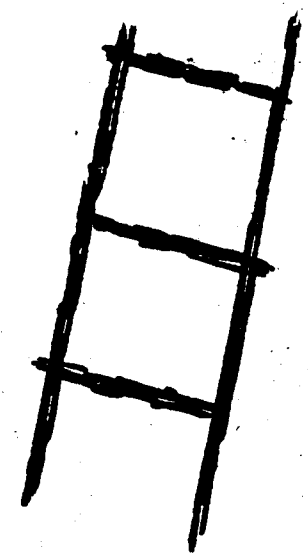
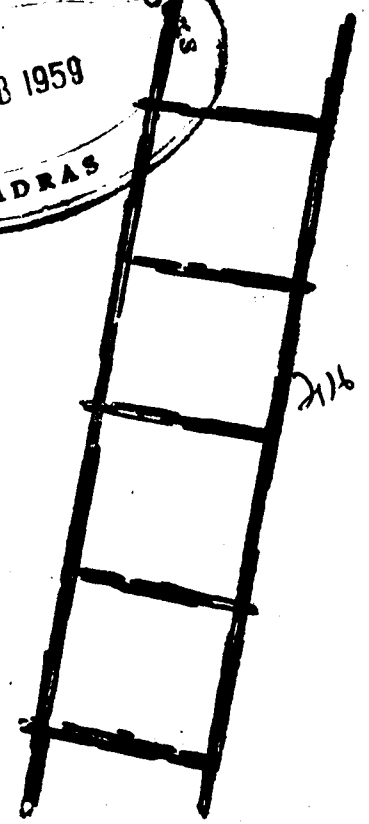


876



THE NEW ADMINISTRATOR



Vol. I No. 3

JANUARY 1959

Price Re. 1/-

THE NEW ADMINISTRATOR

A monthly journal devoted to the promotion of
good administration in Government and business

SPECIAL FEATURES

- 1 Topical articles from notable writers
- 2 Interesting penpictures of men and organisations
- 3 Useful hints for administrative personnel
- 4 Memoirs or reminiscences of distinguished public servants
- 5 Biographical sketches of prominent Industrialists
- 6 Sidelights on events and policies
- 7 A current news gallery
- 8 Men and opinions
- 9 Commercial and management notes
- 10 Obiter dicta

A journal which has something of interest to everybody

Rich in fare varied in contents, and attractive in getup

Price Rupee one per copy Rs. 12 per annum

Advertisement tariff

Full page Rs 50

Half page Rs 30

Quarter page Rs 20

Special rates for the 2nd 3rd and 4th cover page

All communications to be addressed to

THE SECRETARY

NEW ADMINISTRATOR

PANCHAVADI

::

MADRAS 31

CONTENTS

	PAGE
1. NEWS AND NOTES	1
2. FURTHER EDUCATION IN GOVERNMENT SERVICE	5
3. THE BUREAUCRAT	7
4. KERALA ADMINISTRATIVE REFORMS ...	9
5. COMMUNITY DEVELOPMENT	11
6. SIR VISVESWARAYYA	15
7. A MINISTER'S CAREER	16
8. PERSONALITIES	17
9. FOR AN ADMINISTRATOR'S NOTEBOOK ...	21
10. HINDUSTAN MACHINE TOOLS	23
11. IN THE PRIVATE SECTOR	26
12. GLEANINGS	30
13. COMMERCE AND INDUSTRY	33
14. IN THE NEWS	37
15. THE NEW ADMINISTRATOR'S LIBRARY ...	39

Publisher's Column

One of the aims of this journal, as has been pointed out in the first issue is to bring the Government Servant and the Business man together in its pages and to promote closer understanding between them, by disseminating information about both and their spheres of work. In a welfare state all sectors of society have to pull together as a team if the welfare ideal is to be achieved in a measurable distance of time. To this end mutual knowledge is essential and the journal seeks to promote this knowledge in however small a manner.

There is a widespread misconception that education ends when one's academic career is over. Mr. Ruthnaswamy in the course of his article has proved the fallacy of this notion. Of course there were days when it was blasphemy for a Taluk Office clerk to read a newspaper, it being considered outside his province which is solely limited to patta Transfer papers or Jamabandy registers. Those days are fortunately over. The advent of the Welfare State has made it incumbent on every Government servant as well as on those working outside Government service to keep themselves informed in order

that they may be able to discharge their duties efficiently. The bureaucrat has never been a popular figure in colonial days. Today he has to fill in an altered role and in doing this he has to be helped by the politician also. This is dealt with in another article. There is a general feeling that the activities on our rural front leaves much to be desired. The results are said to be not commensurate with our expenditure of men, money and materials. 'Auditor' has dealt with this matter in a very practical way and with first-hand knowledge. The Kerala report on administrative reforms has provoked a storm of controversy. We feel our readers will be interested to have a factual survey of the report and this is provided in this issue. Many people have only vague ideas about what Industrial organizations in the public sector are doing. Our aim is to publish sketches of these organisations from time to time and thus help people to understand them in their correct perspective. In our last issue we dealt with the Damodar Valley Corporation. This issue carries an account of the Hindustan machine tools at Bangalore.

THE NEW ADMINISTRATOR

Vol. I

JANUARY 1959

No. 3

News and Notes

Pensioners' Plea

Pensioners all over India are falling in line with public servants and asking for financial relief. Recently the Kerala Pensioners' Association met and pleaded for adequate financial relief, such as is afforded in Western countries. They wanted the lowest pension to be fixed at Rs. 50 including dearness allowance. It was also suggested that the pension should be enhanced where necessary in accordance with the present scales of pay attached to the posts last held. The minimum dearness allowance they said should be Rs. 25. Children of pensioners should be allowed the same concessions to which those of N.G.O's. are admissible. Widows and children of deceased pensioners should be given financial relief for a specific period. Another suggestion was that the Government should constitute a family benefit fund for the families of deceased pensioners. This fund should be fed by subscriptions collected at the rate of Rupee one from those getting more than Rs. 50 and 8 annas from those getting less than Rs. 50. It was also suggested that healthy pensioners should be re-employed in non-pensionable jobs. Some of these suggestions have been made by other pensioners' organisations also and Governments could do little for want of money. The money problem is still with us, but anyway all possible relief has to be extended to a class of people who gave the best part of their lives to the cause of the State. It has been said that relief for pensioners will have a tonic effect on working employees also; otherwise the spectre of their fate after retirement might act as a damper on their efficiency.

Cooperative movement

Efforts to spread the cooperative movement are everywhere in evidence in Free India. There is an increasing realisation that it alone can save rural India as was asserted by the Royal Commission of Indian agriculture more than three decades ago. Recently it was in the news that the Madras Government is having a scheme to bring all agriculturists under the cooperative fold. This is good news although past experience may give room for a measure of pessimism, for the results of the movement have not been satisfactory in many parts of India. In the recent past a survey was conducted in a few North India villages and the results as recorded by the investigators about the effectiveness of the cooperative movement are not reassuring. The basic fact that has emerged from the survey is that despite the increase in the number of members and the share capital, the cooperatives are still far from being a regular and vital part of the village peoples' life. A considerable section of the agriculturists views them as an official outside organisation, as something alien to the village, and not quite dependable. The membership of the many of the Rural societies is confined to persons of higher status and upper income groups, and positions of responsibility are held mostly by village politicians. The average agriculturist has more than one reason for not being enthusiastic about these societies. Firstly their rules are intricate and are not easy for ordinary villagers to grasp. Secondly there are elaborate formalities the people being asked to sign a number of papers. This

1421
the ordinary villager does not like for fear of getting involved in legal or administrative complications. Thirdly the societies are less accommodating than the village money-lender, the dues from the societies having to be paid at stipulated dates with unpleasant consequences in the event of failure. The conduct of some of the minor officials handling cooperative societies does not tend to improve matters. The common man is inclined to distrust them and through them the societies also. These defects exist in other parts of India also and those who are charged with the extension of the movement would do well to take steps to remedy them before expanding further.

Rights and Duties

The Chairman of the Life Insurance Corporation said recently at Madurai that wherever he went he got a list of grievances of the administrative staff, but not a word about improving the service to policyholders. Many people will agree with him. It is a general complaint that the spirit of service which is so necessary for public servants in a Welfare State is lacking in many. This is attributed to inadequate remuneration of which we hear so much nowadays. But is there any relation between remuneration and the spirit of service? Union Finance Minister Mr. Desai some time ago said that there was no relation between pay and efficiency. In support of this statement some may say that during the British period a Taluk office clerk received only Rs. 35 per mensem, and he was more efficient than his present-day counterpart who may get even more than double that salary. Even allowing a big margin for the cost of living, it cannot be said that financially the present-day taluk clerk is worse off than his predecessor. But the fact that he is inferior in efficiency leaves little room for doubt. Many explanations are forthcoming on this point. One is that the sudden

and enormous expansion in services following Independence has brought men of little experience into the various branches of public service. And such men cannot normally be efficient. Even if they have the spirit of service they may not know how to exercise it. Secondly, it is said that during the British regime when a man entered service in a particular capacity he was confident that he could reach a better position in a period of years. This confidence has been shaken a little during the period following Independence. Several new departments were created where raw men from outside were placed over the heads of senior people. This had led to frustration and disappointment and the inevitable consequence was lack of interest in work and a mood to mark time. The motto should be that while the State pays according to its capacity, it is incumbent on public servants to give their best to the State. Employment by the State should be regarded as an opportunity for service if the Welfare State ideal is to become a reality and not remain as a dream. The cultivation of this outlook will be greatly helped if among other things the services are kept above politics. It is an axiom among political scientists that when politics enters services by the front door efficiency escapes by the back door.

Public Relations Work

This is the age of public relations. Naturally so because a Democratic form of Government depends on well-informed public opinion and a well-informed public opinion can be created only by strenuous and well-organised public relations work. The same is the case with business also. The man in the primitive society acquired wealth slowly and silently without caring for what others thought about him and not counting on their cooperation. Now business is a social phenomenon subject to the impact of a hundred and one forces so much so that a business man has to depend necessarily on public

opinion and public co-operation for his success. These things are achieved only by public relations work. The story goes that at the turn of the present century, the Rockefeller family in America whose fortunes were founded on oil became very unpopular. The unpopularity manifested itself in frequent strikes, anti-Trust Laws, and propaganda for socialism. John D. Rockefeller therefore found it necessary in his own interest to sweeten the atmosphere and restore the family popularity. He employed a well-known publicity agent named Ivy Lee for the purpose. He worked wonders in record time so much so that the figure of Rockefeller described in the press as a ruthless monopolist striding like a colossus in high hat and long coat came to be replaced by that of an old man generous by nature, kind in disposition and friendly to all. Since then public relations work in the field of business has come to stay. In case of Governments this took a long time. A Bureaucratic Government always held the view like Athenian women that the less the people said about them the better. They also were not anxious to learn what people talked about them. In India things changed only after the advent of Independence. With it came Parliamentary Democracy and public relations work followed as cause and effect. Now it is in evidence everywhere in India although the way in which it is done in many places leaves much to be desired. There are public relations departments in every State as well as at the Centre. Many departments of the Government have also separate public relations staff. Recently it was in the news that the Income-tax Department, Madras, has charged its Public Relations Officer with a number of duties which make him a friend, philosopher and guide to the public at large. He has to redress in consultation with the authorities the grievances which the assessee may bring to his notice. He will also help assessee to prepare Income-tax returns. Income-

tax enquiries relating to the issue of passports will also be attended to by him. Assessee can also seek his help in getting instruction regarding the procedure to be followed in the matter of refunds. The Public Relations Officer also advises the tax-payers on their rights and obligations under the Income-tax Act, Gift Tax Act, Expenditure Tax Act and Estate Duty cases by means of personal contacts and occasional pamphlets. He also helps the public in the matter of clearing doubts regarding the filling up of forms for Income-tax verification certificates for import-export licences and clearing certificates for tender and contract purposes. This innovation is a move in the right direction. It can also be extended usefully to other departments of the Governments both Central and State. For example a Public Relations Assistant can be appointed in every Collector's office charged with similar and more functions. The need for such work is greater in mofussil areas than in cities. It is very difficult for common people to get proper guidance or information in mofussils except perhaps through lawyers for which they have to be paid. A Public Relations Assistant can serve more effectively and with little or no cost to the tax-payer. Similarly big departments like the Board of Revenue can employ Public Relations Officers with advantage. The aim of all good government is to serve the people and in a Welfare State public relations work is as important as any other responsibility of the Government.

Modification of Examination System

India's changing educational system may be in for further reform when ten Indian educators return from the United States after a five month tour of American Institutions of higher learning. The educators have been observing and studying examination procedures and such other practices as the orientation, counselling and guidance of students.

32
V2, 8m, 0158 NA
1129.1-3

A statement from a recent publication of the Baroda University reflects the urgent and long standing need for a reformed examination system on the Indian educational scene. "Among recommendations of the Indian University Commission contained in their report in 1950, those concerning examinations are the most impressive," the statement said. "The members of the Commission were convinced that if they had to suggest one single reform in Indian University education, it would be that of examinations." The report also suggested a study of examinations in American colleges and universities for possible adaptation. Under the India Wheat Loan Educational Exchange Program of the U. S. Government an examination reform project was drawn up under which Indian educators intimately connected with examination techniques and procedures would visit the U.S. to study systems there. The current tour of the Indian group represents the first phase of this project. In the second phase, the Indian educators will be hosts to five American professors.

Central Committee on Employment

The Government of India have decided to set up a Central Committee on employment to advise the Ministry of Labour and Employment on matters relating to employment, creation of employment opportunities and the working of the national employment service. The Union Minister for Labour and Employment will be the Chairman of the Committee. It will have 30 members including representatives of State Governments, employers, workers and Members of Parliament. The Committee will study employment information and assess employment and unemployment trends both in urban and rural areas and suggest measures for expanding employment opportunities. It will advise the Ministry on the development of the national employment service, deployment of personnel retrenched on the completion of development projects and development of youth employment

service and employment counselling at Exchanges. It will also consider special programmes relating to educated unemployed. Besides, the Committee will assess the requirements of trained craftsmen and advise the National Council for Training in Vocational Trades on this matter.

Drive against corruption in Iran

Iran has also initiated a drive against corruption in the State. The Prime Minister has submitted two Bills to the Parliament one barring civil servants from business dealings with the Government and the second enjoining civil servants to furnish the sources of their income and wealth. The Bill prohibiting Civil servants from having business dealings with the Government is expected to apply to the Prime Minister, Ministers, Ambassadors, Provincial Governors, Mayors, Members of Parliament and Members of City Councils and all civil and military personnel. The punishment for the violation of this law is proposed to be solitary confinement ranging from two to four years. The law also provides that members of Parliament shall not practise law from the date of its enactment. According to the second Bill all Government employees will have to furnish a statement of their wealth and income and those of their wives and legal dependent children. They will also have to submit statements specifying the changes which have taken place in their income twice every year. The Bill also empowers the Government to obtain details about the wealth earned by an employee and if he fails to explain how he had come by his wealth he will be discharged from service. The Bills when implemented might weed out corruption completely.

Wealth Tax Collections

The wealth tax collected during 1958-59 till the end of September amounts to Rs. 1.31 crores while the tax levied from December 1957 to the end of September 1958, is Rs. 7.66

(Continued on page 8)

Further Education in Government Service

M. RUTHNASWAMY

Nowhere is the educational heresy that education ends with formal education in school or college or university more rampant than in Government Offices in India. The clerk or even the Provincial Service or I.A.S. recruit thinks that after the examination that has terminated his educational career or the other examination that inaugurated his administrative career, he has left education behind him and put away childish things like books, for he has now entered upon life and experience. This theory would be all very well if, as Dr. Livingston the great protagonist of education for the educative put it, we were all dead at the age of 22 or whenever our education in school or college is ended. But most of us are to live longer and to get some kind of power into our hands whether in a Government Office or in a Municipality or a Commercial Firm, the power that administrative position even in its lowest forms confers. For even men dressed in a little brief authority as the experience of modern Bureaucracy in action reveals can wield inconvenient and sometimes injurious authority over their fellow-men. And the more the State attempts to do for the people as does the Welfare State or the Planned State, the more power is gathered into the hands of the men in the departments of the State. For, as Burnham (of the Managerial Revolution) and Drucker (of the new Industrial Revolution) have proved, the Modern State is ruled not by the Proletariat but by the Secretariat.

Hence it is so obviously imperative that the men in the Secretariat should be enlightened. Just as Despotism of the 18th century in Europe was tempered to the shorn lamb of the subject by its enlightenment, so the Despotism of Modern Bureaucracy must be tempered to the still more shorn lamb of Democracy by enlightenment.

This enlightenment may be done by private reading. Fortunately most Secretariats in India have good libraries. They are meant to be used not merely for casual reference but for organised courses of reading in the subject of the official's department. And the duty is cast not only on Assistant Secretaries, and Secretaries, but on clerks. For good or ill, in the Secretariat the file starts with the clerks. He is called upon to submit notes and furnish references. Unless he has done some reading not only in official reports and blue books but has done fundamental reading in books on his subject he will not be able to go far. And this duty to increase and improve his knowledge becomes the more exigent with the entry of parliamentary democracy and the popular Ministers into Government. The popular Minister cannot be expected to know much of the subject he is called upon at a moment's notice to administer. The Minister in parliamentary democracy is an amateur. Party pressure or a narrow range of choice may force odd colleagues on a Prime or Chief Minister. The King's Navy in England has been administered by men who had never been to sea. And recent British Ministerial History acquaints us with careers of men who answer to the description in *H.M.S. Pinafore*.

When I was a lad I served a term
As office boy to an attorney's firm
I cleaned the windows and I swept
the floor
And I polished up the handle of
the big front door
I polished that handle so carefully
That I am the ruler of the King's
Navy.

Indian Ministerial history furnishes us with still stranger careers. The lack of knowledge of the Minister—he cannot help it, good man, in spite

of his good intentions—has to be made good in the Secretariat. And there is no clerk in the Secretariat however low placed he may be that may not be called into help. But private reading cannot do it by itself. Organised and systematic courses of study with lectures, tutorial guidance, written work, examinations are necessary to make this further education of the Government servant fruitful. When teachers, doctors, engineers, find refresher courses necessary to improve their efficiency, why should not workers in the Secretariat? Given the will and the resources it should not be difficult to organise such courses. It is done elsewhere. In the U.S.A., the Commonwealth Fund grants three fellowships to civil servants to enable them to carry out enquiry or research on problems akin to those that come into the scope of the department in which they are serving. And at Oxford a summer School in Colonial Administration used to be organised 15 years ago with the help and encouragement of the Colonial Office and Colonial Governments. It dealt with problems of Colonial administration and included lectures by foreign experts on Colonial Administration outside the British Empire, lectures on Local Government, co-operation, education, as well as lectures on general economic, political and International trends. Universities in England and U.S.A. provide for such post-entry education of men and women in the Civil Service. In most of the English and American Universities there is provision for teaching and learning in public administration leading to diplomas and

degrees. Civil servants are encouraged and given leave to spend a year at a University for this further education. In the London School of Economics, evening classes and lectures are provided so that civil servants may attend them after office hours.

It is time Indian Universities took the same road. The Madras University started well about 15 years ago with establishing a department of Politics and Public Administration providing for courses of lectures in Public Administration and Economics leading to a Diploma. And as these lectures and classes are in the evening, men in Government Offices in the city could take advantage of them.

The civil servants in Madras Offices must make the best use of the instruction offered in that department at present. They should be encouraged to attend the classes and the lectures and take the diplomas. Or if they will not, they must help themselves with private reading. But this can only be a second best as they will miss the guidance and written work and examinations which make reading purposeful and profitable. Anyway whatever course they take, further education is imposed in modern civil servant by the logic of the situation in which he finds himself. Further education has become an accepted principle and practice of modern civilization. It forms an important chapter in that great educational plan, the English Education Act of 1944. And it has come to stay for it is based on the truth that the education of men never ends.

The Bureaucrat

Bureaucrats are as old as civil governments. Their origin can be traced even to the hoary past when in Egypt and in China there were organized Bureaucracies to carry out Government's policies and programs. And the many achievements which stood to the credit of these countries were largely traceable to the efficiency of the Bureaucracy. Many writers have drawn a distinction between the functions of the Bureaucrat and the politician. Their functions are entirely separate. Much confusion and trouble have resulted in the past on account of the mix-up of the functions of both. The fundamental function of a Bureaucrat is to carry out the policies of the politicians who function as ministers. Of course the Bureaucrat can advise the politician on matters in which he has sufficient knowledge which the politician may not have. For instance he can point out the risks involved in a particular course of action about which he has learnt from his personal experience. He can also temper the enthusiasm of the politician with his practical sense acquired as a result of experience. It is always his job to supply the politician with precedents on particular matters which tend to help a correct decision. Often times the importance of precedents is overlooked in official matters. That it has a crucial role to play in policy making is not often fully realised. A Government cannot deal with a question in one way at one time and later a similar question in another way. If they do it they expose themselves to the charge of discrimination and discrimination was the rock on which many governments had foundered. The most essential virtue of a Government is therefore impartiality and the study of precedents is an important factor in the preservation of this quality.

The sphere of the Bureaucrat

When once the Bureaucrat has tendered advice he has to stop and should go no further. His next step is to carry out the policy laid down by the Government irrespective of the fact whether he is personally in favour of it or not. A good Bureaucrat, it is said has no convictions. He has to do what he has been asked to do. And his primary jurisdiction lies in the sphere of implementation. As an illustration the minister may decide to levy a particular tax but it is the Bureaucrat's job to devise the organization for the same, to frame the necessary rules, to select the right type of people and work out the other details. He has also to see that all the measures of the Government are carried out without hitch or interruption or unnecessary opposition. It is an obvious fact that no measure of a Government can be universally popular. There will be groups who will be adversely affected by it, people who are dissatisfied with some of its terms and others who agitate for its modifications. It is the essential job of the Bureaucrat to see that the unwelcome shoes pinch least and in as few places as possible.

During Colonial days

During the colonial days, the Bureaucrat was an unpopular figure. He was described as a man who thought that he knew everything and that all others were ignorant. In popular imagination, he was pictured as a very superior being, scornful of everything and everybody and sitting far apart in an ivory tower like the Greek gods of old. It has been said that he liked power. The common man talked of the sunburnt Bureaucrat visualising to himself, the picture of a man whose head sat heavily on his shoulders. No doubt this view was exaggerated and overlooked the signal services which Bureaucrats had done

in many countries to promote the interests of the common man.

Welfare State

The colonial days are over. The welfare state needs a different type of Bureaucracy. The past has however left certain evil legacies. One is the politician's suspicion of the Bureaucrat. During the colonial period in many countries the politician was in the opposition and he had to feel the impact of the Bureaucrat in many unwelcome ways. This had left a measure of bitterness in him which persists even now in some countries. The result is a suspicious attitude towards Bureaucrats. This suspicion exerts a corroding influence on public service. Again in the first flush of independence, many politicians got

into a frame of mind in which they were not inclined to brook opposition. They naturally preferred yes-men: This proved another unhealthy influence on administration in most of the colonial countries.

The Bureaucrats of the present day has a large bill to fill. It is therefore important that the right type of people are recruited. He has to maintain the right standards, the right relations with politicians, proper consideration for the public and above all a team spirit. He must be honest not only financially but in the wider context which excludes among other things nepotism also one of the greatest deterrents to efficiency in public administration. Good Bureaucrats observes a recent writer should be valued above diamonds. G.K.T.

(Continued from page 4)

crores. The importance of the wealth tax primarily consisted in its preventing the concealment of sources of income. In view of the fact that the actual assessment work started only in December 1957, it is now too early to assess the effect of this tax in detecting cases of concealment of other taxes. But still, by the end of September, 1958, 44 cases of concealment of other taxes were detected, the total amount collected through these cases being Rs. 07 crores. The estate duty levied during 1958-59 up to October 31, 1958, amounts to Rs. 2.77 crores while the actual collections during the same period amount to Rs. 0.63 crores.

Constitutional methods

The Speaker of the Lok Sabha, Mr. M. Anthasayanam Ayyangar, said at Madras the dividing line between democracy and dictatorship was very thin, and any attempt at

direct action in a democracy would only take the people to dictatorship. He said that if, the voters, were not satisfied with the performance of their representatives in the legislatures, they should adopt constitutional methods to replace them at the proper time. But they should not take the law into their own hands and "get out of bounds." The party system of Government he said was inevitable in a democracy. Parties interested in the proper solution of the economic issues facing the country might join hands in a friendly and co-operative spirit. He, however, felt that too many parties were dangerous to democracy, and added that there was no place for independent candidates and they should belong to one or other of the parties. The majority party should always carry the minority with it, and once a decision was taken on vital issues, there was no room for any grumbling or direct action, Mr. Ayyangar added.

Kerala Administrative Reforms

Contributed

There is little room for argument as regards the need for administrative reforms in India at the present day. The machinery which functioned efficiently in a Police State under the British Rule is bound to be out of gear in a Welfare State. This fact was widely realised after Independence and many State Governments instituted reforms in their own way. Whether these reforms have gone enough way to meet the requirements of a Welfare State is another question. Nevertheless efforts have been made and are still being made in many quarters to attune the administrative machinery to the demands of a Welfare State.

The Kerala Government appointed a Committee in 1957 to examine the working of the present administrative machinery and to suggest measures for improving its efficiency. The Committee has since submitted its report and some of its recommendations have been accepted by the Government while others are being examined by them.

One of the basic features of the Committee's recommendation is the decentralisation of administrative authority and the distribution thereof to the various parts of the administrative machinery. This is as it should be for it is common opinion that a decentralised democracy is alone a virile democracy whereas a centralised democracy is dubbed as a dying democracy. The Committee therefore holds that the guiding principles of administrative reform should be to delegate greater and greater authority to the lower units of administration consistent with the necessity for centralisation in matters of broad policy (ii) to associate the elected elements at every level of administration (iii) to ensure the coordination of the activities of officials at all levels, (iv) to improve the morale and social purposiveness of the services (v) to effect proper adjust-

ment in the relationship between officials and non-officials and (vi) to provide in general for the canalisation of the democratic spirit for constructive work.

The Committee has laid down that panchayats should be the lowest unit of administration, and has emphasised their crucial role in the administration of the country. This is line with the view taken by the Planning Commission which has observed "The development of the village panchayats on right lines has significance for several reasons. Under the impact of new developments including the growth of population, land reforms, urbanisation, spread of education, increase in production and improvements in communications, village society is in a state of rapid transition. In emphasising the interests of the community as a whole, village panchayats can play a considerable part in bringing about a more just and integrated social structure in rural areas and in developing a new pattern of rural leadership." The Committee has suggested that there should be one panchayat for each revenue village, but where the population is less than 5,000 two or more villages might be conveniently combined. Panchayats should have functional committees for different subjects. In the field of social service programmes and development work the panchayats should function with executive responsibility as agents of the Government. A more drastic recommendation of the Committee is that the village revenue establishment should form part of the panchayat and the panchayat should be made the agent of the Government for the collection of revenue. This recommendation is not however unanimous two members dissenting from it. The Committee has also suggested that the panchayat may be given the service of a gramsevak who will function as its

extension and development assistant. The basic unit of all departments should as far as possible be a panchayat or a whole number of panchayats. The revenue and development functions may be combined at the level of the taluk in one officer namely the Tahsildar. The Tahsildar will also be *ex officio* Development Officer. The Committee has also suggested the formation of Taluk Councils by indirect election of one member from each constituent panchayat. The Chairman of the Taluk Council should be a non-official elected by the members of the council. The function of the council will be purely advisory.

A regards the democratic set-up in each district the committee has made two sets of recommendations, representing the views of two sections in the committee. Both sections are agreed as regards the need for a non-official body at the district level. The difference of opinion lies in the form and content of the district council. The first set of recommendations suggests that all M. L. As. may be *ex officio* members of the council. It may also include representatives of panchayats and municipalities returned by indirect election. The Collector should be the chairman of the council and it will function as an advisory body. As against this the second view is that the council should have a non-official president and a non-official vice-president to be elected by the non-official members of the council. The council may be constituted by direct election to be held simultaneously with the election for the panchayats. The secretary of the council should be an official and district officers of the development departments will be members of the council without power to vote. The council should not be merely an advisory body, but should have power to take decisions so far as development work is concerned. The Collector will not be a member of the council. There is considerable volume of criticism against their second view. The

Government have so far not taken a decision on the matter judging from press reports.

A few general facts are also emphasised by the committee in the course of its report. One is that there should be a wider delegation of powers to Heads of departments and their subordinate officers. The committee has observed that members of the public have represented to them about the inconvenience caused by the district authorities having to approach Government in matters which are not very important. The committee points out the desirability of allowing the delegated powers to be exercised by Officers without let or interference. An organisation and methods division should be set up in the office of each major department as well as in that of the Collector. According to the committee it is very important that public servants should develop the proper outlook in consonance with the ideal of the Welfare State. Government servants can no longer consider themselves as mere employees mechanically serving an alien employer, the quantity and quality of their work being conditioned by the amount of remuneration received. They should regard employment under Government as an opportunity to discharge a duty which it owes to the public. A civil servant should be frank and fearless in the expression of his views to the Government and when once a decision has been taken the civil servant should faithfully implement it whether it conforms to his advice or not. He should be strictly impartial as between political parties. Civil servants should meet people, listen to their grievances with patience and sympathy and orders passed in any matter should be made known to them quickly. Touring officers should not make rapid marches but should stay long enough in interior villages meeting people and studying their problems. The committee also inculcates the need for maintaining the proper atmosphere in Government

(Continued on page 40)

Community Development

An Evaluation

AUDITOR

There is no doubt we are playing the lyre of development con amore. The number of seminars, camps, conferences, meetings, exhibitions, publicity shows, are multiplying to a point that people are enquiring what we have to show. Sooner or later, concrete results must be shown if the impression is to be avoided that the movement is "phoney".

It is therefore necessary to inquire what has been achieved. The Community Development Block, comprising the whole taluk but one village which has just completed its three years, offers an example for study. It has spent a total of Rs. 7,99,000 of which Rs. 1.9 lakhs was on staff and Rs. 3.57 lakhs on loans. Loans are easy, almost delightful to distribute and are no special credit to the development staff. Even if the complaint that they have been given to only those who have security could be ignored the fact remains first, that the loans could have been distributed, as before by the Revenue or Co-operative departments second, that the development staff have not followed up the loans to see that they are spent later. The suspicion remains to be verified that loans have been spent on purposes other than those for which they were given, on the assumption, according to previous experience, that recovery will be lenient, or atleast protracted. In any case, no one can regard loans which exceed the total of all other items, as an achievement, which justifies the Community Project staff.

Achievements appraised

What has been the achievement on other items? On Agriculture and Animal Husbandry a sum of Rs. 13,286 was spent. Since development is based on better productivity in agriculture, the amount spent appears hopelessly inadequate. The actual results are

even more disappointing. Out of a total of 18,000 acres, of cultivated land in the Block, only 224 acres are reported to have been covered by green manure. Out of the total of 8000 cultivators only 464 could be persuaded to have compost pits and 147 to have manure pits. Only 1178 maunds of potato seeds sufficient to cover 50 acres and 1685 maunds of fertilizers for 67 acres were distributed in 3 years. These figures, even if not exaggerated and accepted as due to the activities of the development staff and not to normal course of agriculture, are so poor that it is difficult to be complacent; more was doubtless achieved by the agricultural department, in the past without the intervention of the development officials. On Animal Husbandry, 21 animals and 107 pedigree birds were supplied in spite of the fact that the District has a Government Sheep Farm and perhaps the best private piggeries and cattle and poultry breeds in the State.

On Health and Sanitation, a sum of Rs. 65,385 was spent principally on 24 latrines and one primary health centre. It was affirmed at a meeting of the Block that latrines are not used in villages unless they are constructed with septic tanks. In any case, the latrines and health centres could have been set up by the staff of the District Board without the intervention of the Development Staff. Similarly the 5091 yards of drains could have been constructed under the existing laws.

On education, Rs. 26,956 have been spent on the construction of 4 new schools and one community hall. This also could have been done by the District Board, with closer reference to the organised experience of the Board, the education policy of the State and the needs of the entire district.

On communications a sum of Rs. 80,594 was spent on 4 miles of pucca road, 8 miles of kutchra roads newly constructed and 35.4 miles of pucca road, and 11 miles of kutchra road improved. The quality of these works has to be tested by time, but the idea that their cost was lower because of public contribution has been disproved since the test of cash contribution of 15% was imposed. Out of 157 works, only two received cash contribution from the public and five from Panchayats. The presumption is that for other works, the public contribution was either notional, being masked by the inflation of the estimate, or from the Harijans, who cannot afford to pay but can be forced to work. They are justified who assert that the supposed saving in public contribution is overbalanced by the inadequate and shoddy work reflected in the condition of the roads which have no life and have to be almost immediately repaired. To the extent the latest order of Government on cash contribution ends a fiction, it is to be welcomed, but if strictly enforced, it also ends by the public works programme of development blocks.

On Rural Arts and Crafts the expenditure has been Rs. 16,844 on Khadi only except for the distribution of 148 bee-hive boxes at half cost.

Three years and an expenditure of Rs. 7,99,000 have produced so little that it is truly the story of the mountain producing a mouse. Nonetheless, something has to be done for the villages, without which the progress of the country is impossible. The pattern of development so far followed, which the British had tried 25 years before, has not only failed but may lead to frustration which may recoil on the whole administration. The position in other districts, may be ascertained on the same basis of the analysis of expenditure and results. I had calculated in 1955 that in the district at the rate of the progress made, it would take 60 years and 120 years to convert the District to green

manuring and the Japanese method respectively. In this Block at the rate of progress made it will take 240 years $\frac{(18,000 \times 3)}{224}$ to secure complete green manuring and 1080 years $\frac{(18,000 \times 3)}{50}$ to introduce improved potatoes seeds. These figures may appear fantastic but they are the result of simple calculations, which every one seems to ignore. Obviously, the country cannot afford to wait so long, for which reason fresh thinking on the present methods seems necessary.

Way to better results

It can be easily indicated how better results may be secured within the scope of the existing scheme. But the scheme itself deserves to be examined, as it was too hastily borrowed from the past without reference to the change in responsibilities of the Government and the people. In the first place, the scheme is a package of objectives, of which atleast four different classes belong to Agriculture and Sanitation. Improvement in both these is mandatory, because they are indivisible the first from the basic economics of the country, the second from general health. It is not realised that a five percent increase in the productivity of all holdings would wipe out the food deficit of the country and save 100 crores of foreign exchange annually. Only three changes, well within the capacity of all cultivators, good seed, green manuring and line sowing can secure an increase of atleast 15%. But as experience in our projects has shown, no total change has eventuated anywhere from persuasion. The law or fear of it, is necessary. In a place, the simple notice that no more land or no new rights in it would be given to those who failed to follow the Japanese methods, could swing, in a period of three weeks, 80% of the land to the Japanese method, which had been resisted for five years. The lesson is obvious, that increase in productivity

can be generally and quickly achieved if rights in land are made conditional on it. Under the British Agricultural Practices Act, farmers who fail to conform to prescribed practices are warned and then evicted. Similar legislation should persuade our cultivators to adopt better methods, even quicker, as they are more attached to land. The Revenue officials can enforce such a law without the intervention of the development staff.

Similarly, sanitation particularly drains and soakage pit, septic tanks, etc., can be enforced by law, the material being subsidised to those who cannot afford it. We need not persuade even when the British did not, that individuals should not create insanitation which affects the general health. It is asserted that since the development staff has come, there has been more insanitation as the fear of the law has gone.

Schools, roads, hospitals, wells represent primary necessities for which those living in towns and cities make no contribution. It comes with bad grace therefore that development staff should bargain for contributions from villagers who are less financially capable. In most cases, the contributions are fictitious, being inflations of the estimates, or payments by Panchayats or other public institutions. The Government should themselves plan to provide these amenities and in actual fact, the Second Five-Year Plans of the District Boards do so on a larger scale and with closer reference to the needs of all localities. To the extent the development schemes duplicate the work of the District Board, they not only distort more co-ordinated plans, but also do so, with less experience and supervision. All four items could therefore be transferred to the District Board, along with the financial provision on the confident assumption that they would be quickly, cheaply and soundly carried out. To keep them in the Development Blocks is to add to the Block Development Officer work which

he is not competent to plan or supervise, in spite of all his training. The maintenance of schools, roads and hospitals by the District Board, which is not responsible for their construction is creating confusion, which may ultimately lead to waste of the money invested. It may swell the development programme to have roads, schools hospitals and wells but it does not add to the amenities which the public receive from other authorities.

Loans are also another class of items which could be transferred from the Development to the Revenue or Co-operative Departments, which have more experience and are also influenced by the ultimate responsibility of collection. The Co-operative Department is to be preferred as a single agency for loans, first because it can make advances in kind, second that it can in many cases take repayments in kind, and thirdly because loans will help and augment the multipurpose activities and the movement. In fact the large loans issued by the Development staff have affected the position of co-operative societies adversely. Even if it was desired to finance cultivators who were not willing to become members, co-operative societies could have organised a branch of themselves for the purpose, with money from the State.

If all these items are excluded from development, only two broad classifications remain. First, what is broadly known now as Social Education which could include housing and second discovery and utilisation of new sources.

Social Education

Social Education work is the only one which has so far successfully proceeded on the principle of subsidy. The people have willingly given contributions, because the community centres and the various clubs formed, represent an accession to the life of the village. In respect of those items, there is no feeling as in the case of roads, schools, hospitals, wells that the contribution demanded for them is really the

responsibility of the State which it discharges in towns and cities without any conditions. The villagers realise that in respect of these items their contribution secures something to which they are not otherwise entitled. The principle of this subsidy can be extended to house construction. Thousands of houses were improved in the district by subsidies as small as Rs. 5 and Rs. 10 to which the villagers added many times the amount not only because of the little they got, but because of the general fashion for better houses which was set up.

The Development staff have now to give life to the constructions which the subsidies have brought into existence. At a recent Block Advisory Committee meeting it was stated that the average daily attendance at the Community Centres was between 3 and 4 persons. These are generally young men who have nothing also to do. The adults as such, do not attend and the women never. This is for the reason that the adults have no taste for lectures either by officials or from the radio and prefer to relax by themselves in the evening. If they are to be attracted, the Community Centres should be made places of real relaxation, a club where men can meet in comfort and talk at leisure. This implies that the Community Centres must have arrangements for seating. This also implies that community centres should have games that attract the adults, like cards. A canteen selling perhaps only tea or coffee at competitive prices, would also be a good draw. As far as the women are concerned they could be attracted by a kiosk at which consumer goods as also articles produced under the auspices of the development staff are sold. These and other changes related to the psychological leanings of the villager are required to make the community centres places at which the community can gather with pleasure and profit. The gramsevak can quietly use the opportunity of these gatherings to hand out information of a more serious nature.

The next question is whether we can bring community centres into existence in all villages. The Block may have no money for this purpose and all villages may not be ready to make contributions. In these circumstances, the centre can be established in village schools or village chavadies. The schools will benefit because when the parents see them in the conditions they are, they may be ready to improve them with their own labour. The chavadies which are not suffering from want of regular use may become more habitable. The village teacher may be willing on a small allowance to take charge of these centres. In respect of the canteen and shopping facilities, private enterprise can be availed of, at least in the beginning, till co-operative enterprise becomes available. The possibilities of making this item which has been well received, more popular, therefore deserves to be fully canvassed with a view to making the villager feel that life is offering him something better now for the hard work which it is asking him to do. The Development staff can undoubtedly play a part here, because they do not run against entrenched opinions as on agricultural practices or against the natural reluctance to pay for roads, schools, wells, hospitals which are a responsibility of the Government.

New possibilities

The fourth classification of the items relates to the development of the potentialities of the people of the village. In the existing pressure of work the development staff have neither the time nor the opportunity to study and discover how work and life in each village can be improved. A certain leisure for brain storming is required. A certain definite interest along with finance, for this purpose is also required. It may be poultry, a new crop, a new cottage industry, a new market or other hundred and one things which could be found only after purposive talking and thinking

(Continued on page 25)

Sri Visveswarayya as an Administrator

Stray glimpses

Our country has produced a galaxy of eminent administrators and one of the most outstanding among them is Sri M. Visveswarayya. Ninety-eight old Visveswarayya is the doyen among Indian Administrators. From the position of an Engineer he rose to the Dewanship of a Major State. Mysore owes much to him as to also to Sir Mirza Ismail.

Sir Visveswarayya is a firm believer in hard work. His gospel was hard work and in his autobiography he has given abundant evidence of this trait. Even in his retirement he pleads for it whenever an occasion arises. Some-time ago he said 'The economic progress in the United States and other countries was mainly due to hard work on the part of the people. It was quite contrary in India. We are afraid of hard work in this country. We try to do as little work as possible and avoid working hard. To work hard and do good work is a patriotic duty. That will get a good return not only for the individual but also to the country as a whole.

Equally forthright were his observations on another occasion. He observed "The average citizens in this country should be reminded that if his acquisitive powers are low, his standard of living poor, it is due to his spirit of content and imperfect use of his physical and mental powers. He has not been taught that work is the source of all prosperity." About manning the public services in India since Independence he was similarly outspoken. Men of capacity in every field, he said should be utilised for the country's service provided they have good professional, technical or business qualifications. Too much importance should not be attached to party spirit or other extraneous considerations till a democratic two party system after the example of the United Kingdom or

the United States of America grows up to full maturity.

As Dewan of Mysore his name was associated with the system of efficiency audit. Speaking at the Representative Assembly in 1913 he said "In a country like ours where the system of Government departments is maintained on the European model and the staff employed for the purpose have not fully adopted European Business habits, an efficiency audit is as much a necessity as financial audit."

The efficiency audit branch was attached to the Secretariat and it did useful work in systematising the procedure in Government offices and departments, in compiling rules and standing orders and in drawing up a comprehensive scheme for the speedy preparation and issue of departmental and office manuals, and for keeping them revised and upto date. It made some progress in standardising inspections and in the proper maintenance of records in public offices. The unit was also employed in investigating serious official irregularities. It published also a quarterly journal containing important orders and information useful to Government servants.

Very recently Sir Visveswarayya expressed his view regarding the retention of English as official language of our country. He observed 'The English language should be retained and no date should be considered for its abolition until a great improvement is effected in the country in more urgent directions, namely in education, industries and the earning capacity of the people.....Until a fair per capita earning power is first attained even the question of adopting a common Indian language should be postponed. Otherwise the ordinary citizen will have too many things to do and will be unduly harassed.

A Minister's Career

A Triumph of ability and perseverance

Ludwig Erhard was born at Furth (Bavaria) on 4 February, 1897. He completed his secondary school education and served a brief commercial apprenticeship. In 1916, he reported for military service from which he was discharged in 1919, after having recovered from serious wounds received in action. He then resumed his studies of scientific management and economics at Nuremberg Commercial School (University level) where he graduated in commercial science. He then read economics and sociology at Frankfurt University, and took his doctor's degree under Professor Franz Oppenheimer, with whom he maintained very cordial relations until the Professor left Germany. After a brief period in business, Dr. Ludwig Erhard joined the "Institute for Market Surveys for Manufactured Products" with Nuremberg Commercial School as a research assistant. That was in 1928. He eventually rose to the rank of Deputy Head of the Institute. As its research work covered the whole field of German manufacturing, the Institute was in close contact with all industries concerned. Dr. Erhard was particularly anxious to ensure that neither scientific knowledge nor practical experience were neglected in the search for results, and as he succeeded in bringing about a well-balanced combination of the two, the Institute, under his leadership, gained more and more importance in its field. Under the National Socialist regime, Dr. Erhard had to abandon his original intention to pursue a university career. As political pressure in public institutions increased, he found himself in a more and more difficult position at the head of the Institute and finally, in 1942, parted with the Foundation. Thanks to the reputation which Dr. Erhard enjoyed with the German manufacturing industry, a private foundation gave him an

opportunity to continue his research work as a free man. Put in charge of an "Institute for Industrial Research" without institutional ties, he was in a position to gather a group of expert collaborators round him. As the war came near its end, Dr. Erhard wrote a comprehensive but secret paper in which he stated the consequences on the national monetary system that were bound to result from the inevitable collapse of the National Socialist regime, and also developed certain ideas which were later to find expression in the currency reform proposals worked out by the "Special Group on Money and Credit" where he was in the chair. In October 1945, Dr. Ludwig Erhard was appointed Bavarian Minister of State for Economic affairs. He held that office until the cabinet was reorganised in December, 1946. During his term of office, he opened the first German post-war export exhibition which was organised on a major scale, an event which gave him an opportunity to meet a number of U.S. personages. In 1947, he received the status of a professor at the School of Economics of Munich University, and in October of the same year became Chairman of the "Special Group on Money and Credit" whose task it was to prepare the currency reform. On March 2, 1948, the Economic Council of the United Economic Area (U.S. and British Zones) elected Professor Dr. Erhard, Director of the Department for Economic Affairs of the United Economic Area. When the Federal Republic of Germany was founded in September 1948, Dr. Erhard became Federal Minister for Economic Affairs, an office which he has retained during the second into the third term of the Government. Right after the currency reform, Dr. Erhard had brought about a reform in economic policy, changing it from economic planning and regi-

(Continued on page 22)

Personalities



SHRI C. D. DESHMUKH

No distinction appears more rigid than that which divides the civil servant from the statesman. The two professions are mutually exclusive. The civil servant ends where the statesman begins. His professional competence, the cumulative force of a lifetime of conformity, a habit of aloofness acquired through years and loyalty to rules rather than to principles render the civil servant often unwilling to make the jump from the comparative permanence of the civil service to the transient glories of a political life.

But the demands upon professional knowledge and administrative capacity in a modern state are such that a civil servant may sometimes be called upon to assume duties of a distinctly political nature. No greater challenge could be conceived for a mind nurtured in the best traditions of discipline, order and system than to be summoned to fresh responsibilities in a world of conflict, historic change and vital decisions.

To Chintaman Dwarakanath Deshmukh who made this jump at the age of 54 it must have been rather the fulfilment of a rich

and varied administrative career than a break from the past. For ever since he joined the Indian Civil Service in 1919 he had shown an amazing degree of ambience which had enabled him to strike roots wherever he was placed.

Born in 1896 he was educated in Elphinstone College and Jesus College, Cambridge. He joined the Indian Civil Service in 1919. He was Assistant Commissioner C. P. & Berar (1920-24). Under Secretary ('24-'25), Deputy Commissioner and Settlement Officer ('26-'30) Joint Secretary to the Second Round Table Conference ('31), Revenue Secretary, ('32-'33), Finance Secretary ('33-'39), Joint Secretary to the Government of India, Health Education and Lands ('39), Custodian of Enemy Property ('39), Secretary to the Reserve Bank of India ('39-'41) Deputy Governor ('41-'43), Governor of the Reserve Bank of India Delegate to the Bretton Woods Conference ('44), Governor for India on the International Monetary Fund and the International Bank for Reconstruction and Development ('41) Financial Representative of the Government of India in Europe and America. ('50), Chairman International Monetary Fund ('50), Member, Planning Commission ('50), and Minister for Finance ('50-56), Chairman, University Grants Commission and Chairman of the National Book Trust ('56).

In Mr. Deshmukh's career—and it should be so in every Civil servant's career—every task was only a preparation for the next.

Personalities



SHRI S. S. VASANI

When George Horace Lorimer became Editor of the Saturday Evening Post in the last decade of the 19th century he set before himself a task which no editor had attempted before.—to present life sketches of the most successful contemporary Businessmen. Soon all America was reading not the escapades of fallen maids or rogues but the lives of men who facing unbelievable hazards had built up vast industrial empires. Lorimer had taken a vital step towards making big business human. For he showed that more adventure and courage went into the making of a business than men ever realised.

If an editor were to attempt today in India what Lorimer did so successfully in America he could not but pick out the name of Shri S. S. Vasani. Here is a figure who conforms to the legendary

pattern of a self-made business leader and who exhibits to a very compelling degree the virtues—so often so little known—of philanthropy and humanity which Lorimer admired:

Mr. Vasan, started life from scratch, having lost his father when he was barely two years old. The widow and her only son had to struggle pretty hard to keep the wolf at bay. As Mr. Vasan grew up he felt that it was not fair on his part to continue his education at the cost of much suffering and privation for his mother. So he decided to stop going to College and to start earning. He tried various odd jobs of salesmanship and canvassing and gradually discovered that his own flair was for writing. He wrote and published a few books and stories whose sales, he found, were fairly encouraging. It was this initial encouragement that made him venture into buying the almost dying monthly magazine called the "Ananda Vikatan", when he was about 25 years old.

Thus was launched forth into the world a young publisher whose weekly magazine soon became the largest subscribed vernacular weekly in the whole of India and continues to hold that unique position even today.

When his fame as a publisher was fairly firmly established some of his friends led him into acquiring a motion picture studio of his own. He himself produced quite a few popular Tamil pictures. It was he who conceived the idea of producing a picture in 2 or 3 Indian languages simultaneously.

Mr. Vasan is a simple man of simple habits with deep and loyal attachment to his friends and great consideration and sympathy for his hundreds of employees who are all equally loyal to him.

For an administrator's note book

Coat and tie mentality

'The time has come when they (officers) should give up their Bureaucratic approach and bossing mentality and identify themselves with the common people.'

Human beings are behind files

The governance of any great country in the world today is no easy matter and the governance of a great and varied country like India is perhaps as hard a task as any in the world. Any person who is associated with this governance must approach this great task with humility as well as with a measure of faith. Whether we are small men or big we are engaged in great undertakings affecting the future of vast numbers of human beings. No man can say with certainty that success will come to him but every man can determine to do his utmost to achieve success. The governance of a country does not merely consist in issuing orders from some high office but rather in reaching the minds and hearts of the masses of the people to bring about satisfactory human relations. Ultimately almost every problem can be resolved into one of human relations. We have to deal with human beings and humanity and we can only deal with them if we always keep in view the human aspect of every problem. We are apt to forget this, living in our ivory towers of Government offices and dealing impersonally with files and papers. But behind those files and papers and the problems discussed in them lie human beings.

Prime Minister of India

The work of the collector has increased enormously and even the ablest among them are unable to do justice to their duties, as these have now grown. Over and above his daily routine administrative work, which though of a very ancient pattern is still the most important part

of what the people of the district as a whole expect from the collector of the district, he has to guide, co-ordinate and solve difficulties arising in connection with the new community projects and extension schemes in which he is expected to take as much interest as the head of a proselytising mission.

It is well-known that the only way to avoid worry is to introduce the maximum quantum of order in one's work. Let collectors divide their work according to the days of the week somewhat as follows :

Monday, Tuesday and Wednesday.—Routine work of the collector as the head of the district.

Thursday.—Welfare and social service references.

Friday.—Disposal of old arrears which have a tendency to be completely forgotten unless a special day in the week is given to it.

Saturday and Sunday.—Community projects and national extension work.

Do not think of any work however important except with what you are doing at the particular moment. Let your mind dwell on it as if that is your only work.

Every night when you retire ask God to forgive your offences and to bless you with a larger amount of wisdom, compassion, bodily strength and peace of mind.

* * *

Every one who is doing any creative work must feel that he is creating for Free India now. If you go with some money to the booking office and offer money and want a ticket, the booking clerk must feel "I am now serving Free India and I must attend to this man promptly and quickly."

* * *

We cannot achieve happiness under a democratic Government unless we all combine and work hard each in his

own sphere. It is not only ministers who are responsible for producing results. It is the people that are also responsible. Criticism alone will not produce good government. Co-operation alone can.

Rajaji

Civil servants in a Welfare State

Before Independence the civil servant took a static view of life displaying consequently an undue rigidity of outlook and resistance to change. The service also cultivated an exclusiveness which gave them the appearance of a special caste. They never identified themselves with the life around them and lived in a world of their own.

But all these have no relevance in a welfare state. The new Civil servant should possess all the traditional virtues namely efficiency, integrity and loyalty. The public servant of today should be one richly endowed with human sympathy and a widely awakened social conscience. He should not merely be a yes-man nor should he be a no-man. The yes-man tries to please others while the no-man pleases himself. The yes-man does not reveal his mind while the no-man has no mind to reveal. Both species are a danger to any organisation.

The importance of character to any human being cannot be overestimated. Character is a complex of attributes determining motives and actions of men. Its functions are laid in early days but its development is a lifelong process. There are many instruments for character training. One is discipline. Authoritarian discipline exacts blind and unquestioning obedience. It destroys initiative, suppresses personality and has for its object the regimentation of thought and action. This is not the right type of discipline. Right type of discipline consists in the cultivation of mental training, of disciplined conduct and a willing observance of the usual rules of conduct enjoined by society. Without discipline there could be no true leadership, and without leadership there cannot be any collective pursuit of common aims. Another important quality for a public servant is team spirit. It is the spirit of joyous comradeship in work. One should be able to subordinate personal interest to that of the group. Aggressive individualism is not wanted. Careerism should be avoided and every officer should cultivate a spirit of non-attachment.

N. R. PILLAI

(From the Travancore University Convocation Address)

(Continued from page 16)

mentation to what was termed the "social market economy." Now he devoted all his efforts to the economic rehabilitation of the Federal Republic and to the consolidation and consistent application of a policy which strengthened rather than checked the natural forces of the market. In July, 1951, he became German Governor of the International Bank for Reconstruction and Development—seven years after a complete national breakdown, the Federal Republic was back in international economic affairs and recognised by the major nations

as a partner. The success of Dr. Erhard's economic policy was confirmed by many honours bestowed on him. In January 1950, he received the status of professor at the school of Law and Economics with Bonn University. Several Universities have conferred upon him the honorary doctor's degree.

On October 30, 1957 Professor Dr. Ludwig Erhard was appointed Deputy to the Federal Chancellor and also Chairman of the Cabinet Committee on Economic Affairs (Economic Cabinet).

Hindustan Machine Tools

A key to industrial growth

The Machine Tool Industry is a 'must' for the industrial growth of a country. It is this industry which in a sense provides the key to the country's industrial growth by enabling it to produce all the plant and machinery needed for its factories. In the absence of a well-planned machine tool industry, India had necessarily to depend upon foreign sources for such plant and equipment. This can be well evident from the fact that most of the heavy plant and equipment which has gone to build India's industries had so far been obtained from foreign sources.

With the advent of planning after Independence, India has been rapidly industrialising itself and engineering and industrial goods until recently imported are now being increasingly manufactured in the country. The country today is producing its own bicycles, automobiles, electric motors, aeroplanes, etc. Obviously, its requirements in terms of Machine Tools have been on the increase as can be seen from the following statistics :

Year	Annual Imports (in lakhs)	Annual Production (in lakhs)	Total (in lakhs)
	Rs.	Rs.	Rs.
1950	249	28.59	277.59
1951	250	47.31	297.31
1952	221	44.37	265.37
1953	312	44.08	356.08
1954	385	47.30	432.30
1955	528	67.13	595.13
1956	837	108.18	945.18
1957	1,000	201.00	1,201.00

In the present context of the goal for rapid industrialisation in India,

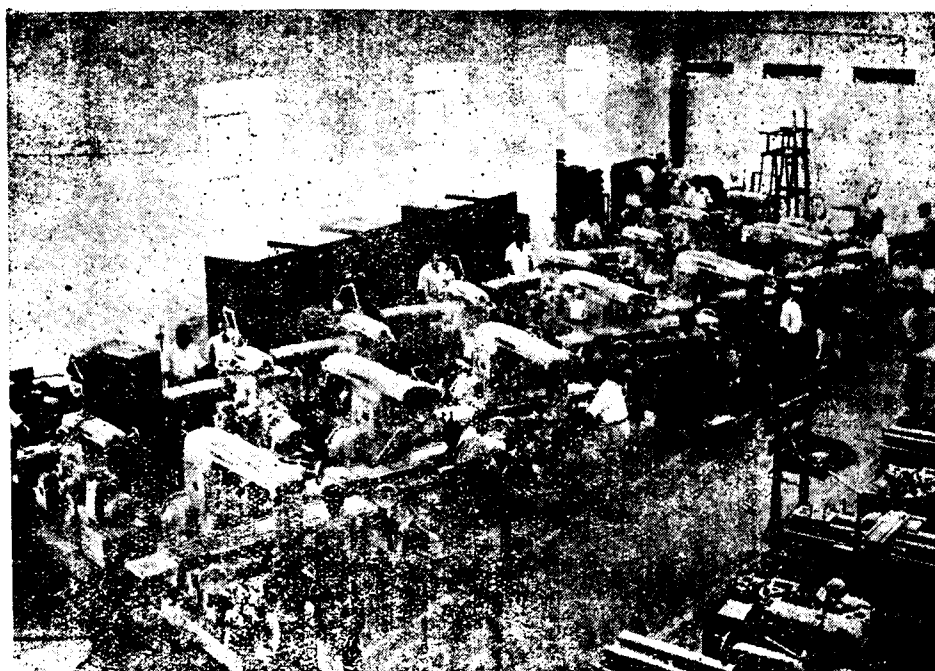
and the consequent foreign exchange crisis the Machine Tool Industry thus assumes added significance.

The Hindustan Machine Tools which commenced production late in 1955 with only one type of machine, viz., the H-22 High Speed Precision Lathe, have since expanded their production lines to include a wide range of 18 types of basic machine tools—two types of Lathes, six types of Milling Machines and ten types of Radial Drills. Although originally planned to work on a single shift basis and to reach a production of 400 machines per annum by 1960-61 the factory revised its original plan in view of the vast increase in the demand for machine tools in the country and commenced introduction of multiple shift system from about September 1956. Consequently, production was stepped up considerably. It rose to 25 per month by January 1957 and the same was gradually stepped up to 50 by the end of 1957. Production has thus been more than double and during the financial year 1957-58, the factory exceeded its original target set for itself for 1960-61 three years ahead of schedule. According to the original plan, the factory was to reach a production rate of 400 machines per year by 1960-61 whereas it has already exceeded this figure by 1957-58 and also diversified its production programme to include a range of eight machine tools.

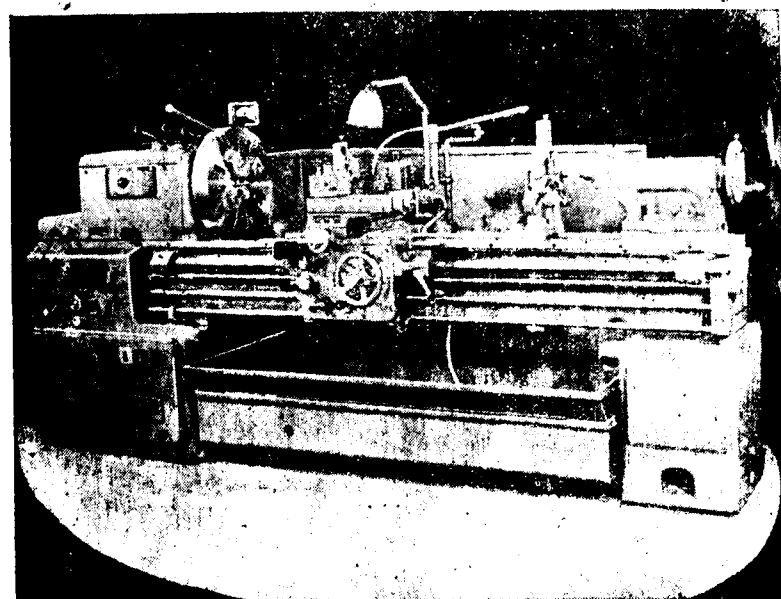
High production standards

The whole factory has been organised and set up on the metric system. The production standards of the factory have always been high as can be testified from the comments of various technical experts.

To cite a few, the machine tool Experts, who were Members of the British Heavy Engineering Mission led



A row of milling machines produced at HMT



H 22. High speed precision Lathe produced at HMT

by Sir Eric Coates and who were asked by the Government of India in 1957 to report on the Project have commented favourably on the quality of Machine Tools produced in the factory. Their report reads as follows :

" We consider that if Hindustan Machine Tools continue to progress as they appear to be doing at present, they should be considered to be an 'Asset of Considerable National Importance'. The report further adds that the "17" centre lathe which they are producing is First Class and compares favourably with machines of this type manufactured in any part of the World."

Substantial Reduction in prices

Consequent on the increase in the factory's rate of production over the previous year and over the Second Plan target for the year, it has been possible to reduce the cost of produc-

tion of machines and the benefit of reduced production costs has been directly passed on to the customers. The prices of 'HINDUSTAN MACHINES' have been substantially reduced with effect from June 1, 1958. The 1000 mm. lathe which was hitherto costing Rs. 36,000 now costs Rs. 29,500 only. When the factory started production in May 1956 the lathe price was fixed at Rs. 39,000 against imported landed cost of corresponding Swiss lathe at Rs. 40,500. The sale prices of 1500 mm. lathes and six types of Milling Machines have also been progressively reduced so that all machines produced by the Company are sold below the landed cost of imported machines of equivalent quality.

With their wide range of production, the HMT are making a significant contribution to India's progress. During the financial year 1957-58, the HMT accounted for two-thirds of the entire Machine Tool output of the country.

(Continued from page 14)

together. This function of the development staff requires to be emphasised and enlarged.

Co-ordination

Lastly, the true function of the development staff is to co-ordinate and control the work of other agencies. To the extent these other departments become part of the development staff they not only lose their own departmental control, but have the development staff making excuses for them. The development staff should really be a watch-dog of the people and see that the Government gets full value for the money spent by its departments and the people get amenities to which they are entitled. The executive func-

tions now thrown on the development staff have not advanced the various ameliorative activities of Government. On the other hand, there has been a falling off in the standards of ameliorative work, of which little is known, because the development staff makes excuses for the default to save themselves. The result is an enormous increase in paper work. The country cannot afford to deceive itself that it is progressing by reports, seminars meetings and camps. Too long we failed to examine what has been achieved and how many years must pass before this achievement can become general. Facts and figures only can assess results in this venture as in all ventures of development.

In the Private Sector

Ten years' Progress

The Federation of Indian Chambers of Commerce and Industry has issued a brochure reviewing the progress of Indian industries in the private sector during the first 10 years after Independence. According to the brochure, during the last 10 years, the joint stock companies increased their paid-up capital by more than 100 per cent—from Rs. 570 crores on March 31, 1948, to Rs. 11,58 crores on March 31, 1958. As a result there has been an increase in industrial production of about 50 per cent and employment of about 25 per cent. Another "remarkable achievement" in the industrial sphere has been the comparative stability in the prices of manufactured goods in spite of the various internal and external pressures. During 1948-49 to 1950-51, on an average, 50 per cent of the national income originated in agriculture and 16.5 per cent in mining manufacturing and small enterprises. As against this, during 1954-55 to 1956-57, the share of agriculture declined to 47 per cent while that of mining, manufacturing and small enterprises rose to 18.1 per cent. The share of the managements and investors in the total earnings of public companies is insignificant compared to the receipts of other sections of society. The allocations to taxation, depreciation and other reserves have made further inroads into the reduced profits of corporate enterprise. As a matter of fact, some leading industries—such as jute, cotton textiles and tea—have been facing adverse financial conditions during recent years, and a few of their manufacturing units have come out with balance sheets disclosing net losses. The recent downward trend in industrial production is entirely due to lower production and employment in the cotton textile industry. The additional taxation imposed by the

Central Government during the last three years to yield Rs. 150 crores a year, has affected both the capacity of the manufacturer to collect necessary finance for his expansion programme as also the purchasing power of the consumer. Attributing the continuous decline in the number of joint stock companies from 1957 onwards to the policies adopted by the Government, particularly in the field of taxation, the brochure says: "The programme of raising per capita income and the standard of living of the people will obviously depend upon the industrial sector contributing a larger and larger share to the national income. In fact, the best way for a nation to improve the living standards is through policies that promote maximum business growth."

A New Venture

It is announced that the Owen Group, one of the largest industrial organisations in the U. K. is to take an active interest in the manufacturing progress of our country. The parent firm, Rubery Owen & Co. Ltd. have entered into an agreement with Mahindra & Mahindra Ltd. to float a company, the Mahindra Owen Private Ltd. in India. Rubery Owen, a private firm controlled by Mr. A. G. B. Owen, Chairman and Joint Managing Director and Mr. E. W. B. Owen, Joint Managing Director, is well-known in the U.K. for a variety of products such as motor vehicle components including chassis frames, axle and axle casings, wheels and discs, aircraft products, steel furniture, earthmoving and agricultural equipment, machinery tools and battery operated fork trucks. The concern which started in 1893 with a 30-man workshop now com-

prises a group of about fifty companies mostly engaged in general engineering. The parent firm, Messrs. Rubery Owen & Co. Ltd. of South Staffordshire, is one of the largest privately owned companies in Great Britain. This firm and indeed the whole of the Owen organisation, is centered around the Owen family, and it is a family business. The Chairman and Joint Managing Director, Mr. A. G. B. Owen, C. B. E. is well-known not only in industry but for his work for religious and civic organisations in his country. The manufacturing activities of this Group apply to almost every aspect of industry with components and assemblies of complete end products. This impressive background of technical experience and know-how is now available to their new associates. Mahindra & Mahindra Ltd. are pioneers in India in the field of automobile and trailer manufacture. The company in agreement with Willys Overland Corporation of the U. S. A. are at present engaged in the progressive manufacture of the Willys Jeep and the assembling and distribution of all Willys 4-wheel drive vehicles, such as the station wagon and the 1 ton truck. They are also engaged in trailer manufacture and have introduced a number of trailers to help relieve the country's transport problems. The companies comprising the M & M group manufacture a wide range of engineering products, some of which are—textile machinery, diesel engines, electric lifts and hoists, electrical insulations, etc. Mainly, with a view to expanding their trailer manufacturing factories, M & M have launched Mahindra Owen Private Ltd. with their new associates, Rubery Owen & Co. Ltd. Besides increasing the volume of production of high-speed and agricultural trailers, and bulk liquid carries the new company is to produce axles, heavy trailer hitches, air-brake equipment, heavy suspension units, pressed steel cabs and components for the automotive industries.

Tata Chemicals Limited

Presiding at the Annual General Meeting of Tata Chemicals Ltd., Mr. J. R. D. Tata expressed regret that the financial results of the past year had not come upto expectations due to substantial increases in costs, principally of labour, fuel and packing materials, totalling some Rs. 12 lakhs. This set-back had no long-term significance, however, as the Company was in good shape and its long-term prospects remained excellent. Both outturn and profits were expected to improve as soon as the programme of expansion and modernisation was completed. The continuous rise in manufacturing costs not only in the heavy chemical industry but in almost every industry in the country, was a symptom of a disturbing ailment which, if unchecked, might grievously hamper the further rapid development of the country's economy. The expansion programme was expected to be completed by the end of 1960 or early in 1961. Increases in output could, however, materialise earlier with the progressive implementation of this programme, on which considerable progress had already been made. Mr. Tata went on to explain that the revised cost of the expansion programme, including additional items, was now estimated at a little over Rs. 5 crores, out of which a balance of about Rs. 400 lakhs remained to be spent during the next three or four years, partly from the proceeds of the recent issue of Ordinary Shares, partly from allocations towards depreciation and development reserve, and temporarily from additional borrowings. The formation of Tata-Fison Private Ltd., in association with Fisons Ltd., of the U.K., in the field of pest control, had been profitable, as the new Company had made excellent progress in its very first year, with a turnover of about Rs. 95 lakhs and a maiden dividend of 8%. Tata Chemicals had invested a little over Rs. 5

lakhs in the share capital of this Company, which had been increased by Rs. 10 lakhs, out of which a further share of Rs. 3.4 lakhs would be taken by the former.

Bicycle Manufacture by Small-scale Industries

The output of bicycles in the small-scale sector in the country exceeded the one lakh mark in 1957. The production in the small-scale sector, which started only towards the end of March 1956, was about 109,000 bicycles in 1957 as against about 22,000 in 1956. There are 78 units in the small-scale sector. Of these 22 are in the Punjab, 14 in Delhi, 10 in West Bengal, nine in Uttar Pradesh, eight in Bombay, four in Madhya Pradesh and two in Madras. Five units in Rajasthan, two in Mysore and one each in Andhra Pradesh and Orissa are to go into production soon. There are 20 large-scale bicycle factories in the country which produced about 7.91 lakh bicycles in 1957 as against about 6.64 lakh bicycles in 1956 and 4.91 lakh bicycles in 1955. Of these big units, Uttar Pradesh and Punjab have six each, West Bengal three, Delhi two and Madras, Bombay and Bihar have one each. The country can be said to be self-sufficient already in so far as the requirements of complete bicycles are concerned. It is expected that before long the country would become self-sufficient also in the manufacture of cycle parts. Indian capital invested in the bicycle industry in India at present is Rs. 3.39 crores while the amount of foreign investment in the industry is about Rs. 39.81 lakhs. One of the panels in the Engineering Export Promotion Council exclusively looks after the promotion of bicycle exports. A standing Liaison Committee has been formed by the Development Council for the bicycles industry to assist the Export Promotion Council. Indian bicycles have been exhibited at a number of international exhibitions and are also displayed in the

Government of India's show rooms overseas. Provision has been made to enable manufacturers of bicycles to obtain a 133 per cent replacement quota of iron and steel used in producing the bicycles exported. Drawback of import duty is allowed on imported raw materials and components used in the manufacture of bicycles exported. Similarly, refund of excise duty, where levied, is allowed on raw materials and components used.

Control of Profits

The proposal to control profits made by the Congress Working Committee has evoked comments in business circles. It is felt that this would adversely affect the expansion of the private sector. High taxation, multiplicity of taxes, and the plethora of regulations by which enterprise is surrounded are already said to be too much. The goods and services which proceed from the private sector are high in price compared with similar things in other countries, and the fact is often forgotten that sometimes more than half that price is taken up by the taxes which are passed on to the consumer. Figures presented by the Reserve Bank of India have shown that in the last two years there has been a decline in the profits of the private sector, and there have been dividend cuts in many industries. What the sector requires are incentives, not new burdens, according to Business circles.

Industrial Relations

A case study of labour-management relations at the Indian Aluminium Works, Belur, West Bengal, has shown that collective bargaining embraces practically the entire gamut of relationships at the works. According to the study, collective bargaining is disciplined and aims at crystallising the issues and narrowing down differences. The approach of both management and workers is one of give and take. The case study, which is the second of its kind, was sponsored by the

Ministry of Labour and Employment and conducted by the Xavier Institute of Labour Relations, Jamshedpur. The Tata Iron and Steel Works, Jamshedpur, was the subject of the first case study. The purpose is to find out the factors that contribute to industrial harmony in an undertaking and make them widely known. In the case of the Belur Works, according to the study, there is understanding of the respective institutional roles of the union and the management in the plant. While the union supports the management in running the plant and increasing production, the management encourages the union in its efforts to further the interests of workers and does not interfere in the internal affairs of the union. Besides, the management consults the union on important developments and provides certain types of information to the union to enable it to play its proper role. There is acceptance by both management and union of negotiation for direct settlement as the basis of their relationship. Grievances are settled informally and promptly, and in this, the joint committees play an important part. In the report containing the conclusions of the case study, some of the basic causes of industrial peace at Belur have been analysed. First, the union embraces only the employees of the works. The union's active leadership is composed of the rank and file of the employees. It is not affiliated to any of the leading trade union federations. In the 12 years it has been in existence since 1945-46, there have been no rival unions. Finally, the union is decentralised; nobody has any absolute power, not even secretaries, and the same man is not on

many committees. The management's approach has been that in organised modern industry, a fair deal for labour can work smoothly only if it is made through the representative union of the workers. It is their genuine belief that dealing with labour through trade unions stabilises unionism and strengthens it. This, in turn, they believe will to a great extent instil in trade unions a sense of responsibility and a realisation on their part of the obligations of the men to the industry. The management also firmly believes that it is not in their interest to directly or indirectly encourage any rival union. The case study shows that although the Indian Aluminium Works came into being in 1944, it was not until the end of 1950 that collective bargaining became the feature of industrial relations in the concern. The earlier period was marked by considerable distrust and conflict between the management and the workers. By November 1950, however, negotiations began between the management and the union on a five-year agreement, which was signed in 1951. According to the case study, the constructive aspects of the agreement lay not so much in specific gains secured by either side but in the efforts of the management and the workers to spell out, on a long-term basis, the principles that would govern their subsequent relations. The agreement embraced a wide gamut of issues and in respect of certain issues relating to wages and conditions of service, went clearly beyond those provided by law. A second five-year agreement described as 'an orderly extension of the existing pattern of relationship' was signed in August 1956.

Gleanings

Public Morality

In 1859 Trevelyn was the Governor of Madras and he was a very popular Governor. When he laid down his office the people of Madras gave him a public address in the course of which they pleaded for responsible government. The Governor in the course of his reply observed as follows. Public morality without which national Government is impossible is only the aggregate of each man's individual character. Truth Justice scrupulous fidelity to engagements, habitual preference to public interests are the qualities which elevate a nation and enables it to conduct its affairs with advantage.

Benefits of Democracy

The American Ambassador listed recently six benefits which he, as an American, believes we can expect from a democracy. They are:

1. The rights of all persons freely to speak, write, gather together and worship and that those rights are absolutely secured under the rule of law.
2. The freedom of citizens, by their votes, to change their government if they wish, or to influence its policies by the weight of public opinion.
3. The right to be "wrong" or to hold unpopular or dissident beliefs.
4. The right of minorities to be protected with equal justice under law.
5. A working apparatus capable of reconciling the rival sovereignties of the individual and society.
6. A civil authority that is supreme over individual dictatorship or other arbitrary rule.

Average U. S. Family Income

The average American family had a gross income of \$ 5,000 last year, or four per cent greater than in the previous year. Approximately four million of the nation's 44 million

families received incomes of \$ 10,000 or more in 1957, and another 18 million had incomes ranging between \$ 5,000 and \$ 10,000. Approximately 15.5 million American families were in the \$ 2,000 to \$ 5,000 income bracket, while an estimated 6.5 million families had incomes of less than \$ 2,000. The average income of non-farm families increased three per cent over the preceding year and was \$ 5,200.

Longer Secondary School Term in U.S.A.

The addition of one or two years to the present free four year education term in American secondary schools was advocated by President Eisenhower to benefit specially those children who do not plan to go to college. Mr. Eisenhower made this suggestion as he addressed members of the National Committee for the 1960 White House Conference on children and youth. He urged the raising of education standards so that children will be better equipped to face the complicated problems of the world today. Another point stressed by President Eisenhower was the importance of giving children "a deeply felt religious faith." The President said, "there is no one in the U.S. who needs to be told or reminded that all free civilization rests upon a basis of religious faith."

Educational Grants

Twenty-five South Indians have proceeded this year to the United States for advanced study in sciences, arts and humanities. They are among 77 Indians who have been awarded scholarships by the U.S. Educational Foundation in India for post-graduate study in the United States. Fifteen of these are secondary school teachers who have been afforded six months of study and observation in the U.S. Grants have also been awarded to eight professors in Indian universities for advanced research and lecturing in

American universities in such fields as Economics, History, English, Philosophy, Physics and Chemistry. Known as the Fulbright program, these educational exchanges between the governments of the United States and India have been in operation since 1950. So far, the U.S. Educational Foundation in India which administers the program, has awarded grants to 859 Indians and 284 Americans.

The Indian and the Chinese way

The difference in the attitude of India and Communist China can be seen in methods used to deal with problems on the land, the *New York Times* notes. A *Sunday Times* editorial entitled "Asia's Peasants" said: An illuminating contrast is afforded in the approach to the peasant problem in Asia's two largest countries, India and Red China. The methods are diametrically opposed, although the basic economic and human factors are strikingly similar. Red China has determined to wipe out the individuality of the peasant and his village. He and his family are now organized in the "commune" which has superseded the "co-operative." In this structure the family is abolished. Children are taken care of by the "commune," so that their mothers can be freed to work on farms or in factories. The village is abolished. The new order is military in its structure and the subdivisions are those of administration. The ancestral burying grounds have been ploughed over to get more land into cultivation. The last and most precious tie with the past must be cut. In India a conference of all the State Ministers has laid out a new program to give far greater autonomy and authority to the village themselves. The historic "panchayat," the elected village council that goes back several thousand years, is to be revitalised and invested with greater responsibility. With even less state and central control, these "panchayats," will be asked to take a larger part in community development, road build-

ing, agriculture, irrigation and the establishment of schools. What is proposed is the enlistment of the villager, in his village, in the work of the nation. India is trying to be "socialist," it is true, but it is trying to keep, rather than destroy, what has been found good and acceptable over the centuries. India may not be able to quote figures about spectacular increases in heavy industry or the addition of millions to the "labor force," but the "panchayat" is kept alive, and with it lives on some of the worth and dignity of human beings, even they are villagers. Peiping has evidently forgotten that, or thought it not worth remembering.

A new Investment Council for India

An Investment Council is under negotiation between the Government of India and the U.S. Technical Co-operation Mission. The Council "will seek funds for both public and private sectors." "The chief aim is to bring investment into India regardless of what sector it is." We believe that India can be much more productive in factories than what it is now," the T.C.M. Director added. Posing a question of why the United States should increase productivity in other countries and thus build up competition, he said: "We have discovered industrially that our best customers in trade are those who are highly industrialized and prosperous. We think it is wise to have the whole world improve in industrial production." Since 1952, the beginning of T.C.M. activity in India, 156 projects have been undertaken in the country at a total cost of Rs. 800 crores. This has extended to various fields of activity such as agriculture, health, industry, education and major irrigation power projects. In the industrial field, he said, T.C.M. has given advice on engineering and plant layout. He also referred to the program of the Indian National Productivity Council under which business teams from various industries will be sent abroad for studying management

practices and will be required to submit reports on better methods of production. Similar reports, he said, have been best sellers in Europe, and productivity in France has gone up by 4 per cent, slightly higher than that of the United States.

Indian Development Projects

The fact that so much of India's assistance has been covered by "allocations from the World Bank and the Development Loan Fund of the United States" indicates the "soundness of our development projects," according to B. R. Bhagat, India's Deputy Minister of Finance. Bhagat added that the allocations are also a measure of "their trust and confidence in the future of our country—a sentiment which we appreciate deeply and for which we are grateful." Bhagat told the second session of the Colombo Plan Ministerial Meeting that despite difficulties which have "tended to distort the perspective" of India's achievements, "it would be a pity if the present difficulties make us insensitive to the real progress that has been achieved in the last few years." Bhagat, said that in his country the annual rates of public expenditure on development and of private industrial development have

during the last two years nearly doubled the average of the First Five-Year Plan. "Large new investments have been undertaken in vital fields such as irrigation, transport, fuel and power and iron and steel," he reported, and he pointed out that the "range of engineering and chemical goods manufactured in the country is being rapidly extended." Bhagat said that "agricultural production also has shown a slow but steady upward trend. More children are going to school. Old habits are breaking down and new ambitions are stirring. It is from these accomplishments of the past that we can draw courage for the future." Bhagat emphasized that the main cause of India's difficulties was to be found in the development process. "The drain on our foreign exchange reserves," he said, "is not on account of expansion in domestic consumption or due to a large decline in our export earnings; the drain has occurred primarily because investment in the economy, both private and public, has gathered momentum." He said India's problem is to maintain this momentum and the Minister noted that the "substantial volume of assistance" from abroad in recent months "is a measure of the understanding in friendly countries of our present problems."

Commerce & Industry

Productivity in Industry

Mr. K. V. Srinivasan, President, Southern India Chamber of Commerce pleaded for proper utilisation of the available manpower in the country to increase productivity. Mr. Srinivasan, stressed the need to increase the export market, and said freezing of wages at a certain level coupled with the freezing of the price of essential articles and the individual's profits, would alone give the necessary impetus for manufacturing more of the exportable products.

Industrial extension service

Nearly 10,000 small industrialists in different parts of the country have been given technical advice in the first six months of the current financial year under the industrial extension service for small industries. In addition, about 3,500 parties have been given information to start new industries. Over 8,000 small industrialists have been given other assistance like supply of marketing survey reports, enlistment under Government purchase programme and recommendation for the supply of machinery on hire-purchase basis.

Assistance to Small-scale Industries

Orders for more than Rs. 84 lakhs for the supply of goods to Government Departments have been secured for small-scale industries with the assistance of the National Small Industries Corporation in the first six months of the current financial year. The items reserved for procurement exclusively from small-scale units include padlocks, metal boxes, signboards, metal buttons, badges, belt leather, cash bags, chappals and sandals, leather boxes, and leather bags. For items in this group small units are given a price preference up to 15 per cent over the acceptable quotations received from large scale units, depending on the merits

of the goods. The National Small Industries Corporation also assists small units in marketing by publicity and sale through mobile vans and by establishing wholesale depots. Sales through mobile vans and wholesale depots fetched about Rs. 1.5 lakhs and Rs. 4.67 lakhs, respectively, during the first half of the current financial year.

Manufacture of Tractors

The Government of India have arrived at a contract with a Japanese firm for the manufacture of tractors in India. The blueprint of the proposed factory has been examined. The general terms of the contract are considered satisfactory both from the point of view of the quality and price and the speed with which they are likely to do the work. The contract contains a clause to the effect that it will become operative only if the specifications are adhered to.

Private Investments of U. S. A.

Private investors in the United States is reported to have added nearly 4 billion dollars to their investments abroad in 1957 raising the total at the end of that year to nearly 37 billion dollars. It is estimated that more than 3 billion dollars was invested in foreign subsidiaries and branches of the United States companies. Other private capital investments in 1957 amounting to about 1.1 billion dollars mainly represent purchases of foreign dollar bonds and a rapidly expanding volume of loans by commercial banks. In the first half of 1958, the net outflow of private capital from the United States was estimated at about 1.75 billion dollars.

Lessons from Nationalisation

The Federation of British Industries in a special Report on Nationalisation attempts to analyse the working of

THE TRAVANCORE BANK LIMITED

Head Office: TRIVANDRUM

Branches at: Bombay, Madras and other Important centres in South India

CURRENT ACCOUNTS Interest at $\frac{1}{2}\%$ p. a. up to Rs. 1,00,000/-

SAVINGS BANK DEPOSITS Interest at $2\frac{1}{2}\%$ p. a.

FIXED DEPOSITS AND SHORT-TERM DEPOSITS received on attractive terms

Save systematically and earn good profits through our

THRIFT DEPOSIT SCHEME (Interest allowed upto 4% p. a.)

ADVANCES granted against Government and other approved securities

FOREIGN EXCHANGE BUSINESS of all descriptions transacted

For further details please apply to nearest Branch, or Head Office: TRIVANDRUM

D. R. VEDAMUTHU General Manager

nationalised industries and the effects of the threat of nationalisation. The Report states, "The nationalised industries have taken a more than proportionate share of the total funds used for investment in the economy, but there is no conclusive test by which to determine whether this has been justified. The use of capital under free enterprise has to pass the test of the market; in the nationalised industries, it has not, or not to the same extent and decisions as to the amount to be used have been clouded by political considerations." It is pointed out that nationalisation has produced no discernible improvement in labour relations. Nationalisation makes efficiency elusive by extending and entrenching monopoly, subjecting it to political control and removing the only reliable yardstick of profitability.

Labour in America

Labour unions in the United States differ from those in most other countries because they have no direct connection with any political party or social group. There is no ideological uniformity among American unions. Nor has it ever been possible for union leaders to "deliver" the labor vote. The rank and file invariably form their own judgements and vote their preferences. Nor is American labor "workingclass conscious" or proletarian. Not that it is not militant and capable of fighting. It has, sometimes with ferocity and bitterness, as it did in the 1930's. But the important thing to remember, as one labour leader once put it, "labor's objective of making tomorrow better than yesterday is predicted on its acceptance of capitalism." Labor, and the individual laborer, consider themselves an important and essential element of a classless society. As a result, American labor unions serve the American worker as a tool for gaining and keeping, as an individual, the status and security of a full citizen in a democratic society.

Trade with U. S. A.

Indian initiative to develop markets in the United States will contribute to increased trade, Nathaniel Knowles, leader of the U. S. Trade Mission, told the Rotary Club at New Delhi. Mr. Knowles listed seven points. "Americans must be told what you have to sell. Some ways of telling them are: "The Trade Mission or Embassy can give you names of American businessmen to whom you can write describing your product and sending samples. The Trade Mission or Embassy can place a notice in the *Foreign Commerce Weekly*, which goes to 10,000 U. S. subscribers interested in foreign trade. Individuals, co-operative groups or the Indian Government could advertise in the United States. Reputable advertising agencies should be consulted. Indian Embassy in the U. S. could help in this connection. The Indian Government could consider placing 'institutional type' advertisements in the U. S. to make Indian products and arts better known. The Indian Government might take steps to encourage tourism. Not only will tourism increase dollar earnings, but it will make Indian products more widely appreciated in America. Individuals or groups might hire American design and market experts to come to India to advise them. An Indian Department Store could be opened in New York with a good location, selling all types of Indian merchandise from the cheapest to the most expensive. Such a store would probably pay for itself. It should be under the management of an American expert in merchandising, who would also act as consultant to Indian manufacturers. Perhaps best of all would be to send individuals to the United States to deal face to face with American businessmen. Many more Indians must understand America. More American businessmen must also understand India. "In order to save rupees," Mr. Knowles said, "much production machinery can be built in India on a licensing or joint

venture arrangement with American firms, thereby saving dollars previously used for imports of such machinery. As businessmen in both countries get to know each other and understand their mutual problems, goodwill will increase rapidly between our two great democracies."

New Companies

Eight private companies, limited by shares, with a total authorised capital of Rs. 22,99,000, were registered in Madras State during November 1958. Five of them would be managed by managing directors and the remaining by boards of directors. Four companies were struck off the register and their paid-up capital worked out to Rs. 61,00,000. The paid-up capital of companies during the period increased by Rs. 73,95,000 of which Rs. 66,80,000 related to investment in public companies. One foreign company ceased to have a place of business in the State. Two private companies with a total authorised capital of Rs. 12 lakhs were registered in Andhra Pradesh during November 1958. Two companies were dissolved and 13 were struck off the register as defunct.

Training Institute for Watch-making

The leader of a delegation of the Swiss Watch Industry has offered scholarships for young Indians for training in the manufacture of watches in Switzerland and for setting up an Institute in India for providing training in watch-making. The offer envisages the grant of 20 scholarships every year to Indian technicians in Switzerland for training for a period of two and a half-years in all aspects of watch manufacture, as part of a world programme of scholarships offered by the Swiss watch manufacturers. This programme of annual scholarships is to continue for a few years. The Swiss Watch Industry will bear the expenditure on account of the training of these technicians. The Watch Training Institute proposed to be set up in India will provide

training to about 200 persons every year. The training period will be of the duration of two and a half-years. The Industry will supply the machinery and equipment for the Institute as well as the services of Swiss technicians and training experts free of cost.

* * *

U.S. World Trade Fair (1959)

The Third Annual U.S. World Trade Fair is scheduled to be held in the New York Coliseum, May 9-19, 1959. The second Annual Fair which closed on May 16-17, 1958, had 3,000 individual displays representing products from 60 countries. In addition, 38 foreign countries were represented by national pavilions. As in the previous year, the products and services to be shown at the Fair are classified under nine groups comprising national pavilions, tourism, transportation, textiles, wearing apparel, furniture, housewares, hardware, domestic and electrical appliances, office equipment, machine tools, electronic equipment, radio and television equipment, foodstuffs, confections and tobacco.

Investment Proposals

The A.-I.M.O. has received some Investment Proposals through the United States of America Technical Co-operation Mission to India. The A.-I. M.O. is bringing these to the notice of Indian companies and entrepreneurs interested in inviting foreign investments to this country.

Sixty new companies in Western Zone

Sixty companies with a total authorised capital of Rs. 3,21,70,500 were registered in the Western Region comprising the States of Bombay and Madhya Pradesh, under the Companies Act, 1956 during the quarter ending September 30, 1958 as against 68 companies with a total authorised capital of Rs. 45,90,20,000/- in the previous quarter. Out of these 60 companies, three were public companies and 57 were private companies with a total authorised capitals of Rs. 28,00,000 and Rs. 2,93,70,500 respectively.

Mineral Development Corporation

The Government of India have set up a private company in the name and style of the National Mineral Development Corporation (Private) Ltd. with an authorised capital of Rs. 15 crores. This Corporation will be responsible for the exploitation of minerals in the Public Sector as far as is practicable, excluding oil and natural gas and coal. The Corporation also has been empowered to create subsidiary companies, wherever it is found expedient to admit the participation of State Governments and, if necessary, of other private companies.

Labour Problem

Mr. T. S. Rajam, Chairman, T.V.S. and Sons recently said that labour organisations in other countries had developed to such an extent that the Labour Union entered into a contract with the Industrialist and was responsible for the output and also for the behaviour of labour. Here in India workers did not realise their responsibilities but were only insisting upon their rights. He pleaded that workers should increase the output so that they could claim a share in the profit, thus helping the economic progress of the country.

Welfare of industrial employees

The late J. N. Tata was a pioneer in many things in the Industrial field. Lord Chelmsford said in 1919 that the Tata Steel Mills at Jamshedpur owed much to the prescience, genius and imagination of Mr. J. N. Tata. At a time in the latter half of the 19th century when private enterprise was frowned upon by the foreign Government and consequently few Indians took to it, J. N. Tata entered the field and set a noble example to many others. There are two or three lessons which emerge from a close study of his life. Firstly he always looked upon wealth not as an end in itself but as a means to an end. The acquisition of wealth was only a secondary object in his life, it being always subordinated to his constant

desire to improve the condition of the people of the country. He also had the firm conviction that no country could become industrially great which did not manufacture iron and steel. It was also his considered view that no sustained economic growth was possible unless the economic structure was based on a diffused knowledge of industrial science. These views motivated to a large extent his activities. The Empress Mills constituted one of his earliest ventures. He said that with honest and straight business principle, close and careful attention to details and ability to take advantage of favourable circumstances and opportunities there was plenty of scope for success. The amenities he provided for his employees were without a parallel even in those days when conditions of industrial workers were by no means enviable even in Western countries. He provided rice, wheat, and cloth to his employees at less than cost price and that on credit. Medical help and educational facilities were liberally extended to his employees. Thrift was inculcated among workers. For women there was maternity benefit allowance and every employee had the advantage of a compensation fund in respect of accidents. A gratuitous pension fund and a Provident Fund were subsidised by the Directors. Creeches were started for the babies of working women. Night schools were opened for workmen. They were given lectures with lantern slides once a week. Special classes for women and girls were held and they were given instructions in elementary subjects. They were also provided with mirror, comb, and washing facilities. Weekly entertainments provided a good diversion for them. The older people attended institutes where they were provided with newspapers, books and indoor games. Other sports including tennis and various Indian games were also provided as also four gymnasias. Excursions and baby shows were a regular feature of the social life of the employees.

In the News

Speaking at Bombay recently Mr. A. D. Shroff said that deterioration in the standards of public conduct has led to corruption in business.

The Visiting Prime Minister of Norway said the other day that his country has a long tradition for heavy taxation. Nearly 25 per cent of the national income is collected as taxes.

The interests of workers are safeguarded by the Government observed the Madras Finance Minister at a public function recently. When you decrease production he told workers, the entire pattern of socialistic society is dislocated. So long as workers did not do their duty they could not demand their rights, he stressed.

'No hasty change in the medium of instruction' is the verdict of the Andhra University academic council.

The Mysore Government is considering the question of appointing a technical and audit team of experts to make periodical checks-up of irrigation projects with a view to their speedy execution.

Fines totalling Rs. 25,000 were imposed in October '58 on officers departmentally punished as a result of cases investigated by the Special Police Establishment of the Union Government.

The Madras Finance Minister the other day asked why villages riddled with faction should not be punished by stopping the allotment for development work.

The Hindustan Shipyard has so far built 23 ships. Nine more ships are planned to be built during the second plan period.

The target capacity of production of 1,000 miles of cables per year has been

reached by the Hindustan Cables Factory at Rupnarainpur. The quality of indigenous cables compares quite favourably with that of imported ones. For each mile of cable one ton each of steel tape and copper wire is required.

According to the survey conducted by the Madras Corporation recently there are 6,500 families living on pavements in the Madras City.

Rehabilitation and reclamation of the vagrant children in the Madras City will soon be taken up by the City Police according to the Commissioner of Police.

A report submitted at the ninth world social work conference said because of improvements in health and medical care, the world's population today is increasing annually from 30 to 32 million people. "In the technologically underdeveloped countries, with an agricultural economy, a low level of resources and a high rate of births, this rapid rise in population is creating very serious economic, social and psychological situations, causing concern not only at national but at the international level.

The Government of Madras have informed local bodies in the State that they may frame suitable by-laws for adoption of Tamil as their official language. It has also been pointed out that correspondence with the Government should continue to be carried on in English.

The Madras Government have decided to extend the medical concessions admissible to N.G.O.s to all Gazetted servants also.

India's destiny in the next few years will be controlled by its success or failure to control the rapidly growing population according to a private research study in Washington.

Needy persons in 35 countries "in every area of the world" were aided by the private groups, in U.S.A. which include Church organizations and such agencies as *care* and the American National Red Cross.

The Ninth National Seminar on Social Education in urban areas, organised by the Indian Adult Education Association, at Lucknow suggested ways and means of organising social education programmes. It expressed the need to open, at city level, autonomous councils to bring together all agencies on a footing of equality and to work, not as governing councils, but as advisory and 'service bodies.' The seminar was of the view that adult social education was not merely an education to impart literacy, but to enable people to lead a fuller and more integrated life.

The Madras Government has accepted the recommendation of the sub-committee of the Rural Development Board to institute a State Rolling Shield to be awarded to the best Block on the basis of "physical achievements." The Shield whose value will be Rs. 250, will be awarded to development block which gets the highest composite index number. All Blocks except those which have not completed a one-year period of operation, will be eligible for participation in this scheme. The Government has already instituted a scheme of prize competition in order to provide encouragement for really meritorious work among village level workers.

The Indian Aluminium Co. Ltd., Calcutta, has set up an aluminium smelter at Hirakud. The factory has an installed capacity of ten thousand tons of aluminium ingots per year. The factory is expected to go into production in February 1959. The

scheme has been approved by Government.

The interest rates for the loans given by the International Finance Corporation to private industries are to be settled between the I.F.C. and the prospective borrowers, since the I.F.C. receives loan applications directly from private industries. The final approval of Government is, however, necessary for all foreign loans including loans from international institutions.

The Kerala Government has formulated a scheme for rural electrification under which electrification will be taken up if the public came forward to contribute shramadan for the unskilled portion of the work.

The United States Development Loan Fund and the Government of India signed agreements in Washington today making available an additional \$ 100 million of D.L.F. Funds to assist India finance the foreign exchange costs of public and private economic development projects in connection with the Second Five-Year Plan.

The United States has more than 500,000 elected officials, according to the Census Bureau. This is about 30 for each 10,000 persons. Nearly half of the officials serve without pay, and about two-fifths are paid on a part-time basis. Only about one in seven is paid full time for his services.

The Kerala Government have helped the formation of forty labour contract cooperative societies to which work was entrusted at 5 per cent higher than the scheduled rates and to which 25 per cent of the estimated cost was paid in advance.

The Andhra Pradesh Government has notified that Hindi will be a compulsory subject for E.S.L.C. from 1959.

The New Administrator's Library

The Civil Service in the Constitution

K. G. WHEARE

University of London (obtainable at Orient Longmans, Madras, 2/6)

The Centenary of the Report on the organisation of the Permanent Civil Service by Northcote and Trevelyan which started the modern reformed career of the Civil Service in England has given the Gladstone, Professor of Government and Administration at Oxford an opportunity to deliver a lecture on "The Civil Service in the Constitution". Trevelyan began his career as a Writer in the service of the East India Company and the Report under consideration by Dr. Wheare must be of special interest to members of the Civil Services in India. Especially, as Trevelyan set an example of Civil Service conduct which may be followed if not copied. As a young Indian civilian of 21 Trevelyan "had not hesitated to accuse a powerful and popular superior officer of corruption to press the charge and to present proofs at a prolonged enquiry as a result of which the accused officer was found guilty and dismissed in disgrace". Being too unpopular to stay long in the service he went back to England to join the Home Civil Service. He came back to India as Governor of Madras and in that office he crossed swords with the first Finance Minister of the Government of India under British rule, the author of the Income-tax in India. Resignation followed but he was too indispensable to be kept out of the Government in India to which he returned as Finance Member of the Governor-General's Council. In the enquiry into the Civil Service which led to the famous Report, Trevelyan had as colleague Sir Stafford Northcote one of those men, plentiful in the 19th century, who devoted the leisure given by "great possessions" to public ser-

vice. Mr. Wheare relates the story of the reform in the English Civil Service, of the introduction of open Competitive examination in subjects studied at the universities conducted by independent whole-time Civil Service Commissioners from whose lists of successful candidates alone the Government could appoint to the Civil Service of the country, which led to the abolition of patronage in the Civil Service. The high intellectual quality of the candidates thus procured (men who had taken Honours in Classics or Mathematics) ensured the high place which the Civil Services of the country was to secure in the government of the country. The scales of salary which were fixed (providing a decent competence) ensured a succession of such recruits. The classification system which was also introduced as a consequence of the Report divided intellectual from routine work and thus ensured the high quality of the upper classes in the administration and kept the cost of administration low by confining routine work to a class of lower intellectual qualification with lower rates of remuneration. The permanence of the Civil Service which was another consequence of the Reform secured not only an efficient service but a service autonomous within its limited powers. The permanent Civil Service was made free from the interference though not the jurisdiction of the Legislature and made secure that separation of powers which in any well defined constitution is one of the safeguards of political liberty. The freedom of the Civil Service from the influence of party politics was secured, the civil servants on account of their permanence serving any party in

power with loyalty but with all the advice and information it is their duty to tender to the Government of the day. The principle and practice of the English Constitution as of all parliamentary systems of representative government that responsibility

for policy rests with Ministers and the execution of policy is left to the Civil Service places both Ministers and Civil Servants in their respective spheres of service. All this is explained in the short space of a university lecture.

British Public Utility Service

D. N. CHESTER

Longmans Green & Co.

This "British Life and Thought" pamphlet sponsored by the British Council must be welcomed in India whose Governments have taken the supply of utility services to the people. A "public utility" has been defined in an English statute as "an undertaking carried on under statutory powers for providing means of transport or communication, gas, electricity, water or power". The author who is a Fellow of Nuffield College and editor of the English Journal of Public Administration gives a history of the development of the chief of these utility service (Gas, Electricity) describes the organisation and system of management of these services in the several classes (Central Government Department, Local Authority, Public Corporation or Board, Inside Undertaking, Private Ownership) the several forms of Public Control, and discusses the current problems and difficulties that have gathered round

the Public Utility Services. What are the services that can be offered in this way, what should be the control of the Legislature and of the Government over the management of these undertaking are questions that are stated—they are not discussed in detail as they could not be in this short space. But in India where there is a new found enthusiasm for undertakings by the State, this introduction to the problems of Public Utility Services may serve.

Basic Facts and Figures Unesco—5 sh/

This is the latest collection of international statistics relating to education, culture and mass communication. On these subjects the statistical information given must be instructive to officials and public men. India finds a place in all the Tables given. It would be a useful publication to have on the desks of officials and journalists and public men interested in these questions.

(Continued from page 10)

offices. The committee observes in this connection 'There is an impression among the public that some Government servants do not attend office in time or remain in their places all through the office hours or apply themselves diligently to work. It is

necessary for officers and staff to ensure that public offices present a picture of business-like promptness, smartness and efficiency. Group talks in the corridors of public offices either with colleagues or visitors should not be indulged in or condoned!'

The Evolution of Diplomatic Method

HAROLD NICOLSON CONSTABLE & CO.

(*Indian Agents Orient Longmans*) 10/6 (sh.)

It is only with the evolution in Europe of Diplomatic Method that Harold Nicolson, well-known student and teacher of diplomacy, who abandoned diplomacy just in time to have had enough experience of it and to have leisure to study it even afterwards, is concerned with in the course of the Chejhele lectures that he delivered in 1953. The edition before us is the second reprint of 1956 which is testimony of its popularity. He traces the methods of European diplomacy leaving diplomacy in Asia severely alone. Even his treatment of diplomacy in Byzantium after he had dealt with diplomacy in ancient Greece and Rome did not tempt him to deal with the methods of Asian diplomacy from which Byzantium learnt more than one trick or device. And with the contempt of Greeks for barbarians (all strangers were barbarians to them) and with the imperialism of Rome it was difficult for any international contacts to be established and for real diplomacy to have scope for play in the Greeco-Roman World. It is only when Nation States came into existence in the later centuries of the Middle Ages culminating in the Renaissance that real diplomacy could arise.

Sir Harold when he delivered the lectures in 1953 had not the benefit of reading the brilliant work of Garret Mattingly in *Renaissance Diplomacy*. If he had, he would not have begun the history of Renaissance Diplomacy with the Venetians, Florence, Genoa, in Italy, the France of Louis XI, even Portugal and Spain had practised the use of diplomatic agents and Sir Harold's statement "that the Venetians were the first to create an organised system of diplomacy" would not go unchallenged today. Milan (which according to Mattingly was the first Italian State to be capable

of sustained diplomatic agents) had anticipated Venice. Venice, we agree, developed the diplomatic art of the Renaissance, taught by Machiavelli to its logical extremes—assassination, bribery, intrigues, *conbinazione*. What Grotius has to do with the evolution of the diplomatic method it is difficult to see except that of finding a place for diplomats in his theory of Peace and War. It was not theory that has developed diplomatic method but the hard facts of the international situation from time to time. It was realistic statesmen like Richelieu forced by the problems of the modern State bent on acquiring power that developed diplomatic techniques—the art of negotiation, devotion to political interests apart from religious affiliations, preserving the balance of power. De Calli-ers who put into a book the teaching of Richelieu on negotiation is given due prominence by Sir Harold. The art of negotiation could not last under the hammer blows of Prussianism heralded by Frederic the Great which aimed at domination in Europe and not the old order of Balance of Power which prevented any one state from dominating Europe. But why does not our guide apportion part of the blame to Louis XIV who started the game of domination. Not till the wars of the French Revolution and of Napoleon had devastated Europe was the principle of the Balance of Power restored by the Congress of Vienna. And the old diplomacy regained its place in the international life of the world. The methods of the old diplomacy of which negotiation by diplomatic agents was the core were rendered out of date not only by the development of rapid means of negotiation—the telegraph and the telephone—but by the coming of democracy. The rulers in democracy are

the people and diplomacy was to be conducted in the immediate presence and under the distinguished patronage of the people. And the prophet of the new diplomacy was, appropriately enough an American President Wilson. Open covenants had to be openly arrived at and diplomacy proceeding always frankly and in the public view are the principles of this new diplomacy. Popular Ministers in open conference were to negotiate. Diplomacy by conference was to replace diplomacy by the diplomatic agent acting in private and making known only the final settlement. Has the new diplomacy succeeded where the old diplomacy failed. All these diplomatic conferences in the years between the two World Wars did not prevent the coming of the Second World War.

And international settlements through the League of Nations and the United Nations have not brought peace to the world—such peace as was ushered in by the Congress of Vienna which was held within closed doors and which peace lasted for 100 years. Sir Harold concludes with the hope that the principles of sound diplomacy which are unmistakable may in the end prevail.

In a course of 4 lectures the lecturer cannot be complete and satisfying. He can only deal in broad outlines and trace the main course. That Sir Harold Nicolson has done. To the growing body of our diplomats and public men interested in international affairs it ought to serve as a good introduction to the study of diplomacy.

Principles and Practice of Organisation— The Framework of Management

F. L. BRECH

(Longmans Green & Co.—Orient Longmans in India)

The 18th century poet Pope had sung "the proper study of mankind is mind." Peter Drucker today says "The proper study of mankind is organisation." Both private and public business cannot do without organisation. Mr. Brech who has edited a comprehensive treatise on the Principles and Practice of Management has now produced a "precursor study on Organisation of which Management is the extension at a particular level. The aim of the book is to make available for the practising Director and Manager a simple explanation of the nature of organisation—structure and of its rule within the practical application of the process of management." The Organisation of a business is the framework for carrying out the responsibilities of management, "for the delegation of such responsibilities, for the coordination of activities or operations and for the motivations of the members." The overall structure

of a business, the responsibilities of Top Management, how far Centralisation is necessary and how far Decentralisation is useful are described with illustrative Charts. The difficulties and levels of Delegation and incidentally the futility of Deputies, are analysed. The proper place of Committees in a business organisation is delimited. A special chapter is devoted to a discussion of the utility of Charts and the limits of their usefulness are laid down.

A special feature of Mr. Brech's treatment—the illustration with actual examples of the organisation of typical businesses makes the book of particular interest and use. However well a business may be run we cannot conceive of any that would not be improved as the result of a study of this treatise. In a competitive world no business, least all in India, can afford to neglect the lessons of organisational experience.

Printed by M. G. Daniel at Thompson & Co Private Ltd (Minerva Press)
33 Broadway Madras 1 and edited and published by T. K. George for Popular
Education Publishers Madras 31 Chairman of P.E.P.: M. Ruthnaswamy.

For QUALITY RAYON YARN & TRAYOPHANE (TRANSPARENT CELLULOSE FILM)



The Travancore Rayons Limited

(INDIA'S PIONEER MANUFACTURERS OF RAYON YARN & TRANSPARENT CELLULOSE FILM)

FACTORY:

RAYONPURAM P.O. Kerala State

SALES OFFICE:

2/6 Second Line Beach
MADRAS 1

MANAGING AGENTS:

EMCETE & SONS (TRAVANCORE) PRIVATE LTD