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Topics of the Week.

Indianisation or Swaraj ?

IN his autobiography Pandit Jawaharlal Nehru has, it would appear, described the objective of the Liberal Party's policy to be merely a replacement of the Britishers in control by Indians, and that of the Congress to be a radical reconstruction of society. Mr. Brailsford, in his review of the book, states the difference between the two parties, as viewed by the Pandit, as follows :

What they (the Liberals) envisage as the desirable future of India is a continuance of the present social structure with a change of colour. It will be an India of princes and capitalists, landlords and I. C. S., policemen and governors, but gradually what is white to-day shall be brown to-morrow. Theirs is a colour grievance, which for his part he does not share. . . . What he demands is, of course, a fundamental change in the whole social structure, that will release the latent capacities of this ill-organised population for productive work and raise the masses from their sub-human poverty. . . . His objective is therefore no mere colour-washing of the present Indian fabric, but a shift of power which will be accomplished only when the last British troops are withdrawn.

WHAT a travesty this is of the Liberal Party's attitude will be best shown by reproducing what we ourselves wrote in the SERVANT OF INDIA of 25th August last year in commenting upon Mr. Jayakar's advice, as we understood it, "of never attacking privilege and never attempting a shift of power from the higher to the lower-classes." The extract we give below

uses almost the same words that Mr. Brailsford uses and thus gives a categorical denial to Pandit Jawaharlal's statements :

Even if it were possible to work the constitution without coming up against the safeguards it would not be desirable. However inflexible our determination may be to travel in the well worn ruts, we shall soon be jolted out of them. But what is the good to the country of our keeping to these ruts? We do not want self-government merely for emotional satisfaction, in order that we may enjoy the feeling that Indians now rule in the place of the Britishers. In fact even such a feeling would be illegitimate, for behind the facade of Indian self-rule that we may succeed in putting up there will always be British control.

But a mere change of masters, even if it were real, would satisfy nobody. We want self-government only as a means of introducing fundamental changes in society, as a means of abolishing privilege, as a means of transferring power from the ruling class, whether white or brown, to the broad masses of people, as a means of establishing a democratic and equalitarian regime. If our self-government is such as to foreclose all these momentous issues, as on Mr. Jayakar's hypothesis it does, we have no use for it. We do not want our future legislators to make it the one ambition of their lives to keep steadily to the right lest, if they allowed themselves to stray into the sheep-fold of the leftists, they might give an excuse to the Governor or the Governor-General to invoke his reserve powers. On the contrary we want them to sponsor drastic measures for the creation of a new social order and challenge all the vested interests and the Governor and the Governor-General together to do their worst.

To make the constitution successful is not our objective. Our objective is and must be to revamp our social and economic structure, and if even in taking one forward step in this long and weary process we come into collision with the holders of power and privilege, as we are afraid will be the case, for such collision we must be prepared, whatever the reaction of it may be on the constitution. We are of course under no delusion that any but very small and tentative items of a programme such as we have in mind can even be attempted for a long time, for the vested interests can halt any radical programme without ceremony. But the tendency and direction of the programme should be stated clearly at this formative stage. In any case we do not want those who would go into the legislatures to be the errand boys of our Princes, communalists, services and the Governors and the Governor-General. On the contrary we want front-fighters, whose character opposition will only harden to iron.

THE fact of the matter is that the bulk of orthodox Congressmen led by Mahatma Gandhi understand self-government in the narrow sense of a mere change of masters, which we have consistently repudiated. A most conclusive proof of this mentality of the older Congress leaders is afforded by their attitude towards

the problem of the States. The States' representatives in the federal legislature will be the Princes, nominees, and being nominees of autocrats, they should have been objected to strongly; but the Princes wear an Indian skin, and Mahatma Gandhi could not bring himself to object to them. The federation under this scheme, to the extent to which it will yield real power, will only substitute a brown autocracy for a white bureaucracy, but what Gandhiji and his followers desire is just a brown government—whether it be autocratic or plutocratic. Let the Britishers be eliminated (of course, they will not be under the scheme; they will on the contrary consolidate their strength), and the Congress leaders will think that their heart's desire is satisfied. This aspect of the question has been well brought out by Mr. Edward Thompson in his review of Pandit Jawaharlal's autobiography. After pointing out how unjust the Pandit is to the Liberals, he goes on to say:

And to Srinivasa Sastri in particular he (the Pandit) is consistently and grossly unjust. I would ask him one question, on a matter dear to him. How many Congressmen have shown Sastri's concern for the Indian Princes' subjects? Some kinds of courage are cheaper than others, in India as elsewhere; and Sastri's courage has not been of the cheap kind.

Civil List.

THE House of Commons passed the Civil List Bill as presented to it on 12th May. It embodies the provisions recommended by the Select Committee without any alteration. The Labour Party moved for an amendment for the nationalisation of the Duchies of Lancaster and Cornwall, supposed to be the private estates of the King and the Prince of Wales respectively, but the amendment did not propose any reduction of the amount to be made available to the Royal Household. For the amendment ran: "Whilst desirous of making adequate provision for the maintenance of the Royal Household and the dignity of the Crown, and whilst being willing to provide *additional grants* in lieu of the revenues of the Duchies of Lancaster and Cornwall," &c. &c. The amendment was rejected, and we are not concerned here with its merits.

ANOTHER amendment was proposed for increasing the grant of new pensions "to persons who, by the performance of duties to the public, or by their useful discoveries in science and attainments in literature, the arts, or learning, have merited the gracious consideration of the Sovereign and the gratitude of their country" from £1,200, provided for in the Civil List, to £4,000 a year. The total amount disbursed in pensions of this character every year at present is about £20,000, and if the figure of new pensions were increased as the amendment proposed, the total amount would also have proportionately risen. But this amendment also, though it found considerable support in all quarters, was rejected, and the Government's original proposals were adopted without any change. The point for us to note is that Parliament has complete control over the Civil List; only it is exercised once in the reign of a Monarch.

The Nizam's Wealth.

IF in western countries the people's deputies exercise control over the monies allotted to the King, what happens in eastern countries? Referring to the late king Fuad of Egypt, the *Reynolds News* writes:

Nobody will ever know how much money Fuad left. But in spite of heavy losses in the depression, he must have been enormously rich.

Probably the richest king in the world—unless you reckon among kings the Nizam of Hyderabad, who is far and away the richest man in the world, bar none.

Fuad made most of the chances kingship gives to a man who loves "making money." As soon as he got his throne he gave himself a civil list bigger than the King of England's; and he hardly needed to spend any of it, for all his expenses were paid; often paid several times over by different ministries to which "the Palace" would send in accounts.

Land speculation, with all the dice carefully weighted in the royal favour, was another favourite game. Profits went to the King, losses to the State.

And there were other ingenious methods. One day, for example, a cow from one of the King's herds strayed on to the railway line and was killed.

Promptly a bill went to the Ministry of Communications, demanding compensation for the destruction of the whole prize herd; and, of course, it had to be paid without question.

Repression in a State.

IF a body be started for the purpose of giving publicity to the suppression of civil liberties, Indian States may be trusted to provide sufficient work for such an organisation.

Jamkhandi is one of the bigish States in Maharashtra and it is one of the progressive States as progressive States go in India. It has a Legislative Council of a very rudimentary character, which consists of course of a standing official majority. The Council recently passed, in despite of non-official opposition, a resolution sponsored by the State for the application of income-tax to the people of the State. His Highness the Rajasaheb gave his assent to this resolution and sought to justify his action on the ground that "public opinion in favour of income-tax largely outweighs public opinion against it."

An opportunity for testing the accuracy of this *ex cathedra* statement soon presented itself. For a Taluka Conference was convened at Kundgol for 1st and 2nd June for the purpose of expressing public opinion, among other things, on the introduction of income-tax under the distinguished presidency of Mr. Divakar, a leader of the Congress party in Karnatak. The State officials, however, did not appear to relish the idea of the Conference. On the contrary they were so much disheartened by the prospect of a real expression of public opinion on the subject, that they put a ban on the Conference.

Information was demanded from the organisers of the Conference on several points: when was the organisation formed, what are its rules, who form the executive, what are its objective and methods, what subjects will be discussed and what subjects there is a possibility of being discussed at the Conference, &c. &c.? The Rajasaheb will consider the advisability of revising the order of prohibition in the light of the information received; but the ban will remain operative till it is rescinded by further orders.

Thereupon the Kundgol people thought of holding a public meeting for the purpose of considering the prohibition order. Forthwith another order was issued intimating that this meeting would be prohibited, as if it was the Kundgol Taluka Conference itself! The State officials did not stop here. They perhaps feared that the order would be defied and they kept a force of armed police ready to meet every emergency! And, it is said, the British and Railway police were also called in to guard entrances to the town! The President-designate, Mr. Divakar,

rightly asks: "Did the State think that a mutiny was in progress or that a great revolution was to be launched?"

Education in Fiji.

IN the course of our comments on the Education report of Fiji for 1934 published in a recent issue, the total educational expenditure was stated to have been £6,600 in the case of the Europeans, £5,643 in that of Fijians and £2,962 in that of Indians. This was a mistake, which we regret very much. The figures relate only to tuition costs in Government Schools maintained for the benefit of the respective communities. The net expenditure from Government coffers on European education during 1934 was £4,926, on Fijian education £17,339 and on Indian education £9,439. Our attention was drawn to the mistake by Mr. Polak, to whom we are highly thankful.

Retrenchment in G. I. P. Railway.

IN his presidential address to the first annual Conference of the New G. I. P. Railway Staff Union held on the 31st ult., Mr. N. M. Joshi subjected to severe criticism the Government's retrenchment measures designed to cope with the economic depression. Retrenching the staff, reducing the salaries and wages of the employees, increasing the railway rates and fares—all this was, in his opinion, "wrong policy." But he did not stop with merely criticising the existing policy but indicated what in his opinion would have been the right one. This "would have been to reduce rates and fares not only to maintain traffic but to develop and extend it, and thus to avoid the necessity of retrenching down their salaries and wages."

TO illustrate how heavily the burden of this wrong policy has fallen on railway workers, Mr. Joshi gave some very telling statistics. The total number of railway employees in India during 1929-30 was nearly 8¼ lakhs. During the last five years, however, the number had been reduced by 1,12,000 with a consequent reduction in the cost of the staff, amounting to Rs. 4½ crores. Turning to the G. I. P. Railway, Mr. Joshi remarked that the number of its employees which stood at 1,13,000 in 1929-30 had been reduced to a little over 81,000, the fall in numbers amounting to more than 31,000. Proportionally speaking, the retrenchment axe wrought greater havoc on the G. I. P. Railway staff than on that of any other line, the percentage of retrenchment to the total staff in the G.I.P. being 14 as compared to only 3 in the B. B. C. I., the lowest on any line.

IN the foundry shop of the G. I. P. Railway Workshop at Parel the number of workers was 400; but of these 66 temporary men were heartlessly discharged and the system of compulsory leave without pay by rotation for one month in a year introduced. Mr. Joshi thinks that it was quite possible to find additional work for all employees if only serious efforts had been made to produce in the workshops all the railway requirements which were formerly produced in them instead of ordering them from foreign countries. This serves to reduce unemployment in foreign countries, while increasing it in our own.

BUT the tale of woe does not end here. It is contemplated to retrench 189 more men in the employ of the G. I. P. Railway. The number is really so small that the Railway authorities, if they at all know their

business, ought to do their best to remove this cause of public discontent. Well may Mr. Joshi exclaim, "It is inconceivable that the Agent of the G. I. P. Railway should find this number too large to give work for."

THE Railway Board has accepted the policy of putting the employees, who are thrown out of employment, on a waiting list and of giving them a chance of employment whenever there are vacancies. At the same time the Agents are allowed freedom to recruit new men on the excuse that the men on the waiting list are unsuitable for employment. Mr. Joshi rightly takes exception to this. If the men on the waiting list are unsuitable, he insists that steps should be taken to make them suitable by providing for the requisite training. The option left to different railway managements to recruit new men is, as he remarks, open to abuse as it places an undesirable temptation in the path of foremen and other employing officers. For this reason Mr. Joshi presses for an express prohibition on Railway authorities in regard to fresh recruitment so long as the waiting list is not exhausted. He also condemns the policy of paying reduced scales of pay to new entrants as tending to lower efficiency.

Diagnosis of Zanzibar Riots.

THE report of the Committee which was appointed to inquire into the circumstances of the rioting at Zanzibar in February last has been published and largely endorses the non-official diagnosis of the public disturbances. The breach of peace took place on February 7, the Committee being appointed ten days later with instructions to submit its report by the 30th of April. The report which is unanimous, was actually signed on April 25, which bears testimony to the expeditious nature of its work. The Committee consisted of five members, three Europeans and two non-Europeans, one of whom was a native and the other a Muslim advocate, upon whom must have fallen the brunt of representing non-official opinion in the deliberations of the Committee.

THE terms of reference to the Committee included an inquiry into the causes, both direct and indirect, of the riots. Among those of the former variety must be prominently mentioned the favouritism enjoyed by big copra producers in the matter of its export. Where the shippers are themselves plantation owners, their produce would appear to have enjoyed exemption from official inspection. This, we suppose, was not legally allowed but was probably the result of official connivance. But this fact did nothing to lessen the feeling of unfairness experienced by the native of limited means. Whereas big exporters enjoyed an almost complete immunity from official inspection, the produce of the poor native was subjected to close scrutiny at the hands of Government inspectors with the result that in some cases his produce was rejected as being unfit for export. This materially added to his economic difficulties, already heavy enough in all conscience. The accumulations of such rejected copra are said to have amounted to 1,500 bags on the day previous to the riot. But in point of fact it was the report that all this rejected copra would be thrown into the sea that acted as a match in a powder magazine.

THE catalogue of direct causes, however, does not end here. The corruption prevalent among the inspecting staff also helped to fan the flame of native discontent. "It is clear from the evidence before us," says the Committee, "that there were certain emplo-

yeas amongst the staff of native examiners of very doubtful integrity who possessed no scruples in their ways and manner of dealing with the poverty-stricken Manga, who arrived with his small consignment of copra for examination; it is apparent that not only was there bribery and corruption but also in many instances acts of insolence and insulting behaviour on the part of the examiners towards the Mangas, one of the worst offenders being himself of servile origin." Indians are curious as to the action that might be taken by the Zanzibar Government with a view not only to punish corrupt officials but to put down the bribery evil so rife in the examining staff.

THE Committee partly attributes the rioting to the failure of the authorities to carry on effective propaganda in such a manner as to familiarise the parties concerned with the purposes and penalties of the new legislation providing for the grading of produce. Whether such propaganda would have prevented this particular ebullition of public temper cannot of course be said with certainty. But the incident has a lesson for the future which ought not to be lost on the Government. The Committee strongly emphasises the need of vigorous propaganda at least in regard to all enactments "likely to cause dissatisfaction or misunderstanding amongst the natives."

To its report the Committee appends a list of thirteen enactments, some of them forming part of the hated clove legislation, whose enforcement was, in the Committee's view, one of the indirect causes of the rising. The general economic situation also must have acted as a contributory cause. But the most surprising cause is still to come. It is the Committee's view that it was the weakness shown by Government in handling similar situations in the past that acted as an encouragement to the ignorant native to this rash act. The disturbances, of March 1928, it is pointed out, lasted for full five days and took a toll of six lives and 46 wounded; but the police did not take any decisive action intended to enforce peace. A mutinous outbreak amongst prisoners at the Central Jail six months later was also handled with an equally woeful lack of firmness. "Apparently," says the Committee dealing with this incident, "one hundred prisoners held the prison authorities and police at open defiance for seventeen hours, and having announced their intention to do so, broke out of the prison without meeting with determined opposition." The Committee proceeds: "There is evidence to support the supposition that these omissions to take some decisive action tended subsequently to influence the mind of the native, there being conceived in his imagination the belief that acts of violence could with impunity be committed in Zanzibar."

THIS verdict is doubtless disastrous to the prestige of the Government. But it would be a calamity not less appalling than the riots themselves if the Government, as if to make up for its past weakness, started giving evidence of its strength in season and out of season so as to create a moral impression on the native. This is not what is expected of it. Its first duty is to remove all ground for public complaint on the score of the existence on the statute book of unjust and oppressive laws and of their high-handed enforcement by corrupt and dishonest officials, as in this case. Firmness ought to follow, and not to precede, such a process.

Extension of Moratorium in Zanzibar.

THE Indian community in Zanzibar is greatly concerned at the possibility of a further extension of

the moratorium in regard to agricultural debts. As will be remembered, the moratorium was part of the obnoxious clove legislation of 1934, when a whole year's moratorium was declared. It was then hoped that it would be possible during the year to thrash out some permanent measures for the relief of agricultural indebtedness. That hope, however, did not come true. A further extension of six months was then sought and granted by the Legislative Council. But even this was found inadequate for the purpose in view. Steps were then taken to make a second one for a like period effective. This too will soon come to an end without there being any indication as to whether the local Government's scheme has successfully run the gauntlet of the Colonial Office. If the Colonial Secretary's approval of the Zanzibar Government's proposals for the solution of the problem of agricultural indebtedness should not be forthcoming in time, will the life of the moratorium be extended for the third time?

IT is complained with perfect truth that the two years' postponement in the payment of dues by debtors has immeasurably added to the financial difficulties of the Indian section of the community who has sunk nearly Rs. 80 lakhs in the clove industry. It is pointed out that if a further postponement is granted, it will tend to aggravate their difficulties to an extent which cannot be easily imagined. The Colonial Office may have many preoccupations which await its attention, but surely two years is a sufficiently long period for the disposal of a problem connected with a small colony like Zanzibar. We hope the Colonial Office will put a stop to the state of public uncertainty in Zanzibar by expediting its decision on the Zanzibar Government's scheme for the relief of agricultural indebtedness.

Travancore Government And Untouchability.

THE Travancore Government must be said to have planted their feet firmly on the road to the abolition of untouchability in the State by their recent order throwing open public roads, wells, chhatrams, etc. to persons belonging to the depressed classes without any restrictions. This is a step which will earn for them the hearty congratulations of all those having the cause of social reform at heart. It may be that the order is not sufficiently comprehensive, as it fails to bring within its purview every road, well, etc., in the State. If there are any private roads, watering places, etc., in Travancore from which the untouchables still continue to be kept out, the public dissatisfaction must be directed against their owners and not against the Travancore Government who seem to have gone as far as they could in the present state of public opinion. But as *Indian Express* points out, the issue of the order is not everything. It does nothing more than enunciate an unexceptionable principle whose early implementation must be sleeplessly watched by Harijans and their friends. Otherwise the order is likely to be a dead letter, thanks to the conservatism of officers upon whom lies the responsibility for its execution. The paper expresses the hope, which, we doubt not, will be widely shared, that the Travancore Government will take the final plunge and open all the temples of the State to all the Hindus. Proceeds the paper:

We are under no illusion that even such action will end untouchability. A whole generation has to be taught to live without observing untouchability before the Harijans will be able to move and breathe freely in the society of caste Hindus. A regular quota of Harijan pupils in all hostels and insistence on a common mess will greatly contribute to the elimination of subconscious and instinctive prejudices born of long practice and tradition.

FEDERAL FINANCE—THE FIRST STAGE.

IT was almost a foregone conclusion that the Niemeyer Award would be accepted in its entirety by the Home Government, whatever the Oliver Twists among the Indian Provinces might have to say about it. In fact, the Secretary of State in the Draft Order-in-Council has done nothing but to dot the i's and cross the t's of the Report of Sir Otto Niemeyer. Perhaps, nothing better could have been expected under the circumstances. Sir Otto, in the words of the Secretary of State, had brought an "independent judgment" to bear upon the problem of financial relations and after such "expert" treatment, by the very nature of the case, the Home Government was not to be hustled into eleventh-hour alterations suggested in an *ex-tempore* fashion. The Draft Order, therefore, has followed the line of the least resistance. The whole procedure has been typical of the spirit in which the new Constitution has been conceived and enacted. "Quasi-arbitral" is the Secretary of State's description of the new Financial Scheme proposed: "arbitrary", I think, would be a more correct appellation not only of this Scheme but of the entire body of the Reforms. The choice of Sir Otto Niemeyer for the financial readjustments was, perhaps, a good one, but the hurry in which he has accomplished his appointed task leaves room for suspicion that he could not give his best attention to the innumerable facets of the financial question and that he could, therefore, be handled by the Finance Department of the Government of India with great ease and little resistance. An impartial inquiry would have most definitely revealed that it was necessary to put an end to the financial hegemony of the Government of India and to release adequate resources for the alimantation of provincial revenues.

Sir Otto must, indeed, be excused for such wrongs as he might have supposedly done as a result of the limitations imposed on him by the rigid Sections of the Government of India Act, 1935, and it is within the meaning of the powers of recommendation which he could exercise that one must judge his performance. Yet, one cannot help feeling that Sir Otto has done grave injustice to the Provinces, as a whole, in the matter of the initial and final distribution of the income-tax receipts. He has observed the following order of precedence: stability of Central finances naturally comes first; the needs of what may be called the "subvention" Provinces come next; and last come the transfers under the scheme of income-tax redistribution. Accordingly, Sir Otto has not a word to say about the need for economy at the Centre, although he, as well as the others, has paid lip homage to the cause of Provincial autonomy and has piously hoped for its early initiation and success. He has not a word to say about the enormous waste of public funds through the military budget, which, besides being unnecessarily topheavy relatively to the efficiency and adequacy of the forces, has also kept a vicious contact with the Railway budget, loading the latter with an annual deficit of 2 to 3 crores on account of the "strategic lines." He has not a word to say about the folly and

utter imprudence of reconstructing Quetta on the very epicentre of an enormous earthquake area at a total cost of seven crores or more, or about the further irrelevance of charging this huge sum to revenue, in pursuit of outworn financial ideals of orthodoxy and thus blocking the prospects of an early remission of the distributable quota of the income-tax receipts. What is worse, he has not prevented the Central Government from appropriating to itself a large slice of the financial cake for reasons which are bound to be of only temporary significance and thus creating serious inequalities between the Provinces and Federating States *inter se*. In fixing 50% as the ultimate Provincial share of the income-tax receipts, I believe, Sir Otto has too readily yielded to the unreasoning claims of the Princes, who have been all along anxious to saddle the Provinces with as large a share of the Federal burden as possible, and thus to provide for themselves financial relief at the Provinces' expense. Ostensible excuses have been suggested for this procedure, such as that the pre-Federation debt has been largely contracted for the benefit of the Provinces etc., but I do not think an adequate statistical case has been made out for the view that, as a final proposition, 6 to 7 crores, i. e., 50% of the income-tax, was a proper measure of that responsibility. However, the Provinces (i. e., the true democracy of India) have from the very beginning been the Cinderellas of the show, and it was only natural that Sir Otto should have accorded to them a treatment which, in any true Federation, would no doubt have set centrifugal forces into motion ultimately blowing it to pieces and smithereens. I regard that the Central Government, in their short-sighted anxiety to balance their budget in the immediate run, have very unwisely brought pressure upon Sir Otto to propose 50% as the ultimate share of the Provinces and thus to deny the latter a sufficiency of resources almost in an irrevocable fashion.

The gravest injustice has been done to the Provinces by the see-saw of the Railway deficits *versus* income-tax distribution on which transfers are made to depend. In spite of optimism at headquarters, it is doubtful if the railways will ever be able to present balanced budgets and to begin making their contribution to the general finances within a measurable period of time. The prostrate condition of agriculture, industry and trade, together with the incidental evils of wide-spread rural indebtedness and unemployment, does not suggest that there is a prosperity in store for the railways in the immediate future. Nor does the growing competition of road traffic in recent years support the hope that the railways will be a paying proposition within a measurable period of time. With the channels of India's foreign trade continually contracting in company with international trade, and with the ruthless advance of the agricultural and industrial slump (which, be it remembered, has not yet been resolved, so far as this country is concerned), the chances of the railways coming to our assistance are very lean indeed. They have pruned and "axed"

themselves almost to the skin, so that further retrenchment is out of the question, unless it be at the expense of much suffering among the railway labourers and of gross inefficiency in the service itself. The strategic lines, moreover, have acted as a parasite sucking the blood of railway finance and even the chances of profitability of the other lines have been wiped out by the cursed prodigality of the Army. The proper course for the Expert was, therefore, to recommend that the strategic railways should be taken over by the military department or at least that their deficits should be borne by it. Instead of doing that he has rendered provincial autonomy nugatory by the procedure of leaving it at the tender mercy of military finance, once again, in an indirect manner.

Sir Otto has proposed two periods of five years each in regard to the amount to be retained under Section 138 (2) of the Act from the provincial share of 50%. In the first of these two periods, the amount to be retained will be "the whole or such amount as, together with any Central Budget receipts from the Railways, will bring the Central Government's share in the divisible total up to 13 crores, whichever is less," and it is only in the latter period that the last preceding retained amount will be progressively reduced by a sixth of that sum from year to year, so that after 10 years, i. e., in 1947, the Provinces *might* get their full 50%. There are, however, a number of hurdles in the process; for, in the first place, the railways (in spite of assurances to the contrary) cannot be remunerative at any rate within the first five years; and, secondly, the sliding-scale itself is subject to the important reservation that, if necessary, the Governor-General can exercise his delaying power under the second proviso to sub-section (2) of the Section. It may be relied upon that the Governor-General, advised as he will no doubt be by his military and other experts, and in full command of nearly 80% of the total Federal budget, will continue to avail himself of this facility. Thus, the Provinces will be left high and dry, so far as the income-tax distribution is concerned. It may be of some interest to remember, in this connection, that the Government of India had "hoped that, in view of the initial assistance to Provinces recommended by Sir Otto being far greater than was originally contemplated, the proportion of the divisible income-tax receipts to be permanently retained by the Centre would be fixed at $\frac{2}{3}$ and not $\frac{1}{2}$."

Sir Otto's task was mainly two-fold: in the first place, he had to examine "the present and prospective financial position of the Provinces and to determine the extent to which special assistance would be needed," and secondly, he had "to look further into the future and to suggest to what extent and when it may be possible for the Centre to place additional resources at the disposal of the Provinces out of the proceeds of Taxes on Income." But while provincial autonomy was desirable, "the financial stability and credit of India as a whole must remain the *paramount* consideration." Sir Otto was, therefore, quite willing to admit that the Central resources were as elastic or inelastic as the provincial—and this in spite of the fact that land revenue and excise are

both rigidly inexpansive in the Provinces. Then comes the next proposition, that "expenditure at the Centre cannot be expected, consistently with safety, to decrease much below the point to which it has now been reduced." One wishes that Sir Otto had really spared some time for arriving at the level of Central expenditure at which economy would be consistent with safety. As it is, the Provincial Governments have during the last five years or more carried out rigorous economies in their expenditure, at the same time raising their taxation in a period of deep depression and it has been a case of only hand-to-mouth budgeting. There is no question anywhere of the modern type of social-service budgeting and yet the concern of Sir Otto is merely to see that the Provinces are started at the time of Autonomy on "an even keel." Provincial Autonomy becomes a meaningless shibboleth, if it is not accompanied by an adequate supply of funds for the "nation-building" services. These have been starved from the very beginning and three successive instalments of Reforms have come and gone leaving them just where they were. It is not a case, as the Secretary of State thinks, of "aspirations having considerably outrun financial possibilities and expectations having risen high," but of the legitimate functions of public finance being callously ignored by the Government under the pretext of national safety which was never seriously jeopardised. This, indeed, is the pivotal problem of Indian finance and so long as it is not fairly resolved, no amount of increased legislative power in the Provinces will ever be sufficient or effective, for finance is the very life-blood of sovereignty.

The new Scheme, therefore, will do nothing better than provide the bare needs of civil administration in the Provinces. The "doles" are specifically designed to enable deficit Provinces to meet their deficits, while it is a forlorn hope that the Federal Government will ever in the near future be able to part with any substantial share of the income-tax proceeds. Provincial Autonomy, in the true sense of the term, therefore, will be indefinitely delayed for want of the wherewithals which will *not* be forthcoming; but Provincial Autonomy of a nominal variety can be introduced even today and the self-assurance, with which Sir Otto tells us that "the budgetary prospects of India, given prudent management of her finances, justify the view that adequate arrangements can be made, step by step, to meet the financial implications of the new constitution,"—a conclusion which is naturally echoed by both Simla and Whitehall,—this self-assurance is born of a callous disregard of the realities of the situation.

On the other hand, it is not apparent that the Government of India will really be in a position annually to provide for the five or six crores (consisting of $2\frac{1}{2}$ crores for the subventions, and 3 crores due to the separation of Burma), if they persist in their present scale of military and other expenditure. Sir James Grigg has, of course, presented us with a string of surplus budgets for the next two or three years, but I, for one, do not share the optimism of Sir James Grigg, and believe, further, that his estimates are likely to fall short by 1 to 2 crores per annum. Sir

James Grigg has based his estimates mainly on two hopes, the retention of the surcharges on Income Tax and Super Tax and upon the advent of an early prosperity. The former is quite feasible, so far as it goes: the latter is definitely a miscalculation which is likely to endanger the whole system of Indian Federal Finance in the near future. The Finance Member has gradually begun to realise that, "unless prosperity returns at a quicker pace than now seems likely, both the present Government of India and its Federal successor will find their freedom of action in the financial sphere uncomfortably limited." At the same time, true to his free-trade dogma (which, to say the least, is utterly misconceived in the case of a country like India rich in industrial potentialities), he is somewhat anxious to "reduce those indirect taxes which are an undue burden either upon enterprise (*sic*) or upon the consumer," but he is not quite clear whether such action would increase or diminish the revenue from customs duties.

The prosperity assumption will not materialise and for the following reasons. In the first place, the world's economy is becoming more and more nationalistic and consequently, there is little hope, unless of course the impossible happens, that India's foreign trade will ever recover its pre-war position. Secondly, apart from the public budgets of Governments, railways and local bodies, the private and corporate budgets, whether in the cities or in the villages, are showing deficits everywhere, the root cause of which has to be sought in the disastrous fall of agricultural

prices since the war. The price index (wholesale) which stood at somewhere about 240 in the war years fell to about 180 in 1925 and 160 in 1927, and since then, after the adoption of the sterling link at 1s. 6d. ratio, has steadily fallen and today stands at the miserably low level of about 90. It is unthinkable that the cost level of the agriculturist and industrialist should also have fallen to these depths. As it appears to me, the cost level of the former class of population, consisting as it does very largely of items such as an inelastic land revenue and interest payments on age-long long-term borrowings, cannot have fallen to less than 150, i. e., having the base year in which both prices and costs stood at the equilibrium level of 100. If this is the case, it must be clear that the insolvency of agriculture (and of commerce and industry which depend upon it) is to a large extent, to be attributed to the monetary factor. The revenues of governmental bodies do not arise from Draft Orders-in-Council; they depend upon the well-being of the average citizen. If losses are being consistently incurred by the population at large, it is impossible for governments to balance their budgets and even if they did balance them by financial jugglery, by ruthlessly retrenching (e. g.) the lower strata of the services, and raising revenues by increased scales of taxation, such facts would hardly reflect the true state of affairs in the country.

B. P. ADARKAR.

(To be continued.)

THE FUTURE OF THE LEAGUE.

THE ignominious failure of the League in the Italo-Ethiopian dispute is undeniable. Viscount Cranborne, Under-Secretary of State for Foreign Affairs, admitted in the House of Commons on 6th May that Ethiopia had been "eaten up by the aggressor," that it was "a most lamentable tragedy and failure," that the League was unable to protect a weak nation against a strong one, that the League had "encountered a great disaster" and that the failure was "a bitter disappointment" for all nations. He does not admit, however, that the League's is an ignominious failure; he contends, on the contrary, that, great as the failure is, it is "an honourable failure," at any rate, for Britain, for, according to him, Britain did all that was in her power to avert the disaster. The Labour and Liberal parties, however, proved to the hilt that Britain failed miserably in taking the lead in this matter. All that Britain can claim in this dismal affair is that she was prepared to do all that every other Power did, but at the critical juncture the leadership that might have been expected of her was not forthcoming. What did Britain do, for instance, in regard to oil? She merely said that if other countries would put an embargo on oil exports, she too would. She did not plead with them for such an embargo; she did not urgently press it on them as she ought to have done. In fact she seemed to take comfort in the fact that other countries too were not willing to go to extremities

in applying sanctions and that if in her plea she went a little farther than she had actually intended to go she would be safe.

But the important question to consider now is what is to happen to the League, and on this all that the Government could say is that it was engaged in stock-taking, an "exhaustive and relentless" stock-taking. The League, Viscount Cranborne warned, must not be regarded as "too perfect an instrument," as "a magic incantation." "It is," he said, "a human instrument worked by human people, and it will not do everything." Of course, it cannot. But can it do what it was intended to do—prevent war, or at least prevent the aggressor from getting away with the aggression? If it failed in Ethiopia can it be relied upon or even expected to succeed elsewhere? Mr. Eden himself raised this question. He asked: "Can we anticipate that in the future more vigorous League action will be possible than in this dispute? Are the nations likely to be willing to take, under the Covenant, graver risks than they have been prepared to take hitherto? Is it possible so to organise League action that it can be preventive rather than repressive?" He did not answer these questions in the affirmative; no one can. And yet, without being able to assert that the League will be successful in future, or even less unsuccessful in future, he insisted that "the League must go on;" that "in a modern world it is absolutely indispensable to the

organisation of international affairs." Senor de Madariaga, in his broadcast of 16th May, drew the same conclusion from the same premises. He argues in this wise: It is true that the League has failed; but it must be remembered that it is not a universal League; some of the big Powers are outside it. Besides the League is not a super-State. It can act only if a voluntary agreement is reached between its members, at least the most important of them. If so, how are we to expect that, in course of time, the League will become stronger? What ground is there for the hope that the member States, which are now guided by self-interest and self-interest alone, will take their stand in future on moral principles? There is no room here for evolution, as in the case of the States. The League, Mr. de Madariaga says, is only sixteen years old, but can one say that it will become stronger as it will grow older? The States too, it is true, were in their early stage of development unable to put down crime, but they had in them the inherent power, which, when properly organised, equipped them with the capacity to deal with lawlessness. But what is there in the League which will require its member States to substitute moral principle for self-interest in their dealings, for however long a time it may be in existence?

That the sanctions imposed upon any aggressor country in the present mentality of the State are doomed to futility was proved conclusively by Sir Austen Chamberlain's contribution to the debate of 6th May. Sir Austen was one of the strongest proponents of the application of stringent sanctions against Italy. He was willing, as he said, "to go to all lengths within the collectivity of the League." He was prepared "to go to all lengths with other Powers, even to use of military force." The only condition he made was that Britain would not act alone. Provided that Britain had the support of other Powers, he would like her not only to adopt economic sanctions of the utmost severity, but even military sanctions. In fact, he had asserted that drastic economic sanctions could not be enforced without being prepared for war. He could not, therefore, support anything like an oil embargo without being ready for military sanctions. And his opinion is that if other Powers were willing to go as far as Britain was, Abyssinia would have been saved without applying either drastic economic sanctions or military sanctions. He said: "I think if the other Powers had been prepared to act, if everybody in this country had spoken as I spoke then and had given the Government the assurance that they would support them if they proposed such a policy—and if other countries had agreed—I think the course of history would have been very different. I think you might have prevented the struggle, or, at any rate, brought it to a rapid decision." This sounds very promising, from the point of view of the League's future, but what are the facts? Britain will not act in isolation even if she is in a position by her unaided strength to stop aggression; she will employ sanctions of a stringent nature only if the other nations do; and some of the other nations at any rate will always hang back because it is contrary to their in-

terests to antagonise the aggressor. In this particular case all blame is placed on France, because, on account of her newly-formed friendship with Italy, she has been able to remove her army from her Italian frontier. France would not therefore agree even to an oil embargo, for, as Sir Austen Chamberlain said, no one can propose such a measure who is not prepared to go to the length of war. France, being unwilling to go to war with Italy on any account, was also unwilling to put on an oil embargo. And because France hangs back Britain too does. But is it not plain that in every important issue some country or other will always play the part of France even if some country becomes willing to play the part of Britain. If every nation will look at every international dispute from its selfish angle of vision is there the smallest hope that at any time sanctions can be enforced against the aggressor and his aggression stopped? None whatever. If collective action is to be understood in this sense, never will come a time when collective action of a drastic character will be possible. Sir Austen's brave words, therefore, do not amount to very much. Anyone can use such words without being required to live up to them.

The inevitable conclusion from Sir Austen Chamberlain's speech is that the sort of collective security afforded by the League Covenant is of no value unless it is underpinned by a series of regional pacts of guarantee, but such pacts, even where they are feasible, partake of the nature of pre-war military alliances. That the League is not universal is the least of its defects. Even if it was composed of all the States in the world, collective security would not be strengthened if the League remained on its present basis. So long as no country is under an obligation to make that contribution to collective peace which it is in a position to make, the League can be of no avail. There are bound always to be some defaulters, and it will always be possible to assume an attitude of virtuosity for the other countries, shielding themselves behind the defaulters. All that the League now does is to provide opportunities for countries like Britain to talk the language of disinterested altruism while pursuing an imperialistic policy. The world will lose nothing if these opportunities are swept away. In the absence of the League the weaker countries will at least have a full awareness of the peril which really threatens them all the time, and they will be saved from a false sense of security. And if the stronger nations embark on a programme of rearmament they will at least be deprived of the excuse which now comes handy to them, viz. that they are rearming for the sake of upholding the League Covenant. The British Government is at present exploiting the League to the full in its armament race. "If we were to have a strong League we must have a strong Britain," says Viscount Cranborne. But Britain was strong enough to deal with Italy without any rearmament. If she did not adopt stringent preventive or punitive measures, Mr. Eden assures us that it was "not due to a fear of the ultimate consequences." That is to say, Britain was confident of a victory even without an increase in her forces, and the reason for its not taking such action was that she

was unwilling to take isolated action. What difference is likely to be made to such a situation by Britain increasing her armaments? Sir Austen Chamberlain made one suggestion. He said: "A real effort must be made... to secure in the different regions where peace may be broken shock troops which at any rate will take the first brunt of the attack, which can hold the fort while the League comes to their assistance and the great community of nations does what it can." But which nation will hold the fort in the belief that "the great community of nations" will come to the assistance of invaded countries? Unless a radical transformation of the League takes place, the League as it is can be of no effective use in preventing or punishing aggression.

Reviews.

AGRICULTURAL DEVELOPMENT.

LABOUR'S WAY TO USE THE LAND. BY TOM WILLIAMS. (Methuen.) 1935. 20cm. 120p. 2/6.

THIS small, but admirably got up, volume is one of the "Labour Shows the Way" Series of which Major C. R. Attlee, M.P., is the general editor. It delineates on a historical background the present state of agriculture in the United Kingdom, sketches with discriminating criticism the measures adopted by His Majesty's Government from time to time to assist this great industry, and gives a brief outline of the plan which the Labour Party undertakes to carry out, if and when returned to power. In a small compass is compressed much valuable information, both statistical and otherwise, which an intelligent student of this important subject will find extremely useful. The three objectives aimed at, which will readily command general acceptance are: (a) that the producer, i.e., the farmer and the labourer, gets a fair remuneration for his work; (b) that the full development and best use of the land are secured, and (c) that there is effective control over prices and margins which will adequately safeguard the consumer.

With these objects in view, the Labour Party proposes to nationalize the land, to appoint a national Agricultural Commission working through County Committees for the execution of a national plan, to establish a National Marketing Commission, an Import Board and a Committee for entering into contracts with organised producers for price-fixing and other cognate functions. It also contemplates a considerable increase in the scope of activity of the Forestry Commission, an extension of credit facilities to agriculture, the fixation of a national minimum wage for agricultural labourer, and an improvement of housing, educational facilities and other amenities of life in the countryside.

The most controversial item in the programme is nationalization of the land. With the Communists, the Labour Party proposes to expropriate the landlords on payment of a reasonable compensation, financing the scheme by the issue of special land bonds as marketable securities, reserving to the State an option of redeeming them in a number of years. The scheme is based on the assumption (and this is a big assumption in view of the recent fall in the value of agricultural land all over the world) that the land is the one asset that increases in value (p. 90); and it is asserted with confidence which it is difficult to justify that the nationalization of the land on these conditions is going to be a good business proposition. The

financial aspect of the other items in the programme has not been, indeed it could not have been, treated with sufficient thoroughness within the space at the disposal of the author. It appears, however, more than probable that, apart from the virtual impossibility of getting the House of Lords to agree to some of the more drastic proposals, it is the rock of finance on which the whole scheme is likely to be wrecked even in a rich country like the United Kingdom.

The problem of nationalizing the land in a poor country like India, where over 70% of the population lives directly or indirectly on agriculture and where the vested interests have been safely entrenched behind the safeguards of the new constitution, is vastly more difficult and complicated than in the United Kingdom, with less than 7% of the population engaged in agriculture and with a government infinitely more responsive to public opinion. Nevertheless, such an important pronouncement of policy on behalf of a great party, occupying the position of the Opposition in Great Britain, deserves to be carefully studied in the U. K. no less than in India, where the question is assuming an ever-increasing importance in view of the leanings of the best organised political party in the country.

Of much greater significance to students of Indian politics is an array of telling figures reproduced in the book showing the extent to which agriculture is being helped directly and indirectly by the British Government by means of protection, subsidy, relief from taxation and other measures. In 1934, the Government provided approximately £5,500,000 to assist the dairy farmers to advertise, distribute and sell their milk, and £3,000,000 to beef producers. Added to this was an estimated sum of £45,000,000 waived annually in the shape of differential relief from taxation and otherwise (p. 47). For years, the Government paid a subsidy of 2d. per pound to sugar beet producers, while the selling price was 2½d. (p. 50). Wheat receives an annual indirect subsidy of £6,000,000 (p. 53). Milk consumption in the more prosperous tracts exceeds 3½ pints per person per week, while the consumption of about a pint per head per week among the poor is regarded as a sign of dereliction of duty on the part of the Government. It would be interesting to compile similar comparative figures showing the extent to which the various governments in India are discharging their responsibilities towards the agriculturists for whom they profess extreme solicitude.

The educative effect of a publication of this type cannot be overemphasized, and we have no hesitation in saying that the book under review, at once cheap and informative, should be in the hands of all students of politics.

B. DE.

RELIGION AND STATE.

RELIGION AND THE MODERN STATE. By CHRISTOPHER DAWSON. (Sheed and Ward.) 1935. 22cm. 154p. 6/-

AS usual Mr. Dawson makes a brilliant analysis of the ills and pitfalls of our times. He has realised the grave danger of secularism, the consequent decay of civilisation and the spiritual bankruptcy of man. Religion in the old sense has lost its grip on man and materialisation of life is now complete. The danger lies in the fact that "if religion loses its hold on social life, it loses its hold on life altogether." Parliamentary democracy is not safe even in England, because of socialism, economic nationalism and the lack of a conservative political philosophy. The power of the State over the individual has increased as a result of secular education, compulsory military

service and economic control with the help of the propaganda of the popular press and cinema. The danger to Christianity does not lie so much in the secularisation of life. It is a danger that Christianity has successfully withstood. It is the energy in opposing which the Church has renewed its spiritual vigour. But the philosophy and creed of Communism is the great rival of Christianity. It has an advantage over Christianity in being new and untried in a tired and disillusioned world. Communism even denies Christian morals which had been accepted by Liberalism. Communism is anti-Christian and anti-spiritual.

After such a very promising beginning one would have expected a really great contribution from Mr. Dawson towards the building of the "Kingdom of God on Earth," but in that he is thoroughly disappointing. He is unconvincing in quoting the following passage from Pope Leo XIII's Encyclical with approval.

"Cursed be the Earth in thy work; in thy labour thou shalt eat of it, all the days of thy life." In like manner the other pains and hardships of life will have no end or cessation on earth; for the consequences of sin are bitter and hard to bear,—they must accompany man as long as life lasts. To suffer and endure therefore is the lot of humanity; let them strive as they may, no strength and no artifice will ever succeed in banishing from human life the ills and troubles which beset it. If there are any who pretend differently—who hold out to a hard-pressed people the boon of freedom from pain and trouble, an undisturbed repose and constant enjoyment—they delude and impose upon the people, and their lying promises will only bring forth evils worse than the present. Nothing is more useful than to look upon the world as it really is and at the same time look elsewhere for a solace of its troubles.

By approving this, Mr. Dawson gives half the battle into the hands of the Socialists and Communists. His perfect state is nothing but the Catholic Church wedded to a Fascist state. And yet on Mr. Dawson's own admission none of the existing Fascist states, nor any that may rise anew, are favourable to a spiritual basis of life. An alliance of the Catholic Church and the Fascist state will not spiritualise the latter but as it has already done, only degrade the former. Mr. Dawson thinks that the Catholic doctrine of the State is not antagonistic to nationalism. But while individual Christianity is menaced by a secularised state, National Christianity is in danger of being wiped out under militarism, war and Communism. It is therefore no use suggesting a national Catholic ideal. It is extremely disappointing that intelligence of Mr. Dawson's calibre should have been tried and found wanting.

V. V. JOSHI

INDIAN INDUSTRIES & TRADE.

DECAY OF INDIAN INDUSTRIES. By P. R. RAMACHANDRA RAO. (Taraporevala, Bombay.) 1935. 20cm. 155p. Rs. 2.

RUIN OF INDIAN TRADE AND INDUSTRIES. By B. D. BASU. (3rd Edn.) (R. Chatterjee, 120/2, Upper Circular Road, Calcutta.) 1935. 20cm. 267p. Rs. 2.

THE two books under review deal with the same subject—the decay and ruin of Indian trade and industries. They attempt to set forth in the proper historical perspective the main causes that have contributed to the constant decline and destruction of Indian economic life since the advent of the East India Company down to the present day. The authors seem to believe that "the past is verily the future written backwards," and hence the great value they

attach to such historical retrospect as a guide for the further reconstruction of India.

Major Basu's volume is already known to the public and now appears as a third edition "revised and enlarged." A number of notes and articles are appended on allied subjects which go to swell the bulk of the volume.

"From the time England acquired political power in India" argues Major Basu, "she destroyed Indian trade and industries principally by means of:—

- (1) The forcing of British Free Trade on India.
- (2) Imposing heavy duties on Indian manufactures in England.
- (3) The exports of raw products from India.
- (4) Exacting Factory Acts.
- (5) The transit and customs duties.
- (6) Granting special privileges to Britishers in India.
- (7) Compelling Indian artisans to divulge their trade secrets.
- (8) Building railways in India.
- (9) Holding of Exhibitions.
- (10) Investing so-called British capital in India.
- (11) The denial of self-government to India." (p. 11.)

The charge sheet is a pretty lengthy one but there is nothing surprising in it. The British Empire in India was built upon the ruin of the Great Moghuls by a small group of avaricious traders whose avowed intention was to profit by the trade with the East and to build up vast fortunes by exploitation and plunder. When accidentally the merchants became the sovereigns of the land, the shopkeeper's mentality to profiteer by fair or fowl means dominated their State policy and continued for long till the conquest was complete. The Indians could scarcely realise the significance of the vast changes that were silently forging shackles on them. Woeful and bitter is the fate of the long drawn conflicts of interests that mar the fair name of Christian England. Mr. Basu cites passages after passages from official records and elsewhere to point out how demoralising were the weapons used. His words in certain places are too strong. His conclusions on the investment of British capital, the development of railways and the introduction of factory laws are the least convincing. In his concluding Chapter, the author pleads fervently for "Swadeshi and Boycott" as two weapons of retaliation and the "Charakha and Khaddar" as the twin forces of future reconstruction. "In these" he remarks, "lies the salvation of India."

Mr. P. R. Rao's monograph follows in the same wake. "The work is inspired" writes the author, "by no mere dilettantism, nor is it my desire to perform thanksgiving to the industrial past". He thus neither indulges in purposeless hyperbole while dealing with the ancient glories of Indian civilisation, nor is he less anxious to miss a fact which emphasizes his view point. It is a lucid survey of the broad course of the industrial history of India and details the main causes of decay that have contributed to the destruction of the economic life in every aspect. The study is more systematic, critical and convincing. The whole story is thus finely revealed in the first five chapters closely packed with information and authoritative quotations. The general trend of discussion is however unmistakable. The last Chapter—the Prospect—sets forth clearly the author's ideal of future reconstruction, namely, the resuscitation of our decadent village crafts and industries. He has further tried to make a case against the mechanisation of industries, the use of labour-saving devices and such other mechanical inventions which modern sciences give us. His criticism is based much more on equalitarian concepts and is directed towards the inequities that have resulted from the capitalistic methods of production. He wants us, therefore, not to imitate

the West blindly but to organise fresh schemes of decentralisation of production and of industrial control in order that the Indian village shall once again assume its lost importance and serve as a proper unit for further economic reconstruction. The services of the All-India Village Industries Association, the author believes, would be of immense value in this

respect. A critical note on the aims and ideals of this Association, which is added, deserves special attention.

We unhesitatingly recommend the two books to our readers.

S. G. PURANIK.

THE CIVIL LIST.

SIR STAFFORD CRIPP'S SPEECH.

The following is the Hansard report of the speech which Sir Stafford Cripps, the Solicitor-General of the former Labour Government, made in the House of Commons on 5th May last on the Civil List. It will show with what freedom prominent members of Parliament who have held positions of responsibility in the past and who expect to hold similar positions in future criticise the private expenditure even of a King who is known to have marked sympathies with the lot of the labouring population. Sir Stafford said:—

I DO not want in any way to criticise the recipients of these moneys that are in the Civil List, because, in the existing circumstances, and in view of the demands that are made upon them by the aristocracy of this country, probably these sums, though very large, are necessary. I do not propose, either, to raise the question which has been mentioned by the last speaker, of the desirability or the undesirability of a constitutional monarchy as a form of government in this country. At the present moment we have a constitutional monarchy, whatever its benefits and virtues may be, or whatever its disadvantages may be; there are many more important questions to be discussed than that, which is academic now, of the relative values of a monarchy *versus* a republic.

I desire to draw attention to one special aspect of this matter, as I regard it of very deep importance to the future good government of this country, and it arises directly out of the consideration of the Civil List. The opportunities which we have for discussing these matters are, unfortunately, not very frequent, and therefore anyone who desires to make observations on the matter has to take the chance when he can get it. These very large sums of money have to be devoted to the Civil List because of the standards of lavishness and luxury that are imposed upon the Royal Family of this country by the traditional demands of our aristocratic society. It is unnecessary perhaps, to discuss whether such a development was preventable or not; it is certainly of direct and immediate importance to consider whether it is any longer justified, and what its reaction is upon the government of this country.

It was stated recently in a newspaper that the effect of the withdrawal of the ban upon entertainments, which ban had resulted from the death of the late King, would be an expenditure during this season of close upon £10,000,000, in luxury articles and services of all kinds connected with aristocracy. That figure may be accurate, as a guess, or may be inaccurate, but it illustrates the very large extent of luxury expenditure which is attached to the incidence of a Court circle, and to the snobbery of those outside who ape its performances. No one would justify that expenditure on the ground that it is luxury expenditure. I think everybody in the House would agree that, while the masses go without, such an extravagance can, in itself, have no justification. It is argued that the display of Court functions, and all that penumbra of imitative events that surround them, are

necessary to show the pomp and circumstance of the Sovereign, and that, in any event, the people enjoy it. [HON. MEMBERS: "Hear, hear."] I thought that would get an echo from the benches opposite. I do not for a moment doubt that the mass of the people of this country like a good procession with plenty of bands and gold lace. Those can always be provided for them by the armed forces of the Crown and the police. Those displays have no necessary relation to the amount of expenditure which appears in the Civil List, or to the Court circle or the Palace entourage.

Of course, in the days when the rich landowners and merchants of this country had a complete monopoly of political as well as of economic power in the country, it did not very much matter that they should form a close and impenetrable circle about the Throne. Elaborate Court costumes, expensive uniforms and costly entertainments were their hobby, and were paid for by the exploitation of the workers then as they are paid for by the same exploitation to-day. The Government was always a Government by the few for the few, and it did not matter very much that one set utilised the Court to scheme against and overthrow their rivals. A few heads were lost, a few new additions were made to the Peerage; but, so far as the people were concerned, the matter proceeded much as it was before. In the depths of their poverty, they hardly felt or realised those little ripples on the surface of the national life.

To-day, things are very different. The workers, through their representatives, are in responsible positions, and the Throne should be surrounded not by one class or, rather, by one section of one class, but by persons truly representative of the people as a whole. There should be no provision or regulation, and no atmosphere, to prevent, as in fact everybody knows they do prevent, the representatives of the workers from exercising as great an influence on the Throne as the representatives of any other class. So long as the standards of this Civil List remain it is clear that of those two nations which Disraeli described so many years ago, and which still exist in this country, one alone can have any general access to, or influence upon, the Sovereign.

Mr. Radford: Surely the hon. and learned Member agrees that His Majesty is always accessible to his Ministers, and that, if the Socialist party were in power, he would be surrounded by the Ministers of that party, as was the case—

Sir S. Cripps: I am coming to deal with what happened when the Labour party were in power, if the hon. Gentleman will wait. At the moment I was pointing out that the present standards obviously do not permit free contact with the working-class part of the population, as they do with that part of the population which has the necessary means to compete in the performances which take place at that standard. It is true that what has been so accurately described as the aristocratic embrace will, no doubt, from time to time and on convenient occasions, be extended to draw choice specimens from the workers' ranks into an artificial and temporary association with those

self-styled superior beings who constitute society, a sort of *mariage de convenance*, which is dissolved when its unpleasantness is no longer necessitated by political considerations, but both the normal expense and the exotic atmosphere of the Court make it quite impossible for any ordinary man in the street himself to be in, or to participate in, the life of the Court circle. Not even the noble Lady the Member for the Sutton Division of Plymouth (Viscountess Astor) will deny that proposition, as the great expert in the aristocratic embrace.

Viscountess Astor: May I ask the hon. and learned Gentleman two questions, the answers to which he, as a K. C., ought to know? [*Interruption.*] Silence, among the comrades. When the hon. and learned Gentleman talks about aristocrats, does he not know that, from the foreign point of view, there is not what you call an aristocracy in England? Aristocrats come from the ordinary people. He is an aristocrat, if ever there was one. They are just ordinary people, and he knows that is so. You find that in the House of Lords, if you go two generations back. Does the hon. and learned Gentleman think that what he calls the aristocracy, walk in and out of Court circles just because they are well-dressed and can afford it? Can he conceive of Court circles having people only for that reason?

The Deputy-Chairman (Captain Bourne): The Noble Lady appears, in her interruption, to be getting very far away from the Civil List.

Sir S. Cripps: I would not attempt to vie with the Noble Lady in regard to what is the foreign notion of British aristocracy. As to her second point, I do not imagine that the people to whom she refers walk in and out of the Court, but I imagine that the Court is the centre around which they radiate. I was emphasising that the great expenditure, of which this large Civil List is symptomatic, creates at the present time the wall around the Throne within which class privilege delights to enjoy itself, and in one of its most obnoxious forms. By large Civil Lists we encourage the creation of these surroundings for the Crown that I believe to be so dangerous to the survival of true democracy within this country. It may be argued—I say this in reply to the hon. Member for Rusholme (Mr. Radford) who interrupted—that the experience of the two Labour Governments has shown that it is not impossible for the present system of Court society to continue side by side with a truly democratic Government. No one wishes to deny the concessions that were made to the poverty of the representatives of the lower classes during that period, but they were concessions, and they did little or nothing, in my opinion, to counteract the imminent dangers to democratic government which arise from the present structure of Court society. I am certain that all those who have not since suffered from the strangulation of the aristocratic embrace experienced during that period, must be firmly of opinion that such a state of affairs could not possibly be continued under any future Labour Government.

It is not a question of concession or toleration of the incursion of a lower class into the select and privileged area of a Court; it should be a question of the right of access, and the setting up of conditions in which that access can be a normal and ordinary event. If the Crown is to be, or to appear to be, impartial to all classes of society, it is impossible that it should remain ringed round with the present fence of privilege and wealth, which makes it quite impossible in practice for there to be any general measure of social contact with the masses and with their representatives.

I believe that the constitutional monarchy can only continue to exist as a form of government as long as it adjusts itself to the changed circumstances of social and political development. Today a working-class party is the Opposition and the alternative Government, and the Court can no longer be allowed to exist as the privilege and the hobby of a few select families or a wealthy clique of vested interests—the very thing which is encouraged by this large Civil List which is being voted to-day. If it does so continue to exist, it will spell the end of monarchy, for the Monarch will become identified with the extravagance and exclusiveness of those who surround him, and the people, in their desire to sweep away the latter, will demolish the whole structure, and the monarchy will disappear together with all those unworthy adherents who surround it to-day.

This Civil List is designed on the basis of continuing a form of social structure at the pinnacle of our national life which has no possible relationship to-day to the problems and necessities of that life and on a basis which, I strongly suspect, is wanted neither by the Monarch nor his family. It is, indeed, a sort of false facade of luxury behind which the masses in the country continue in their poverty, and we shall be well advised, if we desire democracy to continue in this country—and I understand that to be the desire of hon. and right hon. Gentlemen opposite—to demolish this false facade, with all its tawdry and out-of-date ornaments, and build in its place an honest and dignified elevation which matches the reality of the architecture of our national life. After all, in America to-day every man feels that he is equal of the President, and yet he pays him proper respect and honours him; and the President does not receive a sum of two million dollars a year for his Civil List. So, here, no man ought to feel himself repulsed by the surroundings of the Monarch; and, if such an attitude and outlook were adopted in this country as I believe to be consistent with the present stage of development here, it would certainly fit in with the circumstances of our national life far more truly than that which exists to-day can ever do; and, also, there would then be no need to vote these very large sums for the purposes of the Civil List.

The belief in the Divine right of kings has long ago passed away. The Monarch rules to-day because the people wish it, and it is essential that his office should accommodate itself to the changing times, in which, to-day, the working classes form an important portion of our society, just as important as any other class. I should, therefore, like to see these sums reduced, as an indication that this snobbish exclusiveness of the Court circle is to be swept away, with all its extravagance and waste and all its dangers to the continuance of democratic Government in this country.

BOOKS RECEIVED.

- EHIOPIAN REALITIES. By POLSON NEWMAN. (Allen & Unwin.) 1935. 20cm. 134p. 3/6.
- THE MINERAL SANCTION AS AN AID TO INTERNATIONAL SECURITY. By THOMAS H. HOLLAND. (Oliver & Boyd.) 1935. 20cm. 95p. 2/-
- THE NEW CONSTITUTION OF INDIA. By SUDHIR KUMAR LAHIRI and BENOYENDRANATH BANERJEA. (The Political Club, Calcutta.) 1936. 21cm. 398p. Rs. 4-4.
- A HUNDRED YEARS OF JOINT STOCK BANKING. By W. F. CRICK and J. E. WADSWORTH. (Hodder and Stoughton.) 1936. 25cm. 464p. 15/-