

JUN 12 1959

JUN 12 1959

MEXICO'S REMARKABLE PROGRESS

STAT

A LESSON AND A WARNING FOR INDIA

By ASOKA MEHTA

I went to Mexico to understand the remarkable development achieved in the country: an annual rate of growth in the economy of 7% to 8% and agricultural production taking a lead in it. How is it done?

I asked Dr Manuel Sanchez Sarto, Professor of Economics, Universidad Nacional de Mexico, if he thought Mexico had achieved the "take off," had moved from the stage of underdevelopment to that of a developing economy. His response was affirmative. How has this difficult transition been achieved?

In many ways conditions in Mexico and India are similar, our problems comparable. Only Mexico has gone further on the road to development and its experience therefore provides us both encouragement and warning. So rich in fact is the material, from both the points of view, that it would be of immense help if the Planning Commission would send out a mixed team of economists and sociologists to study the lessons.

My stay in Mexico was much too short and though I met a number of informed persons my report must be treated as sketchy.

Mexico is almost half the size of India and its population is nearly 35 million. The outstanding fact about Mexico is its proximity to the giant on the north, the USA. That proximity shapes to a considerable extent, for better or for worse, the destiny of Mexico.

PEACE AND STABILITY

Mexico has enjoyed peace and stable government for over a generation. In terms of Latin American conditions, Mexicans enjoy democratic rights. The fact however remains that there is, in effective political terms, just one party, the Institutional Revolutionary Party that has controlled the administration for many years. Political pressures of democracy are not keenly felt, though they are slowly on the increase.

Between 1910 and 1940 the emphasis was on agrarian reforms. Nearly half the land was affected by the reforms, where the big estates were broken up, small holdings set up on condition that they were non-transferable by sale or mortgage and had to be personally cultivated. The other half of the lands were not touched because they then lacked elements of fertility. The agrarian reforms set up the economic fermentation. The quondam land-owners flocked to the capital and sought to turn their resources and skills to non-agricultural purposes. Everyone in Mexico traces the origin of economic development to the agrarian reforms which incidentally supplies the political mythology of the nation.

The high-water mark of this phase was the administration of President Cardenas (1934-40). It was then that the petroleum industry was nationalized. With the next President, Camacho, a new emphasis developed. Industrialization and increased production became the immediate national goal, and foreign investment was encouraged by the Government. Less attention has been given in recent years to how the pie is sliced, and more emphasis is being put on producing a bigger pie.

Mexico has made great progress on many fronts since 1940. During 1939-54 the volume of agricultural production increased 153% and industrial production increased by 76%. There has been a real break-through in agricultural production. For example, between 1950 and 1955 the population increased 15% (a very high rate of increase) and

the gross national production rose 27%, but the agricultural production increased by 43%.

Almost everyone I talked to seems agreed that the impulse for economic expansion came from the industrial sector, and in agriculture it was spread by the Government's devoted efforts at expanding irrigation. Initially, the Government spent 80% of their investment in agriculture on irrigation, mainly construction of dams, etc., that is, large-scale irrigation. Later, it was realized that much greater results would ensue if the same investments were spread on medium and small irrigation. The emphasis has now shifted.

Irrigation facilities, particularly sinking of deep wells, changed the position of lands in the north that had escaped redistribution. A large part of 1.3 million hectares of irrigated land created in 1940-55 were added in the north, and there the use of tractors jumped up from 4,920 to 55,478. Cotton production increased 462%, and a crop of agricultural millionaires (in peso of course) appeared. The lands that had escaped reforms, and that were often in the hands of the post-revolutionary elite, made the spurt.

The attention of the administration is mostly directed to the productive sector in agriculture. For instance, the yield of corn the staple of the poor, has not gone up very much. When I asked Arnaldo Lerma, Director, Federal Agricultural Extension Service, as to what was being done to help the poorer peasants, his reply was: "The most revolutionary step in Mexico would be to undo the reforms, but no one has the courage to suggest it. In Mexico agricultural reforms are the sacred cows!"

PRODUCTION DOUBLED

By bringing new lands into cultivation wheat production has been doubled in three years, but again through large-scale efforts (The harvested area increased by 4.1 million hectares, or 69%, from 1940 to 1954.)

While capitalist farming grows, the tiny farms work with traditional methods, and the gulf between the two grows. As many discerning Mexicans told me, the mistake made was that too much had been invested in materials and too little in men. One has to build new men to sustain a new society.

Some of the old sugarcane farms with the complex of processing and manufacturing industries were converted into co-operatives. They have worked well, because of the high degree of development and heavy capitalization. The other co-operatives—ejidos—have encountered rough weather. The co-operatives have tended to foster corruption. To avoid concentration of control, the law laid down that no one can be re-elected in a co-operative. The result has been constant splitting. I was told that some co-operatives had split three or four times in succession to evade the law.

Other laws passed to help the weak have tended to breed corruption and add to the burdens of the poor. Agricultural marketing has worked in that fashion, so also laws against transfer of cattle. The toll of corruption makes a mockery of most legislation. Industrial development spread

from production of "ubiquitous goods" like beer, wines, cotton textiles to other consumers', intermediate and producers' goods. As soon as a new industry is established, tariff walls are set up, often prohibitive import quotas introduced. I was however told that nowadays the rate of protection is lower, and the Mexican industries are facing competition.

The tax rates are low. Only about 8% of the national income is gathered up in the exchequer. New industries enjoy a fairly long period of tax holiday. The profit margin tends to be large. Manuel German Parra, a leading Mexican economist, has shown that in 1955 one-hundredth of the gainfully employed population took 68% of the national income, while the remaining 99% of the population received only 34% of the income; in 1940 the distribution had been exactly the reverse.

MODERNIST OASIS

A recent Fortune article stated, "Indeed, it might correctly be said that the true hero of the Mexican investment boom is the ordinary Mexican worker, whose acceptance of a declining real income has in effect 'subsidized' much of the nation's building.... It is a token of Mexico's political stability that this programme of chronic inflation has been accompanied by no political disorders or even by any noticeable diminution in the popularity of the party in power."

I inquired as to how this could happen. I was told that while an individual's real income may have gone down, due to rapid increase in total employment, family incomes had remained as high or sometimes higher than before.

Sr Manuel Alvarado, the brilliant economist of the Financiera Intercontinental S.A., had another or additional explanation to offer: Anything between one-seventh to one-fifth of Mexico's population is in the capital city and its environs. In spite of the State being Federal, the administration is highly centralized, as is the ruling party, and the 29 federating States have little real power. The energetic people, the potential opposition, flock to the capital. There the Government maintains a modernist oasis in an otherwise traditional economy. Transport is subsidized, hospitalization is first class, educational opportunities great. In short, the capital is provided with conditions of welfare and the periphery permitted to shift for itself.

TROUBLE COMING

My reading is that Mexico's halcyon days are coming to an end—unless of course U.S. capital flows even more abundantly (today from 10% to 15% of the national income comes from across the northern frontier)—and the time of trouble is round the corner. The recent crop of strikes has, as it were, served the notice.

Mexico's development has been spectacular but it has not been balanced, in social and political terms. While it can provide us with many significant hints, it has a lot more warnings to offer. The growth of agricultural production has enabled commercial crops to provide 60% of the exports—that is what should be in a developing country. On the other hand, that trade and services should account for 40% of the national income is indicative of maldevelopment.

Our Prime Minister must realize that if the Left proves ineffective, the Right, often from the same party, will take over. A lopsided development can increase production, provide opportunities to the energetic but rupture condemn the mass of people to distress. There is the constant danger of development of the Centre occurring at the cost of the extremities. Hence the need for well-planned countervailing measures which are the core of democratic socialism.

STAT

STAT

STAT

STATESMAN JUN 1 1959

FASCINATING ASPECT OF PUERTO RICO

SMALL ISLAND DOES BIG BUSINESS

By ASOKA MEHTA

PUERTO Rico is a small island in the Caribbean cluster, with a population of 2.3 million (with 900,000 more in the USA), that has worked out Commonwealth relationship with the USA.

The story of the fight over status is well described in a recent book, "Puerto Rico: Middle Road to Freedom", by Carl J. Friedrich of Harvard University. The question of status is still the main issue in politics: the two Opposition parties are known as the State Party and the Independence Party.

Puerto Rico has essayed a remarkable development. With its bootstrap, it claims to have pulled itself up to the path of expanding prosperity. There are some special advantages that the island enjoys, such as the large immigration facilities to the USA and its inclusion in the tariff-free market of the USA which also enables it to attract vast capital. But there are enough tools and techniques shaped in Puerto Rico that are of interest to us.

The Governor, Luis Munoz Marin, is an outstanding person by any standard. He has the genius to collect round him gifted men of divergent capacities and orientations and to orchestrate them through his many-sided personality. The key instrument of development is the Planning Board which has a staff of 450. How many of our States have sought to have a brain trust of this kind? More than in the USA, in India the egg-heads are suspect!

KEY INSTRUMENT

The main impulse for development has come from industrialization, mainly sponsored industrialization. The Economic Development Administration has a flexible instrument for this task. How great a role the EDA—"Fomento"—plays is brought out by the following table.

MANUFACTURING NET INCOME PRODUCED				
(In millions of Dollars)				
Fiscal Year	Sugar	Plants	Fomento	Industries
1950	31.2	2.2	84.6	9.7
1951	31.6	12.5	105.5	11.8
1952	36.3	1.8	113.5	15.6
1953	36.3	30.6	131.1	23.3
1954	36.3	45.4	144.8	31.4
1955	33.5	55.0	151.4	36.3
1956	33.8	75.0	152.3	42.8
Increase from 1950	8.3%	814.6%	107.2%	

The Fomento is a promotional organization. Often when a new industry is promoted, the Fomento staff that was working on the project joins the new enterprise. The Fomento likes such rapid turnover.

INCENTIVES

Various concessions are offered to entrepreneurs, and greater incentives are offered to those who would take their plants into the less developed parts of the island. From 1950 to 1953, the Metropolitan Area, with about 33% of the total population, had 46% of the new industrial jobs. So Fomento began to offer standard factory buildings at lower rates of rental outside the Metropolitan Area and to offer special incentive payments to firms to locate plants in smaller and less accessible areas. During the next three years, the Metropolitan Area, which by then had about 36% of the population, gained only 24% of the new jobs.

FOMENTO FACTORIES

FOMENTO FACTORIES			
Zone	No.	No.	Increase
Zone I and II	12	167	300
Zone III and IV	32	123	290
Zone V	10	53	430
	54	343	

The return on Zone V buildings (4.9%) is 28% below the

return on other standard buildings (6.8%). In addition to this rental subsidy, special incentives have been granted, between 1953 and 1956, to 25 firms to secure their establishment in Zone V. The total subsidy used in the effort to get firms to locate in Zone V thus amounts to about \$1,000,000.

PROFITS

Puerto Rico has a high birth-rate and mortality rate of enterprise. Between 1949 and 1954, more than 1,000 manufacturing establishments were started, about the same number of plants shut down in the same year. But there was qualitative change, bigger and stronger firms capable of making higher profits and paying higher wages came up, the more inefficient went to the wall. Per worker investment increased by \$1,000. Such a turnover, while demanding constant adjustments from the entrepreneurs and workers, denotes progress. The key role in this has been played by the research division of the Fomento which continuously works in different industries to improve productivity.

The rate at which the income generated by Fomento's programmes has advanced is very rapid. The rise from about \$19 million to \$131 million amounts to nearly 700% in five years, or roughly 50% a year, compounded annually. In 1949-50, these programmes accounted for less than 3% of the total Commonwealth income, whereas five years later they generated 13% of the total.

The Fomento programmes have, in the past five years, made a net contribution to the Treasury of about \$53 million. In 1950-51, an expenditure of \$3.3 million yielded \$9.1 million in Government revenue, a 276% return. In 1954-55, an expenditure of \$5.3 million yielded \$23 million, a return of 430%.

In rural areas, community education is separated from projects administration. The staff of the education directorate there is able to stimulate and lead the people. The self-help housing schemes are not only changing the face of rural communities—25% have been so re-housed and electrified—but the scheme is so organized that all the people in a rural community work on building their houses, where the land is provided by the Government, building materials supplied on long credit by the Government and the labour supplied by the community, in unison, and no one is allowed to break out of the community's rhythm of construction.

SPANISH RENAISSANCE

There are other fascinating aspects of the island, some relevant, other unrelated to our conditions. There are advantages available to Puerto Rico that cover up the mistakes. But the fact remains that it is a centre of Spanish renaissance. By choosing to be the cross-roads of two cultures—Spanish-speaking and English-speaking—Puerto Rico has made itself fecund in many directions. It is not an accident that the Nobel Laureate of Spanish literature, Juan Ramon Jimenez, whose magnificent translations of Gurudev Tagore's works has made the poet so familiar to the Spanish-speaking world, has sought his final resting place in the island commonwealth.

Puerto Rico can be a magnetic spur to many of our States.

STAT

STATESMAN JUN 23 1959

NEW LIBERAL SPIRIT ASTIR IN THE UNITED STATES

DISCERNIBLE CHANGES IN A FABULOUS LAND

By ASOKA MEHTA

IT is usually dangerous to generalize about a country on the basis of a short visit. But I believe it is less dangerous in the case of the USA than perhaps any other country of comparable size. I spent nearly four weeks in the country, travelled from coast to coast, and met scores of people in different walks of life. Surely the impressions made by them, if they fall into a pattern, cannot all be wrong.

A new liberal spirit is astir in the country. The tired Administration for the lack of it, as many people said in the States and in England) does not represent the emergent mood. But then we often feel the same way about our tired, old men in New Delhi. As one of our Ambassadors once said to me, "It is surprising that the country still keeps going!" There is much more bubbling vitality at the grass roots in the USA than in India.

HUNGER FOR EDUCATION

The most hopeful group in the USA are in most countries are the students. There is a tremendous hunger for education, and the young people are looking at the complex world not with irritation but as offering possibilities of enrichment. More and more the young people realize that if the whole world was shaped in the American image it would be a very dull place indeed! Every year a million students visit the U.N. Headquarters in New York.

The skin of the McCarthy era is definitely sloughed, and the new skin is growing. As it is true of the Soviet Union, so it is of the USA—understanding from the rest of us can help to shape the new skin. The hopeful indications are many in the USA. There is a climate that is responsive to us. I hope we send a new team to the next U.N. General Assembly to benefit from the situation. It is necessary, and it would be unwise, to compromise on our principles, but it is possible to feel friendly, and we need to do it.

In the States, among best-sellers is a book called *The Ugly American*, which describes American diplomats abroad. Perhaps they are ugly; I do not know. But few Americans are ugly in their behaviour individually. It is only collectively that they tend to be conformist, though even that hard crust of ice is slowly thawing. The American politician tends to be responsive—"give the consumer what he wants". Hence, while the USA needs responsible leadership, it is not easy to provide it. This emphasizes the value of understanding the groundswell of public opinion.

MANY THINGS WRONG

There are many things wrong with America. The family is losing its close-knit character. The man is being domesticated. The children tend to be treated fraternally rather than paternally by their parents. The children feel left out—hence girls start dating at 11 and the normal age of marriage is 17 to 18. The authority of the father has suffered obsolescence.

In this fabulous land, 25% of families still have incomes below \$3,000 a year. In fact the picture of poverty in America is even darker: there are 6.5 million families (over 15% of the total) with incomes under \$2,000, including 2.8 million families with less than \$1,000 a year. As the cesspool of poverty is mostly in the South, racial tensions have an economic basis. Many of the poorest are to be found among the coloured people.

Over the past five years, the difference between what America's halting economy has actually produced and what it could have had with full production, full employment and full utilization of the obvious potentialities for growth, would amount to more than \$200 billion (or equal to over five months' current production).

So much for the lax policies of the present Administration.

But there are many attractive features of American life. People constantly talk about the racial problem. Discrimination rankles in the people more than similar injustices do with us. The negroes too are articulate. There is not much docility left.

The universities play a very important part in the life of the country. A professor's is a highly respected profession, which we cannot say of our country. University men are consulted everywhere, and the universities recruit men from every walk of life. As Prof. Slichter has shown, ever-increasing amounts are being spent on research and development which directly or indirectly stimulate the growth of productivity. Such expenditure increased from \$900 million in 1941 to \$8.25 billion in 1957—a ninefold increase. And much of this is being used—and fruitfully—in the universities. Of course, one finds men in educational institutions whose job is merely administrative, who are concerned with raising funds and whose scholarship rusts.

The Foundations play a vital rôle. Much fresh thinking is financed by them. They are not run by the business houses that set them up (as is the case in India with the Tata Trusts and the Birla Education Trust) but by independent Boards, often manned by men of courage and vision. At least here the egg-heads are not despised! The use of wealth is being institutionalized so far as the big Foundations are concerned. Whether such persuasive influence will be good in the future remains to be seen.

NEW PROBLEMS

The technological revolution is creating new problems for the USA. The following table makes interesting study:

The Americans need to re-plan their economy—fewer hours of work, better social security, greater drafts on their generosity, and that leads to

Eight months after low-point	Recovery of Production loss	Recovery of employment loss	Per cent of recovered production loss per 1% of job loss
Oct. 1949-June 1950	128%	72%	176%
Aug. 1954-April 1955	65%	40%	123%
Apr. 1956-Dec. 1956	84%	26%	223%

the crucial question of the fruitful use of expanding leisure and abundant production.

The Ford Foundation has set up an Advanced Centre for the Study of Behavioural Sciences. The AFL-CIO sent out a task force to study the problem—how not to make leisure frustrating. A remarkable longshoreman told me in San Francisco that the USA was not a business man's country. If it was, we need not worry about the future of culture. "Look at what the Medicis did to their city!" No, he argued, the USA is a worker's country, and the worker must learn to care for culture, otherwise there would be a sad eclipse of the treasures of the spirit.

INNER STRAIN

While wealth grows and gadgets multiply, life becomes more strenuous. Labour is costly, and everyone has to do everything himself. There are few service aids except the mechanical ones that one has to operate. When someone wants to be friendly, he will say "Just relax," meaning thereby that he will bring you your cup of coffee, or a drink, or wash the dishes. The constant

advice to relax indicates a growing inner strain.

It is amazing to hear music everywhere and all the time—at railway stations, at airports, in hotel lifts, in taxis. The flow of music which few listen to and probably not notice until it suddenly stops seems to fill some vagrant, vacant mental need.

But as against this the Americans are a remarkably generous people. It is not just that they have enough to spare, they have generous impulses that it would be churlish to deny. Dr Scherpenberg, Foreign Secretary of the Federal Republic of Germany, told me that he often asks his friends whether the Germans would have treated their defeated enemies as generously as the Americans have treated the Germans. We have a right to cavil at many things American, but it would be uncharitable to question the generous nature of most Americans.

GIFT FOR ADMIRATION

We Indians are chary about admiration. We can flatter, we can be bitter, but spontaneous admiration does not come natural to us. We do not know how much we lose by it! The Americans have a gift for admiration. But they need to cultivate depths of feeling. This land of great open spaces has made the people extrovert; friendliness comes too easily and hence remains superficial. America would be a richer country if its people sought deeper veins of human contacts.

Americans still have the frontier psychology, hence the herd mind, the proneness to panic, the instinctive courage and warmheartedness. I believe it is necessary to help them to discover new frontiers. There are many frontier problems emerging in technology and social life. But the greatest of the expanding frontier beckoning our energies is not space travel but the growing human family. To transcend the existing frontiers is to discover new frontiers. In this task there is no chosen race. In every country there are a few men and women who are equipping themselves as world citizens. When I said that a liberal renaissance is stirring the States, I meant that such kindred spirits are growing there. With their frontier psychology, they can be magnificent path-builders of tomorrow.

NEED FOR PATIENCE

American political institutions are peculiar. As Walter Reuther pointed out to me, the Democratic Party can adopt, with overwhelming support, the most liberal platform. The people can rally round it massively. But the institutional devices of the Administration are such that the minority can successfully balk the will of the majority. The Congress functions through its Committees and by convention. Chairmanships go by seniority, and seniority invariably favours

the Southern (by definition die-hard) Democrats. But one has to take the inbuilt as they are. If the pressure of public opinion can be sustained long enough, even these hurdles will vanish. As we are patient with our people, so must we be patient with American institutions!

The American is growing up. He is suddenly becoming aware of his South American neighbour, of Africa and of Asia. With Latin America, as with Africa, there are special ties—next only to those with Europe. With Asia the relationship has to be achieved imaginatively. As we have to make a special effort to bring Latin America within our focus of understanding, so has an average American to exert himself to become aware of an Asian country. Knowing these difficulties, it is too much to expect that in the interest of good relations between our two countries and our people we shall strive to meet the American at least halfway?

American understanding of India is possible. It can be of real help in the difficult days ahead of us. But on our part it demands some effort at sympathetic understanding of America.

STAT

STATESMAN MAY 2 1959

EXTERNAL AID FOR THIRD PLAN

RESPONSIVE MOOD IN THE UNITED STATES

By ASOKA MEHTA

WHAT are the prospects of our getting the external finance needed for our third Plan? In particular, how good is the climate for investment in India, in the public as well as the private sectors, in the USA?

It is not easy to answer these questions in concrete terms, partly because we ourselves have not formulated our proposals. One can merely guess at the size of the next Plan and of its foreign exchange component. Assuming that we are going to have a Rs 10,000-crore Plan and the foreign resources needed are likely to be five billion dollars in the Plan period, do the prospects look encouraging?

Here again, one can comment only on the general climate of opinion in the USA because we have not come forward with firm proposals nor do we expect the whole amount to come from the USA. We expect to get five billion dollars from various currency sources—dollars, sterling, marks, roubles—and also from international organizations like the World Bank. So far we have roughly received, for our first two Plans, foreign assistance equivalent to 3.5 billion dollars of which 1.5 billion dollars has come from the USA, 0.5 billion from the Communist countries, and the remaining 1.5 to 1.7 billion dollars from other countries and institutions. The break-up of the next dose of 5 billion dollars we need will have to be somewhat different. A larger proportion can come from the USA. It is interesting to find that a growing section of the American people is slowly getting accustomed to the idea of a billion a year aid to India.

BALANCED BUDGETS

Any suggestion of cutting off aid to India, as ex-Senators Knowland and Bricker tried to do earlier, will elicit no response. Knowland lost in his home State, California, by a million votes and that has its own lesson to teach. The peace strings, however, will not loosen fast because the Eisenhower Administration has made a philosophy of a balanced budget out of it. Dean Acheson told me with some bitterness, it is the Bureau of Budget and not the State Department that makes foreign policy in the USA today!

Even those in Congress who are opposed to a more balanced budget at the expense of economic growth, at home and abroad, are not able to do much. As the new Senator McCarthy pointed out, the manoeuvrability left to the legislative branch is about three per cent either way! In the framework of a balanced budget the two main parties contest to fit in the things they desire—the fight is over the distribution of the cake and not over the size of it.

Senators Fulbright, Humphrey and Kennedy are seeking to amend the Mutual Security Act in various ways: first, to put the foreign aid programme on a long-term basis. The suggestion is to agree to a five-year programme of 1.5 billion dollars a year. Secondly, a greater flexibility is sought to be given in transferring funds voted for military aid to economic development. It is desired to extend the transfer from 10% to 30% of the funds voted. The Senators are confident about the adoption of the new principles they advocate, but the actual amount may be a billion or even less per year—and that would have to meet the needs of all the under-developed world!

MAIN OPPOSITION

The main opposition comes from the House of Representatives, and that for more than one reason. The House is elected every two years and its members are sensitive to the charge which the Republicans love to hurl against the Democrats, that of being "spenders". Secondly, the American Congress works chiefly through Commit-

tees. Positions on the Committees, and assignments to important Committees, go by seniority. Even though the Democratic Party, which has been adopting increasingly liberal platforms, has a decisive majority in the House, the key posts go to the Southern Democrats, who are generally die-hards. In the Party Conventions, these die-hards lose 4 to 1, but in Congress they are in a position to stall that very programme! For instance, Howard Smith, Democratic Chairman of the Rules Committee of the House, has been blocking a programme of welfare that the Senate has pushed through. Verily, there are far too many checks and balances in American democracy! The House therefore tends to be cheese-par-

ting. The mood however is changing. Senator Lausche, who was catapulted into the Senate from the House in the 1958 elections, recently said in the Foreign Relations Committee (of which he is a freshman member) that he had come determined to oppose the "consensus" of foreign aid but the discussions in the Committee had made him change his views. A similar change in understanding is going on among a wider public. Presidential hopefuls like Senator Kennedy (and to a lesser degree even Nixon) can talk of a Marshall Plan for Asia and evoke support.

The American people are freeing themselves from the constraints to which the McCarthy period put them. Their essential decency and generosity can be appealed to once again. On this renaissance of liberalism different estimates are offered. The East and West coasts are hopeful, but I am told it is the mid-West which still retains the old stance. While opinions vary on the extent of change, nobody doubts the fact of the change.

OPEN DOOR IN 1961?

The 1960 Presidential election will be important. It can prove as important to America's international relations and to the energizing of world economy as the 1932 election of President Roosevelt proved for the USA. Given a courageous leadership the American people can be induced to endorse and participate in an international New Deal. Both the parties are likely to put up Liberal candidates. While it would be foolish to spot the winner or even to discuss the possible candidacy, it is safe to say that from 1961 we may hope to find an almost open door to aid programmes.

There are many who complain about the slow rate of growth of the American economy, just 2.7% a year. There are five million unemployed today. If only the economy could be organized to provide work for all of them, to remove the slack and hold back inflation! America's economy, which is nearing an annual production of \$500 billion, can further step up output by \$70 to \$80 billion a year. Those who are plugging for such a policy in the USA are not happy over our modest demands for aid. They feel that India should draw up a bolder Plan and confront the USA with the task of underwriting such deficits as might warrantably emerge. Dean Acheson, for instance, unfolding his ideas to me, said that in his view the USA should pick out India and Brazil and, as it were, guarantee their development needs. Walter Reuther voiced similar views. Fidel Castro, the new ruler of Cuba, seems to have taken this advice in his characteristic

colourfulness and has asked for a \$20 billion aid for Cuba!

Mr Adlai E. Stevenson, as usual, has a realistic understanding. He feels that much of the aid provided in the past has not helped development and that has caused frustration in the lending as well as the receiving countries. In his view there is growing disillusionment over purely military aid programmes. There is need for careful planning—and that should not be deemed as attaching strings. He told me that if the Western countries could all come together in a consortium, American aid could flow more freely and the Soviet Union challenged to play its part in it. I believe that the more projects we have on tap, the more precise our blue-printing of the Plan, the easier it should be to get the aid we need.

BETTER MOOD

There is a somewhat responsive mood towards India today in the USA. The old misunderstandings obscure less, some even feel a subtle attraction, it is possible and necessary to put across the real image of India to the American people. There is usually a gasp when one points out that the population of India alone is larger than the combined population of the continents of Africa and Latin America.

In the Senate the atmosphere is distinctly hopeful, though leading Senators have different assessments of the quantum of aid. The House of Representatives is more difficult, but the changed mood in the country should make an impact on Congressmen sooner or later. Mr George Meany, President of the A.F.L.-C. 10, showed me the letter he had sent to Mr Dillon of the State Department urging help to India to set up a new steel plant. Such a demand can be backed with support not only from organized labour, but from the wider public.

There is some change in the attitude of the business community. If in politics India's "neutrality" is no longer the estranging issue, so in matters economic, "socialism" is no longer the bogey man. Mr Auerell narrated, for instance, has been speaking to business audiences expatiating and defending India's right to be "socialist". As our Consul-General in New York was telling me, some leading men from Wall Street are anxious to constitute a kind of Advisory Committee to remove possible misunderstandings and assure co-operation to those who may plan to invest capital in India.

On the use of surplus food stocks for economic development, the understanding of the public here is as immature as in our country. Today the U.S. Government is spending \$1.7 billion a year merely to store the surplus food and fibre that, unless quickly utilized, must deteriorate. The Soil Bank idea keeps coming up. The development potential that food loans can provide has yet to capture the imagination of the peoples concerned.

The American Government and Congress might decide to send out a mission to India to study her needs as was done by the Herter Mission in Western Europe before the Marshall Plan was launched. Such a mission, I hope, will have the wisdom not to tell us what we should do, but it would be useful to discuss with the competent team that this is bound to be, our needs and our hopes.

Given informed and imaginative leadership on our part, we can in the next two or three years make sure of the foreign exchange requirements of the new Plan. Mr B. K. Nehru can be relied upon to work that out. It would then be our task to mobilize the moral and economic resources of our people for that organizational leap forward on which ultimately depends the extent of our internal resources and the size and the pattern of the next Plan. The sooner we are free from anxieties about external needs the fuller will be our attention to internal mobilization of resources.

STAT

TIMES OF INDIA TUESDAY, MAY 26, 1959

A TRAVEL DIARY-I

Deep Concern Abroad
Over Tibetan Affair

By ASOKA MEHTA

ON the flight from India in the last week of April, Mr. Boris Litvinoff, a Belgian journalist of Russian origin, started discussing with me the intellectual ferment in the Soviet Union. He said newspapers like the *Pravda* did not convey the real state of affairs. It is necessary to read the specialised journals to discover the scintillating discussions that are going on. He regretted that intellectuals abroad were not carrying on a fruitful dialogue with the Russians. Mr. Litvinoff was returning from a visit to South Viet Nam and he told me of the intense agitation in that country over developments in Tibet. University students were anxious to organise international brigades to lend support to the Tibetans.

Prof. Asulkar of Nagpur University on his way to deliver lectures at Cambridge discussed various problems of public health. He was most excited over the discovery of Hexa-decanol that can prevent (to the extent of 40 per cent.) loss by evaporation of water. Its implications, not just for rural areas and small irrigation, but for urban areas with their growing populations and constantly challenging problems of water supply are obvious.

Mr. Sadulla Mir, Speaker of Kashmir Legislative Assembly, on his first trip abroad to study parliamentary institutions proved as inquisitive about the outside world as he was informative about Kashmir.

AFRICAN RIVALRY

In Rome Mr. and Mrs. Silone came to the airport. Ignazio Silone is an outstanding writer of Italy with an international reputation. Mrs. Silone told me about a conference then on in Rome—*Presence Africans*. She said that at that conference where African intellectuals from many parts of the world had gathered together, those from French Africa looked down upon those from British Africa as "barbarians." The Africans with French intellectual and cultural influence made long and eloquent speeches. A group of intellectuals from Ghana after a surfeit of such expositions of the "African personality" summed up the matter tersely: "Cadillac plus Coca-Cola!"

In London I lunched with Mr. Albert Carthy. The Secretary-General of the Socialist International told me about the major developments challenging Franco's position inside Spain. We discussed the two recent splits in the French Socialist Party and about the deep ferment that has started in it over Algeria. He told me that in Uruguay, in South America the Colorado Party, a liberal-socialistic party, had lost to the Conservative Party after 95 years of uninterrupted tenure of office.

I wondered if Mr. Masani's Conservative party would have that much patience in our country! At Mr. Hugh Gaitskell's, I met Mr. John Strachey, Mr. Woodrow Wyatt and other old friends. The Burmese Ambassador was also present and the discussions ranged almost exclusively round Tibet, Nepal and Burma. The result was that we never came to discuss the forthcoming elections in the United Kingdom! The leaders of the Labour Party were deeply concerned over the campaigns started by Peking against India. There was general scepticism about Moscow's ability to restrain Peking.

U NU'S PLAN

From friends who had met U Nu, both in London and in Washington, I heard of his plans to launch satyagraha on his return to Burma. "I shall be in jail soon," was his frequent observation. While he had little to say against General Ne Win, he was critical of the colonels. To justify his proposed fight for democracy, U Nu described his former colleagues, now in the "stable" faction of the AFPFL, as "fascists!"

Dined with the socialist historian Julius Braunthal. This warm-hearted and erudite writer, who grew up in Vienna in the heyday of Austrian socialism under Bauer and Adler, has been entrusted by Mrs. Margaret Cole with the task of completing the monumental *History of Socialism* thought begun by the late Prof. G.D.H. Cole.

My first appointment in Washington was with Mr. Dean Acheson, the Secretary of State under President Truman. He outlined his "Acheson Plan." He feels that the U.S. should select two or three key countries—his choice would be India and Brazil—and underwrite their plans of development. He said their export earnings should be guaranteed. If due to market fluctuations the earnings drop, there should be provision for proportionate support from the U.S. He felt that any hold move of that kind must await the return of a Democratic administration. President Eisenhower, in his opinion, is good at execution but unsure in deciding big policy issues. General Marshall used to say, said Mr. Acheson, that the gift of quick decision is the rarest of all. His recipe was: weigh the pros and cons and if the pros tip the scales forest the cons and go straight ahead. Because of President Eisenhower's constitutional aversion to reaching difficult decisions, Congressional leadership by itself cannot achieve much.

Mr. Acheson called the developments in Tibet a blunder for China. He saw little hope of any

to
ing
ith
ne
he
ey
an
ed
ere
do
un-
be
m
cep
ke
nal

STAT

TIMES OF INDIA WEDNESDAY, MAY 27, 1959

A TRAVEL DIARY-II

Conference Stresses
India's Needs

By ASOKA MEHTA

SENATOR Paul Douglas reminded me of the great role former University teachers play in the Senate. Many of the top notch Senators, like Fulbright, Humphrey, Douglas, Morse, are former faculty members, and what lustre they shed on the legislative process.

Senator Fulbright is the chairman of the Foreign Relations Committee. He is a magnificent liberal on almost all issues except racial discrimination. He comes from Arkansas, where racial conflict is being fought out. Mrs. Fulbright, an intelligent and gracious lady, talked about the incongruity of the 'same' constituency simultaneously electing sharply dissimilar leaders. Perhaps she had in mind her distinguished husband and Governor Faubus. The Governor might run against the Senator in the 1960 primary. And in that one party State—Democracy—that is a challenge which it is not easy to meet. As Senator Douglas, also coming up for re-election, said, before one can work in the Senate one must stay elected and, as Senator Fulbright emphasised, under the American system if your State rejects you, you cannot get in from another State—as I in India am wont to do!

Senator Fulbright is a scholarly person widely respected but for different reasons. Somebody sent for publication to his home State papers an advertisement hailing him as an "egg-head," the American equivalent of an intellectual. The newspapers indignantly refused to print it and informed the Senator that they had such deep respect for him that they did not want to insult him by publishing such an advertisement!

INDIAN STUDENTS

Met and addressed some seventy Indian students working in Universities near about Washington. A number of them work in our Embassy or the Supply Mission. Noticed a considerable amount of discontent in their ranks at the way the work is organised.

Chief Justice Earl Warren is a delightful elder statesman. He has built up an enviable record of partnership for civil liberties on the Bench. He, with his characteristic kindness, worked out my schedule for California, where he said his heart still remains. He shared the view of another judge of the Supreme Court, Felix Frankfurter, that it is wrong to confine selection of judges of the Supreme Court to members of the Bar or the Judges of the High Courts. The Chief Justice said in different words what Mr. Frankfurter had told me: the questions coming up before the Supreme Court are so comprehensive and of such social importance that mere legal background is not enough. It would be wise to select men of wide experience from other walks of life also. The Chief Justice's own distinguished record is a pointed testimony to this advice.

An official of the State Department told me an interesting story of the days of McCarthyism. A person seeking employment had his address Warden Thoreau. Because of the verbal association with the exponent of civil resistance, the applicant was deemed to be a security risk! As Harris Wolfson said the sole silver lining to the cloud was that the high-ups in the Department had heard of Thoreau!

On May 3, discussed with Justice Douglas and Congressman Judd the work of the Tibetan Refugee Aid Committee. Congressman Judd being himself a doctor had a keen awareness of the needs. He had spent ten years in China practising medicine among the poor. His wife was born in Sindh and has taught in a school in Kodallanal. At the India and United States Conference-1959, which I have come here to attend, I found Mrs. Judd hammering away at a typewriter to help copy things for the organisers. When I said to her that in India we thought that in the U.S. such work was done by electronics, she engagingly replied "I am the electronic!" Among the other honorary workers at the Conference I found Senator Morse's sister and the attractive niece of Senator Lyndon Johnson.

That evening there was a largely attended reception given by Mr. Eric Johnston at the Motion Picture Association. A remarkable film of a self-revealing interview with Pandit Nehru shown there proved to be a great attraction. It was an extraordinary record, because I have never before seen the Prime Minister enjoying a searching self-analysis.

STUDY IN DEPTH

Mr. Johnston is the Chairman of the Committee on International Economic Growth. It was organised early in 1958 and this was the first conference devoted to the study of the development problems of just one country, a study in depth.

The conference opened in the glittering banquet hall of the Mayflower Hotel. About 700 persons who had come from all States of the U.S.A. attended the conference. They had gone at their own expense and paid ten dollars each for the privilege of attending the conference besides the extras for lunches and dinners. There were over 200 businessmen present, most of them senior executives of banks and industrial corporations. The audience remained uniformly even for two full days.

Vice-President Nixon inaugurated the conference. In an able speech he said that the economic development of India was as important if not more so than the Berlin crisis—a truly bold statement to make on the eve of the Foreign Ministers' conference at Geneva. Mr. Chagla restated our position in his characteristically

courteous yet forthright manner. Senator Kennedy spoke eloquently and sincerely about the need for sustained and long term aid to India. Ten years after the Marshall Plan, he asked for a similar imaginative gesture towards Asia. The idea of an assured aid of a billion dollars a year to India is catching the attention of the people in the United States.

Mr. E. C. Neuh's survey of our problems and prospects was clear and held the interest of the audience. His diplomatic personality and soothing voice are real assets to us in putting our case for aid. Later Mr. Jengar offered a comprehensive survey of the structural changes made and desired in Indian economy, which was much appreciated.

The most eloquent speech of the day was made at the luncheon by Mrs. Barbara Ward (Lady Jackson). She is of course the most beautiful of the women one knows. At her birth, fond fairies seemed to have showered upon her every gift. Her presentation of India's case in the world setting was masterly. But then she always has her audience in the palm of her hand. Only the previous evening she had told me that in the past six years during which she had often been to the U.S.A. she viewed the future with much anxiety. But now she felt reassured because she saw before her the stirrings of the revival of Jeffersonian ideals. She is a perspicacious observer, and her insight is at once informed and intuitive. As Mrs. Sherman Cooper later said to me, in 1948 on the eve of the Marshall Plan, Mrs. Ward had foreseen the forthcoming awakening of the spirit of understanding.

At the evening banquet John D. Rockefeller III was in the Chair. Governor Harriman and I spoke on "An American view of India" and "An Indian view of the U.S.", respectively. Governor Harriman who had recently visited India spoke with understanding and sympathy about India. My talk—and I spoke for over 40 minutes—that is longer than anybody else—in a good humoured way poked fun at the many little foibles of the Americans. Justice Douglas called my speech well meant caricature and "the American live on"

caricatures," he added. It was heart-warming to hear the applause rising to a crescendo and the audience getting up to cheer to the echo. This night and the next day I had to shake over 500 hands. The Americans can be warm and generous in appreciation. Some of them said I had converted them to socialism!

Next morning I had to get up early to be on Dave Garroway's 7 o'clock TV show which is watched by between six to eight million Americans. The day was taken up with panel discussions that had distinguished participants and deeply interested audiences. At the start, Mr. Chester Bowles made an able survey of American policies at our stage of development. He persuasively argued for mutual understanding and co-operation. At lunch the main speaker was Senator Humphrey. He assured India that all the food surplus she might require to accelerate her economic development, would be made available.

The conference was adjudged to be extraordinarily successful. An Indian thirty years resident in the U.S. who had attended every conference on India during that period hailed it as most representative and effective. Justice Douglas told me that he had suggested such a conference to President Truman ten years back. He said India bubbled with ideas while the U.S. was in the grip of conformity of thought. He felt happy that the climate of opinion was at long last perceptibly changing. There was deep disappointment in certain quarters when they found that Indian speakers do not employ ghost writers!

I was disappointed to read President Eisenhower assuring massive interest in India's development but hedging on the question of massive aid. Lunching with Senators Kennedy, Keating and Cooper I was assured that such expeditious need not be taken at their face value.

Met freshman Senator Harrison Williams of New Jersey. His was a dramatic victory for Democrats in the last elections. It was interesting to discover from him how a junior Senator learns the legislative process and begins to hold national attention.

Congressman Samsel, the first Indian to be elected to the U.S. House of Representatives, and his charming wife showed more confidence about the 1960 elections than many a seasoned Senator.

The reception at our Embassy that evening was largely attended. We had to stand for nearly 100 minutes to receive guests. But public Day, she had to be on her feet for three full hours! Our receptions are popular and our hospitality generous without being lavish.

(To be continued)

STAT

TIMES OF INDIA FRIDAY, MAY 29, 1959

A TRAVEL DIARY-3

TV, India And China

By ASOKA MEHTA

THE one day that I was in Boston, I enjoyed shunting between the Harvard University and the M.I.T. meeting students and teachers alike. I was happy to find the day rounded off with a dinner given by M.I.T. friends in the Harvard Faculty Club. At the Centre of International Studies I met some old friends like Lloyd and Susanne Rudolph, Mayr, Kessinger and made new contacts with persons like Bowie, Emerson and Merle Fainard. Mr. Bowie was the Chairman of the Policy Planning Committee of the State Department and now heads the Centre at Harvard. Prof. Emerson is an authority on South East Asia as Fainard is on the Soviet Union.

At the M.I.T. Centre of International Studies, Prof. Max Millikan gave his time liberally. With him were men like Papanelli who have worked in Pakistan and persons like Wilfred Malenbaum whose field has been India. The discussion inevitably turned to India and China. That the proportion of total investment made by Government is 35 per cent. for India and 91 per cent. for China caused no surprise to me. I was only mildly interested in the fact that allocations to directly productive sectors were 22 per cent. and 68 per cent. respectively or that the overhead sector in India absorbs 48 per cent. as against 32 per cent. in China. What really disturbed me was the key factor underlying the contrasts: A. Were India investing at the same rate as China the gap between the rates of economic growth in the two countries would close by 45 per cent; B. Were each unit of India's investment resulting in the same income flow as in the case of China, the gap would narrow by 55 per cent. That we can invest as heavily as China, because we cherish our democratic institutions is understandable, but that our inefficiency engenders avoidable loss of 55 per cent. is what depresses me. As Albert Mayer pointed out in New York democracy can be more effective in India.

BACKWARD

The discussion at the two centres of learning ranged over wide areas, and I was happy to hear Prof. Malenbaum remark at the end, "After such a discussion one wonders who is under-developed!"

I returned to Washington to address the Convention of American for Democratic Action where I spoke with Mrs. Eleanor Roosevelt and the young African leader Tom Mboya who has made a deep impression here. The A.D.A. strives to bring together the most progressive elements in U.S. political life.

In Washington I have been caught up in a round of TV and radio programmes. As I was told is the C.B.S. studio after I had been through their major "Face the Nation" programme, I have through TV and radio already contacted half the population of the United States. I said after thirty years of political work I have not yet achieved it in my own country! The American pressmen have a reputation of being tough, but I have found them to be extremely courteous and engagingly friendly even in their questions.

In the TV programme "Open Hearing" I had with me a Nigerian spokesman and Dr. Figgaro, twice President of Costa Rica and one of the most respected men from Latin America. He is an M.I.T. trained engineer who has turned politician and has in his stride mastered economics. Among the many problems we discussed about the under-developed world, one story of his stuck out in my memory. When he was the President of the Costa Rica Government, a major aluminium concern started drilling for bauxite in his country. Reserves of 100 million tons of more were located. After a year's tangled negotiations he discovered that in a ton of aluminium that would fetch \$500, his country providing bauxite would get in wages, taxes and all just five dollars. As he said he would not allow them to take away the exhaustible raw material—bauxite from his country, leaving the other resource of "development—hydro potential—unexploited. The deal on aluminium never came through. He is a courageous man with a dispositive insight in world politics.

TRANQUILLITY

Governor and Madame Munoz Marin of Puerto Rico came over to see us. He is among the few remarkable persons I have met. I am looking forward to my visit to his exciting country that he has made today the laboratory of social experimentation. He is a post-politician, a combination I have always found irresistible as it is rare. This big man with his aristocratic ancestry is truly a man of the people. He embarked on a big development programme and called it "Operation Bootstrap" and then felt that the necessary orientation was slipping. So he called his associates together and pointing to Gandhi's statue that always stands on his table asked for a new effort—"Operation Tranquillity!"

The Ambassador of Pakistan asked me to dinner and we spent nearly 150 minutes discussing the problems and relations of our two countries. There is a change in the mood of the rulers of Pakistan; many people have noted it here and commented on it to me. I hope in the change on border clashes, we do not miss its import.

The Israeli Ambassador, Abba Eban, is among the oldest, ablest and most articulate of the diplomats in Washington. We covered over the problems of the Middle East. Mr. Eban is returning to enter active politics. His insight into America's changing mood is distinctive.

Apart from doing my little bit to improve the atmosphere here

for getting the aid that we need for our Plan—and we are asking for almost a billion dollars a year—I have been trying to seek support for the Tibetan refugees. I had useful talks with Justice Douglas, Senator Douglas and Congressman Judd in Washington. In New York, I met many others including a number of organizations and voluntary agencies dedicated to silent service of humanity. Already promises of medicines worth \$500,000 have been received, so also for food, blankets and other requirements.

In New York, I have had a round of luncheon engagements with the different Foundations. I was with Dean Rust and his colleagues at the Rockefeller Centre. At the Carnegie Endowment for International Peace, I met not only old friends like William Holland of the Institute of Pacific Relations, but also many representatives of various Foundations like Mr. George Grant of the Ford Foundation, Lyman Hoover and Ernest Howell of the Asia Foundation, Mrs. Hulle d'Estournelles of the Woodrow Wilson Foundation. Mr. Lawrence Finkelstein of the Carnegie Endowment is such a kind friend that one can always rely upon him for co-operation in any good cause—a cause that fosters world peace. I lunched with Mr. Julius Fleischmann, President of the Parfed Foundation and had dinner with Dr. Robert Hutchins, the intrepid President of the Fund for the Republic. The Foundations play such a vital part in the intellectual life of America that through them one reaches the mainstream of American thought and creative efforts.

GRAND JOB

Darius Jha who has achieved the position of a senior editor in the *Newswatch*—a remarkable achievement for a foreigner and one so young in age—got together at the Overseas Press Club some leading newsmen from the *New York Times* and other journals of opinion in the city. It was exceedingly interesting—this game of give and take in interpretation of world events.

Mr. Max Eastman, running the four million dollar journal, the *Reporter*, was induced to discuss his socialist youth in Italy when we settled down for a chat in his Guggenheim home. We talked of Roselli and Mattioni, of Sorel and Jaures—and forgot the contemporary world.

The contemporary world was very much present when I sat down for breakfast on two successive mornings with Mr. Hamilton Fish Armstrong, of *Foreign Affairs* and Mrs. Vera M. Dean of the Foreign Policy Association. The F.P.A. has done a grand job in bringing to the attention of the American people through their endless clubs and ever-flooding groups the main facts of world issues.

I had a valuable get together lunch with the permanent representatives to the United Nations from Indonesia, Burma, Japan, Philippines, Ghana, Liberia, Ceylon and India. The discussion mostly centred round the question of international stabilisation of commodity prices, and the impact of development on international trade.

At the United Nations' Head quarters I was happy to renew my acquaintance with Mr. Ghanim. While his legalistic approach to Kashmir depresses me, his genial, homespun personality always attracts me. Our brief chat on Kashmir repeated the usual gambits on the two sides—then we talked freshly about other and less involved problems. It was a joy to meet Prof. Arthur Lewis at the U.N. who is working with Mr. Paul Hoffman. Lewis is back from Ghana, and has enriched his unique understanding of economic growth. Lewis was highly appreciative of the work done by Mr. B. K. Nohria. He said: "You Indians can charm money out of anyone." He therefore asked me to raise for his West India University a modest sum of Rs. 2 crores! Also met a number of other young Indians working at the United Nations.

HELPFUL

Our representative at the U.N., Mr. Jha, and our Consul-General, Mr. Gopala Menon, were uniformly helpful to me. Mr. Menon has established valuable contacts with Wall Street and industrialists. I was happy to learn that as an after-effect of our conference in Washington, a group of important spokesmen of business had got to consider the advisability of setting up a group to help investment in India.

I do not know how the latter reports I have said anything about my visit to the International Monetary Fund. There I met not only old friends from India like Mr. Adarkar and G. Patel but also friends from other countries like Dr. Thun Tin from Burma at the India House. I addressed a meeting convened by Mr. Gopala Menon of Indian students. There are 600 of them in New York alone. Also snatched some hours to motor down to New Haven to address students at the Yale University. I told them how the initial endowment for the University had come from Mr. Yale who as Governor of Madras had amassed his wealth in India. I said that I was happy to see the magnificent spreading of the seed supplied covered with the sweat of the people. I liked the fine bunch of students there. I thought they responded to me more open heartedly than the India House audience!

It has been a crowded week. It has been so crowded that I was able to meet my host, Albert Mayer who is advising us on the planned development of Delhi urban area, only on the fourth day of my stay. I lived in his house but could not meet him!

(To be continued)

STAT

TIMES OF INDIA WEDNESDAY, JUNE 3, 1959

A TRAVEL DIARY-4

Meeting With Reuther In Depressed Detroit

By ASOKA MEHTA

ON May 15, I went to Detroit from New York; it is the automobile centre of the United States, where by a trick of geography Canada is to the south and not to the north of the United States.

The auto industry is hit by reduced demand, competition from small cars from Europe—their share of the U.S. market has gone up from two to over seven per cent—automation and dispersal of the industry. The result is that Detroit has nearly 2,000,000 unemployed. The state of Michigan has not paid its employees, including the Governor, their salaries for two weeks running! An official of the United Auto-Workers' Union, who had come to meet me at the airport, told me how a Hudson plant employing 6,000 workers had shifted 100 canteens away. Only 200 workers had managed to go with it. The rest appeared to be the human scrap heap. The workers, depending on the period of work put in, are entitled to unemployment insurance for 26 weeks and for a further period of 13 weeks. After that they live on relief. Some 20,000 workers constituted such a hazy cloud of misery in the city.

I went to see the Plymouth engine plant, one of most automobilist plants in the United States. It is the showpiece of Detroit. The King of Belgium had been there the previous day. I have read something on automation and assembly lines, discussed them, but one has to see automation at work to get the full impact. It is amazing to see these rows of machines working without men as if they were. It fires you more, to see just machines faithfully working with a few blundering humans around!

INTERESTING HOURS

I then spent three interesting hours with Walter Reuther, President of the U.A.W. and one of America's outstanding personalities. He had just come back from Berlin where he addressed a May Day rally of 6,00,000 persons. We talked about the depression. He said that last year when his auto companies had a million cars in moth-balls, they terminated the contracts with the Union to provoke workers to strike. The auto workers are accustomed to work without contract, without which they feel as if they have been shown of contempt. But a special convention attended by 1,500 representatives from the plants decided to carry on. With the lapse of contracts, the check off of Union dues stopped. The companies had hoped to put the financial squeeze on the Union. But so efficient is the organisation of the Union that though personal contacts and collections 98 per cent of the dues were collected. At last after three months fresh contracts were made but so unbending was the attitude of the auto bosses that in a number of plants the Union had to spend over 30 million in state-strikes.

Reuther is an outstanding spokesman of American liberalism and nationalism and he is therefore hated by the unthinkers of the "status quo". In the 1952 elections in Congress, in 2,000 daily newspapers all over the country three full pages of advertisements denouncing Reuther were published. He shot me a wistful smile when he was introduced (with photograph) as the candidate for every office for which the Democratic Party was fighting. The Republicans had made him the main target and a bogey man. The election results however showed that nearly 56 to 57 per cent of the voters in Detroit backed the Democrats, the highest percentage in any city in the United States.

He said the U.S. had reached the stage where the working-class could progress only with the advance of the general community. The cake having grown big, there need be no quarrel over its slicing. But it was necessary to insist on its continued growth. The U.S. economy was not running at full steam. Its rate of growth was under 3 per cent a year. If all the four million unemployed are provided jobs,

and the slack in the economy removed, in the next five years the American economy could produce 540 billion more of goods over and above its current annual output of nearly 500 billion a year.

We discussed the political situation in the U.S., the international scene and its tensions and hopes, the labour movement in India, our third Plan and a host of other questions, including the urgent need to organise white-collar workers and the problems of leisure. Walter Reuther can be eloquent and infectious even "let-a-lie".

That evening I spent with a group of auto-workers, men and women, white and Negro, employed and unemployed. Someone said, "In this city we live in fear of losing jobs." At the rule of lay-off is lost come, first go, there is proportionately more unemployment among the Negroes than the whites. Men over 45, once they get laid off or lose their job, find it very difficult to get fresh employment. America is a land of the young.

WITH MR. STEVENSON

Next morning I left for Chicago. From the airport I was driven to the famous retreat of Adlai E. Stevenson. It is an abode of peace where he lives with his son and charming daughter-in-law. Stevenson's home is to many American progressives a new Mount Vernon. He has helped to change the climate of opinion in the core of the distress in the city. I was in a relaxed mood and over lunch we chatted for more than two hours. First he insisted on my telling him "all about India" and then he talked freely about his own country and the wider world he knows so well. This great idealist is also a sturdy realist. He feels that if the Western Powers can be brought together, much greater help can flow to the underdeveloped world and Russia can be challenged to join and match its strength in constructive endeavours.

From Stevenson's place I drove to Chicago University to address a meeting of students. After the meeting I was the guest of "The Chase Club." It is a faculty organisation and

has no membership, no premises, no constitution or organisation and little funds. Whenever an interesting visitor comes to the university Chase turns to order and an interesting discussion ensues. I met many old friends both American and Indian (I was happy to meet Mr. Krishna Kripalani) and also Prof. Nikanta Shastri there.) For some hours, questions and answers went back and forth. I was happy to hear Prof. Milton Singer tell me at the end, "Mehta, you are no socialist, you are plain man thinking!"

TV PROGRAMME

Prof. Bert Hoselitz took me later in the evening to participate in an exciting TV programme. It is a weekly programme called "At Random." It started at midnight and went on till 3 a.m. It is a new programme but has been so popular that I was assured at 3 a.m. that a million people were then watching it. There were six of us, brought together without rehearsal. The other five were: Miss Lorraine Hansberry, young Negro author of a Broadway hit play "A Raisin in the Sun." The play has been acclaimed the best of the year. Gregory Broydson, one of the air-aces of World War II and author of a recent best-selling autobiography "Baa, Baa Black Sheep." He had climbed back to safety and regularity from the dark depths of war experiences had said him into. Otto Fingerson, one of Hollywood's most daring and successful producers and directors. Miss Sola Altshuler, Professor of Law at the University of Chicago, first woman to teach law at Harvard and Chicago, and Eugene Gilbert, President of Gilbert Youth City in the United States. It is "a city of waves" as I told the millions of viewers. The programme was more day in their fabulous city. But the viewers have not heard of Hollywood!

I could not take advantage of a number of interesting invitations, for instance by the Bank of America, by the Commonwealth Club—and I had to promise them that I would return. The San Franciscans were scandalised that I preferred to spend a day in Los Angeles in preference to see more day in their fabulous city. But the viewers have not heard of Hollywood!

San Francisco with its bay and woods is perhaps the most beautiful city in the United States. It is "a city of waves" as I told the millions of viewers. The programme was more day in their fabulous city. But the viewers have not heard of Hollywood!

20th May 1959, Los Angeles, the mushroom city of America that does not expand but explodes. Huge, sprawling, ungainly, swelling in wealth, the movie capital of the world. If San Francisco has been the first "city in hot" (motels have become scarce), Los Angeles has become dated. Los Angeles has the first \$25 million private atom-bomb proof residence with walls three feet thick. An American and a Dutch student took me round in the evening to show me the sights of glittering Hollywood and exclusive Beverly Hills—the hub of triumphs and tears.

Next morning I had to give a talk at the Occidental College, go to the city hall and meet the young Mayor, Hank, son of the late Speaker, who has been here almost a month as a result of a bad car accident. In the four days that I spent on the west coast, the only news about India that I saw was about Sonalini Devi, who went a nauty on her forehead.

had been to it well to do good as missionaries and had done well for themselves. There was a world famous heart-specialist, a leading architect and many others. The Republicans and the Democrats for them came out and clashed.

Next morning I went to the Stanford Research Institute to talk to a group of experts on investment centres and other ideas that are being worked out. This great institution is the model and the ally of our National Council of Applied Economic Research.

I had lunch at the centre of advanced study in behavioural sciences, a new Ford Foundation outfit. It is, as Prof. Max Millikan had told me in Boston parodying Veblen (author of the "Theory of the Leisure Class"), the "leisure of the theory class." Fifty top intellectuals from the U.S. and abroad are brought here together in idyllic surroundings to spend a year in quiet work-to reinvigorate the deepest springs of their creativity. "Even four interesting hours with the cream of American egg-heads!"

I could not take advantage of a number of interesting invitations, for instance by the Bank of America, by the Commonwealth Club—and I had to promise them that I would return. The San Franciscans were scandalised that I preferred to spend a day in Los Angeles in preference to see more day in their fabulous city. But the viewers have not heard of Hollywood!

San Francisco with its bay and woods is perhaps the most beautiful city in the United States. It is "a city of waves" as I told the millions of viewers. The programme was more day in their fabulous city. But the viewers have not heard of Hollywood!

20th May 1959, Los Angeles, the mushroom city of America that does not expand but explodes. Huge, sprawling, ungainly, swelling in wealth, the movie capital of the world. If San Francisco has been the first "city in hot" (motels have become scarce), Los Angeles has become dated. Los Angeles has the first \$25 million private atom-bomb proof residence with walls three feet thick. An American and a Dutch student took me round in the evening to show me the sights of glittering Hollywood and exclusive Beverly Hills—the hub of triumphs and tears.

Next morning I had to give a talk at the Occidental College, go to the city hall and meet the young Mayor, Hank, son of the late Speaker, who has been here almost a month as a result of a bad car accident. In the four days that I spent on the west coast, the only news about India that I saw was about Sonalini Devi, who went a nauty on her forehead.

(To Be Continued)

Early next morning I left for Sacramento to meet Governor Edmund Brown who only six months back defeated Senator Knowland by a million votes. He is a robust, biter, ex-revolt. We talked for over an hour about local politics, the international scene, the Presidential possibilities (he himself very much of a dark horse), his Roman Catholicism, the revival of the Democratic Party and his forthcoming visit to India.

In the afternoon I was able to assert my kinship with the Republic of India by meeting the Republic Mayor of San Francisco who honoured me with the key of the city.

UNUSUAL PERSON

Later I met a most unusual person, a Longshoreman, Edie Hoffer, who has written some highly original books, including *The True Believer*. He told me about how the book grew in him and how he wrote it in long hand and sent it to Harper Bros. and the manuscript was accepted and published. Now *The New York Times* and *The Reporter* seek him out for articles. He told me of the life and the world view of the dockers. The unique intellectual I proud to work as a dockman. I could write a whole article on him, and I hope some day I will be able to write something about him—reflecting the dew of the dawn opening the petals of one's being.

The same evening I dined with the President of the Asia Foundation and met some old friends like Dr. Harold Fisher of the Hoover Foundation, and Dr. Robert North, and Dr. Richard Parks. Also made new stimulating contacts with person like Prof. Robert Seligson. In the United States Professors play an unusually important role. I was happy to note complete metamorphosis the Foundation has undergone.

That night I went to Berkeley, home of the University of California, one of the greatest and largest universities in the State. Next morning Marshall Windmiller took me to KPFA for a radio interview. Windmiller is part author of a study of Communism in India, just published. The KPFA Radio is high-brow. It works on the basis of Hoffer's speechless. Those who tune in its programme pay \$12 a year if they like it and its support keen on giving. I was happy to meet again Thomas Breech who has been working on the history of the "socialist movement in India." I was surprised that in the University of California, quite a few students are working on the ideas of Ashoka Mehta! One of the students gave me a forty-page article on my "philosophy".

It was heart-warming to meet again Dr. Marjaret Fisher and Joan Bonduant, two devoted lovers of India. Dr. Bonduant told me how she always used to assure friends here, even when I was under a cloud in my native and in my country, that my political ideas did not denote oppositionism of any kind!

At dinner that night, at at lunch earlier, I met a cross section of San Francisco's society. Next to me was a lady who I later discovered was worth \$25 million—her forefathers

REMARKABLE PROGRESS BY PUERTO RICO

Continued from page 6 col. 8

transferred to Peking, and the Soviet Ambassador has just come from there, and you can imagine my interest in them.

Later I met H.E. Daniel Cosío Villegas. He talked about Mexico's problems. Many a Latin American problem is first discovered in Mexico. The solutions found by them are not always by the way, but at least Mexico could talk a lot about what experiments not to make. Sir Vidalegas will be visiting our country soon. I hope somebody will get from him all such invaluable experience hints.

23rd May—A number of economists, sociologists and administrators continued their education. Dr. Rodolfo Orta, of the Banco del México; and Dr. Manuel Sánchez Barrio, of the National University of Mexico; Mr. Ralph W. Richardson, Director of the U.S. Agricultural Programme of the Rockefeller Foundation; Mr. Robert C. Oniz, sociologist of the Spanish English Association were among those I met.

As in Egypt, so in Mexico a substantial portion of the national income comes from (or goes to) commerce and services (40 per cent.). Agriculture continues to be engaged in it, though 20 per cent. of the labour force is engaged in it. The United States, through the National University of Mexico, is very interested in the situation and important that the U.S. representative was not greatly surprised by Mr. Sario as the "vicery" of Mexico.

Agricultural production has specially risen in cotton and coffee. While the trend in the United States is to shift away from agriculture, in Mexico it is to shift towards it. The United States, through the National University of Mexico, is very interested in the situation and important that the U.S. representative was not greatly surprised by Mr. Sario as the "vicery" of Mexico.

Industrial production has specially risen in cotton and coffee. While the trend in the United States is to shift away from agriculture, in Mexico it is to shift towards it. The United States, through the National University of Mexico, is very interested in the situation and important that the U.S. representative was not greatly surprised by Mr. Sario as the "vicery" of Mexico.

THE INITIAL PUSH

Almost everyone seemed to be agreed on the initial push in economic development, having come from industry, though now Mexico is turning to agriculture. The industrial revolution job started with "rubber" industries, like textiles and beer.

I had a quiet lunch with Mr. Menon, our Charge d'Affaires. He is evidently liked and respected here. It is unfortunate that he has not a full-fledged embassy here. Mexico City is the heart of Latin America. The situation was told, have nearly 800 persons here in various guises. Four of them have recently had to be expelled. There is keen interest in India; and we can see the progress in political and cultural understanding of a better effort is made.

I relied once again how much I had lost by coming during the summer holidays. But for the holidays I would have been honoured of inaugurating the Mexico-India Association, just being started.

Mrs. Alma Read, a prominent writer and journalist, friend of Mrs. Shroffin Naidu, gave me fascinating details about the family background of Mexico's new President, Adolfo López Mateos.

I saw some of the beautiful churches with their ornate altars. The exotic, extravagant, and the great Mexican painters made me feel that the scene of colours was unlocked only here. In the churches, full of people, I saw the riots of colours in women's dresses and realized that the ancient sun-worshipping Mexicans are very the children of the spectrum. Perhaps this is why there is no colour consciousness, absolutely no racial discrimination here.

Gave a long interview on ideological differences. "A journal of ideas," again through an intermediary, a able and sensitive young man from Bombay, Mr. Shirali.

Some Mexican and Chilean friends took me in the evening to sample Mexican food and music. I could enjoy only the music.

ECONOMIC DEVELOPMENT

24th May—I take off for San Juan, Puerto Rico. The whole day will be spent travelling. Puerto Rico, with 2.4 million people, enjoys some kind of Communist wealth relationship with the United States. It has had a remarkable programme of economic development and social change in the past ten years. "Fomento," the Spanish word for development, is inscribed everywhere in this island bustling with creative effort.

25th May—The day has been so full of discussions that it is impossible to note down everything that was said.

My first interview was with Mr. Hugh Barron, Director, Office of Economic Studies, Economic Development Administration. With a few preliminary remarks I made him feel that I knew something of the Puerto Rico's adventure in development and gladly went into details.

Then we went to meet Theodore Maccos, Director of the Economic Development Administration. He bemoaned the political pressure that has increased wages and wages of transport workers have increased so much that we have now no money to buy butter. Wages of industrial workers have increased by 85 per cent. in the past three years and of Government employees by 15 per cent. The result is that a bus driver earns \$200 a month, while a university trained teacher just \$125. Government plans had to be sold because Labour Government could not bargain over wages effectively. But he admitted, notwithstanding his well-known predilection for the private sector, that nearly 90 per cent. of Puerto Rico's income came from the public sector.

I lunched with Mr. Luis Rivera Sais, Secretary of Agriculture

English create schools even in literature and art. The Spanish only outstanding exponent who defies classification, it is fascinating to study the unfolding of the continent of Latin America, connected in such diverse ways with Europe, Africa, Asia and America, growing to new positions of power and awareness, a continent that will have 500 million people by the turn of this century. It is unfortunate that we take so little interest in the Latin half of the New World.

LITERARY FIGURES

Chile usually sends out its outstanding literary figures as its ambassadors abroad. We also need to do it. We should attach to our embassies capable young writers. That will give them opportunities to work in other literatures and cultures and interpret our literature and culture to others. I believe the cultural section of our Foreign Service can be greatly improved.

In the afternoon, I went to the Planning Board, the *senatus* of the Governor's office. His co-ordinating office, which has no executive burdens but is only a "think-tank" staff of person, drawn from many countries, has a staff of 10. As the Chairman of the Board, I was asked to put it.

At 6:30 p.m. I went to the Governor, Luis Muñoz Marín. He had with him his entire Cabinet. The Presidents of the Senate and the House were also there, sitting, for three and half hours' discussion ranged on a wide array of subjects. Because of the special Commonwealth relations, Puerto Rico has with the United States, the island pays no federal taxes, and that means \$130 million or 13 per cent. of the national income. I told him that New Zealand with a population of 1.5 million had set up in the past few years 11,000 factories, mostly small scale, employing 2,000 persons against nearly 2,000 factories employing 2,000 persons in Puerto Rico. He smiled and said that he had to come with the U.S. mainland giants. We discussed the remarkable record of the Commonwealth in developing for a period of seven years industrial expansion and of inducing industries to move into rural areas.

The Governor asked me why India had never called all the islands of the world, other than those belonging to the U.N., to discuss the nuclear threat to mankind. "India can afford to rise above national interest. If human groups cannot do it, there is no hope for man."

He talked about a recent revolution in Cuba. He compared it with the Indian revolution, though not so spiritual. Fidel Castro had an "army" of 600 that fully equipped forces of 40,000 because the people's support gave them a moral superiority. He praised Castro's men as being innocent and free from any sense of self-interest. They made his history but they had retained their youth and innocence.

I turned the talk to Spanish literature because I knew the Governor is not only an outstanding politician and administrator but a philosopher and poet. For some 40 minutes around the table the Governor and his colleagues discussed literary problems with the same zeal as he had displayed in the discussion of administrative and economic problems.

I recalled that to Puerto Rico too I had come two days too late because the Festival of Pío Baroja over and the maestro had just left on a triumphant tour.

COMMUNITY PROGRAMME

26th May—Saw a short prize-winning documentary produced by the Community Education Division. Then had a long discussion with Mr. Fred Hale, Director, Community Education Division of the Department of Education. Mr. Hale is an Englishman by birth, a person of deep sensitivity and humane vision. He is frightened at the influence the American experts have on our community development programmes, because, in his view, the programmes are excellent at extension services but do little to promote the community spirit. Two incidents that Mr. Hale related would make his approach clear. In a rural community in Puerto Rico \$50 had been collected to obtain a match-making machine for the Government to construct a village road. The treasurer, a woman, had resigned and the community meeting was discussing the situation. Some people were worried about the safety of the money. Someone suggested that a field worker of the Community Education Department should go and see the treasurer. This is where the field worker came in. He did not want the community to look outside, to authorities above, but discover strength from within. The problem was satisfactorily solved.

In another community, at a meeting arranged to work for the supply of pure drinking water, a woman stepped forward to be the treasurer. A man sat and said, "A woman was no good for such a job. The field worker knew that the waterworks would sink if he got into the controversy. But he did. For over an hour the meeting discussed women's place in life, and while no new consensus emerged straightaway, a deeper understanding prevailed. The community education people have no project responsibility. The technical staff come in only when the people are ready to receive them. Our community development officials would get a new insight into the problems if they had Mr. Fred Hale in their midst for some time.

I had lunch with Dr. Arturo Morales Carrión, Under Secretary of State of the Commonwealth of Puerto Rico. We talked about the impact Puerto Rico is making on U.S. policies, particularly in Latin America. The Governor's influence in this direction has been growing. Then we discussed the differences in the overseas communities and States pioneered by Britain and those pioneered by Spain. The

TIMES OF INDIA FRIDAY, JUNE 5, 1959

A TRAVEL DIARY—5

The Latin States

By ASOKA MEHTA

21ST MAY—Los Angeles to Mexico City is a long flight—it is like going from Singapore to Trinidad. The sky was spotlessly clear, the wings of the Mexico airliner shone like a reflector in a full moon; 17,000 feet below a shen of silver covered the undulating earth.

Mexico City, a federal district—keeps growing in population. About 15 million Mexicans work in the capital city and I was told it provides half the market for the goods of the country. I was happy to find myself on Reforma Avenue, and in Hotel Reforma, both of which were commemorating the new agrarian reforms. Mexico delights in flaunting its allegiance to the revolution, by now a mystic word. The best monuments in the city are those commemorating the revolution and the nationalisation of the petroleum industry. The city is a gleaming in the sun in steel and glass. Skyscrapers (tallest 46 stories) and men scurrying out an uneasy living make up the disturbing contrast to the lush, productive country, but the less productive, perched on a high altitude and enjoy fierce weather.

The day—the 22nd—began with a press conference. This is the first press conference I have held at which questions and answers were carried on through an interpreter. It received a good coverage and I saw my photographs in the newspapers. Unfortunately only the next day in many of the local newspapers. I seem to have come here at the wrong time. A summer vacation of ten days is on. Parliament is in recess, and all Government officials are out of the city. I am to have a holiday from politicians.

VISIT TO MEXICO

My main purpose in coming to Mexico is to understand its development plans. Mexico has made remarkable progress in the past ten years. Production is growing at the annual rate of 7 to 8 per cent. and agricultural output leads the list. Between 1950 and 1955 the population increased 15 per cent. (Mexico has one of the highest growth rates in population) and the gross national product rose by 27 per cent. but the agricultural product increased by 43 per cent.

I discussed "the miracle of Mexico" with a number of economists. I began with Manuel Alvarado of the Financiera Intercontinental S.A., who has just helped to fund a synthetic rubber factory with an investment of 150 million pesos for R.C. & Co. His analysis was interesting. He felt that the land reforms had stirred up the people. The well-to-do who lost lands had to turn to other avenues. They came to the city and

STAT

SIMILAR PROBLEMS

Next, three experts in agriculture came to see me. They were Mr. Edwin Duckles, Prof. Heberto M. Sein and Sr. Arnaldo Lerma, Federal Agricultural Extension Service Director. They had a fascinating story to tell, particularly Señor Lerma. As we discussed problems after problem, the similarity between India and Mexico became clear, except that Mexico has taken certain vital decisions and the consequences are now apparent. Talking to these experts was like looking into a crystal ball; one could foresee the many pitfalls we are likely to commit and the inevitability of hopes turning to frustration where men pursue contrary goals. I was informed that a product had shut up in that sector of agriculture which had escaped reform. "Land reform," said Arnaldo Lerma, "are the sacred cows of Mexico."

Then came Dr. Wilfred L. Langford of the United Nations' Commission on Latin America, a sociologist and his special interest is not administration or law but human beings. He analysed for me the social forces at work in the rural areas, the political tensions operating and the economic thrusts backward and forward. I must not embarrass his official position by quoting him in print.

The reception arranged for me brought together many interesting personalities and writers. I must not embarrass his official position by quoting him in print.

The reception arranged for me brought together many interesting personalities and writers. I must not embarrass his official position by quoting him in print.

[illegible][illegible]

My coming in the States this
time has been long and round-
about, and I am anxious to
get home again in the summer
months.

[illegible][illegible]

(Continued)

POOR ORIGINAL.

A TRAVEL DIARY--6

By ASOKA MEHTA

BACK in New York after time lost by a month—this was not from Santa but from Puerto Rico, where he had been working at the airport. He rushed to the airport to find that the Asia Society was holding for him that evening.

The San Francisco news outlet, the *San Francisco Chronicle*, had a lead on the missing person, by the name of the person who had been told over by Mr. Norman Cowan, a close advisor of the Japanese Emperor, that the person was in Japan. The Japanese government was planning to send him to Japan for a special work in Japan.

The person who had been told over by Mr. Norman Cowan, a close advisor of the Japanese Emperor, that the person was in Japan. The Japanese government was planning to send him to Japan for a special work in Japan.

[illegible]

approach. He added that a more work was still to be done before the dispute was settled. He was "tired on his feet" and "tired on his mind." When I left he said, "Do you have a friend in America with a Negro Rock factory will move to the White Mountain, in Calif. I will be shared the benefit."

I thought of my visit to California, to the University of California, to the headquarters of the two G. O. P. members—Governor and Senator—Victor J. Bennett and Samuel H. D. Smith.

[illegible]

Mr. Cavanaugh, 40, was interviewed in a studio to hear a radio interview. He has been in the hospital since he was wounded. He has been on the

[illegible][illegible][illegible][illegible][illegible][illegible]