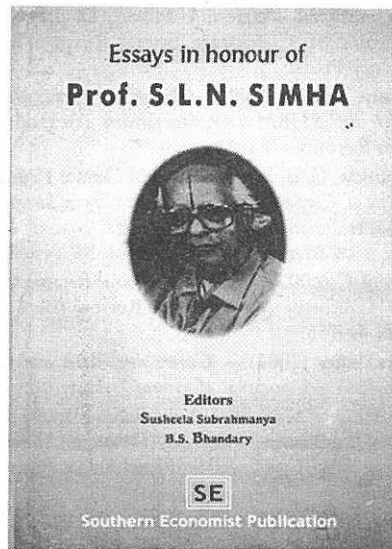


Book Review

Rich Tributes to a Learned Teacher and a Practical Economist

Essays in Honour of Prof. S L N Simha, Edited by Ms. Susheela Subrahmanya and Sri. B S Bhandary, Published by Southern Economist Publications, Bangalore, 2008, pages: xv plus 400; price: Rs.250.



Dr. Sudhir Raj K*

India. He rose to the position of General Manager of Industrial Development Bank of India (IDBI), when it was established after segregating the Industrial Finance Department from the parent Bank. One of his accomplishments was the monumental work he did in documenting meticulously the History of Reserve Bank of India. His stints at the International Monetary Fund were very eventful. After his retirement from the central bank, he was invited to set up the Institute for Financial Management and Research in Madras. Laying strong foundations for this Institute, he nurtured its growth for ten years. Though retired from active services, Prof. Simha is not tired of writing on many issues of current importance in Southern Economist. It is indeed remarkable that at this age he writes his articles unaided by the modern gadgets, taking care of minute details of his writings.

Publication of a volume of essays from a selected group of eminent scholars drawn from various fields, in honour of a great personality, is more valuable than conferring the state-sponsored titles. It is a method of recognizing collectively the contribution made by the scholar in his chosen field. Southern Economist, the fortnightly journal published from Bangalore, has done a commendable job in publishing this volume in honour of Prof. S L N Simha, coinciding with his 90th birth day. The neatly printed book contains 19 essays written by people of eminence, who have known Prof. Simha for many years. The list of contributors itself is a testimony to the erudition of the veteran economist, who has made immense contribution to the functioning of Reserve Bank of India during his tenure.

The essays included in this volume cover a wide range of subjects from monetary policy, financial sector reforms, fiscal policy, planning process in India and also a few other related issues. Sri. A G Anand Chandavarkar, former Senior Economist from IMF makes a strong case for an independent Federal Reserve Bank of India. Dr V V Bhatt, former Senior Economist from the World Bank, makes a critical analysis of Indian planning efforts. Dr. Y V Reddy, the retired governor of Reserve Bank of India deals with the fiscal policy and economic reforms in India. Dr. D. R. Khatkhate has chosen to examine in depth the brain drain debate and the current swing in the pendulum resulting in 'brain exchange'.

Prof. Simha with brilliant academic records began his career as a lecturer in Economics in Mysore University. A new chapter in his career was opened by his joining as a Research Officer in the Reserve Bank of

Inclusive growth and the next generation financial sector reforms is the subject of Dr. N A Mujumdar's paper. Dr. N K Thingalaya makes a strong plea for

evolving a long term policy for rural banking as against the current procedure of ad hocism. The burning issue of land acquisition for infrastructure development is the subject of Dr. K U Mada's paper.

Dr. Abdul Aziz dwells on the expansion of the job market vis-à-vis the developments in higher education in India. Sri. B S Bhandary examines in greater details the growth rates of various segments of the Indian economy.

Besides these essays, there are another 17 articles written by Prof. Simha's friends, admirers and close family members. All of them deal with the human side of Prof. Simha. There is also My Little Story, written by Prof. Simha himself. Running into 98 pages, it explains the trials and tribulations he has undergone during his life. Unlike many other autobiographies, it is an honest description of the struggles he has faced in his younger days because of the poor economic background. Intelligent, as he was from the school days, he was able to finance his studies from the scholarships he could secure. He mentions, without exaggerating that the Maharaja of Mysore, Sri. Jayachamaraja Wadiyar was his classmate. This reminds one about the incidence in Mahabharath, where Prince Drupada and Drona were studying in the same gurukula. The positive side of this association, unlike that of the Mahabharath story, was

that Prof. Simha was awarded a scholarship of Rs.25 from the Palace in recognition of his outstanding performance in the M. A. examinations.

Prof. Simha, known for his humility and deeply religious beliefs, concludes his Little Story by saying, "What I have written in the above pages is not to blow my trumpet. I am fully aware that man's power is infinitesimal; the Lord is everything. I was wanting to convey that with hard work and strong character, man can achieve something; he should do all that he can". That is certainly the right message for the younger generation. For summing up, it would be worth quoting from the foreword written by Dr. C. Rangarajan, the former Governor of the Reserve Bank of India, "In honouring Mr. Simha, we are honouring a doyen of Indian economics. This collection of essays is a fitting tribute to one who is not only a scholar but also one who stood by certain values throughout his life."

This book would be a valuable addition to the university libraries as it contains not only highly professional essays but also practical messages from the life story of a jnana yogi. The publishers, Southern Economist have done a good job in enabling this message to reach out to a wider section of the students of economics.

Research Study in Progress

BANKS IN THE SOUTH PAST, PRESENT AND THEIR FUTURE

The Centre for Studies in Banking and Finance at our Institute is undertaking a study of the genesis and growth of banking companies in southern India. According to an interesting review of the Evolution of Banking in India, which forms a part of the Report on Currency and Finance 2006-08 of the Reserve Bank of India, there were 1258 banks in India in 1930. The latest head count, however, reveals that only 40 of them have survived, over the years of bank failures and mergers. They are equally distributed among the public and private sectors, as on date. The present study pertains to an analysis of their survival and achievements.

While 20 of them are originating from the four southern states, the rest of India has another 20 banks. Ten small banks in the private sector in the south have proved their durability, serving generations of customers. Besides them, another ten banks have grown big under government ownership.

A probe into the pattern of growth of these banks, their trials and tribulations and the factors contributing to their survival make some interesting revelations. The differences in the nature of local patronages and affinities have made their own impact on the disparate growth rates of banks in different states. The study report is scheduled for publication in January 2009.