

explore the chance of joining in?" Again, perhaps India knows the answer better than most.

That is not the only confusion of mind and conscience in this article. Another arises when we fry to discover what the reasons are which prompt this "bold new programme" and its ready response in Britain. Is it sheer philanthropy or is there some self-interest in it?

"More than half the people of the world are living in conditions approaching misery" says Mr. Truman. He added that their poverty was "a handicap and a threat to them" and also—here is the rub!—"to more prosperous areas". What can this mean except that India and Pakistan are "threats" to America because they represent undeveloped markets when America wants developed ones?

But there is still more to it all, according to the "Times." The real point appears to be that "in the long run it is only such measures as these that can call a halt to the spread of Communism in Asia and Africa." So that's it?! The philanthropy certainly, and even the markets fade into the background. It is the Red Menace which has placed the White Man's Burden on America's shoulders.

Could anything be more calmly cold-blooded? This is the reality behind what is called America's "sense of world responsibility" which "takes the whole world under its mantle." Presumably any country which for reasons of its own decides that it would prefer to remain clear of this 'mantle' will be courting condemnation as 'communist' and therefore at once as enemy.

Mr. Taylor is right. And the Presidential speech has only made it more evident than before that it is high time someone became 'Tito to America' and thereby forced a little hesitation on the 'crusaders'.

Market Survey

Where Has Cotton Disappeared?

THIS season's Indian cotton crop is anybody's guess. The cotton grower does not know it; even if he does, he does not reveal it. Our organisation for collection and correlation of cotton statistics has been moving so slow that it has not been able to catch up with the figures yet; neither does the Government of India seem to know anything; about the actual size of this year's crop.

At the time when control was being re-imposed, the Industries Minister, it may be recalled, intimated that instructions had been issued to provincial governments to permit an increase of 10 per cent in the acreage under cotton. So, by application of the rule of three, India's cotton crop in the current season should have been 5 to 10 per cent in excess of the previous season's. The weather, however, being unkind, in the Gujerat, Khandesh and other areas, the crop is being placed much lower at around 24 lakhs bales. Government themselves are completely in the dark regarding the actual size of the crop.

Normally, the first average and yield estimate are released by the Department of Commercial Intelligence and Statistics in the third week of December. But the current season's crop report has not yet seen the light of day. May be the Provincial and State Governments decided to take it easy this time and the Statistical Departments of the Government of India have not bothered, or have failed to make the machinery work quicker. Meanwhile, no means are available to judge the real trend of raw cotton production nor is there any firm ground on which the future plan

for increased textile production can be based.

In the event, any guess about the size of the crop is good enough. Such guesses have to be accepted as gospel truth and are actually being acted upon, even by the Textile Control authorities, who have to take them in lieu of authoritative estimates. The Government, of India's crop estimating machinery being very late in formulating and releasing its estimates, one has to witness the sorry spectacle of the blind leading the blind.

Curiously enough the new crop has not been moving as smoothly and as freely as in used to do. Nor is pressing and ginning activity showing a normal pace. Naturally, the question arises, what has happened to this season's crop? Where has it disappeared? Has it gone underground? Who is holding or hoarding it? These questions in themselves may, in part at least, furnish the answer. The fact is that the various orders issued in furtherance of the Raw Cotton and Textile Control have created the worst possible confusion.

Several points strike one as one sees the situation for himself. Firstly, the price ceilings fixed for many varieties of cotton were far lower than the spot prices. So the Mills began to buy seed cotton, in the upcountry centres, for seed cotton remained, and remains, uncontrolled and continues to command prices, the lint equivalent of which would show a considerable premium over the ceiling prices. Secondly, this cotton goes straight to the mill godowns and may figure, in due course, in the statements of monthly and seasonal mill consumption of "loose cotton". Though their ultimate destination

may thus be traced, these cottons do not apparently pass through the established ginning and pressing factories for they figure nowhere in the returns for cotton ginned. This may explain the gap, as compared with the previous season, in the ginning returns and in the statistics of arrivals at Ports. Thirdly, it would be a sheer waste of railway freight and godown space to move the cotton to port centres for export, in view of the current restrictions against exports; the arrivals at Bombay for the season as a whole would not, therefore, either exceed or fall very short of the consumption of such cotton by the mills in the Island of Bombay. Mill stocks, as reported by the mills to the Textile Commissioner, will have to be closely watched in the future, as they would provide a fairly good index of the probable size of the crop.

What is it that can impart mobility to the cotton crop that refuses to move? Obviously, it must be a measure like the suspension of penal clauses for failure to deliver cotton in the forward section. A similar situation can be brought about by the operation of world forces like a sudden and unexpected increase in prospective supplies and imports. Both these possibilities are now taking shape. Rumours were current this week in the Bombay market that penal clauses may be abolished. The rumour shocked the bulls into a realisation of the futility of accumulating lines at ceilings in the absence of any hope of the ceilings being raised. And they naturally lightened their commitments. So in the futures section, there was some downward price movement.

As regards world supplies, the American Government are at the point of being compelled to store \$1000 million worth

of cotton under the loan. Moreover, the present high prices have stimulated a desire on the part of the American fanners to increase the acreage under cotton by 11 to 30 per cent. This will produce a crop of anywhere between 13 to 16 million bales. It is further reported that the U. S. Department of Agriculture may counter this tendency by legislating a lower parity price and a lower loan basis. But if this happens, cotton futures will decline to unbelievably low levels. This consideration may compel a declining trend in the spot section, both in Bombay and in the interior. In fact, upcountry centres have al-

ready reported an easier trend.

Had it not been for Pakistan's partiality in obliging newcomers in the field of cotton exports, Pakistan cotton would have already filled up the cotton godowns in Sewri and in Ahmedabad. Perhaps, Pakistan may be compelled to do what is right under the pressure of world events, particularly those that are gathering momentum in the U. S. A. With regard to East African, Sudan and other foreign supplies, the position cannot but case pretty soon, as British has throughout been playing fair and helping India to obtain her cotton requirements.

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