage fixation and in the matter of promotions. Wages of workers doing identical jobs in the same department differ. There is one pay scale for workers recruited from Kulti, another for those from Jamshepur and yet another to those recruited directly. Qualifications and experience, it seems, have not been considered while fixing pay of these workers.

Construction allowance (given as compensation against the high cost of living at construction site) is paid only to the ministerial staff and those employed in operation on or before May 1959, thus ignoring the justified claims of thousands of other workers.

There is no facility for drinking water in the factory area. We are told that during lunch break, workers have to clean their hands with their kerchiefs!

There are no canteen facilities. A few days back all canteens in the factory area were removed by the authorities. There are now only three canteens which serve only tea. There is no arrangement for mid-day meal.

We also came across serious complaints about the alarming rate of accidents and absence of adequate first aid measures. The callousness of the management in this respect is highly deplorable.

Workers say that there were 167 fatal accidents during the period April 1959 to January 1960 while the management puts the figure at 36. In any case, even the management's figures are quite alarming.

There are only two hospitals which are quite inadequate to cater the needs of such a vast area and over 50,000 workers.

Workers are scarcely adequate transport facilities and with the housing shortage, workers live in nearby towns and transport from these towns to the plant site is most inadequate.

The condition of workers' housing, even the limited ones made available, is extremely unsatisfactory. We could enumerate hundreds of such complaints which are indeed shocking.

SHOCKING CONDITIONS

'National Herald' On Contractors' Paradise

In an editorial entitled "Contractors' Paradises" the NATIONAL HERALD of February 25 has the following to say:

RECENT happenings at the Rihand Dam site and at Bhilai have provided shocking proof of the unsatisfactory state of labour relations in state enterprises. There is yet no uniformity in labour policy, even in labour law, which state Governments amend and apply as they like, or in labour practice....

In India, it is known that there is one law for state undertakings and another for private undertakings; departments differ in their practices and defy the Labour Ministry's attempt to enforce uniformity; various state undertakings are in various degrees of industrial peace; no ministry knows what other ministries are doing.

At the Rihand Dam site and at Bhilai, where no party could claim any credit, a state of chaos seems to have been allowed to prevail.

There were similarities in what happened at the Rihand Dam site and at Bhilai. At both places, there are large armies of workers living in unhygienic surroundings and working in unsafe conditions. Most of the workers are drawn from outside the states where the projects are located and some come from distant places, on easy and unfulfilled terms. They cannot unite or be organized, separated widely by language and social barriers.

The demands of the workers related to housing, medical aid, retrenchment notice, and safety provisions. These are conceded by law, and it is not clear yet why what is conceded by law was not enforced, why the workers were driven to frustration and defiance, and why there should have been wasteful killings.

Broadly, there is not even rudimentary trade unionism, the projects have become contractors' paradises, and managers seem to have taken over the responsibility for policies and decisions from the Government.

At both the Rihand Dam site and at Bhilai, the Indian National Trade Union Congress had organized unions with the co-operation of the

authorities, but these unions seem to have been totally ineffective either in presenting grievances or in preventing trouble.

The trouble may be traced to the pattern of works organization and to the contract system. The contractors are not petty men but large corporations enjoying monopoly, privilege, and patronage, almost running an administration parallel to that of the project authorities.

The amazing part of the sudden outbreak of trouble both at the Rihand Dam site and at Bhilai is that it was sudden and that there had been no hint of what was to come.

There have been some tardy reports about what happened at Bhilai.

The workers could not have been driven to exasperation... if the management had not shown a unimaginativeness and apathy.

There was no machinery of contact between the management and the workers and while much attention has been paid to the question of public accountability for state undertakings, it is forgotten that the elementary base has not been established.

There must be a drastic review of the Government's labour policies in state undertakings and the present absorption with financial and other aspects are not sufficient. Necessary labour welfare conditions must be established immediately. The Government could no longer play with the idea whether they can be model employers or not; they should set an example to private industry at least in the matter of labour relations and conditions of living.

The alliance between project administrations and contractors, which is a source of widespread corruption of every kind, must be broken up, and the Government should not provide excuses for the failure of the contractors to fulfil liabilities.

The Rihand and Bhilai tragedies should not be allowed to be re-enacted.

ASIAN-AFRICAN ARTS AND CRAFTS ON DISPLAY

THE Indian Association for Afro-Asian Solidarity once again pioneered in revealing the riches of the countries of these continents. Under its auspices on February 22 there opened an exhibition of the arts and crafts of Afro-Asia in the halls of the I.E.N.S. Building in Delhi.

On the opening day Rameshwari Nehru and Anup Singh welcomed a distinguished gathering and in particular, thanked the Indonesian Ambassador for having consented to inaugurate the Exhibition.

Dr. Kadir in a brief speech pointed out the significance of such exhibitions in promoting the much-needed and desired unity of the peoples of this vast area, which had just awakened to new life. As he was about to conclude a burst of applause greeted the entry of Defence Minister, V. K. Krishna Menon.

Going round the well-arranged hall one was struck by the remarkable combination of simplicity and sophistication, strength

and delicacy which stamped the objects on display. The extravagance and abandon of colour, the controlled freedom of design and startling asymmetrical patterns impelled one's aesthetic imagination.

It was a pleasant surprise to see some items from Ethiopia but for sheer joy it was Viet-Nam and Ghana which competed for the palm. The lacquer work of Viet-Nam stood out prominently as did the ebony from Ghana.

These apart there was a particularly beautiful bronze from Cambodia and richly ornate pieces from China to delight the beholder. The U.A.R. items were rather flashy but still there was within them the appeal of Egypt.

The exhibition was compact and much more a glimpse of what there is than truly representative. As a beginning it was a splendid achievement and one hopes the organisers will go on to bigger shows with a greater wealth of items.



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BALANCED REGIONAL DEVELOPMENT

On February 26, in the Rajya Sabha the Kerala Communist MP Dr. A. Subba Rao moved the following resolution: "This House is of opinion that an expert committee be appointed to study the developmental problems of economically underdeveloped states and other areas of India with a view to making proposals for a stepping up industrialisation and other development activities in those places."

DR. A. SUBBA RAO then went on to make an important speech: "The principle of balanced development of the different regions of the country and removal of regional disparities had been accepted as far back as 1943 and it was reiterated by the Government in 1956 through the industrial policy resolution."

"In paragraph 15 it states as follows: 'In order that industrialisation may benefit the economy of the country as a whole, it is important that disparities in levels of development between different regions should be progressively removed.'"

"Then, Sir, it goes on to say: 'Only by securing a balanced and coordinated development of the industrial and agricultural economy in each region can the entire country attain high standards of living.'"

"The States Reorganisation Commission has also stressed the need for developing the backward and underdeveloped States, when issuing fresh licences for the location of industries. But even after 12 years of this acceptance of the policy and even nine years of planned development, I regret to note that the concentration of industries in certain areas still continues."

"Some States, especially certain areas in those States, have developed considerably—industrially—while certain backward States are lagging far behind."

"The very fact that the Planning Sub-Committee of the AICC, in its report to the last session of the AICC, had suggested that attention should be paid to the regional balanced development proves that the Government has failed to implement this policy."

Location Of Basic Industries

"Sir, when we look at the industrial picture of India, we will find that many basic industries are concentrated in certain regions. Then, Sir, if we go through the list of licences issued under the Industries Development and Regulation Act, we will find that a great percentage is taken away by the three States, namely Bombay, West Bengal and Madras."

"This creates mutual ill-feelings among the different States. It creates a feeling of frustration among those sections which remain underdeveloped, resulting in the disruption of the country's unity."

"Sir, when I had the occasion to travel in the South—in trains, etc.—I heard many people of different walks of life talking in a frustrated mood and complaining that the North was trying to dominate the South."

"Well, Sir, this is not a healthy sign which should be allowed to develop. We talk of unity of our country and we advise our people not to think in terms of different castes or linguistic groups but to view

everything on an all-India plane."

"But, Sir, we find that emotional and cultural unity is intimately related to economic development. Unless this disparity is removed at the earliest or unless at least a feeling of confidence is created in the minds of the people that proper steps are being taken to remove these disparities, you cannot inculcate that real sense of unity among your people, which is absolutely essential for the future of this country."

Disparity In Allocations

"Now, Sir, let us examine the financial allocation for the different States in the Second Plan. Special consideration should have been given to those underdeveloped States and a greater allotment should have been made to them. I will cite the example of my State because I know a little more about my State than about any other State. I can say that the sum of Rs. 87 crores allotted to my State was very meagre indeed as compared to its necessities and requirements."

"I am sure the Members from other backward States will have the same complaint. Now when we are formulating the Third Plan, the State Planning Board of Kerala has requested that at least Rs. 250 crores should be allotted in the Third Plan to Kerala taking into consideration the necessity of rapid growth of power and industrialisation in other States."

"I hope that the Planning Commission will give due consideration to this request and allot the required amount."

"Another difficulty in the way of the rapid development is the method of matching grants. How can an underdeveloped State raise the same resources as the other industrially developed States? So it should not be clubbed in the same category."

"The formula of equal contribution from all the States should not be insisted upon in the case of underdeveloped States with lesser resources."

"Sir, more and more avenues of income by way of taxes are being taken away by the Centre from the States. To cite an example, there is the case of excise duty on textiles, sugar and tobacco in place of the States' sales tax."

"Hence, the States' capacity to raise the necessary resources is getting limited while the Centre's contribution to the total outlay for my State in the Second Plan was only 45 per cent. I hope this will also be considered when formulating the Third Plan."

"Then, Sir, special attention should be paid to developing transport facilities in these underdeveloped areas. The expansion programme of railway transport, I mean opening of new lines, in the Second Plan was limited to the industrial areas. No new

Strong Plea By Communist M. P.

lines were included in the Southern Zone.

"It is a long-felt demand that the Hassan-Mangalore-Tellicherry-Coorg-Alleppey-Ernakulam link be taken up for the industrial growth of that region. I hope the Railway Ministry will give due consideration to this aspect."

"The necessity of steel in the South, especially when those regions are industrially backward, cannot be disputed. So, if industries have to be set up in the South, steel has to go all the way from the North-east region of India."

"On the other hand, if steel plants are set up in the South—we have got plenty of iron ore in the South in the Andhra region—the argument that the cost of transport of metallurgical coal will be too high cannot be valid."

"After all, you have got to carry one ton of finished steel to the South now. Then you will have to take one ton of metallurgical coal instead. That will compensate for the cost of transport of one ton of finished steel."

Steel Plant For South

"There is another factor. I was told that another steel plant is going to be set at Bokaro and they are trying to utilise lignite for it. If lignite, which is far inferior to coal, can be used successfully, there is no reason why coal which is available in plenty in Andhra, cannot be utilised."

"That problem has to be gone into. We have to see whether the coal that is available in the Andhra region can be utilised in the manufacture of steel."

"Another point which seriously prevents industrialisation of the South is the availability of coal. If coal is made available at a uniform price, as steel is made available today, the industrialists will have a fillip to start certain industries in the South."

"This disparity in the price of coal in different regions is one of the factors which retard industrialisation. The Estimates Committee has already recommended that coal prices should be equalised. I do not know why the Government has not implemented that recommendation of the Estimates Committee."

"More industrial units in the public sector have to be located in those States which are underdeveloped, seeing of course, to the availability of raw materials. In this respect, I would draw the attention of the Government to the suitability of Kerala for the setting up of a Phytochemical plant."

"I do not know what is the recommendation of the Expert Committee but I am sure that Kerala is an ideal place to set up this factory."

"We are told after a geological survey by the State Government that in Kerala there are rich deposits of ilmenite at Kovalam. The percentage of ilmenite content is as high as 61.8. A pilot plant for the extraction of this ilmenite can be set up."

"I am bringing out these in order to show that the availability of the raw materials in the different underde-

veloped States have not been properly gone into and if it is properly assessed, we can start many industries in all these underdeveloped States."

"With regard to the shipbuilding yard at Cochin, this has not been decided upon for the past many years. The British Expert Committee that went into this has already recommended that Cochin is an ideal place for this shipbuilding yard. I do not know why the Government is delaying the setting up of that yard."

"For the proper development of the different underdeveloped States, I would request that a geological survey of the different regions should be undertaken."

"Another factor impeding the industrialisation of these States is the attitude of the Planning Commission with regard to the States' participation in the share-capital of the different industries."

"Now there might be people in certain industries in certain areas which are industrially developed who will be ready to finance the industries but in an underdeveloped area, it is the duty of the State as well to encourage them and if the private industrialists do not come forward, or if you do not have a sufficient number of people

THE COMMONWEALTH LINK

ly because England and France had a misadventure in Suez, our Plan was postponed to a certain extent, and we had to spend just for transport purposes an additional sum of Rs. 15 to Rs. 20 crores."

"Some time ago, the Bank of England brought about a rise in the bank rate, and Indian economists computed that as a result at least Rs. 25 crores or more would fall on the shoulders of India, and India had never before been consulted in regard to this kind of increase in the bank rate."

"They treat us just as shabbily as they used to do when they had the whole Empire and everything was lovely in their imperial garden."

"We might be told that perhaps they help us, but do they help us, or do they help themselves? Do they help our plan or do they hinder our plan? I discovered that they help themselves very well. Here is the Journal of Industry and Trade, January, 1960, which says that foreign private investment has increased in this country and that the United Kingdom's share was, in the middle of 1948, to the extent of Rs. 206 crores, by the end of 1957 it had risen to Rs. 412.7 crores."

"This article also says that capital repatriation had been made by foreign investors to the extent of Rs. 70 crores or more, most of which had gone back to England, and the total amount of capital employed in enterprises controlled by non-residents by having foreign participation was larger than the figure of foreign capital investment indicated here...."

"They remit their profits

coming forward, the State should give an incentive to the starting of these industries."

"So State participation by way of contributing to the share-capital is also necessary for the development of industries in these backward areas."

Strong speeches in support of the resolution were made by Bhdhesh Gupta and Dr. Raj Bahadur Gour. The latter quoted extensive figures on the 'per capita' deposit in different States to show the different levels of development in the various regions of India, while the former controverted the arguments of Congress MPs that the Resolution would foster regionalism to the detriment of national unity.

Lal Bahadur Shastri, Minister of Commerce and Industry, stated that he appreciated the spirit of the Resolution but went on to paint the usual rosy official picture, declared the Government was alive to all the problems and asked the mover to withdraw his resolution.

Dr. Subba Rao hit back at the Minister's imputation of motives and reiterated how essential balanced growth was for national unity. He withdrew his resolution in view of the obviously partisan approach of the Treasury benches.

From Page 2

INSINUATIONS ANSWERED

Writing in *Pravda* On Soviet Army Day, February 23, Mal-

novsky, Defence Minister of the USSR, indignantly protesting against such insinuations writes:

"All honest-minded people cannot help being disgusted by the unseemly attempts of certain personalities in the West to distort the ideas and aims of our armed forces cuts, and their seeking to ascribe to the Soviet Union design of predatory conquest that are absolutely alien to it."

"Some Western personalities, including military (personalities), strain in vain to argue that the Soviet Government's measures mean not a reduction but the rearming of the Army and Navy for what are supposedly aggressive purposes."

"One does not have to be a man of great wisdom to understand that a State planning to attack other States cannot cut its armed forces, and moreover, chiefly its ground army, air forces and navy, without which offensive operations are unthinkable."

"Rocket and nuclear weapons are a powerful means of warfare. But they cannot occupy the territories of others. That is an elementary truth. What aggressor then would consent to cut his armed forces?"

Malinovsky refers in this connection to U.S. Defence Secretary Gates' testimony before the House Appropriation Committee which spoke of the so-called threat—not only military, but also political, economic and psychological—that USSR poses to the security of the USA and the whole of the "free world, calling for the continuation of the arms

race and the further production and perfection of both "old" and the newest means of warfare.

"Would it not be better?" asks Malinovsky "instead of this drum-banging, to offer a disarmament programme, according with the interests of all mankind, as the Soviet Government has long since done?"

"More than that when the Soviet Union proposes disarmament and itself unilaterally reduces the armed forces to a level less than the USA, the U.S. Defence Secretary believes it possible to declare:

"We cannot believe today that talks with the Russians will result in agreements facilitating our defence problems. There is nothing to warrant the assumption that the Russians will make essential concessions diminishing our security requirements."

"Is this not" asks the USSR Defence Minister, "patent and willful misrepresentation of obvious facts, to which Mr. Gates is unworthily having recourse?"

The Soviet Union and all other Socialist countries have come out for the earliest conclusion of an international agreement on disarmament under effective international control. It is sheer misrepresentation of their position that they oppose or want to avoid adequate control measures.

Khrushchov in his report to Supreme Soviet last January

HUMANITY AT CROSSROADS

The Ten Nation Sub-Committee of the United Nations is scheduled to start on March 15 its deliberations on disarmament. These talks will prepare the ground for the Summit Conference of the world Big Four which meets in Paris on May 16, at which the key issue of our times—disarmament—will be the central topic to be discussed.

HUMANITY thus stands at the crossroads of its entire history. If some success is registered and some progress made at these talks towards understanding and settlement the gain will not be merely negative in the sense of mankind-escaping the threat of unimaginable destruction and collective suicide.

Stake Is Ours

It is realised in every corner of the globe that the positive gain is the boom of the unprecedented advance in science and technology being placed at the service of entire mankind and each single region of the world launching on a programme of further improvement in its material and cultural conditions, of which it is so much in need.

For, even if the underdeveloped world is left out, even the most advanced countries have their depressed areas and their armies of unemployed and underemployed.

Every single country and every single inhabitant of this planet has a stake in the series of East-West discussions that open on March 15. And speaking from the point of view of positive gains, the underdeveloped regions, have a far greater stake than the other countries lined up in the present confrontation.

It is vital as well as worthwhile, therefore, to exert all our strength—and it is very far from being insignificant or ineffective—to contribute our full mite to the success of these conferences. We owe it to ourselves, to our country and to humanity at large whom we call our brothers.

The issues are not as complicated as they are made out to be and the desire among people everywhere for their solution is overwhelming. What is called the East in the terminology of world politics today has advanced through Khrushchov's address to the U.N. General Assembly on September 18, 1959 a plan for general and complete disarmament.

Whether one regards it as arising from the Soviet Union and other socialist countries' enlightened self-interest or as an expression of supreme humaneness of the socialist system and search for world peace being the very corner-stone of that system; literally no one can deny that general and complete disarmament, elimination and destruction of all weapons of war is the surest way to ban war for all times.

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INTERNATIONAL EVENTS

The Soviet Union actually stands for compulsory international control throughout the entire process of disarmament—from the very beginning to the end, and likewise after its actual completion.

Khrushchov had reiterated this position in his replies to questions put by Pierre Cot, Director of the journal *Horizon*. "I have had already to point out time and again in my speeches," Khrushchov had stated "that control over disarmament must be carried out all through the process of disarmament."

"In the opinion of the Soviet Government, the volume and character of control at every stage of disarmament should correspond to the disarmament measures being conducted."

The clear Soviet stand is that in the course of disarmament those measures must be translated into practice at each given moment—and no other measures—as are subject to a check-up.

For instance, if a reduction of armed forces and conventional type armaments is to be effected in the opening stage, the Soviet proposal insists that control must be enforced only in this field. With the further progress of disarmament, control should be extended in order to secure fulfilment of other disarmament measures—prohibition of nuclear and rocket weapons.

Replying to Adenauer who had expressed in favour of comprehensive and complete control being established in the very initial stages of the disarmament process, Khrushchov told him in a message on January 28 last:

"As for the demand that there be all-embracing control from the very outset, regardless of the disarmament measures being carried out, in the present conditions this, besides being absolutely unrealistic, can have actually one meaning—that is, to interfere with the attainment of a disarmament agreement."

Such a demand, besides obstructing agreement on disarmament, is very justifiably interpreted as nothing more than seeking opportunities to probe defence arrangements of another country, or espionage in plain and simple terms.

Against Control Without Disarmament

As repeatedly, stated by Soviet spokesmen the Soviet Government stands for disarmament with control but is totally opposed to control without disarmament.

If the Western powers taking into account the universal demand for fruitful negotiations approach the Ten-Nations Disarmament Committee talks opening on March 15 with a willingness and desire to work out and implement an agreement on general and complete disarmament, as recommended by the U.N. General Assembly then there is no doubt that acceptable solutions to questions of control can be worked out.

More than once has the Soviet Union in the recent years of disarmament negotiations given proof of its willingness to meet them half-way on these questions, only to be faced by Western backsliding. This should not be allowed to happen again.

—ZIAUL HAQ
PAGE THIRTEEN

put this position very clearly when he said: "If our Western partners are really worried about ensuring effective control over disarmament we welcome this fact because this is our position too. The Soviet Union stands for strict international control over disarmament."

"The Soviet Union stands for such an agreement on general and complete disarmament which would provide a reliable guarantee that no State will violate its disarmament commitments. Our proposals provide for the establishment of effective international control over disarmament which naturally should correspond to definite stages of disarmament."

Ever since the disarmament question began to be studied in the U.N. the Western powers have unfailingly placed control in the foreground, actually trying to achieve control without disarmament. Precisely because of this position did the question of control become one of the chief stumbling blocks in the road to disarmament.

The Soviet plan for universal and total disarmament offers a possibility of deciding the problem of disarmament and control in an entirely new way.

With universal and total disarmament, the Soviet Government's declaration of September 18, 1959 states "the difficulties connected with control will disappear. Under those circumstances countries will have nothing to hide from one another. There will be a full opportunity to carry out any check-up, any inspection, should a doubt arise as to the honesty of one or another State in living up to its obligations on disarmament."

Soviet proposals provide that an international control agency on which all States are represented would be in possession of all the material conditions necessary for implementing strict control.

Nevertheless, after the Soviet proposals were made the version was spread in the West that the Soviet Union was proposing to establish control only after the entire programme of disarmament was completed. That is nothing but a crude distortion of the Soviet position invented by those who want to avoid disarmament.

It was the Soviet Union that proposed the idea of setting up ground posts for control and for preventing surprise attack, as advanced in the USSR's proposals of May 10, 1955. The Western powers themselves at the time recognised the great

importance of that proposal. Noel-Baker in his book *The Arms Race* refers to this piece of Western propaganda that the lack of success in disarmament talks held in the United Nations since 1952 has been due to the Soviet Union turning down proposals on inspection and control that Western Governments have made.

He writes that history does not bear out these assertions. It is likewise untrue that inspection has been the most difficult thing in the U.N. since 1952. It was the disagreement regarding basic measures on arms reduction that led to the bottleneck then, as also in sub-committees in 1954-55, 1956, and 1957.

Noel-Baker does not mention it but it is nevertheless a fact that the disagreement concerning basic measures on disarmament arose precisely as a result of positions taken by the Western powers, who in 1955 started to backslide on their own proposals.

Thus the inescapable fact that emerges from recent history is that far from any "implacability" on the part of the Soviet Union on the question of control, it has been the Western powers' unwillingness to agree on disarmament and their use of control as an excuse to conceal this unwillingness that has been responsible for lack of progress in disarmament.

NEW AGE

KHRUSHCHOV IN INDONESIA

Following his trips to India and Burma, Nikita Khrushchov arrived in Indonesia on February 19. The Indonesian Government and people accorded him a tremendous welcome and went all out to pay their heartfelt tribute to a statesman who symbolised peace and the unremittent Soviet support to the struggle against colonialism.

IN Jakarta the Soviet delegation laid a wreath at the Independence Monument and went on to visit the new stadium which is being built with Soviet assistance. From there to Bogor, where the country residence of President Sukarno is situated. As was to be the pattern elsewhere lakhs of people gathered and shouted "Hidup Khrushchov," "Hidup Bung Karno," (Long live Khrushchov! Long live Brother Sukarno!) and in Russian "Druzba! Druzba!" (Friendship! Friendship!)

At Bandung Khrushchov delivered an important speech where he recalled the symbolic significance of the city—venue of the first Afro-Asian Conference. The crowd thundered its approval of the Soviet Premier's tribute to the Indonesian people and President Sukarno.

Leaving hospitable Bandung, Khrushchov arrived at Jogakarta, the city which headed the Indonesian struggle for Merdeka (freedom).

Speech To Parliament

WE are very happy that the Soviet Union has established cordial friendly relations with the bulk of the countries of Asia and Africa which have gained political independence in a hard and stubborn struggle. A warm friendship has been established between our two countries.

West Fails To Understand

Many political leaders in the West are wondering and find it hard to understand why the friendship of the Soviet Union and the other socialist states with the non-socialist countries of Asia and Africa is so rapidly gaining in strength and scope, though it is well known that there is a vast difference between them in their social and economic systems and ideology.

We cannot but feel sorry for those who fail to understand that the friendship between the socialist states and the countries of Asia and Africa rests on the community of aspirations and interests of

our peoples as regards their fundamental, vital problems. Both you and we belong to the great army which is vigorously fighting for peace and peaceful coexistence.

Speaking of the longing for peace of the peoples of Asia and Africa, the Head of the Soviet Government emphasized the contribution made by the Indonesian people to the struggle for peace and friendship between the nations.

Important changes have taken place in the international situation thanks to the effort of the peace-loving states, Nikita Khrushchov said. The ideas of peace and peaceful coexistence are striking ever firmer roots in the minds of the peoples and are becoming a real force exerting a tremendous influence on historical developments.

Without losing a sense of reality no one can today suggest any other way of developing international relations save peaceful coexistence. The Head of the Soviet Government further pointed out that the agreement between the Great Powers to hold a conference of heads of governments was a considerable success for the peace-loving states and peoples.

We consider that this conference should first of all discuss such an acute and urgent problem as that of general and complete disarmament, Khrushchov continued. We also attach great importance to a summit discussion of the question of a peace treaty with Germany, including the question of the situation in West Berlin.

Given good-will and a genuine desire for mutual agreement, the conference may well make a start on the practical solution of many problems in dispute, and bring about a further relaxation of international tension.

For Asian Participation

That is why they express the hope that to solve problems bearing on the destinies of peace and of all mankind, subsequent summit meetings will also be attended, while the above-mentioned problems are discussed, by other countries including those that are not members of existing military alliances, among them countries of Asia and Africa.

The statement also points out that the people and the Government of the Soviet Union respect the active and independent foreign policy pursued by Indonesia and that this policy makes a major contribution to the consolidation of world peace.

Nikita Khrushchov and President Sukarno, the statement points out, examined questions pertaining to economic cooperation between the two countries. They discussed the question of rendering assistance to Indonesia and, at

Khrushchov said that an important role in the establishment of stable peace on earth is played by personal contacts and conversations between statesmen. We consider that personal meetings of statesmen should become a standard procedure in international relations, he observed.

Against US-Jap. Pact

The improvement of the international situation in general does not mean, however, that all difficulties have been eliminated, Khrushchov continued. It is known that there are circles in the West which are unwilling to reconcile themselves to the beginning of relaxation of international tension, and seek to reverse the march of time and to revert the world to the times of the cold war.

Especially dangerous in this respect are the activities of the military blocs, Nato, Seato and Cento, the holding of military manoeuvres in various parts of the world, the establishment of ever new military bases, including those of nuclear tipped rockets.

Nor is it possible to overlook in this connection the actions of the Japanese ruling circles, which are dangerous to the cause of peace. There is no justification for the Kishi Government which recently signed a new Japanese-American military treaty which has nothing in common with the real needs of Japan and which perpetuates the foreign occupation of that country.

The question of peace is the main question of our time, the Head of the Soviet Government continued. Linked closely to it is the question of the liquidation of the colonial system. The sooner the colonial powers are deprived of their colonies—the colonialists will then be unable to plunder and oppress other nations—the sooner peace will be established on earth and the cleaner will be the air we breathe.

Our friendship with the peoples of Asia and Africa is strong, Khrushchov continued. We work in a single front for colonialism to be wiped off the face of the earth as President Sukarno vividly put it.

By virtue of my duties, Khrushchov said, I frequently meet with politicians from the colonial powers. Some of them sometimes ask me why the Soviet Union comes out so vigorously for the abolition of the colonial system since the fate of the colonies does not directly affect its interests. I want to reply to this question briefly.

The Soviet people follow the Marxist-Leninist teaching. Communism is the most humane, the most philanthropic ideology. It is emphatically against all oppression, all exploitation.

The Soviet people regard the colonial system, which

* SEE FACING PAGE

THIRD-CLASS TRAVEL REMAINS A NIGHTMARE

PARVATI Krishnan, in the course of her speech in Lok Sabha on February 26 on the Railway budget said that the Railway Minister by his talk about achieving self-sufficiency and entering the field of exports has tried to cover the difficulties facing the railways. The Railway Minister, she said, has referred to financial targets but has slurred over the position in respect of physical targets. She said, "Take for instance, this question of self-sufficiency and the possibility of locomotives and wagons. The operational efficiency of the railways depends on various factors, such as the locomotives you have got, the rolling stock, the efficiency of the workers and so on.

Over-Age Locomotives

"The percentage of over-aged locomotives has not come down to the extent promised under the Second Plan; it continues to be such that it does not allow any complacency. In this context, I would like him to clarify to us how he is optimistic and visualises export of locomotives, when the percentage of over-aged locomotives in the country does not seem to show any appreciable decrease.

"Similarly, with regard to coaches and wagons...Of course, we may be told that because many of our lines are reaching the point of saturation, it will be physically impossible to use wagons and locomotives beyond a certain number.

But if the targets of the freight traffic (162 million tons) and passenger traffic are to be achieved, as the Minister has maintained they will be, surely it will also be necessary to see to it that the track capacity keeps pace with the traffic that is expected and estimated by the Railway Board....

"In the Second Five Year Plan, a certain target was laid down for the renewal of existing track... As far as I could gather, the arrears continue to be rather staggering. With the broad gauge and the metre gauge put together, I think it is round about six thousand miles... Side by side with it, still, the Minister maintains that the target of passenger traffic and freight traffic will be achieved.

"Does that mean that the overcrowding in the third class passenger traffic is going to be increased even more than it is already today? Does it mean that safety is going to be affected? Does that mean that the speed of the trains is going to be affected?"

"I now come to my next point. What is the public getting out of this budget? ...Third class travel, as I said earlier, continues to be a nightmare. Of course, since we had the new Deputy Railway Minister there, there have been a few improvements.... And the improvement seems to be for exactly those people in whose houses he happens to stay when he comes to Coimbatore down the road where I stay....

"With regard to labour, the

PARVATI KRISHNAN SLATES RAILWAY MINISTRY

Minister, this time in his speech, does not seem to have handed out the usual boquets that are a routine.

"On the other hand, he has tried to create in the minds of the public a certain psychology that if they are to be denied any amenities, if passengers are to be charged more fares, if freight is to go up, whereby the ordinary public also will get affected because the prices of the consumer goods will also go up, if all this is to go up, it is because the railway workers and the Government employees have

had the Pay Commission, and because the Pay Commission has made certain recommendations, therefore, an enormous sum of Rs. 20 crores has now come as a big burden on the Railway Minister.

"This sort of trend was there in his speech, and it has been brought in the usual diplomatic and bland manner that only the Railway Minister is capable of....

"The hon. Minister started by saying that the finances had improved.... We find that this whole graph of the gross earnings of the railways has been steadily on the increase. It is a very gratifying matter, no doubt. While this boom is there, it seems that the railwaymen are to be condemned or doomed, that seems to be picture that is there before the railways....

Boom In Earnings

"Let us quote some figures in this connection. The gross earnings of the railways in March, 1954 were Rs. 274.29 crores. In 1959 they were 423.28 crores. That shows roughly an increase by about 50 per cent. On the other hand, do we find that the wages have registered even a proportionate increase in this direction? I do not demand that immediately there should be absolutely the same percentage of increase in the wages.

"But what we find is that in 1954, the wages were Rs. 135.09 crores, while in 1959, they were Rs. 183.05 crores. Now, this means, of course, that there has been increase, but at the same time, one must remember that there has been an increase in the number of workers employed also.

"So, partially, this increase that is there in the wage bill can be attributed also to the increased number of workers that have been employed. Therefore, in the light of this, when we find that the essential commodities are showing a very steep rise in prices, when we find that the neutralisation for the steep rise in prices is being denied to the workers, then, we are unable to accept the fact that the railway workers are really deriving full benefit or are being given any incentive to give their best to this very important enterprise in the country.

"Therefore, what I would request the Railway Minister is to give us the break-up of this overall figure of Rs. 20 crores... I say this because we knew that a good amount of it will go towards the provident fund, a certain amount of it will be going towards clearing the arrears from July 1959....

"We know that the workers are being asked to increase their hours of work, we know that they are going to be denied certain privileges and facilities they have enjoyed up till now, as per the recommendations of the Pay Commission....

"What we would really like to know is how much of this amount of Rs. 20 crores that is being spoken of as increase is an increase only as a result of the Pay

Commission's recommendations, how much of it is the annual increase that takes place as a result of workers being entitled to increments and so on. If this break-up is given, it will be far more clear to the public, it will enable us to understand the whole thing....

"Then there is the question of the grievances of railway workers.... We are at the end of the Second Plan. We are thinking in terms of the Third Five Year Plan....

"We have not been told by the Minister what would be the general approach to this problem, nor are we in a position to know about it, unless and until we get detailed information about the achievements under the Second Five Year Plan....

"When we think in terms of the Third Five Year Plan, the emphasis in the coming period should be on giving the workers more and more opportunities for participation in management, particularly in a public enterprise like this run by Government which has potentialities of increased earnings.

"With the cooperation of the workers, pilferage, wastage and corruption can certainly be checked much more effectively. Also failures and accidents can be avoided and operational efficiency put on a higher standard.

"We have suggested joint committees at all levels more than once. The Minister also has referred to some committees. I would like to know whether these committees are nominated or appointed—what is the manner of the constitution of these committees—because it would be most effective if such committees were elected by the various departments.

Recognise Unions

"At the same time, the question of recognition of Unions continues to hang fire. I am glad that at least today we are in a position where we find that both the Federations are more or less on a par so far as the Railway Board is concerned.

"But still there are a large number of other Unions in railways, as the Minister knows very well himself, which represent a large section of workers. It is very necessary that the Minister should look into this matter and find out in what way those Unions could be recognised and enabled to see that they also play their part in the growing national economy, in the growing India.

I could conclude by saying that I also agree with my Hon'ble friend, T. B. Vittal Rao, and many others, that the increase in freight is certainly not justified. The increase, to my mind, creates the possibility and danger of further price increases in respect of those essential commodities, the prices of which are already showing a steep rise.

"The increase will certainly result in a sharper rise—there will be a jump. Certainly, railway earnings are not such as to justify this increase in freight charges."

Joint Communiqué

A joint Soviet-Indonesian statement, an agreement on economic and technical cooperation and an agreement on cultural cooperation were signed at an official ceremony in the Presidential Palace at Bogor on February 28.

The statement declares that everywhere the Chairman of the Council of Ministers of the USSR N. S. Khrushchov and his party met with hospitality and friendship on the part of the Indonesian people.

The statement says that the visit provided the Chairman of the USSR Council of Ministers Khrushchov with a favourable opportunity of discussing with the President of the Republic of Indonesia Sukarno various questions concerning the relations between the two countries, and international problems in general.

These meetings were held in an atmosphere of cordiality, friendship and mutual understanding.

As regards the relations between the Soviet Union and the Republic of Indonesia, which have been developing favourably, especially in recent years, it was noted that these friendly relations both Governments firmly abide by the principles of peaceful coexistence without interference in each other's internal affairs.

Both Governments reaffirmed that all manifestations of colonialism must be liquidated and that their liquidation would be in the interest of world peace, the statement continues. In this connection, the Government of the Soviet Union gave its full backing to

Indonesia's rights and claims to West Irian.

The Government of the Soviet Union and the Government of the Republic of Indonesia express their great hope that the conference of representatives of the Soviet Union, the United States and Britain on the discontinuance of nuclear tests, which is now being held in Geneva, may soon reach a favourable agreement which might contribute to the further relaxation of international tension.

The statement says that in the course of the exchange of opinions, the question of the coming summit meeting in Paris was discussed and that the Government of Indonesia expressed the hope that this meeting could make a start on real steps toward disarmament. In this connection, the Government of Indonesia announced its support for the Soviet proposal for general and complete disarmament and expressed the hope for its realization.

The statement says that the Chairman of the Council of Ministers of the USSR and the President of the Republic of Indonesia stressed that any differences between states should be settled by peaceful means.

The statement emphasizes the tremendous importance of the visit to the United States of Nikita Khrushchov, Chairman of the Council of Ministers of the USSR, for easing international tension and improving the relations between states.

Both Governments expressed confidence that the interests of safeguarding peace

call for the advance of technically underdeveloped countries towards securing worthy living standards, and, thus, liquidating, in the final analysis, the difference in the living standards between industrially highly developed countries and countries underdeveloped industrially.

The statement points out that important problems related to the maintenance of universal peace, in the opinion of both Governments, concern not only the four great powers but also affect the interests of all other peoples.

For Asian Participation

That is why they express the hope that to solve problems bearing on the destinies of peace and of all mankind, subsequent summit meetings will also be attended, while the above-mentioned problems are discussed, by other countries including those that are not members of existing military alliances, among them countries of Asia and Africa.

The statement also points out that the people and the Government of the Soviet Union respect the active and independent foreign policy pursued by Indonesia and that this policy makes a major contribution to the consolidation of world peace.

Nikita Khrushchov and President Sukarno, the statement points out, examined questions pertaining to economic cooperation between the two countries. They discussed the question of rendering assistance to Indonesia and, at

the request of the Indonesian Government, the granting of a new Soviet loan for the realization of the projects included in the general plan of Indonesia's development in the near future.

Provisions have been made, specifically, for the design and construction of steel foundries, steel works, chemical and other plants, textile mills and other industrial establishments.

It was agreed that the loan granted will be to the value of 250,000,000 American dollars.

The Government of the USSR will assist Indonesia in some projects under a programme for the peaceful uses of atomic energy. This assistance will include delivery of a nuclear reactor for scientific research and the training of specialists.

The Chairman of the Council of Ministers of the USSR invited the President of the Republic of Indonesia Sukarno to come to the Soviet Union on a friendship visit at a convenient time. The President accepted this invitation with pleasure.

WE SHALL WILLINGLY SHARE OUR EXPERIENCE WITH YOU

Khrushchov's Speech At Calcutta Civic Reception

It gives me great pleasure to visit your city for a third time and to meet you again at such a mass meeting or, as you call it, a civic reception...

I AM especially happy to say that the exchange of opinion which I had with the Prime Minister Mr. Nehru and other statesmen of the Republic of India made the best of impressions on me. As a result of these meetings and talks I became convinced that we have very much in common in the assessment of the basic questions of international politics, that our stands on major international problems coincide.

I had already said that this finds its expression in joint actions of representatives of our countries in the United Nations and in other international organizations....

We may naturally hold different opinions on some questions but we should view this with understanding, displaying patience and self-restraint and realistically taking into account the specific interests of each country, of each people.

Why do our countries having different social systems develop and strengthen friendly relations? Because the great principles of peaceful coexistence form the basis of the foreign policies of the Soviet Union and the Republic of India.

The principles of Pancha Shila have received recognition and support from the peoples of many countries of Asia, Africa, Europe and other continents. It gives us pleasure to note the outstanding role played by the Government of India and the Prime Minister Mr. Nehru personally who are firmly and vigorously coming out for the settlement of acute international issues by peaceful means, by means of negotiations.

The Most Pressing Problem

Dear friends, people of the city of Calcutta, you understand, of course, that in present-day conditions when there exist terrific weapons of destruction—atom and hydrogen bombs and intercontinental rockets—the most important and pressing problem of international life is the problem of disarmament.

The Soviet Union is militarily the mightiest power in the world. But it is precisely the Soviet Union which does not wish to use the force of arms either in diplomacy or in politics and is the first to propose general and complete disarmament.

You know that the Government of the Soviet Union is doing all in its power to get things moving in the problem of disarmament at long last, to make disarmament a reality, in order that mankind could live without weapons, without wars.

In September last, the Soviet Government submitted for the consideration of the United Nations the programme of general and complete

disarmament. We are grateful to the Government of India for the approval with which it received our proposals and for the support given to them by its representative in the United Nations.

The Soviet Union has not only submitted proposals on disarmament but it was also the first to take concrete steps towards their practical realisation. In January this year the Supreme Soviet of the USSR adopted a law on the unilateral reduction of the armed forces of the Soviet Union by 1,200,000 men, i.e. by one-third.

We call for disarmament of all countries also because disarmament would release enormous means which are now being "frozen" in the form of unproductive expenses for military purposes. If the programme of general and complete disarmament is accepted the peoples of the countries which are in need of economic assistance would be able to receive it on a considerably larger scale. Thereby the pace of progress would be expedited.

People Decide

General and complete disarmament is being fought for not only by various governments. In our time the will of the peoples is the decisive force. The ranks of advocates of peace are growing in most different countries. Ideas of peaceful coexistence are beginning to get recognition even among those who but recently persisted in their desire to keep up international tension.

This "dawn of wisdom" on certain formerly obstinate advocates of strained international relations has come about just under the influence of the struggle of the peoples for peace. To come out against peace nowadays means to come out against the will of the peoples.

Dear friends, a little over four years have passed since I first visited your country and your city. During this short period of time great changes have taken place in India and considerable successes have been scored in the development of national economy and culture. I was most strongly impressed by my visits to the State-owned farm at Suratgarh and to the Bhilai Iron and Steel Plant.

Great Importance Of State-Owned Big Farms

We share the opinion of the Government of India which in the field of agriculture attaches great importance to the establishment of large State-owned mechanised farms. Only through mechanisation is it possible to achieve higher labour productivity. Mechanised work in agriculture is

possible only on large farms and not on a small patch of land which can be covered with the sole of one's boot.

We understand the difficulties of your development because we ourselves lived through a similar stage. Of course, we are settling the question of reorganisation of agriculture in different ways.

In the Soviet country a correct way was found—the way of setting up collective farms. We are satisfied with this way because it has led us to results of which we are proud. But we are not imposing on you or anybody else this way of ours.

Special Emotions For Bhilai

You are solving the problems of the development of agriculture in your own way, on a different social basis, setting up large farms with the use of new machinery and scientific achievements. We sincerely wish you the best of successes in advancing agriculture and in raising the living standards of the people. If our experience in the development of agriculture can in some measure be of use to you we shall willingly share it with you.

I had said already that I was especially happy to visit Bhilai which reminded me of the days of my youth, the beginning of my life as a worker in the Donbas. I like visiting large plants, they bring about some special emotions. When I was in the shops of the Bhilai Plant I felt elated and thrilled.

How powerful are the machines! The open-hearth and blast furnace departments are breathing with vigour and ardour, and in this one feels the powerful breath of the people of India. The people who attend to the blast and open-hearth furnaces, a big army of workers, engineers and technicians, are creating the new day after day.

They are turning iron ore into metal and making the necessary products out of it. They are, as it were, breaking the old mainstays, replacing them by new ones more perfect, because without the new there is no progress.

There in Bhilai not only metal is cast, new people are being moulded there and this is no less important than the production of metal.

We are satisfied with the work of the Soviet plants which supply your projects with the most modern equipment corresponding to the high standards of science and technology.

The Soviet people are satisfied with the work done by the workers and specialists who have come to you from the Soviet Union, have helped to build the plant, have shared and are sharing their experience with the workers and engineers of India.

We are happy also over the fact that the know-how of the Indian specialists is in-

creasing through this co-operation. We rejoice also over the fact that the friendly relations between the Soviet and Indian workers and specialists are tempered there like steel.

Friendly and co-operation between our countries are growing and developing. What has been done along this road is but the beginning. We shall be glad if this co-operation will develop in all directions—in the sphere of economy, culture, in questions of mutual assistance, in international affairs, in the struggle for peace.

The people of the Republic of India are now becoming convinced from their own experience that without establishing heavy industry it is impossible to follow the road of strengthening economic and, consequently, political independence of the country. Of course, it is not an easy road but it is the only correct one.

We are confident that the Indian people will succeed in overcoming the difficulties. Let the sceptics not believe in this. Let the pugs-dogs bark but the Indian elephant will keep going along the chosen path.

Life Scorns At Short-Sighted Prophets

I remember that when India was launching her first Five-Year Plan voices were heard here and there saying that nothing will come out of it, for you allegedly lacked experience and knowledge.

But life scorned at these shortsighted prophets. Having fulfilled her first Five-Year Plan, India is implementing her second Five-Year plan and is preparing now the plan for the development of national economy for the next five years.

The five-year plans are important milestones along the road of transforming formerly economically backward, agrarian India into a country with developed national industry, advanced agriculture and a high level of science, technology and culture.

The time will come when your great country will take a worthy place among economically developed nations, when the trade mark "Made in India" will be no less known to the world than the trade marks on goods manufactured in the most advanced industrial powers.

On behalf of the Soviet people I wish you every success along the path of economic development. We have helped and will continue to help the Indian people in strengthening the independence of their state and we are confident that this help, the help coming from the bottom of our heart, will cement our good relationships.

Dear friends, we have come to you from friendly Indonesia. Our visit of peace and friendship to India, Burma and Indonesia has convincingly shown that the peoples

of these countries, just as the Soviet Union, are sincerely striving for peace, for the development and consolidation of friendship and co-operation.

We had frank and cordial talks with the leaders of the Union of Burma: President of the Republic U Win Maung, Prime Minister Ne Win, the leaders of political parties U Nu, U Ba Swe and U Jo Nein.

We had frank, warm and friendly talks both on major international questions and on questions of Soviet-Indonesian relations, with the President of the Republic of Indonesia Dr. Sukarno and other prominent statesmen and political leaders of friendly Indonesia.

Very beautiful, indeed, are your countries—India, Indonesia and Burma. Warm, sunny countries, veritable fairy-lands! Everything here strikes the eye of the Soviet visitor: The bright flora and the bounties of nature, your dances and your dresses, and especially the people.

Nowaday when the friendship of India, Burma and Indonesia with the Soviet Union has become still stronger, when our economic and cultural cooperation has grown still further in strength and in scope, our countries are coming, as it were, nearer to each other. The distances which separate us seem to diminish. For we live in the 20th century, a century of amazing techniques which, for example, enable one to have breakfast in Moscow, lunch in Delhi and dinner in Jakarta.

Just recall how much time—in fact years—it took the first Russian, Afanasii Nikitin, to come to India!

But you will surely understand us: No matter how good it is to be in India, no matter how beautiful she is, all of us are eager to be back home, to be back in our motherland, as soon as possible. This is a natural human desire: you love your hot tropical sun, we are fond of northern, frosty, sparkling snow.

Dear friends, the warm and cordial meetings in your country, in Burma and Indonesia, were a vivid manifestation of the friendly sentiments of the peoples of these countries for the peoples of the Soviet Union.

The affection you have shown towards me as a representative of the Soviet Union, I regard as friendly feelings for the great Soviet people, for the Soviet Union, coming out for peace and friendship among all nations.

NOTICE

A number of Communist Members of Parliament are in arrears in respect of their levies due to the National Council of the Party. They are reminded to clear up all their arrears upto and including December 1959 without delay.

S. V. GHATE,
Treasurer,
National Council of
Communist Party of
India.