

Autonomy for States?

S. V. Raju

THE Report of the Centre-State Relations Inquiry Committee appointed by the Tamil Nadu Government is a landmark in the history of the Republic. For the first time a State government (and not surprisingly from the South) has considered it necessary to inquire into the nature of Centre-State relations. If only the terms of reference of the Committee had not been loaded, the inquiry would have found greater credibility and its findings would not have been suspect as subserving the ends of the D.M.K.

Last September, the Dravida Munnetra Kazhagam sponsored a two day conference on State Autonomy to mobilise support for their demand for greater powers for States. Addressing the concluding session of the Conference, the former Finance Minister of Tamil Nadu, Mr. K. A. Mathiazhagan declared that the conference marked the beginning of the second phase in the country's freedom struggle. He urged the immediate reappraisal of the Constitution as a follow up of the Conference. It was at about that time that the D.M.K. had raised the issue of a State flag.

The Rajamannar Committee's recommendations are part of the "second phase" described by Mr. Mathiazhagan, a leading member of the D.M.K. The Committee was set up by the Government of Tamil Nadu on September 22, 1969. It submitted its report in May this year.

The three-man Committee consisted of two jurists and an eminent educationist. Dr. Rajamannar and Mr. Chandra Reddy were the former Chief Justices of the Madras and Andhra High Courts respectively. Dr. Lakshmanaswami Mudaliar was Vice Chancellor of the Madras University for several years.

In the preface to the Report, the reasons advanced for setting up the Committee were that in view of:

(a) the reorganisation of the States on a linguistic basis and the emergence into power of different parties in the States, and

(b) the creation, by an executive order of the Central Government, of the Planning Commission (a body which finds no mention in the Constitution but

which has usurped the functions of the Finance Commission for which specific provision has been made in the Planning Commission)

the time had come to review the provisions in the Constitution governing Centre-State Relations.

The terms of reference of the Committee made it abundantly clear that it was the Committee's job to "suggest measures necessary for augmenting the resources of the State and for securing the utmost autonomy for the State in the executive, legislative and judicial branches including the High Court, without prejudice to the integrity of the country as a whole."

In other words, it was not a committee making an objective investigation of Centre-State Relations as they are at present but one which proceeded on the assumption that the present relations were unsatisfactory. The Committee's labours were therefore directed towards making suggestions on measures to increase State autonomy.

Therefore the description of the Committee as one to inquire into Centre-State relations is itself a misnomer. Perhaps a better title would have been "Committee to suggest measures for greater autonomy for States".

As mentioned earlier, the loaded terms of reference deprived the report of much of its credibility but if it has been taken even a little seriously, it is, in no small measure, due to the calibre of the members who constituted the Committee.

The Committee circulated a lengthy questionnaire (covering the entire gamut of the Constitution in so far as they affected Centre-State relations) to retired judges of the Supreme Court, Ex-Chairmen of Finance Commissions, eminent jurists, members of the State Legislatures and of Parliament and to leaders of public opinion. Some were personally interviewed as, for example, Mr. Ramaswamy Mudaliar, Mr. N. A. Palkhiwala and Mr. K. Santhanam. It would be interesting to know the answers the questionnaire elicited from retired Supreme Court judges and others.

The issues tackled by the Committee covered a wide range of subjects, but, kept in view "the main objective" of securing for the States fullest autonomy "within the general framework of the Constitution, and without in any way impairing the integrity of the country." Among the more important topics discussed were: the federal system under the Constitution; the provisions of the Constitution affecting State autonomy in administrative and executive fields; divi-

sion of the taxing powers between the Union and States; distribution of revenues as provided in the Constitution; statutory and discretionary grants; the functioning of the Finance Commission; the Planning Commission; the Supreme Court and the High Courts; the role of the Governor; the language question and amendments to the Constitution.

Briefly, the following are some of its recommendations:

1. Immediate constitution of the Inter-State Council consisting of Chief Ministers or their nominees with equal representation for all States and with the Prime Minister as Chairman.

All Bills of national importance should, before their introduction in Parliament, be referred to this Council except in respect of defence and foreign relations.

The recommendations of the Council should ordinarily be mandatory. If rejected by the Central Government, such recommendations, with reasons for rejection, should be placed before Parliament and the State Legislatures.

2. The Constitution of a high-powered commission to redistribute lists I and III in the Seventh Schedule to the Constitution.

3. Transferring of a large number of entries in the concurrent list to the State list and resting the residuary power of legislation and taxation in State legislatures.

4. Widening the base of devolution of revenues by including Corporation Tax, Customs and Excise Duties and tax on the capital value of assets in the divisible pool to be shared by the Centre and the States. All excise duties and cesses etc., presently shareable at the option of the Union, should be made compulsorily divisible.

5. Grants by the Centre to the State whether for Plan or Non-Plan expenditure should be made only on the recommendation of an independent and impartial body like the Finance Commission whose recommendation should be binding on all concerned.

6. The setting up of a committee of experts to consider the entire issue relating to States' indebtedness.

7. The Planning Commission should be an independent body without being subjected to control by the Union Executive or to political influence.

Parliament should enact a law providing for the establishment of a Planning Commission consisting only of experts in the economic, scientific, technical and agricultural fields and specialists in other categories of national activity. No member of the Government of India should be on it. The existing Planning Commission should be abolished. The Planning Commission should only tender advice on schemes formulated by the State and make recommendations for consideration by the Finance Commission regarding grant of foreign exchange to States

for industrial undertakings started by or in the States. Each State may have a Planning Board of its own.

8. The Industrial Development and Regulations Act 1951 should be repealed and replaced by an Act providing for control by the Union of only such industries as are of national importance and which have a capital of more than 100 crores of rupees. The provision relating to the grant of licences should be completely omitted and States should have the power to grant licences to start new industrial undertakings within the State.

9. Except in cases involving Constitutional issues or the interpretation of a Central Act, no appeal from the High Court should lie with the Supreme Court. The power regarding salaries, allowances, leave and pensions of High Court Judges should be vested in the State Legislatures subject to fixation in the Constitution of minimum salaries.

10. The Governor should always be appointed in consultation with the State Cabinet or in consultation with a high-power body specially constituted for the purpose.

Governors should be rendered ineligible for a second term of office as Governor or any office in the Government. Specific provisions in the Constitution should be inserted to enable the President to issue instrument of instructions to the Governor.

11. The Constitution should expressly provide that the territorial integrity of the State should not be interfered with in any manner except

- (i) with the consent of the State Government concerned, or
- (ii) by reference to a high-powered judicial tribunal to be constituted for the purpose, or
- (iii) by ascertaining the opinion of the people of areas concerned by holding a special poll.

12. The link language between the Centre and States *inter se* should be English.

English should continue to be the language of the Supreme Court and the High Court.

The officers of the Central Government situated in any State should use the official language of that State for transaction of business in those offices.

13. The Representation of the People Acts of 1950 and 51, should be amended so as to confine the provisions and rules of elections to Parliament, State Legislatures being left free to enact laws and rules in relation to elections to State Legislatures.

14. All disputes relating to inter-State rivers should be left to the discretion of the Supreme Court.

15. The number of Central ministers of cabinet rank belonging to any one single State should not be more than one-fifth of the total number.

16. Every amendment to the Constitution should need ratification by the Legislatures of three fourths or at least two thirds of the States representing three

(Continued on page 8)

From Here and There: V.B.K.

Nixon's Visit To Peking

PRESIDENT NIXON'S projected visit to Peking is the biggest news of the month. It has shaken a few capitals and given a rude shock to many others. It has provoked reactions everywhere, violent in some countries and neutral to favourable in others.

The news was associated with a bit of drama. It was preceded by a secret visit of forty-nine hours to the Chinese capital by Dr. Henry Kissinger, President Nixon's special adviser on national security. It is difficult to understand why such a mystery was made of the visit. It could have taken place openly or at least without importing in it so much sensationalism. Very likely neither party was sure of the result; so thought it better not to advertise it until the meeting was fixed.

It was clear to all observers during the last six months or so that the two countries were seeking a *detente*. But nobody expected things to move so rapidly towards a summit meeting. The summit meeting is still many months away. It is to take place any time before May 1972 and may not take place actually until then. During that long period both countries will be on trial. They must not do anything which will annoy the other party so much as to compel it to call off the meeting. That is a contingency which cannot be excluded.

President Nixon has justified the attempts at *detente* as well as the summit meeting on the general ground: "We simply cannot imagine a stable international peace in which a country of 750 million people is kept in isolation." It is true that the big country of 750 million people should not be kept in isolation. But there should be on the part of that country also a desire not to keep itself in isolation but to get itself integrated with the world. It is to be hoped that the signs of that desire that the American Government may have detected do not prove illusory. Whatever the ultimate outcome, the attempt to bring China into the world community and under its discipline is worth making and President Nixon and the American Government deserve to be complimented on deciding to make it.

The party that will be most adversely affected by the decision is Taiwan. It will lose its seat in the Security Council, but not, it is hoped, in the United Nations. It never had any right to China's seat, which should have gone since long to the People's Republic of China; but it can have a place of its own in the organisation as a sovereign independent nation. It is to be hoped that President Nixon will remember the assurance that he gave, namely, "our action in seeking a new relationship with the People's Republic of China will not be at the expense of our old friends," and

that he will not allow China to browbeat him into throwing Taiwan overboard. Taiwan may, if it chooses, unite with the People's Republic of China but, as long as it desires to maintain separate existence, it must be accepted as a separate nation and given a place in the United Nations. Not being sure of that position, Taiwan is naturally alarmed and has opposed the new development.

The other nation that has not welcomed it is Soviet Russia. Russia is not happy at the growing understanding between China and the United States. Her satellites, including satellite parties, have echoed the same sentiment. Some of them like the Indian Communist Party have roundly condemned China for forsaking the ideology of Marxism-Leninism and sinking "into the mire of a shame-faced opportunism of simple power politics." According to them, Nixon's visit to Peking is "a calculated American move to provoke a war between the Soviet Union and China". Whatever these initial reactions, Russia will not, one can confidently predict, go to the extent of deliberately spoiling her relations with the United States. It may exhibit, on the contrary, a greater desire to seek accommodation and adjustment. That will help the cause of peace by leading to relaxation of tensions.

Our Reaction

Understandably, we are not particularly happy with the projected visit. We are afraid that, having secured the friendship of the United States, China may become more unfriendly towards us. It cannot be said that there is no substance in the fear. It can be counteracted, however, by our own efforts to improve our relations with China. So far we have not done anything positive in that direction. We have all along waited for the other party to take the initiative. We can, however, draw some lesson from America's action and, forgetting what happened nine years back, make a fresh bid for securing an understanding. The Americans had to forget and swallow many worse things before securing for their President the invitation to visit Peking. We cannot also forget that the secret mission of Dr. Kissinger was arranged through Pakistan. This is a debt that the United States of America will have to repay; and the repayment may be at our expense. These circumstances have filled us with misgivings. We have not, however, allowed ourselves to be carried away by them. In the interest of world peace we have welcomed the prospect of reduction of tensions between China and the United States. It would have been selfish on our part if we had ignored that prospect and judged

the development purely from our own narrow point of view.

There is little substance in the narrow point of view. Continuation and intensification of tensions between America and China will not help us. That will, on the other hand, harm our interests. In spite of us, we would be drawn into that international struggle for power and would be denied the peace that is essential for building up our strength. It is wrong and perverse to regard President Nixon's visit to Peking as a conspiracy against us. In fact it is, as stated by him, "a journey for peace". If it succeeds, we shall benefit along with the rest of the world; if it fails, as it may in view of the numerous difficulties in the way, it will go down in history as the tragic failure of a noble attempt to help the cause of world peace.

Taking advantage of the new situation in which the United States appears to be more favourably inclined towards Pakistan and China, some interested parties have renewed their game of pushing us into the arms of Russia. According to them, Russia is the only big power which is our friend and we should unhesitatingly throw our lot with her. These are the very people who day in and day out talk about non-alignment and extol its virtues. But to them, non-alignment has all along meant alignment with Russia and antagonism towards democratic powers. They think that their day has come and that they can now land India into the Russian camp. They are not likely to succeed, but it behoves all to be watchful. Independence rather than dependence on one nation or the other is the policy that suits us best and we should see that there is no departure from that policy particularly when demarkations between countries and groups of countries are becoming so thin and flexible.

Cruel and Senseless

AMERICA has adopted in relation to the people's struggle in Bangla Desh a policy which is both cruel and senseless. It is cruel because it helps the Pakistani army to crush the people's movement and to establish a reign of terror. It is senseless because it serves no enlightened interest of the American people.

At one time it was expected that the Government of United States would by stopping all aid exert pressure upon the military rulers of Pakistan to cease the war and seek a political solution. It had and has enough power to exercise that pressure. But far from adopting that course, the Government is allowing the flow into Pakistan of economic as well as military assistance. That amounts to encouraging the Pakistani rulers to continue their merciless war against their own people.

By this cruel and senseless policy President Nixon and his Government have antagonised the people of Bangla Desh and of India and have forfeited the good-

will of democratic forces all over the world. If this is the price that they had to pay for securing a meeting with Chinese leaders in Peking, it is, indeed, a very heavy price. By forcing the people of Bangla Desh to wage a prolonged guerrilla war of attrition against the Pakistani army they are helping the conversion of Bangla Desh into Vietnam. Vietnamisation of Bangla Desh will benefit none but the Chinese Communists. It is surprising why the American Government cannot see this obvious fact.

The only relieving feature of the situation is the fact that by far and large American public opinion does not support this reactionary policy of the Government. Influential public men as well as weighty journals of public opinion have opposed it. Their voice is the real voice of the American people and not the voice of a Government acting under mistaken notions of *real politic*.

Bombay Bandh

HOW trade union leaders lose sometimes sense of proportion and give a call for rash and foolish actions is amply illustrated by the taxi strike which inconvenienced the citizens of Bombay for a little over a fortnight and the Bombay Bandh that was organised to secure support for it. The taxi strike was pointless because there was no dispute about the need for a revision of taxi fares and what the Government demanded was only a short interval for going through the legal formalities. The revision did not take place even a day earlier because of the strike and in the end taximen accepted the rates which the Government fixed. The net gain of the strike was the loss by taximen of a fortnight's earnings and of the goodwill of the public.

The Bombay Bandh was a much worse flop. Nobody responded to the call issued by the leaders of the Hind Mazdoor Panchayat and the Samyukta Socialist Party. All other trade union organisations and leftist political parties had already dissociated themselves from the Bandh. Under the circumstance even workers owing allegiance to H.M.P. and S.S.P. thought it better to keep away from the Bandh. The leaders were thus left holding the baby of the Bandh which no section of workers desired to touch. And thus the Bandh ended before it began!

Trade union leaders think of a Bandh whenever they have a demand to press. They think of it rather too lightheartedly. Bandh is a potent weapon, but it has lost its potency because it has been talked about and resorted to too often. Even workers do not now take it seriously; many of them take their weekly holiday on the day of the Bandh which deprives it of its intended effect. Trade union leaders must thank themselves for this serious weakening of a potentially powerful weapon.

Black Money

M. R. Pai

THE problem of black money has been with us since the days of the Second World War. It has assumed menacing proportions in the last 15 years. A stage has now come when even the Union Finance Minister has had to admit that there is a "parallel economy" as a result of black money in circulation.

This problem needs serious attention of the public and the governmental authorities and suitable policy measures.

What is black money? There is a great deal of confusion about this. For instance, several years ago a prominent politician mentioned that the black money in circulation was of the order of over Rs. 3,000 crores. At that time, the currency with the public was barely Rs. 2,450 crores! This shows the economic illiteracy of our politicians which in turn confuses the public.

Black money in economic terms means *unrecorded gains*. In other words, it is income which has escaped taxation. It may be hoarded in cash, but eventually gets itself converted into various assets like property, jewellery and durable consumer goods such as automobiles, refrigerators, etc.

The second way in which black money is created is by evasion of taxes on legally earned income. Such evasion takes place because of unrealistically high rates of taxes which strains human nature and complex tax laws whereby even honest assesseees are unable to file correct returns and, therefore, the Income-tax Department makes unrealistic and unjust assessments.

A very low ceiling of income-tax exemption results in a large number of people like taxi drivers, small traders, persons who have part-time jobs in addition to their regular work not filing their tax returns. Their untaxed income also is black money. The number of tax assesseees is barely 3 million in our country which is a ridiculously low figure.

Black money arises from numerous controls, licences and other governmental regulations. In order to get things done bribes are given to government officers and political intermediaries. These are given either to get something done quickly or to get some favour which is not due.

Black money also arises from political activities such as elections where candidates spend well above the ceiling prescribed by the Election Commission. This huge expense in turn makes them corrupt. Some demand money for asking questions in legislatures and for contact work with the administration. Political trade union leaders while negotiating with employers earn black money behind the back of workers. The cooperative movement is another prolific source of black money.

The common notion is that black money is only to be found with business men. This is wrong. It arises from such activities where the collusion of government officers and/or politicians is inevitable. Therefore, it is shared between these three groups. The frequent mention in the Press of CBI raids on houses of politicians and government officers is conclusive proof of this state of affairs.

So far as the economic effects of black money are concerned, where it is used for productive purposes such as running small enterprises, it helps the economy to grow. This, however, does not change its unethical character. Where black money is employed for conspicuous consumption—easy money is generally got rid of quickly—it adds to the spiral or rising prices. Where it is used for buying property and other assets, it blocks up productive resources.

Next to destruction of the moral fabric of society, the greatest damage black money does to the country is promotion of social injustice by accentuating the gap between the honest and the dishonest. The former remain poor or where they are, while the latter thrive on black money.

On the one hand, there are groups of people such as salaried employees who find that even before they get the salary, the tax is cut at the source and this tax burden rises year after year. On the other hand, people with black money not only escape the growing tax burden but also find that their income and wealth expand at a rate disproportionate to their contribution to growth of national income. The irony of the situation is that every few years the Government comes out with attractive schemes for them to declare their black money while retaining some of it. In contrast, the honest tax-payers are taxed more and more to make up for the lapse of the administration in collecting taxes from the dishonest!

Demonetisation is frequently mentioned as a remedy for black money. The idea behind demonetisation is that the government should withdraw the high denomination notes in which black money is held and replace them with new notes. While surrendering the old notes, the hoarders have to give satisfactory explanation. In this way, only those who have got honest income will be able to get their currency holdings replaced. In theory demonetisation is an effective answer to black money. But in practice, it will not work in our country now as it did as a surprise measure over 20 years ago. The main reason is that there has been too much loose talk of demonetisation over the past few years by our political blabbermouths. Those who hold black money, mostly in denominations of

100 and 1,000-rupee notes, have taken care to rid themselves of this hot money. They have either converted them into assets which can be easily liquidated or into smaller denomination notes which will not be demonetised. About 48 per cent of our currency is in 100 and 1,000-rupee notes, the 5,000 and 10,000-rupee notes forming about 2 per cent being used mostly for bank transactions. Withdrawal of these notes and replacing them by new notes will take several weeks and seriously disrupt economic activities. Moreover, a new black market in disposal of Rs. 100 and Rs. 1,000 notes will start!

The solution for black money is to be sought elsewhere. It lies in removing the causes. For instance, bulk of smuggling can be eliminated at a stroke by allowing the rupee to float and find its level in the international free markets. A floating currency has been successfully tried in countries like the Philippines and South Korea. We can also do it provided, of course, (a) certain safeguards are taken to ban import of luxuries; and (b) politicians and government officers are prepared to give up power and patronage in issuing import licences.

Prof. B. R. Shenoy has estimated that Rs. 500 to Rs. 700 crores worth licences are traded in today because of the gap in the official value of the rupee and

its value in the free markets. This is a prolific source of black money.

Removal of all controls and licences and their replacement by necessary regulations will eliminate a major source of black money in the country. The best way of regulating the economy is to allow free competition, i.e. to put the economy in the hands of the consumers.

Tax evasion can be stopped by (a) raising the ceiling of taxable income to about Rs. 15,000 a year; and (b) by lowering the maximum rate of taxation to about 50 per cent. The government can take proper safeguards to see that money is mostly reinvested in socially desirable projects. It is also necessary to have severe laws to punish tax-evaders once the evasion is found out. Government revenues will not be adversely affected by this policy. So much productive activity will be stimulated, that on an enlarged base, the lower, realistic rate will get more revenues for the Exchequer.

Black money is not something new to India alone. It is to be found in all parts of the world where similar economic conditions obtain. In communist and socialist countries it is a common phenomenon. Economists describe such economies as "split economies".

A solution to this problem cannot be postponed for long without aggravating social injustices and tensions. It may ultimately destroy the democratic order itself.

CANCER IS CURABLE IF DETECTED IMMEDIATELY

These are the 7 Danger Signals

1. Any sore that does not heal.
2. A lump or thickening in the breast or elsewhere
3. Unusual bleeding or discharge
4. Any change in a wart or mole
5. Persistent indigestion or difficulty in swallowing
6. Persistent hoarseness or cough
7. Any change in normal bowel habits.

If you notice any of these 7 Danger Signals--consult
doctor AT ONCE.

YOUR MONEY CAN SAVE A LIFE!

The Indian Cancer Society is in urgent need of funds with which to fight cancer. However small your donation, it can help to save a life. Post your contribution to THE INDIAN CANCER SOCIETY, Hospital Avenue, Parel, Bombay 12.

GIVE TO CONQUER CANCER

Insurrection In Ceylon.

Mohan Joshi

THE uprising in Ceylon that began on April 5 was of so severe a nature that the Government was forced to put the entire country under curfew within 24 hours. The insurgents attacked the police-stations, security patrols and government buildings all over the country with firearms, bombs and other weapons making it clear that it was a well-planned effort to create anarchy and thus to overthrow the United Left Front Government of Mrs. Sirimavo Bandaranaike. The insurgents were highly disciplined, well-educated young people from middle-class families, numbering more than 15,000, with about 30,000 sympathisers all over the country, in a population of 13 million. The insurgents belonged to the militant Marxist organisation, JVP, i.e. Janata Vimukty Peramuna (People's Liberation Front). Ironically enough, these very students were the supporters of Mrs. Bandaranaike during her election campaign. Their main grievance was that the ruling party did not keep the promises that it had made in the election campaign.

The origin of the insurrection can be traced to the desperation of many young men, who after reading the translated works of Mao, Che Guevara and others lost faith in the traditional left leaders. They were convinced that the so-called left leaders were by no means sincerely committed to revolution. It was not these leaders or the Government that these frustrated youths wanted to change but it was the 'System' that they wanted to end. In other words the Front's aims were openly nationalist-populist and its actions were aimed at those, who it claimed, have taken over the role of "white Sahibs" without doing anything to help the rural population.

Even when the insurgency is liquidated, it would not necessarily mean the end of the grave economic situation, which the Guevarists have exploited for their own ends. Never has the island's economy been in such straits as it is now. A fall in world prices of tea and rubber, Ceylon's principal exports, is not the only reason; inefficiency and mismanagement in the ever-widening public sector are equally to blame.

According to some, the Guevarists were Maoists. This undoubtedly, is concluded from the fact that Mr. Rohane Wijewara, the Guevarist leader, was forced to leave Moscow's Lumumba University owing to his pro-Chinese attitude. Yet others believe that the Guevarists were the 'malcontents' manipulated by the right with discreet approval from Washington, annoyed by Mrs. Bandaranaike's recognition of North Korea and East Germany.

Anyhow, it is clear, that full diplomatic recognition given to North Korean Consulate in Colombo by Mrs.

Bandaranaike led her into difficulties. After having conclusive evidence that North Korea and China provided the financing, if not the weapons for the terrorist uprising, the Government was forced to oust Mr. Hwang Yong Wu, the North Korean Ambassador and his staff. This was certainly expected by the North Korean diplomats which is clear from the fact that they burnt their embassy documents a day before expulsion. North Korean embassy was estimated to have spent nearly one million rupees in buying space in leading national newspapers for projecting the image of their 'beloved leader' Kim Il Sung and describing the guerilla tactics adopted by him in routing Japanese forces in his country. The publicity was aimed at educating the local frustrated youth. Among the captured documents were the copies of the *Thoughts of Mao* and Mao badges. It is probable that the North Korean embassy in Colombo was acting as cat's-paw for Peking. Thus, the hurried diplomatic recognition given to North Korea immediately after assuming power proved to be a fatal mistake of her Government's foreign policy.

Ten days after the abortive attempt to capture dead or alive the Ceylonese Prime Minister and to overthrow her ULF Government, by the Che Guevara terrorists, the Ceylon Government was on the verge of restoring near-normalcy throughout the island by about 17th April. There were no religious services, this time, on the Tamil and Sinhalese New Year Days, as this was the first grim New Year for Ceylon after 23 years of Independence. The two weeks of terrorist activities shook the Government so severely that it was forced to beg for help, both civil and military, from outside. Ceylonese Government requested many countries for help. India was the first to respond. Government of India, undoubtedly, took a very wise and good step in sending helicopters to lend logistic support to the Ceylonese Government forces. Indian army personnel undertook static guard duties, relieving the Ceylonese forces for field activities. Indian warships patrolled Ceylonese waters and performed other duties such as discharging military supplies. Further India rendered help for rescue operations and medical and other humanitarian work. U.S.A., U.S.S.R. and Britain also helped by providing military supplies and other relief measures.

The disruption caused by the terrorists will make Indian and Western aid even more essential than before. This will, of necessity, have an impact on Mrs. Bandaranaike's foreign policy, which might lead to difference of opinion between the partners in the ruling

(Continued on page 8)

fourths or at least two thirds of the total population of all States.

That the Tamil Nadu Government was almost certain that there was no chance of the recommendations being accepted is evident from the remarks of the Madras Chief Minister who, while addressing a meeting on May 30 conceded by implication that the Report of the Rajamannar Committee would have served its purpose if it initiated a dialogue between Chief Ministers and political leaders on the question of enlarged powers for States. In other words, the strategy appears to be to pitch the demands high like the trader who puts a high price for his wares so that in the course of negotiations he sets the best possible price. In the process, the Report has been unfavourably received in the Press which has by and large dismissed the recommendations as being dangerous to the integrity of the country.

This is unfortunate, for the recommendations in so far as they relate to financial matters and economic development have much to commend themselves. In fact an article in the *Economic Times* (9th July) does make the point that "there is a danger that in the din of controversies over certain recommendations, the really important issue will be side-tracked. The baby is in danger of being thrown out with the bath water."

The whole difficulty arose from the mutually irreconcilable terms of reference—"keeping in view the main objective of securing for the States fullest autonomy without in any way impairing the integrity of the country." The learned members of the Committee were obviously caught between two schools.

But, a total rejection is certainly not called for particularly in view of the considerable validity of the recommendations relating to fiscal policy.

Broadly, we could divide the report into two parts—the first dealing with political/administrative matters and the second with financial arrangements.

The first part is almost wholly unacceptable as most of them would involve fundamental changes in the Constitution—changes which would reduce our national structure to a loosely-linked federal set-up with an extremely weak centre. For instance:

(1) the transfer to State legislatures of the residuary powers of legislation presently vested in Parliament.

(2) The Inter-State Council conceived as an advisory body in the Constitution would, if the recommendations were to be accepted, make the Council consisting of the Chief Ministers and with the Prime Minister being the lone representative of the Central Government, a body superior to Parliament.

(3) The absurd recommendation of making the Representation of the People's Act applicable only to Lok Sabha elections while leaving each State Legislature free to frame its own legislation in regard to Assembly Elections. This would create anomalous

situations, during elections, quite apart from numerous legal difficulties.

On the other hand the part dealing with financial arrangements, and the Planning Commission are well worth considering as also the present arrangements relating to the concentration at the Centre of the various powers of taxation.

There can hardly be any doubt that under Mr. Nehru, the Planning Commission acquired tremendous authority and became almost a super Cabinet. The recommendation for the scrapping of the Planning Commission as presently constituted, reconstituting it as a statutory body with an advisory role consisting of experts, needs to be seriously considered.

The discretionary grants under Article 282 of the Constitution have been very often used as a political lever by the Centre. There is need to review this article so as to prevent its abuse.

Similar is the case with the recommendations involving decentralisation of the issue of permits and licences and giving State governments the right to industrialise their States without having to wait on Central favours.

The need to ensure a fair division of taxes, particularly excise duty, not as at present at the option of the Union Government but by mutual agreement between the Centre and the States deserves serious consideration. While on this, it would not be out of place to point out that State Governments have not, out of political considerations, exploited all avenues of taxation open to them particularly agricultural Income Tax.

This article is not a detailed analysis of all the recommendations but is intended only to give the reader an idea of what the report is about and to point out some of its salient features.

Instead of dismissing the Report as being the ideological formulations of the D.M.K. as some have done, it should be critically examined by the Centre and States as being the views of three very eminent people who have spent a considerable amount of time and energy in building up a case for greater autonomy for States.

(Continued from page 7)

coalition. If she adopts a less friendly attitude towards the socialist countries, it may embarrass some of her own party-men. It will certainly create problems for the pro-Moscow Communist Party, which is a partner in the ruling coalition.

Our Government has done well in helping Ceylon in its hour of crisis. There is every reason why India and Ceylon should coordinate their operations against extremist groups. Terrorists and extremists in Ceylon were receiving inspiration from North Korea, China and Indian Naxalites in West Bengal and Kerala. They received a lot of money from Peking and Pyongyang. These extremist activities in Ceylon, of necessity, should serve as an eye-opener to us.

These Things Were Happening

(The following are excerpts from a television interview of Mr. Dean Rusk who was the Secretary of State under Presidents Kennedy and Johnson. Mr. Rusk was interviewed a short while after the publication in American papers of the sensational Pentagon Papers. He regretted the publication of Papers mainly on the ground of "the great importance of protecting the ability of the United States to talk privately with governments." The Papers proved, he said, that "people in the top side of the Government were continually worrying about and agonizing about some of these problems and the decisions which had to be made" and that "we took it as a very serious matter, that we looked upon it as a tragic event.")

Q: Mr. Secretary, you have been known for your consistency, and one of the things you always stood for was the belief in the "domino theory" that if Vietnam went Communist, the rest of Southeast Asia would. Do you still have that same feeling?

Mr. Rusk: Well, I don't want to cut across your remark, but President Kennedy once endorsed the "domino theory" in a press conference. I never attached much attention to it. I rather thought about what was actually happening on the ground in Asia.

Now, when I left office, large numbers of North Vietnamese troops in Laos, South Vietnam and Cambodia, North Vietnamese-trained guerrillas operating in Thailand, men in arms coming across the north-eastern frontier of Burma out of China, every week men in arms coming across the 38th parallel from North Korea into South Korea. Now, you don't need dominoes. You look at what is happening, and you feel that there is not going to be peace in Asia until this sort of thing stops, or they simply conquer it and you have that kind of peace of the concentration camp.

Q: Mr. Secretary, if you take that position—I am not saying this to try to embarrass you, or anything like that—

Mr. Rusk: I am not talking about a position, I am just talking about a fact. These things were happening.

Q: No, I mean if this is your view of the facts that are happening, then do you feel that any means are justified in dealing with that situation? In other words, then, do you say to yourself—not in so many words, because it is a horrible thing to say—but do you act on this assumption that it doesn't make any difference how many Vietnamese are killed, how many Cambodians are killed, how many Laos are killed?

Mr. Rusk: No, one doesn't say "unlimited means." I mean, you have got to consider that along with other considerations.

You asked me a moment ago about the moral question involved in the civilian problem out there. I really think you will find that more effort has been made to protect civilians in this struggle in Southeast Asia than in any other struggle in our lifetime. I am sure—and somehow the press has not picked this up and investigated it and run a story on it—I am sure that we have accepted a good many additional casual-

ties in Southeast Asia because we were trying to avoid civilian casualties. And I know that when we looked at certain bombing targets at that Tuesday luncheon table, where we always required a statement of the possibilities of civilian casualties alongside any recommendation, that we turned down targets because of the civilian-casualty possibility.

So that, yes, there have been tragic losses among the civilians, but when you compare it with Korea or with World War II, far greater effort has been made here to protect the civilians.

Q: Mr. Secretary, may I return to what you were discussing before—this whole question of morality, or the proportion of the means used to the effect sought?

There were estimates made, so the Pentagon Papers tell us, that the casualties from bombing raids, for example, were sometimes 80 per cent noncombatant. There is another phrase in the Pentagon Papers that "it looks pretty awful for the world's largest power to be pounding away" at a—I don't remember what the estimate was—a fourth-class nation, and killing perhaps 1,000 civilians a day.

May I just make one more point? Assistant Secretary of Defence (John) McNaughton put in at one point a paper in which he suggested blowing up dikes, and he said this wouldn't kill people and it would starve them. Now, what is the reality in something of that kind?

Mr. Rusk: Well, we turned down the bombing of the dikes exactly for that reason, because it would have its major impact upon the civilian population. Yes, we were deeply concerned about the civilian problem. There were areas in which, for example, if our troops were to enter they would drop leaflets ahead of time telling the civilians to get out of the way. Now, that had the disadvantage that it also told the North Vietnamese and the Viet Cong to get out of the way.

Q: Well, is the question involved here whether a country like the United States, the most advanced industrial power in the world—is it possible for such a country to go into a country like Vietnam, Cambodia or Laos in the way in which we have to go in because of the kind of country we are and accomplish anything? Or is it practically certain that what we do will be counterproductive in the circumstance?

Mr. Rusk: Well, I think that is something we will have to think a great deal about, and that not only people in Government but the scholars in the field will have to think about.

It makes a big difference as to whether you create the feeling that aggression can succeed because there is no one to stop it. Now, we haven't become the world's policeman. Hundreds of situations of violence have developed since World War II, and I think we have been involved in about six or seven of them. We don't go around looking for business-places to intervene. But in those areas which we by formal constitutional arrangement have decided, or did decide, were vital to our own interests and to the possibilities of peace—that means basically in Western Europe, this Hemisphere, and certain spots on the other side of the Pacific—then it is not only the immediate situation that is involved, it is the reliability and the status of your other security agreements and the judgments that might be made in the minds of some other capitals as to what might happen if they take one or another move.

Now, it is unfashionable these days to talk about such things, but I myself believe that one of the principal pillars of peace in the world is the feeling on the part of certain capitals that "we had better be just a little

careful, because those crazy Americans just might do something about it." And if that question is ever transformed into a certainty that we will not do something about it, then I think we are headed for periods of very great danger.

Q: Mr. Secretary, what do you think we have learned perhaps from these Papers, perhaps from our whole experience, that we can use today—and may I relate it especially to the new peace-talk offers?

Mr. Rusk: Well, first I think there are a number of lessons that we can draw from the Vietnam experience. I can't relate to the lessons from the report itself, because I haven't seen the report. I think the most obvious thing we have learned is that 95 per cent of the problem ought to be prevention—that, if we can, help countries who may be in exposed positions to strengthen themselves internally, politically, socially, economically, and develop the cohesive kind of society which would not be vulnerable to attack through penetration, guerrilla operation and then later by armed invasion. And I would hope, therefore, that we would not go forward on the basis of deep slashes in foreign aid at a time when we need to help countries who are in exposed positions to achieve that position.



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Reviews

Under the Indian Sky

Asok Chanda, Nachiketa Publications, Bombay 7, Rs. 25/-.

DESPITE twenty-three years of Independence, the political horizon of India is still hazy and blurred. The political system we have adopted continues to operate in an unenviable manner. Doubts concerning some of the most fundamental provisions in the Constitution still continue to haunt us. At such a juncture an authoritative analysis of the present situation by Mr. Chanda, our former Comptroller and Auditor-General, could be looked upon as a boon. More so because Mr. Chanda unlike most others does not believe in glibly talking things but in drawing his own conclusions and making definite recommendations for the solution of various problems in a forthright manner which, though one may not be prone to accepting, sets one's thoughts in motion. For example, at one place the author feels that India would be able to tide over the mess created by the reorganisation of States on linguistic basis and over-regionalism and parochialism by breaking the country into numerous administrative units culturally and linguistically homogeneous, enjoying powers commonly exercised by the local government unit in the West. And by creating four regional States out of the four zonal councils with definite powers granted by the Constitution. It is difficult to imagine that this scheme would solve the tangle in anyway. Within a span of 228 pages the author deals with various topics of consuming interest. He begins by taking a bird's eye view of present conditions and then sets himself to the task of analysing the position of fundamental rights in relation to the Parliament, the Centre-State relations or again the position of the President, the Premier and a Governor. Likewise does he refer to the crisis in the Congress party and its effect upon Indian politics as well as with nationalisation of banks and administrative reforms. Besides these there are many other topics of current importance. They enable the reader to get up to date knowledge of Indian politics.

VILAS B. PATANKAR

Indo-Iran Relations: Cultural Aspects

Dr. N. S. Gorekar, Sindhu Publications, Bombay 1.
Price Rs. 35.

FEW people have been more closely related in origin and throughout history than the people of India and the people of Iran" stated Pandit Jawaharlal Nehru. The book under review bears out the truth of that observation. Dr. Gorekar, Professor of Persian, Urdu and Islamic Culture at St. Xavier's College, Bombay, has made a deep study of the influence of Persian culture on Indian life in general and Indian languages in particular. It is a scholarly treatment of the influence of the Persian language on Indian languages.

When the Muslims came into India from Persia and ruled the country for a long period of time they brought with them engineers, scholars, poets, artisans, historians and soldiers. In the course of time they intermingled with the local people and influenced every walk of life, like architecture, ornamental art, philosophy, poetry and literature. But the main influence of Persian has been on Indian languages.

The Perso-Arabic vocabulary has found its way into almost all Indian languages in different parts of India as the Muslim rule spread all over the country. Its influence is evident in Hindi, Marathi, Gujarati, Tamil, Kashmiri, Sindhi and Bengali. Even Sanskrit could not escape its invasion. During the Afghan and Mughal regimes the Persian language became the *lingua franca* of the country. This Indo-Persian contact led to the development of a new language, Urdu.

The Persian language in its turn absorbed a number of words of Indian origin.

The Muslim rule in India thus contributed largely to the growth and development of Indo-Islamic art and Indo-Persian literature.

Dr. Gorekar's book will be of great interest to students of languages and culture. One would have, however, wished Dr. Gorekar had not confined the book only to languages but had elaborated the points made in the first chapter regarding the influence of Persian art, architecture, etc. on the Indian way of life, as also the influence of Indian culture on Persia.

VILLOO K. KARKARIA

The Phases of Indian Nationalism

Dietmar Rothermund, Nachiketa Publications, Rs. 30.

ESSAYS on various topics relating to the national movement and the agrarian problem of India written from time to time by the German scholar, Dr. Rothermund are collected together in this well-printed and well-produced volume. Written on different occasions for different groups of people, there is some repetition in the volume, and it also suffers from lack of unity. The essays are, however, scholarly and deserve to be read as they throw some new light on a few phases of the national movement.

One chapter draws attention to the two rival points of view, one of Mr. G. K. Gokhale, the leader of the national movement, and the other of Sir Herbert Risley, the British administrator, who played a big part in the formulation of Morley-Minto Reforms of 1909. According to the author, the former stood for "emancipation" while the latter for "re-integration." The discussion of the two points of view is interesting. Equally interesting are the chapters on the role of the Western educated elite and feudalism in India. One chapter discusses the "constraints" on "development from below". The discussion would have been more useful if it were specific and had taken into consideration recent developments.

S. D.

With Many Voices

"The deep
Moans round with many voices. Come, my friends,
'Tis not too late to seek a newer world."
—Tennyson.

There is a growing danger that if the exodus continues, the whole of the Indian sub-continent may be dragged into war and unpredictable social convulsions.
—*The Observer* (London), July 4.

Along the wide arc stretching from Afghanistan to Japan, press freedom as it is known in Britain and America exists only in Japan, India and Philippines.
—*Economist*, June 12.

Nixon will go down in history as the monkey China employed to pull its chestnuts out of the fire.
—Frank Moraes, *Indian Express*, July 19.

Double-talk can be useful in diplomacy; it keeps the other side guessing about your next move. But double-think is always dangerous. Our policy on Bangla Desh is marked more by double-think than double-talk.
—Pran Chopra, *Hindusthan Standard*, July 17.

While Caribi Hatao has become impractical because of the burden of feeding and sheltering refugees an "Amiri Hatao" crusade will help promote their (ruling party) credibility with the common man.
—Durga Das, *Deccan Chronicle*, July 15.

Those who have seen how the Soviet Union dealt with its satellites, East Germany, Hungary, Czechoslovakia, will have little difficulty in visualising our fate under the highly-civilised, celestial heel of Red China.
—*Opinion*, July 20.

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Export of democracy, like export of revolution, is not permissible under the international law.
—*Thought*, July 17.

Optimism must be guarded, but gates have been opened to Peking after two decades—and to possible solutions of broader global problems as well.
—*U.S. News & World Report*, July 26.

Nixon, the old Communist baiter, may yet do more than any other U.S. leader to rid the U.S. of an obsessive and restrictive fear of Communism.
—*Time*, July 26.

In international affairs as in private life it is the scene-makers, the neurotics, and the paranoics who get tender loving care.
—Nayantara Sahgal, *The Sunday Standard*, July 25.

Whatever happens to East Pakistan now, India is a certain loser.
—*Economist*, June 12.

That American arms aid is monumentally unwise is not in dispute, but if this sparks an uproar, let there at least be an equally strong condemnation of Soviet supplies.
—*March of the Nation*, July 17.

This Russian hug, though loose, means an end to the old, proud claim that Egypt was, and would remain, non-aligned.
—*The Economist*, June 5.

One of the basic and simple duties of every citizen with respect to the discovery or possession of stolen property or secret Government documents was to report forthwith to public officers. This duty rests on taxi drivers, Justices and the *New York Times*.
—Chief Justice Burger, *Time*, July 12.

Taiwan's reaction will be dismissed by many as predictable and unimportant, but is there absolutely nothing in the old-fashioned view that betraying allies, even allies that have "lost their importance", is wrong?
—Rajmohan Gandhi, *Himmat*, July 23.