

# Servant of India

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## Topics of the Week.

### Gokhale-Curzon Duels.

MR. SACHCHIDANANDA SINHA speaking in the Bihar Legislative Assembly on a recent date gave an interesting survey of the changes in Indian political life that have taken place in recent years. In the course of his speech he said :

Lord Curzon not unoften attempted to hector his non-official Indian colleagues in the Central Legislature into submission, and he tried this game sometimes even with Mr. Gokhale, but gave it up after a few unsuccessful efforts, as he soon found it to his cost that the great Indian leader was not inclined to take the Viceregal reprimands lying down. I was present at some of these memorable encounters between Lord Curzon and Mr. Gokhale, in the Calcutta Council Chamber, in the course of the debates on the then highly controversial University Bill, and can never forget those unforgettable scenes between those two gigantic intellects ranged against each other—Lord Curzon, the Viceroy of India, representing the might of British Imperialism, and Mr. Gokhale that of the rising tide of Indian Nationalism. In the end, Lord Curzon lived to learn that it was not to the advantage of his position and dignity to persist in such tactics, and later he became a fervent admirer of that great Indian leader, whose premature death is even now sincerely mourned by those who had the privilege of knowing his work and worth, as a devoted and selfless worker in the cause of India.

### Sir G. H. Hidayatallah and Joint Electorates.

SIR GHULAM HUSSAIN HIDAYATALLAH, Chief Minister of Sind, was recently entertained to dinner in celebration of the completion of his twenty-five years of public life. The occasion was availed of by him to reaffirm his faith in joint electorates with reserved seats for minorities as the real and lasting solution of the communal problem in this country. Said he, in the course of his speech :

For the progress of our people and our province, it is necessary that we should have joint electorates. A majority community should not think that this change

would adversely affect them. If the seats are reserved for various communities, numerical proportion of their representation would not be disturbed by joint electorates. But the quality of persons who would be returned under that arrangement would certainly be improved. Neither a Mahomedan nor a Hindu will in that case be required to inflame the passions of his community in order to be returned on the communal ticket. It will be necessary for him to have the co-operation and good-will of both the communities, and those who wish to appeal on merely communal considerations will find themselves in difficulties. I particularly wish to appeal to my co-religionists that joint electorates would not adversely affect their interests in any way. We, Hindus and Mahomedans, have lived in Sind like brothers, and the sensible people in both communities are anxious to continue such brotherly feeling towards each other. Conditions in Sind are very favourable for the introduction of this principle. And I would wish Sind to lead the whole of India in introducing this principle of joint electorates with reservation of seats.

Sir G. H. Hidayatallah's advocacy of joint electorates involves as a corollary his support to multiple member constituencies. On this point he said :

I was the only one who opposed the introduction of single-member constituencies. In my opinion, this system will extinguish the intelligentsia in Sind. Further, how can there be joint electorates or reservation of seats in such electorates when there is a single person to be returned from one constituency? If people in Sind had supported me in my demands for multiple constituencies, the introduction of joint electorates with reservation of seats would have been much simplified in the Sind Assembly.

### Unwise and Arbitrary.

THE people of Kolhapur State wanted to form a Civil Liberties Union and organise a Congress Committee for the State. An application for permission to hold public meetings at which these bodies might be ushered into existence was duly made to the proper authorities. As everyone knows, there is nothing in either of these activities to which any right-thinking person can or would object. As a matter of fact, in British India the Civil Liberties Union is not only in nominal existence but is fairly active and doing very useful and necessary work in the matter of the protection of public liberties. As for the Congress, not only is it not under an official ban but it itself forms the Government in six provinces. Even so, the Kolhapur authorities put their foot down on the proposal to bring a Civil Liberties Union and a Congress Committee into being in the State.

WE cannot help feeling that their action was as unwise and ill-advised as it was high-handed and

arbitrary. It shows how impervious to democratic influences are the authorities of the State. Some politicians in British India in their anxiety to see federation an accomplished fact try to make light of the reactionary influence of the princely block in the Federal Assembly by giving expression to their belief that the States' representatives, when they breathe the democratic air of British India, can no longer remain the reactionaries that they now are. What has happened in Kolhapur, which may safely be regarded as fairly typical, proves the improbability of such a comfortable belief coming true. The very idea of civil liberty is anathema to the State authorities. They seem to believe that for anybody in the State to bother in any way about civil liberty or fundamental rights is sheer impertinence on his part which ought never to be tolerated. It seems rather a tall order, therefore, to be asked to believe that such people will shed their reactionism simply because they sit in a so-called democratic legislature. The only way to reform them is for the Paramount Power to show its preference for such a course in a decisively unmistakable manner. If it really wills that States' people should enjoy civil liberty there can be little doubt they would enjoy it. That is the ultimate sanction in this case but it is not easy to invoke it. Pending its becoming effective, public opinion in British India must help the people of the States in fighting their battles in the cause of fundamental rights of citizenship.

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#### Andamans Hunger Strike.

SINCE the 24th ult. nearly 200 out of the total of 300 political prisoners detained in the Andamans have gone on hunger-strike. The news has naturally caused deep concern in this country and the feeling is widely shared that everything possible should be done with a view to the strike being brought to an early conclusion. The circumstances in which such a large number of prisoners launched on this grim undertaking may be briefly adverted to here. It is a matter of common knowledge that though the penal settlement at Port Blair is described by the present Home Member of the Government of India as the prisoners' paradise, the convicts themselves do not like it and are thoroughly fed up with life there. That they want to come back to India has been made unmistakably clear by them in a variety of ways and even the two members of the Central Legislature who were provided with facilities to pay a visit to the Andamans a few months ago came back, deeply impressed with the earnestness of the prisoners' desire to be repatriated back to India.

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ON the 20th ult. they sent a petition to the Government of India, demanding the release of political prisoners, repeal of repressive laws and orders, return to India of all political prisoners at present in the Andamans and the institution of one uniform class for all political prisoners. None of these demands is either novel or sprung on the Government as a surprise. Last year Mr. J. C. Chatterji, a Kakori case prisoner, resorted to a fast unto death with the sole purpose of rivetting public attention on the problem of political prisoners. During the one year and a half that has since elapsed the position has hardly changed for the better. The Andamans prisoners having probably despaired of securing any relief decided to abstain from food in a body with a view to lend point to their demands.

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IN this connection there are one or two points that need to be carefully noted. In the first place, the

demand for repatriation affects Bengal in a special manner, as most of the prisoners in the Andamans are young Bengalees convicted of terrorism. Along with this, it has also to be borne in mind that they are in the Andamans not because they were sentenced to transportation by a judicial court, but for the convenience of the Bengal Government, who wanted them to be kept out of touch of their friends and relatives so as to check the spread of terrorism. But though the Andamans are under the control of the Central Government, the prisoners themselves do not cease to be under the care of the Bengal Government.

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THEIR demands have been rejected by the Central Government not because there was anything intrinsically wrong about them but because the Government were not prepared "to entertain mass petitions" from prisoners, perhaps because it is officially believed that such a course would be subversive of jail discipline. If that is the only consideration which has impelled Government to turn down the demands, we must say it is a very inadequate one. To expect prisoners locked up in the Andamans to submit individual representations is practically to expect the impossible. The demands do not become unreasonable or impracticable simply because they are presented not individually but by a group of prisoners. The public has been authoritatively assured more than once that these or similar demands were under the consideration of the Government. What we wish to urge, therefore, is that the Government should expeditiously come to a decision—and a sympathetic one too—on the point instead of refusing consideration to the matter on a ground which can make no impression on the general public.

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#### Rural Education in C. P. & Berar.

IT is seen from the Government resolution on the working of District Councils in C. P. and Berar that their educational expenditure in 1935-36 increased only by Rs. 28,000 and stood at Rs. 30 lakhs. To say that the amount is too inadequate for the needs of the rural population is to state the obvious. It is to be hoped that with a Congress Ministry in office in the province the claims of rural education will receive the Government's attention to an ever increasing extent.

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THE number of schools decreased by 14 to 4,102. This phenomenon need not have been the cause of much disquiet if it had not been accompanied by a fall in enrolment to the tune of nearly 6,000, the total enrolment just exceeding three lakhs. The elimination of inefficient or uneconomic schools is a thing which cannot be reasonably objected to. But, as in some other provinces, it must be so managed that the numbers under instruction will, instead of falling, rise. At a time when there is a growing realisation on the part of the public of the advantages of education it is certainly surprising that the strength of rural schools in C. P. and Berar should show a reduction. But what appears to be even more amazing is that the Government Resolution, instead of trying to offer some explanation for this disquieting phenomenon, should have passed it over without comment as if it were one of no consequence. The lack of progress in compulsory education is explained in the Resolution as being due to paucity of funds. The Government might well have spared themselves this trouble, for the explanation is by now known to everybody. But we cannot help feeling

that the phenomenon about the diminished strength in schools needs to be more seriously dealt with than the Government seems inclined to do.

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It is gratifying to observe from the Resolution that the evil of frequent transfers of teachers, for party or political purposes which is fairly common all over the country, has at last attracted the attention of the Government. It is needless to point out that such transfers are as demoralising to the teachers as they are prejudicial to the quality of education. It goes without saying that this harmful tendency on the part of parties in power in District Councils to treat teachers as pawns in their political game needs to be urgently countered. The new rule framed by the Government which lays down the maximum proportion of transfers and which may be broken by District Councils only at the risk of possible loss of their grants from Government, will, it is hoped, go some way in reducing the evil.

#### Excise in C. P. & Berar.

THE excise administration report of C. P. and Berar for 1936 which has recently reached us is a document whose contents will, we are afraid, not gladden the heart of a prohibitionist or even of an advocate of temperance. The increase of about Rs. 2 lakhs in the excise revenue which stood at nearly Rs. 61½ lakhs cannot by itself be much objected to. But when it is borne in mind that it has not been obtained without a rise in consumption, the larger revenue becomes a matter on which the authorities, instead of being congratulated, need to be condemned. It clearly means that more extended facilities for drink were provided so that it should result in larger revenue. In this process, revenue considerations and not the interests of the people would be the guiding factor with the authorities, which is greatly to be deplored.

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DURING the year 1936, we find the department keenly anxious to push on sales. The issue price rates of country liquor were reduced by 21 per cent. and the number of shops was increased. The effect of these facilities is to be seen in the increase of consumption by 39 per cent., which is without doubt a disquietingly high percentage. The phenomenon is apparently inconvenient to the Government themselves, for there is an unusually studied attempt in the report to make it appear as if the increased consumption, instead of being due to enhanced facilities, was brought about by the official war against illicit distillation. The attempt, however, cannot hoodwink anybody in view of the admission in the report about the scarcity of the *mahua* flower which is necessary for the production of liquor. The increased consumption is thus the direct result of official attempts to that end and any attempt to make things look otherwise cannot hold water with any but the most unwary.

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The experiment of departmental management, and that by commission agents, of some shops in the Jubbulpore and Hoshangabad districts has been, we see, in progress for nearly eighteen months. The underlying idea is stated to be the elimination of the element of speculation inseparable from the auction system. Under the commission system the shops, instead of being auctioned off, are given to commission agents selected by lot from a list of approved contractors. A sliding

scale of commission, varying inversely with increase in consumption,—from Rs. 1-2-0 per gallon upto 50 gallons to Rs. 0-8-0 per gallon in case the sales exceed 300 gallons in a month—is allowed and the retail prices are fixed by Government. Where the shops are departmentally managed, each of them had two Government salesmen on fixed salaries of Rs. 15 and Rs. 8 with a small bonus for good work. While no final view on the two systems can be expressed in the absence of full data about their working, the obvious reflection is that the element of speculation is substituted by that of personal gain. This will spur salesmen or commission agents, as the case may be, to push on sales as much as possible. And it is a question whether from the temperance point of view the experiment can be said to be a step in the right direction.

#### Unemployment in Selangor.

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POINTED attention of the Selangor Government in Malaya was drawn by means of interpellations in the local Legislature, which led in due course to the appointment of a committee to inquire into the problem. The report of the committee was recently published and makes interesting reading. The comparatively limited extent of unemployment disclosed by its investigations will doubtless be an agreeable surprise generally. The total population of Selangor is estimated at nearly six lakhs. Out of these six lakhs of people only 400 or 0.07 per cent. were found to be unemployed. As compared to the wide extent of unemployment to be met with in this country, the unemployment problem in Selangor would appear to be almost negligible.

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THE committee's inquiries show that so far as labourers go, they do not suffer from want of work. It is the educated people who, though willing and able to work, cannot get work; that constituted, in the opinion of the committee, a problem in Selangor. And the number of such people is, as already stated, only 400, and 22 per cent. of them are Eurasians. Several remedies are suggested by the committee, among which is the repatriation of those who are not domiciled in Malaya. The committee's recommendation on this point is that such among the unemployed as are not natural-born subjects of Malaya or are not domiciled in the country or have not lived and worked in Malaya for at least ten years should be offered and advised to accept repatriation.

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IT was found that a part of the unemployment problem was caused by the influx of educated persons from Ceylon and India in search of clerical service. And several witnesses appeared before the committee and advocated an embargo on the entry of such persons into Malaya. The committee's report gives ground for the belief that if Malaya were not dependent upon Indian labour to the extent it is, it would hardly have shrunk from recommending that no more educated Indians be allowed to go to Malaya. For the committee, in turning down the suggestion about preventing educated Indians landing in Malaya, expresses its apprehension that were educated Indians not allowed into Malaya, India would retaliate by stopping her labourers to emigrate thither much to Malaya's economic dislocation. That this outlet to educated Indians will still remain open is a mercy for which India must be thankful.

## PROHIBITION.

THE discussion that Mahatma Gandhi has started in the *Harijan* about the constructive work that provincial Governments, and in particular Congress Governments, should undertake in their respective provinces will be of the highest use in getting a clarification of ideas on these various topics. Among the activities to which the Congress party in the six provinces in which it has obtained a majority should address itself Mahatma Gandhi places prohibition first. On the desirability of introducing prohibition and making it effective in as short a time as possible public opinion in India is unanimous. But no one had yet dared, whether in the Congress or outside, to hope that it would be practicable to enforce prohibition within less than ten years in a province. The difficulty of finding alternative sources of revenue to replace the income from excise appeared to all to be so stupendous as to require at last a decade for the necessary adjustment to be effected. To Mahatma Gandhi, however, this difficulty appears none too serious and in any case utterly irrelevant. He would not let a day pass without complete prohibition merely because financial re-arrangement will take time. Such an excuse, in his opinion, is altogether invalid and cannot be allowed. Drink revenue is tainted money and must be given up the moment it becomes possible to abolish the sale of intoxicants. His remedy therefore is very simple. Do not open new liquor shops on any account, and keep the present shops only so long as their licence continues. Do not renew the licence when it expires, and thus he thinks it will be quite possible to put prohibition in force within two years, but he is willing to leave a margin of a year more. In any case prohibition should be accomplished within three years.

He considers the Congress to be pledged to this programme, and rightly so. For when he started the picketing movement, he was not prepared to give even a day to the Ministers under the Montagu-Chelmsford regime (for they too had power to introduce prohibition like the Ministers under the present regime) to cast about for means of filling up the wide gap that would be caused in the budget if the excise revenue were abolished. These sordid considerations cannot be allowed, he said, to justify any delay in giving effect to a necessary moral reform. Economise in other ways, put on more taxes, do anything you please, but let us have immediate prohibition all over the country. Such was his answer to those who pleaded that even those Ministers who had full sympathy with prohibition would need some breathing space in which they could devise measures for the substitution for revenue obtained from liquor. Having said then that in the matter of such a vital reform we must not count the cost, he must needs repeat it now. If the Congress then started the picketing movement on the express ground that financial loss did not matter and that those who ran the government must bear it without being given any time for thinking about ways in which it could be made good, it follows that the

Congress, now it has assumed the reins of government in six provinces, cannot plead any excuse on financial grounds. If it did so, it would only prove that it carried on the movement to harass the then Ministers and not to benefit the drinking classes. Mahatma Gandhi repeats to-day the very same arguments that he urged then. Some allowance might be made for administrative difficulties, but none for financial. Do not count the cost, he says: "whatever immediately is possible in law should be done without a moment's thought so far as the revenue is concerned." Mahatma Gandhi has proved the sincerity of his conviction by pressing upon Congress Ministers the same view that he pressed upon non-Congress Ministers some seventeen years ago. It remains to be seen whether the Congress which launched the movement of picketing under the influence of these ideas is now true to them when the responsibility for translating them into action has fallen upon it. If the Congress Ministers fail to carry out the programme that he has placed before them, he will, we doubt not, consider it his moral duty to organise a picketing campaign against them as he deemed it his duty to do so against non-Congress Ministers. The Congress Governments may expect general picketing to be started on 15th July 1940 if the six Congress provinces have not in the meanwhile gone completely dry.

For our part, however, we think the Mahatma makes too little of the real difficulties in the way, and for this reason we should be prepared to give the Congress Ministers a little more time. Mahatmaji does not consider that any additional expenditure would be required for maintaining a preventive staff to check the illicit distillation that would occur. All that is necessary, in his opinion, is that drastic punishment should be inflicted on the offenders when they are found. Illicit distillation would go on in some measure till the end of time like thieving; but as no police constables are placed outside every house because there may be a thief in every house, so we need not let loose on the country an army of detectives to find out where liquor is made. There is, however, an obvious flaw in this argument. When a thief steals one's property, it is the personal interest of the man whose property is stolen to make a complaint. But when liquor is made by someone who has no right to make it, it is not the personal interest of anyone to make a complaint. There is here such an excellent opportunity for several people to carry on the immoral trade together. It is idle to think that, even in a country like India where the general sentiment is against drink, it will be possible to enforce prohibition without a large detective agency; and to make no provision for an addition in expenditure on that account is to invite a failure.

The drop in revenue that will take place as a result of prohibition is again too heavy to be met with a gesture of unconcern. Mahatma Gandhi says: "The loss of revenue is only apparent. Removal of this degrading tax enables the drinker, i. e. the taxpayer to earn and spend better." This is no doubt

true in the long run; but the Ministers who introduce prohibition will be immediately concerned with the short-run effects of their policy, and to them the loss of revenue will be very real, and they will have to meet it by levying additional taxes and not merely by pointing to prospective greater yields of the present taxes on account of the purchasing power of a section of the people being transferred from an immoral to a moral form of expenditure. What the drinkers will save will have to be made good immediately by non-drinkers, and that is the whole problem, from the financial point of view, of prohibition. And although what the drinkers now contribute to the exchequer will be spread over a much larger population, it is still an exceedingly difficult problem to raise from the people at large an additional revenue of some 15 crores in British India. The problem, difficult as it is, must be faced, and faced without any avoidable delay. It will test not only the courage of our statesmen, but their practical sagacity in handling big financial questions. It will not help in the solution of these problems to minimise the difficulties in any way. There is another reason why Mahatma Gandhi underrates financial difficulties. He thinks that education can be made self-supporting, and that prohibition can be easily financed by the savings that will be made under that head. But this is a dangerous illusion. Not only will no saving be effected on education, but vastly greater sums will have to be expended. There is no doubt scope for economy in certain directions; the money now spent must be made to go farther than it does at present. But the field to be covered in primary, secondary and higher education and vocational and technical education is so extensive that far more

funds than are now expended will have to be made available. Mahatma Gandhi thinks that these various branches of education could be made self-supporting. This is impossible. If it became possible the task of the new Governments would become very much easier, but what has not become possible anywhere in the world cannot become possible in India alone. The moral is that no Ministry can be successful which is not prepared to find out means for a large expansion of the present resources.

We welcome gladly the pressure that Mahatma Gandhi will be applying to the Congress Ministries. Without such pressure the Ministries are in real danger of being slack. But the policy to be laid down must be clear-visioned and must take full account of the enormous difficulties. No useful purpose is served by putting them out of view. The Montagu-Chelmsford Ministers, although they could have taken long strides in introducing prohibition, failed utterly in doing so. No serious attempt was made to tackle the problem except intermittently in some provinces. The Ministers failed because of lack of faith and courage. There is a danger now of the Congress Ministers failing because the problem is put before them in an over-simplified form. A real chance of success will come only when the difficulties are realised in all their complexities and the Ministers are fired with a grim determination to overcome them. The Congress Governments need all the idealism which Mahatma Gandhi's writings exhibit, but for a practical solution of the concrete problems other gifts are also required, and the final outcome will depend upon the measure in which they bring such gifts to bear on the problems in addition to idealism, which, of course, is the first requisite.

## JAPAN AND CHINA.

### I.

**I**N view of the present Chino-Japanese conflict, which is fast developing into a life and death struggle between the two neighbours and which may involve other countries in the world, it may be worth while to enquire if there was a certain inevitability about the conflict, if its causes were local and if, therefore, the conflict could be localized.

It is the task of a life-time to probe and understand the fundamental causes of such phenomena, and a sojourn of some six weeks in each country, however well utilized, is hardly an adequate basis for any confident, much less dogmatic, assertions on the problem. Though much may not be claimed for what must necessarily be but mere impressions they may not be altogether of no value.

The case for Japan may be summarised as follows. Japan is a small country with limited natural resources, but with a growing population and a rising standard of life. The consequent economic pressure can be relieved either by emigration to less populated areas of the world or by export of Japanese manufactured goods, or by both. But both these means of relief are being increasingly denied to

Japan. The less densely populated areas such as the U. S. A. and the British Dominions of Canada, New Zealand and Australia on the Pacific ring have been closed to Japanese immigration. Export of Japanese manufactured goods have also been increasingly restricted by means of tariffs, quotas and other methods. The development of Japan is thus being arrested. Either Japan must commit *hara kiri* or break through the restrictive fence that has been put round her. The U. S. A. and the British Dominions are too powerful to be challenged, the former because of her own strength and the latter because of the solidarity and strength of the British Empire. The weakest spot in the ring-fence is China and that is the only place where Japan can break through, as it were. However unchivalrous, and indeed cowardly and immoral the procedure may be or seem to be, the racial and economic policies of the Pacific countries controlled by the white nations leave Japan no option but to break into China.

If the policies of Japan towards China are unethical and immoral, so are the policies of the white nations towards Japan and coloured peoples generally. Japan is merely following the policies followed by the dominant, Christian, white nations during the

last several centuries with less economic justification than Japan has today.

It is very doubtful if standards of international morality have changed in recent decades. It is sometimes urged that the predatory policies of the last century are no longer moral in the present century. This is said by the very people who act like the dog in the manger, who prefer to keep vacant lands undeveloped than permit the Japanese and other Asiatics from over-populated lands from doing so. If, therefore, the action of Japan is immoral, so were and still are the actions of their accusers and exemplars. Which only means that economic necessities have little respect for the Sermon on the Mount.

It was in virtue of this necessity that Manchukuo was created. And now another similar experiment is being attempted in North China.

Manchukuo was not enough. The economic resources of North China are greatly superior to those of Manchukuo. North China is a large cotton-growing area; it produces the great bulk of the coal in China, some 70 per cent; it contains half the iron ore in China and is very rich in cereals. North China can supply the raw materials which Japanese industries need much better than Manchukuo.

Other nations like the British have not found it necessary to come into violent conflict with China in order to trade with her; in fact, they seem to have discovered that trade by consent was more paying than trade by coercion. Why may not Japan do likewise? The answer is that these other countries, though they have not in current times sought political control over Chinese territory, have other countries over which they have found it necessary to obtain or maintain political control in order to trade. In fact commercial nations are finding it increasingly essential to have political control over the nations they wish to trade with for the sake of security and continuity of trade.

In the pursuit of Japan's policy of obtaining political control over as large and as rich an area in China as possible, the time element is a vital factor. China is at the moment the weakest spot in the ring-fence round Japan. But the situation is not static; it is dynamic. China is consolidating and may become, if permitted, the most powerful single unitary state in the world. When that stage is reached, China will be as impregnable as the U. S. A. or the British Empire now, if not more. Then it will be too late to seek political control over any part of China.

In view of past history, however deplorable it be, trade by consent with a strong and consolidated China will be much more difficult than with any other nation. In the last century when some of the white nations imposed humiliating conditions on China by force, Chinese national consciousness was too little developed to resent it. To the present generation of the Chinese they are but a dim memory. But Japanese aggressions are so recent that even the younger generation of China of today have witnessed them and suffered under them. And Chinese national consciousness has made very rapid strides in recent

decades. The relations between China and Japan are analogous more with those now subsisting between Southern Ireland and England than between the U. S. A. and England. Present wrongs create more bitterness than past ones. In these circumstances trade by cordial consent between Japan and China is heavily handicapped. Political control is all the more necessary if Japan is to trade with China.

And if political control is essential, it must be sought immediately before China's consolidation goes much further. Aggression is essential and it must be immediate, or as early as possible. And it must be undertaken whatever be the sacrifices it may involve. Such sacrifices are long-term investments.

"Autonomous States" sound better and pay better than annexations. Mandates, Protectorates and autonomous states have an ethical aroma about them, while annexations grate against ethical postulates. Like all other imperial nations, Japan has learnt that indirect rule pays better than direct rule: less responsibilities and more profits. A direct threat of annexation may drive all the Chinese into one hostile camp, while the offer of autonomous states will win over the puppet rulers and their dependents to the Japanese side, and the Chinese will fight the Chinese for the benefit of the Japanese.

## II

At the beginning of the last century China was too great and too proud to recognise other nations as her equals. During the course of that century humiliation after humiliation was heaped on China by the aggressive European and American nations and by Japan. The revolution of 1911 converted the monarchy into a republic. With remarkable self-abnegation, Dr. Sun Yat Sen, the father of the revolution, placed the leadership of the republic in the hands of Yuan Shai Kai, a monarchist, who wished to become the monarch himself. And that led to a counter revolution and the set-up of the present Nanking Government. Even under the Emperors, the Chinese people were not consolidated enough to resent as a body and repel effectively foreign aggression. With the fall of the Empire and the setting up of the Republic, the old sanctions for such loyalty to a central government as prevailed previously were weakened and the partition of China among Chinese war-lords was facilitated. No single authority could secure the willing homage and loyalty of the immense populations of China. Civil wars were waged, and the peoples further divided and demoralized.

The rivalry of the war-lords and the general insecurity due to civil wars offered an open invitation to all with aggressive intentions to fish in troubled waters, and in some cases gave legitimate ground for the intervention of foreign powers. China became increasingly dependent on foreign money and increasingly resented foreign intervention and control. The hope that China entertained that the moral and idealistic forces of the world, which found concrete form in the League of Nations, would effectively rescue her from her plight and set her up on her feet, was completely frustrated after the Manchukuo incident. Since then, China looked to herself for her resuscitation.

And she had to attempt it against heavy, almost overpowering, odds, against internal dissensions and external aggressions. The weak shall receive no mercy.

The aggressions of Japan have been the most bitter pill for China. And Japanese aggression has done more than any other single force to promote the consolidation of China,—a result not wished for by Japan.

There were differences of opinion as to the immediate policy to be pursued towards Japan. One group, led by General Chiang Kai Shek, wished to avoid precipitating a crisis in order to gain time to build up the defence forces of China. However great the provocation and however justified a war, it would be disastrous to embark on it if the Chinese forces had not been developed to such an extent as to have an even chance, if no better, of winning the war. The defeat of China would mean her final disintegration.

The other group felt that if China were to wait till she became strong enough to defend herself successfully against Japan, there would be precious little of China left to defend, for Japan was not going to sit idle in the meanwhile, but would annex chunk after chunk of China. The stage had arrived when, irrespective of the chances of success, China should hurl herself against the ruthless invader, rather than submit to the insolent aggression of Japan a moment longer.

### III

There would thus seem to be an inevitability about the conflict between Japan and China. And it was imminent Japan could not postpone the conflict; the longer she postponed it the more disadvantageous it would be to her. And now she precipitated it.

Once the crisis was precipitated, the prudential considerations of General Chiang Kai Shek had to be swept aside and the bloody issue joined, whatever be the chances of success.

The ultimate responsibility for this war must rest not only on China and Japan but many an other nation. It is only when there is free emigration and free trade that such conflicts will be avoided. But that day is far off.

P. KODANDA RAO.

### REDUCTION OF SALARIES.

WITH the advent of the Congress ministries in the Provinces, what appeared some time ago as a mere pious resolution or slogan has now become a fact. The Karachi Resolution, which said that "Expenditure and salaries in civil departments shall be largely reduced" and that "No servant of the State other than especially employed experts and the like shall be paid above a certain figure, which should not ordinarily exceed Rs. 500/- a month,"—this resolution has now to be implemented by the various Congress ministries. It must be said, without cavil, however, that even the sponsors of the resolution have now begun to realise that the Congress maximum of salaries cannot be universally applied and that "allowances" and the like have to come in by the back door. Who will not sympathise with the Gandhian ideal of simplicity and "back to Nature", and the socialistic doctrine of equalisation of wealth, which seem to have simultaneously inspired the Karachi Resolution? But yet, from the strictly economic viewpoint,—and it is this viewpoint that should be the main justification of the Congress posi-

tion,—I have no hesitation in saying that the translation of the Resolution into action is fraught with some disastrous results which may not be so readily obvious to the lay mind. I am aware that for any economist to say this is to bring a hornets' nest about his ears and to invite the appellation of "bourgeois economist", but it is in the wider interests of the nation which we are serving that the truth should be told.

### THE PRESENT INEQUALITIES

There is no doubt that mainly in the higher sections of the Service cadres, the scale of salaries is inordinately high. This is due largely to the artificial factor of a foreign officialdom which has had to be attracted to work in tropical climates under conditions to which the European is not accustomed. However, the White Man's Burden had to be shouldered and that is how we find ourselves encumbered with the money burden of this Burden. From a comparative study of salaries of civil servants in this and other countries, it is a fair conclusion that the salaries in the Imperial Services have been pitched very much higher than necessary. I believe this excess comes most into view in the grades above Rs. 1500/-. Inequalities of income due to this factor of foreign officialdom have been accompanied by inequalities in other spheres, such as the Zemindari and the Princely Order. Thus artificial standards of life have been erected in senseless imitation of Western modes. The artificiality becomes all the more glaring because it is characterised by an abject parasitism in relation to the productive sections of the Indian society.

Thus the weight of argument would seem to be on the side of the Congress in its efforts to reduce these standards of life and to bring them into alignment with the general economic condition of the country. The President of the Congress lays down, firstly, that salaries should be as low as possible compatible with efficiency, and, secondly, that they should not be a measure of the dignity or importance of the office which the individual holds. However, there is more to it than mere efficiency, and the precept that money should not be the measure of the dignity of office may perhaps fall flat upon a sordid world. In the first place, the Imperial Service salaries, which are probably the most attractive propositions for the "axe", are outside the pale of the Congress and securely protected by the Government of India Act. Secondly, the economies effected by means of the reduction elsewhere cannot be so substantial as to justify the retrenchment programme: the game is not worth the candle. Thirdly, the salaries to be touched by the "axe" will have necessarily to belong very largely to the middle ranges which are nowhere so high as is supposed.

### THE MORAL AND LEGAL ASPECTS

However, let us dispose of the moral and legal aspects of the matter first. Although there is truth in the contention that a large number of public servants owe their posts to nepotism, influence and so forth, a still larger number owe theirs to efficiency, qualifications, education, training and experience. Some families have invested their all in educating such men in the hope of being rewarded by the salaries offered at the time of their entrance into services. It is not wholly just that they should now be asked to make sacrifices for which they never contracted. Whether or not particular scales of pay are "economic" or just rewards depends upon the question of the alternative occupations open to such men. Judged by that standard, I do not think that the scale of salaries in the Provincial public services is much higher than that of incomes in occupations such as—medicine, law, engineering or commerce. There may be greater justification, perhaps, in reducing the

scales of pay of *future* entrants into the various services; for in that case those who seek entrance would be doing so after full knowledge and consideration of the alternatives offered.

The next question, and one which I believe is of far greater significance than efficiency, is that of the moral fabric of the services. Our services, today, are notoriously corrupt and a large percentage of public servants, from the petty village patel to the *burra sahib*, have their "price". In these conditions, to inflict a cut of salaries upon men whose persuasions may not be of the Congress kind would mean to ask them to go in for bribery with a vengeance. The Augean stables will have to be some day cleansed; but in the meanwhile, the fact of corruption and the further possibility of it will have to be faced.

Apart from the question of the sanctity of contract or that of the demoralisation of the services, there are other aspects of the matter which cannot be lightly brushed aside. Though a few amongst the well-paid officials may be sinning against a life of simplicity, a very large number of them have large families and dependants (amongst whom there are unemployed youths) and servants depending upon them. Reduction of salaries is bound to cause grave misery amongst the dependants and servants, upsetting the established state of things without providing immediate or ultimate alternatives of livelihood to them. This is bound to result in serious discontent and dissatisfaction with the economic policies of the Congress who cannot gain by the tooth-carvings of a few lakhs in each Province anything but the hatred of the intelligentsia.

#### "ECONOMY AT ALL COSTS"

Perusing the election manifestoes and subsequent speeches of the Congress legislators, one cannot help feeling that their economic philosophy is based upon an orthodox version of "sound finance," which has been ridiculed and exploded by modern economists like Keynes, Gassel and Fisher. We have had in this country other forms of contractionism imposed upon us, e. g., by the Government's currency policy during the last two decades, and the gold-hoarding habits of the people. To effect economies and to prune the budgets to the minimum necessary may look heroic things; but in public economics, balanced budgets and retrenchments may often be far more deleterious than the supposed evils of spendthriftness. It is not at all obvious to our Congress enthusiasts that reduction of salaries all round in a major part of the country will result in a serious aggravation of the unemployment already existing in the country and in a simultaneous slumping of the markets and bazaars everywhere due to the direct and indirect contraction of purchasing power thus effected. So long as a bold and positive programme of development and industrialisation is not undertaken, every measure of economy intended as a cure of our national poverty will only aggravate that poverty. In the first place, it is to be denied that the salaries in the Provincial services anywhere except in the topmost grades are exorbitant or uneconomically high as compared to rewards available in other walks of life. But, even then if we choose lower standards of life for the intelligentsia, we shall all end up by becoming poorer than we are. In economics, it is the case that a nation can live at the standard of life it chooses. If we all elect to live in Gandhian or Tolstoian simplicity, we shall all be immediately reduced to pauperism; unemployment and beggary will become rampant in the land; and many of the 37 crores of mouths which have to be fed in this country will be left unfed. On the other hand,

the Congress programme, unless it is restricted to the salaries of a few ministers and of highest officials, is capable of effecting so-called "economies" only of a crore or two in the Provinces; but the cumulative effects of these will set up a vicious spiral of unemployment and slump throughout the land.

#### THE IMPORTANCE OF A POSITIVE PROGRAMME

The Congress, in my view, should, therefore, concentrate upon the *positive* programme rather than upon the economies. There are three principal methods available. Firstly, increased taxation may be levied on the lines suggested in the various Provincial schemes and the nature and scale of expenditure upon the social services, including education, sanitation, industries and agriculture, may be drastically improved. But from the long-period point of view, this group of measures cannot be sufficiently potent in raising general standards of life or increasing the national income; for, it is merely of the nature of real transfers of wealth. The next measure, more or less in the same direction, will be the enactment of (a) Minimum Wage legislation protecting the workers' standards of living and (b) Rural Debt legislation and land revenue reform to improve the lot of the peasants. But by far the most useful and the most powerful weapon of enriching the masses as a whole is to provide them with channels of increased economic activity by means of a comprehensive Development Programme financed by loans floated internally. Schemes of afforestation, of rural development, of industrial planning, of road construction and other public works—all these, and many more, will have to be undertaken and public investment encouraged in every direction, utilising the unused wealth of human and natural resources that are going to waste owing to the canker of unemployment. And who said that under the Congress regime education will have to be *self-supporting*? They are men without vision who regard education as of no importance in a backward country like ours; it is surely not for suicidal policies such as these that the Congress has been returned to office! All these years we have clamoured for higher and better and wider education and if we are now to be told that there is to be no expenditure on education, we may as well give up all hope of progress in a fast-progressing world!

#### THE HILL EXODUSES

A word here about the hill exoduses which according to many are a form of inexcusable waste. I have seen one or two of the discarded hill-stations in India, and I can only say that in the effort of effecting a t'penny-ha'penny saving of a few lakhs of rupees, crores of rupees worth losses have been inflicted upon unwary investors, and thousands of poor workers and shop-keepers have been ruined in consequence. No economist worth his salt will regard this as a true economy of national resources. It may have saved *money*, but it has caused a waste of *wealth*, a very poor compliment to the intellectual calibre of people who would dabble in public economics!

#### CONCLUSION

In conclusion, I would reiterate that the Congress programme of economies is a contractionist programme and thus wholly out of place in an undeveloped and poor country like India where standards of expenditures have to be *raised* to raise the standards of incomes. Economically, the plan is disastrous as it will cause widespread unemployment and destitution; politically, it is imprudent and short-sighted, for it is bound to antagonise a large and vocal section of the intelligentsia—and all for the so called economy of a few lakhs!

B. P. ADARKAR.