

The Servant of India

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Topics of the Week.

The Late Dr. Abbott's Bequests.

THE great love that the late Rev. Dr. Justin E. Abbott cherished for India and, in particular, the Maharastra is shown by the bequests he made to several institutions in India in his last will and testament. The beneficiaries include several institutions in Poona and among them, the Servants of India Society to which he left \$1,000. The fact that his property has since depreciated in value and the beneficiaries can expect no more than 40 per cent. of the bequests does not in the least affect our appreciation of the large-hearted and generous character of the late Mr. Abbott.

The habit of bequeathing property to public institutions deserves to grow in India, where it is not so strong as in some western countries. The reasons are partly religious and deeply engage the religious faith of the people. The belief that the obsequies and annual ceremonies performed by sons will save the souls of the departed from purgatory and secure for them peace and happiness and a place in heaven is a powerful motive with Hindus who, even if they have no sons, will adopt them and leave them their property. There is then the equally strong desire for the perpetuation of the family line, which also leads to adoption of sons and the bequest of property to them. There is reason to believe that these forces of orthodox belief are gradually weakening in modern times and that public institutions for social service of one kind or another will share increasingly in bequests.

New Rupee Loan.

WITHIN two months of the issue of the 5½ per cent. loan, 1938-40, the Government of India has issued another 5 per cent. loan, 1940-43. This is a very unusual proceeding, but there is ample justification for it. The loan is intended not to secure money so much as to obtain favourable rates for the conversion of loans which will soon mature, and the

circumstances now are particularly propitious for a new issue. The wonderful success of the great conversion scheme of the British Government has been a powerful influence in pushing up the prices of the Government of India securities and this is undoubtedly a very favourable moment for conducting conversion operations so that the interest charges on Government's indebtedness may be lessened. The loan is offered at Rs. 98 and special concessions are given to those who will tender 5 per cent. bonds, 1933, or 6 per cent. bonds, 1933-36. Allowing for the discount of Rs. 2, the yield on the present loan may be said to work out roughly at 5¼ per cent. Although this is lower than that on the loan issued in June last, the terms of this loan are much too generous in the present altered circumstances. The Government could have and ought to have taken the fullest advantage of the considerable improvement of the giltedge market that has now taken place. This they certainly have not done.

* * *

European Diehards.

THE All-India Council of the European Association has once again shown its cloven foot when it recently met in Calcutta and expressed itself on the political situation. It may be the misfortune of the Council that hardly any publicist of any importance in India takes seriously its profession that "the Association has through its representatives given the fullest and most active co-operation in the working out of the principles and details of constitutional reform at every stage and is prepared to continue that co-operation and to work with all those parties and communities that are striving for constitutional advance by constitutional means." This is but a stalking horse for the real operative part of the Council's contribution, which is that, in view of the civil disobedience campaign of the Congress and murder campaign of the terrorists, co-operation was wanting and that therefore "the Association is strongly opposed to the introduction of responsible government in those provinces where such co-operation is absent and where the economic and financial conditions necessary for successful working do not exist." No province is free from one or other of the obstacles to responsible government enumerated by the Council and therefore not even provincial autonomy is possible. According to the Council all reform should wait till the Congress gives up its non-co-operation, the terrorists give up their murder campaign and the economic and financial conditions necessary for the successful working of responsible government, which, by the way, are not explained, should come into existence. We wonder if the Council thinks that the present political and economic conditions are good enough for the diarchical and autocratic system of government. The Council is not so foolish as not to realise that these conditions are themselves in a great measure due to the present system of government in

India and will not be removed until the system is itself changed. Political reform is the only cure for these ills, and those who are genuinely anxious to do away with them, should, in spite of their existence and because of their existence, hurry up with political reform. The patronising Pecksniffian benevolence of the Council of the European Association stinks in the nostrils.

* * *

Coastal Shipping.

IT appears that the British India Steam Navigation Company is engaged in a rate war against four small Indian steamship companies plying on the west coast of India and the Government of India have been appealed to for protection against unfair competition. If the complaint be true, it is hoped that the Government of India, in spite of other and more urgent preoccupations, will not fail to come to the rescue of the Indian shipping companies.

But it is not enough for the Indian companies to rest content with appealing to the Government without doing all that lies in their own power to rescue themselves from the extinction which they fear. The modern tendency is towards large combines and amalgamations. They alone can command resources to stand modern competition. The Indian companies will do well to consider whether they could not all combine into one big company and thereby be in a better position to withstand even the unfair competition of the B. I. S. N. Co., pending governmental action, which in the present circumstances is rather remote.

It is doubtful, however, if without nationalisation of the coastal shipping, the numerous Indian companies engaged in the coastal trade in India will ever combine if only to withstand unfair competition. In this respect India may well follow the latest example of nationalisation of coastal shipping. The Constantinople Correspondent of the London *Statist* recently reported that the Turkish Government decided to constitute a State shipping monopoly. Government propose to purchase all privately-owned ships and amalgamate them with State shipping for State administration. It will cover all transport of passengers, cattle and goods between all Turkish ports. In India such a step ought not to be difficult because in the matter of Railways public opinion is almost unanimously in favour of State management. The State management of shipping in the interests of the development of trade is but an extension of the system that has been accepted with regard to Railways.

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Indian Agent for Africa.

IN its leading article on the 22nd July, on the eve of the arrival in Mombasa of the new Agent of the Government of India in South Africa, the *Kenya Daily Mail* refers to a suggestion made in these columns some time ago that the Indian Agent in South Africa should have his jurisdiction extended to Eastern Africa. The *Mail* handsomely acknowledges that in all crises in Kenya the Government of India gave assistance readily and ungrudgingly, admits that if ever the Government of India were slow in taking action, it was the fault of the Indian community in Eastern Africa in not keeping them posted with information promptly, acknowledges that the experiment of stationing an Indian Agent in South Africa was a "fair success", admits that in the past it was opposed to the proposal that the Government should have an Indian Agent in Eastern Africa but now desires that the Government of India should be requested to have some official means of keeping themselves in close and intimate touch with affairs in

Eastern Africa and supports the suggestion that the Indian Agent in South Africa should be entrusted with that task. We hope the Government of India will take note of the request.

The Agent in South Africa should be the protector of Indian interests in all the countries along the Eastern coast of Africa, including Portuguese East Africa and the Rhodesias. An annual visit to each of the countries will most probably be sufficient; but if occasion demands, the Agent may pay more frequent visits. In view of the air mail service between South and Eastern Africa the journeys will be much quicker, and no part will be beyond efficient touch.

* * *

Indian Unemployment in Natal.

TWO problems stand out from among the many that face Kunwar Maharaj Singh, the new Agent of the Government of India in South Africa: unemployment among the Indians in Natal and the operation of the Asiatic Land Tenure Act in the Transvaal. The first became acute in the time of the last Agent, Sir K. V. Reddy, who promptly organised steps for relief. Soup kitchens have recently been opened for serving out free meals to the hungry. But the funds collected were inadequate and it appears many starving persons have had to be turned away. It is good news that the leading Indians were supporting the Relief Committee, and it is even more heartening that in Pietermaritzburg there was a public collection for the relief of the unemployed Indian in which both Indians and Europeans participated both as collectors and contributors. But that does not absolve the Union Government from its legitimate obligations towards the Indian unemployed. In its pursuit of the white labour policy, the Union Government is itself aggravating the volume of the unemployed among the Indians. Kunwar Maharaj Singh has lost no time in publicly drawing attention of the problem, and that it had neglected its duties to its Indian subjects. We hope his representations to the Union Government at Pretoria will meet with prompt and adequate response.

The best solution from every point of view, except the unreasoning prejudice of the whites in South Africa generally, is to throw open more land for cultivation to the Indians, either in Natal or in the other provinces. Indians of Natal make good agriculturists, and they are an asset to any country. Emigration is no doubt another solution. But emigration to India should be discouraged by every possible means. Unemployment in India is worse than in other countries and the immigrant from South Africa has other disabilities to face in India, like climate and social conditions, which are against him. Ceylon and Malaya are also out of the question. Thousands are returning to India by every boat because of unemployment. It is true that the second Cape Town Agreement provided for an investigation of countries suitable for Indian colonisation. But in the present universal economic depression, there is hardly a country which will afford a sanctuary for unemployed Indians.

* * *

The Reunion Offer.

THERE is the offer, however, from the Island of Reunion. The sugar planters of Reunion offered to take 2,000 Indians on contracts for two, three and five years. This is a proposition worth looking into. It is essential however to keep the following considerations in view before accepting the offer. The scheme should be approved by the Indian community in South Africa and by the Governments of the Union and of India. A commission consisting of the three

parties may well be asked to report on the conditions obtaining in the Island, and particularly, if there was need for more labour. The Indian labourer contracting for work in the Island should be free to take his family with him. The expenses of his transport, etc., should be met by the employers under a guarantee from the Government of Reunion. The labourers should not leave South Africa under the assisted emigration scheme, which will make it impossible for them to return to South Africa if they find their new abode unsuitable. But if, after the term of contract, they find their new surroundings agreeable and wish to settle down there, the bonus, which they would have got if they had taken advantage of the assisted emigration scheme, should be made available to them in order to enable them to settle down in the Island.

The acceptance of these conditions will ensure that Indian emigration to Reunion will not flood the local labour market and depress the wage level; it will make the Reunion Government responsible for the welfare of the Indian labourers; the Governments of India and the Union will be interested in seeing that the conditions under which Indian labour emigrants work are satisfactory, so satisfactory, indeed, that the emigrants will have no desire to return to South Africa; during the contract period the Indians will have time and opportunity to look about and make up their minds if they will ultimately settle down in the Island or return to South Africa; and in case they wish to do the former, the Union Government will help them with bonus money to settle down.

* * *

COMMUNALISM IN EXCELSIS.

THE Communal Award of His Majesty's Government, which was published yesterday, makes two things clear, that communal electorates stand, and that the Muslims in the Punjab are to have an effective communal majority. India has been torn in twain. The British Government has struck the deadliest blow to the growth of nationalism in India. The dream of the founders of the Indian National Congress and of a long succession of political reformers of evolving out of the heterogeneous peoples of India a united nation has been, if not completely shattered, at any rate postponed to a far distant future, thanks to the British Government. That is the crowning achievement of British Raj in India.

Let us first examine the two escapes from the lamentable solution proposed in the Award. In the first place, it is stated that, should the communities in India reach an agreement before the present Award is embodied in the Constitution, Government would be prepared to give it preference. That is a vain hope. The difficulty in the way of reaching an agreement has largely been due to the consciousness of one party that they have "friends in the jury". The second escape is the intention of the Government to insert provisions in the Constitution for the amendment of the electoral arrangements after ten years. Even this is a vain hope. It has been said again and again that separate electorates for Muslims were a "privilege". The Government of India in their Despatch of 1930 on the

The Transvaal Act.

THE second problem which faces the new Agent is even more difficult to deal with. Under Sec. 6 of the Transvaal Asiatic Land Tenure Act Indians, who are in illegal occupation of or in residence on prohibited land, have been invited to intimate the fact to the Government. In fact, all those who are not absolutely certain of being protected by the Act of 1919 have been advised to declare themselves. The operation of the Act has brought to a head the opposition to it and certain leaders have been making passionate appeals to the community to embark on civil disobedience. On the merits of the question, there cannot be any doubt that the Act is unwelcome inasmuch as for the first time it seeks to render effective the segregation law of the Transvaal, which was never accepted by Indians and which has hitherto been often evaded. At the same time, it is also true that the Act will render secure the occupation and residence, such as it will allow, which hitherto had been open to question by anybody. While the acceptance of the Act will protect some of the vested interests of Indians, it will commit them also to the acceptance of the segregation principle. No wonder the spirited among the Indians refuse to accept the Act and advocate non-cooperation. While we sympathise with their feeling, we must deprecate their advocacy. For one thing, the Government of India have acquiesced in the Act and cannot now oppose it. Without the moral backing of the Government of India the agitation in South Africa will be greatly handicapped, and in such an enterprise failure is worse than defeat. On practical grounds, therefore, we urge the Indians in the Transvaal to submit to the Act, make the best of it and hope for better times.

Reforms observed that "the privilege which they now possess cannot and should not be taken away from the Muslim community against their wish." To give a community a privileged position and promise not to take it away without their consent, and still to hope that it will ever be removed is an optimism for which there is not much warrant. Elimination of privileges has always been due to the pressure of communities other than the privileged one and against its wish. The hope, therefore, that the present Award is a temporary accommodation to a necessary evil and that in course of time it will be replaced by a system more in consonance with requirements of nationalism and of responsible government is without foundation. The wrong done now will persist and become a permanent feature of the Indian polity.

In the Award the Government have extended separate electorates to communities which have resisted them. The Indian Christian community is an instance in point. At conference after conference the Indian Christian community have denounced separate electorates. The Simon Commission itself was impressed by this attitude and therefore recommended the reservation of seats on common electorates for Indian Christians. The Award thrusts separate electorates on them. Another class which resented any kind of special or separate constituencies is women. In the most unequivocal and spirited manner they have spurned these "privileges", and

yet the Award forces communal representation on women. It is the unkindest cut of all

The surrender to the communal Muslims is complete. Communal electorates stand. It is true that Muslims are not given a statutory majority in the Punjab. But it has been so arranged that they should have an effective majority by the manipulation of special constituencies. Notwithstanding that no final decision has been announced regarding the separation of Sind, it is fairly clear that it will be separated and constituted into a new province, finance or no finance. It has been made perfectly clear by two Government committees that Sind cannot finance itself, and the pretence that the question of the separation of Sind is pending a review of federal finance is, to say the least, disingenuous.

The tragedy of it all is that this rivetting of communal electorates on unhappy India occurs at a time when, apart from Nationalist Muslims, other Muslims have shown a distinct move towards joint electorates. The latest instance is the Municipal Bill now under discussion in the Bengal Legislative Council. It appears that the present Acting Governor of the Punjab, H. E. Sikandar Hyat Khan, had himself suggested joint electorates under certain conditions for the Punjab. Instead of taking advantage of all the forces in favour of a national solution, and furthering them by their own influence, the Government have supported the worst claims of communalism. They have not even set an absolute time limit to separate electorates as they have done in the case of special electorates for the Depressed Classes. There is no provision made for members of communities who are opposed to communal electorates. Dr. M. A. Ansari must vote Muslim or go without the vote. The Nationalist is actually penalised.

The decision to include the Depressed Classes in the general electorate is a wise step. But it is counterbalanced by the vicious system of a supplementary communal electorate. It would have been far better if seats had been reserved for them in the joint electorates. Under the system mentioned in the Award the special electorate will draw more attention than the general, and the Depressed Classes will have the disadvantages of both. While in the general electorate they will be able to influence the candidates to the Council, they themselves will have very little chance of being returned because of their alternative avenue of entry to the Councils; and under the separate electorates the worst segregationists will be returned instead of those who would eliminate segregation.

The only bright spot in the whole Award is the representation of Labour. It is to be non-communal.

EMPIRE'S MONETARY POLICY.

THE outcome of the discussions on currency and monetary policy in the Imperial Economic Conference at Ottawa is the setting by the Dominion Governments of a seal of approval on the policy that is now in force in Great Britain and a promise on their part to offer their co-operation in

making its operation successful in the whole Empire. This is a very satisfactory result so far as it goes, but this inter-imperial co-operation can only be a preliminary to similar international action being decided upon at the Conference which is going to be held in London. Only then will the world's trade recovery be possible.

The British Government's present monetary policy (to quote the statement in the latest issue of the Midland Bank's Monthly Review) is threefold: "first, to maintain, by the provision of cheap and plentiful money, the technical conditions for a substantial rise in the general level of wholesale commodity prices in terms of sterling; secondly, to eliminate as far as possible wide and rapid fluctuations in the gold exchange value of sterling, particularly those due to speculation and capital flights this way or that, while allowing exchange rates in the longer run to adjust themselves to altered price-level relationships; and, thirdly, (in the indefinite future, when the mists have rolled away) to effect final stabilization of the pound" at a revalorised parity. The first object of establishing easy money conditions is being carried out in Great Britain by means of the usual devices of lowering the discount rate and resorting to open market operations; the second one of ironing out short-term fluctuations in the exchange value of the pound by instituting an Exchange Equalisation Fund of £150 million; and the third by keeping the pound down and not being in too great a hurry to return to the gold standard. Mr. Baldwin thus described the British policy recently in the House of Commons: "We do not want the exchange value of the pound to rise, and we do definitely want a rise in wholesale prices. At the same time, I should dread any running away of retail prices. . . . A definite rise in wholesale prices and a substantial lag in the rise in retail prices would be the best thing for the people of this country. . . . We have no intention of returning to gold as long as gold behaves itself as it is behaving. . . . The policy adopted by the monetary authorities in this country has recently been one of cheap money and an abundant supply of money, which will produce an effect on the prices in the long run. I am not at all sure that some, at any rate, of the Dominions would not find a plank here on which they might take their stand, but that time will show." Mr. Baldwin said this just before leaving for Ottawa, and the statement now issued by the Ottawa Conference shows that his anticipations have been entirely fulfilled, for all the essential features of the British policy on monetary affairs have now been endorsed and will apparently be adopted by the Dominions.

To what level wholesale prices are to be raised in Great Britain has never been officially declared by the British Government; nor does the Ottawa Conference's statement make it clear what increase will be aimed at in the Dominions. But those financial experts whose advice is being followed insist that trade revival requires restoration of prices to the level of 1928-29. For at that time industry was being

carried on on a reasonably remunerative basis, but since then prices of commodities have fallen though at the same time costs have risen, with the result that world trade has decayed and industry is paralysed. It is estimated that the drop in wholesale prices since 1928 has been nearly 30 per cent.; and the real burden of debts and fixed charges of all kinds has undergone a similar increase. The wage-bill, which is not a fixed item, has however come down only 3.5 per cent. in the interval. A situation has therefore arisen in which it has become impossible to produce at a profit. It is therefore the general consensus of opinion among industrialists that a rise of 30 per cent. in the present level of wholesale commodity prices is necessary in order to make it possible for industry once again to earn a fair profit. This does not mean that a corresponding rise in retail prices is also the objective of the British Government's policy. Since 1928 retail prices have fallen only 11.5 per cent., which shows that retail prices often take a long time to reach the level of wholesale prices; and the British Government's deliberate aim on the contrary is, as Mr. Baldwin has declared, to lengthen this period as much as possible.

The ultimate aim of the British Government is then, apparently, to reflate in co-operation with the U. S. and France, who have impounded two-thirds of the world's supply of gold, to the level of gold prices which were current in 1928-29. This can only be done by concerted action amongst the nations of the world. The Macmillan Committee laid down the raising of the international price level as the objective which the British Government should place before itself. They said:

"To allow prices to be stabilised at approximately their present level would be a serious disaster for all countries of the world alike; and the avoidance of such an event should be the prime object of international statesmanship. Our objective should be, so far as it lies within the power of this country, to influence the international price level, first of all to raise prices a long way above the present level and then to maintain them at the level thus reached with such stability as can be managed. We recommend that this objective be accepted as the guiding aim of the monetary policy of this country."

The Committee reported in June last year, when England was on the gold standard, and there was of course no question then of England setting up a price level for itself apart from that prevailing in the world. Eventually it is necessary that the whole world should join in stabilising prices at the level of 1928-29 if this policy is to succeed. But before that becomes possible, there is no reason why the countries that have abandoned the gold standard should not make an attempt, following the policy recommended by the Macmillan Committee, to stabilise prices in their own currencies and, sterling being by far the most important of these currencies, to stabilise prices in sterling. So far from jeopardising the possibility of an international agreement over a wider field, with the U. S. brought in, if we can get a stable sterling area first it will facilitate the achievement of the wider agreement. The countries whose currencies are legally linked up to sterling or who prefer to keep their currencies on a par with sterling are not

confined to the British Empire. The "sterling area" includes several countries outside the Empire, as e. g. the Scandinavian countries; as Mr. Amery remarked some time ago, "something like 500 million people in the rest of the world were prepared to follow our example and attach themselves to a controlled sterling." "It enables us," he said, "once we control our own sterling, to follow a price level policy which for many purposes is as effective as making a world price, because whatever we do will be followed, as long as our policy is a reasonable one, by the other countries that adhere to sterling." Professor Gustav Cassel, in his memorandum of dissent from the Report from the League's Gold Delegation, is of the same opinion. He says:

"In the meantime (i. e. till the restoration of an international gold standard system), we have to make the best of our existing currencies. The countries off the gold standard have to secure the greatest possible stability for the internal purchasing power of their paper currencies. Before doing this, however, they must first raise their price level at least some half-way up to the price level of 1929. Thereafter, the stabilization should be carried out. In order to secure greatest possible stability to the exchanges between the paper currencies, it seems necessary that Great Britain should take the lead with the aim of creating a 'sterling group.' The different currencies of this group should be regulated so as to remain in a certain parity with sterling. Within such a 'sterling group,' it would be possible to develop a sound international trade of some stability."

The Imperial Economic Conference has approved of this policy, and if countries outside the Empire that have associated themselves with sterling also approve, the policy will be carried out over a very big section of the world indeed. But, of course, things must not stop there. It will not do to have the world divided into two groups, as Mr. Churchill said at the Royal Empire Society, "the sterling countries and the gold countries, between which very little commerce would be possible." The circle must be completed at the London Conference, and all the nations must adopt the policy by general agreement.

IMPERIAL PREFERENCE.

III.

THE tariff system of India is very peculiarly constituted. It was till only a few years ago an entirely revenue producing system. The customs duties were low and more or less uniform and there was never the least intention of sheltering any occupation or industry. During the War years it became necessary to begin raising this low tariff wall, still for revenue purposes only. It has only been since the imposition of the duties on iron and steel in 1924 that the avowedly protective element has entered into our tariff. Since that date the tariff has kept steadily mounting up on account both of protective and revenue needs. Even before 1924 the revenue duties were sometimes so high as to have a virtually protective effect, as was discovered in the case of the duty on imported matches. To-day, especially because of the latest surcharges, the scale of import duties imposed for revenue purposes in India stands very high indeed. Sir George Schuster in his last budget speech has made clear his conviction

that at a pinch it is the indirect taxes, amongst them chiefly the customs, on which the Central Government in India must always fall back. And even in more normal times customs will long continue to be one of the main pillars of central finances. This is a feature of the Indian situation which cannot be ignored in a consideration of the question of Imperial Preference. The protective policy officially adopted in India has also certain peculiarities. It has been called "discriminating protection", the discrimination being aided by the enquiries of a Tariff Board and being made clear in the tariff system by an avowed attempt to put the duties at the lowest point compatible with the grant of a minimum measure of protection and being imposed for a short term of years at a time only. Finally it has to be remembered that the Indian consumer is extremely poor and already very heavily taxed and, therefore, whether in levying a tariff or a revenue duty the greatest possible moderation has to be exercised. These features of the Indian fiscal system have considerable influence on the issue of Imperial Preference.

The trade of India with Empire countries other than U. K. is insignificant. From Canada we import motor vehicles to some extent and export to it gunny cloth and tea; from Australia we have during the post-war period received large consignments of wheat during certain years and we have a regular export trade with it in jute bags and cloth; from South Africa we buy a little coal and sell to it jute manufactures and rice. The total extent of this trade is small and there is obviously no reason to contemplate the possibility of preferences in this trade. With U. K., however, the case stands entirely otherwise. That country has played the most important part in our foreign trade for more than 100 years and even though of late its share of both Indian exports and imports has been steadily declining it is still very much larger than that of any other single country in the world. It is primarily in relation to U. K. trade that the details of possible preferences must be looked into. To begin with the imports, India buys in considerable quantities a very large variety of manufactured commodities from U. K. We give below a list of the most important of these commodities with the average value (in crore Rs.) of their imports for the last 3 years for which detailed analysed tables are available, i. e. 1928-29, 1929-30 and 1930-31:—

Cotton Piecegoods	...	31
Machinery and Millwork	...	13
Iron and Steel	...	8.6
Cotton Twist and Yarn	...	2.6
Instruments and Apparatus	...	2.8
Provisions	...	2.2
Tobacco	...	1.9
Liquors	...	2.1
Hardware	...	1.7
Motor Cars and Motor Cycles	...	1.4
Chemicals	...	1.5
Soap	...	1.3
Woollen Manufactures	...	1.2
Paper and Pasteboard	...	1.0

Among the more important imports into India it is only in the case of sugar, mineral oil and silk that U. K. has no considerable share of trade. It is, however, a fact that during the post-War decade U. K. has lost to a large extent the overwhelmingly dominant position in almost all lines of imports that it held in 1913-14. While in that year 63.4 p.c. of the total Indian imports were of U. K. origin, the percentage was only 37.2 in 1930-31. 1930-31 was, of course, an entirely abnormal year, but even during the four or five years preceding it this percentage fluctuated round about 45. The decline has been very prominent in cotton manufactures where Japan has gained enormously at the expense of U. K.; but it is also evident in a more or less marked degree in other groups of imports. There are some groups such as liquors, machinery and iron and steel in which the decline in the percentage share of U. K. has been small. There are others, on the other hand, like motor vehicles, paper and pasteboard and hardware in which it has been extremely marked. It would require a detailed knowledge of the markets and a separate investigation into each of the various lines in the import groups in which there have been losses, to determine the extent to which preference in India can help the U. K. manufacturers. It is not possible for us to do this, neither is it necessary to go into these details for the purpose in hand. India has already afforded during the last few years special preferences to a small extent to British cotton manufactures and to a considerable extent to British iron and steel. It is clear that these preferences are helping British manufacturers, and their extension to other commodities or the enlarging of the preferences already obtaining may no doubt increase the benefits obtained by the British. Two most important import groups enjoy preference at present and if negotiations are opened the U. K. manufacturers may suggest such extensions of this principle as they desire and we would be in a position to discuss whether they could be granted without harming the interests of the Indian industrialist or unduly taxing the consumer.

Apart from details, however, there is an important question of principle underlying the grant of preferences which needs at this stage to be considered. The theoretical justification for preferential treatment of the imports of a particular country is based on considerations analogous to that of the "infant industry" argument. If U. K., let us suppose, supplies three-quarters of a particular commodity to India in competition with other countries a special increase of duties on the competing imports will lay an additional burden on the consumers and give an advantage to U. K. industries. This would be justified if the assured and increased market afforded by the preferential treatment enables U. K. producers so to increase their scale of operations or reduce, in other ways, their cost of production as ultimately to market the commodity in question at a price in which the additional preference duty does not enter. A preferential duty like any other type of hindrance

deflects trade from its natural channels. Such a deflection in favour of any country, whom you desire to benefit on account of special considerations, would be justified only if it meant a temporary additional burden to the consumers. It can never be justified if the burden is to be permanent. If any preference that we grant only succeeds in raising somewhat the share of U. K. in our imports without leading to a decrease in the cost of production and the consumers' price later on, it means a permanent measure of indirect taxation. This is what we can hardly contemplate, as we do not want to allow it even in the case of our own industrialists. The preferences granted in the imports of cotton manufactures and iron and steel take account of the fact that in certain types of products the British manufacturer enjoys almost a monopoly of the market in India. As explained by the Tariff Board in its report on the grant of protection to the iron and steel industry and by all Government spokesmen during the course of the Cotton Industry Protection Bill (1930), the distinction between goods of British and non-British origin was introduced not at all to favour the British manufacturer but merely to manage to tax the Indian consumer the least. The continental steel products and Japanese yarn and piece-goods competed over a wide range directly with the products of Indian industry, while in both cases the British imports were of a type apart. The grant of adequate protection in these cases necessitated, therefore, the special taxation of non-British goods only. An equal duty on British goods would have meant an unnecessary burden on the consumers thereof and they were on that account allowed to come in on the payment of only a revenue duty. The preferential treatment of British cotton manufactures and iron and steel has been introduced because of this peculiar position in the market that, it is said, they enjoy. The important theoretical consideration mentioned above makes it clear that we could not extend preference to commodities which are not already in a similar position or which could easily attain it with the help of preferential treatment. It is thus obvious that the field of possible preferences that India could grant is extremely narrow.

D. R. GADGIL.

Our London Letter.

(From our Correspondent.)

(BY AIR MAIL.)

LONDON, 6th August.

UPON RECONSIDERATION.

IT is a trite saying that second thoughts are best. One sometimes wonders why they were not thought of first! I have an idea that someone once described a Government tersely as the stupidest thing on earth. If no-one is the author of the aphorism, let me be the first to claim credit for it.

For some time it has been apparent that high circles at Simla have felt most uncomfortable at the consequences of the change of policy announced by Sir Samuel Hoare in Parliament nearly six weeks

ago. His appearance at the Treasury box was accompanied by nonchalance and aplomb. His manner was airy and confident. He was sure of himself, and certain that what the Government had decided was all for the best and should be unquestioningly accepted by the Moderate leaders, who had hitherto tendered their cooperation in spite of grave provocation and neglect. That, however, is not quite correct; for Sir Samuel, right at the end of his announcement to the House, repeated in the official statement issued simultaneously in India, allowed a little bit of uncertainty to appear as to the consequence of his declaration of policy, when he referred to the possibility of more formal methods of discussion in London becoming necessary in certain eventualities. He therefore ended on a note of interrogation, instead of one of assurance. Something had evidently happened in the interval between the first draft of the statement and the form in which it was made to the House and to the Indian people. What was it? Obviously, the interviews that some of the Moderate leaders had had with the Viceroy, when they were informed in cold blood of the nature of the decisions taken by His Majesty's Government, involving the destruction of the Round Table Conference and the Federal Structure Committee and the termination of the Conference method and spirit.

When next Sir Samuel addressed the House, on the 13th July, the resignation of the Moderate members of the Consultative Committee and the refusal of other distinguished Moderates to take their places had become known, and the jaunty self-assurance of the Secretary of State had some of the bloom knocked off it. He then made it clear that, though he still thought that the procedure already announced was the best that could be devised for the purposes that the Government had in view, he was not wedded to it, but that he looked to the Moderates or their friends here to get the Government out of their obvious embarrassment by suggesting better methods to that end.

In the meantime, inspired messages from Simla and Calcutta seemed to show that behind the curtain there was being prepared a new tableau that, when revealed, would display many, if not most, of the principal features of the old scene before the new policy had been announced for the delectation of the unwary. And during the last few days, there has been telegraphed the important statement of the Governor of Madras, showing that the gravest anxiety has preoccupied those who would have to face the consequences of the withdrawal of Moderate support, and who would not have the satisfaction, if any, of being able to rely upon Mr. Churchill's noisy, if relatively unimportant, cohorts for their encouragement and support.

To-day's "Times" contains an inspired statement carrying the matter a stage further. It was known that the Prime Minister had been giving the Indian situation his closest attention during the last fortnight, and that strong representations coming from quarters as well-informed as they were influential had been pouring in upon him, to the effect that the Indian situation had undergone a change very much for the worse since he had had the personal handling of affairs, and that, unless he attended to the matter himself without delay, the position might easily become irretrievable. I have very good reason to believe that, whatever form of language Lord Irwin might have been impelled to use after joining the Cabinet, he was certainly not deaf or blind to the facts that were brought to his notice, and it would be hard to believe that, with the memory of his own part in the proceedings that had led up to the establishment of the Round Table

Conference and the abandonment of the Simon Commission method of inviting Indians to participate in the task of constitution-making as mere assessors, he had not made it perfectly clear to the Prime Minister and his colleagues that the only conditions upon which he would be prepared to associate himself with the Cabinet's Indian policy would be that the Conference method and spirit would continue to be pursued to the end.

In those circumstances, therefore, it is easy to understand that, with the Prime Minister's close study of Indian events and further deliberation thereon by the Cabinet India Sub-Committee, yesterday's meeting of the Cabinet realised that some sort of reversion to the Round Table would be necessary, and, though the present inspired announcement is anticipatory in form, there is very little doubt that a decision in that sense will be taken in due course, especially as the Government have good reason to appreciate that they will not be able to do without a single friend, when, towards the end of this month, and after reference to the Government of India of its details, the Cabinet's decision on the communal question will be announced, and moderating influences will have to be brought energetically to bear, in order to counteract the effects of extremist agitation at either end, among those who are dissatisfied with the award. So the Government, having thought again, have thought better, and we may, if all goes well, hope to see at least the moderate leaders back here in the autumn, in the satisfactory position of having maintained the dignity, honour and prestige of India. They will doubtless come in for their proper share of criticism in Congress and other affiliated circles for their alleged backbonelessness in having submitted so easily to the blandishments of the tyrant. Mr. V. J. Patel, who has been taking unction to his soul, in a Reuter interview, on account of the withdrawal by the Moderates of co-operation, will certainly treat them with the same contempt as he professes for the fire-eating Maulana Shaukat Ali who, if report does not deceive, is intent on following the ex-President of the Assembly throughout America for the purpose of exposing him. But I imagine that the Moderate leaders will know exactly how much importance to attach to such criticism, and will be content to leave the weeping and wailing and gnashing of teeth to their opponents. If and when they should return here, they will doubtless have the wisdom to let by-gones be by-gones and will devote themselves whole-heartedly to the task of making as many friends for a wide extension of constitutional reform as possible. There is good reason to suppose that this task will not now be as formidable as it recently seemed to be. Lions in the path have a habit of turning tail in the face of determination on the part of those intending firmly to pursue it. They are really timid beasts!

INDIAN MEDICAL PRACTITIONERS' ASSOCIATION.

The Indian Medical Practitioners' Association of Great Britain and Ireland held its third annual dinner at the Comedy Restaurant under the Chairmanship of Dr. Gotla, the new President, on Sunday night. Among those present were the High Commissioner for India, Sir Mancherji Bhownaggee, Dr. Rao of Bombay, Mr. and Mrs. Brijlal Nehru, and the ex-dean of the Medical Faculty of Bombay. Mr. H. S. L. Polak proposed the toast of the Association, congratulated it on its very fine record of useful service, and urged Indian practitioners generally to become members of a body that included already so many devoted men who, by their skill, sympathy and care, had brought to many a British home a knowledge of Indian character and culture. He humorously recalled the fact that communal majorities

and minorities were unknown in the Association which included professional men, engaged in a dangerous trade, of all communities, except, perhaps, the depressed classes, who evidently were their patients. Dr. Pardhy suitably responded to the toast. To the toast of the guests, the High Commissioner, Sir Mancherji Bhownaggee and the ex-dean of the Bombay Medical Faculty replied, as did Mrs. Brijlal Nehru to that of "the Ladies." They heartily shared the sentiments towards the members of the Indian medical profession practising in this country expressed by the first speaker. The proceedings terminated with dancing.

THE MESSAGE OF THE PAST.

The International Congress of Prehistoric and Protohistoric Sciences has been holding its sessions this week at King's College, London, and notwithstanding that its proceedings deal with the ancient past, they have not been lacking in a certain interesting liveliness, due to differences of opinion among eminent anthropologists, ethnologists and archaeologists as to the inferences to be drawn from the facts revealed by excavation and research.

Before Section IV the Megalithic burials of the Deccan were discussed on Thursday, Dr. E. H. Hunt giving a general description of the tombs found in the State of Hyderabad. To date these is apparently difficult, for though iron objects were always found in them, the beginnings of the Iron Age in India had not yet been definitely traced. Mr. H. Balfour, of the Pitt-Rivers Museum, Oxford, described the pottery associated with the burials as very similar to that of Pre-Dynastic Egypt, while the beads were discussed by Mr. H. C. Beck, Prof. C. G. Seligman, and others. It seems clear that a great deal of further research in India must be done before final conclusions can be drawn as to the manner of men that lived in very ancient India.

Our Madras Letter.

(From Our Own Correspondent.)

MADRAS, 14th August.

MADRAS COUNCIL.

DR. P. SUBBAROYAN, the Leader of the United Nationalist Party in the Madras Legislative Council, gave notice of a resolution to be moved at its last session to the effect that the procedure outlined by the Secretary of State was not acceptable to Indian opinion. But His Excellency the Governor chose to disallow it on two grounds, viz. that the subject-matter of the resolution was not primarily the concern of the provincial Government and that since efforts were being directed towards finding a solution which would satisfy Indian opinion, it was not desirable to discuss such delicate matters in the Council. But the United Nationalist Party did not take the decision of the Governor lying down. The party met and issued a statement which among other things said that the party felt that Indians had no other alternative than to decline to co-operate in the scheme adumbrated by the Secretary of State unless a change in the procedure to secure the principles of equality and decision by agreement was adopted. They also condemned the renewal of the Ordinances as being wholly unjustifiable and insisted that in the framing of a Constitution for India the co-operation of Nationalists and the Congress was essential.

So far as the Madras Presidency is concerned, this is the only party in the Council that has unequivocally expressed its views against the procedure outlined by the Secretary of State. The Party in

power, namely, the Justice Party, has not yet thought fit to express its views on the matter.

A DEVASTANAM BILL.

A private Bill to provide for the better administration of one of the richest and best known temples in Southern India, viz. the Tirupathi Devasthanam or Balaji Temple in Chittoor Dt., came up for discussion in the last session of the Council. A clause in the Bill provides for the formation of a committee of seven members of whom four are to be elected by the Hindu members of the Council either from among themselves or from outside. Dewan Bahadur R. N. Arogyaswami Mudaliar, an Ex-Minister and an Indian Christian representative, brought in an amendment to the effect that the whole Council consisting of Hindus and non-Hindus should elect members of the committee. It was strongly opposed on the ground that, the Devasthanam being a purely Hindu institution, non-Hindus had no right or interest in administration. Mr. A. T. Pannirselvam, the champion of separate electorates at the R. T. C. and also a Christian representative, strongly opposed the amendment saying that as a Christian he would not like to allow non-Christians to interfere in the affairs of a Church. However, some Hindu members of the Council supported the amendment though, on being put to vote, it was defeated. Another interesting incident connected with the same Bill relates to an amendment moved by the Advocate General to a clause in the Bill which was opposed and defeated by the Government. Clause 37 of the Bill contains provision for the utilization of surplus funds "on any charitable, religious or educational purpose not inconsistent with the objects of the Devasthanam." The Advocate General, Sir Alladi Krishnaswami Aiyar, moved an amendment substituting for "not inconsistent with" the words "consistent with or calculated to promote." His idea was to make the provisions in the Bill fit in with the doctrine of *cypres*, which means applying the money to some object as near as possible to the one specified, when the latter has become impracticable. As affording protection to charitable endowments, he said it would be in the best interests of the efficient administration of the endowment. One argument that was advanced in favour of the retention of the words "not inconsistent with" was that these words occurred

in the Hindu Religious Endowment Act and that so far no inconvenience had been caused thereby. It is regrettable that the Advocate General did not try to meet the point. When the amendment was put to vote, the Government voted against their own Advocate General. To laymen this action of the Government looks curious.

BUTTERMILK TO C CLASS PRISONERS.

It has been repeatedly brought to the notice of the Government by the public as well as members of the Legislative Council that C class political prisoners should be given buttermilk in their diet. During the last session of the Council, this question was again raised. The Law Member who is in charge of the portfolio of Jail Administration said that the Government did not think it necessary to supply buttermilk to C class prisoners because, in the first place, no C class prisoner had asked for it and, secondly, because C class prisoners were not accustomed to take buttermilk, a startling discovery made by the Law Member. He further admitted in reply to another question that consideration of expense did not at all stand in the way of supplying buttermilk. Since the discussion took place in the Council Mr. K. Bashyam who was recently released from jail has issued a statement in which he says that "the more urgent problem is the question of supply of buttermilk to C class prisoners, especially the women prisoners. The want of buttermilk has greatly affected their health and a few of them who have children along with them are unable adequately to feed the babies." Another political prisoner who was recently released complains in a letter written by him to the *Hindu* that he was not given buttermilk and that as a result he suffered from fissure of the anus. In the light of the above two statements the reply given by the Law Member is unintelligible. So far as C class political prisoners are concerned, all of them come from respectable families and are accustomed to take buttermilk at home. In the interest of their health while in prison we feel that it is the duty of the Government to provide them with buttermilk. The Law Member will, we hope, take necessary steps to see that all C Class political prisoners are supplied with buttermilk as early as possible.

SERVANTS OF INDIA SOCIETY.

REPORT OF THE YEAR ENDING 31ST MAY 1932.

INTRODUCTORY.

ON the 12th June 1932 the Society completed twenty-seven years of its existence. The Silver Jubilee of the Society, which fell due in 1930 and which for reasons explained in the last year's Report was put off, has had to be dropped finally as those reasons have continued to operate, if anything, with even greater intensity. Though deprived of a striking opportunity of conveying our thanks to the public, who have all these years helped us to serve the Motherland according to our lights and limited abilities, our thankfulness and gratitude are none the less sincere and profound.

It is hardly necessary to repeat that the great bulk of the work of the members of the Society is not done in its name but under the auspices of other organisations, with which they are connected in one active capacity or another. This policy of serving through other organisations has become a strong tradition in the Society. But the members of the

Society lay no claim to exclusive credit for any work in the execution of which so many others have collaborated. There are, however, some kinds of work, such as the conduct of journals, for which members alone are responsible.

MEMBERS.

The number of the members continued to be twenty-six, of whom twenty-one were Ordinary Members who have completed five years in the Society and the rest Members under Training. A fairly large number of applications for admission to the Society were received during the year. The advancing age of senior members and the expanding work of the Society demand that its strength should be considerably increased by the admission of new members. But financial considerations render the full satisfaction of the need impossible.

Several of the members were handicapped in their work by chronic or serious ill-health. The health of Messrs. V. S. Srinivasa Sastri, G. K.

Devadhar, N. M. Joshi, D. V. Ambekar, K. P. Kaul and L. N. Sahu was worse than indifferent. Mr. R. R. Bhakhale recently took ill with high blood pressure and nervous breakdown.

PROBATIONERS.

During the year two probationers were entertained: Mr. K. S. Negi attached to the U. I. Branch, and Mr. K. D. Aga attached to the Headquarters. They both gave a large part of their time to study and, besides, acquainted themselves with the work of their colleagues. Mr. Negi accompanied Mr. Devadhar in his Northern and Central India tours and Mr. Aga spent some time with Mr. A. V. Thakkar observing the latter's work among the Bhils in Gujarat.

OFFICE-BEARERS.

Messrs. G. K. Devadhar and H. N. Kunzru continued to be the President and the Vice-President respectively during the year. There was no change in the Senior Membership of the Branches. Mr. P. Kodanda Rao was away on other duty for the greater part of the year, and in his place Mr. S. G. Vaze officiated as Secretary of the Society and Editor of the "Servant of India."

MISCELLANEOUS.

The sixtieth birthday of Mr. G. K. Devadhar fell on 21st August last. His many friends and admirers celebrated it in a fitting manner and presented him with a purse of Rs. 10,500 which was made over to the Poona Seva Sadan Society, with the full concurrence of the Servants of India Society. During his tour in South India he was presented with several complimentary addresses acknowledging his great services to Malabar. He represented the Society at the Malaviya Jayanti celebration at Benares in honour of the 70th birthday of Pandit Madan Mohan Malaviya and spoke thereat. He presided over the birthday celebration of Mahatma Gandhi at Poona.

In appreciation of Mr. A. V. Thakkar's services to the public in general and the Bhils in particular, a street in Dohad was named *Thakkarphalia* after him.

In April last the Madras Corporation presented a civic address to Mr. V. S. Srinivasa Sastri, and the Madras University resolved on conferring the Honorary Degree of LL. D. on him.

Mr. M. D. Shahane was awarded the Vincent Massey Scholarship for the year 1932-33, of the value of 2,000 dollars tenable at the University of Toronto for post-graduate studies in History or Political Science.

POLITICAL SITUATION.

The political situation at the commencement of the year was happily comparatively easy and calm, thanks to the Gandhi-Irwin compact, in bringing about which Mr. Sastri played a conspicuous part. There was a truce to civil disobedience and to governmental repression, and all political parties, including the Congress, bent their energies to making the Round Table Conference a success. Though he hesitated long to proceed to England on account of differences with the Government on certain administrative actions, Mr. Gandhi was finally persuaded to join the Round Table Conference in London in October last. His participation in the R. T. C. was in itself ample justification of the policy of the Indian Liberals, and among them, the members of the Servants of India Society, who, notwithstanding much opposition and obloquy, supported and attended the first Round Table Conference.

The truce, however, did not unfortunately survive the second Round Table Conference. In December last the political situation took such a turn that Mr. Gandhi on his return to India was persuaded to sanction the resumption of civil disobedience and the

Government resorted to intensive repression. In the circumstances the Council of the Society met in special Session in January last and after anxious and prolonged consideration adopted the following resolutions:—

S. I. S. AND THE PRESENT CRISIS.

1. "The Council is of opinion that the Viceroy's refusal to allow Mahatma Gandhi to discuss the ordinances with him was inadvisable and unjustified, as a personal interview might possibly have prevented the resumption of civil disobedience."

2. "The Council deploras the renewal of the civil disobedience movement at a time when it is more necessary than ever that constructive efforts should be made in a peaceful atmosphere to reconcile divergent interests and unite all political parties for the achievement of Swaraj."

3. "The Council strongly disapproves of the resort to the Bengal and Bombay Regulations and of the government of the country by means of ordinances. In view of the sweeping and drastic character of the ordinances that have been promulgated, it is of opinion that the reign of law has been replaced by the reign of executive discretion. The language of the ordinances is so wide that even the performance of legitimate duties may be treated as an offence under them.

"The Council understands that even such activities as the promotion of Swadeshi and temperance may be prohibited. The Council also notes that the power given by the Emergency Powers Ordinance to require a person to report himself periodically to the police may be so used as to humiliate respectable persons, or to give an excuse for depriving them of their liberty, for if they refuse to comply with such a requirement they can be prosecuted and sentenced to a maximum imprisonment of two years and fine without limit of amount. Cases of abuse of this power have already occurred.

"Another instance of the perilously wide scope of the ordinances is the circular recently issued by the Government of Bombay which warns the editors of newspapers that 'any immoderate criticisms of Government or Government officials would render them liable to prosecution under the Emergency Powers Ordinance or the Criminal Law Amendment Act'. In view of the manner in which special powers, taken to control the press have been exercised in the past, there is reason to fear that this power may be used to interfere with legitimate criticism of official acts.

"Unless at least the ordinances are modified and administered with great restraint the bitterness which they will create will seriously aggravate the situation."

4. "The Council is of opinion that the indiscriminate use of Sec. 144, Cr. Pr. Code, which is increasingly bringing the public into conflict with the authorities and leading to lathi charges, is creating wide-spread resentment in the country. As in 1930, the lathi charges are alienating the sympathy even of those people who do not approve of civil disobedience."

5. "The Council is convinced that the only lasting cure for the present trouble is a speedy settlement of the constitutional question, so that Swaraj may be attained without any unnecessary delay. The co-operation of all political parties is essential to the completion of this great task and unless the new constitution is brought into existence in an atmosphere of goodwill it will fail to bring about full contentment and progress."

REPRESSION.

The Government's repressive policy did not leave the Society altogether untouched. The office of the Bhil Seva Mandal, of which Mr. Thakkar is the

President, was for a month and a half sealed by the Police. Mr. Thakkar himself was served with an order in the last week of February asking him not to participate in the civil disobedience movement or in any public meeting, and not to go beyond the limits of Dohad Taluka. His period of internment was subsequently extended to the 3rd of July, when the relevant ordinance was to expire. The restrictive order was absolutely unprovoked. As a matter of fact, Mr. Thakkar took special care to keep the Bhil Seva Mandal aloof from the civil disobedience movement then raging vigorously about him, and he was himself unwilling to risk the continuity of the work of the Mandal. Further in view of the Society's considered policy, which was re-affirmed and publicly declared at the special session in January last, Mr. Thakkar's loyalty to the Society, apart from other considerations, would have precluded him from participating in the civil disobedience movement. Subsequently, as a result of representations by the Society to the authorities, the restrictions on Mr. Thakkar were withdrawn in April.

Mr. Chitalia is in charge of the Bhagini Seva Mandal at Ville Parle in Bombay. Part of the building was let out by him to Mr. Jamnalal Bajaj's Mahilashram. Some of its inmates were alleged to have taken part in *Prabhat Pheris* and were arrested. Prior to and for reasons unconnected with this incident, Mr. Chitalia had given the Mahilashram notice to quit. Nevertheless, the Mandir building was sealed by the Police and continues to be so in spite of representations to the authorities.

ROUND TABLE CONFERENCE.

Messrs. Sastri and Joshi, who were members of the first Round Table Conference in 1930, took part in the second Round Table Conference in 1931. They were both members of the Federal Structure Committee and the Minorities Committee. More important and decisive than the formal proceedings round the Conference table were the informal gatherings—frequent, prolonged and anxious. Mr. Sastri used his influence to smooth over difficulties and reconcile the particularist, and, as the event proved, the irreconcilable claims of the various groups and interests represented at the Conference. He was among those who pleaded earnestly for federation and central responsibility and for the simultaneous introduction of responsibility both at the federal centre and in the provinces. He was one of those who addressed a letter to the Prime Minister urging that the second session of the R.T.C. should not be terminated without an adequate discussion of the questions relating to responsibility at the centre, federal finance and the Indianisation of the army. He was also among those who wanted the Prime Minister to decide the communal issue.

During the many months that Mr. Sastri was in London prior to the R.T.C., he met the then Secretary of State for India, Mr. Wedgwood Benn, on several occasions to discuss the political situation in India and the prospects of the R. T. C. Mr. Sastri participated in more than one discussion at the East India Association when papers on India were read. Ill-health prevented him from accepting numerous other invitations to speak about India; some acceptances had actually to be cancelled. He was however able to make a broadcast speech on India to the British Broadcasting Corporation on the 19th June. On the 6th of July he addressed a French audience in Paris on "India" over which the late M. Thomas, then Director of the International Labour Office, specially came down from Geneva to preside.

Mr. Joshi, who, along with two others, was nominated to the R. T. C. to represent labour interests, took a prominent part in the proceedings of the

Federal Structure Committee. He pleaded earnestly and vigorously for a genuine federation of British India and the Indian States in which there would be common citizenship and an even distribution of federal obligations, and for endowing the federal Government with sovereign authority over all the units. He stood for adult suffrage, preferably on a direct system of voting. He wished the executive was responsible to the popular chamber and was opposed to the proposal that a Ministry should be turned out of office only by means of a no-confidence resolution passed by more than an ordinary majority of the legislature; he contended that an ordinary majority ought to be sufficient to throw out the Ministry. He urged strongly that all legislatures should consist entirely of elected members, preferably by the direct vote, and that the representatives of the Indian States also should be elected by the people of the States. He was opposed to the principle of weightage in representation and strongly urged that the revenues of the federation should be derived from direct as well as indirect taxation and not merely from indirect taxation.

As regards special labour interests he wished that until labour could secure adequate representation by means of general constituencies through adult franchise, special representation should be secured to them through trade union constituencies, as recommended by the Whitley Commission. He strongly opposed the Minorities Pact and denounced as mischievous the suggestion that each of the religious communities should be allotted a certain number of seats from its own quota for the representation of labour belonging to that community. He pleaded that the federal government should be the authority to ratify international conventions on behalf of all the units of the federation and have concurrent powers with the units to legislate on labour matters. He favoured the inclusion of a Charter of Fundamental Rights in the Constitution, which were to include insurance against unemployment, sickness and old age. He was among those who favoured simultaneous reforms at the centre and in the provinces and who wished to authorise the Prime Minister to arbitrate on the communal issue.

Before proceeding to London, Mr. Joshi visited Geneva and had consultation with the authorities of the International Labour Office with regard to the status to be assigned to labour in the new constitution of India.

In July last, while returning from Geneva, Mr. Bakhale spent some time in London. He had interviews with many of the Ministers in the Labour Government then in office and pressed for larger representation of labour in the R. T. C. In this effort he received every possible help from the British Trade Union Congress. It may be remarked, in passing, that labour representation in the R. T. C. was raised from two to three.

CONSULTATIVE COMMITTEE.

Mr. Joshi was appointed a member of the Consultative Committee created by the Government in order to continue in India the work of the Round Table Conference. At the time of writing the report he was still on the Committee.

FRANCHISE COMMITTEES.

When the Indian Franchise Committee under the chairmanship of Lord Lothian was appointed, it did not include a representative of labour. Mr. Joshi who had the opportunity of travelling to India with the British members of that Committee and of having informal discussions with them on the voyage, pressed for such inclusion and Mr. Bakhale was soon after appointed to the Committee. The Committee finished its work early in May and its recommendations have

since been published. The principle of equality of representation to commerce and industry on the one hand and to labour on the other hand was generally recognised. The labour seats were increased from 9 to 38 in the provinces and from 1 to 8 in the Assembly. Trade Unions under certain conditions were recognised as labour constituencies for provincial elections. As for the Assembly, trade unions alone were generally recognised as constituencies. Messrs. Devadhar and Joshi gave evidence before the Committee. Mr. Kunzru was a member of the Provincial Franchise Committee in the U. P. which lasted for two months and a half.

LEGISLATIVE ASSEMBLY.

Mr. Joshi continued to be a member of the Legislative Assembly. On account of his absence from the country and subsequently his preoccupations on the Consultative Committee, he has had to miss some sessions of the Legislative Assembly. While he attended, he drew pointed attention of the Government to instances of unrestrained repression and of unnecessary humiliation of Congressmen, and to the dangerously wide scope of the ordinances. He pointed out that, while it was a duty of non-Congressmen to attempt to put an end to the war between Government and the Congress, they had also to see that while the conflict lasted, it was conducted on civilised lines. The only way to end the tension was for the Government, without waiting for an impossible voluntary agreement, to make an award on the communal issue and expedite the new constitution. He pleaded for early legislation on the lines recommended by the Whitley Commission and the extension of such legislation to classes of workers not contemplated by that Commission. He desired the Government to examine the possibility of reducing the statutory limits of hours of work in mines. He pleaded for more equitable terms of employment for the subordinate employees of the railways, and wished that schemes of retrenchment did not press hard on the employees and that the Government carried the Trade Unions with them in giving effect to such schemes.

As regards the future control of railways, he urged that the legislature should retain control over them, and that subject to such control, a statutory Railway Board should be created by the Indian Legislature and not by the British Parliament as part of the Constitution, and that it should consist of representatives of capital, labour and the users, viz., the legislature, railway employees, and passengers and consigners of goods respectively. During the general discussion on the Budget he pointed out the great disparity in the revenues from direct (Rs. 18 crores) and indirect (Rs. 62 crores) taxation, and protested against the unfairness of putting relatively greater burdens on the poor than on the rich. Speaking on the constitutional issue on the 14th March, he pointed out that the Princes had everything to gain and no sacrifices to make under the Sankey scheme, though he feared that in the end British India might be driven to accept the unfair constitution as the only means of getting rid of the present system of government which could hereafter be maintained only by ordinances. During the course of other debates he drew attention to the absence of labour representation in the new Legislative Council created in the North-West Frontier Province and protested against the cut in the salaries of low-paid employees of the Postal Department. He spoke in favour of protection for the sugar industry in India but preferred subsidies to tariffs.

BOMBAY LEGISLATIVE COUNCIL.

Mr. Bakhale was nominated a member of the Bombay Legislative Council to represent labour interests. Owing to his absence in Europe and his subsequent appointment to the Indian Franchise Committee, he was able to attend only two out of the four sessions of the Council. As occasions arose, he pleaded for the abolition of co-opted seats in the Bombay Corporation and for the introduction of adult franchise. He introduced two bills to amend the Primary Education Acts for Bombay City and the Presidency, with a view to raising the upper age limit of school children from 11 to 12. He obtained the sanction of the Governor-General to two other bills which seek to secure a seat for labour on the Karachi Port Trust and to regulate the rents of premises in Bombay City. He drafted another bill to regulate the conditions of work in factories which were not covered by the Factories Act. While expressing himself in favour of the principle of the Succession Duty Bill, he opposed the measure on the ground that retrenchment proposals had not even been considered by the Government.

CO-OPERATORS' MANIFESTO.

The following further signatures to the Co-operators' Manifesto have been released by the Servants of India Society, Poona:—

Mr. Boman Behram, (Ex-Mayor, Bombay) Kanaiyalal P. Mehta, (Dohad.) Isverlal Dayaram Tripathi, (Dohad). Mahendralal C. Desai (Dohad). G. M. Gandhi (Dohad). Chimanlal S. Desai (Dohad). L. M. Das, (Cuttuck). Balkrishna Kar (Cuttuck). V. Samantary, (Cuttuck). B. Mahapatra, (Cuttuck). C. V. Venkataramana Iyengar (Coimbatore). Dewan Bahadur M. Ramachandran Rao, (Ellore). The Hon. G. A. Natesan, (Madras). R. Srinivasan, (Madras). B. Shiva Rao, (Madras). A. Ranganatha Mudaliar, M. L. C. (Madras). Basheer Syeed Ahmad, M. L. C. (Madras). C. R. Parthasarathy Iyengar M. L. C. (Chittoor). Dr. P. Subbarayan, M. L. C. (Madras). C. Gopal Menon, (Madras). Yakub Hassan, M. L. C. (Madras). T. R. Venkatarama Sastri, (Madras). A. Rangaswami Aiyar, (Madura).

The names of those signatories who have made reservations or added explanations are not included in these lists.

BOOKS RECEIVED.

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