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Dear Mr. Rogers:

Early last December I spent several days in the dry, upland farm country on both sides of the Bombay-Hyderabad border. It was harvest time, and I jotted down the following simple impressions of life and work in a zone where rain shortage and food scarcity prevail about once in three years:

"Here are some down-to-earth facts of life. Stacks of jowar and other millets (sorghums) lie outside each village, or near a cart track. The ears have been cut off and lie covered by the coarse stalks, waiting to be threshed. To guard against theft a woman, sari-draped, crouches beside her stack through the day; at night a man brings out a rope-laced bed to sleep on while he guards his grain.

"For threshing, the cut ears are spread on the hard mud ground around a stake. Teams of buffaloes are driven over and over them to drive the kernels from the ear. Then winnowing is done on a breezy day. A man stands on a platform shaking basket after basket full gradually into the air, the chaff blowing away, the grain falling free and straight to the ground. His wife below hands up the baskets, and brushes off heavy bits from the precious grain. They will winnow the near-fallen chaff twice more to salvage all possible kernels.

"In a field in Hyderabad, a stooped, thin man, walking round and round a stake trampling out the kernels himself. He had neither buffaloes nor sufficient grain to require buffaloes: he used his own feet to separate his food from its stalk."

Such scenes reminded me of Helen Powell's letter to you describing the wheat harvest near Chengchow. They reminded the Cornell professor of rural sociology who was with me of scenes he had studied in Greece and in the Middle East on his way to India. "From Greece eastwards", he exclaimed as we motored across dry fields, "water, water to grow food, is the main worry of most of the people."

This letter is about food. I am trying to explore here some recent administrative and economic aspects of India's food problem. I have little to say as yet about problems involved in increasing food production, or about future prospects of improvement in the nutritional balance of India's diets. Nor, amidst the details and statistics which follow, is human hardship and suffering dramatized. That is why I have introduced the letter with the small picture above. I do not want to forget the farmer guarding his grain by night, or the small cultivated fields where most of India's food is grown, or the vast region of the earth where such families year after year face the primary threat, hunger.

The letter is unduly long, and parts of it overly crammed with details. That is because as a student I am trying to acquire a live con-

sciousness of those details (and numbers) which seem important, so that in future I may be able to measure and judge them more readily than I do now. For a summary of some primary facts, of important developments in the past year, and of the present position, the reader will find the next two sections and the final section of the letter most useful. Other sections relate rather to policy and practice.

Shortage

India entered World War II with a chronic shortage in foodgrains, the basic element in her diet. In the five years ending 1939-1940, India produced an annual average of 56,841,000 tons of cereals. To feed her growing population during those five years, India's traders imported a net annual average of 1,386,000 tons, largely rice from Burma and Southeast Asia.

Annual averages conceal the fluctuations which become all-important when no carryover reserves or imports are available to fill a sudden gap. It was a short Bengal rice crop, coupled with cessation of rice imports, that provided the physical basis out of which developed the disastrous Bengal famine of 1943, with simultaneous local starvation in parts of Travancore, Cochin, and Orissa. With irony, the following year's production total swung almost to record heights: 62,925,000 tons, achieved largely through temporary diversion of land from jute and cotton to rice and millets, accompanied by unusually favorable weather. But no permanent trend of increase in cereal production was involved, nor were existing cultivated fields better protected from weather's changes. Monsoon failures in 1945-46 thus cut crops by more than 4,000,000 tons, as compared to the pre-war average. In 1947, rust cut the hard grain crop by some 2,000,000 tons. Over such fluctuations neither peasant, consumer, or authority has control. Until an absolute and marked increase in total production is achieved in India, such crop failures will reduce the Indian diet from its usual low and unnutritious level to a semi-starvation scale.

Only imports to fill such gaps will prevent starvation, as is shown by the increased tonnage of foodgrains which undivided India had to import in recent years:

1944	760,000 tons
1945	910,000 "
1946	2,100,000 "
1947	2,300,000 "

Meanwhile, India's population has not stood still. Only a guess-estimate of the increase is available, but that from an authoritative source, the Census Commissioner for India. Recently he announced his opinion that India's population has not increased by more than 5% since the 1941 census. (This tentative 5% rise in 7 years should be contrasted with the 15.1% rise in the 1931-41 decade). Even a 5% increase, however, means that 19,400,000 more people in India and Pakistan need food than were being supplied by pre-war production and imports.

With rough figures of this type in consideration, and after reviewing the possibilities of early increased production, Phillips Talbot summarized the outlook in June, 1947, as follows: "There is, therefore, almost no expectation that India will be able to feed herself at least until well into the 1950's."

Events of 1947

The immediate future was foreboding when Phil Talbot wrote; in his own words, India was expected "to show signs of starvation distress" in the late months of 1947. In August the Dominion of India (with which I am chiefly concerned in this letter) lost to Pakistan the canal-watered fields of West Punjab, chief surplus granary of the undivided country. In the upheaval which followed, millions of agriculturalists were torn by force and fear from their homes on either side of the new international boundary. Abandoning their growing crops, half-salvaging their plows, sickles, draft-cattle, grain stocks and seeds, they made their way to the other dominion. The effects of this historic movement will carry far into the future. The immediate physical effects were fortunately confined for the most part to northwest India and Pakistan. But they increased the threat to the already precarious food balance in parts of both new dominions.

From late August until mid-October, Government of India food officials were extremely anxious. They foresaw no major famine, but uttered grave public warnings that for a few pre-harvest weeks, centering on November, food stocks would shrink to dangerous lows and rationing might temporarily break down in some deficit areas. Isolated areas did report shortage; from Cutch, for example, poor people were forced to migrate toward Bombay because of the scarcity and extreme cost of rice near their homes. Wider rationing breakdowns and overt signs of starvation were, however, just avoided. Saving the situation, a heavy inflow of food grains came from other countries, including the United States, and a vigorous internal procurement effort brought in greater tonnage than had been hoped for, especially in the rice deficit provinces of Madras and West Bengal. (Procurement vigor reached perhaps its peak in Madras, evidenced by the strong threat of Premier Reddiar, early in September, to use "all available police force" to seize paddy stocks in the Andhra region if producers did not yield a satisfactory portion of their surplus reserves). As in the previous year, rationing continuity was also protected by cutting basic daily rations to 8 and 6 ounces in deficit regions, and to 10 ounces in some other rationed areas.

By late October it became clear that the year would close without serious crisis. For the second successive year India had weathered a major crop deficit, with the aid of foodgrain imports nearly 1,000,000 tons higher than the pre-war average, largely by means of an extensive control system which spread the shortage, rather than allowing it to cripple low-income groups and low-producing areas.

Aware of the accomplishments of this control system, faced with an apparent deficit for some years, a deficit complicated by the uncertain effects of partition and upheaval, the Government of India nevertheless decided late last year to "progressively de-control" the distribution of foodgrains, to let the normal trade flow regain its distributive function, and to disband gradually the extensive administrative force which had been built up to procure, ration, price and move food. This decision was made in fact, of the grave doubts of many food officials, including food ministers and experts of most provinces and states. Press and public were divided in their opinions of the move. The Government of India itself, in announcing this first major economic policy decision of independent India, admitted that de-control entailed "a certain amount of risk". But there were reasons - administrative, financial, social and moral - for their decision. To investigate these reasons, and to pro-

vide a background against which events following de-control can be placed, I go back, first for a brief glance at government attitudes and experience in pre-war India, and then to an examination of the nature and range of wartime food controls in India.

Functions and capacities of government

Prior to the Bengal catastrophe of 1943, India had not suffered a major famine for nearly forty years. In the 1870's and 1890's, severe food crises had compelled direct government intervention and aid, resulting in close government examination of food problems, elaboration of famine codes, and preparation for quick rail movement of foodstuffs to stricken areas. The third Indian Famine Commission sat in 1902. In 1907-8, famine was declared in the United Provinces to enable government to provide public employment under the famine code for agricultural laborers thrown out of work by rain and crop failure. Since then, governments in India had had little or no occasion to interfere with the distributive process or to enter the marketplace, except for their regular purchases on behalf of defence and civil services.

Nor had Indian governments tackled the agricultural depression of the 1930's with such vigorous and purposive - if new and therefore experimental - economic measures as those instituted on a large scale in western countries like the United States. Partial remissions of land revenue, scattered programs of debt relief, legislation to improve the status of tenants, small-scale experimentation to improve breeds, strains, and agricultural methods - with such long familiar but inadequate means Indian governments attempted to ease the peasant's burden. Even when facing war, the tradition and temperament of Indian governments were not oriented to an active and conscious economic policy. This may be discerned from the tone of an order of September 8, 1939, in which the Government of India, under its wartime emergency powers, delegated to provincial governments the power to control prices of certain commodities, "more from the point of view of law and order, than because of the economic soundness of price control". (Quoted on p. 2 of the Report of the Commodities Prices Board on the Prices of Rabi grains and pulses for 1947-48. New Delhi. March, 1947.)

The Government of India (Central) was in fact not constitutionally responsible for active participation in the field of agricultural economy. As part of the process toward decentralization and provincial 'autonomy' initiated with the 1919 constitutional reforms, provincial governments had been assigned responsibility for matters relating to food and agriculture, and to intra-provincial trade and commerce. In time it might have been expected that the federal process, vaguely struggling since 1919 to realize itself in actual governmental and political operation, would achieve either coordination or working compromise among the varied interests of India's complex regions: agricultural and industrial, rural and urban, deficit and surplus in foodstuffs. On the eve of war, no such stage had been reached. Within provinces, responsible government had only been worked for a few years. At the Centre, government had not been responsible. Adjustment and reconciliation among conflicting interests put forth by elected representatives of a vast and varied land was still only a problem of the future. Provincial and central relations had yet to be hammered out in practice. The central government and the provinces, in short, were not equipped by law or convention, in administrative machinery, practice and experience, or with organized statistical facts, to grapple with food and

basic economic problems on an all-India scale.

A further complication: wartime government in India was not self-government, except in limited areas and spheres. In practice, government lacked sensitivity to the people's needs and fears. Politically, it was uneasy: thus even after the Centre assumed overriding emergency powers, on the declaration of war, it proved hesitant in action to reverse the theoretical progress of constitutional evolution, to take over responsibility from the provinces, some of which were still operating under elected ministries and therefore representative of elements of the Indian people. The Punjab, traditional recruiting-ground for the Indian Army, provides an example of this uncertain relationship. In the Punjab an elected ministry functioned throughout the war, its support chiefly the landlord and rural element. To impose price controls or requisitioning of grain on this key food-producing province, bypassing the popular ministry, would have been highly impolitic for the Centre, not least because landlord support was of great assistance to wartime recruiting. Weakness in relation to this surplus province limited the central government's efforts at price regulation and at building up food reserves. Without specifically mentioning any province by name, a memorandum of the Food Department of the Government of India stated as late as 1944, "the Central Government's position is still far from satisfactory. Provincial exclusiveness and resistance to Central interference or control is still strong." Publishing this memorandum in 1945, the Famine Enquiry Commission stated its opinion that relations between provinces and Centre were on the whole "satisfactory....at present", and that the Commission did not take "an unduly serious view" of earlier differences.** Yet there is no doubt that they contributed to government's problems.

In the early war years, the evolution of government opinion and techniques in the economic sphere was slow. Indian economists were able to demonstrate by early 1943 that the growing commodity shortage and mounting inflationary pressure might lead to calamity. But paper demonstrations are often unexciting. It took the major Bengal price crisis, followed by the disaster, to shock government and people into full awareness of the seriousness of India's economic problems, and to force a radical change in government outlook and methods. It will be of little profit to review here the criticism directed in hindsight against central and provincial governments, the grain trade, and others who failed to achieve adequate distribution of India's short supply of foodgrains and therefore failed to prevent famine in Bengal. Against what the Famine Enquiry Commission calls a "background of unpreparedness", hinted at in these paragraphs, it is not surprising that a famine was required to make men act. I have mentioned this background because it is still recent. Economic problems that face India today have their origins in the years, not long since, when governments were still more concerned with "law and order" than with the economic environment created by their action and inaction; more specifically, in the inflationary pressure which grew unchecked in the early war years and which is still working itself out. It is against this near vacuum of unpreparedness that the achievements and weaknesses of later policy and administrative decisions, including the latest, are to be viewed.

The nature and working of food controls

My purpose here is to describe some essentials of food policy as it emerged from the lesson of Bengal and developed in post-war years up to

**Report of the Famine Enquiry Commission, G. of I., 1945. p 65.

the last months of 1947.

From 1943, it became clear that government-held food stocks must be the foundation of attempts to prevent famine, conduct rationing, and check price rises. How were these stocks to be established? Imports were one potential source, and on page two I have shown how they grew. Another potential source was India's own production, part of which governments could acquire. This internal procurement developed to greater volumes than imports, a development which needs some attention, for on it the food controls system grew to its fullest form.

The Central Government made its first substantial purchases of food from surplus areas in early 1943, under the Basic Food Plan which had evolved from conferences among central and provincial governments. These purchases and their distribution were insufficient to fill the gap of deficit areas, Bengal dramatising their weakness. In mid-1943, therefore, the first Foodgrains Policy Committee appointed by Government strongly emphasized the need of greater reserve stocks: 500,000 tons as a minimum, the Committee recommended. They viewed imports as the primary source, coupled with cessation of all foodgrain exports from India (300,000 tons had gone out as recently as 1942-43 to Ceylon and the Persian Gulf area.) They pointed out also the need of increased internal procurement. Methods and responsibility of procurement itself would have to be left to provincial and state governments, due to the geographical and administrative scope of the task, as well as the constitutional requirements. But the Centre, overhauling periodically the Basic Plan to assess accurately the net annual deficit or surplus of different areas, would allocate to deficit areas the stocks procured in surplus areas. Increased control over inter-provincial movements was recommended by the Committee as aid to efficient distribution. The building up of reserves would be managed with all-India needs in view.

In November, 1943, the Government of India accepted these recommendations as basis for future policy. In their statement to the Central Legislature, however, Government called attention to the inherent difficulties of internal procurement of foodstuffs: millions of small cultivators produce India's grain; most of it is directly consumed in the village area where it is grown; as cultivators' incomes rise, they tend to retain more grain for their own consumption (high income elasticity of food); in most areas only a fraction of the crop reaches a flour mill and enters into trade beyond the village area. For the last reason, an intensive procurement effort would require direct requisition from individuals, "a course", the Government added, "which is fraught with serious political risks."**

Nevertheless, the course had to be taken, at least in some important provinces. By describing some of the procurement systems developed in different provinces, starting with relatively loose systems and ending with strict and compulsory ones, I will try to show the nature of the task.

Visit with me the Civil Supplies Officer who has been in charge of the procurement effort in the United Provinces. He is a big, hearty

**Government statement reproduced in K. Santhanam's "The Cry of Distress", Hindustan Times, New Delhi, December, 1943.

veteran of the Indian Civil Service. His size helps him to dominate the big wall map of his province, which he uses to explain his work. "Here are our surplus rice districts." He cups his hands around them. "To get rice, we blocked private transport of rice out of these pockets. With rice thus concentrated in the local markets, the price stayed down. Then we skimmed off the excess. Most rice not locally consumed normally enters trade through the mills in this area. We bought directly from the mills, taking nearly 95% of their output." He smiles: "The system was not hard to work - though after a few years trade began to discover new channels, which forced us to block a few holes." One feels he has a flair for the game, foreseeing shifts in rice movements induced by trade motives, and moving to counter them. But he goes on to point out one larger flaw in the system: "We were procuring mainly to assure rationing in cities. Our controls blocked the normal rice flow to the province's crowded eastern districts, deficit in food. This created hardship which only rural rationing for the eastern districts could have relieved. We did not institute such rural rationing, which in my opinion was a mistake. Halfway measures here created artificial scarcity in parts of the province. I believe compulsory procurement and complete rationing are both needed if controls are fully to succeed."

This rice procurement system approximates government monopoly purchase of rice entering the normal trade flow. By contrast, the procurement of wheat, started in 1946 as the Congress ministry took office, was carried out by district officers in direct purchases from individual producers. Each producer was required to sell to government an amount calculated either on the basis of his output or of his rent. "To make this more attractive to producers, we offered a 'sweetening': two yards of cloth (in short supply in the controlled market) for every maund (82 lbs.) of wheat supplied. We took in over 300,000 tons in 1946, and close to 400,000 tons in 1947."

"One difficulty in this direct procurement was the inaccuracy of our yield estimates. Visual estimates of standing crops by local officers, in presence of the cultivator, have for generations been accepted as adequate. But they can hardly be exact. Now we have started a series of regular crop-cutting tests at harvest. Even when these samples are sufficient to be statistically sound, however, it may take ten years to convince the farmer (and the subordinate administrative staff) that sampling can be a fair method."

He concludes that as administrator his difficulties in procurement have not been excessive, and that the systems developed would have been workable in the next few years.

It is estimated that offtake by government in the United Provinces averaged about 6% of rice production, 14% of wheat. Of grain normally entering the trade flow, government offtake is a higher percentage. But the program's intensity here never pressed as strictly on the individual farmer as in some other provinces.

Take Bombay, noted for the efficiency and promptness of its food administration. In rice tracts, its technique, one of the first developed in India, was similar to that of the United Provinces. Government purchased direct from the numerous mills of the rice area, in later years taking all their outturn of polished rice. To influence prices

and prevent hoarding, government also made some direct purchases of paddy from cultivators, and maintained careful inspection of local private stocks. In the hard grain tracts, government touched every producer growing over 27½ maunds (just over a ton, assumed to be average yearly requirement of a family). Above this exemption, a levy was made on each individual farmer's production; like an income-tax scale, this compulsory levy increased progressively as production increased. No movement of grains beyond the village area or sale to any buyer other than government were allowed in these tracts. Government purchased at fixed prices, partly through its own officials, partly through cooperative societies or private traders on commission. This program brought in an estimated 12% of the millet crop and 22% of the rice crop in a slightly sub-normal crop year, 1945-46.

Madras used similar methods. In deficit districts, even more intensive efforts were made, each cultivator's minimum exemption being more closely calculated in relation to his family's size and costs. Government purchased the excess above this limit through the agency of local wholesalers. About 35% of the poor rice crop of 1945-46 was taken by government; in 1946-47 the percentage obtained from a normal crop was slightly lower. In both years, bonuses of Rs.1 and later Rs.2 per maund were found necessary to encourage cultivators to yield their surpluses. In 1947, political leaders capitalized on low agricultural prices (relative to costs) to persuade surplus producers to hold back their stocks from government; strong threats ultimately were necessary to bring in stocks, as mentioned earlier.

In comparison, Bengal's procurement was disappointing, as is stressed by Dr. Schultz in his memorandum of 1946. Handicapped by not having field-to-field records of acreage and crops, as did the provinces mentioned above, Bengal governments purchased through private agents in the surplus districts, from which private export was made illegal. Of a very good crop in 1944-45, only 6% reached government; of a slightly low crop the next year, improvement was only to about 7% (668,000 tons, or perhaps 15% of the rice normally entering trade outside the village area where it is produced); in 1947, the offtake was no higher. This important province, like the Punjab, adopted neither compulsory levy from the individual producer nor monopoly of purchase in the wholesale markets. (The Punjab's increased purchase program started with the spring crop, 1947, fell apart with the mid-year upheaval. Pakistan's Food Minister announced early this year that not more than 5,000 tons of wheat had been procured by the West Punjab government in the six months since July, 1947.)

In summary, it must be said that results were uneven, on an all-India view. The intensity and range of the internal procurement effort steadily increased, however, even during years of severe shortage. Calling to mind the high import figures given above, highest internal offtake by government was accomplished in the short-crop post-war years, as shown by these internal procurement figures for undivided India:

1944	(a bumper crop year)	4,930,000 tons
1945		4,550,000 "
1946		5,050,000 "
1947	approximately	5,500,000 "

Thus in the last year nearly 10% of the Indian crop was acquired by government. This is a small figure only if one forgets the nature of Indian productive units. That it was achieved during years of shortage, and depended heavily on results of deficit areas, demonstrates that

government - consisting in the last two years of representative ministries who worked with the help of veteran officials - maintained the administrative strength and the confidence of the public sufficient to enable it to tap millions of individual food sources and build up stocks for rationing therefrom.

Food rationing had started after early government acquisition of stocks. The Bombay government put the city of Bombay under rationing in May, 1943. Many smaller cities followed, though Calcutta was unable to undertake rationing until February, 1944, after a record crop had eased purchasing pressure and provided new government stocks. In January, 1945, the Fifth All-India Food Conference of provincial and central officials accepted the need of rationing for all cities over 100,000 in population, at the daily rate of 1 pound per adult. Deficit provinces subsequently carried full rationing into smaller towns, while their procurement measures and supplementary rationing schemes effected a degree of controlled distribution in the countryside.

The Famine Enquiry Commission Report of 1945 points to the United Provinces' early rationing experiences. At the outset, the United Provinces avoided full rationing, and limited operations to the subsidized 'provisioning' of basic rations to essential war and government workers and to low income groups. Recipients of this basic ration, as well as all people unrationed, were permitted also to buy food in the open market. A heavy price rise while this scheme was in operation caused the government serious difficulties in procuring stocks sufficient to maintain its provisioning commitments. In the Famine Enquiry Commission's opinion, an important section of the urban public had been purchasing grain in competition with government. This double pressure drove up prices. Apparently the rice trade was thereby encouraged to evade government controls, which lessened the stocks purchasable by government. Subsequently, the United Provinces government gave up 'provisioning' and adopted full rationing in all important towns. Though food price tendencies in the province continued to be unduly high, government found it easier to procure and maintain sufficient stocks after full urban rationing was introduced.

The United Provinces experiment with 'provisioning' closely resembles the 'partial rationing' schemes being adopted in many provinces in the spring and summer of 1948. These will be described later; the United Provinces example suggests a difficulty they may encounter.

Rationing commitments of all governments grew rapidly. (The Punjab excepted. Surrounded by surplus, the Punjab government found it difficult to persuade its supporters that rationing and heavy government procurement were necessary. Competitive buying for and in cities continued, with consequent upward pressure on prices.) All-India figures of the number of people under various rationing schemes increased roughly as follows: March, 1943: 2,000,000; March, 1944: 26,000,000; March, 1945: 52,000,000; March, 1946: 100,000,000; November, 1946: 150,000,000. In August, 1947, some 60,000,000 people were under direct food rationing, about 100,000,000 more under controlled distribution.

It had not been possible to maintain the 1 pound ration, however; in 1946 the basic daily adult unit was cut to 12 ounces. In September, 1947, India's Food Minister announced that the average unit in direct rationing areas throughout the country had fallen to 10 ounces. Deficit pockets fell to 8 or 6 ounces for some weeks.

With procurement, stocking, rationing, and transport controls, price control could be attempted. Already one try had been made, in 1941. Until that year, food grain price rises were considered a healthy swing up from the abnormally low prices farmers had received, in comparison with costs of manufactured items which they had to purchase, during the depression pre-war years. By September, 1941, food grain prices were almost double those of 1939. Inflationary pressure was beginning to mount, as result of two forces: large purchases by the Government of India on behalf of Britain and the Allies, which cut down goods and services available to the Indian public; and large expansion of money in circulation, mostly currency notes in effect printed to meet growing Government of India deficits caused by war expenditure.** In December, 1941, the Government of India fixed maximum wholesale prices of wheat for various markets. Lacking reserve stocks to introduce into the market when prices moved toward and above these maxima, however, provincial governments found it difficult to enforce them. The Punjab, chief wheat producer, sought to ease price pressure by prohibiting export of wheat from the province except under permit; this restriction aggravated severely the already serious shortages in downcountry urban markets; a Wheat Commissioner for India was named to regulate movements of wheat from province to province, which helped; but in 1942, even after a bumper wheat harvest, prices rose to double their 1941 level. Enforcement proving impossible, one of the first acts of the newly established Government of India Food Department, in January, 1943, was to abolish statutory maximum wheat prices.

This initial price control attempt may be said to have failed for two reasons: such isolated control measures were too weak to meet the rapidly increasing effective purchasing power of government and people; and governments lacked their own reserves to use in influencing the market.

Wheat prices rose in early 1943 to an index figure of 344 (all-India; August, 1939: 100), from which they have fallen in only one month since the 1943 harvest. Soon thereafter, rice prices, which had lagged slightly behind wheat, shot up to an all-India index level of 572 (August, 1939: 100). In Bengal, whose prices contributed to the all-India average, the rise during this crisis was even steeper.

If village artisans and labor, urban industrial and fixed-income groups were to be saved from such price jumps, and some stability introduced into the economy, a broader attempt at government price control was essential. As one of the recommendations of the 1943 Foodgrains Policy Committee, the principle of statutory price control for all major foodgrains was accepted by the Government of India. To achieve coordination of prices throughout the country, a Prices Advisory Committee was established at the Centre in January, 1944, composed of government officials and economic advisers, representatives of commerce, the food trade, and the producers of Bengal and Punjab. On wheat, barley, and gram, the Committee was able to recommend a statutory maximum for the Punjab, wheat at 3.62 times the pre-war average (rupees 9/8 per maund wholesale as against Rs.2/10 in 1939-40) together with suitable differentials for other areas producing those crops. (This involved an increase of Rs.1/- per maund of wheat from the Punjab to the Central Provinces). The Central Government asked the provinces to impose these maxima. The provinces complied, and the wheat, barley, and gram maxima were reviewed annually and maintained from the spring crop, 1944, to December, 1947.

** See Appendix I.

On pulses (which fall outside consideration of most of this letter), the Prices Advisory Committee repeatedly recommended, and the Central Government repeatedly supported, maximum figures for the provinces to enforce. In this case the Centre's request was accepted by some provinces, disregarded by others who set no maximum for pulses. This lack of uniformity, permitted by the constitutional rights of provinces, was deprecated by a Government of India Food Department official as late as October, 1947.

Jowar and bajra were also controlled on an all-India basis. But on the major crop, rice, India was so far from being 'one market' that no all-India coordination toward a statutory maximum proved possible. Each provincial government was left to set its own maximum, in which some variation proved necessary depending on the yearly position. The official all-India rice index settled back to about 325 in 1944, and to 305 in 1945.

What does the all-India index mean? Does not black-marketing make the official index valueless? How real, in short, was price control?

It seems impossible to answer these questions with statistics. In general it seems true that price control was most effective in those provinces where government exercised the levy and almost full monopoly of purchase, for there the government purchasing price was the most important in the market. In those areas, the quantity of grain left for private traders was very low; black marketing and sale above the statutory maxima involved chiefly smuggled stocks or stocks withheld by cultivators or procurement agents in evasion of government procurement. In other areas government was not the only authorized purchaser, and its buying in competition with private traders served to drive market prices up so that the statutory maxima were not enforced. The United Provinces wheat market in 1946-47 seems an example. In its report of March, 1947, the Commodities Prices Board rather caustically pointed out that wheat prices in a major United Provinces market had prevailed throughout the preceding year at a figure almost double the statutory maximum. The Board mentioned complaints from other provinces, and emphasized how difficult it became for other provinces to enforce price and transport control when a neighboring province failed in effective control.

On the whole, combined government controls, among which market operations, rationing, and transport regulation were more influential than the mere setting of statutory maxima, tended to stabilize food prices and hold them down. Most important, even in areas where black marketing was rampant, millions of people drew regular rations at fixed rates from the government-licensed ration shops.

Why De-control ?

What stresses and faults developed in this vast government effort, unprecedented in India? And what other forces finally determined the new government's decision to abandon the control policy?

The Government of India's own announcement of de-control, together with the statements of the Food Minister, Dr. Rajendra Prasad, in the Legislative Assembly and to the press, stated briefly the administrative and financial difficulty of maintaining controls: internal procurement was becoming more difficult, causing great administrative strain; with consequent falling stocks, ration scales had necessarily been cut, causing public distress and uneasiness; releases from international food bo-

dies and other countries, although increased, had not been sufficient to make up the Indian deficit and the growing rationing commitments; the danger of rationing breakdown had constantly increased; the imports, at rising world grain prices, made costly inroads on India's narrow foreign exchange reserves and balance, and large government subsidies were required to bring prices of imported grains down to a level payable by consumers; public irritation at controls was being voiced - by consumer, producer, trader.

Elaboration of these difficulties may make them more meaningful.

The increasing intensity of administrative effort required for government procurement is clear from the fact that government offtake grew even in short crop years. The Centre's implementation of policy was also continually handicapped by the inability or unwillingness of some provinces to pull full weight in the all-India effort. The advent of popular government had also increased the strain, in a sense. Large producers with political influence pressed ministers to ease official strictness; small producers wondered that their 'own' Congress government should continue to make compulsory levies at prices they considered too low, in view of the shortage and dearness of manufactured necessities of life. Opposition political parties did not fail to exploit these agriculturalist grievances.

As shortages became more severe, in 1946 and 1947, government had to extend rationing to protect more and more people. Now, if sufficient procurement was not assured, maintenance of rationing became tenuous. Tiny breakdowns had already occurred. Evident in several of Dr. Prasad's statements was a real fear of more general breakdown as the administrative strain grew: once he was even reported as stating that breakdown was eventually 'inevitable'. The infant government was experiencing untold strain from partition and upheaval in the north. My impression is that the de-control decision was made in an environment of conscious and unconscious government anxiety over the question: Might not a major administrative failure break the camel's back? It took courage to risk de-control; to continue control would have required not only courage but also assured and tried administrative and political strength and self-confidence, qualities which come from experience, experience which the new representative ministries did not yet have.

As to imports, India's post-war crop failures unfortunately coincided with world-wide grain shortages. The great Southeast Asia and Far East region was for the first time in history deficit in rice - importing as a region more than it exported. Europe was demanding American wheat. Wartime price controls had been dropped in important producing countries; and prices of both rice and wheat in the world export market were up sharply. The increasing cost to India of foodgrain imports is shown as follows:

financial year 1944-45	Rs. 140,000,000	(about \$ 42,400,000)
1945-46	Rs. 240,000,000	
1946-47	Rs. 890,000,000	(about \$270,000,000)
1947-48	Rs.1,100,000,000	(anticipated)

Largely due to these increasing food costs, India's normally favorable balance of trade disappeared and gave way to a substantial deficit in current balance of payments with foreign countries. Particularly unwel-

come, her normal surplus in trade with the United States was changed to a deficit from 1946, which increased throughout 1947 as food imports from that country grew. This trend seemed to threaten India's intention in coming years to import needed capital goods from the dollar area. A widespread opinion grew, and was supported by recommendations of the Foodgrains Policy Committee in October, 1947, that India must strive to free herself from dependence on food imports as early as possible. Current rationing commitments could not be maintained on decreasing imports; therefore rationing must be cut down. This was the line of thought accepted in Government's decision.

Controls were regarded widely as the product of wartime emergency, and were most useful to the section of the public least vocal and politically weakest, the poorest classes to whom rationing in some cases brought more food than they had managed to get in pre-war days. In other circles, naturally in the politically influential trade circle, controls were unpopular. Cutting of rations had caused insecurity and lack of confidence in some large urban centers. Such uncertainty itself handicapped controls, by stimulating criticism and evasion.

As important, probably, as all these shortcomings specifically suggested by the government's statement, a vast and serious corruption in public and official life had grown with controls. No doubt greater and more sudden illegal riches were made by bribery and black marketing center^{ed} on other commodity controls, especially cloth, and on import and other licensing. But food controls spread the corrosive plague widely among hundreds of petty officials; corruption touched the pockets and twisted the principles even of small buyers, producers and traders. Public dislike of corruption was apparent; but it never emerged in organized or joint public opinion active enough to root out the evil. The Congress Party itself was in no position to take a strong lead against corruption, for not a few of its old and new members themselves were among the worst offenders.

Conscious of the moral and political peril to the new country if this bribery of government officers and public disregard of government regulations were not checked, Mahatma Gandhi threw his weight into the campaign for removal of all commodity controls. Gandhi's stand was based also on his desire for India to gain in self-sufficiency and stop relying on foreign imports, for each province and area to increase its self-sufficiency, and for the people to become self-reliant and stop relying on 'spoonfeeding' by government. He stated there was no real food shortage: people had only to intensify their production, simplify their diets and utilize roots and tubers in greater quantity. He put his faith - perhaps unduly - in the willingness of the merchant community to move food promptly and at fair prices if controls were lifted.

I have said that de-control was accepted by government only after and in the midst of heavy controversy. The need for maintaining controls was perhaps most logically stated by a dissenting minority in the Foodgrains Policy Committee itself, a minority that incidentally included government experts on food. They argued that "the intensity of the food shortage" could not be doubted, and was demonstrated by the increasing need for imports. They felt it would be "extremely rash" to abandon controls until supplies were assured "sufficient to

honour all commitments on a 12 ounce basis throughout the year, in all parts of the country....together with a margin for emergencies", and said that two successive years of good crops were necessary to build up a carryover of such quantity. To aid procurement, they recognized the need for a small increase in prices paid producers. As to other defects of controls, and evasions, they proposed not less control, but rather "education of the public on the foodgrains control policy, and resolute enforcement." They pointed out the inconsistency, while the internal deficit was so intense, of abandoning procurement and control while at the same time hoping to decrease imports: "It is not possible to eat the cake and have it. If the lifting of controls is to be hastened, imports should be increased." As for adverse public opinion, the minority said that in the end government would obviously not gain in popularity if de-control resulted in "run-away prices of grain and disorders and famine", which it considered likely.

These minority warnings were not published, and are still only partly known. But public and newspaper debate on de-control, which was vigorous, threw up the same arguments. De-control was attacked strongly by those political parties which considered it their job to protect the poorest consumers. The Congress Party and its governments were themselves divided. Except for some surplus provinces, most provincial and state food representatives, including both new popular ministers and veteran food officials, opposed de-control at the all-India conferences in November at New Delhi. The Government of India, however, held to the course suggested by its Foodgrains Policy Committee. Government asserted that controls led to an ever-increasing need for more controls, that they had grown out of a war emergency, that it was desirable that "the phase of return to normality be quickened", and that the moment was timely for moving in that direction. In this, Government were not without the support of the trading and business community.

In last analysis, Gandhi's weight in the controversy had displaced logical or economic arguments advanced by others. As a food official in the United Provinces told me last spring, "After Gandhi publicly voiced his dislike of controls, the people would not have cooperated with government. We could not have maintained our procurement program in the face of his opposition...." Dr. Prasad acknowledged to the Legislative Assembly that Gandhi's voice was decisive; and said that in 30 years of association with Mahatma Gandhi he had learned that Gandhi's 'prescience' was right more often than his own logic and intellectual argument.

(For a note on central-provincial relations in application to the de-control decision, please see Appendix II).

Plan of De-control

The program of de-control of foodgrains announced on December 10, 1947, by the Government of India, to be implemented largely by the constituent governmental units (provinces and states) has these important features (numbers and comments mine):

1. The Government of India 'advises' the units to reduce progressively their rationing commitments, in reverse order to the original process of extension of rationing. No time limit for complete end of rationing is suggested, but it should be "as soon as may be feasible".

2. As formerly, only the Central Government will import food grains in 1948. No imports by private traders or unit governments. The Government intends to reduce its dependence on imports, and hopes that units' management of their food affairs will aid in making this intention possible. Of 1948 imports, at least 500,000 tons will be held by the Centre as an emergency reserve; if possible, 1,000,000 tons.

3. The Basic Plan for 1948 is drawn with revised 'basic export quotas' for surplus units and 'ceiling import quotas' for deficit units. Surplus units are 'asked' to procure and make available their basic export quotas, to improve on them if possible. Deficit units are asked to plan on no receipts from outside over and above those assigned in their ceiling import quotas; they are requested not to "make larger demands on the Centre", and to cut down requirements where possible.

Payment for supplies exported from surplus to deficit areas will continue to be on a no-profit no-loss basis as between units.

Henceforth, unit governments are to assume one-third of the cost of subsidies required to lower prices of imported food grains for consumers' purchase. (Previously, the Centre had born the full subsidy).

Comment: On this key step, the peculiar relations between Centre and units are revealed. The Centre 'asks', but in relation to deficit units has an apparent sanction, the ceiling import quota, so fixed as to supply only part of each unit's current rationing commitment, thus forcing these units to reduce their rationing commitments.

4. The Government of India leaves all decisions as to internal procurement to the units. Each unit is free to adopt any procurement methods deemed necessary and feasible to meet its remaining needs for rationing and-or export.

To induce all units to procure grains internally, however, the Centre offers payment of a bonus to unit governments: eight annas per maund of all food grains procured, plus eight annas more for each maund exported from the unit. These bonuses are offered on condition that they be used toward expenses of food administration and to provide cultivators with low-priced manures, fertilizers and other aids to production. (Comment: One theoretical weakness of such inducements is that they benefit most of all those units which are surplus already).

5. All-India price control is to cease. Henceforth, each unit is to set its own prices, as it may consider fair and feasible, for government procurement and sale of foodgrains within the unit. To discourage unreasonable price increases by governments, however, the Government of India accepts no part of any loss which a unit may incur through increased payments to producers not passed on to consumers in shape of increased consumers' purchase price.

This, stated the Government's announcement, "brings to an end the constant argument between the Central Government and the provinces on the question of prices."

6. Present barriers on inter-unit movement of foodgrains without

permit are to remain. Movement controls within units may be abandoned or modified as unit governments find feasible.

Greater transport of de-controlled foodstuffs by private traders is expected. Government henceforth accords such private food movements, under permit, higher rail priorities.

Government will continue to sponsor movement of supplies under the Basic Plan from surplus to deficit areas.

With these new steps, the Government of India and the Food Minister, Dr. Prasad, state certain expectations and cautions in connection with the new policy and its future. An initial price rise is anticipated. With higher and freer prices, and greater transport facilities, it is believed that more and regular stocks will come into the open. The Government hopes that hoarding and profiteering will not be serious, and that after an initial period, prices will settle down to a reasonable level.

Dr. Prasad stated Government's belief that the new policy will bring greater emphasis on internal procurement. Dependence on imports can thus be reduced. Comment: This intention to place increased dependence on internal procurement raises key questions. Will crops be sufficient? Further, aside from the bonus inducement and the responsibility imposed on unit governments by restriction of imports to deficit areas, the Centre has no direct influence on internal procurement. It is dependent on unit governments. Will their assumption of this responsibility be adequate to the needs? A more fundamental problem: in shortage conditions, is government procurement in a nearly-free market consistent with the desire to avoid continuing price rises?

Should large hoarding take place to the serious harm of consumers, the Government statement closed, the Government of India "will not hesitate to reestablish rigid controls." To watch developments, Government will receive weekly reports from the units; quarterly all-India conferences of unit and central ministers will review the position. Until the success of the new policy be assured, unit governments are requested to keep their present food control organizations "substantially intact".

Said Dr. Prasad, de-control is to be "planned, gradual, and progressive".

As the success of this Central decision and plan depends largely on crop conditions and on implementation by the units, it will be necessary to examine the subsequent position in key units in order to follow the workings of de-control to the present, and to grasp the nature of India's present food difficulties.

Detailed position in three provinces

Bombay. Normally deficit in all grains, due mainly to large urban centers. Beyond internal procurement, government in 1947 required some 600,000 tons from central reserves and imports to meet statutory rationing commitments in its 117 towns with over 10,000 population.

Bombay representatives reportedly opposed de-control proposal in the November conferences, and supported instead greater all-India coordination. But on being forced by Central policy decision, and by reduct-

ion of 1948 ceiling import quota to 475,000 tons, Bombay government announced its de-control program with characteristic decisiveness. All rationing ceased from January 1 except in four cities: Greater Bombay, Ahmedabad, Poona and Sholapur, for which import quota would suffice. Both government monopoly purchase and compulsory levy abandoned on December 16. In their place, voluntary sale by producer to government encouraged by an increase over existing purchase price per maund of Rs. 1/6 for paddy, Rs. 2 for wheat, rice and millets. All statutory price maxima on food cancelled. Certain movement controls retained.

It appears that the very decisiveness of Bombay violated the 'gradual' criterion laid down by Dr. Prasad, especially in the scrapping of its excellent compulsory procurement systems. This move was consistent with object of allowing grain to reseek normal trade channels and of loosening hoarded stocks; but it showed difficulties involved in the expectation that at the same time provincial governments could shoulder responsibility of contributing to "greater internal procurement".

Bombay 1947-48 crop good. Prices rose steeply after de-control, local grain coming freely into the market, some of it probably that previously illegally hoarded. By late February, food prices were 100% above the December statutory maxima; by May, official figures put the rise at 148%. The Government of India publicly mentioned this price rise in its food review in early April; its spokesmen privately admitted serious concern, for lower income groups in rural areas as in the de-rationed towns were suffering greatly. Whether the advance was due more to withholding by cultivators or to operations of big urban speculators was uncertain in the minds of the New Delhi Food Department.

To meet the needs of town and rural areas where deficit and price-scarcity are greatest, Bombay government has been forced to open "Fair-Price" or "Relief Quota" shops, working on a card basis. By mid-June, 550 Fair-Price shops had been opened; 2,500 are now reported working, with more expected to be opened. The Central Government met this unanticipated need - estimated in April at 130,000 tons, probably well above this by now - by extra allocations, at a rate well above Bombay's 'ceiling' import quota.

Recently Bombay prices have not advanced at the earlier rapid rate. Because they are supplying the poorest groups with grain brought from outside, not drawn from the local market, the Fair-Price shops may have aided in easing the advance. But they touch too limited a section of the public to bring about an actual price drop.

Bombay's four major cities continue to be protected by rationing. By means of the Fair-Price shops elsewhere in the province, it appears that Bombay will avoid starvation during its critical six-month period ending in November. This has been achieved not by provincial responsibility and self-sufficiency, however, but by heavy dependence on the Government of India and its imports. In such a deficit province, indeed, increased self-sufficiency and government procurement in a free market must await a marked production increase. Meanwhile, Bombay's Civil Supply Minister may have caught the mood of dependence, for he was reported in mid-July to be willing to remove all remaining controls if the Centre would provide sufficient allotments to keep his province fed.

Madras. Normally heavily deficit in rice, slightly deficit in wheat, almost self-sufficient in millets. Almost on the morrow of the de-control announcement it became clear that the northeast monsoon had failed badly, seriously endangering Madras rice and millet crops to be harvested from December to March. Some early estimates of the drop proved high, but final production of rice and millets was 1,261,000 tons below the previous 5-year average. (Rice down 747,000 tons, millets down 514,000).

In addition to urban rationing, the entire rural population of deficit districts and in four Andhra surplus districts had been rationed. De-control was initiated despite the shortage. Rural rationing stopped in all but two districts, the rationed population falling from 36,000,000 to 9,000,000, later to 6,810,000. Intensive procurement was discontinued in deficit districts but maintained in surplus districts and Malabar.

The poor rice crop caught Madras with a 4-week rice stock (95,000 tons) on January 1, badly located for help to deficit areas. Malabar and Ramnad areas suffered most. As early as mid-January, hungry agricultural laborers, out of work because of the poor crop, gathered in groups of 100 and raided ripe crops in Ramnad District. One town reported food riots. By mid-February, the Madras Premier and Food Minister, predicting a "tremendous crisis" for mid-year, acknowledged government's new responsibility to prevent famine in rural deficit areas which had been de-rationed. Urban rations were cut again to 8 ounces. A drive for short-time tuber and vegetable crops was pushed. Procurement in surplus areas was intensified, with increased government off-take from some producers in spite of pressure of de-control in surrounding districts.

On the average, food prices rose only 30% in Madras from December to April. (In some towns, though, the rise was nearly 60%). As at some other times, unemployment was a more serious immediate result of crop failure than price rise. In April, an American mission representative sent to study the Madras shortage reported that 20% of Ramnad's population of 2,000,000 had migrated in search of work and food. Poorer artisan and agricultural laboring classes there and in neighboring districts, he wrote, could get food enough only for a "semi-starvation" diet; the death rate had risen sharply. Government had opened shops to sell to these groups a meager ration of mixed grains (the quantity uncertain in his report) at one-third the market price, which served "to keep some people alive who would otherwise die".

As the reserve supplies of the de-rationed non-producing classes became exhausted, the Madras Government greatly increased the number of these relief shops, similar to the Bombay Fair-Price shops. By early-August, some 9000 were in operation in Madras. "These will prevent mass deaths, though there will be starvation conditions and malnutrition", a Central Food Department officer explained to me.

From the start, the Centre devoted close attention to the Madras shortage. After the first visit of the new Central Food Minister, Mr. Jairamdas Doulatram, in February, the Centre increased its ceiling allocation to Madras from 200,000 to 400,000 tons, and expedited shipments scheduled for later in the year. Pandit Nehru's appeal to northern and central provinces brought forth supplies to add to Madras stocks for the critical second half of the year; the increased north-south movement

was a heavy strain on the railroad system. The Central Food Department appointed a special officer to increase efficiency in supplying Madras and Bombay deficit areas. Still more will be needed: in late July Madras asked the Centre for 400,000 more tons for the last three months of 1948, which it termed essential to get the province through to the winter harvest.

United Provinces. Normally has slight net deficit, wheat and millet surplus being exceeded by rice deficit. 1948 ceiling import quota 125,000 tons. 1947 kharif crop (autumn: rice, millets, maize) slightly set back by late or excess rains, but better by 278,000 tons than the 1946 kharif total. 1948 rabi wheat crop, harvested in March and April, good, estimated at 270,000 tons over previous year; rabi barley and gram very good.

Recent wheat price movements in United Provinces wholesale markets are shown in the following chart (rupees per maund):

Spring harvest price, 1939	Rs.3/12	
Control price, March 1944 to December, 1947.	10/ 4	(approximate Government purchase price).
Spring harvest price, 1947	11/12	(reflects lax price control enforcement).
Price prevailing December, 1947, before de-control	19/ 4	(ditto)
Spring harvest price, 1948 (April 15)	17/ -	

Subsequent monthly levels, 1948: (Actual averages as compared to prices anticipated by two United Provinces food officials in April):

	<u>Anticipated average</u>	<u>Actual average</u>
May	about Rs.13/-	Rs.16/8
June	about Rs.13/-	Rs.18
July	about Rs.16/-	Rs.20 to Rs.21
August	about Rs.16/-	Rs.20 to Rs.22

Experience has brought shifts in outlook of United Provinces food officials. They opposed de-control at November New Delhi conferences. They feared it risky. When reducing rationing, early this year, they maintained it in seven hill towns and for people with incomes under Rs.100/- per month in five largest cities. All procurement was stopped, as government open market purchases were considered inconsistent with the object of lower prices. With a good harvest, market wholesale prices fell gradually from their high unauthorized level before de-control. By mid-April, on the strength of the good crop, food officials were confident of this year, and predicted continuing price fall. With slightly low reserves on hand (50,000 tons in mid-April), they withdrew all rationing on May 1. Wheat prices were still high, but poorer groups could buy cheaper grains. The United Provinces Government announced it would be able to forego 35,000 tons of its import quota, as an aid to

Madras and other deficit areas.

A Civil Supplies Department officer explained to me with some satisfaction the economy of de-control. He was winding up the department, which would mean an annual saving of Rs.15,000,000 and release or transfer to other departments of 16,000 to 20,000 employees. Only a nuclear staff would be kept. To maintain the organization "substantially intact", as the Centre had wished, seemed to the provincial government unnecessary and costly.

Within three months, these hopes had proved over-optimistic. Grain had not come to the wholesale markets in good quantity. Cultivators, big and small, were holding their produce. One reason was that the price of cloth and other manufactured commodities had risen drastically since de-control of those items in January; hit sharply by this rise, peasants preferred to hold their grain for higher future prices. In the two former years, they had been forced to sell part of their produce to government; now they preferred to eat more and to hold more as reserves. (Their wisdom is demonstrated in the present week, as torrential downpours have seriously damaged the growing kharif crops in many districts). By late May, wholesale prices began to move up. Wholesale market stocks were at their lowest for several years. Some smuggling to outside states and provinces aggravated the price rise. Government had no method of checking it. By July, wholesale prices ranged from Rs.20/- to Rs.25/- in various markets of the province.

Consumers in cities suffered from the highest retail prices within memory. The working-class cost-of-living index in Cawnpore, greatest north India industrial center, rose 20 points in June to stand at 462, higher than June, 1947, by 94 points. For industrial labor, part of this rise would be met by increased "dearness allowances". For fixed-income middle class groups, there was no such relief. My Hindi teacher, assistant professor in the Almora College, told me a few days ago how rising costs hit him. "I have just come from the bazaar, where I purchased our month's food supply. It cost me Rs.65. Before the war, we never paid more than Rs.12 to Rs.14 per month. Even during the war prices were much lower than now. And my pay increase since before the war has been only 17%. Then we were able to save a little. Now we can really not make ends-meet." Consumers ~~were and~~ are paying about 10 cents a pound of wheat, as against 1 1/4 cents in pre-war years. Their difficulties are being reflected in public and press criticism of government.

In mid-July the Civil Supplies Minister of the United Provinces told a newspaper reporter that he had foreseen such possibilities, but "the Government of India thrust the policy of de-control on us and we had to follow it". He announced his intention of meeting the need of poorer classes by resuming partial rationing. The discharge of rationing employees was stopped, the rationing system reassembled. In late July long meetings of the United Provinces cabinet and the Congress Party Legislative Assembly puzzled out the problems of food and economics. Immediate government action largely turned on the fact that it was now too late to procure grain until the next harvest. After several conferences with the Government of India, decision was taken to reintroduce partial rationing as of September 1. Shops are to be opened for all families with incomes less than Rs.100/- per month in 33 towns. An estimated 5,000,000 people, including 500,000 refugees, are to be supplied, as against 6,800,000 under the 1947 scheme. Daily adult unit will be 6 ounces of wheat or 8 ounces mixed wheat and barley flour;

cardholders may also buy in the open market. Grain prices in these new shops are gradually to be reduced; as compared to 1 3/4 seers of wheat which the consumer in these towns gets for his rupee today, the government has announced the following goals for sales in the new shops:

August-September	2 1/4 seers per rupee
October-November	2 1/2 " " "
December --	2 3/4 " " "

No procurement will be undertaken now. Present stocks plus supplies from the Centre will be sufficient to maintain the new program. But in announcing the new program, Premier Pant strongly attacked profiteers and hoarders, and threatened requisition of their stocks if necessary. He appealed to the peasants to follow the ancient Indian tradition and supply food freely to the public.

As preparations are made to start the new program, the consuming public's attitude is, "Let's wait and see".

Summary of position in other units:

West Bengal. With Calcutta requirements, normally heavily deficit in rice. Started 1948 with reserve carryover of 30,000 tons only. Assigned ceiling import quota of 200,000 tons of wheat and wheat products. 1947-48 rice crop reported by Civil Supplies Minister as only 3.3 million tons as against previous year's 3.8 million. Margin too narrow to allow appreciable relaxation of controls. 6,600,000 people (of total provincial population of 25,000,000) kept under statutory rationing; this number has slowly increased with gradual flow of Hindus from East Bengal. Procurement intensified with surprising results, well over targets: from January through April, 267,000 tons were taken in by government, as compared to 211,000 tons in undivided Bengal in the corresponding period a year ago. With this and with extra central allocation of 50,000 tons rice, 13,000 tons barley and maize, Ministry able to make a surprise ration increase in April from 8 to 10 ounces. Later, Centre granted 50,000 more tons, with possible promise of 20,000 more to meet needs of refugees from East Bengal. Province expected, with this aid, to pass monsoon season satisfactorily.

East Punjab. Undivided Punjab had a large grain surplus, due mainly to rich canal lands of the West. Partition deprived East Punjab of large wheat tracts. Its Food Minister estimated the new eastern province's normal net deficit at 45,000 tons: deficit of 120,000 tons in wheat and 30,000 tons in rice being partly offset by surpluses of gram, maize, barley and millets. Last year's autumn crops were for the most part salvaged after the upheaval. Autumn sowings, however, were somewhat below normal. To make up the consequent deficit and provide for the East Punjab's huge refugee burden, the Centre assigned a ceiling import quota of 120,000 tons for 1948. Early in the year, the province relinquished 27,000 tons of this quota for shipment to Madras.

Price control removed in February due to pressure of de-control outside. Monopoly procurement stopped, though government continued some open market purchases toward emergency reserves. Rationing all closed by May 1.

Bumper gram crop permitted exports to United Provinces. Rabi wheat crop disappointing: estimated 931,000 tons against average of 1,100,000.

Cultivators held produce from the market. Wholesale wheat prices rose suddenly late June, early July from Rs.13 to Rs.18/8 at Amritsar, Rs.16 to Rs.19/8 in Ambala. Retail prices followed. Widespread demand for re-rationing in cities. By mid-July, food and district officers forced to recommend re-control. System of relief or cheap grain shops adopted as in other province, many to be opened from mid-August. Earlier release to Madras withdrawn from quota balance; Government of India has assigned new allocations to East Punjab for relief shop purchases.

Assam. Normally surplus in rice. Assigned 1948 rice export quota of 65,000. Crop not at expectations. Procurement continued but results bad - Ministry claimed Communist interference. Procurement failed to meet rationing commitments, so rice de-controlled late in June. Rice prices very high. Scheduled exports to central pool impossible; instead, Assam had to draw on Centre for 5,000 tons.

Central Provinces. Surplus in rice. 1948 basic export quota 150,000 tons. Crops good. Offered and sent extra rice to Madras. Price control ceased. Government stopped monopoly procurement but continued some purchases, offering enhanced rates. Sudden and high price jump in late May, due to cultivators' and traders' stocking and stimulated by purchases by Madras and Bombay traders, created great disturbance in markets. Government possession of ample stocks - 116,000 tons of rice - and knowledge of traders' supplies enabled it to sell in quantity and to threaten flooding of market; this brought prices down and eased conditions. It appears province will exceed its scheduled exports, and will not have to adopt partial rationing as elsewhere.

Mysore, Travancore, Cochin. All deficit states. Have introduced no de-control. Procurement, rationing, price control, imports continue. Mysore able to increase ration from 8 to 10 and 11 ounces.

Pakistan conditions

Wheat harvest in spring, 1947, was low, and mid-year disturbances did considerable damage to food stocks in West Punjab. Disturbances also did some damage to standing rice crop. Due to flight of Hindu traders and bankers, West Punjab Government had to aid in financing harvest operations and trade purchases of this fall crop. Due to disturbances, procurement in West Pakistan almost nil in last half of 1947. From February to April, Pakistan had insufficient wheat. By agreement with India in January, Pakistan agreed to ship to south India some 49,000 tons of her fall rice crop in exchange for releases from India of about 28,000 tons of wheat, 12,000 tons of barley.

In January, West Pakistan offered East Bengal 70,000 tons of rice, part of it on rush order. Beyond reports of unsatisfactory procurement and a severe price rise in June, I have no information of subsequent conditions in East Bengal.

This spring's wheat crop in the West Punjab was good, 2,385,000 tons as against 2,135,000 last year. The provincial Food Minister announced an offer of 50,000 tons to deficit Pakistan areas, and said he would try to boost it to 100,000. He proposed to tighten the procurement system, and warned big landholders to cooperate. His effort will be to build wheat reserves, partly for barter with India.

In the comprehensive May 26 agreement on exchange of essential

commodities between India and Pakistan, food grain supplies from Pakistan are an important item. India had stated its yearly requirements at 100,000 tons of rice, 200,000 of wheat. Pakistan agreed to make available 175,000 tons (mainly rice) from June 1, 1948 to August 31, 1949, unless the crop be $\frac{1}{4}$ or more below the previous 5-year average. Pakistan agreed to improve on this amount if possible.

In view of procurement deficiency and India's recent experience of severe price rises, Pakistan's Food Minister announced in July that he saw no early prospect of de-control in Pakistan. That trade demand can not always be abolished by creation of political boundaries was evident from the Food Minister's alarm at the considerable smuggling of grain to India from Sind and the West Punjab.

Conclusion: India's food problem today

North India's crops from mid-1947 to mid-1948 were well above the previous year's, but south India, particularly Madras, suffered serious setback. India's Food Minister released crop estimates on April 30 which on balance showed an approximate 900,000 ton increase on the 1946-47 total for the area covered by the Indian Union. Later figures suggest that the 900,000 estimate may be too high.

This production is not adequate to go around. The control system disbanded in late 1947 had tried to effect distribution by large-scale rationing, price and transport control, and government procurement from surplus producers to meet rationing needs. Large imports had been necessary to fulfill rationing needs, as internal procurement had fallen short. One objective in removing controls was to lessen the need for imports by freeing government of rationing commitments. But the distributive process since de-control has also been unable to survive on available internal supplies. Under controls, millions of cultivators and higher-income groups had been forced to sacrifice some of their consumption wants. Now it appears they are holding more food, and eating more. As a whole, consumers are also bidding more for food. Under controls, a large proportion of India's grain normally entering trade channels had been taken in and re-distributed by governments. Now most of it is handled by private traders. India's trading community since de-control has not violated the law of its being: it still works by the profit motive. This often utilizes hoarding, speculating, and deception of consumers to gain its immediate ends. Combined consumer and trader bidding have applied large purchasing power to short grain supplies. The all-India result has been severe price rises. The Food component of the Economic Adviser's Wholesale Price Index, which had been relatively stationary during the year of control ending November, 1947, shot up 60 points, from 296 to 356, between November 29 and January 17 last. In the next four months, a harvesting period, it settled back 10 to 12 points, but in May a second movement started, the Food index rising 40 points from early May to July 10, when it stood at 387, exactly 100 points higher than a year earlier. In eight months it had gained 91 points. Almost everywhere today, open market prices, which apply to all grain supplies, are near or above black market prices which had prevailed for a fraction of grain supplies during the last months of control.**

To provide food for those groups too poor to bid for it in such a

**Rising food prices are only an element in the current problem. Control rendered some major economic forces partly inoperative. The

market, for crowded cities, and for those low-producing areas of the country where semi-starvation and suffering are acute, almost all provincial and state governments have had to continue or to resume full or partial rationing and price subsidies for large numbers. Because of the shortage and the near abandonment of compulsory procurement, however, the governments have not been able to procure sufficient grains internally to feed more than a fraction of those to whom they have assured rations. Consequently their demands on the Centre have in almost all cases exceeded original grants to them. Units are not yet self-sufficient; their governments are therefore incapable of assuming the full responsibility, imposed on them by the de-control decision, of contributing to "greater internal procurement".

Equally concerned with protection of poorer groups, though slightly more removed from their direct pressure, the Centre has had to import in great quantity to meet these unanticipated needs. By June 30th, about 1,750,000 tons had been imported. By mid-July, indents for 2,600,000 tons had been executed. Imports in 1948 may ultimately total close to 3,000,000 tons.

That this total - which includes Pakistan's supplies to India - is considerably higher than any previous imports into undivided India

**(preceding footnote continued) de-control of food and most other commodities has largely released these forces to seek more natural relationships for this post-war period. The major force is the legacy of inflated purchasing power being applied against continuing post-war shortages of production in India. Following cloth and other de-control, the Manufactures component of the Economic Adviser's Index rose 35 points in the month of January, from 287 to 322; Semi-manufactures from 264 to 296. In the six weeks following a further measure of cloth de-control in mid-April, Manufactures rose 42 points to 367, from which they have not fallen. By July 10, Semi-manufactures were at 344, 51 points above the April 15 mark. Industrial Raw Materials on July 10 were at 445, 56 points over the mid-December mark.

In the year of controls ending November, 1947, the Combined Index of the Economic Adviser rose only 14 points. In the eight months since November, it has risen 86 points, to 389.

This price rise, and the economic malaise of which it is a symptom, today rank with, or above, Kashmir and Hyderabad as India's major immediate problem. Its analysis and solution are first priority on the Indian cabinet's agenda. A variety of advisers have been called in to investigate it. Pending their full conclusions, re-control of cloth has been announced as government's first step toward solution.

The food deficiency is one of the basic production shortages which contribute to this overall inflationary trend.

is partly due to the fact that the Pakistan areas normally contributed a considerable net surplus which reduced the country's overall requirements from outside. Though precise figures are lacking, it seems clear, however, that net imports into the Indian Union area have not decreased from those of last year, as the Government of India had hoped. If anything, they have somewhat increased. The Foodgrain Policy Committee minority forecast seems to have been realized: on removal of controls, which spread the sacrifice, it has been necessary to increase imports to meet the combined wants of those who can afford increased consumption plus the bare needs of those who can not. Fortunately, world grain supplies have been greater this year than during the previous year. Other factors have slightly eased India's exchange position. The Indian Government has therefore been able to acquire from foreign sources food grains to make up the deficit.

The de-control program, like the former control program, has thus not eliminated the need for large grain imports. Until successive good crop years and absolute production increase occurs, it is certain that India faces the prospect of continued large imports. Present reserves and scheduled imports indicate the trend of the coming year's needs. Of imported foodgrains, only 180,000 tons had been set aside as reserves by July 1, as against a target of 400,000 for that date. Due to the consumption needs of coming months, the reserve target for January, 1949, has been halved to 250,000 tons. It is reported that contracts have already been signed for imports approximating 900,000 tons of wheat and 420,000 of rice during the first six months of 1949. The food drain on foreign exchange thus continues, as does the need for government subsidies cheapening imported grain for consumption. India's dependence on outside supplies is still heavy. Should war or world shortage intervene to limit her imports seriously before a large Indian production increase is achieved, India would have only two alternatives: wide-spread starvation, or imposition of more efficient, more equalitarian, more strict and more extensive internal procurement, rationing and control measures than existed in the years ending in 1947.

What rate of food production increase can be expected in India? Without closer study, I can not attempt to answer this question. A discussion of food distribution, the subject of this paper, must however take some notice of the availability of supplies. To that end, this paragraph. In their final report, released this May, the Foodgrains Policy Committee expects that current Grow More Food Schemes of the provinces and states will yield an annual increase of 3,000,000 tons within the next five years. These schemes principally involve more intensive cultivation, based on improved irrigation, seeds, techniques, and more manures. Dry farming, erosion control, and crop rotation also have their part. Implementation has been handicapped by the serious lack of fertilizers, the shortage of well-digging machinery and other equipment, the inherent slowness of acceptance of technical and social reforms in age-old agricultural communities, and by a lack of drive. On first observation, the 3,000,000 ton estimate looks high to me. It appears that India-wide results in the present year will be measured in the tens of thousands of tons, not hundred thousands. A pace-quickenning not at present visible will be required for the larger accomplishment aimed at. The Foodgrains Policy Committee names other objectives: 3,000,000 tons production by reclamation of present culturable wastes, and 4,000,000 tons as a result of reclamation and new irrigation accompanying the huge multi-purpose valley projects now being started. Both

depend heavily on imports of bulldozers, tractors, combines, and more complex machinery, and on some outside technical assistance. Reclamation projects are now underway, largely using bull-dozers and tractors taken over from the United States Army. Again, the acreage reclaimed this year will be measured in tens of thousands, not hundreds. These projects could be speeded by equipment imports. The larger valley projects will not yield increased acreage and production for at least five years.

The short-term distribution problem thus remains. Where does government stand today in relation to this problem?

No overall policy decision has been made to change the principle of "progressive de-control" of foodgrains adopted last December. In some respects, de-control has progressed to a great extent. Compulsory procurement has been abandoned everywhere except in certain areas of Madras and south Indian states. Government open market purchases are significant only in those areas and in Bengal. Price control is everywhere gone. These withdrawals from active government participation in the distributive process have released large numbers of administrative personnel and energies, some of which have been applied to more constructive tasks. They have also relieved the political strain of unpopular procurement. Without question, they have also removed many of the avenues for bribery and corruption which existed during controls; where possible, dismissals from service made possible by de-control have eliminated first of all those formerly suspected of malpractices.

On the other hand, many government operations and ad hoc decisions adopted to meet new needs as they have arisen have greatly modified or conflicted with the principle of de-control. In the important fields of rationing and transport, the process of de-control has been reversed in recent months. To prevent wide starvation or unbearable food costs, more and more units have been forced to open Fair Price or relief food shops. At the most recent all-India conference of food ministers, in late July, extension of such partial rationing and price subsidy was accepted by all representatives, including the central authorities who agreed to increased allocations to meet the additional rationing needs. Earlier in July, the Central Government had taken over transport of all inter-provincial food supplies, finding that the movement on private trade account was not sufficiently regular and sure. Unit governments at the same time became sponsors of all movements within the unit. By regaining initiative in transport, government calculates to improve coordination with the railway authorities and to expedite shipments. Administrative force and activity have had to be rebuilt as governments resumed rationing and transport operations. There is little prospect that these operations can be reduced, until far greater supplies are available; in fact it is expected that governments may have to increase their price subsidies for low-income groups in coming months.

The major departure from the intended course of de-control, the continuation of large imports, has been dealt with at length above. Imports suggest another aspect of the problem: the relative weakness of some large units, the dependence of most units on all-India support, on central activity. That central coordination among different units is still required was demonstrated at the April conference of all-India food representatives. There the Bombay spokesman argued for removal of

all inter-provincial barriers on trade movement of grains. "Bombay has the money", a Food Department official explained to me. "It would draw most of the food surpluses. Madras, with a larger population, hasn't Bombay's money. She would suffer. Other provinces also opposed Bombay's suggestion." The inter-provincial barriers were retained.

Thus Centre and units are inter-dependent and both have important responsibilities in the food field. Each has fairly distinct areas of administrative action. The division of responsibility for policy decisions, however, is far less clear. On occasion, provincial policy outlook differs from central outlook. Periodic all-India conferences achieve some coordination, but as yet there is no permanent body for regular study and resolution of the all-India differences.

The experience of the past eight months shows that governments in India are still forced to play a conscious and active, if incomplete, role in regulating and aiding distribution. It is not a constant role, or clearly defined. Governments have had rather to be flexible in adjustment to changing circumstances, of which crop failures and unanticipated price jumps have been most serious. Today they still face adjustments. It is uncertain, for example, whether partial rationing can be maintained for the necessary period without resort to greater internal procurement in addition to outside imports. But internal procurement means more government activity; at present high prices, moreover, it would be a larger burden than previously; and would it not further aggravate the price rise? Such is one question of the coming months. No clear, long-term answers have been found. Governments still work forward on a month to month basis, grappling with difficulties as they arise, expending anxious energies in the process.

Aided by outside resources, Indian governments have prevented famine in the past year. Hardship they have not prevented. Eight months ago, the principle or ideology of 'de-control' was adopted. Governments have not been able to follow out this principle in practice. At that time, the goal of reduced food imports was accepted, to save foreign exchange for capital equipment imports. Government has failed to define clearly a method for reaching that goal. It is possible that full mobilization of the country's food resources, with sacrifices imposed on producing, trading, and high-income groups, would lessen the need for food grain imports and contribute toward development investment. The Indian Government has made no move toward such mobilization.


Their achievements and failings in this crowded year reflect partly the lack of clearcut information, judgment, and experience of policy-makers in India today. They also reflect the tangle of economic interests on which governments depend for political support, and the fact that the various productive and consuming groups are not yet working for full mutual aid but are still largely in conflict. History will also relate present weaknesses to the inheritance of pre-war capacities and attitudes of government in India, and to the wartime wounds inflicted on India's marginal economy. It is however a wholesome sign that most Indian leaders today spend little time in seeking historical excuses for their difficulties. Instead, they strive to understand their huge and unprecedented problems. At present, the Indian cabinet has instituted a

major investigation of the nation's overall economic situation, an investigation in which industrialists, labor leaders, government experts and academic economists are due to participate. Possibly their studies will produce no major policy changes; if they achieve clearer definition of the position, needs, and expectations of the various economic groups and of the country as a whole they will have achieved partial success. Such interchange, and subsequent adaptation, seem required if the nation is to develop into a working team in its economic tasks.

Management of the food problem alone in the past few years has required vast shifts and new experiments, none of which have attained complete success. Such continuing shifts in a basic and wide field suggest that both Indians and outside people and governments who seek to aid and participate in India's development must accept the challenge of a future not free from uncertainty.

Indian governments and peoples can afford a certain and lasting welcome only to those who have something to contribute to deep-rooted growth, of resources and of people.

Sincerely yours,

A handwritten signature in cursive script, reading "Richard Morse".

Richard Morse

Appendix I. Wartime inflation.

As gauge of monetary expansion in India in recent years, "Notes in circulation" are more significant than either "Coins in circulation" - which in the inter-war years lost the predominant position they had had in India during World War I - or bank "Demand Deposits", which are still of far less relative importance in India than in countries with highly developed banking systems. "Notes in circulation" have expanded tremendously since August, 1939:

average of Fridays, August, 1939	1,702.9	million rupees
" " 1940	2,228.9	" "
" " 1941	2,578.8	" "
" " 1942	4,679.1	" "
" " 1943	7,535.3	" "
" " 1944	9,294.7	" "
" " 1945	11,300.	" "
" " 1946	12,144.1	" "
" " 1947	11,904.	" "
Week ended July 23, 1948	12,445.6	" "

Demand liabilities of scheduled banks as recorded by the Reserve Bank of India rose less steeply:

1938-39	1,238.1	million rupees
1945-46	6,545.3	" "
1946-47	7,255.4	" "

Regarding the note increase, the following quotation from the "Currency Report of the Reserve Bank of India, 1941-42" is reproduced by Gadgil and Sovani in their "War and Indian Economic Policy": "The heavy addition in the circulation of legal tender currency during the year resulted mainly from the increasing volume of sterling receipts on account of supplies of war materials and services to His Majesty's and other Allied Governments, for which payments had to be made here in Indian currency, as well as the increasing favourable balance of payments on private account from year to year."

Britain was unable to pay in current supplies or money for her wartime purchases in India. She paid in sterling, but the sterling for the most part was post-dated, most of it being non-expendable for purchases in Britain during the war. The Reserve Bank of India utilized these sterling receipts firstly to pay off old sterling debts in Britain, secondly - and in greater quantity - to acquire British Treasury securities. The Economist called such acquisition of securities "a virtually compulsory investment, made as a result of the revolution caused by the war in the United Kingdom's balance of international payments and by the strict control of sterling exchange." (July 5, 1941, quoted by Gadgil and Sovani, op cit). In effect, Britain borrowed from India by issuing Treasury securities to India's credit.

Against the backing of these sterling securities the Reserve Bank of India had authority to issue rupee currency notes. The increasing quantity of this rupee issue, made in order to finance the Government of India's war deficit and its purchases on behalf of Britain and the Allies, has been shown above. India loaned Britain goods and services:

this loan was accomplished by increased war production and decreased consumption by the Indian public. As rupees entered circulation, partly in payment of Government of India war contracts, partly for payment for the increased flow of goods and services stimulated by the war effort, they caused more and more upward pressure on prices. As shown in the text (page 10), steep price rises followed. Fixed-income groups, and the large groups whose incomes rose less rapidly than prices of consumers' goods, suffered from these price rises: they could not buy as many real goods and services as in the past; their decreased consumption forced by rising prices was in effect the real saving by means of which India was able to loan goods and services to Britain and the Allies. This was a forced saving, reflecting the Government of India's inability to meet its own and its customers' wartime expenses by means of taxes and voluntary borrowing.

It is for repayment of these forced savings that Indian officials recently waited upon the Chancellor of the British Exchequer. The borrowings which the British people effected from India by means of wartime finance techniques are gradually to be paid back in goods and services produced in Britain, as the 'sterling balances' become releasable: the value of these post-dated sterling balances depends on the future strength of British exports.

The question as to whether repayment of British goods will benefit those Indian groups who most completely sacrificed current consumption for wartime loans is another story. Leaving aside the famine dead, the processes of inflation and deflation make it highly unlikely. Insofar as they are used for nation-building investment, the repayments will achieve reasonable equity.

Appendix II. A comment on central-provincial relations.

In 1945, the Famine Enquiry Commission urged creation of a permanent All-India Food Council, with constant representation of governments of all provinces, and of states or groups of states, and a permanent secretariat composed partly of officials of the central Food Department. An All-India Food Council, the Commission argued, would help bridge the gap created by the constitutional separation of central and provincial functions. The Council could not have executive power, nor would its recommendations bind the constituent unit governments. But by working regularly to coordinate policy among the varied units, by becoming statistically competent and useful, by consolidating and preserving experience and knowledge of the requirements of all-India food policy, the Council could gain an advisory competence which would be hard to ignore. Its conclusions could be expected to merit public confidence and support. Through such a permanent representative body, the changing requirements of working relationship among provinces and centre could be regularly adjusted. (v. Report of the Famine Enquiry Commission, 1945, p. 65-7).

No All-India Food Council was established. The old system of sporadic conferences at New Delhi was instead continued. Central-provincial relations continued to cause occasional misunderstanding. (For example, see text p. 15, paragraph number 5). The rift in outlook

between Centre and provinces was particularly apparent prior to the de-control decision. That decision was a Government of India decision: despite constitutional responsibility of provinces for food, agriculture, and intra-provincial commerce, it is apparent that major economic policy decisions require all-India consciousness and all-India power. Looking from outside, it seems that lack of an all-India permanent council deprived the provinces of constant influence and participation in central policy decisions, and deprived both Centre and provinces of continuing study and adjustment in facing the overall problem. Such adjustment could have drawn on practical experiences of local administrations and served constantly to improve and modify administration and policy in the light of its overall analysis of supply, demand, and other factors.

In short, the Government of India came to a policy decision largely against expert and provincial opinion. Had expert knowledge of all-India food possibilities and needs been clearer, fuller, and more adequately mobilized, had the working compromise between Centre and provinces been more organic, flexible, and satisfactory, the decision reached might have been different. Even had the decision been the same in principle, its details for execution might have been more mutually consistent. It might also have avoided the sharp break with provincial opinion.

As one party now holds office in all provinces as well as at the Centre, the latter break is not now of immediate importance. It does, however, reflect some economic pressures. I have entered this topic in order to bring out the principle of all-India economic coordination stressed by the Famine Enquiry Commission, for it suggests key questions relating to future development. As the Congress Party continues to hold power throughout the country, will it find such improved coordination necessary in order to build the country's economic strength and stability? If so, will the coordination be done in a representative manner? At this early stage of the federal process, India inherits a legacy of peculiarly complex and often unsatisfactory central-provincial relationships. Will the new constitution aid in defining their roles more usefully? Or take another approach: if unit governments become more representative, some of them perhaps eventually taken over by new political parties, will not the complexity of clashing interests grow? Will convention or constitution have achieved, by that time, satisfactory machinery for resolving and coordinating these clashes? Or will they be a source of weakness to the Indian Union?

These are some long-term questions, of apparent practical importance for the future of India, on which the examination of one field, food, can provide hardly a ray of light. Food suggests or hints at the questions; the answers involve the future and many other fields.

Richard Morse