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CONTENTS.

	Page
TOPICS OF THE WEEK.	109
ARTICLES :—	
The Indian Budget.	110
Provincial Budgets.	112
Inamdars' Agitation in Madras.	114
OUR LONDON LETTER.	115
OUR PARLIAMENTARY LETTER.	116
MISCELLANEOUS :—	
Mr. Sastri's Speech on Gokhale Day.	117
BOOKS RECEIVED.	120

Topics of the Week.

Moderates and the White Paper.

OUR London Correspondent, in his "London Letter" published elsewhere, reports that some very good British friends of India in England rather regretted the strong criticism of the White Paper proposals made by Indian Moderates; that the unqualified abuse of the White Paper proposals would do grave harm to India inasmuch as it would supply ammunition to Mr. Churchill and his fellow diehards; and that there was no ghost of a chance of a more liberal constitution being offered to India in the place of the White Paper, even if Labour came into power, which was most unlikely.

The Indian politicians of all schools of thought realise only too well that England is more than ever under the grip of the Conservative die-hards; that these will not go beyond the White Paper, if so far; and that India has failed by reason and persuasion to win over the British Government to her point of view and that she is not at the moment in a position to coerce the British Government by the effective use of sanctions. All this they know only too well and know also that the White Paper or something worse is coming, whether India likes it or not.

But it is too much to expect them to conceal their real feelings and bless a constitution they would heartily curse. They may bow to the inevitable in their impotence, but they cannot sing "Hallelujahs" to welcome a constitution which they wholly disapprove. While they may not be powerful enough to avert the constitution, they are still free to say publicly what they think of it. And they have a solemn duty to themselves and the Government to say frankly and honestly what they think of it. They are not striking a pose for purposes of bargaining. They have given up all hopes of the White Paper being improved.

If some of them have earnestly advocated that when the constitution comes into operation the best of Indians should work it, they should not be misunderstood as in the least supporting the White Paper.

They feel that the worse the constitution the better should be the quality of Indians to handle it, only to minimise its evil effects.

There is no common ground between Mr. Churchill and the Indian Liberals and Progressives. They are poles asunder. And both the Government and Mr. Churchill know it. It is open to the Government to make an excuse of the intense dissatisfaction of the Liberals and Progressives to withdraw their proposals. If the Government really cared for their opinions, they would rather move forward towards meeting them rather than walk backwards into Mr. Churchill's parlour.

Lord Lloyd's Prophecy.

WITH a view to scaring away British opinion from the White Paper, all sorts of gloomy and blood-curdling prophecies about the fearful consequences that would flow from its passage in an unamended form are being expressed by Conservative diehards. The latest to do so is Lord Lloyd who, as everybody knows, sees nothing good in the White Paper and to whom it sounds the death-knell of the idea of British trusteeship for the welfare of the people of this country. His prophecy is that if the reforms were passed in their present form, the services would abandon their jobs and pack off for England. Unfortunately for Lord Lloyd the services understand their interests much better than he apparently gives them credit for. The present high scales of their salaries, the countless allowances that they draw and the privileges they enjoy, the right to retire on proportionate pensions and many other rights whose recital occupies full three pages of the White Paper—where else but in India will the services get all this uncommonly favourable treatment? They know full well that it is possible only in this country and would think a hundred times before allowing Lord Lloyd the satisfaction of seeing his prophecy come true. But whether Lord Lloyd's forecast ultimately proves true or false, it has perhaps served his immediate purpose of weaning away some public support from the White Paper and that is all that counts, so far as his lordship is concerned. One can understand individual members of the services not being particularly friendly to the White Paper; but it is too much to believe that for that reason the services would throw away all the advantages referred to already and bid adieu to this country with as much unconcern as the ex-Governor of Bombay would have us believe. The services' dissatisfaction with the Montagu-Chelmsford reforms too was similarly exploited by their diehard opponents at the time; but nothing like the services' wholesale exodus to Great Britain, for which we were prepared by the anti-reforms agitation, ever took place. In the same way the danger to the Hoare reforms from the services refusing to work them may actually be found to have been grossly exaggerated.

The Indian Navy.

THE Legislative Assembly has decided to circulate for the expression of public opinion thereon the official bill to apply the Naval Discipline Act to the Indian navy. This action marks an improvement, from the Government standpoint, in the Assembly's attitude towards a similar measure five years ago when even its reference to a select committee was disallowed by it. It may be stated that both the present bill and its predecessor were consequential upon the passage by the British Parliament in 1927 of legislation providing for the creation of an Indian navy. This left it to the Indian legislature to arrange for the application of the Naval Discipline Act to Indian naval forces with modifications suitable to Indian conditions. It was in order to carry out this purpose that the two bills referred to were framed.

Prior to 1927, it was competent for the British Government to commander, in an emergency, vessels belonging to the Indian Marine Service along with the personnel manning them and to make them temporarily part and parcel of the Royal Navy. While serving with the Royal Navy, the Indian adjunct was to be amenable to the control of the senior naval officer and to be governed by the Naval Discipline Act. One would naturally expect that since the Indian navy is primarily meant for the requirements of Indian defence, its cost during its employment in non-Indian waters would legitimately fall on the British exchequer. On this point however the Indian Marine Service Act of 1834 is silent so that nothing can stand in the way of the British Government, if it so chose, transferring such burdens to India. It is needless to inquire whether this has actually been done in the past. What is pertinent to note is that such a thing is not legally made impossible.

The parliamentary enactment of 1927 clearly enunciated the principle that the naval forces maintained in India were "for the purposes of the Government of India alone" but empowered the Governor-General in Council, by way of exception, to offer their services to the Admiralty when, on the ground of the existence of an emergency, he considered such a course of action necessary. It was also provided that while they were so employed under the Admiralty, their cost could not be charged to Indian revenues "without the consent of both Houses of Parliament." To a superficial observer this would appear as a considerable advance on present conditions; but a little reflection will show that it is more apparent than real.

It will be easily seen that the legislature as representing the taxpayer, who is ultimately to pay for the proposed navy, figures nowhere in this picture at all. It is true that the possibility of consultation of the legislature whenever an occasion for

the engagement of the Indian navy on other than its legitimate function of Indian defence arose is now being officially mentioned; but such consultation can be of little practical good unless it was also provided that the vote of the legislature in such cases would be binding on the executive. And, it should be noted that even such consultation will be only "as far as possible." Moreover, it is the Governor-General in Council who is, with his responsibility to Parliament and the Secretary of State, made the sole judge of whether an emergency necessitating the offer of the services of the Indian navy to the Admiralty exists or not. Then, as in the case of army expenditure, the expenditure on the navy will continue, even under the reformed constitution, to be non-votable and outside the purview of the legislature so that the only concern of the Indian tax-payer with the navy would be by way of finding the funds needed for its maintenance. Can the Assembly be blamed if it exhibits no undue alacrity in placing such a dubious measure on the statute book?

Farming out of Revenue.

IT would appear that in Rampur State till recently a system of farming out rent and revenue prevailed in two-thirds of the area of the State. Villages were leased out, by public auction, to the highest bidder for from 10 to 15 years. The lessees (called *mustajirs*) were free to take from the tenants whatever they could, and the cultivators were left without any kind of protection from the State, with the result that rents steadily increased, so much so that the cultivators found it impossible to pay them. The *mustajirs* were not only at liberty to collect what rents they could but also to eject the tenants and impose fines upon them without reference to judicial proceedings. The result was a general depopulation of this part of the State. Within 24 years 12,000 cultivators absconded and the rural population declined by 16 per cent. within 30 years. The total number of *mustajirs* is 234, of whom 53 are relatives of the ruler of the State or State officials. Last year this system of *mustajiri* was abolished by the Nawab, and 418 villages which were under the system have been taken over by the State for direct management. Of these villages 249 belonged to the relatives of the Nawab or the officials of the State. Apparently these or others connected with them are carrying on an agitation against the Nawab at present from outside the State. If this is so, the Nawab will have full moral support from all over the country for the great work that he has inaugurated in his State. It is to be hoped that the cultivators will receive adequate protection in the new land revenue system that is being set up.

THE INDIAN BUDGET.

SIR GEORGE SCHUSTER in presenting his last budget to the Legislative Assembly delivered a particularly lengthy and well-conceived speech. Whatever might be said regarding the general financial policy or regarding any specific proposals shown in the budget the Finance Member deserves to be congratulated on the wide ground covered by him in his speech and the fulness of information on most matters contained in it. Sir G. Schuster hopes to close the current year with a surplus and presents a balanced budget for the ensuing year. But in both these cases the result is arrived at after considerable efforts. According to the fears

generally entertained last year the yield from the enhanced customs duties has not come up to the figure estimated then by the Finance Member and the precarious balance achieved last year was thereby seriously disturbed. The income-tax receipts are also expected to fall short of the estimates by about a crore. On a balance of all heads the revised estimates of revenue for the current year fall short of the original budget figures by nearly Rs. 5 crores. This deficit has been covered by two wind-falls and by a change in the established practice in the fund for the reduction of debt. The windfalls are the Capitation Tribunal award (Rs. 178 crores) and the non-

payment of war debt interest (Rs. 88 crore). The reduction in the sums set apart for the reduction or avoidance of debt has been very drastic. This figure according to the practice settled in 1924 was put in the budget last year at Rs. 6.89 crores; the Finance Member proposes to reduce it immediately to Rs. 3 crores and keep it at that level. It is only thus that this year is made to close with a surplus of Rs. 1.29 crores which is quite rightly set apart for the earthquake relief measures. Though one may agree that the annual contribution towards the reduction of debt had been fixed at an excessive level, there is no disputing the fact that the budget could be balanced today only because of a certain measure of good-luck helped substantially by account manipulation.

Turning to the next year we find that the one notable feature of the Finance Member's proposals is the revival of Excises and the importance in our finances to be assigned to them. In spite of the oft-repeated claim throughout the budget speech that Indian finances are in a sound position the Finance Member admits that it is not possible for him to give any relief from taxation and that he is not able even to remove any of the surcharges on customs revenues levied as emergency measures two and half years ago. In customs duties only such adjustments are to be effected as have been necessitated by trade reactions during these recent years. The export duty on hides is to be abolished as it has proved an obstacle in the way of exports from India. The duty on unmanufactured tobacco is to be increased and the average duty on imported cigarettes to be lowered so as to take away the present excessive encouragement to foreign firms to set up factories to manufacture cigarettes from imported tobacco in India. The duty on silver is to be lowered with a view both to implement the recent silver agreement and to stimulate imports of silver into India. These adjustments cover certain special cases but do not meet the large fall in recent years in customs revenue receipts. The fall is due mostly to the two important heads of cotton piece-goods and sugar. The deterioration in the cotton piece-goods customs income is nearly Rs. 2 crores over the budget estimates and there is expected to be no revival of it next year. There is in the sugar customs deterioration over the budget estimates by more than Rs. one crore in the revised estimates and next year the position is expected to worsen by another Rs. 3 crores. It is to meet this serious position that the Finance Member proposes the levy of an excise duty on sugar produced in factories in India. The extent of the excise duty is to be measured by the excess protection that the sugar factories at present enjoy in India. The first comment that has to be made on this situation is that the Finance Member erred seriously in laying the surcharge on protective duties as a whole and on sugar in particular in 1931. The effects in the case of sugar have been especially bad. On the one hand an important source of revenue has been lost and on the other sugar manufacture in India has received a most unhealthy impetus; and all the while the price of sugar has been maintained at an artificially high level. Thus while the

world depression in the sugar trade has been perhaps one of the acutest, the prices of sugar in India have fallen much less than the average of even manufactured commodities. Secondly, it is not clear why the course of removing the surcharge was not followed even this year. It is, of course, true that such a course would not have enabled the gap in the receipts to be fully covered. But it would surely have been the correct thing to do. It would have lowered sugar prices and stimulated its consumption in the country and would most probably have increased customs receipts to some extent through increased imports. This course could not have been objected to by Indian manufacturers; as a matter of fact it would in the long run have been in their interest. The present rate of taxation on sugar consumers is higher by far than the rate of taxation on any other commodity in general consumption and the perpetuation of this crushing burden by the levy of the excise is to be deplored. While the excise on sugar is to balance the budget, the excise on matches is proposed to be levied for the special purpose of helping of Bengal financially. In this matter of the match excise, it is obvious that the Finance Member has needlessly anticipated a number of complications connected with the future federal finance arrangements. Thus, the whole question of arrangements with Native States has been thereby raised and a special treatment of Burma necessitated. It is not possible to discuss here the pros and cons of the special treatment accorded to Bengal. But it is obvious that the present financial relations between Central and Provincial governments are most unsatisfactory and the present division of resources which enables the Indian Finance Member to make a brave show while the provinces are in desperate straits is a most undesirable one. In view of the short period of time due to elapse before the new constitutional arrangements are introduced the step taken by the Finance Member in giving immediate relief to Bengal at the cost of the consumer of matches seems certainly very hasty.

The new excises are only the latest results of the working out of a vicious principle in Indian central finances which has become specially prominent during the currency of office of Sir George Schuster. Sir George in this latest speech uses the phrase "broadening the basis of indirect taxation." One wonders what it means; for in all conscience, the basis of Indian taxation is already as broad as it can be. Our mainstays have always been salt and customs in the centre and land revenue in the provinces; and these are all broad-based; or in plain language they all fall heavily on the poorest classes in society. It should be fully understood that when Sir George uses this euphemistic phrase "broadening the basis of taxation" he merely means putting still greater burdens on the poorer classes. For a few years after the war the increasing receipts from income-tax were tending to correct somewhat the disproportion between direct and indirect taxation in the Indian system. But during these last few years Sir George has tended to rely entirely on increased indirect taxation. He has no doubt, "broadened the base" of the income-tax also by pushing the taxable

limit downwards to Rs. 1000 p. a., but as we have pointed out more than once before in these columns his efforts at increasing income-tax rates have been faint-hearted and he has actually made the graduation less steep during his term of office. It is notable that the Finance Member has said nothing about income-tax yields, or the success of the new class of Rs. 1,000 to Rs. 2,000 in the whole of his lengthy budget speech. To us it seems clear that the resort to still higher indirect taxation when direct taxation sources are not fully tapped is highly undesirable; and it is especially so at this date in India when the fortunes of industries are so much more bright than those of the general mass of consumers—the agriculturists.

We do not propose to deal in this article with the observations regarding the general condition of India made by Sir George Schuster. But the Finance Member himself admits that such contribution as the Government of India might have made towards improving it has been, apart from the protective tariffs, entirely negative. One welcomes, therefore, the announcement that the Central Government is now exploring ways of spending sums on public works so as to assist recovery and that it will be very generous in the matter of financing the earthquake reconstruction programme. It is however necessary to state emphatically that the public works selected in this connection by Government should be only those of approved general public utility and that the Rs. 1 crore proposed to be spent under this head on the Delhi capital project will be considered by most to be a wanton waste of public monies.

PROVINCIAL BUDGETS.

CENTRAL PROVINCES.

THE Government of the Central Provinces has budgeted, for the next financial year, for ordinary revenue of Rs. 4,73.17 lakhs and for ordinary expenditure of Rs. 4,71.03. It expects therefore a small surplus of Rs. 2.14 lakhs on revenue account. Since the onset of depression the Central Provinces faced a series of revenue deficits, the deficit in 1929-30 being 14.23 lakhs, in 1930-31 43.96 lakhs and in 1931-32 37.70 lakhs or nearly a crore within three years. In 1932-33 there was a revenue surplus of just 35 thousand rupees and in the current year the revenue surplus is estimated to be 2.56 lakhs. (16 lakhs of land revenue were remitted this year.) It would thus appear that, owing to measures of severe retrenchment which still continue, the province has definitely put deficits behind itself and has started on a career of revenue surpluses, slender though they be at present. Still how far it is from normal conditions will be clear when we compare its estimated revenue and expenditure for the budget year with the average revenue and expenditure in the first nine years of the Montagu-Chelmsford regime which preceded the present economic depression, viz. 1921-22 to 1929-30, figures for which were given by Sir Arthur Nelson in 1931. The average revenue receipts for this period were 5.34 lakhs or 61 lakhs more than those provided for in the next year's budget, and the average expenditure charged to revenue was 5.38 lakhs or 67 lakhs more than what is provided for in the budget. The heaviest decline in revenue is contributed by excise. The average receipts from this source in the nine-

year period referred to above was 1,30.30 lakhs; the Government estimates for next year, however, are no more than 59.82 lakhs, that is, as much as 85½ lakhs less than the average. The Finance Member, Mr. Gordon, has drawn pointed attention this year, as his predecessors have been doing every year recently, to the process of attrition to which this head of revenue is subjected by the Legislative Council by its policy of prohibition. "We have by our excise policy lost annually," he said, "one crore to 75 lakhs of public revenue which used to be available to us for purposes of development." And he ended his budget speech with an earnest plea to the Council to make good this loss in other ways. Government proposes to introduce again this year a bill for the purpose of imposing license fees on the vend of tobacco, as was done last year in the Central Provinces and in Bombay and as is being done this year in the Punjab. "Is it not the claim of the prohibitionists," Mr. Gordon says in effect, "that the abolition of drink raises the taxable capacity of the people? If so, let us test it out to a slight extent."

The Accountant-General has recommended the Province to accumulate a free closing balance of Rs. 45 lakhs as the minimum compatible with safety, and the Government had decided in 1931 to build up this balance within three years. But in all the subsequent years this hope was frustrated on account of crop failure and other reasons. At the end of the next financial year the closing balance would be but 3½ lakhs. In the current year the Government intends to repay the outstanding portion of its overdraft of 1931-32 with the Government of India, which is 16.84 lakhs. Of this 4.98 lakhs will be paid from the opening balance, 2.56 lakhs from the revenue surplus of the year and the rest by fresh borrowing. By paying off 7.54 lakhs in this way from its present resources, Government will be saving annually Rs. 49,000 in the way of interest charges, and its fresh loans will be at the rate of interest of 4¾ per cent. instead of at 6½ per cent. The remaining overdraft loan is 43.75 lakhs, which it hopes to fund, paying it off in fifteen instalments of about 4 lakhs a year. On this too the Government of India will charge interest at the reduced rate of 4¾ per cent.

The Berar people will of course closely watch to what extent the Sim formula will be applied next year and how much of the divisible expenditure of the province will fall to their share. The divisible expenditure amounts to 1,25.66 lakhs, of which the share of the Central Provinces will be 86.17 lakhs and of Berar 39.49 lakhs. That is to say, the proportion will be 68.5 : 31.5. The standard percentage which the Government aims at is 40 for Berar. In the three years immediately preceding the depression 1926-27 to 1929-30, the percentage reached the peak figure of 38, but since then it has hovered between 30 and 32. The percentage will rise as funds become available for new expenditure, and shrink when they are not available. The Government's first concern since the depression has been to scale down the expenditure as much as possible. And it is obvious that during these years the share of Berar in divisible expenditure must necessarily fall. Sir Arthur Nelson put it very well in 1931. "The fact is," he said, "that the percentages attained under the Sim formula represent a sort of thermometer which measures our capacity to incur new expenditure. Freezing point may be taken at 27, which was the point at which we started in 1923-24, and boiling point at 40, which is the figure we are trying to work up to."

THE PUNJAB.

Sir Henry Craik presented his fourth budget to the Punjab Legislative Council on 26th February.

The general characteristics of the Punjab budget are the same as those of the C. P. budget. Since 1928-29 there have been a series of revenue deficits, so that between that year and 1932-33 the province lived beyond its income to the tune of Rs. 2,75 lakhs. It is only in the current year since the depression began that the province hopes to have a surplus of 23 lakhs on revenue account. The average revenue receipts for five years preceding the economic depression was 10,85 lakhs, but it fell to 9,61 lakhs in 1931-32 and to 9,87 in 1932-33. In the current year it is expected to be 10,41 lakhs and in the budget year 10,66. The deficits in 1928-29 to 1932-33 were however not due entirely to the shortfall of revenue, but to heavy additional expenditure on account of remissions of land revenue and water rates, the average expenditure charged to revenue for the first three years of depression being a little over 11 crores as against the average revenue receipts in this period of 10,29 lakhs. The Finance Member related with much legitimate pride that Government remitted taxation within the last four years to the amount of 6,13 lakhs. in the way of land revenue, water rates, rent for Crown lands, etc. These "enormous remissions" it became possible to give without imposing any additional taxation only because the Punjab, like most other provinces, cut its expenditure to the bone. The most rigid economy is being practised for several years. Only in the budget year a slight relaxation in the pursuit of this policy is proposed inasmuch as additional expenditure of a little over 5 lakhs is sanctioned in the transferred departments, a large part of which is being proposed to be applied to education. Like all other provincial governments except Madras, the Punjab will continue to impose next year a cut of 5 per cent. on the salaries of all except the lowest-paid officials, exemption from the cut being granted to all officials in receipt of monthly salaries of Rs. 40 and less. The province will thereby effect a saving of 16 lakhs next year. This cut is avowedly temporary, but in addition to it, the province is paying the new entrants into its service at a lower rate so that, if a permanent abatement in the scale of salaries is thought desirable when conditions are restored to normality, it can be easily brought about. All those who entered service on 15th January 1931 or thereafter draw salaries 15 per cent. lower than the salaries ordinarily attached to their appointments. This 15 per cent. deduction is in addition to the 5 per cent. emergency cut; and it applies not only to all new entrants into Government service, but also in all cases of promotion outside an official's own line. "If an official is promoted from a subordinate to a provincial service or receives any promotion other than that which he is entitled to expect in the normal course, he now draws 15 per cent. less than the ordinary starting pay of the post to which he is promoted. Moreover, with a view to the possible necessity of making even more drastic retrenchments in future, all first appointments to Government service and all promotions outside the normal line have been made in an officiating capacity." The object of this provision is to adjust the scale of salaries downwards if thought advisable when the normal economic position is re-established.

The Hydro-Electric Scheme and the Sutlej Valley Project, the two works which, "during the last ten years, have absorbed the greater part of our capital expenditure," are now complete. On the former 5½ crores will have been spent by the end of the current financial year and a sum of 84½ lakhs is being provided for in the next year's budget. The provincial expenditure on the latter scheme amounted to 9,34 lakhs. Some more amount will have to be spent on the Project at a later date, involving a total capi-

tal expenditure of 9,62.5 lakhs. The revenue estimated to be earned from the former scheme next year is 12 lakhs and from the latter 57 lakhs. Last year two loans were successfully floated in the province, which would secure a large reduction in interest charges. One of them was a loan intended to convert the 6¼ per cent. bonds raised in 1923, of which the outstanding amount was 1,86 lakhs, into 4 per cent. bonds maturing in 1948. Conversion was accepted in the case of bonds amounting to 1,44 lakhs. The proceeds of the other loan (Rs. 1,71.5 lakhs) which is also a 4 per cent. loan redeemable in 1948, were utilised in paying off debts owing to the Government of India and in redeeming in cash the unconverted portion of 6¼ per cent. bonds raised in 1923. The loan was several times over-subscribed within an hour of its opening. The total annual saving in interest that will be secured by these loans will be 7½ lakhs. This is an event of outstanding importance in the recent financial history of the province.

That the province has managed to keep its head above water during the severe economic depression without, as the Finance Member said, imposing a penny of additional taxation is a matter on which Government may well congratulate itself.

MADRAS PRESIDENCY.

Of all the provinces in India Madras may be said to be in a comparatively easier position, financially, than others. She closed the accounts of 1932-1933 with a comfortable surplus in the revenue account of Rs. 77.21 lakhs. The current year's surplus is expected to be very small, only 61 thousand rupees, but this is due to the necessity, which was not foreseen at the time the budget was prepared, of making large remissions of land revenue. The total burden which the provincial finances will bear this year will be Rs. 72.15 lakhs. And it ought to be remembered that Madras, alone among the provinces, has restored the 5 per cent. cut in the pay of provincial and subordinate services. The next year's budget too has been framed on the basis that similar relief to that which was granted this year to agriculturists will become necessary next year. The Government of course does not commit itself either to suspend or remit any portion of its land revenue; it reserves full freedom to itself in that respect, but the budget provides for a loss of income in land revenue to the amount of Rs. 61.85 lakhs. If, in fact, remissions are granted in fasli 1344, for which provision is made in the budget, then in the three years, 1342 to 1344, relief to the extent of 1½ crores will be given to the agriculturists in Madras Presidency. The provision for new expenditure also is more generous in this province than in others. Thus in the next year's budget 25.76 lakhs is allotted for Part II schemes chargeable to current revenues, of which 21.94 lakhs or 85.2 per cent. is for transferred departments and the rest for reserved departments. Besides this about 24.03 will be spent on Part II schemes out of revenue balances.

Next year too the Madras Government is not going to reintroduce the salary cut of 5 per cent., and its reason for not doing so is the comfortable position in which its finances stand at present. If, after giving land revenue concessions of 62 lakhs and providing 25 lakhs for development, we can balance the budget without imposing a cut in the salaries, it means that the cut is not necessary and is not justifiable either. But when further relief for ryots is asked, the same Government pleads financial stringency. And the further argument it advances in resisting claims for additional help to agriculturists is that this is a time when we ought to conserve our resources so that at the time of handing over the finances to popular Ministers under the new constitution, the finances will be in a sound condition.

INAMDARS' AGITATION IN MADRAS.

IF small reforms are sometimes the enemy of large reforms, so also are large reforms sometimes the enemy of small reforms. The Madras Estates Land Act (Amendment) Bill sponsored by the Reserved half of the Madras Government was meant not to introduce any large and sweeping reforms in the land law of the Province but to clear some doubts and facilitate certain matters of procedure, primarily for the benefit of the tenants of the Zamindars. The Zamindars were never too keen on the proposals embodied in the Bill. And the Zamindars, led by the Raja of Bobbili, controlled the Ministry. If the Zamindari Ministry was bent on defeating the purpose of the Executive half of the Government with respect to the Bill, it could not have done it more effectively than by its successful manoeuvre for the acceptance of Dewan Bahadur Muniswami Naidu's eleventh hour amendment for the extension of the benefits of the Act to the tenants of the Inamdars. Far from extending the benefits of the Bill to a larger number of tenants there is the danger that the whole Bill may be killed or indefinitely held up, to the disadvantage of the tenants of the Zamindars, thanks to the powerful agitation provoked by Mr. Muniswami's amendment. A very influential deputation of Inamdars, headed by the venerable Bhishma of Indian Liberalism, Sir P. S. Sivaswami Aiyer, waited on the Governor of Madras to protest against the amendment and invoke his veto.

The Deputation was on impregnable ground when it protested against the procedure adopted in passing the amendment. An amendment of the kind, which made a sweeping extension of the scope of the original Act was not to be let in by the back-door, as it were, as a surreptitious surprise. The procedure was thoroughly wrong and mischievous. The amendment should have formed the subject of a major bill, sponsored by the Government, after due notice to the parties concerned and after the fullest enquiry.

On the merits of the amendment, part of the criticism of the Deputationists only goes to prove that it is not radical enough, nor universal enough in its application—not that it is superfluous. But the main objections urged by the Deputationists were that the amendment deliberately assimilated the status of Inamdars with that of the Zamindars and was, besides, confiscatory of property rights without compensation. As regards the existing rights of Inamdars, the Deputationists say that "they can do what they please with their lands." From a purely legal point of view, the Zamindars too had similar rights before the passing of the original Act in 1908. They too exercised such rights for some generations. If they had no contractual rights, they, at any rate, accumulated prescriptive rights, not less valid on that account. It is not so very material how they originated long, long ago. Zamindars might have been merely rent collectors and not owners of land. Why, some of them might have been robber-barons who gobbled other people's lands. It is not proposed to dispossess them of their lands on that account. It is bootless to delve into ancient history. The more important fact is that till the Act of 1908 the Zamindars exercised the same rights which the Inamdars exercise today, and did so for some generations. If it was just to curtail the rights of the one, it is equally so to curtail the rights of the other. Justification for such action must be sought otherwise than in ancient history and the remote origins of things.

Secondly, one need not be a socialist to contest the claim that the Inamdars should be free to do what they pleased with their lands. Such unrestricted claim in a commodity like land is untenable.

To legalise present rents, however exorbitant, and permit of future enhancements either by mutual agreement or the intervention of the courts but not the threat of direct action, the eviction of the tenant, is not expropriatory in any sense. The Deputationists have attempted to drive home their point by introducing an analogy. They ask: "Can it be seriously contended that the owner of a house, who cannot evict a tenant in accordance with the terms of his contract, who cannot increase the rent payable on the house and who cannot get it back for his own occupation, will get the same price for the house as it would fetch if he had complete freedom in dealing with his tenant as he liked?" The analogy applies only to an Inamdar who generally cultivates his land but who for some temporary cause lets it out to some one else. But if a landlord builds a chawl or tenement in which he will not live but from which he intends to make as much rent as possible by exploiting the congestion of population due to scanty housing, will it be unfair for the State to intervene to control rents even if thereby the value of the chawl or tenement is reduced? And will it be contended that it is expropriation which should be compensated? The Deputationists will not accuse any Government in India of any zeal for socialism. Speaking on the Rent Restriction Bill in the Bombay Legislative Council in 1918, Mr. P. R. Cadell, on behalf of the Government, said, "Without any subscription to the principle of socialism, we must all agree that there are certain commodities, such as land, air and water, which all the subjects of the Crown, if they have a right to live, have a right to share and which cannot be allowed to be cornered or exploited beyond a certain point." There can be no moral or legal justification for the right to exploit the hunger and weakness of another person. If the State has not intervened earlier to protect the weak it was a dereliction of its duty.

In so far as the amendment deprives the Inamdar of his present right to resume the land, even for cultivation by himself, there is a deprivation; an expropriation. This legitimate grievance arises because ample notice was not given of the impending amendment, so that those who for various but temporary reasons let out their lands to others but who wished to resume them for their own cultivation, had no time to do so. Those who never proposed to cultivate their lands themselves are exactly in the position of the Zamindars; they have as good a grievance as the Zamindars—or none. But the case of those who would cultivate their lands but who for temporary reasons had let them out stands on a different footing. The only legitimate relief that they can claim is that enough notice should be given before the amendment is brought into operation or that they should be given the right to resume their lands for *bona fide* cultivation by themselves.

One criticism urged by the Deputationists has much force in it; only it applies equally well to all land legislation in India today, not excluding the original Madras Estates Land Act. The tenants who acquire occupancy rights will in turn become sub-Inamdars with tenants under them, and the existing relation between the Inamdars and their tenants will repeat itself. This is because all land legislation has so far proceeded from the point of view of limiting the powers of the landlords and not of securing the rights of the cultivating tenant. Such legislation has, without materially improving the lot of the cultivator, only succeeded in creating more,

and perhaps worse landlords. The desired end can be attained only if all leases are made permanent except in certain well-defined contingencies. Then and only then will the cultivator be protected.

Another observation of the Deputationists was that the creation of occupancy rights in favour of the tenants of the Inamdars would lead to the extension of the same rights to other classes of tenants under ryotwari holders and Zamin ryots. The Deputationists are opposed to such extension of these rights on the grounds that it will bring about an agrarian revolution and will discourage the investment of capital in the improvement of land. If the immediate and universal application of the reforms will lead to a revolution, all the more is the justification for gradual reform, in instalments. And the present amendment deserves for that reason to be supported. And its extension should be carefully graduated. As regards capital investment, the rich Zamindars were perhaps in a better position to invest it than the Inamdars, the great bulk of whom, the Deputationists asserted, were small and even petty holders. But the Deputationists do not urge that the Estates Land Act should be repealed for that purpose. These arguments are wholly unconvincing.

The Deputationists urged that the bulk of the Inamdars were small holders whose freedom of contract with their tenants and whose existing facilities to collect revenue by threat of eviction should not be curtailed. Insofar as the State's intervention is justified only to equalise the bargaining power of the parties to a contract, it can be well contended that the small holder has no undue bargaining power over the tenant and they should be left free to negotiate a contract and abide by its terms. This principle will justify the exemption of small holders as such, but not of Inamdars as a class, including the biggest and the richest among them whose bargaining power is no less than that of the Zamindar. The Deputationists would be on stronger ground if they had asked that holdings below a certain minimum extent should be exempted from the operation of the Act.

As regards facilities for collecting rents, there is no doubt that the Estates Land Act procedure is costly and dilatory. But so is the enforcement of all civil contracts. There is no special reason why the landlord alone should have summary powers, as it were, to collect his rents, while everybody else has to go to the civil courts for enforcing his contracts. It is however true that very often the rents to be recovered are so small that it would not be worthwhile to go to courts to collect them. The remedy for this is to devise methods to simplify the procedure and reduce the cost of such litigation. Or perhaps the Government may be requested to collect the rents as they collect their revenues and pay them over to the landholders, after deducting a small amount as cost of collection.

Whatever be the results of the Deputationists' protest, there can be no doubt that they have been placed in an unenviable predicament. Some of them are stalwart Liberals and progressives and they have been obliged to protest against an instalment of land reform, which they should themselves have advocated in a more comprehensive form. Security for the cultivator and equalisation of bargaining power between the parties to a contract should be the objectives to be aimed at, gradually, if not immediately. The right to rack-rent is on a par with Shylock's claim to his pound of flesh. The Deputationists, particularly the progressives among them, have been obliged not only to invoke the veto power now vested in the Governor but of defending its retention in future, against which they themselves have been protesting. It may be that if the Governor had no

veto power in practice, the Legislature would have been more careful and responsible in its enactments. They have also been compelled to regret, as it were, the absence of a second chamber in Madras to check the "hasty and ill-considered" legislation of a unicameral legislature. They have walked into the parlour of the diehards.

The Zamindari party in Madras have scored. They have posed themselves as more democratic than the Liberals and other progressives of the Deputation, more interested in the welfare of the tenants than the Deputationists and at the same time succeeded in holding up, perhaps indefinitely, the whole Bill for which they had no affection at any time. They got the Deputationists to draw the chestnuts out of the fire for them.

Our London Letter.

(BY AIR MAIL.)

(From Our Correspondent.)

London, February 23.

INDIAN CONSTITUTIONAL REFORM.

I HAVE been talking this week with some very well-informed friends, who have been watching, with very considerable anxiety, certain tendencies in India among Moderate politicians, suggesting the rejection, out of hand, of a Constitution based substantially upon the White Paper proposals, as also the bitter disparagement of such a Constitution. These friends point out that, willing as they themselves would be for a substantial advance upon the White Paper proposals, they cannot see any real prospect in this Parliament of getting anything more than those proposals plus or minus certain small modifications. For them the problem is, as it was very bluntly put by one of them, whose name is a household word in Indian political circles, the White Paper or nothing. The propaganda of unqualified abuse of the White Paper proposals was in the opinion of these friends calculated to do very grave harm to the prospects of constitutional reform, and it was really supplying ammunition to the Churchill group, otherwise relatively innocuous, that would enable it gravely to embarrass the Government in its attempt to put through a new Government of India Bill.

In reply to the argument that if these particular reforms fell through no great harm would be done, as in a very short time Parliament would be compelled to pass a very much bigger measure, the friend above referred to, who is a very broadminded Liberal, declared that as a realistic politician he had not the faintest hope that any such thing would happen. The National Government were good to last out their full term of office, and there was every prospect that even though with a considerably reduced majority they would be returned to power at the next General Election. However, even if by chance the Labour Party were returned to office, there was not the slightest prospect, even though on general principles they might be willing, of their having leisure and opportunity to put forward a large Indian Reform Bill. They would have their hands far too much tied by pressing internal problems affecting Labour policy, and they would certainly have received no mandate from the country for such a liberal policy in India. So far, however, from there being a tendency in the next few years towards liberalism and progressive reform, all the signs in this friend's opinion were clearly in the direction of reaction, retrogression, Fascism, and autocracy. In

my own opinion, the following analysis of the situation does not present an overdrawn picture. The difficulty during the next few years will be not to push forward, but to prevent very serious backsliding in constitutional matters, and in those affecting the liberty of the subject. Democracy has received far too many severe shocks in recent years not to appreciate that it is on the defensive.

BIHAR EARTHQUAKE RELIEF.

The Lord Mayor at a dinner last night announced that he had received a very cordial letter from the Viceroy, thanking him for his eloquent appeal to the citizens of this country to assist in the relief of the distress caused by the recent earthquake disaster, which appears to have been intensified by fresh shocks this week. So far, subscriptions to the Lord Mayor's Fund have totalled more than £40,000, in addition to substantial sums that have been sent direct to the Viceroy's Fund and of course much smaller sums to private distribution agencies.

The news that Mr. Gandhi has temporarily given up his Harijan work in order to devote himself to earthquake relief in Behar reminds me that the Calcutta Correspondent of the *Morning Post*, who, of course, is well-informed of the situation in South India, has been making capital of an allegation that only the intervention of the Police saved the Mahatma "from a possible mauling" at Kumbakonam. Anything, of course, is possible, and it is possible that this statement is a complete travesty of the truth. The *Daily Telegraph* enquires, on the strength of a message from Kumbakonam to the *Times of India* whether Mr. Gandhi has "gone red". It is stated that a report had been circulated that the Mahatma had declared that God and Religion should disappear before salvation could be expected for India, and that he had not changed his opinion that temples are worse than disreputable houses. Any one who knows the Mahatma will have little difficulty in interpreting for himself exactly what he must have said, and would not in the least be likely to be deceived by a stupid message of this kind.

TERRORISM IN INDIA

The Duchess of Atholl this week returned to her hobby of curdling the blood of her fellow-members by dragging into the open the terrorist conspiracies in India, the details of which she insists upon assuming that the India Office is intent upon concealing from the British public. This time she made her fellow-members' flesh creep with the story of how a terrorist informer had given evidence that he had learnt the process of bomb manufacture from Bengal terrorist prisoners, with whom he was imprisoned in Trichinopoly Jail, having attended some fifty or sixty classes, each lasting for some two or three hours, in the State Prisoners' Ward, where the cult of violence was taught. It seems to be a very complicated cult to require all that high-pressure training, and I do not suppose that Mr. Butler, the Under Secretary, really satisfied the Lady Member whose fears have been so badly aroused.

Our Parliamentary Letter.

(From Our Own Correspondent.)

New Delhi, March 4.

THE INDIAN BUDGET.

SIR GEORGE SCHUSTER'S 'Bengal Budget'—as Sir Cowasji Jehangir termed it—created a certain amount of heated discussion in the course of the general debate on it on Friday and Saturday. It was severely criticised as setting a bad precedent,

as Burma would now come forward to claim half the share of the export duty on rice, and Assam half the duty on kerosene oil. The excise duty on sugar and matches also found little support in the house. Mr. C. S. Ranga Iyer and others protested against the excise duty on sugar, as taxing production; and they saw in it a precursor of the revival of the cotton excise duty. Members from Madras complained against the abolition of the export duty on hides, as it would threaten the tanning industry in South India. Sir Henry Sidney complained against the extravagance of the army department in importing British nurses on a proportionately high salary, when India could supply the adequate number without the least difficulty and on much smaller salaries. He protested against the indifference shown by the central Government as regards public health, on which they spent little or no money. Mr. Mody thought that only deficit budgets in provinces impressed the Finance Member as to their real needs; and provinces like Bombay which taxed themselves to the utmost in order to balance their budgets were being penalised at the expense of others. Sir Leslie Hudson showed how it was incorrect to call the budget a balanced one as the debt redemption fund had been raided for the purpose. He hoped Government would not be in a hurry to restore the cut in the salaries of the services, till they had given simultaneous relief to the taxpayer. Sir Abdur Rahim was not satisfied with the reduction in military expenditure, of which so much was made, and demanded information as to what had been done to get full justice to India in the matter of the capitation charges. Mr. Joshi pleaded for the cause of the inferior servants of the Government of India, whose case had been neglected so far.

Sir George Schuster replied to the criticism levelled against the budget and contended that in spite of the excise duty on sugar protection was still over two hundred per cent. India could not produce sugar as cheaply as Java did but if there was any export a rebate would be given on the same. He did not think that the attack on the contribution that Bengal would receive was well founded, for they had fully examined Bengal's case and found that she could not restore equilibrium under the present conditions. He then warned the other provinces against entertaining a false hope that they also could get help in the same way or that the Government of India had already some scheme ready on their hands.

WHEAT VS. RICE.

When the Bill extending the life of the Wheat (Import Duty) Act came up for consideration on the 26th February, opportunity was taken by members from rice-producing parts to ventilate their grievance. Sir Joseph Bore at the outset explained that Indian markets would be flooded with foreign wheat, if the Act was not allowed to continue, as the world surplus stock of wheat was 695 million bushels as against the probable consumption of only 100 million bushels. To Raja Bahadur Krishnamachariar the attitude of the Government seemed to be that the Assembly's duty was merely to pass official bills, for they had not been even supplied with the data on which to base their opinions. He and Diwan Bahadur Ramaswami Mudaliyar accused Government of being indifferent to Madras, which was severely affected by the dumping of rice from Siam and Japan. Mr. Masood Ahmed once again brought up the question of provincial representation on the Viceregal Cabinet, saying that the Punjab seemed to have stronger influence than Bengal—a statement which was categorically denied by Sir Joseph Bore, saying that they represented India as a whole. Dewan Bahadur Mudaliyar would like the

Government to stop altogether the rice imports from foreign countries, as India and Burma between them could supply the needs of the whole of India. Mr. G. S. Bajpai explained the position of the Government and showed that the frequent complaint of favouritism of one province against another did not hold good. He showed that during the year preceding the imposition of a duty on wheat, a quarter of a million tons of wheat had been imported and had threatened Indian agriculture,

whereas the import of rice was less than one percent of the production of the presidency of Madras alone. Government, however, were aware of the psychological effect of the import of rice and were seriously considering the problem, the result of which the Assembly would soon hear. Sir Joseph Bore, in winding up the debate, assured the House that as the duty had hardly effected any appreciable rise in the price of wheat the interests of the consumers did not suffer. The Bill was then passed.

GOKHALE ANNIVERSARY.

Rt. Hon. V. S. SRINIVASA SASTRI'S ADDRESS.

The following speech was delivered by the Rt. Hon'ble V. S. Srinivasa Sastri in Madras on 19th February on the occasion of the nineteenth anniversary of Gokhale's death:

THIS day in the year 1915 passed away the great man whose memory we are met to honour. His life was lived almost entirely during his last days in the field of politics. Ever since that date this anniversary has been held in various parts of the country and men and women have attempted to keep alive his memory and his teachings. It is now 18 years since we saw the last of him. 18 years would, in this changing world, be a long period across which to look back at the work of anyone. But you will all agree that the last few years have been marked with exceptional changes. It is therefore no wonder that his memory and his teachings have gathered round them many ideas, which are not altogether in accordance with facts, and as time goes on, I suppose we must expect that kind of accretion to attach itself to his name. It would, therefore, be helpful if I venture in one or two respects to put right, according to my lights, what, in my judgment, are misconceptions regarding Mr. Gokhale. Those who read his speeches without having known the man himself would surely connect his memory with the subject matter of those speeches. I have recently read them, or the greater part of them, for the sake of this evening's talk. Intimately as I knew him, reverently as I have remembered his teachings, I cannot but be surprised at the tremendous distance that India has travelled since his day. The great subjects to which he devoted his attention have all changed their tenor and complexion. The concrete issues which occupied him so intensely have become for all practical purposes quite different in their nature. Take for instance the question of the employment of Indians in the higher ranks of our public services. You will be struck at the sort of appeals that he made, at the recommendations that he urged and at what cannot but today appear as the very modest nature of the man. For instance, to mention nothing else, there was the great question of the introduction of simultaneous examinations in England and in India. He laboured hard at it. Many were the times when he harangued publicly on that subject. It no longer occupies our attention. The percentages that should mark the proportion of Indians to Europeans, to which he attached great importance, have now ceased to attract us. For instance, he said in one of his speeches that he was not asking that the services should be solely nor even largely manned by Indians. I wonder what politician to-day will get up on a platform and say that he did not ask for the complete or the almost complete Indianisation of the services. Take the question of local self-government. You would wonder whether 18 years ago an advanced politician of India asked only for the

things that you find in most of his speeches. I will not say that on these subjects we have obtained satisfaction; and are likely to do so. But the considerations that he urged, the figures that he cited over and over again, and the arguments which he put forward are not the ones that on that subject you will hear from the representatives of to-day. Or let us take the Hindu-Moslem problem. I shall presently have something more to say upon that. While I am not by any means implying that we have advanced in respect of that problem, as we certainly have in respect of the other problems that I mentioned, it still is true that the main features of the question have altered altogether. That part of the subject we are now dealing with has practically no relation to the aspect that worried him. Upon these concrete issues then, and upon all the practical aspects of his work we have taken fast strides in some respects in the direction of advance, and I am sorry to say, in one or two other respects, in the direction of retrogression. But whatever that be, I am only anxious at this moment to impress upon you this circumstance; that they can have only a partial idea of the character and personality of Mr. Gokhale, who get all their ideas from his published speeches. You would need to know what sort of man he was, and even to appraise his political work, you must correct the impressions that you gathered from a study of his speeches. You must correct those impressions by a reference to what I shall call, his fundamental outlook, that is, the basic ideas which governed his work in that sphere. It is not easy at this distance of time, talking to many to whom Gokhale was only a name, it is not easy to take their minds back to the days when the political constitution of India was of what is known as the Minto-Morley type. We have since had the great reforms to which Lord Chelmsford and Mr. Montagu gave their names. We have lived under this constitution for so many years that I for one should certainly not make it a grievance if you cannot form a distinct idea of the great constitution for which Mr. Gokhale laboured for several years, to which Lords Minto and Morley gave their names, and under which he conducted his best known work for many years. Why, you have only to read what in this book is described as his last political will and testament, embodying his suggestions that he made to the British authorities, what he conceived to be the lines on which India should be reconstructed after the Great War in order that satisfaction might be afforded to her people. Those reforms read today as if they related to a period 50 or 60 years ago and yet I remember very well many so-called wise people in this country shaking their heads in wonderment as if Mr. Gokhale was demanding a slice of the moon. In point of fact the Great War changed men's ideas so radically that when Montagu came out with his commission to India, the proposals that he put forward and which finally took shape in the constitu-

tion which is now going to be scrapped, were far in advance of the suggestions that Gokhale left behind him. This general observation I make in order to impress upon you one fact which is very often forgotten. Please remember that Gokhale was looked upon at the close of his career as the most sagacious, and, in some respects, the most advanced representative of Indian aspirations. If the particular problems that engaged his attention and the practical demands that he made at the close of his life appear to us now to be out of date, I ask you, would it be right, would it be fair, would it be proper in any sense of the word for people to maintain that India has been making no advance at all, that Great Britain has only broken promises time after time, and that India has been stationary? It would be truthful to maintain that India's progress had not given us satisfaction. It would be truthful to maintain that the changes that one notices in India are by no means commensurate with the changes that we expected, that we deserved, or that we see taking place in other parts of the civilized world. These propositions would be true more or less, but those who in their disappointment and chagrine at the progress that India has been making, go the length of maintaining seriously that we have made no progress at all or that in some respects we have receded, I venture to think, that such people are presenting a picture which we cannot accept as at all true. We have made vast strides. But something which Gokhale said even I may not be prepared to say now, certain demands that he made I certainly would not make now; but it would be wrong for that reason to suppose that anything has happened in India to make me depart by a hair's breadth from the basic principles that he had laid down or from what I may describe for the moment as his fundamental attitudes in politics. Much has happened to shake men's faith; many have altered the very foundations of their political philosophy in India; some have changed their political complexion altogether and there are many who think that our methods and aims alike must undergo a radical transformation if we seek India's welfare in the conditions that have established themselves. I am unable, after a careful consideration of the case they may make out, to endorse their claim that we must adopt towards fundamental matters an attitude different from that which prevailed in Gokhale's day. Now, for instance, take the attitude with regard to the British connection: What is to be our aim and aspiration today? Should we seek the destiny of our country within the political framework called sometimes the Empire, sometimes the Commonwealth of Great Britain, or should we pitch our ideals so high that we cannot remain within this political latitude but must seek our salvation outside? That you will admit is certainly a difficult question. It is not a new question altogether. Even in Gokhale's time some of his speeches contain very anxious discussion on that topic. When the partition of Bengal was declared to be a settled fact and the heart, not only of Bengal, but of the whole of India in sympathy with her, sank to a very low depth, people's ideas travelled very far indeed. These very subjects which have now gained, I may say, an almost permanent footing in the minds of a great section of our people, came up above the horizon and clamoured for a solution at the hands of our leaders. One of these basic ideas was that it was wrong, it was idle, it was foolish to expect that Great Britain would fulfil her promises in their entirety toward India and that we might through methods of constitutional agitation achieve all that we had expected for a generation. And there were not wanting men of authority who declared that for them the British Empire had grown too small, that they would make attempts to take India

out of the Commonwealth, and that it was necessary for us to take that definite aim and that we should alter our political movements in accordance with this expanded idea. Gokhale thought it necessary in 1907, that was when I joined the Servants of India Society, he thought it necessary then to make a tour through important centres of thought in India and dispel what he regarded as this dangerous illusion. He maintained, on grounds which do not seem to me to have altered at all and to have grown out of date in any respect, he maintained that we should still hold by the ideal of Colonial Self-Government, the expression Dominion Status had not then established itself, the phrase was Colonial Self-Government, hardly any difference. He brought this forward in his presidential address at Benares. When the Congress broke at Surat, one of the articles of the reconstructed Congress declared in express terms that the aim of the Indian National Congress would be the attainment by India and by the Indian people of a type of self-government similar to that which prevailed in the self-governing dominions. It is from that time that the Congress carried that goal in front of itself. Only a few years ago it was changed when the Liberals had separated themselves and formed a camp of their own. It was then that it was changed into the expression 'Furna Swaraj,' sometimes interpreted to mean complete independence of the British Empire, sometimes interpreted to mean substantial independence either within or without the British sphere, but, I should think, not yet clearly elucidated. Whatever that be, the point that I wish to make at the present moment is, that Mr. Gokhale considered this idea to be dangerous, carrying in it the seeds of the rupture likely to land India in a terrible disaster, and he counselled with all his experience and wisdom young men and women of India to hold fast by the idea of self-government under the British flag. Nothing has happened since his time to induce his followers to change that fundamental attitude and I wish definitely, if it were necessary, to declare today my entire and whole-hearted faith in the possibility of our attaining all our practical aims within this limitation.

See how political expressions alter their meaning from time to time. To give one illustration. Take the words co-operation and opposition. Some of you may remember, and I want at the present moment to inform others that do not know, that when the Liberals separated themselves in Bombay and formed their own organisation because the Congress had taken what in their judgment was a dangerous and disruptive step, the Liberals in these days used to say that their attitude would be co-operation whenever possible and opposition whenever necessary. A good motto, it seems to me for all working purposes, that is to say, when people are not swayed to the extent of being blinded by political passion. By cooperation we meant in those days treating with sympathetic consideration and assisting in all constitutional ways open to us all those measures of government, all those policies which in our judgment were likely to redound to India's benefit and opposition meant to us the withholding of our support from measures and policies of the opposite tenor. That was quite reasonable. In other words, what we set our faces against was the attitude of irreconcilable, determined, inveterate opposition to everything that proceeded from Government, good, bad or indifferent, suspecting the motives of Government at every turn, ascribing to them the worst possible intentions, and therefore being always in an attitude of defence and even defiance. That was what we wished to discountenance and therefore we enunciated this principle. We believed that the

fashion was establishing itself to assume an attitude that I have now stated, the intentionally irreconcilable attitude. As we are not amongst those persons whose patience has been exhausted and whose hope of attaining our ends within the Commonwealth has not been shattered, we still cling to this faith that within the ambit of the British Commonwealth our highest political ambitions can still be realised. The words cooperation and opposition have changed their meanings somewhat, and as this is on the borderland of constitutional parlance, you will understand me if I use one expression now and another later. Nowadays, few people understand by the word cooperation assisting government in all ways possible in measures beneficial to India; nor do they understand by the word opposition the opposite attitude. Now, within a few recent years, the idea of complete dissociation with the machinery of government has come into the political sphere. Even a person who goes into the Legislative Council and with determination and pertinacity opposes Government would be described as a cooperator and for the reason, not altogether unreasonable because those who recognise the Legislative Council as the sphere and proper stage of political labours grant in that very idea, although they may be only opponents of Government, they grant by that very proposition the validity of the present constitution that binds Britain and India together. While you may from within oppose Government, you are working within a framework in the making of which you have had no share and in the altering of which you are not likely to play any conspicuous part and therefore you are strengthening Government to continue its hold on India and the Indian people. That is the new idea that has attached itself to the words cooperation and opposition. To be an opponent in the new idea of things you would have to be outside the constitution altogether and you must seek your salvation and the salvation of India through work of a political kind which cannot be described as constitutional, for to be really constitutional any change, although brought about under unofficial pressure and to satisfy unofficial aspirations, in order to be constitutional such a change must be enacted in legal form by the constituted authority. It is those changes only which we compel the constituted authorities to enact themselves which may be described as constitutional. Anything that you do for yourself without any reference to the Government cannot be described by that word. Why, that idea too was in the air in Gokhale's time, and that is why he found it necessary during his tour to combat this idea as a whole. That the changes that we desire to be effected in the constitution and the advance in political status that we aimed at must be achieved through the willing cooperation of the constitutional authorities of the land and through legal action. To seek the destiny of India independently of the Government by means of parallel organisations which we establish he discountenanced again as a dangerous and disruptive idea. Once more modestly and humbly I would say today that nothing has happened to disturb my faith in this doctrine. I hold that they who, under whatever provocation it may be, teach the young of the land that this Government is not worthy of being associated with, that this Government it must be our business to destroy by means the character of which we need not examine too closely from the constitutional point of view, those who advise this course seem to me to be taking us altogether out of our moorings and taking us into a sphere where we cannot see in the sky anything but the uttermost misery and disaster.

Ladies and gentlemen, I will not say that we must in every matter not overstep the line that Gokhale drew for himself in his

time. I have pointed out how on concrete points we really have left the stage far behind but, an interesting matter which lies midway between concrete issues and fundamental attitude, I will just mention in passing. In the Hindu-Moslem question, he used to say for example, and I say this because it leads on to this question. He was described wrongly by certain critics when they spoke of him as the permanent leader of the Opposition in the Council of the Government of India. He said, "No. I know what the opposition is in Western countries where politics are worked on the two-party system. We have not arrived at that stage in India. I do not consider myself as at the head of a party of opponents of the Government policy." He disavowed his intentions of opposing the Government; he criticised it strongly, advised without fear, but he never described himself as a member of the Opposition. For the Opposition in these politically organised countries takes this attitude, that the Opposition should oppose out the policy and hold Government up to public opprobrium. He disavowed his intentions of that sort and he always said if I had in my power to-day I would not defeat Government. Fancy a member of the Opposition saying that from morning till eve. He does nothing but try to upset the government and himself taking his place. Gokhale believed in the moral prestige and moral authority of the Government as so essential that he would do nothing that might weaken them. I cannot conceive anybody saying that to-day, because under the present constitution there are opportunities open every day for our members to defeat the Government and I have myself sat in the gallery and witnessed now when members of Government came into the council hall they came trembling and before they had departed had sustained 6 or 7 defeats. Not that these defeats mattered anything to them so long as they continue to hold their office in spite of the defeats they encountered. That has become the order of the day. We are quite familiar with that sight now and every person who criticises Government has a majority. Some of you may say: Very well, in those days they never had it in their power to defeat Government, for there was always a secure official majority and they could not overthrow the Government. Gokhale only made a virtue of necessity when he disowned all intentions of upsetting the Government. That very fact shows how far we have gone in advance of his time. I am now coming to the difficult part of my subject, the Hindu-Moslem problem. The occasion when he made a most prominent declaration of his opinion that the prestige of the Government was the thing for which all should care, that occasion was when he was advising his colleagues in the Imperial Legislative Council to accept for the time being the arrangements they had come to regarding the Hindu-Moslem problem. It is a very troublesome question. I have known no person, not even Mr. Gandhi, touching that subject and not leaving it a bit worse. My object to-day is not to rake up the matter but merely to elucidate the position that Gokhale took up. The subject is so surrounded with difficulty. The smallest suggestion is magnified into a deliberate assault on an established position and so on. In Gokhale's time the subject came up upon a resolution moved in the Imperial Legislative Council of the old days in order to alter certain regulations prescribing the proportion between the Hindu and the Moslem representatives. In those days there were no separate European representatives elected. It was only for Mohammedans that there were separate electorates. Difficulties were raised as to the proportion, it being made a ground of very grievous complaint. The Mohammedans had been allowed not only separate electorates but a weightage of representation, that is to say, representation in excess

of what should have been their proper share, considered merely on their numerical proportion of the population. Gokhale said that he did not approve of either but that he conceded separate electorates for Mohammedans and, he added with a foresight which we can warmly commend, for other minorities also it separate electorates might be tolerated but not as occupying the entire electoral field as they do now. He said that these minorities might come into the Councils through the general electorates and let the deficiencies be supplied through separate electorates. To that extent, mind you, making it certain that the habit of coming together for practical purposes for discussing political matters and for voting on political questions was the regular and main feature of our electoral system. Having made sure that, he allowed separate electorates are for the purpose of correcting deficiencies, so that our national ends were preserved in their entirety; he said definitely that he was opposed to anything like weightage. He said it was unjust and could not be defended on any possible ground and he took seriatim the grounds urged by Mohammedans for excessive representation and rejected them all as invalid. See how far we have travelled since that time. Subsequent to his death even our political leaders accepted this weightage, it having been established and then when the new electoral system and franchise were devised to help on the Montagu-Chelmsford scheme this dual feature was stereotyped, viz. separate electorates and excessive representation. Not merely that, we gave these advantages to the other minorities as well. Now, the demand has been made and accepted for some other minorities. What was confined in Gokhale's day to the Legislative Council and one or two municipalities has now been extended right into all self-governing bodies. The poison has been allowed even into the constitution of our universities, the school managing body and, alas, our services have been cut up into so many fragments destroying even the possibility of an honest, or an efficient or well-controlled service. Now, ladies and gentlemen, I am just trying to enforce one lesson. I was recently reading a book by a political writer who pointed out one danger. He was treating of the subject of compromise. This political writer points out one great lesson. He says: If you make a compromise and surrender a part of your case, that forms a part of the arrangement. It is favourable to the other side. You have also acquiesced in it. The result will be that in the general public mind this surrendered portion of your case would be regarded as good in itself. What you accept as the necessary evil as a working arrangement for practical purposes would then be defended subsequently as in itself good, as something to which you have yourself given your sanction and your own authority will be quoted in its favour from time to time. It seems to me that this admirably illustrates what has happened to Gokhale's views in connection with the Hindu-Moslem problem. I have never known an important occasion when some modern leader or other even up to yesterday did not quote Mr. Gokhale as an example of a most liberal-minded politician, who recognised no distinction between the Hindu and the Moslem, who recommended all the concessions that had been made to the Mohamedans. In other words, this very thing has happened to him that which he acquiesced in as a necessary evil has come to be regarded as a good in itself and has been extended right and left and up and down until our electoral system now is disfigured and I do think it would not be exaggeration to say that the minorities

have eaten up the majority. I am bound to say a word in defence of Gokhale if anybody quotes him in support of this. I did so at the Round Table Conference when his name and that of Lord Morley were frequently invoked when minorities expressed their claims. I pointed out that Lord Morley was not the offender at all, that he also resisted the introduction of these separate electorates as long as he could, but finding that he must either introduce the separate electorates in his scheme or give up the whole scheme for which he laboured for several years, he acquiesced in what he himself described as a necessary evil. His name is quoted very often. In politics compromise is a good thing, but we must take exceedingly good care that evil does not put on the disguise and habiliments of good and extended to all spheres. It has happened in the case of this question, and if I have said things which have gone beyond a mere recapitulation of Gokhale's position, I hope I have spoken with due restraint.

Now, ladies and gentlemen, I have explained to you some of the respects in which we have all gone beyond the position as it was in Gokhale's time; I have also tried to explain how a few of us still hold to the generous belief that within the British Empire India may reach her salvation and through constitutional agitation and by a steady pursuit of the method of co-operation both in the larger and smaller sense to which I have referred. I have also ventured to utter a word of caution as to how what we acquiesce in practical politics as a necessary evil may often be turned against ourselves and tend to expand itself to be a source of danger. That is a lesson rather than a warning which we have to draw from Gokhale's life, for he made no mistake at all. Compromise is essentially a matter of extreme difficulty. It can also be a matter of danger. I feel that the old liberalism in this country for which Gokhale and Mehta and other people of that time stood, the liberalism with which the names of Ranade and Dadabhai Naoroji are connected, that in its essence and its fundamentals still holds the field in spite of every endeavour to understand the other case. I remain unconvinced that in these rock bottom matters we need alter our outlook or our aims or our methods. Gokhale then is a living personality, a character whom it is worth while studying in all its aspects, even if his particular demands and arguments may have lost their validity today.

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