

attributes "American System methods" to ancient Indian economic policies. In discussing the need for government to sponsor pioneer settlements and city-building in underpopulated areas, he writes:

A regular system of Immigration from thickly populated poor Agricultural tracts to sparsely peopled new and virgin districts is a desideratum. The halting efforts made in this direction produce no good, for the concessions are not liberal enough, and there is no prescience about it. The Ancient Rulers who settled waste districts, and founded towns with flourishing and extensive Industries, made no difficulty about granting the most liberal concessions. . . . Whole Village Communities with their varied elements of life were encouraged to move en masse, and were made comfortable in their new places. Powerful Guilds of Traders and Artisans from distant places were similarly induced to settle in new Towns by free gifts of lands and houses and privileges.

Ranade also argues that the countries of the North should not be prejudiced against the development of industry in India, for India is industry's "ancient home." Ranade referred to the ancient iron and steel industry in a speech, "Iron Industry—Pioneer Attempts," delivered at the Industrial Conference in Pune in 1892:

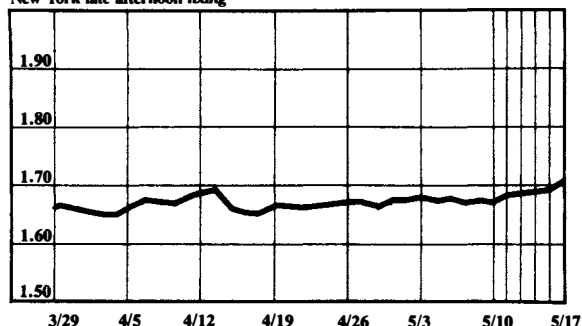
The Iron Industry not only supplied all local wants, but it also enabled India to export its finished products to Foreign Countries. The quality of the material turned out had also a world-wide fame. The famous Iron Pillar near Delhi, which is at least 1500 years old, indicates an amount of skill in the manufacture of Wrought Iron, which has been the marvel of all who have endeavoured to account for it. Mr. Ball admits that it is not many years since the production of such a Pillar would have been an impossibility in the largest Factories in the world, and even now, there are comparatively very few Factories where such a mass of metal could be turned out. Cannons were manufactured in Assam [in northeast India] of the largest calibre. Indian Wootz or Steel furnished the materials out of which Damascus Blades with a world-wide reputation were made, and it paid Persian Merchants in those old times to travel all the way to India to obtain these materials, and export them to Asia. The Indian Steel found once considerable demand for Cutlery even in England. This manufacture of Steel and Wrought Iron had reached a high perfection at least two thousand years ago.

Amid the current debates in India over basic versus consumer industries, economists could discover an alternative and valued approach in Ranade's writings for tackling India's real economic problems.

Currency Rates

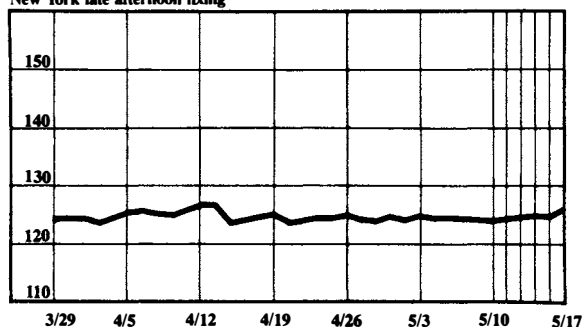
The dollar in deutschemarks

New York late afternoon fixing



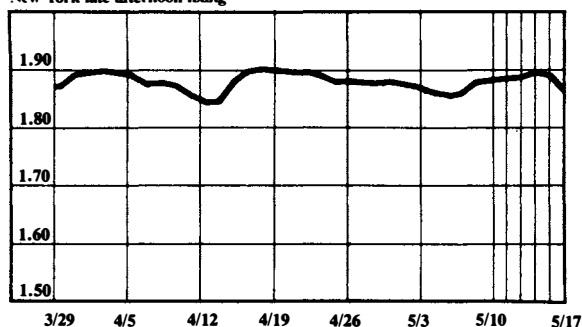
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

