

It cannot be long now before Mr Kishi resigns and the country will have sooner rather than later to go to the polls. That will be the time to find out if Japan's recent demonstration against Mr Eisenhower was the result of minority pressures. If Mr Kishi and his supporters re-emerge as victors, the treaty is safe for the rest of its ten-year tenure; but if, as is likelier, the coalition loses ground, the forced passage of the Treaty through the Diet will not save it from returning to the melting pot. The Japanese Socialists have, of course, their own considerable

weaknesses; and it can by no means be taken for granted that Kishi's fall will mean a Socialist Government in the saddle. Nevertheless Kishi's fall will be enough to alter the course of political history in Japan, and we might see the greatest American ally in Asia veer steadily towards neutrality. If that sounds like being the defeat of present American policies in their narrowest sense, the impression is not far wrong; but in the larger sense, they need not mean such thing at all. Washington itself has had sufficient evidence by now of the fact that

anti-Communist military Alliances which necessitate the artificial bolstering of regimes which are democratic only in a cynical sense are not the best basis for resisting international Communism. What requires to be done is to give these countries a personal stake in peace rather than in the fight against Communism. That in itself should ensure (certainly more effectively than the present U S policies are doing) that the countries concerned will remain aloof from active Communist alliances.

Time to Get Cracking

IN the procedure that has come to be established in India for the formulation of development plans, consideration of draft plans by the Union Cabinet serves a double purpose. First of these, and the more important one, is the endowment of formal political status on the Planning Commission's draft. Approval by the Cabinet implies that the basic objectives and policies recommended by the Commission have the concurrence of the supreme executive organ of Government in the country and the Government is willing to shoulder the responsibility of implementing the Plan. The second purpose served by this procedure is the ironing out of any differences there might be between the Planning Commission and Ministries in respect of allocations and schemes suggested for the five-year period. This provides an opportunity both for adjustments in the light of latest developments and for a bit of horse-trading.

As it happens, the political aspect of this procedure usually receives little public attention. This is because the most influential members of the Cabinet, including the Prime Minister, are also on the Planning Commission, and consequently the draft plan is unlikely to reach the Cabinet unless its political acceptability to the party in power is already assured. This time, however, since the Prime Minister was away on tour when the last frenzied touches were being given to the draft of the Third Plan, there was a slight possibility of more than normal adjustments being suggested by the Cabinet. But it was no more than a slight possibility, considering the

blessing which the preliminary outline of the draft had already received from the Prime Minister and the National Development Council.

In the event, the deliberations of the Cabinet have resulted in only minor modifications to the programme set out by the Planning Commission. Much the most important of these is the inclusion of the Bokaro Steel Plant project in the public sector's programme — at least in terms of the public interest it has evoked. With an estimated outlay of about Rs 250 crores for this project, the size of investment outlay in the Plan goes up from Rs 9.950 crores to Rs 10.200 crores. Besides the new steel plant, some other items have also been added and some of the allocations have been reshuffled. It is not very clear what these are: but it has been emphasised in the press reports that, by and large, these adjustments do not make any significant difference to the size of the Plan. Apparently, the more clamant elements have succeeded in obtaining marginal increments in their share of the total outlay. With 17 million tons of PL 480 grain in his bag, the Food Minister has probably had no difficulty in trading a portion of the former allocation to some of the agricultural schemes for a much larger programme for food storage and ware-housing.

This would inevitably warrant consequential adjustments in the provision of port and transport facilities, and in the accounting of inventories in the Plan statements. Like the Food Minister, the Health and Education Ministers, the Atomic Energy Department and indeed anybody else who had reasonable blue prints

and a measure of persistence have obtained a supplemental allotment or the promise of one. The Planning Commission, having taken the precaution of setting apart a sizable sum for inventories in the public sector, must have found all this more interesting than troublesome.

Apart from the Bokaro Steel Plant, to which we return later, these additions to, and subtractions from, sector totals have little effect on the broad pattern of investment outlay in the Third Plan. If they indicate anything at all, it is that in respect of its real content, the Plan has not yet been cast in firm lines and will remain so for some time to come. This is further underlined by the tentative agreement of the Planning Commission to incorporate new schemes involving an aggregate outlay of over Rs 500 crores — in the Plan should additional resources be forthcoming. Whether this indicates growing confidence in, the possibility of mobilising more resources or is merely a convenient eye wash, nobody can judge. Perhaps, it is a combination of both, and the Planning Commission may feel that nothing is lost by agreeing to enlarge the Plan if things turn out better than expected. This is indeed as it should be. But the danger is that schemes accepted on such a contingent basis are likely to remain items in an appendix rather than carefully worked-out projects, with consequential difficulties of phasing them properly. At least in the formulation of adequate blue prints, the conditional approval of schemes should not constitute an argument for vagueness or laxity.

This is a point worth making because it is not certain that all the

operational details have been worked out in respect of the schemes already included in the Plan. Whether this is a reflection of inadequate technical staff in the Ministries or of a natural tendency not to bother about a project unless its inclusion in the Plan is a certainty, the result of such procrastination is bound to be the emergence of hold-ups and bottlenecks at a later stage. There have been so many instances of such maladjustments in the Second Plan projects arising from delay in preparatory work that one would normally have expected the lessons to have been learnt by now. But the available evidence is to the contrary, and the dominant feature of the method of work in most agencies concerned with planned programmes seems to be that of last-minute arrangements.

It is essential that this way of doing things should change if the large projects scheduled for implementation in the public sector are to go through smoothly. The inclusion of the Bokaro Steel Plant in the Third Plan provides an excellent opportunity to demonstrate the relevance of all this. Quite clearly, all that has been decided so far is that the new plant should be located at Bokaro and that it should initially have a capacity of one million tons of ingot steel. Everything else is still in the air and cannot be left so for long. Before the first clod of earth is turned at the plant site, an enormous amount of technical work will have to be done on the project; and an army of experts has to set about it without delay. The specific products to be manufactured, their magnitude and sequence are to be decided upon. And, above all, the exact manner in which it dovetails into the expansion programme of the existing steel plants has to be worked out. This is of particular importance in judging whether the Bokaro plant can draw upon some of the technical expertise from the other plants or whether like them, it will have to start from scratch in every respect. Besides all this, there is the question of financing to be settled—involving, as it does, canvassing on a global basis and protracted negotiations with whoever ultimately decides to participate in it. The list can be enlarged endlessly; but it is evident that even if nothing else were necessary, the successful execution of the project could depend on the Steel

Ministry and many others getting cracking about it right away.

With all possible speed, the new steel plant will probably start producing only by the end of the Third Plan. It is indeed a project that has to do more with the Fourth than with the Third Plan; and for that

reason, it is open to the danger of being put, so to speak, in the second place logistically. If this happens to a project which has been considered important enough for a Cabinet decision, it will become a monument not to planning but to the lack of it.



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