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Topics of the Week.

Khare's Combat with Super-Hitlerism.

"THE Day of Judgment is meant for all; and the Mahatmas will not be excluded." Thus declares Dr. Khare in his defence of himself against the grave charges levelled against him by Mahatma Gandhi who, it is clear, took the lead in heaping disgrace on Dr. Khare. A dispassionate perusal of Dr. Khare's pamphlet, which extends to some 32 pages, drives one to the conclusion that the Mahatma's indictment is entirely misconceived and unfounded. Dr. Khare found it impossible to work with some of his colleagues who had proved disloyal. He had every right to reconstruct his Cabinet by turning out these Ministers and admitting new ones. There is nothing to show that either the Parliamentary Sub-Committee or the Working Committee of the Congress had arrogated to itself the right of being consulted before such reconstruction. On the contrary Maulana Abul Kalam Azad, one of the Big Three, had conceded the Premier's right to choose his own colleagues. In fact, it appears that Dr. Khare had gone out of his way to seek advice from the big guns of the Congress, but it was not forthcoming. Thereupon he took the only course that was open to him, viz. of tendering the resignation of the Ministry with a view to forming a new one. There is evidence to show that he had contemplated the convening of a meeting of the Assembly

Party in order to give it an opportunity of either accepting or rejecting himself as Premier.

* * *

IN all this we are unable to see any just cause for the Mahatma's complaint that Dr. Khare was guilty of indiscipline. The charge of indiscipline is made to appear still graver by the statement that Dr. Khare had flouted the warnings conveyed to him by the Parliamentary Sub-Committee. Apart from the question whether the Parliamentary Sub-Committee could issue such warnings it is clear that Dr. Khare had received none. The way in which the Working Committee, under Mahatma Gandhi's pressure, publicly condemned Dr. Khare for his indiscipline and for refusing to admit his guilt in the way in which Mahatma Gandhi wanted him to do, and the way in which every care was taken to see that Dr. Khare would not be re-elected Leader by the Assembly Party is only worthy of the totalitarian politics towards which the Congress is fast tending and of which Sardar Vallabhbhai Patel openly boasts. Mahatma Gandhi's charge that Dr. Khare allowed himself to be fooled by the Governor could only be characterized as silly if it did not emanate from him. Indeed Mahatma Gandhi has much to answer for in the sad episode, and Dr. Khare's words quoted in the beginning only express the poignancy of his natural and just feelings. With Dr. Khare we believe the Premiership did not count for much, and we have no doubt that he would consider his own sacrifice to the Congress bossdom a small price to pay if it helped to deliver the Congress from the very serious menace that is threatening the Congress organization.

Panchayats in Bombay.

THE Bombay Ministry's Village Panchayats Bill, which has just been referred to a select committee, makes one radical alteration in the existing law. The establishment of panchayats is at present optional, depending in the last resort upon the wishes of the villagers themselves; under the Bill it will be made compulsory in all villages having a population of from 2,000 to 5,000. Panchayats have not been popular in the Presidency, their number being only 445 at present, though the number of villages is some 20,000. The unpopularity is undoubtedly due to the compulsory levy of house-tax in all villages which choose to go in for panchayats. Under the Bill too the house-tax will be compulsory as at present, and the measure cannot, therefore, be expected to be welcomed by the villagers.

THE Minister for Local Self-Government calculates that, in the 1,000 villages in which panchayats will be compulsorily established, panchayats will get on an average Rs. 45 per year as their quota of the local fund cess, Rs. 90 out of fines, Rs. 100 from house-tax (though the Minister did not commit himself to this figure) and Rs. 350 as grant from Government, the annual income of a panchayat thus being Rs. 485. The most important question that arises in connection with the financing of panchayats is whether, in view of the fact that panchayats will take over from the District Local Boards most of the functions now being performed by the latter such as building village roads and bridges and looking to the sanitation and lighting of villages, their quota of the local fund cess cannot be raised. At present only one-fifth of the cess collected from a village is made over by the District Local Board to a panchayat when it is established in the village. The Bill does not increase this proportion, and it seems to be grossly unfair.

IN fact, as early as 1924, the Hatch Committee recommended increase in the proportion of local fund cess to be given to panchayats from one-fifth to two-thirds. If this be done, the local fund cess alone would give to panchayats larger resources than the cess at the present level and house-tax together. From the latter two sources panchayats are expected to derive Rs. 145 on an average; but from the former alone they would get nearly Rs. 150. It is difficult to understand why the Bombay Ministry did not adopt such an easy way out of the unpopular house-tax, particularly because a two-thirds share of the local fund cess to bodies which undertake to perform most of the important functions of local self-government in villages appears to be by no means over-generous. A former Commissioner of Excise of Bombay, Mr. Macmillan, made the following remarks on the administration report of the District Local Board of Surat in 1926: "Village panchayats failed mainly because of the opposition to the system of house-tax. It is a question if the people should not be trained in the first instance by giving panchayats the disposal of assigned grants from provincial and local funds without being required to impose any substantial local taxation at all." There appears to be no point in forcing upon villages panchayats saddled with a tax the levy of which is not only resented by the people but which can easily be dispensed with.

THE composition of panchayats will undergo a change under the provisions of the Bill. At present the Collector has power to nominate not more than two members to a panchayat if in an election he thinks some important classes or communities are unrepresented. Similarly, at present an officiating patel and the holder of an alienated village are ex-officio members. Both the nominated and ex-officio elements will now disappear, and the panchayats will be wholly elected, subject to the proviso that seats on a population basis will be reserved for Mahommedans and scheduled classes. The panchayats will continue to exercise civil and criminal jurisdiction, but members of the village benches will not be nominated by the Collector, as at present, but elected by the members of the panchayats, excepting the chairman of the bench who will be appointed by the Collector. It is also proposed that the secretary of the panchayat be appointed by

Government, which will increase, in the Ministry's opinion, the efficiency of the panchayats and make the new experiment a success.

Flogging.

THE Government of Bombay have just published the report of the Committee appointed by them to enquire into the flogging of Gangaram Chavan, a prisoner in Bijapur jail sentenced to nine months' rigorous imprisonment on account of his activities in connection with the observance of the Political Prisoners' Release Day at Sholapur on 14th February last. The Committee consisted of three members including Sir Govind Madgaonkar, who was its Chairman. The Committee had to enquire into the circumstances under which Gangaram Chavan was ordered to be whipped and to report:

- (a) whether the order was justifiable; and
- (b) whether flogging as a jail punishment should be retained; and, if so, under what circumstances and subject to what safeguards.

THE finding of the Committee on the first point is that Chavan's conduct did fall within the purview of the rule regarding whipping in the Bombay Jail Manual. With regard to the second item the Committee recommends that whipping as a jail punishment should not be entirely abolished but should be restricted to certain very grave offences. Again, the Committee recommends that, except in a case of emergency, whipping should not be ordered by the Superintendent of Jail alone but by a Board of three members. One of the members should be the District Magistrate or the Sessions Judge or a Magistrate of the First Class and the other member should be one of the Visitors of Prisons appointed under the provisions of the Bombay Jail Manual. The Superintendent may be the third member of the Board except when he is required to give evidence to the Board. Before carrying out the sentence the sanction of Government must also be obtained.

WE have nothing to say with regard to the Committee's finding on the first point. It was only a matter of interpreting existing rules regarding the administration of the punishment of whipping. There is, however, one point which the Committee advisedly excluded from its consideration but which we cannot so exclude. Gangaram Chavan, the victim of the whip, was sentenced to imprisonment for his activities in connection with the Political Prisoners' Release Day. He was and is, therefore, a political prisoner, though the Penal code does not distinguish between political prisoners and others. The question that arises for consideration is whether, apart from the larger question of maintenance or abolition of flogging, no discrimination should be made in favour of political prisoners. The Committee did not consider this general question, not being referred to it, of whether penal law should or should not recognise political prisoners as such.

THE recommendations of the Committee on the general question of whipping as a form of punishment in jails, if implemented by Government, will, to some extent, mitigate the evil. But the grounds on which the punishment is

recommended to be retained are far from convincing. Sir Govind, in his Minute appended to the Report, admits that their conclusions "imply a philosophy and a background even if they are not deduced from a theory". We may perhaps suggest that the philosophy, the background or the theory on which the Committee's recommendation for the continuance of the punishment of whipping is based is not very progressive. The Committee did not give due weight to modern developments in the science of penology. It was only the other day that Mr. Harold Nicolson, discussing question of penal reform in England, observed in the House of Commons:

I think we have come to realise this, that crime is not, as it used to be, so much an outrage upon society as a reflection upon society, and that, therefore, the incidence of responsibility, the incidence of justice, the incidence of criticism has shifted. We are getting less and less to say that a man is a wicked man when he has committed a crime, and more and more to say that there must be something wrong with ourselves if these conditions can continue unmodified and unimproved. . . . I trust the the Home Secretary will, in the new Penal Reform Bill that he is considering, concentrate upon that.

PERHAPS it was in view of considerations such as these that the Jail Enquiry Committee appointed by the U. P. Government recently recommended the complete abolition of the punishment of whipping in jails. We hope that the Government of Bombay will be more progressive than the Madgaonkar Committee on the question of whipping and will do away with it altogether. Let them not be dissuaded from taking this step by the fear that it will undermine discipline in jails. After all they will not be the only Government to abolish this diabolical form of punishment. Whipping is absolutely unknown to prisons in several countries and no need for it is felt there either.

Severe Repression in Travancore.

SINCE we wrote last about the Travancore affairs, violence by the mob and terrorisation by the police have become the order of the day in that unfortunate State. The members of the State Congress are holding meetings despite the ban placed on their meetings and processions, and the Travancore authorities are resorting to lathi-charges and firing to disperse the crowd that gathers on such occasions. This process is being repeated every day with the result that

many innocent people have lost their lives, many are hovering between life and death in the hospitals and most of the leaders of the State Congress are locked up in prison. We do not know how long this 'reign of terror' is going to continue, but so far as we can see, unless the Travancore Government lifts the ban from the State Congress, the struggle will continue.

MAHATMA GANDHI has issued a long statement condemning unequivocally the repressive policy of the Travancore Government. He says, "I have been in close touch with the prime movers affected by the tragedy which is now being enacted in Travancore. . . . After a study of the available evidence and interviews with representative men from Travancore, I have come to the conclusion that the Travancore Government are resorting to repressive methods far in excess of requirements if there are any. The Travancore Government contend that the Travancore State Congress activities are disloyal and subversive. I have studied the documents alleged to contain evidence in support of such a charge, and I have failed to find anything of that nature. On the contrary, I have seen emphatic repudiation by the State Congress of the charge, unless constitutional agitation for responsible government is to be called "subversive". Coming as this does from one who, if anything, is partial to Indian States, this clinches the matter.

Shelving of the Ratio Problem.

IT is most unfortunate that the non-official resolution recommending to the Government the appointment of a Committee to consider the revision of the rupee exchange ratio has been disallowed by the Governor-General. In disallowing the discussion of the resolution he says that "the Government of India have no intention whatever of changing their decision in regard to the maintenance of the existing ratio." The Provincial Governments demand a change of the ratio, the Chambers of Commerce demand it, disinterested Indian economists have been agitating long for it and the Indian National Congress has given to the agitation its popular support. In view of this long-standing, country-wide agitation, the Government of India ought to have allowed a full and free discussion on the subject, if it were even in the least responsive to public opinion. The disallowance of the resolution only shows that the Government of India believes in the rule of might.

MOTOR VEHICLES BILL.

SIR THOMAS STEWART was certainly justified in claiming for the Motor Vehicles Bill, which he introduced into the Legislative Assembly in January, that it was perhaps even more important than the Companies and the Insurance Acts passed by the Assembly in previous years. The Motor Vehicles Bill affects the fortunes of an enormous number of people and regulates conditions in an all-India activity which will continue to increase in importance as years pass. The Bill has also long been overdue. In all important countries of the world laws regu-

lating the business of road transport have now been in operation for many years. In India the first indication of Government's interest in the question was given by the appointment of Messrs. Mitchell and Kirkness to enquire into the question of Road-Rail competition in 1933. The Jayakar Committee had previously made recommendations regarding road-building policy but had not investigated the problem of road transport regulation.

The subject has been continuously under consideration since the time of the Mitchell-

Kirkness report. There have been Road Conferences and their resolutions and the reports of the Wedgewood and the Roughton Committees. There was also an abortive bill brought forward by Government more than a year ago. The Central Government unfortunately began its examination of this question as the party interested in railway finances. The provincial Governments naturally reacted by becoming acutely aware of their road interests and the road transport industry became clamorous. Hence it took a long time to produce a comprehensive piece of legislation on which there was a considerable measure of agreement. It was only when the Central Government veered round to a broader point of view and canvassed in advance through Messrs. Mitchell and Reynolds the opinions of provincial Governments and road interests that a reasonable draft was framed. Such is the genesis of the Bill introduced in the last session of the Assembly by Sir Thomas Stewart. This Bill as modified by the Select Committee is at present under discussion.

The Motor Vehicles Act of 1914 which the present Bill is meant to displace is, of course, extremely inadequate in existing conditions. That was a short Act which did little to regulate road conditions positively and contented itself largely with enabling provincial Governments to do a number of things. The new Bill is, on the other hand, very detailed and comprehensive. This is as it should be. It is highly desirable to create a large measure of uniformity of conditions all over the country. The registration of vehicles, the licensing of drivers, road signs etc. are matters in which striking provincial variations are bound to cause a good deal of inconvenience. It is also necessary that licences and registrations should have as far as possible an all-India validity. Hence legislation dealing with matters of this character has to provide for a mass of administrative detail. The main chapters of the Bill deal with the licensing of drivers of motor vehicles, the registration of the motor vehicles, the control of transport vehicles, constitution, equipment and maintenance of motor vehicles, control of traffic and the insurance of vehicles against third party risks. Of these matters a majority do not require any detailed comment. Provisions regarding licensing and registration follow, in the main, regulations at present framed by provincial authorities under the Motor Vehicles Act (1914). In some respects, however, they enter into greater details and there is a general tendency to make the provisions stricter, especially in respect of public transport vehicles. A public transport vehicle will not be permitted in the future to operate on the roads unless it has a special certificate of fitness. The problem of determining the limit of overloading has been solved by insisting that in the future all applications in respect of public transport vehicles shall be accompanied by a document from the maker setting out the greatest laden weight for which the

vehicle has been designed. In the chapter dealing with the control of traffic maximum speed limits have been laid down for all public transport vehicles other than motor cabs, goods vehicles and trailers. Provincial Governments have been authorised to lay down speed limits for other vehicles. Limits of weight for various classes of vehicles have been fixed and uniform road signs have been indicated in a schedule. Provincial authorities have been empowered to frame regulations in respect of parking places, halting stations and public stands. The duties of drivers and owners to give information and to report in case of accidents has been defined. But while the inspection of vehicles involved in accident has been provided for, no provision has been unfortunately made for public enquiries into accidents.

The details of provisions regarding licensing, registration or control of traffic, while of the utmost importance, command the attention only of those directly connected with the road industry. The public is, naturally, much more interested in the chapter dealing with the control of public transport vehicles and insurance against third party risks. We are glad to note at the very outset that we find ourselves entirely in agreement with the principles underlying the provisions of Chapter IV of the Bill which deals with control. The Bill adopts the route licensing system as the basis of the system of control. This is at present almost universally accepted as the best way of dealing with the problem. Under this system the country is divided into a number of regions and transport authorities set up in each of these. These authorities receive applications from all who desire to set up public transport services and issue licenses for operating a definite number of vehicles along given routes or roads. It is usual for the legislature to lay down in the Act considerations that the authorities should bear in mind in granting the licenses. This is the usual system for regulating public passenger vehicles. The goods vehicles problem is less simple. There is a larger variety of types and in countries where goods vehicles transport has developed considerably it is difficult to confine the licenses to specific routes. In England there are three types of goods carrier licenses and these licenses are issued for regions and areas and not for routes. There is another difference between the regulation of passenger and goods vehicles. While it is not difficult—and it is in many cases essential—to regulate both the time tables and fares of passenger vehicles, it is not possible to do either of these things easily for goods transport. The Indian Bill follows the general pattern in most important matters. Each province will be divided into a series of regions; in each region will be set up a regional authority which will receive applications from and grant licenses to transport vehicles. These authorities will have powers to regulate various matters including the time tables and fares of passenger vehicles. Goods

vehicles are divided into two classes, private carriers and public carriers. The former will be given licenses for areas and the conditions to be satisfied before the grant of license are naturally much less stringent than those for public carriers. Goods vehicles may be licensed for either areas or routes. We are glad that the possibility of route licensing for goods vehicles has been kept open. For, we believe that route licensing of goods vehicles is both possible and desirable over large regions in India. The work of co-ordinating the work of the regional authorities will be done by a Provincial Authority for each province. The constitution of these authorities will be determined by Provincial Governments but it has been laid down that they shall contain no persons who are financially interested in the business of transport.

Some road interests have opposed the powers to be given to regional authorities to determine fares. There are, however, no acute differences of opinion on other matters and the original draft of the Bill has come out with only a number of minor changes made by the select committee. The right to determine fares is, of course, vital if the regional authorities, especially in the earlier stages, are to check unfair competition. There has been, on the other hand, a great deal of controversy regarding the matters to which regional authorities should pay attention in granting licenses and the way in which they should be laid down in the Act. The controversy was specially acute as there was a suspicion that the Government of India were in this legislation indirectly trying to give special protection to Railway interests. The draft Bill had provided that the regional authorities shall, in granting licenses, have regard to public necessity and convenience, the needs of the locality and adequacy of existing transport. These are matters which find a place in this type of legislation all over the world. In addition to these, however, there were included certain other matters. Firstly there was the condition of roads and secondly an attempt was made to define guiding principles regarding division of traffic between road and rail traffic such that long distance traffic should ordinarily move by rail. The present condition of our road system and the resources available to us for its maintenance

and improvement make it imperative that the attention of regional authorities should be specifically directed to the condition of roads. The select committee has made no change in the general factors or the condition of roads factor. It has, however, removed all sub-clauses which gave directions as to the principles of division of traffic between rail and road from clauses relating to regional authorities. It would have been best if all mention of these matters had been avoided altogether. The operation of the Act with only the general directions would have evolved in due course a set of working rules for all regional authorities as in England. As a matter of compromise, however, it has now been made the duty of the Provincial Governments to determine and declare the principles—after hearing all interests—on which regional authorities should be guided in these matters. We consider that the whole problem of division of traffic is at present in a fluid and unsettled condition. It will, therefore, be premature for any authority to determine guiding principles without some years' experience of the working of the Act. There is, however, no doubt that as a compromise the provisions made by the select committee are satisfactory. Because instead of rigid directions given to regional authorities we have now an elastic arrangement under which their determination is left to Provincial Governments—whose position is essentially non-partisan—after due enquiry.

Next in importance to control of public transport vehicle is the question of compulsory third party insurance. This is an essential measure of public safety which we have long advocated. The Roughton Committee after an all-India enquiry definitely recommended in favour of its acceptance. The Bill has implemented most of the findings of this Committee. Though no definite limit has been laid down as to the time when these provisions should begin to operate, it is expected that this will happen within the next few years. It is hoped that this new business created by the State will find its way to Indian companies and even more that the provisions regarding co-operative insurance will be taken advantage of by a large majority of owners of public transport vehicles.

FAIR RENT.

WHILE the benefit of security of tenure proposed in the Bombay Tenancy Bill can at best reach only some 25 per cent. of tenants working the lands of owners who habitually let out their lands with a view to obtaining rent and while even this security will be of a most precarious character, the provision in the Bill for fixing fair rents is wholly inadequate. Under the scheme of the Bill the current rents determined by competition will be assumed to be fair until it is proved that they are unfair. A Revenue

Officer in the first instance and a Judicial Officer in the second will examine the rent in any particular case on application by the landlord or tenant, but the examination will be exceedingly restricted in its scope. He will merely ascertain whether the rent asked for corresponds to rents for similar lands in the surrounding villages. If the rise is proportionate, he will declare the increase demanded by the landlord to be fair. That is to say, the rents to be fixed will still be competitive rents as at present, and the

only check that is proposed to be applied to enhancement of rents will be that the enhanced rent for any particular farm shall not be in excess of the rent prevailing in the locality. The existing rents will thus be stabilised, allowing only for movements in prices and the letting value of land.

We agree that the Government immediately cannot do much more, but we have a right to complain that they do not show any awareness of the need for examining at the earliest opportunity in future whether the present level of rents corresponds to the canons of fairness. In order to ensure not only that the rents shall not be increased out of all proportion, but that they shall be such as not to be too burdensome to the tenants, the canons of fairness must be laid down and machinery provided to determine rents in accordance with them. The actual determination of fair rents is a matter that can be accomplished only over a series of years. It will be necessary for the purpose to make a detailed survey of rents for all rented lands, and to employ a large corps of officers with special knowledge in order to determine whether they require to be varied. The magnitude of the task cannot be underrated, but anyhow it is a task that must be attempted at one time or another. The Bombay Ministry do not show that they are alive even to the existence of the problem. On the contrary, they appear willing to leave the fixing of rents solely to the force of competition. To lose sight of general principles in the midst of the pressing pre-occupations of the moment is not justified. For the Bombay Ministry to go on the present basis as a makeshift arrangement would be right, but they must declare their intention to overhaul the present basis, on a suitable occasion, in conformity to certain principles which ought to govern the determination of fair rents.

These principles can be evolved and have in fact been evolved and accepted. A fair rent can only be regarded as that part of the crop which remains, as the Land and Agriculture Committee of Burma says in its recent report on Tenancy, "after the cultivator of an economic holding has met the normal costs of cultivation and maintained himself and his family in reasonable comfort as that is understood by this class of cultivator in the district in which he lives." "We go further," says the Committee, "and consider that the cultivator should retain for his own use some part of the crop over and above the minimum required to maintain himself and his family in reasonable comfort." This is no more than to say that a cultivator is entitled to a living wage. This principle of a living wage is accepted in industry, at least as a goal to be kept steadily in view; and a cultivator has no less right to a living wage than an industrial worker. No one would quarrel with the following statement in regard to industry: "The first charge on every industry must be a living wage for every employee. The

investor is entitled to a fair profit, but not at the expense of the wage-earner. Wages, not profits, must come first. Consequently, the profit of the investor, not the wage of the worker, should be cut when managers find it necessary to reduce expenses. The living wage is not merely a production device, nor an obligation in charity. It is a strict duty in justice."

What applies to industrial concerns applies equally to agriculture. Employers consider their own profits more important than the employees' wages; so landlords consider the rent they can exact from their tenants more important than even a subsistence wage to the cultivator. But we do not allow, or at any rate are agreed that we ought not to allow, employers to regard labour as a commodity to be purchased in the lowest market; so we must not allow landlords to regard land as a commodity of which the use is to be sold in the highest market. And as we prevent the sweating of labour, so we must prevent the rack-renting of tenants. If we give free rein to competition, sweating in industry and rack-renting in agriculture follow as a natural consequence. We must, therefore, regulate and control both. This is for the present only an ideal, but the living wage for the industrial worker is accepted at least as an ideal; we must do the same for the tiller of the soil. It may be that the living wage in a particular industry wipes out the investor's profits; in such cases the rise in wages may have to be spread over a number of years lest the factory should close down and the employees thrown out of employment. So if the margin between the produce and the expenses of cultivation and maintenance of the cultivator's family is too small, the operation of reducing the rent will have to be conducted by slow stages. It is, however, an operation that cannot be shirked. Sudden and drastic changes have, of course, to be avoided; but the changes must come, however gradually.

The principle that the Burma Committee lays down is nothing new. In provinces where rent is not left to be determined by agreement between landlord and tenant, as in rayatwari provinces, but where it is left to the decision of the courts, it is in fact laid down that the courts should base their order on stable rents which are paid by substantial tenants who depend for their livelihood on the produce of their holdings and for land of similar quality and of similar advantages in the neighbourhood and which can be paid without hardship over a series of years, due regard being had to changes in prices and the letting value of land in areas where the competition for land is not abnormal. The underlying principle is not expressly stated, it is true; but it is implicit in this rule. The only trouble is that the principle is difficult to give effect to. In some provinces, therefore, provision is made for classifying soils, analysing present rents, with a view to find

out genuine and stable rents, etc., so that a scientific rate can be determined. But, whatever the procedure, it is obvious that justice requires that rents be revised on this principle and not be merely stabilised at the existing level, as the Bombay Bill proposes to do.

In the United Provinces the Ministry undertake to perform the stupendous task of overhauling the existing rents within five years. Among the factors which will be taken into account in fixing rents will be "the costs, to the tenant, of cultivation and livelihood," and "the amount of the produce;" but they will not be the sole factors if only because by themselves they are hard to determine. The Ministry explain: "Proposals have been made and carefully examined, as to basing rents on the costs of cultivation and livelihood, or on the amount of the produce. Either consideration taken by itself would leave such enormous scope for argument and litigation, owing to the variation in costs and in the amount of produce from tenant to tenant and from field to field, that it is impracticable to base the rent-rates on these factors alone. Government think, however, that these factors must be taken into consideration in fixing rent-rates" on which suitable rents can be founded. The Ministry, therefore, add to these general considerations others which they think would afford practical assistance in reducing the existing bloated rents to what may be regarded as a fair level. The most important of these considerations are: (1) the rents on which tenants were admitted to holdings between 1896 and 1905, and (2) the prices of agricultural produce in recent years (but not going back further than 1931) as compared with the prices of 1896-1905. The years selected as the basic years will benefit the tenants in two ways. As the Ministry say: "They have taken into consideration the prices and the rents prevailing between 1896 and 1905, because at that period the long struggle for land by competition among tenants-at-will, leading to rents which left them a bare margin for subsistence or even less, had hardly begun; while the inclusion of prices from 1896 to 1900 for comparison will give some additional relief to tenants, as prices ruled high in these years owing to famine and scarcity."

These are the rough and ready means devised by the U. P. Ministry to give effect to the principle laid down by the Burma Committee. In the Burma Committee's draft Bill the approach to the problem of fixing fair rent is more direct. The considerations to be kept in view in determining fair rent are enumerated in the Bill as follows:

In determining the fair rent, the Revenue Officer or Rent Settlement Officer shall have regard to the outturn of the land if cultivated with due diligence; to the cost of cultivation, including the reasonable remuneration of such necessary physical labour in its cultivation as has been performed by the tenant or

any member of his family living with him; to the rent, as determined by competition, which has been paid for the land and for similar land in the neighbourhood over long periods; to the market value of the produce if the rent is payable in money; and to such other factors as may seem relevant. But regard shall not be had to any diminution of outturn caused by the capacity, illness, incompetence or other such disability of the tenant.

Because the fixation of fair rents for the whole country will be a long business extending over several years, the Burma Committee recommends the application of this provision of the Act to be limited to specified areas notified by Government where the need seems greatest. The Committee urges the appointment of Rent Settlement Officers to certain areas, in which conditions make it expedient to carry out a detailed rent settlement with a view to fixing the fair rent of every tenancy in those areas. The need for taking even some halting and tentative action in this direction does not appear to be felt by the Bombay Ministry. But in the absence of such action the fixation of fair rents would mean, as a friend facetiously observed, the perpetuation of foul rents.

SHOPS BILL IN CEYLON.

THE Ceylon State Council recently passed the first reading of "an Ordinance to provide for the regulation of the employment of persons in shops and for the control of the hours of business in shops." The object of the Bill is to introduce into Ceylon "legislation, based on the principles of the English law, for the regulation of the employment of shop assistants and the control of the opening and closing hours of shops." If the measure goes on to the statute book in its present form, the conditions of shop assistants in Ceylon will be considerably ameliorated. The interpretation clause defines the term "shop" as "any premises in which any retail or wholesale trade or business is carried on and includes any premises in which the business of a barber or hairdresser, or the sale of articles of food or drink is carried on." Bazaars and sales of work for charity, the hawking of newspapers and the business of an undertaker will not, however, come within the purview of the Bill. The Executive Committee of Labour, Industry and Commerce has, again, been empowered to exclude by means of a regulation any prescribed premises or business from the definition. Even then the definition will cover a large majority of shop assistants in Ceylon as the Ordinance is meant to be applied not only to big cities but to all parts of Ceylon.

Mr. G. C. S. Corea, Minister of Labour, Industry and Commerce, while moving the first reading of the Bill, pointed out that the Bill was long overdue. The necessity of such a piece of legislation was very forcibly urged by the employees during the regime of the last Executive Committee of the Government of Ceylon as far back as May, 1932. A petition of the employees

had then stated that some salesmen had to work from 6 a. m. till long past midnight, sometimes till about 2 a. m. and that even on Sundays there was no cessation of work. Commenting on that statement, the Deputy Controller of Labour had remarked that the allegations in the petition were substantially correct. The employees had again brought the matter to the notice of the Governor. But somehow the then Executive Committee did not take any action. The present Bill prohibits altogether the employment in shops of children under the age of twelve. Again no lad under the age of eighteen and no woman can be employed in a shop before 6 a. m. and after 6 p. m. on any day.

The Bill consists of two main parts. The one deals with the control of hours during which shops might be kept open, and weekly holidays and yearly holidays with pay. The other part deals with the relationship between the employees in shops and the owners or "occupiers" of shops. Clause 3 of the Bill provides that the normal period during which any person may be employed in any shop (a) on any one day shall not exceed nine hours, and (b) and in any one week shall not exceed 50 hours. These periods will include meal times. After a continuous employment for four hours an employee will be entitled to a free interval of at least half an hour for meals or for rest. Thus in a sense the Bill will give to shop assistants a working day of eight hours. This general rule can, however, be varied by the Executive Committee to suit the needs of different trades and businesses.

Clause 5 ensures to every employee in a shop one whole holiday and one half holiday in each week, with full wages; and clause 6 provides that every employee will be entitled to a week's holiday with pay every year after twelve months' continuous work. All agreements between the employers and the employees (either made before or after the passing of this measure), which are calculated to infringe the terms of these provisions regarding holidays, will be null and void.

Clauses 15 to 18 deal with the making of what are called the "closing orders" by the Executive Committee. A closing order may prescribe generally the opening and closing hours of shops and also provide that in each week there should be an early closing day, for instance, Saturday, and a day on which shops shall not open at all, for instance, Sunday. Provisions can be inserted in the closing orders for the purpose of dealing with the special circumstances and conditions in any particular trade or business or in a particular area. Before making any closing order the Executive Committee is required to give notice of its intention to make the order and an opportunity will be afforded to any party interested to make representations against the proposed order. No closing order can have any effect until it has been approved by the State Council and ratified by the Governor. For the purpose of carrying out

effectively the provisions of the Bill relating to the hours of employment, the occupier of every shop is required to abide by certain regulations regarding the exhibition of notices and the keeping of books; and powers of entry and inspection are conferred on certain classes of officers.

The Bill also makes obligatory the provision in all shops of suitable and sufficient means of lighting and ventilation, adequate living accommodation for employees who are required to reside on the premises, facilities for taking meals and sanitary conveniences and washing facilities.

The offences under the Bill are triable summarily before a Police Court. Graded penalties, both of fine and imprisonment, are provided for breaches of the provisions of the Bill. The first offence will be punished with fine not exceeding 25 rupees or imprisonment of either description for a term not exceeding one month; the second offence with fine not exceeding 50 rupees or imprisonment for not more than three months; and the third and subsequent offences with fine not exceeding 100 rupees or imprisonment for not more than six months or with both.

As might be expected the publication of the Bill created considerable commotion in the ranks of businessmen in Ceylon. In Colombo the European shop-owners apparently do not oppose the measure. The strongest opposition comes from the silk merchants who, though generally agreeing with the principles of the Bill, regard it as particularly inopportune at the present moment, "in view of the depression which is looming large on the horizon." They would have the consideration of the measure postponed for a year or two.

Moreover, their contention is that provisions regarding daily and weekly hours of work, weekly holidays and annual holidays with pay will benefit neither the employers nor the employees. Enforcement of these provisions, they say, would inevitably lead to one or more of the following results:

- (a) a reduction in the wages of employees which will become necessary as a result of the introduction of a double-shift system.
- (b) a rise in the price of commodities resulting from increased establishment charges; and
- (c) the loss of passenger trade to Colombo.

Some merchants describe this measure as unwarranted State interference with trade and commerce. Others are asking the Government first to set its own house in order. "Government, the model employer of labour," they say, "makes its hospital nurses, post office employees, railway and customs employees work longer than nine hours a day." They suggest that Government should first take steps to remedy these wrongs. They further urge that as a result of this measure customs revenue and income tax revenue are bound to suffer as there will be loss to trade consequent upon increased prices.

We need not deal with all these arguments and all their implications. The first of the last two is beside the point, while the second, besides being far-fetched, is based on unwarranted assumptions. We shall, however, examine the force of some of the chief contentions.

The argument that such a piece of legislation should be shelved for the present in view of the coming trade depression is not cogent. In the first place it is not quite true to say that a trade depression is "looming large on the horizon." Moreover, as the Bill is going to be applicable to all shops it is not likely to accentuate internal competition in the commercial community.

There is some force in the argument that if the hours of work are regulated the wages of the employees will tend to be reduced. However, this will not be because the employers will have to arrange for a double-shift system. We do not see any reason why a double-shift system will be necessary. The shop assistants will be available for work as long as the shops are open, and when the shops will be closed there will not be any work to be done. The employers, however, will try to cut down the wages of their workers on the ground that the latter will be employed under the Bill for a shorter period of time. In order to obviate this eventuality the Bill should provide that even after it comes into force the wages that were being paid before must be maintained. Without such a provision for the maintenance of the *status quo* as regards wages the regulation of hours may tend to a reduction in wages if the workers are not very strongly organised.

The contention that there will be a rise in the prices of commodities consequent upon a rise in establishment charges does not hold water because we do not see any reason why there should be any rise in establishment charges at all. Even taking for granted that there will be a little rise in these charges, it is possible that the rise will go to reduce profits somewhat instead of raising the prices to the full extent.

The argument that the introduction of this piece of legislation will entail loss of passenger trade on the Colombo traders is also not very sound. Those passengers who want to make purchases in the Colombo markets will find little difficulty in doing so during the usual hours of business. If it is found that such difficulty is being felt and that loss is actually being caused to the traders the Executive Committee has powers under clause 15 of the Bill to "authorise sales after the closing hour in any specified class of shops in cases of emergency or in such other circumstances as may be specified in the orders." Under the same clause it has also the power to "exempt from all or any of the provisions of any such order any particular class of shops."

We are happy to be able to congratulate the Government of Ceylon and especially the Minister of Labour, Industries and Commerce upon their pro-

gressive attitude towards this problem. The Shops Bill is a very necessary piece of legislation, and we hope that the State Council of Ceylon will by passing it earn the gratitude of thousands of Ceylonese shop assistants "who have to submit tamely to the unending worry and drudgery of work without rest and without recreation."

CURRENT COMMENT.

MATERNITY BENEFIT.

A Maternity Benefit Bill recently passed both the Houses of Legislature in the United Provinces. As far back as 1931 the Royal Commission on Labour in India said:

The general standard of life being so low, there can be little doubt that some form of maternity benefit would be of great value to the health of the woman worker and her child at a vulnerable period in the lives of both. . . . We believe the time is ripe for the introduction of legislation throughout India making a maternity benefit scheme compulsory in respect of women permanently employed in industrial establishments on full-time processes.

By the time the Commission reported there was no legislation on the subject in India except in Bombay and the C. P. where Acts of restricted application had been passed. After the advent of provincial autonomy the subject has been engaging the attention of various Provincial Governments and we have now an opportunity of congratulating the U. P. Government upon the passage of this very necessary piece of legislation. The U. P. Act provides that every woman worker who has been in service in a factory for more than six months shall be entitled to a maternity benefit allowance for four weeks preceding her confinement and for four weeks subsequent to it at the rate of her average rate of wages or Rs. 8 per day, whichever is greater. The word "factory" is defined as "any premises . . . whereon ten or more workers are working or were working on any day of the preceding twelve months and in any part of which a manufacturing process is being carried on with the aid of power." In compliance with a recommendation of the Royal Commission in this behalf the Act also provides for the payment of Rs. 5, in addition to the amount of benefit, as confinement bonus to a woman worker "who avails herself of the services of a qualified midwife or a trained woman health visitor at the time of her confinement." The benefit and the bonus are of course to be paid by the employer of the woman worker.

Provisions are also made for the appointment of health visitors, maintenance of creches for children in factories employing a certain number or proportion of women workers and additional intervals of rest for women workers who have babies under one year of age to look after. A further salutary provision of the Act is that the benefit is not

restricted only to cases of actual child-birth. A woman worker, in case she has a miscarriage, is also entitled to three weeks' leave with pay at the rate of her average daily earnings.

The application of the Act is advisedly restricted to women workers in industrial concerns. Some members of the legislature contended that the application of the Bill could be usefully and without much trouble be extended to women workers employed by local boards and at least municipalities. On this point the Minister of Industries pointed out that Government had already issued instructions to all local bodies inviting their attention to the desirability of extending the principle of maternity benefit to their women workers. He further said that the whole law relating to local self-government in the U. P. was soon going to be reconsidered and that that would give the legislature a very good opportunity of making provision of maternity benefit for women workers employed by local bodies.

THE total number of factory workers in the United Provinces is just above 92,000. Out of these about 3,000 women workers are in Cawnpore, and their average daily wage is As. 7. Many of these are old or past the child-bearing age. It is calculated that women who will be able to get the maternity benefit under this Act at Cawnpore cannot possibly be more than a hundred in a given year. The additional expenditure which the Cawnpore employers will have to incur will, therefore be very little, especially in view of the good that the system will do to the women workers concerned.

CRITICISM OF EMINENT INDIANS.

The Government of the Central Provinces have recently issued a communique drawing the attention of the public to certain articles in some newspapers in the province which, according to Government, tend to encourage violence and excite or increase communal or regional bitterness. Explaining the Government's policy, the communique says that while Government are anxious to uphold fully the liberty of the Press and welcomes reasoned criticism, they will not tolerate any license. The Government, in issuing this communique have in view chiefly two things. The one is incitement to violence which certain papers are calculated to indulge in by means of publishing accounts of by-gone revolutionary movements in India; and the second is "attacks on eminent Indian leaders in a manner which is not only a most deplorable lapse from taste, but which sometime is unmistakable incitement to the youth of the province to commit acts of violence."

With regard to the first part of the communique, viz. that dealing with what is called "incitement to violence" it may be generally observed that the C. P. Government, like all other Congress Gov-

ernments, is suffering from a morbid obsession of the policy of non-violence, so much so indeed that, paradoxical as it may appear, they are exhibiting remarkable readiness to indulge in orgies of violence in order to uphold the so-called policy of non-violence. We hold that this fanatic and violent imposition on the community of the philosophy of non-violence, to which the Congress Governments themselves adhere only in words but not in action, is in principle wrong and in effect harmful. We are in very good company when we say so. No less a political philosopher than Harold J. Laski observes:

A man may say that England or America will never be genuinely democratic unless equality of income is established there; that equality of income will never be established except by force; that, accordingly, the way to a genuine democracy lies through a bloody revolution. . . . To most of us these views may seem utterly abhorrent. Yet they represent the generalisations of an experience that someone has felt. They point to needs which seek satisfaction, and the society gains nothing by prohibiting their expression.

Apart from the injustice of such a policy of suppressing frank expression of opinion, the policy involves a greater risk, both to Government and to the community as a whole. To quote Laski again:

It is the history of these matters that if Governments once begin to prohibit men from seeking to prove in writing that violent revolution is desirable they will, sooner or later, prohibit them from saying that the social order they represent is not divine. In Italy, at the moment, for example, papers are actually suppressed not for anything positive that they say, but because there is absent from their pages frequent and emphatic eulogy of the present regime.

The other part of the communique which refers to attacks on "eminent Indian leaders" is also quite unconvincing. The Communique quotes at some length passages from newspapers which criticise Mahatma Gandhi in abusive language which shows a "deplorable lapse from taste". But beyond that, to say that they incite the youth of the Province to violence would be reading too much meaning in them. What the C. P. Government really resents, we believe, is the fact that men like Mahatma Gandhi, to whom Congressmen are in the habit of paying the utmost of adulation, should be adversely criticised at all. That all criticism should be in good taste and should be made in good faith is a proposition to which every publicist ought to give his rigid adherence, but this is not a matter which can be enforced by any Government. It will only come as the general level of society rises. In the meantime, the aggrieved person has sufficient protection in law if the criticism levelled against him is defamatory. But we wish to emphasise that no man should consider himself immune from criticism and no Government can ever succeed in giving

him such immunity. In our country we see increased disinclination and even hostility to every form of hero worship, and this is a thing to be welcomed and not reprobated. There is too much tendency in the Congress to stress the

virtue of discipline, sacrifice, political individualism and impose uniformity on all by identifying the Congress, in the manner of totalitarian regimes, with the nation. That this tendency is being combated is a healthy sign.

WORKING OF THE LAND ALIENATION ACT.

BY K. G. SIVASWAMY.

IT is wrong to suppose that the non-agriculturist moneylender has been ousted in the Punjab by the Land Alienation Act. While the agriculturist moneylender has a kind of monopoly of mortgage loans, he has not replaced the non-agriculturist moneylender in respect of unsecured loans. In the 8,000 villages surveyed between 1926-28, 83% of the villages appear to contain no moneylender of an agricultural tribe (The Punjab Banking Enquiry Committee Report, p. 311). The percentage of unsecured debts borrowed from agriculturists, according to village surveys of the Board of Economic Enquiry, was 20, 66.7, 34, 22, 42 and 36 in the villages in which an enquiry was made, thereby indicating that the balance was borrowed from non-agriculturists. (*ibid.*, page 221). The recent enquiries of Bhadas Jamalpur, and Suner mention that the percentage of unsecured loans due by cultivators to non-agriculturists was 63, 78 and 50 respectively.

The cultivator has to borrow for current needs. He will naturally repay first the debt incurred for these needs. To quote from the economic survey of Bhadas, "The harvest brings little relief since the produce must be handed over to the moneylender in payment of accumulated debts. In fact, he often borrows the grain he has just handed over, and so the vicious circle goes on" (p. 73). The moneylenders deal in grain and have shops in the village for the purpose.

The recent depression has no doubt adversely affected the moneylenders. Most of them, it is said, are living on their capital (Economic Survey, Jamalpur, 1937, p. 107). "They are generally prepared to accept smaller amounts for loans already given rather than run the risk of losing them entirely by insisting on full payment" (*ibid.*, page 107). Many of them are migrating to towns. But with all the decline in the position of the non-agriculturist moneylender, he can hardly be replaced as the financier of the day-to-day needs of the agriculturist. Prompt issue of credit in small amounts as and when required, the supply of grain and cattle, and the sale of grain are all combined in short term agricultural credit. More entries in accounts are necessary in this form of credit than in that of mortgage credit. The agriculturist moneylender is hardly fitted for running this complicated business. The Land Alienation Act, therefore, seems to have had no adverse reaction on short

term agricultural credit. On the other hand, owing to the limitations placed on land as a security, the cultivator has to depend more on the sahuکار.

It is an admitted fact that short term loans, when they accumulate and cannot be repaid from harvests, are converted into mortgage debts. What can be repaid is paid first to the sahuکار, as the cultivator requires further credit from him. But mortgage debt is allowed to grow as the whole sum cannot be repaid from a single harvest.

It is in this form of transaction that the agriculturist moneylender has practically a monopoly, as he can purchase the land of the debtor which a non-agriculturist moneylender cannot do without the sanction of the Deputy Commissioner, which of course will rarely be given (Banking Enquiry Committee Report, Punjab, p. 293). "There are indications that where the practice of money-lending is least common among agriculturists, the few persons that have adopted this course enjoy the advantage of a security in the market" (*ibid.*, p. 309).

That mortgages and sales are due to accumulation of short-term debts will be evident from the village surveys of the Board of Economic Enquiry. In the village of Suner in the district of Ferozpur 20 out of 28 mortgagors have mortgaged their lands to repay old debts. Sale of land is mostly for the same purpose. In the village of Jamalpur (Hissar district) the largest amounts borrowed on mortgage are for the purpose of redeeming lands. Sales too are mostly due to old debts. In the village of Bhadas redemption of other land and repayment of debts are mentioned as the main causes of mortgage. The Survey report of the village mentions that "the cause of sale in all these cases was the inability to repay mortgage debt and the land in three out of the four cases was sold to the mortgagors." Further, "Our examination of the sources of redemption money in the surveys of these three villages shows that the amount is raised in about 50% of the cases by mortgaging other lands."

The Land Alienation Act could not, therefore, be said to have restricted credit to the extent expected under its operation, by its provision for the extinguishment of mortgage debt within 20 years. It has made it dearer to the agriculturists. The Land Revenue Administration Report of the Punjab for 1936 shows that

12.6% of the cultivated area is held under mortgage with possession. The number of mortgages amounts to 18.80 lakhs. The cultivated area mortgaged is 39 lakhs, giving 2 acres per mortgage. Most of these mortgage bonds must have been entered into by the smaller proprietors who hold less than 18 acres as, according to an official statement prepared about 1920, 3 millions out of 3½ million revenue payers paid an average land revenue below Rs. 25 and owned less than 18 acres (Calvert, "Wealth and Welfare of the Punjab", p. 74). Since then there has been a decline in the extent of cultivated area per owner. The three village surveys indicate that it has declined from 13.3 to 9.5 acres between 1887 and 1932 in Suner, from 15.81 to 10.19 between 1899 and 1935 in Jamalpur, and that 70% of the proprietary holdings are below 10 acres in Bhadas. The surveys again show that 53% of owners own below 2½ acres in Suner, and that 158 out of 255 owners hold lands of 5 acres and below in Bhadas.

Not only is there a diminution in the size of the holdings, but there is an increase in the area of land under mortgages. The percentage of cultivated area under usufructuary mortgage shows a decline from 12.3 to 9.9 between 1902 and 1925-26, only to rise again to 12.6 in 1935-36. The average cultivated area redeemed, which has shot up from 1.78 lakhs in the quinquennium ending with the year 1906 to 2.18 lakhs in that ending with 1926, has come down to 1.29 lakhs in the quinquennium ending with 1936. Thus while the percentage of land under usufructuary mortgage has increased, the area redeemed has only decreased during the period. The Banking Enquiry Committee have shown that there is a net increase under usufructuary mortgage debt in both the quinquenniums ending 1914 and 1929. The rise in land value has not helped redemption of mortgages but has only led to a larger area under mortgage.

An examination of the increase in mortgage area to that of cultivated area also shows that the former is out of proportion to the latter. The cultivated area mortgaged has risen from 1.73 lakhs in 1905-6 to 2.95 lakhs in 1935-36, while the increase in total cultivated area is from 23.98 million acres in 1899 to 30.9 million acres in 1936. The mortgage amount issued by the creditors, calculated per rupee of land revenue on the area mortgaged, went up from Rs. 53 in 1901-1902 to Rs. 138 in 1922-23 and has come down in 1935-36 to Rs. 71, thereby showing the fall in the value of land as a security for loans. This shows that more land has to be mortgaged of late for the amount borrowed than in the earlier years. In a province where sales are generally forbidden and lands are exempt from sale through courts one should look at figures of mortgages to understand the extent of transfers.

An enquiry into the causes of mortgage debt will indicate the great danger of the agriculturist moneylenders to the growth of peasant proprietorship. They are "as exacting and as avaricious"; they "encourage people to borrow more than they can hope to repay, forcing them ultimately to mortgage their land to them. Land-hunger is the dominant motive". The purchase of lands in certain districts, the avoidance of manual labour and the letting out of lands on lease and the consequent running into debt, the economic deterioration of the smaller cultivators, and the tendency among the cultivators to mortgage rather than sell their lands to repay debts are mentioned as the causes of mortgage debt in the village surveys of the Board of Economic Enquiry.

The agriculturist moneylender in the Punjab can evict a debtor by obtaining a sale of his land which the sahukar cannot do. Consequently, he advances a larger proportion of the value of the land mortgaged than the sahukar. He has advanced three-fourths of the amount and holds three-fourths of the land under mortgage. He is also in a stronger position than the sahukar in making recoveries.

The number of agriculturist moneylenders is increasing. If they lent during the period of expanded credit more freely, they lent cautiously during times of depression, taking a larger extent of land in security.

The depression had no doubt a marked effect in increasing the area of land mortgage. "Many families which were entirely free from debt until a few years back have now got involved in it and those already involved have sunk further into the mire. The people have become restless under the heavy burden of debts. The mortgagees want cultivated land as security and not uncultivated lands" (Village Survey, Jamalpur, p. 198, 1937).

Evidence is wanting which can show how many of the smaller owners among the agricultural tribes mortgage their lands to the bigger owners. The Punjab Banking Enquiry Committee Report says: "This is no doubt a disadvantage to the debtor but not necessarily to the community which may benefit by land passing out of the hands of the incompetent and resourceless into those of the competent and resourceful... So far as the agriculturist moneylender is concerned, the peasant proprietor who is a member of an agricultural tribe gets less protection than in dealing with the non-agriculturist". The sale or mortgage of lands to bigger agriculturists is not a subject which can be so easily disposed of. It is not known how much of the land under usufructuary mortgage is really cultivated by the mortgagee or let out to tenants-at-will, how much of it again is cultivated by the family and by agricultural labour, and how much is cultivated by the mortgagor as a tenant under the mortgagee. The village surveys do not give

sufficient information on these points. The Banking Enquiry Committee Report makes stray references to big landlords amongst agriculturist moneylenders (p. 230) and to their prosperity being due to the size of their holdings (p. 233). It also mentions Muhammadan agriculturist moneylenders who form 6% of the total who lend on mortgage with possession, and "even if possession does not pass, the owner's status is virtually that of a tenant-at-will and he gets only half the produce" (p. 266).

If usufructuary mortgages are due to the savings of small rayats who lend to richer rayats having larger holdings and who thereby increase the size of their land under cultivation, one need not be alarmed at their increase in recent times. At any rate it is impossible to expect the 3% of the cultivated area under mortgage with possession to other than agricultural tribes to be held such a type of mortgage. The fact that most of the mortgages are entered into by owners holding below 10 acres, as indicated by the recent village surveys, militates against the possibility of investment of any surplus money in usufructuary mortgages by holders of similar status.

The gradual subdivision of holdings has reduced the size of holdings and increased the number of cultivating owners and tenants. The number of cultivating owners and tenants has increased from 42.65 lakhs to 53.20 lakhs, while the total cultivated area has increased from 29 to 30 million acres between 1921 and 1931. The number of labourers has increased from 4.63 lakhs to 7.36 lakhs during this period. The 1921 Census Report refers to an increase in rent receivers, in the number of tenants and the extent of area cultivated by them. The report says: "The Punjab is by no means wholly a country of peasant proprietors, and, according to Mr. Calvert, "there is an increasing tendency for it to become a country of petty landlords living on rent."

Mr. Calvert mentions in his book "Wealth and Welfare of the Punjab" that an increase in the number of tenants is due to an increase in the number of mortgages. "As the mortgagor is in the great majority of cases entered in the records as a tenant cultivating under the mortgage, the number of tenants tends to increase with the number of mortgages" (p. 87). Mr. Darling shows that the smaller proprietors are involved in debt to roughly double the extent of that for larger proprietors ("The Punjab Peasant in Prosperity and Debt," page 13). In fact mortgages have been so much increasing on holdings that even a grant of 25% on the revenue demand on unencumbered holdings in Gurgaon District could not arrest it.

To conclude, the non-agriculturist moneylender has not been ousted from his predominant position in the issue of short term credit. The

agriculturist moneylender has a privileged position in lending on mortgages. Both the amount lent and the area mortgaged have generally been increasing. A substantial source of redemption money arises only by remortgaging the lands. The size of holdings has been diminishing and the number of mortgages entered into by smaller proprietors is great. The agriculturist moneylender is a land-grabber. The fall in prices has increased the number of indebted agriculturists. The Banking Enquiry Committee report admits that the agriculturist is having less protection as against the agriculturist moneylenders. The census reports indicate an increase in the number of tenants-at-will and labourers. It is also an admitted fact that the smaller proprietor is always heavily indebted. All the agriculturist moneylenders are not tillers of the soil. As mortgagees they may live on rents of mortgaged lands. It is, therefore, impossible to conclude that mortgagees of lands under usufructuary mortgage are all smaller proprietors with surplus savings who supplement their owned area by taking a lease of lands in this manner. The tendency is towards the accretion of larger holdings in the hands of agriculturist moneylenders.

The conclusion may look too obvious to require such elaborate explanation. But we have pressed the point because one of the enquiries conducted by the Board of Economic Enquiry regarding sales of land points to an opposite conclusion. The enquiry relates to sale during the quinquennium 1922-23 to 1926-27. It concludes: "The majority of sale transactions are between owners of the same classes, i. e., small owners sell to small owners, and large to large. There is no sign whatever of larger owners swallowing up the smaller ones". In a province where owners of 35 out of 40 million acres can sell their lands to non-agriculturists only with the sanction of the Deputy Commissioner and have, therefore, no free rights of transfer, the number of sales alone cannot be the criterion for deciding on the quantum of expropriation of the smaller owners by the bigger. Where transfers of land are not free, there will be a greater pledge of the produce from year to year; in other words, there will be an increase in mortgages with possession. In the enquiry this aspect of the question ought to have been considered. Secondly, a further point that should have been considered is, how many of the mortgagors are tenants under the mortgagees, repaying their debts by payment of rent. Thirdly, the writer himself says that the figures represent such a low fraction of the provincial figures as to justify their being taken as natural transactions. Fourthly, the figures relate to sales by owners of 100 acres and less at the end of the quinquennium to those who paid about Ra. 100 or more of land revenue.

The average holding in the Punjab is 6 acres. It may be less in congested districts

and more in the South, East and West where there are no irrigation facilities. If the owners of average holdings for each region were taken as the basis and if it was examined how many of them sold their lands to bigger proprietors, the results would be different. The enquiry itself shows that the average cultivated area owned by vendors in most districts ranged between 6·7 acres and 25 acres. Again, another inference is drawn, that because the amount of land shown as sold within the enquiry was only 6·9% of the total sales of land by agricultural tribes, the balance of 93% of the sales was among the smaller owners owning 100 acres and less. A different set of results might be reached by studying land sales in the Multan Division. But the enquiry has yielded two important results. The one is that 36·9% of the vendors sold off the whole of their land and became landless. The second is that half the extent of cultivated land taken into account in the enquiry has been sold by these vendors.

Reviews.

ECONOMIC THEORY.

THE GROUND WORK OF ECONOMIC THEORY. By J. WATSON. (King.) 1937. 22cm. 196p. 9/-

IN his Preface the author states that this book is intended for students in the early stages of economic studies and that he has had in mind the needs of serious students who do not shrink from the effort of sustained attention and systematic thought. His experience has been that a complex analysis does not repel the student but is rather an exhilaration so long as the purpose of it is grasped and so long as it is related to its assumptions, its setting and its corollaries. To the objection that all this makes the treatment of the subject abstract and unreal he replies that the theorems of Euclid are also abstract and unreal and yet they are closely relevant to the real concrete physical world. Similarly the system of propositions built up by the economist is relevant to the social life of man for all its apparent abstraction. This is not a comprehensive text-book of the ordinary type. A number of the usual topics, e. g., Money and International Trade, do not find a place in it. In the course of less than two hundred closely argued pages, however, it attempts, with magnificent success, to give the reader the central core of economic theory. We cannot agree that this is a book for the beginner. The elementary student who will be exhilarated by a tussle with it is, we feel sure, not to be found at least in India. He must come to it with a mind already familiarised to a large extent with economic reasoning through a study of some of the more ordinary text-books. If he then takes the trouble to master this book he will be richly rewarded for his pains as he will have undergone a splendid discipline and gained a most valuable insight into the nature of economic problems.

G. B. JATHAR.

RAILWAY RATES.

RAILWAY RATES IN RELATION TO TRADE AND INDUSTRY IN INDIA. By R. D. TIWARI. (Longmans, Bombay.) 1937. 22cm. 333p. Rs. 6.

HERE is a detailed study of one important aspect of the transport problem in India. Mr Tiwari's volume is one of a series of "Studies in Indian Economics" edited by Professor Vakil of the Bombay University. Its purpose, as the title clearly suggests, is to study the rate structure of the Indian railways, as it bears upon the industrial development of India. The opening chapter is devoted to a theoretical analysis of railway rating. Then, after recognising the peculiarities of the railway industry, the various principles of rating—like the cost of service, what the traffic will bear, etc.—are examined with the help of authoritative writings of Acworth, Ripley and Taussig. Then follows a detailed analysis of rates borne by important commodities like cotton, wool, cement, coal, sugar, etc. This study enables Mr. Tiwari to exhibit various defects in the rate policy of the railways, all of which are gathered up in the concluding chapter. Mr. Tiwari deplores the individualistic policy of the railways, and certain forms of unhealthy competition and then reiterates the common complaint that the rate structure unduly favours traffic between the parts and the internal centre, to the comparative neglect of purely internal traffic needs. The author is not satisfied that the Railway Board, as it is constituted at present, is an active and alert guardian of the interests of the business community. Finally, he pleads for the evolution of a "national" rates policy that shall be directed towards the welfare of Indian industry and trade. We should have liked Mr. Tiwari to have brought out more clearly the main features of such a policy and to have faced the problem of reconciling it with the commercial interests of the railways. But, on the whole, what he has said on the subject is worth saying.

T. M. J.

TREATMENT IN JAILS.

LIFE IN AN INDIAN JAIL. By RAGHUBIR SAHAI. (Allahabad Law Journal Press.) 1937. 18cm. 92p.

IN this little book Mr. Sahai describes the horrors of life in Indian jails and makes some useful suggestions calculated to mitigate the miseries of the inmates, if not radically to change the system. The publication is all the more happy at a time when popular ministries are in a mood to tackle this difficult problem.

Mr. Sahai has ably made out a case in favour of the use of machines for various labour processes such as grinding, water-fetching and, even I should say, weaving. The use of machines will not only relieve the prisoner from excessive physical strain, but will improve the economy of our jails. This in turn will make possible the payment of a decent scale of wages in money.

It is being increasingly recognised that the prison ought to be an asylum where the supposedly lost humanity is attempted to be reclaimed. Modern science has unfolded the potentialities of psychiatrics, and the present Governments would do well to hasten an experiment in this direction.

But the question is: What makes a criminal?

Mr. Sahai is one of those who evidently feel that the root cause of this social evil lies in irreligiosity, and therefore he prescribes, with all the enthusiasm of a believer, the formula of religious teachings. It may be a shock to such thinkers to note that the religious formulae themselves have often provided an incentive to breed crime.

The hardened criminal is a problem for the science of psychology and it must be examined by its own laws. But we have it on the strength of data that over 60 p. c. of the ordinary crime emanates from economic causes. Mr. Sahai and men of his way of thinking are bound to be defeated in their objective if they go on chanting—quite enthusiastically if you please—verses from the Gita or the Quoran. This would be like giving fine but essentially empty words where bread and security of living are needed.

Apart from this fundamental aspect of the problem, the book makes a useful contribution towards immediate reforms, and let us hope that it is not altogether lost on those who have undertaken to shape a new society.

LALJI PENDSE.

FJI INDIANS

INDIA AND THE PACIFIC. By C. F. ANDREWS.
(Allen & Unwin.) 1937. 20cm. 224p. 3/6.

THE bulk of the book is devoted to the discussion of the problems of Indians in Fiji in relations to other communities resident therein and to India. And few are more competent to discuss them than Mr. C. F. Andrews, who had visited the country three times before and after the abolition of the indentured system and who on each occasion stayed long enough to study the problems in detail. Mr. Andrews, who had known the conditions of Indians in the days of the indenture system which he largely helped to abolish, was deeply impressed by the improvements since its abolition, and pays just tribute to the spirit of self-help which was largely responsible for them. Mr. Andrews is not, however, oblivious of the backwardness of the Indians even today in comparison with the other communities resident in Fiji, and the causes thereof.

Mr. Andrews discusses several problems affecting the status and conditions of Indians in relation to the Fijians and the Government, in matters political, economic, educational and cultural, which, however, it is not possible to refer to this short review.

The most important basic problem in Fiji is that of race; rather the race discrimination practised by the Britishers, Governmental and other, against Indians and Fijians. The extent to which this prejudice runs is brought out by the following incident related by Mr. Andrews. "I found the good Marist Brothers in Suva almost in despair because they were not allowed to take some bright Indian boys into their matriculation class along with European children although there was room for them and no one objected." Mr. Andrews contrasts this intolerance with the racial tolerance and cooperation in the American territory of Hawaii.

Among other important subjects discussed by Mr. Andrews is the relation of Indians abroad to the mother-land. The subject is discussed with great clarity if not conclusiveness in the chapter called the "Indian Dilemma." Mr. Andrews' views

regarding the plea of Hindi and Urdu in Fiji, of the place of religion in education and of miscegenation and his generalizations regarding Indians and Fijians may not receive undivided support. Nonetheless, the book is a very important contribution to the subject of Indians Overseas.

Besides Indians in Fiji, Mr. Andrews discusses a great variety of subjects relating to the whole Pacific region, including Canada, New Zealand, Australia, and China and Japan, which are of the utmost interest, particularly at the present time.

P. KODANDA RAO.

THE INDIVIDUAL IN THE SOCIAL SCHEME.

THE INDIVIDUAL IN EAST AND WEST. Ed. by E. R. HUGHES. (Oxford University Press.) 1937. 20cm. 197p. 7/6.

ONE at least of the tests which may be applied in order to assess the achievements of any organized society, or to determine the value of any social philosophy, must be the place accorded to the individual in the social scheme. Is he considered to be merely a means to an end beyond and apart from himself? Or is he regarded essentially as an end in himself, the attainment of which is facilitated by the social order of which he is a part? These are questions on whose answer largely will depend our judgment about any social organization. It is the purpose of the lectures embodied in this book to furnish valuable data for comparing different social systems from the point of view of their treatment of the individual.

The origin of these lectures is interesting. As the Editor tells us in his introduction, he was emboldened to propose the theme of the Individual in East and West to his distinguished Oxford colleagues 'because of a remark heard in a lecture room.' It was stated that the individual had been discovered by Christianity! This was not true to historical fact. The statement needed refutation. What else was to be done but to present to the Oxford undergraduates the historical material for the sake of comparison between different systems?

Thus came to be delivered a series of seven lectures by eminent scholars in their respective branches of study. Dr. Marett, the anthropologist, speaks of the individual in primitive society. Dr. Gilbert Murray, the eminent Greek scholar, points out the relationship between group law and private conscience. He has some very trenchant criticism to offer on the tyranny of the modern State acting for the group and trampling over the individual. The individual in China has been ably introduced to the western world by Messrs. Spalding and Hughes. Sir S. Radhakrishnan discusses the place of the individual in the social order under the influence of Hinduism. Dr. Robinson brings out the relationship between the individual and the group in Israel, while the series is brought to a conclusion by Dr. Powicke's brilliant discourse on the Search for Freedom in the West.

The individual was after all known to the world outside Christendom. But that is not the only moral to be drawn from these lectures. Another important conclusion suggested by them is the fact, so aptly expressed by Mr. Hughes,

the Editor, that 'the individual is indeed irrepressible.' That is a fact in which those who are troubled by the query, 'Where is the individual to day?' will find some consolation.

S. V. K.

COLOUR BAR.

THE COLOUR BAR. By PETER NIELSEN. (Juta & Co., Cape Town.) 1938. 18cm. 148p. 7/6.

IT is a matter for congratulations that in South Africa, the land of the colour bar in excelsis, there are a few people—unfortunately all too few indeed—like Mr. Peter Nielsen who are prepared openly to disown and denounce the colour bar and do it in such judicial and convincing manner. Mr. Nielsen, who has had much personal knowledge and experience of the so-called Natives or Black people of South Africa, examines the various popular beliefs among the great majority of the white peoples regarding the congenital inferiority of the blacks to the whites, physical, mental, emotional, and finds them to be but mere superstitions which are unfair and even cruel in their implications. His deliberate conclusion is as follows:

We have seen that there is no good evidence for believing the African race to be in any sense of the word inferior to the European; neither in their physical differences from the whites nor in their mental make-up, nor yet in the biological results of the miscegenation that has already occurred have we found anything to substantiate the allegation that by reason of their racial nature the African Natives can never be assimilated with and become the equals of the white people.

The real motive-force behind the almost universal colour-bar complex among the whites in South Africa is, according to Mr. Nielsen, the fear of the friendliness of the African Native and not his enmity! The point is well summarised in the

statement, "Friendliness between white and black is dangerous; it leads to race-mixture, and if we allow that there will soon be an end of white civilization in Africa."

Though there is no evidence that race mixture has led to any adverse consequences, miscegenation is, in the opinion of Mr. Nielsen, the chief object of horror to the whites. Sex relations and race mixture as between white men and black women, particularly out of wed-lock, was hardly ever frowned upon till recently, but sex relations as between black men and white women, whether in wedlock or out of wedlock, has always been denounced. Mr. Nielsen opens his book with the statement that "the white woman who gives herself to a black man is denounced by all of her own colour in Africa, but most loudly by those white men who have not themselves been faithful to their own race."

The abhorrence to this kind of sex equality between the races is shared even by the ministers of the Christian religion. Referring to the Christian missionaries, he says:

Like the rest of the whites, they accept the argument that political equality cannot be permitted without thereby paving the way to social equality and that social equality cannot continue without miscegenation, wherefore the present racial prejudice of the whites must by all means be upheld.

And he significantly adds, "I, at least, have never met a white missionary who was prepared to accord full social equality, with all that it implies, to any Native, however eligible for such privilege he might appear to be." "The white missionary had been eager to accept the black man as his brother in Christ, but he could not accept him as his brother-in-law."

Mr. Nielsen has done a good and great service to South Africa by his outspoken thesis. His book deserves to be read by every white and black in South Africa.

The book would gain in authority if it be documented.

P. K. RAO.

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