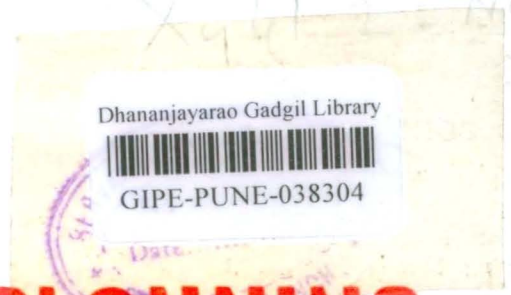


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POST-WAR PLANNING

AN OUTLINE



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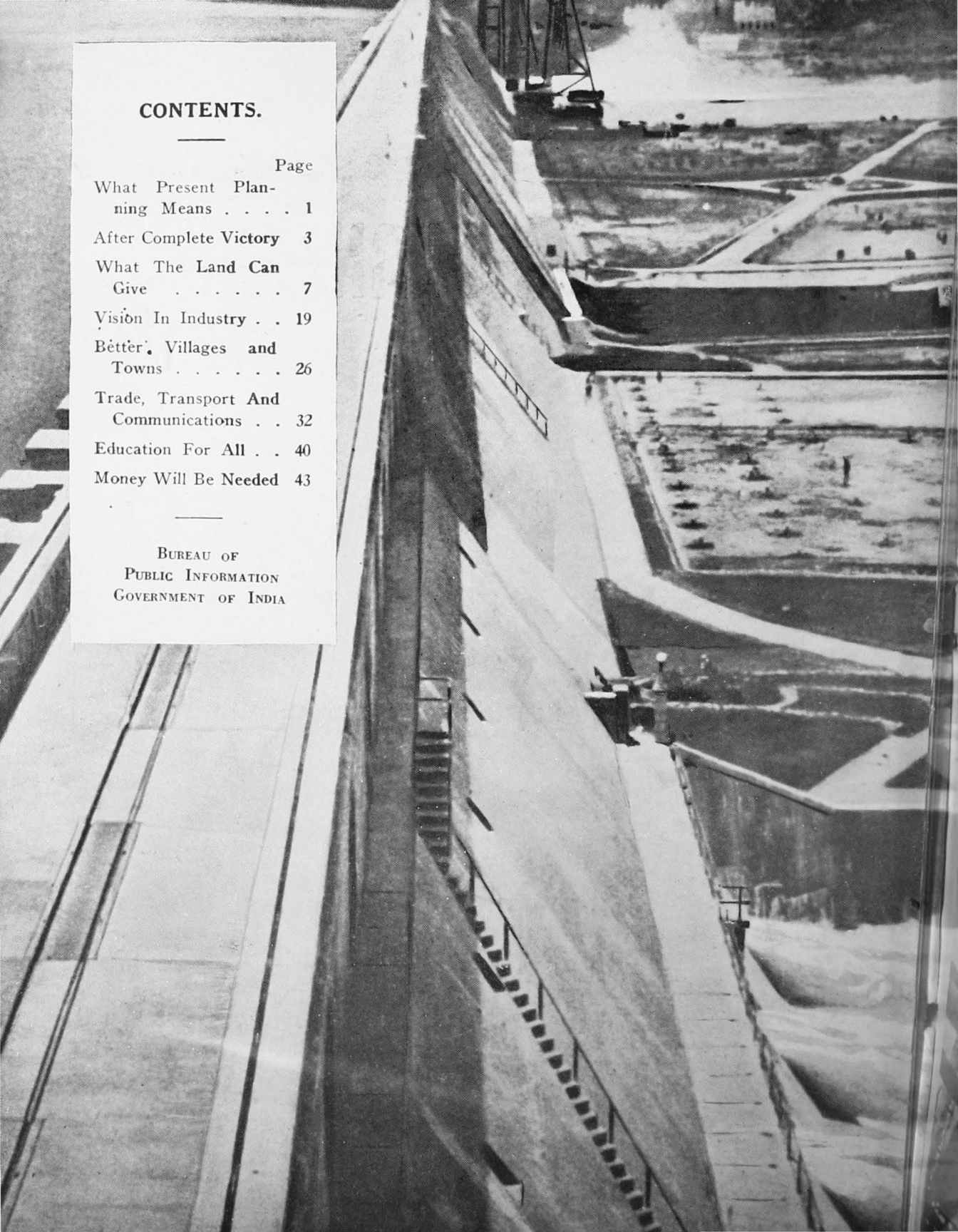
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CONTENTS.

	Page
What Present Planning Means	1
After Complete Victory	3
What The Land Can Give	7
Vision In Industry	19
Better Villages and Towns	26
Trade, Transport And Communications	32
Education For All	40
Money Will Be Needed	43

BUREAU OF
PUBLIC INFORMATION
GOVERNMENT OF INDIA



WHAT PRESENT PLANNING MEANS

The basic idea behind all the Government's present plans for post-war India is to raise the living standard throughout the country and to ensure employment for all.

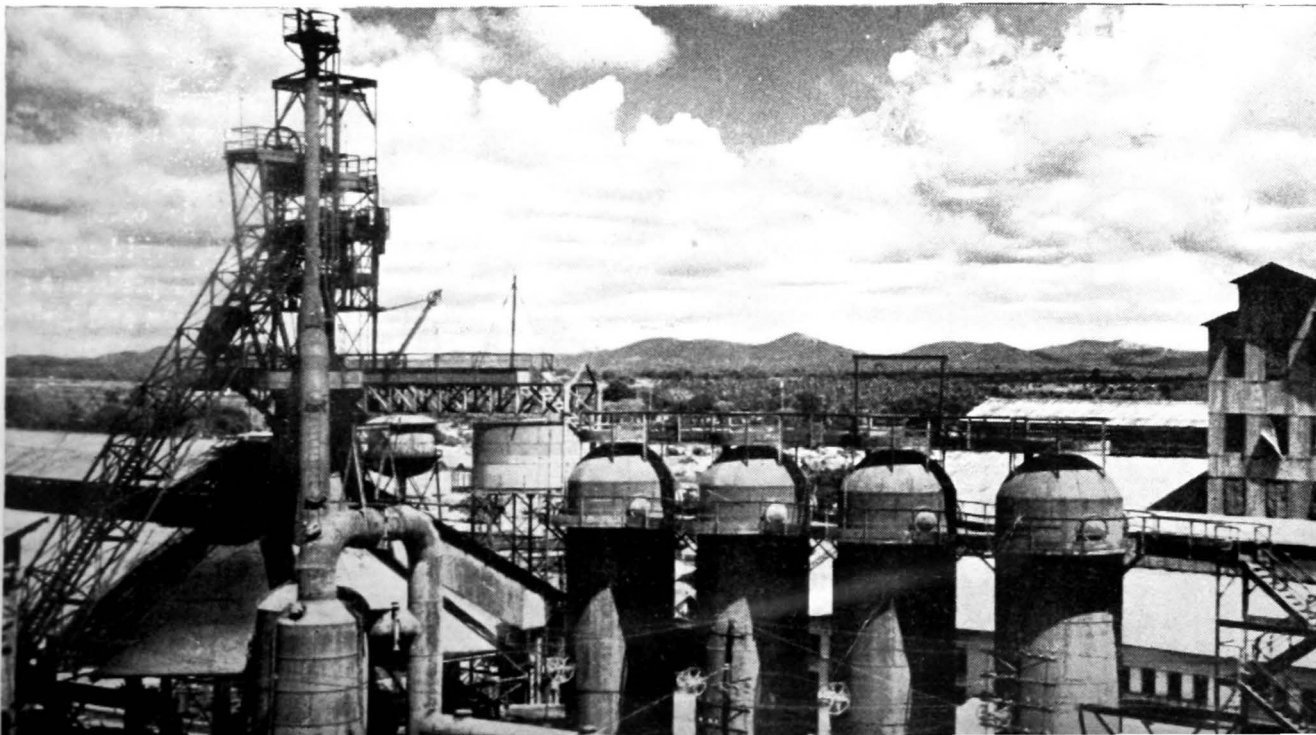
In the first instance, this means providing nearly 400 million people with something more than the bare necessities of life. There will have to be more and better food, adequate clothing, better homes, more schools, doctors, hospitals, and considerable extension and development of all existing means of travel and communication. These aims can be achieved only through vast scale develop-

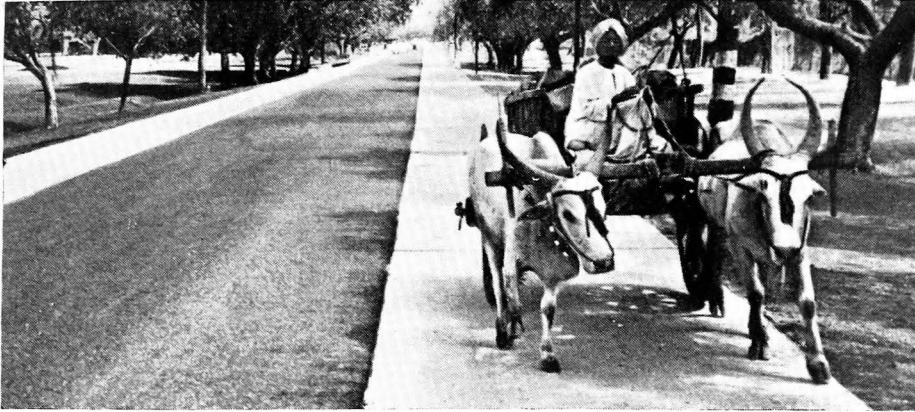
ment in agriculture and industry, since both are vital and complementary factors in the production of the food and articles needed, and in the creation of the essential purchasing power. Money will be needed to pay for goods and services, and that money will have to come from the efforts of the people as a whole.

Balanced Economy Needed.

To-day, the economy of the country is unbalanced. Pressure of population on the land is excessive. And the rate of population increase, nearly a hundred million within thirty years, is almost unbelievable. Present-day planning takes

Development in Industry is needed





More roads must be constructed.

these and many other handicaps and obstacles into account, and in addition to the achievement of its basic purpose, aims to encourage the small industrialist and to give special attention to improving the lot of the so-called depressed classes.

In all this planning, the time factor inevitably varies with the nature and immensity of the individual task. The Road Plan, under consideration, contemplates the building of some 400,000 miles of roads in 15 years. The Education Plan, also under consideration, aims to overcome illiteracy, but will probably not be in full operation for 40 years.

Schemes now under consideration fall into two categories. Revenue-producing schemes, such as electric power production and irrigation development, will directly and immediately add both to the wealth of the country and to the resources of the Treasury. Educational advance and the development of Social Service, though vital to the nation's welfare, will not directly or immediately add to its monetary wealth. For this reason, it will be necessary, especially in the first few years, to ensure that a proportion of the schemes selected will

add to the revenues of the Central and Provincial Governments.

Priorities.

Priorities will largely depend on the availability of trained staffs, materials and machinery. There can be no great increase in education without trained teachers, nor can there be industrial development without technicians; these and many others, such as doctors and nurses, will first have to be trained. It is intended that existing institutions for training in all branches of science, engineering, agriculture, medicine, etc., shall be expanded and many new institutions established.

When complete victory is ours, the Government and the country will be confronted with a complexity of problems : re-settlement of ex-service men and civilian war workers, the orderly and intelligent disposal of war stores and equipment, the removal or adequate adjustment of war-time controls to suit peace-time conditions, and the switch-over of India's war-developed industry to serve the future needs of the country. These are some of the problems that post-war planning takes into account.

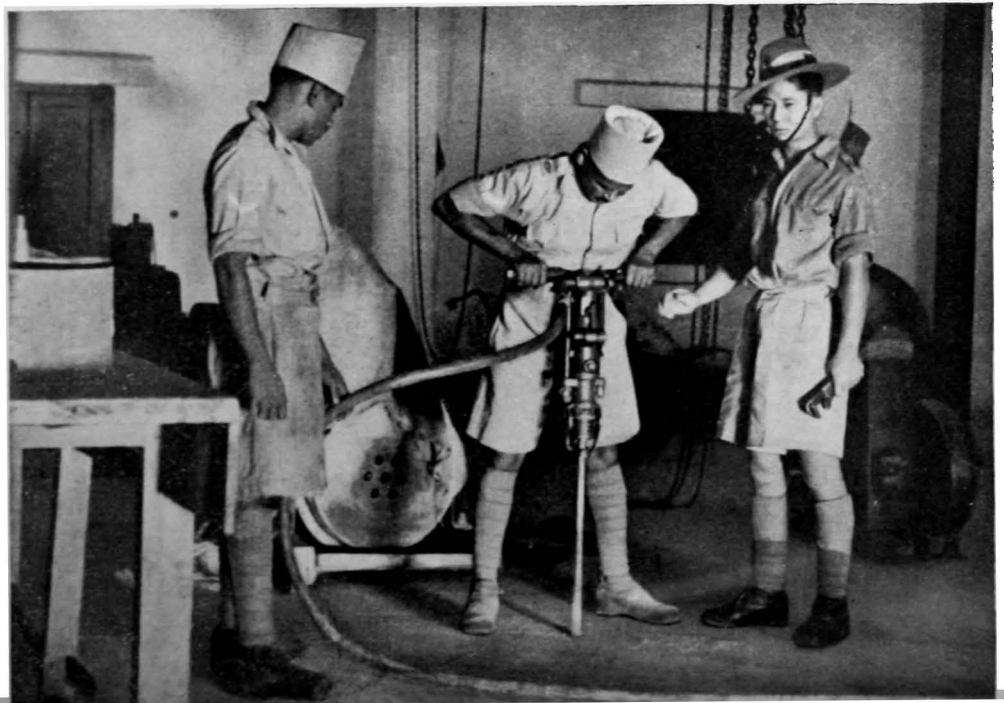
AFTER COMPLETE VICTORY

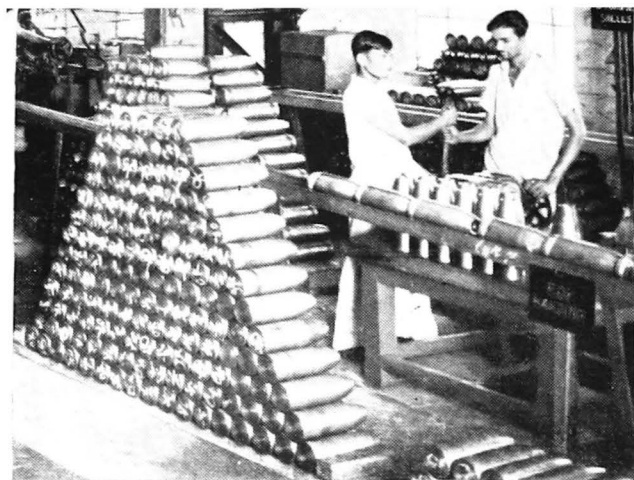
There has been so much loose talk about what is generally termed the post-war period that it is necessary to make a distinction between the short and the long-term projects. These may perhaps best be considered as tasks of Reconstruction and tasks of Development. The first, involving such matters as the resettlement of demobilised soldiers and of labour displaced from war industry, will demand and receive immediate attention when the war ends. The second, projects like the increase of irrigation and agricultural expansion, are of a long-term nature; but the short-term projects must obviously be in line with the long-term policy of development.

Ex-Service Men.

The Government has various schemes for aiding ex-service men, and proposes to give certain priorities in respect of those development schemes that are capable of absorbing large numbers of men on demobilization. India's war-time army has been recruited from almost every section of the people, and for purposes of reconstruction the main division will be between those who want to live and work on the land, and those who want to work in towns and are fitted for employment in trade or industry. For those not fitted for the employment they may desire, a number of pre-demobilization training schemes are envisaged. It is also intended that

Ex-service men must be resettled.

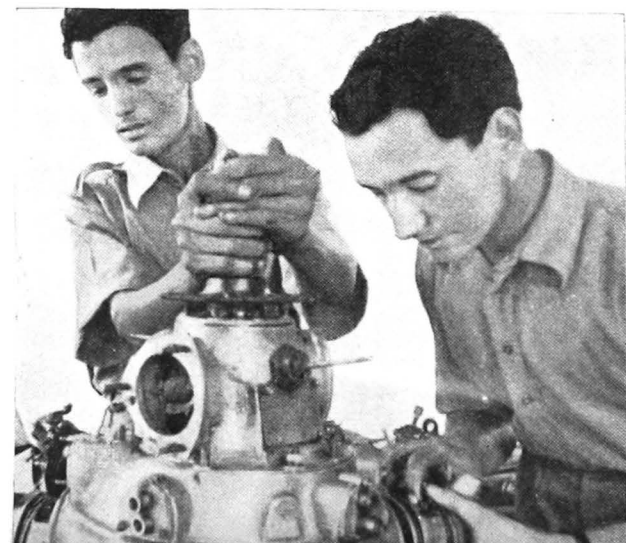




Many contracts will be terminated.



Wartime training will be valuable.



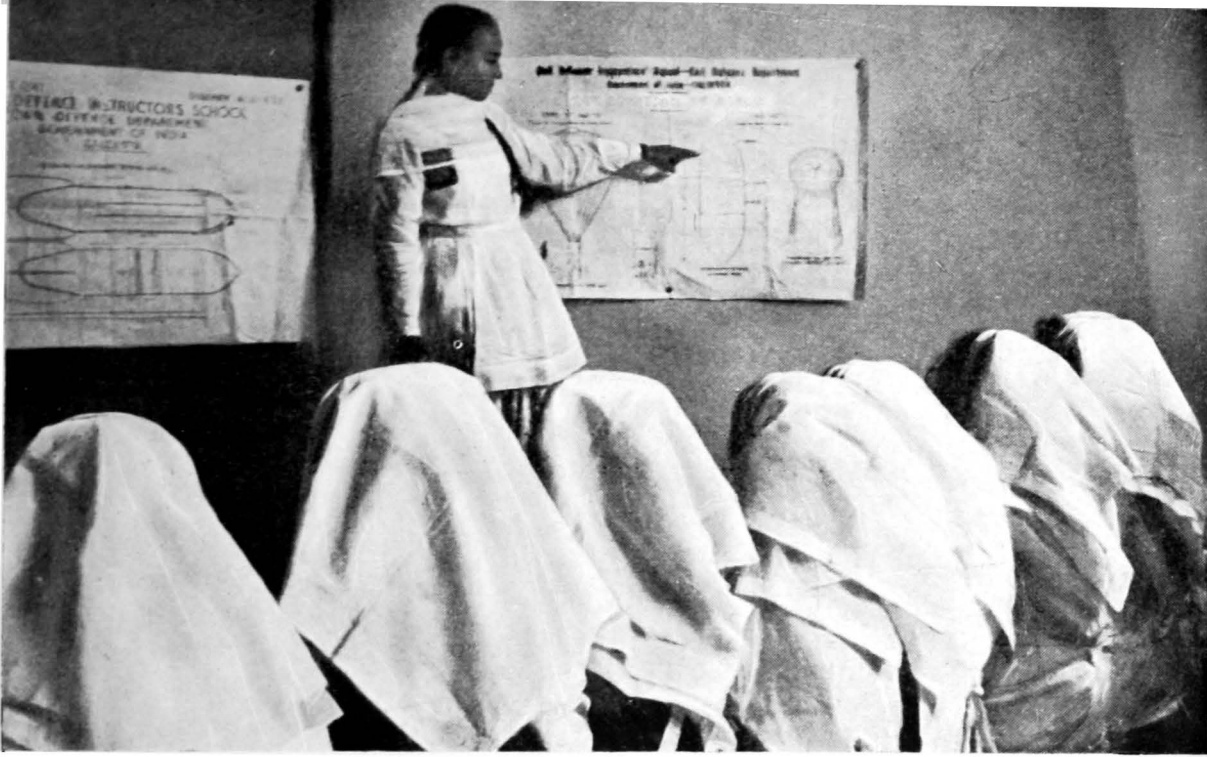
selected units should be engaged on productive work while awaiting demobilization.

Certain educational facilities will be made available, together with maintenance grants, for the families of ex-service men, and those who abandoned vocational training to serve in the war will be helped and encouraged to finish their training. At all employment exchanges special consideration will be given to men demobilized from the Services, and employers, whether Government concerns or private individuals and firms, will be asked to co-operate by reserving a percentage of vacancies for ex-service personnel. In order to promote social welfare and to assist the ex-service man in a variety of ways, there will be a considerable increase in the existing branches of the Indian Sailors', Soldiers' and Airmen's Board.

Surplus War Equipment.

Disposal of surplus war stores, equipment and vehicles, will present a number of problems. There will be land, buildings, plant, machinery, motor transport, timber, textiles, countless items of general stores, reclaimed salvage, and a great deal more—all for disposal. Complicating factors will be that much of the war material in India is either the property of the British Government or is of United States lease-lend origin.

All this will be one long headache for the Disposals Board, which is composed of the Secretaries of the various Departments. The British Government is represented by the head of the Ministry of Supply mission in India. The Board is responsible for policy. This will, in general, be directed towards disposal without disturbing the economic and

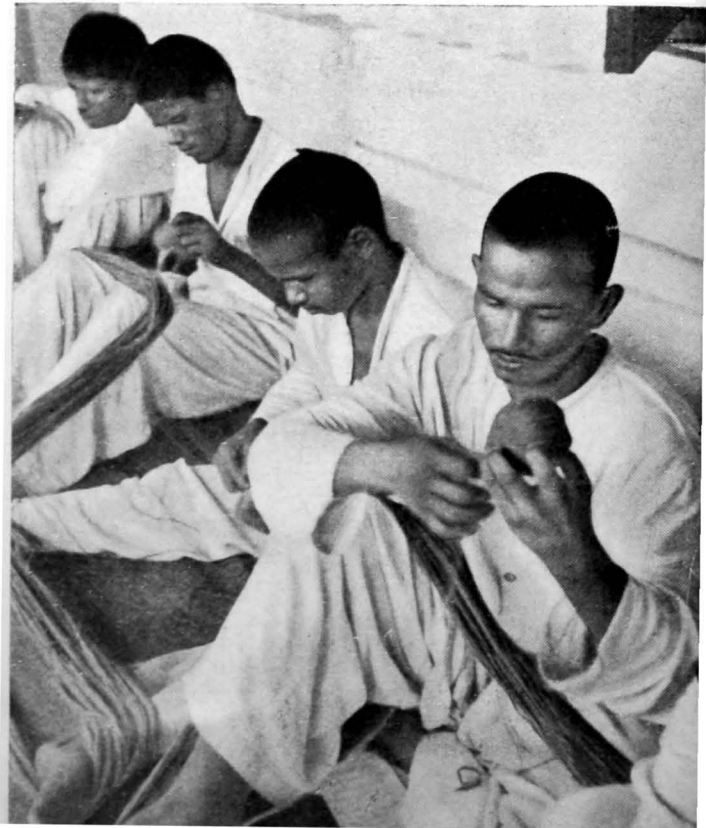


A.R.P. training will help in peace-time.

industrial life of the country, releases to the open market being made only after Government and Public Service requirements have been met. Such releases will normally continue to be made through recognised trade channels. The greatest care is being exercised to exclude unnecessary middlemen and to prevent profiteering.

Of great importance to the nation's economy will be the manner in which Government contracts are terminated. Immense quantities of war supplies have been bought by the Government from contracting firms under varying conditions. In some cases the raw materials, plant, etc., have been supplied by the Government, and will be on hand with individual contractors when the war ends and the products are either not needed at all, or are needed in limited quantities only. Among many other relevant factors will be the extent to which orders

Wounded soldiers learn useful work.

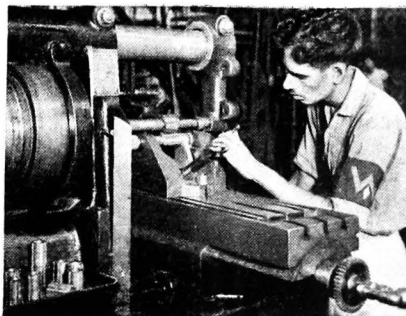


have been completed, the speed with which this or that war industry can be switched to vital or useful peace-time production, and the Government's earnest desire to avoid throwing labour out of employment. An immediate task of the Supply Department and other Departments concerned, is the examination of all Government contracts in the light of problems likely to arise on their termination.

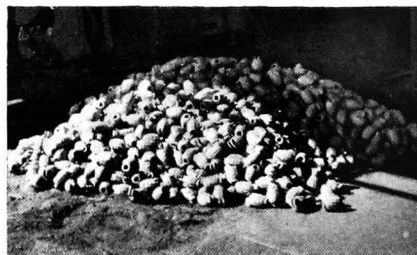
Use Of War Factories.

Another correlated problem will be the conversion of purely war-time ordnance factories to meet peace-time requirements. For this purpose preliminary investigations have already been made throughout India; but in order to assess accurately the peace-time needs of India's Defence Forces it is necessary to know the extent to which India will be expected to share in munitions production for the British Commonwealth. That is an unknown factor, and is likely to be one for some time. What is important is that no machinery should be idle during the period of rehabilitation. And there will be many essential short and long-term gaps, beyond the reach of civil industry, which surplus ordnance factories will be able to fill. In many cases, it will be necessary for the converted factories to retain present technical staffs.

As an essential preliminary, the War Department, through the Master-General of Ordnance and a representative committee, are examining the whole question. Subsequent planning will be based on the estimated peace-time needs of the Defence Services, making allowance for expansion in emergency. It will be



necessary to gauge the extent to which certain military stores and equipment may be made of use in civil industry, and the number of Government factories and plants capable of producing articles of which there is likely to be a shortage. Obviously a number of factories will have to continue to provide exclusively for the needs of the Defence Services. Others may be required to produce munitions in emergency, and in the meanwhile can be turned to civil production. A third category will be switched completely to civil production, and it will be necessary to determine which of these can best be retained under Government control, and which are to be operated by private enterprise.



These can be smelted down.



WHAT THE LAND CAN GIVE

About 80 per cent. of the population gets its living directly from the land, and at present the general living standard is deplorably low. Since the aim is to raise that standard, and to raise it without delay, land development looms large in the Government's post-war plans, the intention being to guide the simultaneous progress of agriculture and industry, and to make a beginning now.

A disturbing factor is the rate of popu-

lation increase, nearly a hundred million in thirty years. Even if this should decline in the near future, as eventually it must, improvement in health services and living standards in general will certainly cause some decline in the death rate.

Land Progress.

There are two ways to progress on the land: cultivate more, and make better use of that already under cultivation. To

these ends, a beginning has been made, backed by the "Grow More Food" campaign, and Government action is being taken to ensure the fullest support for both projects without delay. Within two years, eleven million acres of additional land have been put under food crops, partly by diversion from cotton,

have to be a great increase in irrigation. A lot of survey work will have to be done before much of the 250 million acres, classified as culturable waste and fallow, can be cultivated.

The procedure for planning and execution is primarily a matter for individual Provinces and States ; but the Central



Paddy.

and partly from land newly cultivated. During this period these areas have produced some four million tons of additional food.

Irrigation.

In order to bring more land under cultivation and to increase production from land already cultivated, there will

Government will aid by arranging for priorities in respect of essential materials, providing technical assistance, and co-ordinating projects on a regional basis where possible. The Central Government may also be prepared to give financial aid in certain cases.

Present proposals include the reorga-

nisation of the Central Board of Irrigation, and appointments in the Government of India of a Consulting Engineer for Waterways and a Consulting Engineer for Irrigation. It is clear that in order to bring about an adequate increase in food supply it will be necessary to embark on a number of technically unproductive schemes, but it will be possible to establish many others on a sound economic basis.

Soil Conservation.

A great deal can be done both to bring new land under cultivation and to add to the present output. Reservoirs, tanks, wells, tube wells, pumps that will raise subsoil water and draw water from rivers below the general level of the country, all will need to be greatly increased. In the Deccan and Rajputana, enormous areas suffer from low rainfall. These can be made productive by comprehensive contour bunding, afforestation and anti-erosion measures. Dry farming methods can also be employed. In canal areas, vast tracts of water-logged and salted land can be reclaimed, and coastal lands can be drained and protected from flooding. Badly eroded areas can be brought back into cultivation, and malarial infection can be greatly reduced.

In order to carry out this vital work, it is proposed to establish Land Development organisations in each of the Provinces, and to give such organisations certain legal powers in relation to their work of soil conservation. The war against erosion is not merely a struggle in the badly eroded areas; it goes on throughout British India and the Indian States, in cultivated districts, waste lands and forests, often as a result of

floods and silt caused by erosion in some other locality. Each year much land goes out of cultivation or profitable use, millions of acres having already been rendered unproductive.

Agriculture's Main Functions.

India's agriculture must perform two main functions. It must secure an adequate quantity of food for the people, and supply enough raw materials to feed India's industries. An additional function is the provision of raw materials for export, in one form or another, so as to provide the foreign exchange that is needed to pay for imports essential to the country's industrialization.

These aims cannot be achieved without correlated planning and the allotment of specific tasks within the producing ability of individual regions.

In order to encourage the cultivation of additional land and to upgrade the means and technique of production, the market value of agricultural commodities will have to be stabilized at a price-level that will ensure adequate production. It will also be necessary to give the cultivator increased security of tenure, freedom from restrictions, and to guarantee him the benefits both of his labour and of any other investment in respect of land improvement.

The allocation of food and money crops to suitable regions presents a number of problems. Certain areas will be better suited than others to the growth of money crops, such as cotton, jute, etc., which are essential both to the needs of home industry and export trade. Such farmers will have to be assured of food and fodder crops from other areas, and the latter will have to produce beyond their requirements.



Cotton is an important raw material.

Crop planning will thus have to be suited to the needs of the country as a whole. This policy has been accepted, the machinery of achievement and the degree to which control will be necessary being matters for detailed examination.

State Aid For The Farmer.

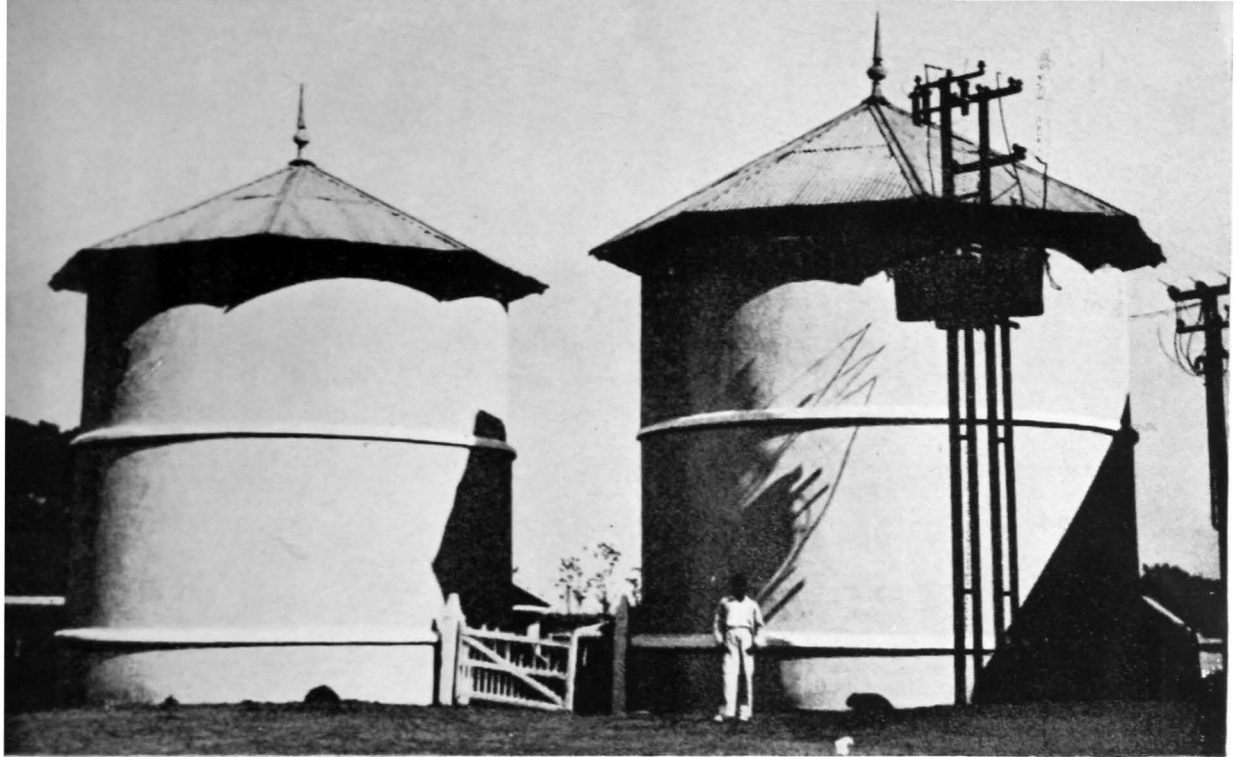
In order to ensure a higher level of production, the State will have to provide certain facilities and services; but the main effort will come from the farmer, and he will need to be assured of financial assistance on reasonable terms. Such credit will have to be wisely controlled, and in this connection the role of money-lenders, banks and co-operative societies has to be considered.

The co-operative movement has so far only touched the fringe of the agricultural credit problem. In the future, it will need to be closely linked to production, marketing, distribution and consumption, and to concern itself with social welfare in the villages, promoting better living conditions, encouraging thrift and the elimination of friction, litigation and feuds. Ex-servicemen should be trained to assist in this.

Credit will need to be controlled. Loans for production purposes might well be made in the form of improved seed, manure, implements, etc., conditional to the produce being marketed through the local society. These village organisations should be affiliated to larger ones, and these should be established at every important trade centre. Efficiently staffed and with adequate godown accommodation, these marketing societies should be grouped regionally throughout the Provinces, with an all-India organisation at the top.

By encouraging cleaning and grading of produce and bulk marketing through these channels, the village organisation will have done its job in setting the wheels of progress in motion. The linking of production to consumption lends itself to co-operative treatment, and could obviously be effected by the establishment of a chain of consumers' stores with wholesale and retail branches in all important urban and rural centres. Co-operative dairies should form a part of this organisation.

Wherever possible, new areas to be brought under cultivation should be planned on a co-operative basis. There is an urgent need for well trained personnel; and to ensure their



Grain storage—new method.

integrity they will have to be well paid and assured of a pension. It is recognised that the cultivator will need both protection and guidance for a number of years.

Need For Central Authority.

The Central Government will help, guide and advise Provinces, so as to secure co-ordinated development and

production all over the country. It will also attempt to initiate and to arrange for the execution of projects where the interests of several Governments are affected. Erosion, for instance, may require action at a source of trouble far removed from the areas affected by it. In such a case, the Centre might have to initiate action at the source and to

Grain storage—old method.



Modern dairying.



give advice in regard to the financial expenditure involved. Other such instances suggest themselves in matters like the control of animal and plant diseases, large-scale land reclamation and afforestation schemes and the co-ordination of research. It is obvious, too, that in these and many other matters the

Scientific Methods.

Education as to scientific methods in crop production, and in the prevention and control of animal and plant diseases, will call for trained personnel in very large numbers. At present there is an acute shortage of trained personnel, and there is an embargo on all new expendi-

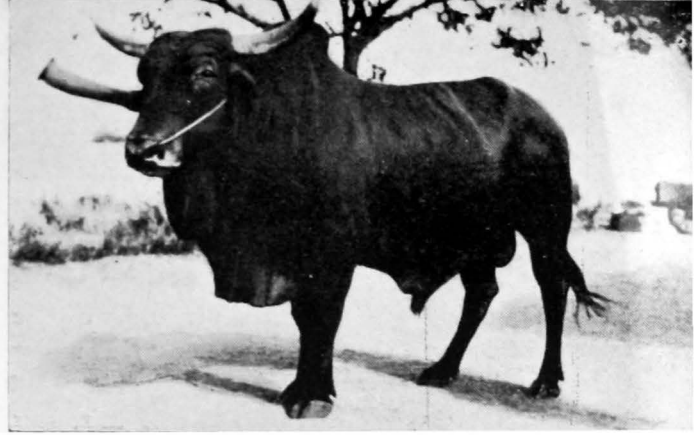
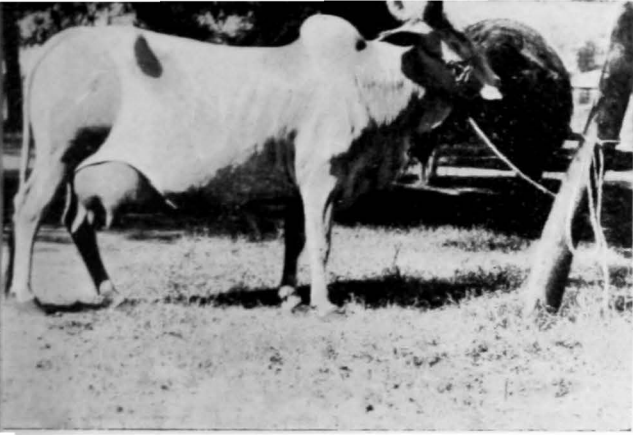


Monsoon havoc.

Centre will have to be given certain powers to enforce its decisions. It will also have to provide the Provinces with a greater measure of expert advice, equipment and finance, and for these purposes will need to have its own organisation of experts in every branch of agriculture.

ture not directly connected with the war effort. These and similar factors need to be considered now, in their proper relation both to the prosecution of the war and the urgent need for action, in order to provide for the future.

The intention to have the entire cropped area under improved varieties



Good breeds are needed.

within 15 to 20 years makes it necessary for the multiplication of improved varieties of seed, now available, to progress simultaneously with research in the breeding of new varieties that are not available. Allied to these measures will be the production of fertilizers, development of green manuring, and the conservation of farmyard manure. These will have to be made available in adequate quantities within the period of 15 to 20

years. It will also be necessary to ascertain by experiment the optimum manurial needs of individual areas as related to soil, crops, and water facilities.

Large-scale erosion control will have to be undertaken along with land reclamation schemes, and there will have to be considerable improvement in animal husbandry and dairy farming.

The fragmentation of land in India presents an immense problem to be over-



come, and until it is overcome there cannot be any great scope for mechanization on the land.

Agriculture Needs Forests.

As distinct from the forests of the Indian States, about 20 per cent. of the total area of British India is under forests; but only 14 per cent. is classified as Government forests, and of this, less than 100,000 square miles are under

prevent floods and devastating erosion, awe-inspiring examples of which may be seen in certain areas devoid of forest protection. Nor can agriculture attain its full and proper development without the requisite amount of forest in close proximity.

Forests provide for such essential needs as fuel, building material, grazing, and a great deal more, including such



Fragmentation of land is a problem.

regular Forest Department management.

The full value of India's forest wealth is not to be assessed merely in terms of money, timber output, fuel and innumerable by-products. In British India, 175,000 square miles of forest land serves other ends, by mitigating the extremes of the fiercest climate in the world and breaking the force of the world's heaviest rainfall. The forests thus

by-products as medicinal creosote, santonin, resin, oils, dyes, etc.

Nearly a million rupees worth of forest produce is annually given away or sold at reduced rates, and grazing is provided for some 12 million cattle.

Before the war, the volume of timber produced annually was about 6 million cubic feet, or 1¼ million tons. This output has now doubled, nearly a million

tons having been used solely for war purposes. War has increased the general research work in regard to valuable minor forest products, and Provinces are investigating the needs of individual industries in this respect.

At least 20 per cent. to 25 per cent. of the total area of the country should be under forests and be properly managed. Forests are a slowly maturing asset with little early return on the investment. The temptation to exploit them is thus too great to permit of any large-scale forest control by private enterprise. Before the war, private owned forests were vanishing in India. War-time needs and high prices have caused so much over-felling that to-day the private forest has all but ceased to exist.

Forestry In The Future.

Post-war planning provides for the establishment of forest organisations throughout the provinces, and for the correlation of all new projects. It will



Forests provide fuel.





not be possible for the Government to take up all that are ideally necessary as regards quantity and distribution, but there will have to be a great extension of forests of all kinds in order to provide fuel and timber for the rural areas, either free or at low rates. Adequate fuel supplies will release more cow-dung for use as manure.

All existing Government managed forests will require considerable rehabilitation to compensate for excessive war-time felling. Another important aspect of future policy is proper land management. The ravages caused by erosion, both inside and outside the forests, must be reduced to a reasonable minimum. Natural or artificial afforestation will be necessary in dry belts where the rainfall is less than 30 inches. It is particularly important that forests should be grown on a percentage of low rainfall area whether there is irrigation or not. Even where there is no irrigation, this will normally

Fisheries are largely undeveloped.



be possible where rainfall is between 10 and 15 inches. In many areas, at present unproductive, fuel and small timber can be grown under rotations of 15 years; roadside and railway land, canal banks, mango groves, provide suitable examples.

Excessive grazing has caused much land deterioration. All land management schemes must therefore ensure the regulation of grazing. It may take years before all the schemes are completed, but first results will be rapid. Within 5 years, grazing will be much improved and villagers will begin to get their first yield of fuel.

The Master Plan.

A plan for the adequate development of agriculture and animal management is now being considered with the immediate object of increasing production by 50 per cent. within the next 10 years, and by 100 per cent. in fifteen years. Finance involved will amount to ten thousand million rupees, with an additional annual expenditure of two hundred and fifty million rupees. The aim is to secure for all enough food of the right kind, and to improve the living standard, particularly in rural areas.

At present the majority of Indians are ill nourished, the average diet being by no means what nutrition experts say it should be. Based on a minimum individual daily diet of 18 ozs. of cereals, the amount needed to feed the entire population is 54 million tons. And it has been estimated that the quantity available is only 52½ million tons. Without allowing for future population increase, there is a gap of 1½ million tons to be filled.

Customs figures indicate that in normal times India eats between 1 and 2 million tons of grain in excess of what the country produces. Actually this has been more than offset by India's "Grow More Food" campaign; but the value of imports is not to be assessed in volume alone, since it also exists in the facility of that volume to increase or decrease according to demand. To-day, with India largely cut off from outside sources of supply, this balancing and levelling factor is gone, and the country is in a peculiarly sensitive position. Any local disturbance, a limited failure of crops or loss of confidence, and the whole machinery of feeding may be thrown out of gear.



Taking these and other factors into consideration and making allowance for shortages in certain probable contingencies, likely food targets would be 60 million tons for cereals and 12 million tons for pulses. There is also the question of such energy foods as sugar, fats, oils, and such protective foods as, vegetables, fruits, eggs, milk, meat and fish.

The present plan calls for increased food production as follows :

Cereals	10 per cent.
Pulses	20 " "
Fats and oils	250 " "
Fruits	50 " "
Vegetables	100 " "
Milk	300 " "
Fish and eggs	300 " "

To achieve these aims it is estimated that the present supply of animal food-stuffs will have to be increased by 400 per cent. of oilcakes and 55 per cent. of fodder. And there will have to be fattening of livestock in districts where meat is the normal diet.

There are many other aspects of the plan which it is not proposed to give in detail. Given enough of the right kind of food, the problem of nutrition is largely a matter of education. The Nutritional Advisory Committee will aid in this. Prevention of food adulteration by systematic Government grading and testing, the use of protected trade marks, and the sale of foodstuffs under hygienic conditions, are matters in which both the Law and the Central Advisory Board of Health will be actively interested. In the past, processing has been much neglected in India; it will be necessary to encourage the canning of food of all kinds.

Fisheries To Be Developed

Fisheries, both marine and inland, are still largely undeveloped. The primary factors in increasing fish supplies will be scientific research, instruction in modern methods, and the provision of better equipment and craft. The plan proposes the establishment of a Central Institute, with one section for Marine and another for Inland fisheries; and for simultaneous development of the Fisheries Department in the provinces. It is intended that the Central Institute shall provide facilities for the training of personnel, and conduct research and experimental work. Each of the two sections should have sub-stations at appropriate places. It would be the task of the provinces to prepare and initiate small-scale projects, such as fish breeding in ponds and canals, the provision of cold storage facilities, improved and speedy transportation, marketing, the encouragement of dehydration, canning, and the development of the fish oil industry. There will also have to be protection against excessive exploitation of fish resources.

The task of providing more food is of necessity allied to such considerations as the assurance of a fair price to the producer, the prevention of an excessive switch-over from food to money crops, and adequate provision for industry.

India's industry feeds on the country's money crops and raw materials—jute and cotton, for example; iron ore and mica. While India's agricultural methods are being modernised, urban industries are bound to develop, since these will both absorb primary products and provide improved implements, and such other requisites as fertilizers, which will be needed in large quantities.



VISION IN INDUSTRY

An essential element in the balanced economy that India needs is the development of the country's industries. Without this, the wealth of the nation cannot be produced, nor can the living standard be raised and the general state of health and education improved.

War-time industry has either been born or has expanded under the rigid control of the Defence of India Rules. As pre-war legislation will be inadequate to post-war needs, it will be necessary to re-examine the legal aspect of peace-time control and to introduce such new measures as may be needed.

Since power is the basis of industrial development, all power-producing projects will have to be given a high priority. The whole question of priority assign-

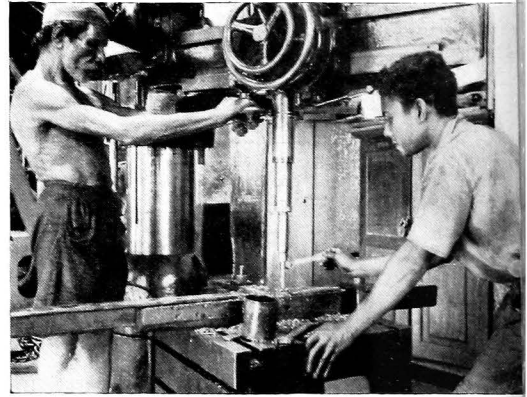
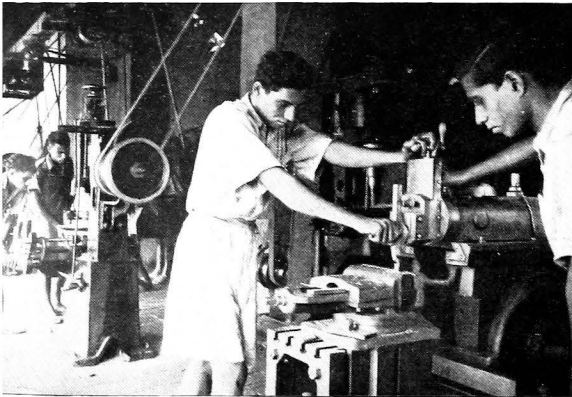
ment will have to be answered piecemeal as the plan develops ; but in the beginning, such essential capital goods industries as iron and steel, heavy engineering, machine tools, heavy chemical industry, fertilizers, etc., should be given preference over consumer goods industries. On the other hand, unless some immediate encouragement is given to the production of consumer goods, there will be no adequate outlet for the purchasing power created by the heavy industries. Moreover, many consumer goods industries that have grown during the war can serve essential peace-time needs. Minor industries of this type should also be encouraged, partly because, although the individual capital investments may be small, collectively they will give employment to many.

State Control and Private Enterprise

Modern thought in general trends towards greater State control in industry in order to harness the profit-motive to social needs. Such control will obviously have to be exercised in a variety of ways. Munition factories will need to be both State-owned and State-managed. Other industries, which do not call for such control, may have to be established in national interests ; and the capital may not be available from private sources. Again, management by a private concern

general are best left to competitive enterprise, the State exercising only such control as may be necessary for the public benefit and in national interests. But there must be sufficient control over all industries to ensure that labour is not exploited.

In the beginning, industrial development will require a number of highly technical personnel in excess of those likely to be available in India. This can be remedied in time by training Indians both at home and abroad ; meanwhile,



Technicians in training.

may be more economical and more efficient. The extent of State control is likely to vary, from the mere nomination of a number of Directors on the board, to complete authority over production and distribution.

Industries for which some measure of State control is necessary include public utilities, basic industries, and those which, owing to scarcity in essential needs or to some other contingency, might otherwise acquire a monopoly. It is recognised that industries in

it may be necessary to obtain the temporary services of a number of foreign experts in order to speed the country's industrial progress. The assistance of foreign firms may also be needed in the initial development of certain highly technical industries.

There are many ways by which the Government can aid and encourage the growth of private industry. These include : the provision of power and transport ; training facilities in all grades, both at home and abroad ; essential tariffs

and other safeguards ; financial assistance, either direct or through some kind of National Development Corporation ; the allocation of priorities ; the organisation of internal and external markets ; arrangements for technical aid from overseas.

Large-scale geological and mining surveys ; as well as a great deal of scientific and industrial research, will need to be undertaken ; but the Govern-

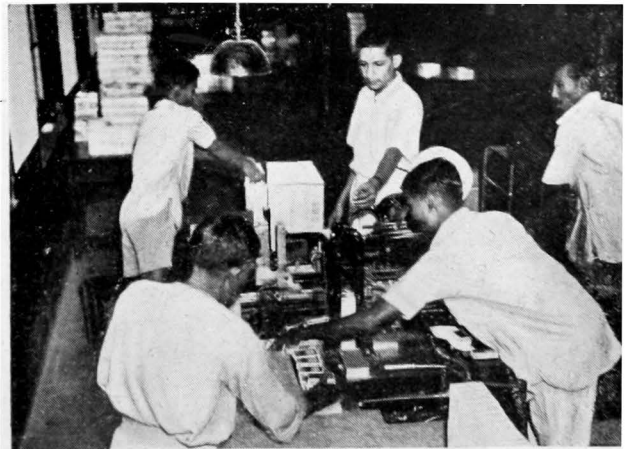
ment should soon be in a position to answer technical enquiries and to supply a wide variety of statistics and general commercial information.

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War will have left a world-wide short-



Many small workshops make surgical instruments.



Packing cigarettes.

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Peace-time Use of War-time Plant

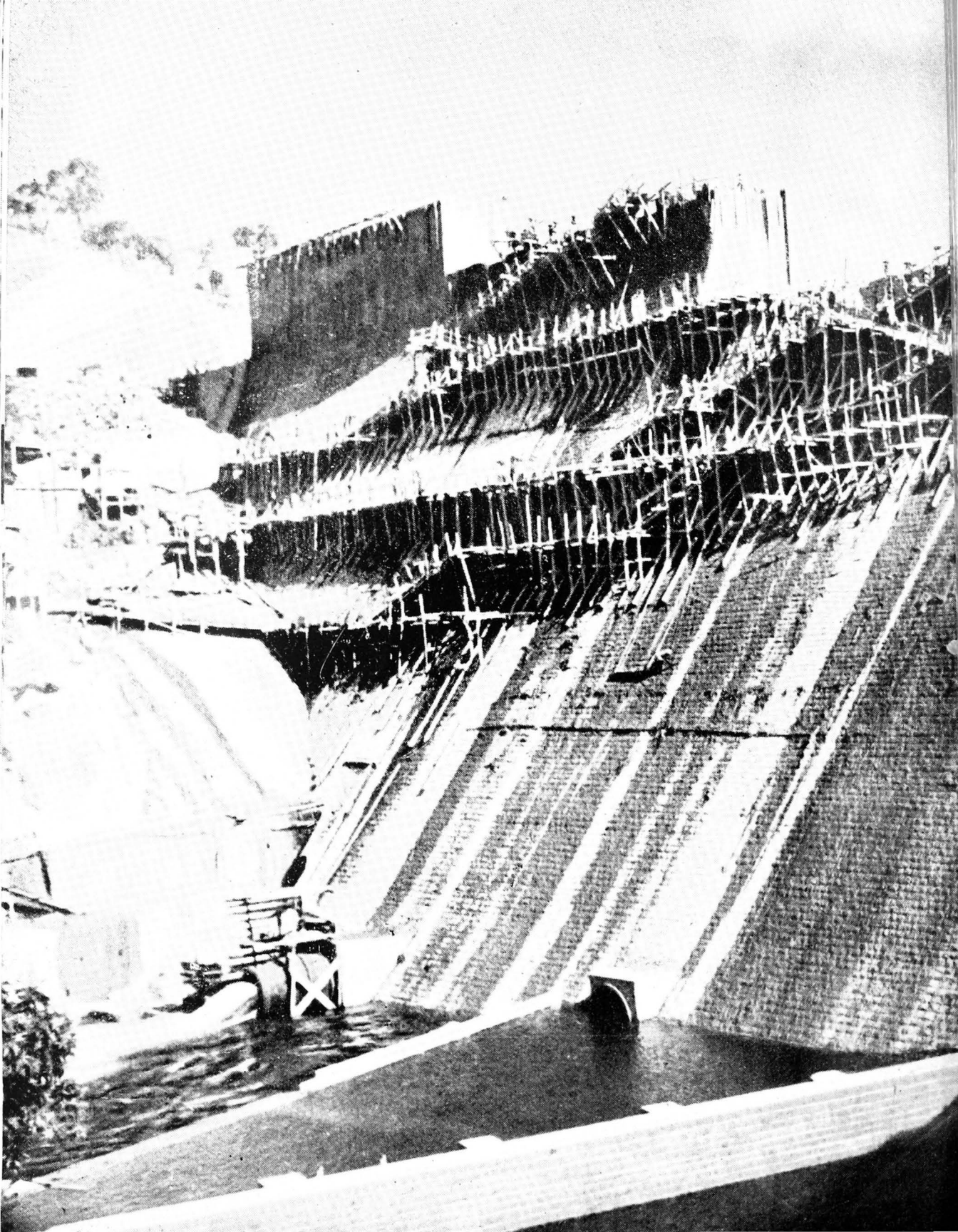
Although the preliminary investigation to determine peace-time use of war-time Government factories has defined the capabilities of each plant, it is not yet possible to say exactly how each can be employed. The problem is mainly two-

fold : conversion from war to peace production ; and long-term planning for Industrial development. Purely military production should merge as soon as possible into two major activities ; the breaking down and sorting of stores and material, and subsequent processing into material suited to trade requirements ; and the filling of such war-time industrial gaps as cannot be filled by civil industry.

age of most commodities, and these will have to be made good at a rate of output far in excess of that which will subsequently be required. For this reason, machinery which can usefully contribute to economic rehabilitation must not be allowed to remain idle.

Government Action

An Industrial Adviser to the Government has been appointed, and he will be assisted by a number of Deputy Indus-

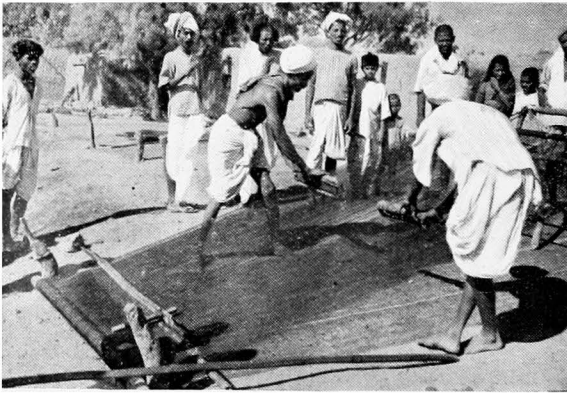




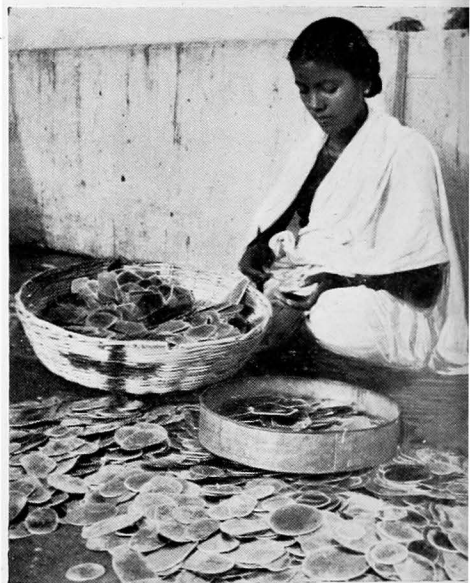
More dams will add to cultivable acreage and generate more power for industry and public services.

trial Advisers. It is intended to set up a representative industries committee among leading industrialists for consultation on questions of policy. For actual planning, panels will be formed consisting of one or two industrialists concerned with a particular industry or group of industries. These will be assisted by experts and an officer from the Planning and Development Department. Provinces and States are being advised to set up industries committees to meet their

contacts abroad. After the last war, Australia obtained valuable equipment at a low price from surplus munition factories in Britain, and it was with this equipment that the foundations of Australia's present munitions industry were laid. There is no reason why India should not be able to do the same after this war. Large-scale industry cannot



Cottage Industries :—Blanket making—



—Rolling biries, popular cigarettes.

own special requirements. The recommendations of industrial panels, in regard to controls and such assistance as may be needed, should be co-ordinated with those of the Provincial and State committees before being considered by the Government.

In order to obtain first-hand information as to the developments of other countries, it is proposed to arrange for leading industrialists to make personal

develop within artificial governmental boundaries because it depends upon the geography of raw materials, power and markets. And the pace of development is likely to be governed more by the availability of imported machinery and technical staff than by financial considerations. These are matters in which Government assistance is likely to be needed.

Electricity

The achievement of a maximum of economic development will probably necessitate the production of electric power on a regional basis as a State or semi-State enterprise. Heavy power equipment for a number of additional key projects has already been allotted. It is intended to set up a Central Technical Power Board whose functions will be to co-ordinate and initiate power development schemes throughout India, in consultation with Provincial and State Governments. The Power Board will also have to undertake considerable research in all matters connected with the supply of electricity.

Mining Development

The regulation of mines and oilfields has so far been predominantly a provincial matter, but minerals are a wasting asset and it is important to ensure their maximum utility. Present aims are for a uniform mineral policy for the country as a whole, with the Centre controlling all minerals of strategic or key importance, and providing expert advice and technical assistance. Rules for prospecting and subsequent exploitation will be made in consultation with Provinces and States.

In the coal industry, production will need to be balanced with consumption. The Board of Scientific and Industrial Research is already seeking methods for the better utilisation of coal, and to discover more economical ways of producing soft coke and recovering by-products in its manufacture.

Wherever consistent with efficiency, the Central Government intends to utilize mineral resources for the manufacture of finished products. A Committee of Inquiry is examining conditions prevalent in the mica trade and industry, and will recommend measures for the conservation of this mineral. Muscovite high grade mica has now become a mineral of great commercial and strategic value, and India is its leading world producer.

Geological Survey

The Geological Survey of India has done much work in collecting and disseminating information as to the country's mineral resources. During the war, a Utilization Branch was set up, with duties that carried the survey further in the field of prospecting. Mainly owing to paucity of staff, the Survey, as a whole, is working too slowly, and a great deal remains to be done. A large number of geologists will be needed, and it will be necessary to arrange for suitable training facilities at universities.

With its functions extended, the Survey could be more widely employed by Provincial and State Governments and industrialists. A matter now being considered is the question of compulsory consultation with the Survey before any mining enterprise may be undertaken. The reasons for this are to ensure that only the most suitable deposits are worked, and to prevent financial and labour investment in projects that are likely to prove unremunerative.

BETTER VILLAGES AND TOWNS

One of the ugliest and worst features of industrialisation in Europe is the creation of large industrial populations living in squalor and congestion. This must be avoided in India, where better conditions in villages and towns are essential, not only for the immediate welfare of the people but also for the efficient development of agriculture and industry.

Any plan to improve social and living conditions must give special consideration to the villages. There are 700,000 in India. The measures required are mainly those already mentioned in connection with land development; but there can be no real progress in the rural areas without improved communications, extension of medical and health services and better facilities for education. Nor can there be any great improvement in living standards throughout the country until the education of women has been seriously taken in hand. This should be accepted in its broadest sense to include primary education, domestic and health training, hygiene, and care of children.

Touring Caravans

In order that social and material advance may be made simultaneously in all areas, rural development will have to be treated as an all-India concern. Intensive instructional measures organised on modern lines will require a great deal of money and enthusiasm; and extensive organisation, with adequate transport, will be essential. Radio, cinema, poster, and loudspeaker will all have to be used, as well as a number of suitable printed publications. Radio programmes will

have to include a variety of subjects and to provide entertainment as well.

In addition to all-India and regional broadcasting programmes, a village radio system will be needed. This could be built up gradually, much of the cost being met by local contributions collected through District Boards. This money should be directly related to the provision of facilities for the subscribers.

The cinema and loudspeaker will provide scope for all-India films, records, and programmes of special local interest. There should be both big-scale and small-scale exhibitions. The first could visit provincial capitals and large towns; the second could go to smaller towns and possibly the cultural centres, should these be established, as is suggested later. An exhibition train could visit all towns and such villages as are served by railways. Exhibition vans, bullock-carts, camel caravans, could be used in order to reach the outlying villages. Demonstrations will be of great importance in this kind of education, and could operate as a part of the exhibitions. Co-operative societies should be able to augment these measures in a number of ways, aided by ex-servicemen and their women folk.

Co-ordination of Functions

Since the responsibility for such measures is at present divided between the Centre and the provinces, results are unlikely to be satisfactory until there is a workable co-ordination of the functions of each. Present plans envisage the establishment, by Central and Provincial Governments, of a special organisation to



conduct this form of education. Similar organisations will have to be established in each province to advise the Centre as to Provincial needs, and to determine and co-ordinate the aims and activities of the Provincial organisations.

Information Needed

At present there is great ignorance among many people, including officials, of what is happening in provinces other than their own. A serious, critical journal containing informative articles of this nature would be most beneficial. This could well be supplemented by popular Press articles and broadcast talks.

A special organisation should be formed for the production of suitable literature in English and vernacular languages. This should include simple books on farming, handicrafts, health, etc., and should be circulated so as to reach small towns and villages.

Depressed Classes

In many parts of India, living in the

villages, are minorities of menials of the depressed classes, who neither own land nor have settled occupations. The living standard of these people is generally lower than that of socially superior communities, and greater efforts will have to be made in order to elevate them to the higher standard that it is desired to achieve for the country as a whole. A solution may be found by settling these people in new colonies, where they can be taught village trades and industries. Alternatively, they might be encouraged to move to the towns and to work in industry.

Rural prosperity and contentment has long been jeopardised by an excess of litigation. There is great scope for improvement in methods and measures of arbitration, and for the simplification of legal procedure.

Culture Centres

The backward state of the agricultural areas makes it difficult to get educated



Drawing water by bullock power.

people, such as teachers, doctors, and nurses, to go and work in the villages. This is especially true in the case of women. It is possible that better roads and transport facilities may improve the situation, but these alone will not solve the problem. A solution may lie in the selection of centrally placed villages as culture centres for groups of surrounding villages. Doctors, nurses, teachers could make their living and working headquarters in these centres, visiting

surrounding villages on specific days, or when needed in emergency. Moreover, the cultural centre system would put all essential facilities within reach of every village long before it would be possible to give such facilities to each individual village. That is what is planned ; but it will take a number of years to achieve.

It is of first importance to decide whether immediate development is to be spread over individual provinces, or whether it is to be concentrated in cer-

The village gossip centre.





Health education.

tain areas, with a view to gradual extension until improved conditions have been established throughout each province.

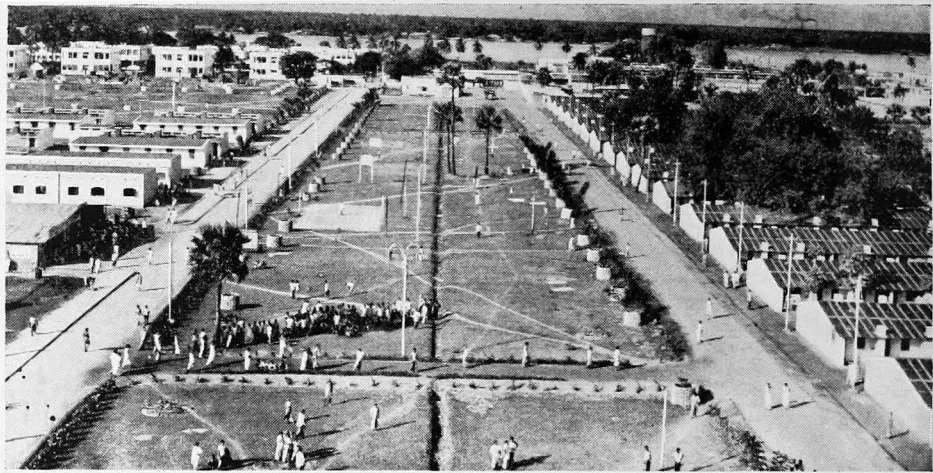
Measures and Methods

To achieve these aims, local self-government will have to be fostered together with every aspect of efficiency. Additional legal powers may also be necessary.

Present plans for improving con-

ditions in villages and towns include the provision of adequate water supplies, effective public health measures, more hospitals and more schools. Every town should have its own plan for the control of all development and rebuilding, and suitable housing must be provided for the industrial population. This means that the development of existing industries and the citation of new ones will have





Town-Planning in Bengal.

to conform to the housing needs of the employees as determined by the local health and other authorities.

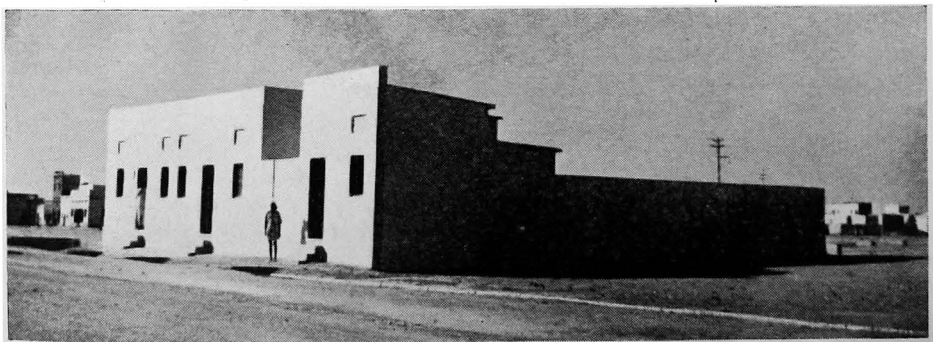
It may be necessary to appoint Special Development Officers to assist District Officers in these and other matters, such as the encouragement and co-ordination of the work of health, educational, agricultural and veterinary services. The

general enlightenment of the cultivator is also an important matter.

Housing and Town-Planning

Urban populations have shown a rapid rate of increase due to the constant drift of rural workers into the towns. Problems of housing and town-planning have become serious, and a large proportion of the urban population is now living

New housing begins in a slum-cleared area.



in insanitary conditions. Congestion and overcrowding can be avoided only by rigid control. Town-planning acts and regulations are in force in a number of towns, but have been evaded in many cases.

The execution and administration of town-planning, slum clearance, and housing reforms is the function of the municipalities ; but little progress can be made until there is improvement in administration and finance, and unless experts are employed. The creation of local self-government boards might tend to strengthen existing administrations, but a small body of experts will be necessary at the provincial headquarters to help and advise municipalities in preparing standard plans, supervising local activities, and in making suggestions for new lines of development. Provincial Governments should see that the recommendations of these bodies are carried out and that town-planning regulations are actually enforced. In most cases, town-planning schemes could be made self-supporting in a very short time.

Present planning is not only for immediate conditions, but for 50 or more years hence. Inadequate planning and building may save a little money now, but will cause a repetition of present-day conditions in years to come. The aim should be to achieve the greatest possible improvement town by town, rather than to attempt inadequate improvement in all towns simultaneously.

All town-planning and improvement schemes should provide for a percentage of land in each area to be kept aside for parks and recreational facilities. Provision must also be made for drainage and the disposal of rubbish.

Sewage, rubbish, and the manufacture of compost and other manure should be made a source of profit to local authorities.

Money For Building

Government or municipal loans should be made on a wide scale for the construction of model dwellings of approved designs. Such loans should be recoverable in easy instalments, and be suited to the general needs of towns and villages. The question of outright grants should also be considered.

Co-operative building and housing societies should be instituted and encouraged to supply credit for the building of model houses ; but these measures cannot be successful unless backed by Provincial Governments and local authorities. The slogan, BETTER LIVING CONDITIONS! would be of immense use in the campaign against congestion and insanitary surroundings.

Health Improvement

India has a recorded death-rate of 22 per thousand, and an infantile mortality rate of 162 per thousand live births. There is an average annual mortality of 145,000 from cholera, 70,000 from small-pox, 31,000 from plague, 290,000 from dysentery, 500,000 from tuberculosis, and 3,667,000 from various fevers.

Although a great deal has been done in recent years to improve sanitary conditions in the larger towns, to establish a skeleton medical service for the people as a whole, and to restrict outbreaks of epidemic disease, the problem of raising the general standard of health is still largely unsolved.

Such health services as are available throughout the country are far below the

minimum standard necessary to relieve suffering, and for the maintenance of health. In the past, the development of these services has been largely piecemeal and sporadic. War-time conditions have disclosed the inadequacies and main weaknesses.

A rational health policy must aim at nothing less than securing the maximum attainable health of every member of the community, and must have regard to all aspects of administration which have a direct bearing on this achievement. It must also concern itself with the fundamental conditions of environment, such as effective sanitary measures, purity of water supply, good housing and the protection of food. In addition to providing an adequate medical service throughout the country, it must be actively concerned with the training of doctors and

of public health officials, the health education of the country, and be prepared to foster considerable research work.

Executive and legislative powers, in regard to public health and medical relief, are the concern of individual provinces, and responsibility for preparing plans must remain with them.

In order to provide Provincial Governments with relevant information, an all-India survey of the whole field of health organisation is necessary. This has been undertaken by the Health Survey and Development Committee. Advisory Committees and Sub-committees have been appointed, and the latter are at present touring the Provinces. The decision as to the measures to be taken will depend upon the Committee's recommendations.

TRADE, TRANSPORT AND COMMUNICATIONS

No country can isolate its commercial policy, either from general trends, or from the trade needs of other lands. Post-war trends will depend on the policy adopted by the United Nations. Since this has not yet been determined, the framework of India's policy cannot be finalized, and only a provisional estimate can be made of conditions likely to be best suited to post-war India.

There is no doubt that the growing accumulation of sterling balances will greatly strengthen India's capacity to pay for the large increase in imports that will be necessary to support industrial expansion on the scale planned. A great

volume of export trade will also have to be maintained. Wealth and purchasing power will thus be created, and employment provided.

As far as possible, semi or fully manufactured goods should replace raw materials as exports, but it would be rash, at this stage, to rely on any particular markets for specific classes of goods. Eastern markets offer an obvious outlet, and should be developed and retained by the maintenance of high quality standards.

Control

Control over imports and exports, imposed as a war measure, is bound to

continue to a lesser or greater degree for some years after the war; but the general trend of international opinion is towards complete abolition of such controls. Their continuance, under normal conditions, would inevitably invite reprisals from other countries; yet the comprehensive scheme for industrial development in India will require some form of trade control, particularly in respect of imports.

Time will be an important factor in the adjustment of war-time control, and this adjustment will have to be made soon enough to ensure that orders can be placed overseas, and that shipping priorities can be obtained for goods urgently needed. In order to recapture pre-war markets and to develop new ones, contacts will have to be renewed and established. Foreign exchange will also need to be made available in order to pay for imports.

Encouragement To Indian Firms

Some encouragement might be given to Indian business houses by setting a limit on the number of foreign domiciled firms to be allowed to maintain branches in India, particularly where such firms are both importers and internal distributors.

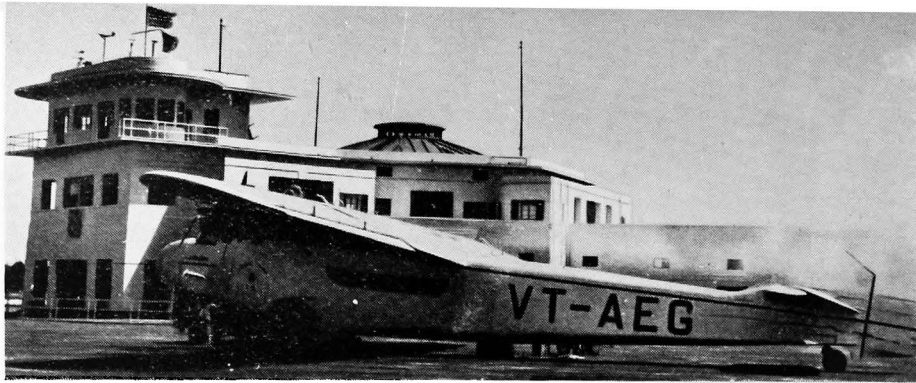
Tariffs

Duties for revenue purposes should be imposed only on articles of which India has a monopoly or semi-monopoly, and should be moderate in all cases. Small export taxes, which do not go into general revenues but are devoted to improvements in industry and agriculture, might be imposed. Export duties should not be applied for the sole purpose of protecting industries.

In general, the revenue tariff imposes a relatively moderate uniform rate on all commodities, but levies a much higher duty on luxury articles, and either ex-

An Indian port.





Civil aviation must be developed.

imports or applies low rates to certain other articles, and in cases where the nation's interest is involved. This policy has stood the test of time and should be followed in the post-war period, tariff schedules being reviewed periodically.

A weakness in the fiscal system has been the extent to which central revenues have depended on customs duties. This is likely to be rectified by the present trend towards increasing the scope of direct taxation and excise duties.

Probably the economic interests of the country would best be served by the continuance of the present protective policy; but there will need to be greater elasticity, both in regard to the selection of industries to be protected, and the manner in which claims to protection are investigated. Although subsidies and bounties are unlikely to be suited to a country like India, they may have to be granted as a special measure in some cases.

The Tariff Board will need to be resurrected as soon as normal competitive conditions begin to be restored, and before that stage is reached, provisional decisions will have to be made regarding

the Board's future status, functions and period of appointment.

Trade Agreements

For the future, it is clear that an over-cautious avoidance of trade agreements will get us nowhere. If India is to develop a progressive policy, there must be an eagerness to enter into trade agreements in all cases where there is a prospect of gaining commercial advantage for the country as a whole.

Trade Expansion Means Better Communications

Expansion in trade and industry must be accompanied by extension of the channels through which trade flows. This will necessitate a further development of railways, roads, airways, inland waterways, shipping in general, and the whole postal and telegraph system.

Basic Railway Plan

It is difficult to estimate the extent to which railway improvements and general development will be needed, but a basic plan has been prepared. This is considered practical enough to be put into operation without throwing excessive strain on Government finance, and elastic enough to be enlarged or adjusted so as

to keep pace with other post-war schemes as they mature.

The war has caused abnormal wear on all locomotives, rolling stock, track, and equipment in general. The plan provides for repairs and replacements spread over a number of years so as to assist the industries to be established. It also provides for the setting up of a number of railway workshops for the manufacture of locomotives, boilers and other equipment. Provision is made for post-war improvement in goods, parcels and passenger traffic. It is intended to provide better amenities for third class passengers, both in trains and at stations, to reduce the number of classes on trains and to revise existing rates. A large number of ex-servicemen will be able to obtain employment with the railways. Staff conditions will be improved by the establishment of welfare organisations.

Construction of new lines, replacement of lines dismantled during the war, gauge



Transport—ancient and modern.



conversions, etc., will have to be undertaken in consultation with Provincial and State Governments, and in an order of priority suited to the road developments of the areas concerned.

The railways will need to extend their activities to other transport services, such as road, air, etc., either through actual operation or by securing an interest in existing services. To ensure the best over-all services to the public, co-ordination of railways and other transport will be attempted. To help further development of the country, a yearly construction of 500 miles of new railway is envisaged.

Finance Needed

This basic plan will require an expenditure of some three thousand one hundred and ninety million rupees in the first seven years of the post-war period.

Roads and Road Transport

In order that the systems of road and rail transportation may be developed so as to conform to their mutual needs, it has been recommended that the Central Government, as the co-ordinating authority, should be given a controlling interest in the framing of policy, after full consultation with the Provinces concerned. An aim should be to prevent over-development in either sphere to the





More roads are needed.

detriment of the other. In restoring or dismantling branch railway lines, the existence or non-existence of an alternative road is an important consideration. Duplication means waste of money. In many cases existing railway bridges could be decked to cater for road traffic. Where possible and desirable, all new bridge construction should be for combined road and rail traffic.

Roads to be Classified

To ensure a uniform development, it is intended to classify roads as National highways, Provincial roads, District roads, and Village roads. The planning of National highways will, to a large extent, be governed by such factors as security and trade interests, and the general purpose of linking provincial capitals by the nearest reasonable routes. The other three classes of roads will have to be developed by the Provinces, the aims being to aid in marketing and to bring every village within half a mile of a public road. Motor transport should be able to get to the heart of the country, without overcrowding and undue competition on the better developed routes.

The Army Can Help

A great deal of skilled labour and technical personnel will be needed. It is considered that many now in the services might either remain temporarily in the service and work with special units, or be employed as civilians. Many workshops established for the maintenance of road machinery are now being used by the army. These should continue to be maintained after the war for reconditioning surplus machinery before disposal. All requirements of road-rollers and machinery for road-making should be standardized, and procured on an all-India basis.

Inland Water Transport

The last century has seen some decline in the use of inland waterways, due partly to competition from the railways and partly to a deterioration of waterways. The war has caused a revival of various forms of inland water transport, and it is proposed to give increased scope to this development in the post-war period. To this end, measures would include: clearance of certain rivers and other existing waterways so as to aid

navigation, the construction of new waterways and the possible use of irrigation canals for inland traffic, increased use of steamers, tugs, power-driven barges and country craft.

Coastal And Overseas Shipping

The number of India's deep-sea ships is distressingly small in relation to the size of the country, the extent of its coast-line, and its strategic position athwart one of the world's main sea routes. At the outbreak of the war, India possessed no more than 30 such ships, with a total gross tonnage of less than 150,000. This weakness has long been recognised, and although Government policy is to assist in the development of an Indian mercantile marine, action has so far been limited to assistance in the division of available coastal trade between Indian and British companies, to the establishment of the *Dufferin* for the training of executive officers, and the provision of facilities for training marine engineers.

War has stressed the necessity for India to find adequate shipping from her own resources and to provide for the

transport of essential food supplies. This need calls for immediate post-war action, and not for commercial reasons alone. The development of the Royal Indian Navy necessarily implies the concurrent development of the merchant navy.

From the Indian viewpoint deep-sea shipping might best be classified as:—

Coastal trade—including trade between India, Ceylon and Burma.

Near trade—Persian Gulf, East Africa, Malaya and the Netherlands East Indies.

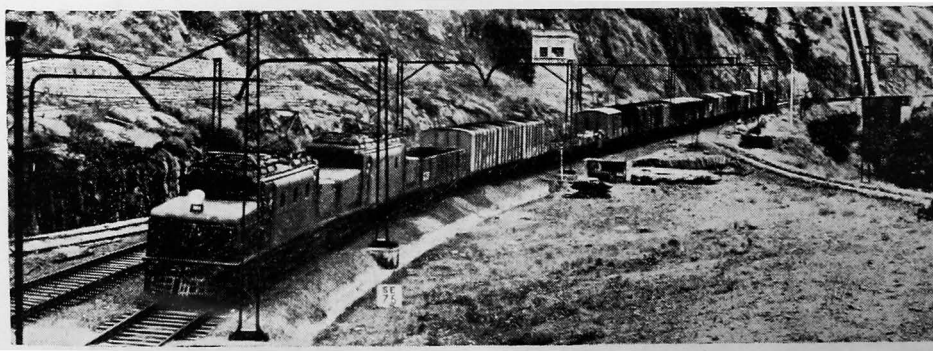
Eastern trade—largely involving trade of which Japanese shipping will have to be dispossessed.

European and American trade.

Post-war shipping policy must be directed towards the acquisition for India of an adequate share in the world's carrying trade.

Civil Aviation

Plans for post-war civil aviation provide for development with Indian capital and under Indian management. Schemes have been prepared for the training of technical personnel, pilots, navigators, engineers, mechanics, radio operators



and aerodrome staffs. Officers and other ranks, demobilised from the Royal Indian Air Force, will be absorbed to the fullest possible extent. India's internal air services will be solely the concern of India, it being recognised that, in the earlier years, it may be necessary to subsidise certain air transport services. Air-services, routes and aerodrome organisation have been planned on an all-India basis, including the Indian States, whose representatives have participated in the discussion of post-war plans.

Plans for the initial post-war period comprise a system of trunk air services to link the main administrative, commercial and industrial centres, and to connect with the principal neighbouring countries.

Services planned involve a route mileage of 11,000, with a frequency of at least one return service daily, totalling approximately 8 million miles of annual flying. Air-services will carry mails, freight and passengers. Considerable independent development of local air-services is expected. No decision has yet been taken as to the agency by which the air-services will be established and operated. Plans provide for operation by a limited number of commercial concerns, under a licence system and other measures of Government control.

India's representatives have participated in the International Conference on Civil Aviation. India will be actively concerned in the securing of a satisfactory international agreement on air navigation and air transport. Plans are in preparation for Indian air transport services to operate internationally.

Postal And Telegraph Services

The various developments now being planned for India's post-war prosperity will necessitate a rapid and far-reaching expansion of the whole of the existing postal, telegraph and telephone systems. War has already caused a considerable expansion in each of these services, and such expansion will involve a great deal of re-distribution and readjustment immediately after the war to meet the demands of changed and changing conditions.

A Post Office In Every Large Village

Plans in preparation provide for continuous expansion, as well as for improvement of the services offered to the public. It is proposed to have a post office in every village with a population of 2,000 and over, a telegraph office for grouped populations of not less than 5,000, and a telephone exchange, with trunk connections, in all towns where the population is not less than 30,000.

Speedier Service

Increased postal deliveries in urban and rural areas; the speeding of mails in transit, by accelerating despatch; the use of more ground and air transport; the establishment of more local post offices in the larger towns—these and many other improvements have been planned. Special provision is made for better buildings, where staffs can work under hygienic conditions and the general public can be given quick and efficient service.

Staff Amenities

The plan includes the provision, for the staff, of meal rooms and rest rooms, recreational institutions, and residential quarters in places where there is accommodation scarcity.

EDUCATION FOR ALL

There are good schools and colleges in India, efficient and devoted teachers and research institutions which will bear comparison with any elsewhere; but no one with a first-hand knowledge of India would contend that the present system of education is satisfactory.

The aim of the plan submitted by the Central Advisory Board of Education is to outline the minimum programme of development which will place India on an educational level approximate to those of other advanced countries.

The Plan's Requirements

The plan lays down the following essential requirements:

The Provision of nursery schools and classes.

Compulsory and free education for all boys and girls between the ages of 6 and 14.

Secondary or high school education for those likely to benefit by it.

University education for selected students.

Technical, commercial and art education.

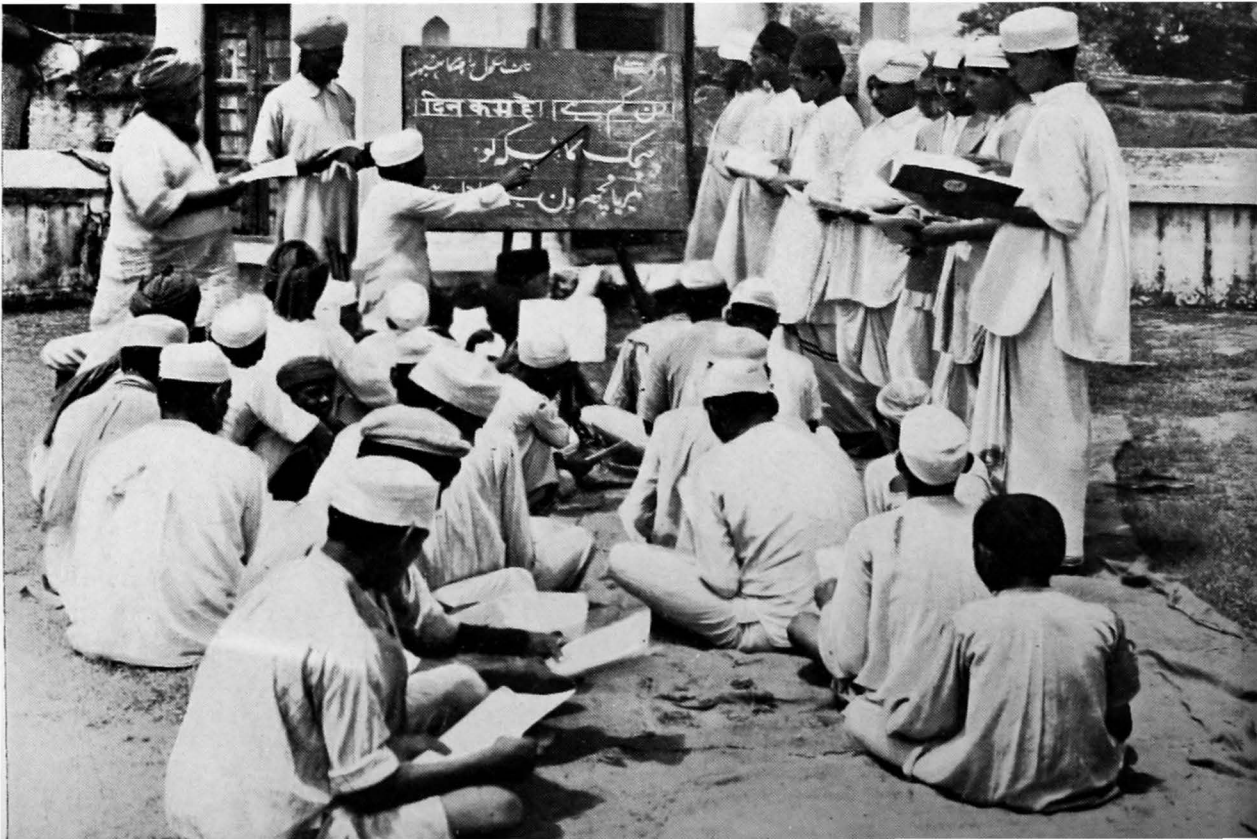
Adult education, both vocational and non-vocational.

The training of teachers.

An efficient medical school service.

Special schools for children suffering from mental or physical handicaps.

School for adults.



Recreational facilities for people of all ages.

Guidance regarding employment on leaving schools.

Nursery Schools

Partly owing to expense and partly to a dearth of trained women teachers, nursery schools are practically non-existent in India. It is proposed to make provision for one million children in nursery schools.

The Vital Age Group

In British India there are about 56 million children between the ages of 6 and 14, and at present two out of every nine are attending some kind of school. Of these, less than one in four stay long enough to reach a stage at which permanent literacy is likely to be attained.

High Schools and Universities

As regards secondary or high school education, it is difficult to be precise about the amount and nature of the provision to be made. Needs will vary from place to place. It is considered that provision, in high schools of various types, will ultimately have to be made for at least 20 per cent. of the boys and girls in each age group. On this basis, and with a six-year course, this will mean the placing of over seven million boys and girls. For these, 360,000 teachers will be required. This is a minimum provision; should any province or area want more high school accommodation, there is nothing in Board's scheme to prevent it. What is essential is to secure the greatest variety, both in types of school and in individual school curricula, in order to suit both individual pupils and the needs of their future occupations. A great many scholarships will

be necessary to ensure that poverty shall not be a barrier to further education.

When the new high school system has been fully established, probably about one pupil in 15 will be fitted to go to a university. This does not include those who will go on to technical institutions or training schools. It means that the number of students at present attending Indian universities will be approximately doubled.

Technical Institutions

The number and location of technical, commercial and art schools and colleges to be established will depend largely on the requirements of industry and commerce. Hitherto, these branches of education have been restricted, partly by the limited number of openings in industry and commerce, and still more by the practice of employing imported technicians. It is expected that there will be considerable development in this branch of education resulting from peace-time expansion of commerce and industry. War training schemes have given an impulse in the right direction.

Liquidating Illiteracy

It is estimated that at least 85 per cent. of India's population is illiterate. A gradual spread of compulsory education among boys and girls will do much to liquidate this; but it will take time, and the country cannot afford to wait. For this reason the plan includes measures for making all persons below the age of 40 literate within a period of 25 years.

Teachers Needed

A national system of education will require more than two million teachers in addition to those already employed.

Of these latter, 41 per cent. are untrained. Essential preliminaries to the introduction of a national system must include adequate arrangements for training and for keeping teachers up-to-date after they have been trained.

In India, as elsewhere, there have always been those who adopt the teaching profession because they like teaching, or because they regard it in the light of a vocation. Such people cannot constitute more than a small part of the vast army which will be required. The remainder will have to be attracted by reasonable prospects and conditions of service.

Special Schools

Although no accurate statistics are available there is little doubt that, owing to under-nourishment, neglect, unsatisfactory living conditions and other causes, the number of children suffering

from physical and mental defects is very great. This will have to be rectified by the provision of special schools.

Employment

It is strange that the present Indian system of education makes no attempt to market the articles it produces. Only in the rarest incidences do school authorities advise parents as to the occupations for which their children are suited, or offer information regarding employment openings in the locality. This is another matter which must concern education authorities in the future.

Finance Required

When in full operation, the annual cost of the scheme outlined will be about three thousand one hundred and twenty million rupees. After deducting estimated income from fees, endowments and other sources, approximately two thousand seven hundred and seventy

Girl students in a science laboratory.



million rupees will remain to be found annually from public funds. Even if all the money required were immediately available, it would not be possible to complete the scheme in a period of less than 40 years. The teacher is the determining factor, both in regard to time and cost; and there is no prospect of two million teachers being made available within a shorter period. Even so, it is assumed that some 35 per cent. of the boys and girls leaving the new high schools will be attracted to the teaching profession.



There must be more nursery schools.

MONEY WILL BE NEEDED

The finance of post-war development involves a number of important measures, some of which can be taken now. The first is to build up, during the war, large public and private funds or savings which can be utilised for future development. This involves expansion of revenue by every possible means, and the restriction of private expenditure to the minimum. Some of these revenue measures may be temporary war-time expedients; others should lay foundations for a permanent revenue increase to be used for development, recurring costs and maintenance, or loans. In any case, the magnitude of development plans will depend on the funds available, and therefore on the willingness of the country to subject itself to a proportionate level of taxation.

Post-war development will essentially entail the provision of large capital resources at reasonable interest rates. Available resources are limited in relation to the intended development, and it

is essential that they should be utilised to the best advantage of the country as a whole. This may involve control over the flotation of new companies so that interest rates may be kept low, and both Government and private enterprise can obtain capital for approved schemes.

Capital Expenditure

Pending detailed investigation, it is proposed to plan on the assumption that capital expenditure, on such productive schemes as electrical development and irrigation, should be financed out of loans. Industrial development should be financed by private capital, except where there is State participation.

The question of finance for social services presents a number of difficulties, although it is clear that the full development must eventually depend on an increase in the national income, and consequently in Central and Provincial revenues. While recurrent expenditure must be financed from revenue or aid-grants, some portion of the capital cost

of buildings might be financed from loans.

Health And Education

As regards health and education, the sum that can usefully be spent is limited by the problems of recruitment and training of staff. The Central Advisory Board of Education estimates that, apart from the capital cost of building, expen-



Silver, not chocolate.

diture for education in British India will increase by about a hundred million rupees at the end of the first five years. There would thus be a progressive annual addition of about twenty million rupees to the present expenditure of three hundred and ten million rupees. The expenditure required for health services is not yet known.

With a comparable scale in the development of industry and agriculture and in the increase of taxation, it should be possible to provide for a comprehensive scheme of education and health services over the whole of India within 40 to 50 years. With agricultural prices kept at a reasonable level, and with general prosperity in trade and industry, it should be

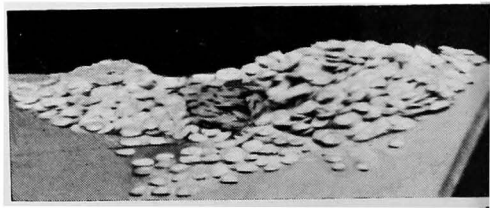
possible to increase local revenues, and from them to aid in the financing of improved social services.

Five-Year Periods

At present, it is not possible to give all the details of a variety of schemes for raising the money needed to finance all the Government's post-war projects. It is proposed that detailed five-year plans be drawn up by Central, Provincial and State Governments, and that these plans be co-ordinated in one comprehensive plan so as to yield the maximum results to the country as a whole.

During the first five-year period, about five thousand million rupees may be available from Central Government revenue surpluses. An equal amount might be raised by loans. In addition, most Provinces are putting by funds for post-war development. By maintaining an adequate level of taxation in the post-war period, they will create more funds.

Estimates are of a tentative nature and



are based on certain fundamental assumptions. These include: a fairly speedy rate of demobilization, stability of world economic conditions, continuance of the present system of financial allocation between the Centre and the Provinces, and the willingness of the public to submit to certain controls over money and capital issues.



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