

With the man with the rose, elegance has gone out of public life, perhaps never to return. But something of his spirit must remain in the minds of the multitudes whom he so dearly loved, into whose minds he entered so deeply and who in their turn sustained and invigorated him and made him whole. It was on an unpromising quest that he started in his discovery of India. It was no quest, either, but a pilgrimage, a pilgrimage to the sanctum which is the heart of India, age-old and yet vibrant, sunk in myth and lore, with traditions going far back into the past, illuminated by the past, and shedding light onto the future and dispelling the darkness from the path. His oneness with the land and the people. Nehru wanted to symbolise in his last wish that his ashes should mingle with the waters of the Ganga, "beloved of her people, round which intertwined her memories, her hopes and fears". The oneness he desired was not only with the waters of the river but with the rocks and stones and trees, and the fields on which the peasants toil.

The spirit remains, for it is Nehru's India that we have inherited today and the heir on whom has fallen the mantle of leading the country in the post-Nehru Era owes it to himself and to the people to select a team which would be one with him in spirit in carrying on the sacred trust that has devolved upon him. The Congress owes it to the country to give to Lal Bahadur the team of his own free and unfettered choice.

Restless of spirit, the whirlwind of energy that he was, Nehru drove himself hard, and knew no repose. But that most imperious of democrats and democratic of dictators, could not be ruthless. How hard could he drive others and how far could he carry even his own colleagues with him in his ceaseless struggle to get a better deal for his people?

Was there not a touch of irony in it that a thinly-attended Lok Sabha was carrying on a listless debate on the clearance of slums when in the afternoon of the black Wednesday the Minister for Steel, Shri Subramaniam, broke in to announce the tragic news that Panditji was no more? On how many occasions in the past few years, in how many fiery speeches, had Panditji declared that he wanted to burn down the slums? Slums are

still there and as had as ever before. The Members of Parliament, in whom lies the power to abolish them, had not obviously been touched by Panditji's fire. Or else, why would the attendance on that day be so thin? Nor had the administration been stung by Nehru's admonitions, made to sit up and take notice. Had it been, the progress of slum clearance would have been less slow and halting.

Not that Nehru had any illusions himself. He knew ages before foreign aid and technical assistance for the development of underdeveloped countries had been heard of that "the only way of self-recovery was through some vital upheaval from within. The explosive force needed for such an upheaval must be generated within the soul of India itself. It could not come through loans and gifts and grants and concessions and proclamations from without. It must come from within". (These excerpts from C F Andrews he quoted approvingly in his "Autobiography"). "Therefore, it was with the intense joy of mental and spiritual deliverance from an intolerable bur-

den, that I watched the actual outbreak of such an inner explosive force, as that which actually occurred when Mahatma Gandhi spoke to the heart of India the *mantram*: 'Be free! Be slaves no more!' and the heart of India responded. In a sudden movement her fetters began to be loosened, and the pathway of freedom was opened".

It was only a chance coincidence that a thin House should be debating listlessly something that was dearest to Nehru's heart at the hour of his death. But it was no chance occurrence, but a part of his inflexible routine, that Nehru should have finished his day's work and cleared all the files on his desk at eleven o'clock the night before he died.

The path has been laid: to make the content of freedom really meaningful to the people is the task that awaits Lal Bahadur. The inner explosive force has already been released. For Shastriji, the task is more modest and humble. But it is a task nevertheless which has to be carried on.

On the Frontier

SOME of the main strains on the eastern seaboard of Africa have for the moment shifted southwards. After the stresses of the military mutinies earlier this year, the problems posed now are much less serious, for the teething troubles of East Africa — as characteristically an ex-British enclave as West Africa is ex-French — have been overcome. Already, now that the inevitable initial rifts have been prevented from growing into visible schisms, the pattern of the immediate future is becoming clearer. The weakening of the East African Federation is part of the cost of domestic unity within each of the three, and part of the price for Tanganyika gulping down the exotic cocktail of Zanzibar. Now, on the south-western border, Northern Rhodesia is emerging as a new major power on the continent, and a significant one since it is, economically and racially, as much part of the lands to the north as of those to the south.

Tanganyika's attempts to shake a little looser from the Federation as a bargaining counter against its other two members in the developmental pursuit of the proceeds of internal trade is, for African nationalists, one

of the sadder by-products of new independence. With the largest population but the least development, Tanganyika has nursed an increasing resentment against the apparently irreversible economic discrimination of federation — she earns a surplus with the non-East African world which goes in part to cover Kenya's expanding deficit (currently 25 million pounds) on her external trade. But then Tanganyika's deficit with the other two in the Federation has trebled in six years: Kenya currently exports to her southern partner some 10 million pounds worth of goods which includes nearly a third of Kenya's manufacturing output. The 1961 arrangements for compensating Tanganyika for the sluggishness of her progress relative to Kenya and Uganda has not substantially reversed the trend, so that President Nyerere's frustration is understandable if not forgivable. That frustration has now threatened to bang tariffs on imports from the other two, set quotas and create a separate currency — even, it is said, possibly withdraw from the main achievement of the Federation, the Common Services Organisation which maintained central control of the railways, airways, tax-collection and research. With this flourish, plus

suitably careless contempt for the future of the Federation, Nyerere has extracted the present urgent *ad hoc* committee of the three to consider the question, and April's meeting of Finance Ministers in Kampala where Tanganyika laid down her conditions for future association: parity in all new industrial development with the other two. Neither of the two have shown very much enthusiasm for Tanganyika's demands, nor excessive alarm at Tanganyika's threat to secede, which augurs ill for the embryonic association,

Meanwhile, Nyerere has succeeded admirably with his second experiment in blackmail — threatening to draw his policemen from Zanzibar and leave the luckless President Karume to the mercy of his wild men. Karume, to the tangible relief of all except the Eastern Bloc, has jumped quickly into the safety of a new United Republic with Tanganyika. The allowance of Cabinet pieces to Tanganyika's diminutive partner has been generous, and Zanzibar's three left-wingers have been shunted off antiseptically to mainland jobs, most notably, to the directorate of development planning which has just announced an ambitious five year plan costing 246 million pounds. Cloves are not going to provide the depth to float this craft in, but strict and seen-to-be-so non-alignment might Nyerere has thus with speed, assurance and accuracy sought to ensure both that his eastern border is closed to foreign dragons or bears with their multiple attractions for his own militants, and that he presents a reasonably safe haven for foreign aid from all comers.

So far, Nyerere has not seriously sought the tactic of association with Northern Rhodesia as a counter-balance to Kenya and Uganda — the old fifty million pound scheme to connect by rail the copper-belt and Dar-es-Salaam has been on ice for some time. But Northern Rhodesia, the independent republic of Zambia on October 24 this year, it is now announced, is itself in no easy position for diplomatic games — it is the real borderland of black Africa now, and also the edge of white-dominated Africa. Its sympathies lie naturally with its northern neighbours, yet it has a substantial white population, one in forty of all Zambians, and the major chunk of its 120 million pound copper output flows yearly southwards, from whence it also recruits its skilled white labour force. It will be a miracle if Kaunda can res-

train the tide of black nationalism from engulfing the white minority for long — and to command the valuable investment resources of the country as well as balance his external account, severely threatened at times by the outflow of profits and dividends to foreign owners, increasing limitations will be necessary. Nyerere's one party Tanganyika to the north is not the

right model for the delicate balancing trick Kaunda must perform until such time as he can afford to expropriate those foreigners who wish to remain foreigners.

With Northern Rhodesia, followed some time later by Swaziland and Basutoland, most of the easy victories on the eastern seaboard will have been won. Then comes the real test.

Twins in July

ON first thoughts, July 1 would appear to be an auspicious date chosen with some care for the inauguration of a new era in industrial financing. On that date, the Industrial Development Bank will come into existence as a wholly owned subsidiary of the Reserve Bank, and the Unit Trust, which started its operations on a rather small scale a few months back, will commence sale of its units to the public. Further reflection indicates that the date merely coincides with the beginning of the Reserve Bank's accounting year. That is not surprising for both the institutions will, in effect, work as departments of the Reserve Bank. Why they should function in this manner is not clear. The Unit Trust would have fitted more appropriately into the investment department of the Life Insurance Corporation, while the Development Bank is after all only an expanded version of the Industrial Finance Corporation. The Bank will, to begin with, take over the functions of the Refinance Corporation, which rediscounts medium term bills offered by scheduled banks, and the National Industrial Development Corporation, which was till recently giving loans on easy terms for the rehabilitation of cotton and jute mills. At a later stage, it might take over the Industrial Finance Corporation as a subsidiary.

The Reserve Bank is thus entrusted with another series of tasks. Besides its traditional functions, it already tops the pyramid of agricultural credit and through its almost complete ownership of the State Bank of India has a large stake in commercial banking. Most of this diversification of Reserve Bank functions and activities has taken place over the years but the latest moves indicate a deliberate high level policy decision to build up the Reserve Bank as an off-shore empire,

autonomous in operation, but subject to the not-so-remote control of New Delhi. If this implied considerable delegation of authority from the Centre, one could appreciate it. The well-founded fear is that one more link is being added to the chain and, in the process, there would be a further erosion of the autonomy of the Reserve Bank, which would have to shoulder the burden of operating as a huge diversified holding corporation. Against these is the advantage, not to be underestimated, of the divesting of direct, overt administrative and political control by the Finance Ministry of most public sector financial institutions. On the whole, however, this pyramidal organisation does not appear to be a good substitute for a clear policy direction of public assistance to the private sector.

Apart from a translation of the legal phraseology of their charters into plain language, there is no indication as yet of what precisely the Development Bank and the Unit Trust will do. They will certainly add to the flow of funds into the capital market from the Reserve Bank and multiply the number of institutions which promoters can approach. But beyond that what? The sale of Trust units and the disbursement of dividends on them will call for a scale and kind of effort different from that which was devoted to prize bonds (such as the effort was). So far as the Development Bank is concerned, there is a hope that the adoption by it of Reserve Bank methods would place it in a better position as compared to IFC which imported the old Imperial Bank method through its first managing director. This hope needs to be strengthened by a statement of the 'new and bold' principles which the Bank will adopt.