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Topics of the Week.

The Princes' Chamber.

IN opening the session of the Chamber of Princes, the Viceroy reiterated the Secretary of State's recent pronouncement to the effect that while, in the matter of constitutional reforms, the British Government would not hinder, nor would it coerce, the States, it would be compelled to interfere for the rectification of serious administrative abuses. The one matter in respect of which new ground was broken was in connection with States which were too small to stand by themselves. Lord Linlithgow advised the rulers of such States to combine with other States in establishing common services in some matters. The Chancellor promised on behalf of the Chamber to consider the question carefully. While this is a step in the right direction, it will be found in many cases that some of the States cannot combine with other States but will have to combine with British India, and that it would not be enough in some cases to combine in respect of a few of the governmental activities, but all. Anyway it is a good sign that this advice was given by the Crown's representative in India.

Policy towards the States.

THE resolution adopted by the Tripuri Congress on the subject of the Indian States says : "This policy (of non-interference) was dictated by circumstances and by a recognition of the limitations inherent in the circumstances, but it was never conceived as an obligation. The Congress has always possessed the right, as it is its duty, to guide the people of the States and lead them with its influence. The great awakening that is taking

place among the people of the States may lead to a relaxation, or to the complete removal, of the restraint which the Congress imposed upon itself, thus resulting in an ever-increasing identification of the Congress with the States' people".

THE resolution contains both a vindication of the past policy and a justification for a change therein. The vindication is sought to be based on the unpreparedness of the States' people themselves for a struggle. Apart from the question of fact, whether the people were or were not prepared, it is untrue to say that, in the view of Mahatma Gandhi who forced the policy of non-interference upon the Congress, the particular circumstances obtaining in a State had anything to do with that policy. No one had ever asked that the Congress should march into a State, no matter whether the people in the State had sufficiently organised themselves or not. All that was claimed was that if in the judgment of the Congress authorities the States' people had prepared the ground to an adequate degree, and, further, if the Congress authorities considered that they could render the people effective assistance (this also was conceded), such assistance should be given. But Mahatma Gandhi declined to entertain any such requests on the part of the States' people on the legal ground that the States were, like Afghanistan, foreign territory, in which it would be wrong of British India to interfere even if it could usefully do so.

NOR is it true to say, as the resolution does, that the policy of non-interference "has justified itself by encouraging the people of the States to organise themselves and conduct their own movement for freedom. It is true that the States' people are far more active now than before. This increased activity is due to many reasons, one of which is the cloud of federation hanging over them. But, whatever these reasons, the States' people have shown more activity not on account of, but in spite of, the Congress attitude of aloofness. The past policy of neglect cannot be justified, but the future policy of identification of British Indians with the States' people and increased active participation on the part of the former with the latter's movement is all that can be wished for. Of course, it is possible in practice to reduce the resolution to a dead letter if the men in control of the Congress choose to do so, but in so far as enunciation of a theoretical position goes, there is nothing lacking in it; and to this extent it is all to the good.

THE resolution could not have avoided a reference to Rajkot, but one cannot but be struck at the absence in it of any fulmination against the Paramount Power for its fussy and

arbitrary interference in the Rajkot affair, as one would have expected in any resolution drafted by Pandit Jawaharlal Nehru. We were first told that the backsliding on the part of the Thakore Saheb was under the bidding of the Paramount Power; and when the fast started, we all thought that the Mahatma's self-suffering had for its object the melting of the heart of the Paramount Power (assuming it has a heart), so that it might leave the Thakore Saheb free to carry out the terms of the agreement. Even Panditjee in his statement of the time declared that subject-matter of attack was the mighty Paramount Power, and not the puny Thakore. How is it then that there is no reference to this aspect of the question in the terms of the resolution?

THE reason is obvious, and Gandhiji has stated it. He found in his talk with the Resident that the Thakore Saheb was not in fact being prevented by the Paramount Power from carrying out his terms of settlement with the Sardar. So far did the Mahatma go in absolving the Paramount Power from blame in this matter that he sought the assistance of this very Power in settling the Rajkot issue in its final stage. It would have been of no use to him, he says, to have renewed assurances from the Thakore Saheb for the fulfilment of the agreement. These assurances are now underwritten by the Paramount Power, and that is great! One can easily understand the feeling of over-joy which the Mahatma entertains, but it is difficult to forget or ignore that it was to this self-same Paramount Power that the gage of battle was thrown only a few days previously.

Assam's Budget.

THE budget of the Congress Coalition Government of Assam for 1939-40 discloses a deficit of Rs. 17.39 lakhs with revenue receipts of Rs. 284.45 lakhs and revenue expenditure of Rs. 301.84 lakhs. A loss of Rs. 6 lakhs is anticipated next year from the introduction of prohibition of opium in two sub-divisions, Sibsagar and Dibrugarh. Increased provision is made in the budget for some schemes of beneficent activity, of which the most important is that concerning the education of the tribal people, scheduled castes and immigrants and the expansion of primary schools. This is estimated to cost about half a lakh of rupees. The Government, however, does not propose to leave the deficit unfilled. On the contrary, it proposes to levy five new taxes, which, it is calculated, will convert the deficit into a revenue surplus of Rs. 12 lakhs.

THE most important of these taxes will be one on agricultural income. The rate of income-tax will be determined every year by the Annual Finance Act, and at the rate now proposed the yield is estimated at Rs. 25 lakhs. The limit of taxable income is placed at Rs. 2,000, after making various deductions in the determination of agricultural income. Most of this tax will be paid by the planters of tea gardens, and for this reason the Government proposes to spend a portion of its proceeds on the improvement of the conditions of the labour population in tea gardens and on the construction of rural roads. The next important tax is a tax on petrol at the rate of two annas a gallon and on lubricant oil at the rate of three annas a gallon. The yield from this tax is calculated at Rs. 4 lakhs a year.

A TAX on entertainments and betting, levied on entrance money to cinema theatres and to race courses and on betting on race courses, will yield Rs. 1½ lakhs. The other two taxes contemplated are a tax on the sale of goods and a duty on foreign wines, liquors, spirits, etc. The sales tax appears to the Government to hold very large possibilities, but for the present it will select only a few articles of luxury for taxation, and the rate of the tax too will be modest. But subsequent expansion of the scope and increase in the incidence of the tax are provided for by including in the Annual Finance Act, if deemed expedient, more taxable articles and a heavier rate of tax. As for the other tax, it is proposed to remove the exemption now enjoyed by direct imports of foreign liquor from license fees and to require licenses to be taken out by non-proprietary clubs, which at present are treated as private persons and are on that account not subject to the necessity of taking out licenses. It is estimated that these two taxes will together bring in a revenue next year of another Rs. 1½ lakhs.

THE imposition of these five new taxes is defended on the ground of a prospective loss in revenue on account of the introduction of prohibition, the grant of liberal remissions of land revenue, and the need of providing greater funds for the use of nation-building departments. And it is claimed, and justly too, that the actual taxes proposed are neither too heavy nor such as will fall upon the poor people at all. "Taxes on petrol and agricultural income will fall on those who are comparatively well off. The incidence of a general sales tax on goods and the foreign liquor and amusement and betting tax will be on just such people as should not grudge to pay." The Assam Government also proposes to take a loan of Rs. 50 lakhs in order to grant loans to local bodies for their water supply schemes and also to start schemes involving large capital expenditure. The loan will be redeemable after 20 years.

New taxation in Bengal.

THE Hon'ble Mr. N. R. Sarkar, Finance Minister of the Government of Bengal, in course of his financial statement in the Bengal Legislative Assembly the other day, dilated to some extent upon the new constructive schemes which the Bengal Government had to undertake "if we are to make any impression upon the needs of the Province." The chief impediment in the way of the materialization of these schemes such as village water supply, extension of educational facilities in the province and the like, was the usual one, namely, want of adequate finances; and the only method of raising these was the imposition of new taxation on the people in the Province who could reasonably be expected to bear the additional burden without much inconvenience.

IT appears that while exploring the possibilities of new taxation the Governments of Bengal, Madras and the C. P. approached the Government of India for permission to impose a graduated tax on people engaged in trades, callings, professions and employments of various descriptions and earning incomes such as would make them liable to pay income tax to the Central Government. The Government of India do not seem to have had any objection to a general trade or profession tax as such, but

according to a speech made by the Hon'ble Mr. N. R. Sarkar, they could not allow the new tax to be imposed on a graduated scale. The result seems to have been that the Madras Government gave up the idea of this new taxation altogether, the Bengal Government decided to impose a flat ungraduated tax of Rs. 30 per year on all persons in trades, professions, callings and employments who are liable to pay income tax, and the C. P. Government have not yet disclosed their mind.

JUSTIFYING the imposition of this tax in the Bengal Legislative Assembly, the Finance Minister said:

That the sum of 12 lakhs of rupees which they hoped to realise by resort to this taxation was a mere drop in the ocean because there was a large gap to be filled up between their resources and their requirements. The sum that would be realised from this source of taxation would be necessary for financing only one scheme, namely, the water supply scheme in the rural areas.

We are fully in sympathy with the object of the Finance Minister of Bengal in proposing this new tax; nor can we have any objection to his policy of taxing the comparatively rich people for the benefit of the poor. We cannot, however, help observing that this flat tax of Rs. 30 on all people paying income tax irrespective of their income partakes of the nature of a poll-tax and is as such not sound in principle. The Finance Minister of Bengal does not, however, appear to be entirely to blame. It is really the unreasonable attitude of the Government of India that is responsible for this anomaly in the new taxation proposals in Bengal. If the Government of India do not have any objection to the imposition by the U. P. Government of an employment tax on a properly graduated scale we fail to see on what grounds they can be opposed to this tax in Bengal being also graduated. It is true that the U. P. Government in their employment taxation measure do not make any reference to income tax which is the privilege of the Central Government; it is also true that in Bengal liability to pay income tax has been made the criterion of liability to pay the new Bengal tax. But the difference is more verbal than real, and nothing would have been lost if the Government of India had adopted the same reasonable attitude towards the Bengal taxation proposal that they adopted towards the U. P. measure.

Harijan Work.

THE annual report of the U. P. (Eastern) Harijan Sevak Sangh reveals a useful record of service rendered by the workers of the Sangh to the most down-trodden classes of people in the United Provinces. Apart from propaganda work carried through hundreds of meetings organised under the auspices of the Sangh throughout the countryside, the Sangh also engaged itself in constructive work in the fields of education, medical aid, water supply, sanitation and the like. The Secretary of the Sangh, in course of the report, complains of the want of adequate resources wherewith to finance the projects of the Sangh such as schools, hostels, village libraries and drinking water wells. He, however, hopes "that the generous public will come to the rescue of the Sangh and will not allow its work to be starved for want of money."

TOWARDS the end of the report he puts forth a forceful plea for the institution by the U. P. Government of an enquiry into the conditions of sweepers and scavengers all over the Province, particularly those employed by the municipalities and the Notified Areas. Referring to the conditions of these people, he says:

Their salaries are low. Arrangements for sanitation and light are most inadequate. Most of the Municipalities and Notified Areas have not provided them with quarters and in several places they have not only to build their own huts, but also to pay some land tax. Indebtedness amongst the scavengers is very great and Kabulis are their money-lenders in most cases. The highest rate of interest that we have come across is four annas per rupee per month, and this works out at three hundred per cent. per annum, not allowing for compound interest. There are only a few Co-operative Societies for the scavengers. It is high time that the U. P. Government appointed an Enquiry Committee, like the one appointed by the C. P. Government, to examine the wages paid to sweepers, their conditions of work and living, with particular reference to housing and sanitation, the desirability of introducing a system of minimum wages, holidays with pay and liquidation of indebtedness by making it compulsory for every Municipality and Notified Area to have a Sweepers' Co-operative Society for giving cheap credit.

We wholeheartedly support this demand for an enquiry.

Articles.

THE CONGRESS.

THE Tripuri Congress concerned itself almost exclusively with the personal aspect of the question concerning leadership and gave a wide berth to questions affecting policy. The President, Babu Subhas Chandra Bose, had desired above everything else to secure that no Congress leader who would venture hereafter to speak in faltering accents about federation should retain credit and authority in the Congress. The Hari-pura resolution on federation was all that could be desired; but, in spite of the resolution, a tendency was noticeable among certain influential Congressmen to propound views calculated to give an impression to the British Government that, with a slight manoeuvring, it would be possible to come to terms with the Congress on the federation issue as had been possible on the provincial autonomy issue. That such an impression has actually been caused cannot admit of dispute. Subhas Babu wanted to put an end, once and for all, to the possibility of any intrigues to be started in the Congress circles on this issue in the coming year, the year in which the fate of federation is to be settled one way or the other. He did not want the Haripura resolution to be tightened up, in so far as it gives an indication of the Congress attitude. It is perfect; but no resolution, however water-tight, can prevent backsliding on the part of clever manipulators. He had, therefore, hoped that at the head of the Congress would be men whose

resolve to oppose federation at all costs would not be questioned in any quarter. Under the dominance of this idea he put himself forward as President and thought that, if he were accepted, he could take in his cabinet only such men as would not fall under the suspicion that they were laying themselves out for a bargain in the matter of federation.

His re-election on this specific issue led most observers to believe that this purpose, a laudable purpose, would be achieved. But Mahatma Gandhi interpreted his victory in the election contest as a reflection, if not upon himself, upon the men of his choice and showed clearly that unless his authority in the Congress, at which he believed a shattering blow had been delivered, were restored, the Congress would no longer have any claim on his services. And his personal ascendancy is so great that his followers, whether at his instance or of their own motion, brought forward a resolution which undid all that Subhas Babu had hoped to do. That faith in the so-called Gandhi policy was affirmed in the resolution was not much of a set-back. Subhas Babu himself had not desired reversal of it. That members of the Working Committee were declared cleansed from any aspersions that the President's statements might be supposed to contain was also matter of little consequence, as the President had no particular individual in mind. But the resolution required the President to choose the

members of his cabinet, not in consultation with Mahatma Gandhi (an amendment in this sense was rejected), but in accordance with the wishes of the Mahatma. The resolution, if carried out, would not only destroy all the authority of the President, but, what is worse, might create the very situation from which he had hoped to extricate himself. He might be saddled with men who might use their position to carry on talks with the British Government compromising the spirit of the Congress resolution.

It is not incumbent upon the President to give effect to this resolution. The Congress constitution makes him supreme in the matter of choosing his own cabinet, and no resolution which seeks to restrict his power in this respect is valid. Subhas Babu could well have ruled it out; but obviously he was prevented from doing so because he himself was involved in it. Mahatma Gandhi ought to give him now the freedom which the constitution gives him and which the resolution unjustly tries to fetter. But if the Mahatma insists on his pound of flesh and makes recommendations not acceptable to the President, the latter must ignore them. If he does not do so the presidential election will have been fought in vain and he will have by his own action opened a back door to the introduction of federation, which was his main object to avoid. Personal susceptibilities are of no account where vital policies are concerned.

BOMBAY BUDGET: A BIG JUMP.

1.

IN spite of protestations to the contrary, it would appear that the Bombay Government have allowed themselves to be hustled into a financially rash action. The budget which was recently presented to the Bombay Legislature contrasts in many respects with its two predecessors. The contrast is obvious not only in respect of the speed of movement, but also with regard to direction. Some of these new features are too important to be overlooked as temporary measures. A time has thus arrived to take stock of all that Congress finance in Bombay, and perhaps elsewhere, stands for.

While commenting on the last year's budget of the Bombay Government it was pointed out that the practice of demanding grants for unspecified items of expenditure was both financially and constitutionally unsound. The completed accounts for 1937-38 and the revised budget for 1938-39 show very clearly that a large portion of amounts sanctioned for village water works, minor irrigational projects, primary education and panchayats was not actually spent. That the Government did not try to disburse the sanctioned amounts by rash expenditure is a very commend-

able inaction on their part, but it does not mitigate the evil of unnecessary taxation that such grants entail. Grants demanded in the absence of approved plans for their expenditure may serve to reconcile the electorate for the time being. This political advantage for the party in power is, however, earned at the cost of the tax-payer who in a given year is made to part with a portion of his income not actually needed by the State. The presumption is in favour of no taxation unless specific cause is shown and accepted as valid by the legislature. Our legislatures are themselves inexperienced, and in the enthusiasm of the hour undesirable practices are likely to develop.

The proposal of the Finance Minister to have a Special Development Fund fed by unspent grants and revenue surpluses is inspired by a good motive, but it can hardly be commended in its present form. If the principle of demands for grants noted above is strictly followed there will be only rare cases of unspent grants. These ought to lapse into the balance, from which they can always be reappropriated with parliamentary sanction, if that course is found to be desirable. The proper disposal of revenue surpluses depends on

their nature. If they are the result of habitual under-budgeting, they ought to go to relieve the tax-payer. If they are the outcome of a fluctuating source of income, they ought to go into a revenue reserve fund. The whole idea of having special funds is an aberration from the strict canon of raising in the year what the normal expenditure of the year needs. The number of funds should be reduced to a minimum, and it is, to say the least, very doubtful whether it will be in the interest of sound and economical finance to have, besides earmarked funds like the Famine Insurance Fund, any more funds than a general revenue reserve fund, on the analogy of the Government of India.

2.

The star feature, however, of the latest Bombay Budget is the long stride, almost a jump, that it takes on the road to total prohibition. It is needless to conceal the fact that the two earlier budgets of the Bombay Ministry had given hopes for the belief that they will be realists in facing the undoubted financial and social difficulties in the way of their declared policy of 'prohibition within three years.' Whether they were piqued by the criticism of their opponents or they were primed by some higher inspiration, it is now obvious that they have decided to try to realise the ideal here and now. Not only is the very laudable policy of reducing temptations for the poor man by closing liquor shops on pay days to be extended to all industrial towns in the Presidency, but Bombay and its suburbs, as also Ahmedabad, are to go completely dry. A most illogical preference is shown for the European, who alone is to be permitted to have a drink. If drink is immoral and injurious in fact, according to the Government of the Province, it can be no basis for exemption that a particular section of foreigners, resident and naturalised in the country, are accustomed to it as a normal thing. Such force as an argument based on familiarity and toleration has with reference to Europeans may be pleaded for several communities and sections of the Indian people themselves. Bombay abounds in a number of such sections, which are normally law-abiding and God-fearing, but do not look upon a moderate intake of alcohol with holy horror. Before any assurance was secured to the end that the ideas of these people had been changed in the direction desired by the Congress, it is nothing short of violence to force prohibition on them.

The primary question at issue is not what is ideally right or wrong, but whether we shall by legislation, backed mostly by sections who are themselves not affected, change materially the daily course of action of the individual citizen in what after all is a field of private behaviour. Each normal citizen has his own way of dissipation ranging from a drink to a thriller, and if we were to try to do away with these regrettable

yet inevitable complements of individuality, the world will be a very dull place to live in. The moral uplift of a people must be brought about by moral means which ought to precede by a long margin such legislative action as may be necessary. Political power places a premium on reformist impatience, but unless such natural enthusiasm is deliberately controlled law is very soon brought into contempt. If one law is broken, the majesty of the legal edifice suffers a blow which it is not easy to counteract. The Leader of the Opposition in the Bombay Assembly very pertinently observed that Islam, and in fact all advanced religions, have put an interdict on liquor, as on many other sins. But practical religion, and certainly political legislation, has to prescribe not for saints but for common men, who may be persuaded but cannot be coerced where strong impulses are concerned. In what shape the natural reaction of such coercive measures may come it is very difficult to say. Whether there is an open and a violent breach, or a surreptitious satisfaction, or again a listless shift to other permitted 'vices', remains to be seen. The Ministry, and more correctly their inspirers, deserve all credit for good intentions. It is to be hoped that what the prophets of antiquity backed by the authority of the Church failed to achieve, the prophet of contemporary India will achieve with the help of political power.

3.

So much about the pros and cons of prohibition as a policy. But for all Congressmen and indeed for most of their political rivals within the legislature and outside this ought to be a closed issue. The Congress offered prohibition within three years as a plank of their election platform. Those who voted with the Congress must be taken to have supported it unless they had made their dissent explicit. As several spokesmen of Government have pointed out, many of the Opposition members have also been clamouring for the same end. Under the circumstances the following argument of the Finance Minister is well-nigh unanswerable. 'If all were agreed', says the Hon'ble Mr. Latthe, 'that prohibition was a good thing the only question that remained was which of the taxes were justifiable and which were not.' If the Hon'ble the Finance Minister had gone on in the same way he could have very properly added: And as a thoroughly justifiable tax was yet to be invented he has fallen back on what appeared to him to be the least objectionable. So long as the justification of a policy of rapid prohibition is not challenged, the only alternative open to critics is either to acquiesce in the general line taken by the Finance Minister or to suggest a less objectionable set of taxes than what he proposes to levy.

The opposition that is now offered to the prohibition policy was very weak, if it was not altogether absent, before the financial implications

of the policy were known. The first line of attack must therefore be on prohibition at a jump and not on consequential taxation. If for reasons either of principle or of expediency the public choose to tolerate this policy the financial consequences are bound to follow. In all conscience these are very grim indeed. The Finance Minister's references to the relative morality of taxes and to benefits created by prohibition were really too far-fetched. The single argument of capacity to pay would have justified his main levy, that on urban property. The principle of this tax is indeed sound, and means can be found to see that the Bombay Corporation does not in fact lose its chance of enhancing the rates. The real criticism of this tax, apart from its being initially unnecessary if prohibition is not forced, is that it is too big a slice taken off one particular method of Capital investment. With a view to keep off the central Government from putting in a claim to Capital Levy, the Finance Minister has been at pains to show that the proposed property tax is not to fall on investment at all. The defence is both unnecessary and unfounded. There are two ways of taxing investment. You can tax either the rental or the capital value of property. In doing the former, the Provincial Government is well within its rights.

This constitutionality of the proposal is, however, no excuse for its economic disadvantages. There is a general tendency for the net profits of capital to be the same in all channels of investment. If one channel in one place is subjected to a high levy, there is bound to be a shift towards other places and channels of investment. Bombay and Ahmedabad are flourishing industrial towns, and yet they are experiencing serious competition from centres in other provinces and States. The relative burden on capital in Bombay presidency is bound to undermine the competing position of its industrial and commercial houses. In spite of the best intentions of Government and notwithstanding rent control acts, part of this burden is bound to be transferred to the tenants. If the 6½% sales tax on textile goods is also taken into account the burden on the urban resident and the textile consumer must be considered to be too heavy to be gulped at one operation. The increase in the electricity tax is free from most of these criticisms, especially as it is not to be collected from industries.

At the best of times taxation is a burdensome procedure, but if it is gradually introduced the economic system has a chance to get adjusted to the new situation by a number of imperceptible adjustments between buyers and sellers. A sudden levy of a large amount produces a disturbance which may have cumulative and far-reaching consequences. The Finance Minister throws out a promise that when the finances of the country as a whole are under Congress influence a restoration of the *status quo ante* may be thought of. He

also offers a hope that other provinces and States will co-operate in the policy of indirect taxation. But these are remote contingencies and the effects of the Bombay taxes will begin to work themselves out from the new year. It is very easy, as has been demonstrated by the experience of Bombay during the last fifteen years, to dislocate a centre of business. It is not so easy to restore it. The one sin that a Finance Minister must never commit is that of killing the goose that lays the golden egg. There is reason to believe that the new taxation on industry and property is so burdensome as to be fatal. The analogy between taxation of rural property and urban property is misleading. Agriculture is a method of subsistence and living, and moreover it has a certain sheltered and protected position in a nation's economy. House building in an industrial town is a mere commercial investment and unless it is comparable to other modes of investment it will not be undertaken at all. Not only will further construction be checked but the reduced expectation of profit on existing property will cause financial strain and uneasiness which will extend to the whole economy of the province, if no further.

4.

The creation of a separate department of rural development and the suggested legislation for debt redemption are steps in the approved direction. That the Government is fully awake to the constructive aspect of rural reconstruction is seen from the emphasis placed on education, cattle-breeding, dairying, co-operative and improved farming, and marketing and finance. The Finance Minister's statement that the adoption of a policy of economic development of the villages would pay the rayat far more than the gift to him of a small relief by way of reduction in land revenue is unexceptionable. If he succeeds in adhering to this view more tenaciously than he did to his declared reservations with regard to prohibition, it would be easier to contemplate the future of land revenue organisation in the presidency with a feeling of equanimity. Once, however, expectations for a large scale relief are roused, it is politically impossible to frustrate them. If our land revenue mechanism breaks along with the excise, an almost irreparable loss will be sustained by provincial finance. There are just grounds for initiating legislation curtailing, however gradually, the privileges enjoyed by vested interests and land. But if the Government proceed with land revenue in the way in which they have handled excise, they will come very near their declared goal of working the constitution to wreck it. Errors with regard to expenditure can be soon corrected, but those with regard to revenues are almost irreparable. It is to be hoped that in the interest of a stable and progressive government in the province discrimination and courage will be followed in due proportion.

The organisation for rural service outlined by the Finance Minister deserves to be cautiously studied. The provision of trained and full time village workers is an interesting and promising experiment which deserves to be tried as outlined by Government. The provision of a mixed official and non-official Committee of Supervision is also a sound one, if only care is taken to see that it is not packed by enthusiasts of any particular school. The creation of a separate office of Rural District Officer and of those of rural experts is, however, both unnecessary and undesirable. The existing organisation of district administration under the leadership of the Collector and his staff ought normally to supply the services now contemplated as the charge of the rural officer. Unless the intention of the present Ministry is to undermine the position and prestige of the erstwhile frame of government, it would be a fatal and costly mistake to duplicate administrative machinery in the districts, and especially to divorce beneficent from coercive functions.

Indian finance has been described as a gamble in rags. During the last few years it is also becoming a gamble in politics. As the ways of politicians, especially of those who now guide Indian politics, are inscrutable, we can only express hope that, while pursuing energetically the solution of the problem of Indian poverty, our Government will not impair by rash action the

efficacy of the instrument of public finance through which so much good can continuously be achieved. The regulation of forward markets, an extended sales and turn-over tax, an agricultural income tax and several other well-known imposts are at hand. Their use is conditioned by the urgency of the purpose and the readiness of public opinion. So long as right direction is assured, progress in this sphere ought to be steady and gradual. If it is true that industrialisation is the accepted goal of all, and if the same is to be achieved on existing foundations, a slower hastening than is revealed in the last budget is indicated. It is true that the Finance Minister has to take his objectives from his leaders inside and, as in India to-day, outside the cabinet. All the same the special position of the Finance Minister is generally accepted. He is the custodian not only of the financial policy of the Government of the day, but also of the economic welfare of the people under his charge. If he feels that the pursuit of a policy will impair for good the productivity of the Presidency's industry, it is his duty to resist the adoption of that policy. The new constitution makes a special provision for assuring an independent position to the Finance Minister who in loyalty to the people of the province ought to assert himself if the contrary course makes him responsible for ruinous policies.

D. G. KARVE.

C. P. RELIEF OF INDEBTEDNESS BILL.

THE main principle of the Bill is the scaling down of the principal of a debt at a scheduled percentage. The Debt Relief Court will re-open all transactions made 12 years before the last transaction or before 1st January 1932, whichever is earlier. It will ascertain the original principal and calculate interest at 7 p. c. on secured debts and 10 p. c. on unsecured debts. Excess payments under interest will be adjusted to principal. The court shall not award on account of arrears of interest a sum greater than the outstanding principal due. The principal amount shall also be reduced in the following manner. Debts incurred on or before 31st Dec. 1925 will be reduced by 30 p. c., debts incurred after 31-12-1925 and on or before 31st December 1929 will be reduced by 20 p. c., and debts incurred after 31st Dec. 1929 and on or before 31st Dec. 1931 by 10 p. c.

These provisions apply to agriculturists who earn their livelihood wholly or mainly from agriculture, or from rent or lease money from agricultural land, and also to agricultural labourers. Under the Debt Conciliation Act of 1933, debts of agricultural labourers may be conciliated by the Boards, as they come under the definition of debtors who earn their livelihood mainly by agriculture. This is made clearer in the new Bill by

specifying agricultural labourers as a definite group to whom the Bill will apply.

Debts which were reduced by conciliation measures under the C. P. Debt Conciliation Act are excluded from the scope of the present Bill. The main class of debts affecting a majority of agriculturists who are tenants of landholders, namely, rent debts are not capable of being reduced in any manner under the Bill. Rent debts in the C. P. are, in certain cases, no more than ordinary debts, as it is common among landholders to adjust all payments by a tenant to debts and allow rents to accumulate, as they can collect rents by a more severe coercive process than that of the civil court. Under the existing Act co-operative debts can be conciliated with the approval of the Registrar. These are excluded from the scope of the new Bill.

Again, debts due to companies having a hundred or more shareholders, and debts due to banks are excluded. The new Bill may give relief in certain cases but it does not provide for bringing down debts to the repaying capacity of a debtor. The sponsors of the Bill do not aim at redeeming a debtor from *all his debts*, but at giving partial relief to *all debtors*, whether such relief is really required by them or not.

The Bill excludes from its scope agriculturists whose debts are over Rs. 25,000. Such agriculturists may have their debts conciliated up to Rs. 50,000 by the debt boards under the present Act. Compulsory scaling down on a percentage basis can be justified only if it is applied to the average debts of average agriculturists. A further reduction in the maximum limit of debts, say up to Rs. 10,000, will minimise the evil of State assistance to the richer classes to the repudiation of debts which they could repay.

Some other provisions of the Bill also prevent the preparation of schemes for the liquidation of all the debts of a debtor. When a debtor applies to a Debt Relief Court, he is also to apply to the other courts to stay proceedings. But if in a suit the issues have been settled, or evidence has been recorded before a court of small causes, or an order of adjudication has been passed in insolvency proceedings, the debtor is prohibited from applying for a stay of proceedings in those cases. All debts covered by suits which are not stayed by the courts will get excluded under the scope of the Act.

According to the C. P. Reduction of Interests Act, 1936, even decrees may be revised and interest calculated at a scheduled percentage from 1-1-1932. The relief granted in the case of debts due under decrees in the depression period is not available to this class of debts before 1-1-1932, as proceedings would not be stayed by the courts in such suits.

Under the Bill, a creditor is allowed to rebut the statement of a debtor that he is unable to pay his debts. If the creditor proves his statement, the application of the debtor will be rejected. Under this clause, another group of debts will get excluded. Further, a debtor may be able to pay certain debts, but he may dispute the amount. Such cases are excluded from being settled by the Relief Court, as only those who are unable to pay their debts can apply. Again, appeal is provided for on certain grounds from the Debt Relief Court to the District Judge. The existence of appeal powers will prove a deterrent against the free use of the Relief Courts by debtors. It is also possible that the relief obtained may be nullified in the appeal. The Deccan Agriculturists' Relief Act provided in the early days of its working for review and inspection by a special judge and prohibited appeals in certain suits. The existing Debt Conciliation Act of 1933 bars all appeals or revisions, and the appearance of lawyers before the board. The recent Bombay Bill, 1939, permits appeals in the case of awards of over Rs. 1,000. The C. P. Bill will prevent debtors who are unable to defend themselves in appeal from taking advantage of its provisions. And as it has not prohibited the appearance of lawyers before the courts, debtors too will have to engage lawyers to defend their interests. This, again, will be a serious impediment to a wide

use of the Relief Courts for obtaining the relief provided in the Bill.

It should also be noted that no relief could be granted under principal to debts incurred after 1-1-1932. The Debt Conciliation Act of 1933 has no such prohibition and any debt may be brought down to the level of the paying capacity of a debtor with the consent of a certain percentage of creditors.

One is doubtful whether a compulsory scaling down of debts will really give more relief than the process of amicable settlement. The recent Government Review on the working of debt conciliation boards for the year 1937 says:

The remission secured was 54 p. c. of the demand. The highest percentage of remission in some individual cases is as much as 64 p. c. In Berar where debts are generally secured, the proportion of remission was smaller than in the C. P., involving a remission of 43 p. c. of the demand.

A percentage reduction under the principal proposed in the new Bill is certainly less than what debt settlement boards have so far achieved. The above statement gives the average remission. It must be more in deserving cases. When the average for all classes put together is itself high, the average remission in respect of the small holders and insolvents must be naturally higher. The small agriculturist has little hope of an adjustment of all his debts under the Bill. In fact, the limitation of the period proposed for re-opening an account to twelve years will prove a serious handicap in determining the original principal in renewed bonds.

The introduction of compulsion will shut out the possibility of greater relief being agreed to by a creditor than what is prescribed in law. The officers under the debt conciliation boards have always tried and mostly succeeded in leaving some property to the debtor in the settlement of debts. This kind of relief which should form part of any scheme whose object is to help a debtor to restart his life free from any debt is totally absent in the new Bill.

The provisions for settlement of debts do not invest the Relief Courts or the Revenue officers with any large powers for the purpose. Debts may be adjusted by a transfer of the property where a debtor is *willing* to do so. The court may transfer the property where a debtor fails to complete a transfer having once agreed to it. But where a debtor does not agree to a transfer, the only penalty which a court can award is that of levying interest on instalments at rates not exceeding those mentioned in the schedule. The utility of this provision which only increases the payment that is to be made by a debtor is rather doubtful. It defeats the very purpose of scaling down debts. A better procedure would be to empower the court to adjust the debts due either by letting lands for rent, or by selling them, or by granting instalments, or by other ways.

The proposal in the Bill allowing interest on defaulted instalments at 3 p. c. in the case of secured debts and 4 p. c. for in the case of unsecured debts, and the provision for suspension of instalments during years of suspension of land revenue or rent are the special features of the new Bill. The Bill provides also for recoveries of instalments by the Deputy Commissioner, and for taking execution proceedings by the creditor, where the instalment is certified as irrecoverable, or where two consecutive instalments are in arrears. The fees to be paid by a creditor, which will be added to the instalments payable under the scheme by the debtor, is fixed at one-fifth of the usual court fees.

It is surprising why, while the statement of objects and reasons attached to the Bill mentions the loss in the court fees as the reason for this levy, the same fee has not been fixed on a graded scale, reducing it to the minimum in respect of smaller amounts of claims on poorer agriculturists. It is surprising too that there is not a single member in the select committee who has urged for a lowering of the limit of debts which will come under the scope of the Bill; but on the other hand, all the seven members who have written minutes of dissent have urged for raising the pecuniary limit of jurisdiction of the courts.

"FOLLOW IN THE NOBLE FOOTSTEPS OF U. K."

THE businessmen's survey of economic and political events has a special significance inasmuch as businessmen have a very general reputation for level-headedness. In Great Britain the periodical reviews of well-known business houses are scrutinised with interest both by the press and other publicists. In India the number of such publications is very limited though it is latterly showing a welcome tendency to grow. The Annual Market Review of Messrs. Premchand Roychand & Sons of Bombay is now a well-established publication. Its survey of the financial and economic movements in India against the background of world events is extremely helpful. The recent issue of the Review, for 1938, is full of instructive material and should commend itself to all careful students of Indian economic movements.

The Review opens with a general introduction surveying movements in world finance. While the jingoism of Hitler's Germany is repudiated as a disturbing factor in world economy, the energy and success with which Germany has tackled its economic problems are recorded with satisfaction. This is a very typical and highly suggestive attitude. Businessmen have on the whole preferred dictatorship to democracy, at any rate to socialist democracy. The moral for India at its present critical stage is too obvious to be explicitly stated. The very abolition of unemploy-

ment from Germany and the increasing masses of physical production are taken to be indicative of prosperity. This, however, is a very superficial attitude. The unrestricted political authority of a dictator can always be relied upon to compel people to work, and its enthusiasm for warlike preparation can always be trusted to provide occasion for work. The prosperity of a nation is to be measured, however, not by its activity or idleness, but by its actual standard of living. If it could be made out that as a result of their condition of full employment and enhanced production the average standard of life of the people in Germany has gone up or that it has not suffered to the extent to which the standards in more democratically governed countries have been affected, there would be some justification for the feeling of approval with which totalitarian economies are frequently regarded by businessmen and others. Actually the standards in Germany have suffered woefully, and the least tenable claim of dictatorships of Germany and Italy is the one based on their superiority as an economic machine.

The limits to which a democratic constitution can be adjusted to altered needs of national economy are very favourably illustrated by the changing events of British economic history. Almost all the essential features of Nazi economy are being copied in England. The Anglo-American Trade Agreement is an impressive step in the direction of regulated and selective trade. By instituting export credits, co-operative export units and defensive funds British industry under the guidance of the British Government is taking all necessary steps to defend itself against attacks of totalitarian economies. The attempts of Germany to create an economic and political empire in South Eastern Europe may have far-reaching effects on the political and economic balance of the world. Great Britain is at present being guided by the belief that the nations concerned are resentful of German attempts. If, however, it is proved, as is not unlikely, that the Balkan nations consider it expedient to make their peace with Germany, British trade and finance will meet with a severe check. The political and economic prospect for the world is most uncertain and on the whole gloomy. Hence all countries, including India, will do well to make the best of their resources by concerted national effort and to exploit to the full the advantages of the internal market.

This swing-over to nationalism and regulation is the most striking event in recent British policy. The writer in the Market Review has been impressed by this tendency, and he exhorts us to follow where Britain leads. This is rather agreeably surprising. In the past all suggestions to regulate our foreign exchange and trade relations with a view to attain a given national objective have been frowned at by people for whom the Review may be taken to speak. The rate of

exchange is the most prominent case in point. The level of Indian prices continues to be exceptionally low, and the balance of trade steadily refuses to work up to a figure commensurate with the needs of meeting the normal foreign obligations of India. The support offered by gold export is at best a temporary one, and unless the currency authorities hope to borrow abroad or are materially helped by British official gold purchases the weakness of exchange will not vanish. In the meanwhile, the prices in the country continue to be too low by comparison with the costs of producers. The only rational and adequate remedy is to take steps to raise the price level.

The Review upholds the suggestion further to restrict our imports. This will perhaps raise prices of imported articles and their Indian substitutes. On a short term basis this may be considered to be an advantage to the manufacturing interest. But such a step will neither help the primary producer, nor will it create the needed surplus of exports, as these also will contract if imports are checked. What is significant in the new British policy is not only that imports are checked and foreign trade is canalised, but that the whole economy of the nation is put under public guidance with a view to achieve what are accepted as desirable ends. Prices, wages, profits, balance of trade are all made to conform to a scheme. Not only the rate of interest and tariffs, but the rate of exchange as well has been consciously controlled. Unless India does the same, her best economic interests will not be assured. It is encouraging to note that on this subject of the ratio the Review has travelled a good deal on the right path. We have no doubt that as further experience of Anglo-Indian as contrasted with British economy is brought home to him the author will see that nothing short of a planned and regulated industrialisation will meet the urgent needs of Indian economy.

The Review is sceptical of the prospects of growing superior cotton in India. It approves of the recent developments in the Indian sugar industry, both with regard to the price secured by the grower and the profits made by the factories. It is rather surprising that the consumer at whose cost both these are securing a socially created advantage passes without a mention. Without wishing ill to national industry it must be stated that the time has arrived to appraise the cost of industrialisation that the consumer and the tax-payer have to bear. Control should be exercised not only to secure a profit for the producer, but to see that no unjustifiable burden is placed on the community. Indian protectionism has not, unfortunately, as yet been examined with reference to this vital condition. The panicky section of investors here and abroad may take heart at the appreciative comments of Review on Congress Governments in the Provinces.

As usual the Review contains a large number of illustrative charts which exhibits the progress of finance and industry in a very instructive fashion. The sections bearing on bullion and exchange are naturally treated with a rare authority and competence. The Review will repay careful reading by all interested in the progress of Indian industry. As the pages of the Review are as broad as the typical League publications it is to be hoped that in bringing out the next year's number printing in two columns instead of one will be resorted to.

Reviews.

AUSTRALIA'S POLICY.

AUSTRALIA'S NATIONAL INTERESTS AND NATIONAL POLICY. By H. L. HARRIS. (Melbourne University Press.) 1938. 22cm. 155p. 5/-

ON the occasion of the second British Commonwealth Relations Conference of Sydney (September, 1938), the author prepared this useful book as a member of the Australian Institute of International Affairs, but the views expressed therein are those of an individual. Special sections deal with environment, population, migration, the standard of living, economic structure, overseas trade, financial policy and external affairs. The exposition is generally lucid and strengthened by statistical tables. In the opening chapter, the author discusses the interesting question: "Is there an Australian nation?" According to Mr. Harris the *federation* was a matter of amateur interest since the fifties. It became the objective of an agitation which in the eighties attained the dimensions of a popular movement. This was due to war scares in Europe and the French and German activities in the Pacific which "roused the colonists to a sense of common danger and made the strength of union more desirable than the freedom of separation." The Australian nation is merely 98 per cent. British and draws its stock of ideas and the standards of its culture from Britain.

But it is admitted, nevertheless, that Australia is a lonely outpost of Western civilization in a profoundly alien sea. "The acquisition of the mandated territories which once seemed to increase our safety have added to our vulnerability by bringing us close to Japan." This opinion of the author would be shared by many specially in view of the fact that Britain is too far from Australia to render easy succour. The total population is approaching 7,000,000 and, although predominantly British, is obliged to remember constantly that this colony of England and Europe is in the heart of the Pacific world inhabited by nations very different from the Europeans. A major crisis in the Pacific may disturb profoundly the political as well as the economic structure of Australia. That this is not sufficiently realised by most Australians is due to the fact that, for over a century, they enjoyed peace and security. But the turmoils of the post-war world have caused, here as elsewhere, rude awakenings, and realistic Australians are trying to guard their spirit against false securities. Her rigid doctrines of migrations have stood against the expansion and

flexibility of the human resources, so much so that India which guards the very life-line of Australia, is not permitted to send even desirable emigrants under some agreed "quota system". This was very ably pointed out by the Honourable Pandit H. N. Kunzru as leader of the Indian delegation to the Sydney Conference. A closer economic and cultural relation between India and Australia would, no doubt, be for our mutual benefit. But to work this out satisfactorily, the leaders of both the countries should arrange for quicker and wider co-operation and consultation within the British Commonwealth of Nations. Australian experts on their way to Great Britain or British Africa should make it convenient to visit India and, consult the Indian leaders. Indian merchants and students should be welcomed by the Australian Chambers of Commerce and Universities. In this way the isolated British Dominions of Australia and New Zealand would develop a sense of solidarity without which their spasmodic measures of strategic security may prove to be bad investments.

KALIDAS NAG.

RAM MOHUN ROY TO GOKHALE.

RISE AND GROWTH OF INDIAN LIBERALISM. By MAGANLAL A. BUCH. (The Author, Professor, Baroda College, Baroda.) 1938. 24cm. 329p. Rs. 10.

THIS is Dr. Buch's thesis for the Ph. D. degree in Political Science in the University of London, in the preparation of which Professor Laski was always one unflinching source of inspiration.

Dr. Buch has studied the subject in six parts in different proportions—(1) Introductory in 7 pages, (2) The Background in 20 pages, (3) Social and Cultural Transition in 17 pages, (4) Religious Liberalism in 44 pages, (5) Social Liberalism in 42 pages, and (6) Political and Economic Liberalism in 182 pages, in a book of 329 pages. References to authorities of conspicuous statements are collected at the back of the book, while an appendix (of lives of Raja Ram Mohun Roy, Ranade, the late Gaekwar of Baroda, Dadabhai Naoroji and Gokhale) and a bibliography of a few books are given at the end of the book.

In the introduction, Dr. Buch tells us that the main purpose of his thesis is: 'first, to analyse the thought of each one of the representative schools of thinking in modern India individually; secondly, to study the inter-relations of the different schools; thirdly, to view the thought as a whole; and fourthly, to fix, to assess the value of each of these schools, from the point of view of a broader and more detached philosophy of life;' (page 2), and that 'the proper method [of study] in this case is historical' (page 3). He adds (on pages 5 and 6) that 'two main schools stand out from 1833 to 1917. The first current may be broadly called Indian Liberalism. . . . Contrasted with this is a rival current of thought which may be called Indian Nationalism. It is also called revivalism.'

Describing the background, Dr. Buch places before us not less than four 'fundamental factors in Indian history'—biological, geographical, social, and philosophical and religious. He holds three institutions prominently before our eyes—namely castes, family, and village 'communities',—and deplors the disintegrating features of Hindu State and Society even in the presence of an enemy-power.

Then he proceeds to study the social and cultural transition between 1757 and 1885, for a century and a quarter of British Government of India more or less on their own responsibility. Dr. Buch finds only good in the lot of Indians between 1757 and 1857: they came under 'one single foreign power,' enjoyed 'the electrifying touch of an altogether different civilisation', and were 'culturally once more' a single people,—all as a result of a well-regulated government, a capable civil service, English education, and European type of industry and trade. It is not clear why he defined the scope of the study of this section as between 1757 and 1885 and yet stopped at 1857.

The first topic for real and earnest research is Religious Liberalism. The chapter opens with the following sentence: 'Hindu society had sunk to almost its lowest point during the eighteenth century'; and closes with an equally striking one: 'Protestantism had come with full blast in the religious sphere and later on in the social sphere; and with Protestantism . . . came the new democratic movement, basing itself on the principle of liberty, equality and fraternity, and demanding the fullest assertion for the hitherto submerged individual in every sphere of life.' The credit for this reformation is given wholly to Bengal which produced souls like Raja Ram Mohun Roy and Keshab Chunder Sen. Dr. Buch is happy that caste which is really Brahman-archy or rule of authority of the priests, playing havoc with women's lives and the 'untouchables' began to crumble under the joint attacks of English education, padre, the great Raja, and the Brahmo Samaj, and he is also glad that religious liberty sowed the seeds of political liberty as in Europe. The whole of section 12, filling 14 pages is devoted to an ecstatic treatment of this isolated theme. There is not a word about, for instance, the Ramakrishna Mission.

Dr. Buch's research proceeds to the study of Social Liberalism at the next stage. He admires the work of Ranade, Telang, Chandavarkar, and Malabari in Bombay for the reform of Indian society, and adds that 'the leadership of this movement undoubtedly belongs to Mahadev Govind Ranade' and that 'the greatest name in the reform party is that of H. H. Sayaji Rao Gaekwar of Baroda.' The 'greatest' defect of Hindu society was the 'tyranny of custom'; the 'greatest' obstacle to reform was 'caste'; and the 'fundamental problem facing the social reformer was the position of women in Hindu society' and allied with it the custom of 'infant marriage'. Dr. Buch thinks that reform should be slow and conservative by means of education and legislation and that social reform should proceed simultaneously with political reform. There is no account of reforms or any constructive work, after elaborate statements of the problems.

Political Liberalism which seems to include Economic liberalism is the third and final—and perhaps favourite—topic of Dr. Buch's research, occupying more than half of the book. The method of study is changed; it is no longer the biographies of great men who were ardent and aggressive types of reformers. On the contrary the learned author takes us through a history of an English bureaucracy creating a divine discontent and urging intelligent men and women of India to come forward to give a helping hand not in the positive reconstruction but in the remedy of their national grievances. Leaders of this period are not born but made in Universities, and they are bound by Government to work collectively

through *ad hoc* institutions and to agitate or ask Government for favours by constitutional means. Unfortunately, Dr. Buch is not quite clear in his method of research. The sum and substance of his writing is that it was moderation in thought, word, and deed that won for India all reforms in administration, economic life and constitutional liberty from the unwilling and even prejudiced Britisher between 1857 and 1917. Public men of these times were intellectual giants and men of character. Sinking all personal, provincial and religious differences, they united in the common cause of an all-round national progress, and the Indian National Congress which they started in 1885 was a model of an organisation for patriotic service until the extremists captured it lately.

Dr. Buch's objective is not merely to recount the struggle for political and economic freedom under the aegis of Indian National Congress, but also to establish two important facts, namely (1) that principles of political and economic liberalism were evolved only in the course of the development of the Congress and (2) that, of all men associated with that great institution, Gokhale and the late Gaekwar of Baroda were the greatest. There is no doubt that Dr. Buch has succeeded in this task. His 'general survey' from page 302 to page 329 is a summary of the history of the principles of Indian liberals, which may be read somewhat usefully.

The subject on which Dr. Buch has written is a great one. No one has so far studied it in detail, although many will do so hereafter. Unfortunately, Dr. Buch is not the kind of student fit to undertake this responsible work. He leaves an impression that he selected the thesis, not for the academic discipline of a doctor's degree, but for the sad fact that 'the Indian Liberals are a much-neglected and much-abused party to-day and

are condemned by the average man in India as a body of sycophants and self-seekers' (page 302). Secondly, Dr. Buch's knowledge of Indian history is full of errors; e. g., he ought to have known that the Regulating Act was passed in 1773 and that the Indian Universities were first established in 1857, instead of in 1774 and 1854 respectively. Lord Lytton was Governor-general before Lord Ripon. Thirdly, his style is that of a platform-orator. There is no precision, clarity, and ease in it. The ideas contained in the book are just enough for an essay or pamphlet. Fourthly, there is an unpardonable carelessness in the references to proper names generally while there is an uncommon appellation of His Excellency to the present Dewan of Baroda, in the preface. Fifthly, the bibliography and foot-notes do not do justice to European authors and their points of view, a few quotations are forced or themselves the quotations of other writers, chapters and sections are not logical, and there is no sense of proportion between either one form of liberalism and another or between a great fact and a small one. Dr. Buch starts with nothing but prejudice against the British—things and men—and closes with an admiration for them. He appears to be a liberal by profession, but there is no doubt that he is a radical at heart. The grand purpose with which he writes the book (described above) has not been at all fulfilled; on the contrary the author is lost in the maze of his scheme. The key to his failure is found in the multiplicity of his personal interests, viz. Principles of Hindu Ethics, Economic Life in Ancient India, Spirit of Ancient Hindu Culture, Philosophy of Shankara, Zoroastrian Ethics, Constitutional History of India and Ethics of the Koran, upon all of which Dr. Buch has written as notified on the page facing the title inside the cover of the book.

K. N. V. SASTRI.

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