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" The overriding characteristic of India is its poverty, a poverty so profound and pervasive that it seems to be an aspect of nature itself, like the heat. It commands submission and jeers at the endeavour to diminish it. It is not a poverty that results from gratuitous inequalities. India is not South Africa, where need is merely the requirements of surfeit and distribution of the country's wealth would supply a general sufficiency. India's poverty is absolute, and though there are those who are rich and daily grow richer, they are relatively no more than the surf at the edges of want.

India has too many people for too few developed resources. It has a mere 2.2 percent of the world's land area, yet supports more than 14 percent of the world's population." (p. 171)

" It is a vicious circle of impoverishment, squandering human as well as natural resources. The United Nations Report on 'Measures for the Economic Development of Underdeveloped Countries' has estimated that many regions of India and Pakistan-as well as parts of the Philippines and Indonesia-possess a surplus agricultural population of somewhere between 20 and 25 percent of the total. One out of every four or five agricultural workers, in other words, is unnecessary and even burdensome, consuming without adding anything at all to the productivity of the whole. Since in India the rural population constitutes over 80 percent of the total, or some 360 million people, anywhere from 72 to 90 million people exist as economic parasites. (p. 183)

" Independence itself struck a serious blow to the already weak Indian economy with the establishment of Pakistan. India retained 77.7 percent of the pre-partition population but only 73.1 percent of the pre-partition area, 72.5 percent of the rice acreage, 70 percent of the wheat acreage, and 70 percent of the irrigated land. The new frontier divided the cotton and jute mills of India from their sources of supply in Pakistan, the consumers of manufacturers goods in Pakistan from the factories of India. (p. 191)

"Though 'mineral oils' had been listed as a basic or key industry, the government permitted three ~~monopolistic~~ private foreign firms - Standard-Vacuum, Burmah-Shell and Caltex - to establish petroleum refineries in India during 1951-3, and the small part of their capital that was opened to Indian subscription was taken up not by the government but by private investors.

As one Indian economist has tartly written: 'If there was to be no private capital in the agreement for a second state steel plant signed with the Russian Government early in 1955, that was because there is no private enterprise in Russia. (1) In March 1950 the Indian Planning Commission was established, with Nehru as Chairman, to organize the planned development of the Indian economy, and in July, 1951 the Commission presented the draft outline of the First Five Year Plan, covering the period from April 1951 to March 1956. (p. 193)

\*\*\*(1) H. Venkatasubbiah, Indian Economy Since Independence, pp.92-3

" That something was accomplished cannot be denied. Irrigation and power projects helped to develop agriculture, establish new industries and extend transport facilities; millions of peasants were instructed in the use of fertilizers and pesticides. But the programme fell far short of its objective. The village level worker, a matriculate with two years' additional training of which hardly a third was devoted to agriculture, was overloaded with unnecessary work; required to collect savings, keep records and make innumerable reports, he had little time for his main job of teaching new agricultural techniques. Moreover, like most educated Indians, he generally objected to practical agriculture, had constant difficulty in vanquishing the panchayats or councils, which the government diligently established in the belief that village democracy would lead to communal initiative, moved in the clogs of caste; elections simply formalized and confirmed the traditional authority of the higher castes and the subjection of the lower ones. (p. 211)

" Though China, with an estimated 750 million, has a population some 60 percent greater than that of India, its agricultural production, despite the calamities of drought and flood during the past four years, is generally considered to be double, while its production of electric energy is almost three times, and its output of a crucial industrial commodity like steel almost four times as great. This is all the more significant since at the end of the 'forties Indian production was greater than Chinese in crude petroleum, cotton yarn, cement, pig-iron, crude steel, and electric energy, all important indicas of economic strength which are now much higher in China than in India; and though the coal output of both countries was then more or less the same, China's output of both countries was then more or less the same, China's output is now seven times greater than India's. In almost every aspect of industrialization, the method of economic progress chosen by India itself, China has advanced further and faster than India; moreover, it has done so during the last few years with shrinking aid from abroad, while the foreign aid given to India has steadily increased." (pp. 220-21)

The Anguish of India -3-

"In the middle of the massive Third Five Year Plan, the economy of India - and with it all political stability - is close to collapse. The Communist Party has already announced plans for mass civil disobedience, demonstrations and strikes, against hoarding and high prices. While opposition parties to the right of Congress, like the Jana Sangh in the north and the Tamil separatist D.M.K. in the south, are making similar plans. (p. 225)

" The word dharma means in essence a natural attribute. ....

The Dharmastutras (aphorisms on Dharma), sacred texts which belong to the period between the sixth and the third centuries B.C., proclaim that if a man does good deeds in conformity with his dharma, he will be born again into a high caste and will be well endowed; but if he does bad deeds, flouting his dharma, he will be born again as the member of a low caste or even as an animal" (p. 35)