

FOOD

in the

PUNJAB

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EIGHT ANNAS

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P R E F A C E

We are once again in those very months in which during last year a ghastly famine—ghastlier than any India has seen in the past—raised its head in Bengal.

Second famine is already there. It is there in Chittagong where rice prices have shot up 100% higher than the control prices. It is there in the deficit districts of Bombay, U.P. and Orissa. It is there in Kerala. 27 eminent Indian industrialists and politicians have issued an S.O.S. to the British Parliament and public drawing their attention to the approach of the second famine and pointing out that the Government of India has not been able to import enough food grains to make up its central food reserve. During the current year they have imported only 4 lakh tons (4 lakhs more are promised) when the target for the first year fixed to cover the overall deficit was 15 lakhs.

Imports are of course necessary to save us from the second famine. But they will save us only when we ensure that the entire grain produced in the country is equitably distributed. We must ensure that the provincial governments procure enough stocks, to maintain control over food grain prices, to ensure rationing of towns and to make allotted quotas of food grain stocks to move from surplus to deficit districts. Corrupt officials and profit-greedy hoarders must not be allowed to sit on grain stocks to make more profit at the cost of starving millions.

The Punjab for instance produced last year 75 lakh tons of food grains, out of which 52½ lakh tons are its own requirements. But out of the exportable surplus of 22½ lakh tons it exported only 16 lakh tons. This means 6½ lakh tons which includes 2½ lakh tons of wheat remained hoarded in the Punjab while people starved in Bengal and elsewhere. Punjab's Unionist Ministry pretending to speak in the name of the Punjab kisan resisted the introduction of control and rationing in the province throughout last year. It was only screening the big landlord and trader-hoarders who made lakhs on wheat in the years 1942 and '43.

In the following pages is attempted an analysis of the

food situation in the Punjab as it developed in the years 1942 and '43 and as it exists today in 1944 when at last control has been introduced and rationing already begun in 2 out of the 7 important towns of the province. The same elements who resisted control and rationing last year are in charge of running it this year. The result is that the landlord and trader-hoarder have as complete a grip over the marketable surplus as last year. The Unionist Ministers and their officials are already admitting that they are postponing rationing in Lahore and of the other towns because they have not procured enough stocks.

Punjab's wheat crop this year is 37 lakh tons. Deducting its wheat consumption of 31½ lakh tons for the year there will be an exportable surplus of 5½ lakh tons available. Adding to it 2½ lakh tons remaining from last year, Punjab can export 8 lakh tons of wheat for defence services as well as for deficit provinces. Punjab Government must procure these 8 lakh tons plus 3 lakh tons more for rationing its 7 towns. The programme of procuring 11 lakh tons is feasible, and can be carried through by the government if it relies upon the patriotic kisans, honest traders and the citizens of the Punjab. The Central Food Committee of Lahore, which is composed of Muslim Leaguers, Congressmen, Liberals and Communists has made eminently practical proposals to carry out this plan. It will ensure a fair price to the kisan, food at reasonable price to the town dwellers and will make maximum surplus available for the deficit provinces.

The people and the patriotic parties and organisations of the Punjab—especially the Muslim League, Congress, the Kisan Sabha, and the Communist Party—have an important role to play in the battle against the second famine. They must unite in food committees everywhere and rouse the people in the countryside and in the town to defeat the intrigues of the hoarder-profitier and the corrupt official against the success of control and rationing in the Punjab.

Finally let me draw the reader's attention to certain inaccuracies which have crept into the body of the pamphlet. They are set forth in an errata at the end of the book. Some of them are due to incorrect information but none of them are such as to impair the main force of the analysis of the conclusions set forth in the report.

G. ADHIKARI

FOOD IN THE PUNJAB

I. INTRODUCTION

The Punjab together with the Punjab States has been called the granary of India. It is a large surplus grain producing area which can export something like 7 to 10 lakh tons of food-grains, mainly wheat, rice and millet. And yet there has been artificial scarcity of food-grains in the cities and deficit districts of the Punjab and workers and citizens of Lahore and other cities had to suffer. That was in 1942. In 1943 when man-made famine devastated the villages and towns of Bengal and took unprecedented toll of human lives, the Punjab would not let her grain go to Bengal except at the exorbitant hoarder's price. The Punjab's Unionist Ministers, speaking in the name of the growers resisted the Central Government's demand for instituting price-control and rationing in the Punjab and bringing that province within the orbit of the basic food plan.

The peasants and the people of the Punjab have been among the pioneers in the freedom movement of our country. They have glorious traditions of sacrifice and suffering for the cause of Indian freedom. Is the patriotism of the Punjab kisan so extinct today that he is not stirred by starving Bengal which has to bear the brunt of the Jap aggression, when in the Punjab itself the city worker is suffering from scarcity of food-grain and high prices? It cannot be.

And yet in 1942 and '43, Sir Chhotu Ram, Khizar and the other henchmen of the bureaucracy resisted price-control and rationing, sat upon the Punjab's grain while Bengal starved and Punjab's city population suffered—all in the name of the Punjab's grower!

In 1944, at last prices of food-grains have been controlled in the Punjab. Wheat is to be rationed in all the seven towns of the province. It is not Wavell's frowning brow which has done the trick. The grim tragedy of Bengal stirred the conscience of the Indian people. The Unionist Ministers could not go on for ever conducting the fight against control, hypocritically speaking in the name of the kisans while they were really screening the profit-greed of the hoarders.

But the battle is by no means won. What is the guarantee that in 1944, the history of 1942, when black marketeers flourished under a nominal 'control' and food scarcity faced the Punjab's poor townspeople will not be repeated ?

There is no other way except the joint action of the Punjab's patriotic kisans, workers, citizens and honest traders. The question of food in the Punjab is of the greatest interest today not only for Bengal, but for Bombay and even for far-off Malabar. Every pound of surplus grain which the Punjab can spare is required today by Bengal and by the other deficit provinces. Can that be done, unless the might of patriotic unity succeeds in unloosening the hoarder's grip over the Punjab's food ? It cannot be. That is just the reason why it is necessary to see in some detail what happened to the Punjab's food during the last two years. That will enable us to anticipate the dangers that face her in 1944 and to work out the way to fight them.

II. FIASCO OF 'CONTROL' WITHOUT STOCKS IN 1942

With the outbreak of the war, food and other prices began to rise very rapidly. In the first 4 months after the outbreak of the war there was a sharp rise in prices of food as well as of manufactured articles. The Bombay working class food index leapt up from 110 (pre-war) to 128 in January 1940. Wholesale price index of manufactured articles jumped up from 100 (August 1939) to 140.8 (January 1940). Wheat in the Lyallpur market rose from 100 (pre-war) to 153 (January 1940).

In the year 1940 the working class food index registered a small rise. It rose from 128 in January 1940 to 131 in January 1941. The price index of manufactured articles fell from 140.8 in January 1940 to 121.6 in January 1941.

It was in the year 1941 that the effects of the European disasters of 1940 *e.g.*, fall of France, Hitler's domination over Europe, submarine warfare) began to make themselves felt in India. The Bombay working class food index shot up from 131 in January 1941 to 154 in January 1942. The price index of manufactured articles rose from 121.6 in January 1941 to 151 in January 1942. The sharpest rise was registered by the price of wheat in the Lyallpur market. The wheat price rose from Rs. 3-4-0 per maund in January 1941 to Rs. 5 in Decem-

ber 1941. In percentage this rise works out to 212% of the pre-war price.

Price Control Conferences had been taking place since the outbreak of the war. These were so much paper and talk. As far as manufactured goods were concerned profiteering and black marketeering grew at the expense of the Indian consumer. Imperialists were determined not to allow the Indian industrialists to take advantage of the war time conditions to expand their industries. Through the control measures they got the war supplies from the indigenous manufacturers at the controlled prices. In return they left the capitalist free to profiteer and black marketeer at the expense of the Indian consumer.

The Government attempted no control of food-stuffs in 1940-41. Some compensation to the workers, to balance the steeply rising cost of living came to them in totally inadequate dearness allowances, but only after the strike struggles of 1940-41. But when wheat prices rose rapidly in 1941, the then Commerce Member Sir Ramaswamy Mudaliar said, it might be necessary for the Central Government to intervene if the wheat prices continued to rise. They did, and the Government of India issued an order on December 5, 1941 fixing the maximum price of wheat at Rs. 5 per maund. On December 31, 1941, they appointed a Wheat Commissioner for India—and on April 30, 1942, the Wheat Control Order was issued by which the transport of wheat from the producing provinces was to be controlled by the Wheat Commissioner.

The Government's control measures on wheat came right at the time of Japanese aggression in the Pacific. The fall of Singapore and Burma followed soon after. In India the people were looking to the Cripps negotiations and were wanting the replacement of the bureaucratic Government by a National Provisional Government of all parties to organise effective defence against Japan. The wheat control measures like every measure of the Government were looked at with suspicion. Traders, landlords as well as peasants all alike thought that the Government was controlling the price of wheat in order to secure cheap wheat for the army.

The reaction to the control order was instantaneous. There was almost immediately a complete black-out of the Punjab wheat market. The Lyallpur wheat market was as good as closed. In the first 3 months of 1942, in January, February, and March, the total arrivals of wheat in the Lyallpur market

were nil. Later in the larger towns there was a vanishing of stocks of wheat and atta. In Lahore and Amritsar people had to buy wheat and atta at Rs. 10 and 12 while the controlled price was Rs. 5. Towards the end of the year the black market rose to such a height that the poorer sections of the people in Lahore, Amritsar and Pindi could not afford to buy any atta at all. The scarcity crisis reached such a pitch in these cities that the Government was forced to open atta depots—where wheat and flour was sold to the poorer sections of the population at controlled rates. Long queues of men and women waited at these shops every morning.

How did this come about? Sir Chhotu Ram and Sardar Baldeo Singh, the doughty spokesmen of Khizar's Unionist Ministry said: This is all due to 'control'—to the Government of India's interference in the operation of 'free trade.' They said to the kisan: The Government of India by instituting control is preventing you from having high prices while the prices of the other commodities are so high. They said to the Government of India: Control makes the black markets inevitable. You will have to buy your supply for export in the black markets. To the consumer and city worker who suffered from the scarcity they said: We are helpless. It is the Government of India's control which has brought you this suffering. The trader and landlord hoarders who had the wheat stocks and who made comfortable profits in the black markets applauded. Every time the Unionist Ministry has used the conditions of 1942 as a conclusive argument against control.

Punjab's Agrarian Economy

Why did the control fail in 1942? Who sabotaged it; who gained by that failure and who suffered under it? Before we marshal the facts to answer these questions, let us look at some basic facts of the agrarian economy of the Punjab. The Punjab is dominantly the land of poor and middle peasant proprietor who tills his own soil generally without assistance of additional labour and pays revenue direct to the Government. As the grower of the Punjab's wheat and other crops, he is the backbone of the Punjab's economy which is dominantly based on agriculture. The rural population of the Punjab is 2 crores and 40 lakhs while the urban population is only 43 lakhs. While the agriculture of the Punjab has ex-

panded during the last 40 years due to the extension of irrigation and the extension of the cultivation of wheat and other commercial crops, it has by no means kept pace with the growth of population. Industrial development has lagged behind in the Punjab more than in the other provinces. The pressure of population on agriculture has increased. The poor and middle peasants have become more and more debt-ridden. As a victim of recent agrarian crisis (1932-34) he has lost his land and has become more and more impoverished. The total debt of the Punjab peasant was estimated at Rs. 200 crores before the 2nd world war.

The effect of the last crisis of 1932-34 is clearly visible in the following figures :

TABLE I*

Class of peasants owning holdings of	Owned in 1928 of the total cultivated land the following percentage	Owned in 1939 of the total cultivated land the following percentage
1 to 15 acres	47.0%	34.4%
15 to 50 acres	35.6%	27.6%
50 to upwards	25.8%	38.0%

This shows how land has been passing away from the hands of the poor and middle peasants into those of the big landlords. Side by side with this the total debt of the Punjab peasantry has increased during the same 10 years.

Khizar, Chhotu Ram, Baldeo Singh and Company take these facts and say: The peasant stands to gain when the prices of his produce are allowed to rise as they do in the war period; this is his chance. We are opposed to control in the Punjab because it hits the poor and middle peasant who is at last getting an opportunity to improve his conditions.

Let us look at these facts more closely. There are 34 lakh 80 thousand Land Revenue payers or landowners in the Punjab.

According to Calvert's investigation they can be divided

*These figures are taken from Calvert's investigations published by the Board of Economic Enquiry, Punjab.

into the three above mentioned categories of peasants in this way :

TABLE 2

Those who own 1-15 acres	..	..	30,70,242
Those who own 15 to 50 acres	..	..	3,40,000
Those who own 50 or more	..	..	70,000

Now the first class of peasant owners who constitute the overwhelming majority of the rural population of the Punjab are poor peasants. Their average holding is 7½ acres which even for the soil conditions in the Punjab is an uneconomic holding. They have hardly any surplus grain to sell. Whatever little they would sell would be immediately after the harvest comes so as to get liquid cash for the other necessaries, and to pay off interest on debt and other dues.

The second class of peasant owners may be classed as middle peasant. He has a bit of surplus which he brings to the market in the first 3-4 months after the rabi harvest (wheat) comes in. This surplus (all grain) may be estimated at about 50 to 60 maunds *i.e.* about 2 tons) per owner in this class and thus about 7 lakh tons comes to the market through this source every year.

These two classes together own 62% of the cultivated land and account for 62% of the produce of food-grains.

The third class of owners who own 50 and more acres mostly do not till the soil themselves but rent out their lands to tenants. Their tenants get less than half the produce. More than half the produce of 38% of the land comes in the hands of only 2% of the owners. That means, about 18% of the total product remains in the hands of a very small number of rich and very rich land owners who can afford to wait to get as good a price as possible. It is well known that these rich landlords abound in the western districts of the Punjab where bulk of the land is tilled not by peasant owners but by tenants who have to work under feudal conditions. They keep their stocks of grain in huge barns and generally sell it towards the end of the year.

It is also well known that in a normal year the prices of grain—wheat especially—are lowest in the 3-4 months after

the harvest (April-May) months. They begin to rise after September and are the highest in the last months just before the harvest. It is in these months that the big landlord brings his stock into the market. The wholesale trader who buys up the grain of the poor and middle peasant in the early months also sells later to the merchants in the cities and at the higher rate. In the normal year these fluctuations of prices during the course of the year are not very great. They do not affect the normal circulation of grain. They represent "normal" feature of the "normal" exploitation of the peasant by the capitalist trader and the landlord.

One basic fact, however, emerges out of this calculation. It is this that the bulk of the marketable surplus of food-grains is controlled partly by the wholesale traders and partly by the big landlords. In India, generally about 30% to 40% of the total production represents the marketable surplus. Let us take the case of wheat in the Punjab. The total production of wheat in a normal year is about 35 lakh tons. Out of this 5 to 6 lakh tons come into the market in the 3-4 months following the harvest from the poor and middle peasants. About 5 to 6 lakh tons would come to the market from the surplus of the big landlords (3rd class). 2 to 3 lakhs more may be available from the tenants of the class 3 owners. Thus the total 12-13 lakh tons of the marketable surplus of wheat is for the most part in the hands either of the wholesale traders or of the big landlords.

Who blew up 1942 Control?

Now let us look at what happened in 1942 after the control was imposed in December of the previous year.

As stated above the Lyallpur market was as good as closed in the months of January, February and March. These are exactly the months in which the rich zamindars and traders bring their wheat to the market. In the corresponding 3 months of 1941 and 1940 the total arrivals of wheat in the Lyallpur market were 43,750 and 20,425 bags respectively. Obviously the rich landlords had turned hoarders. They were hiding their wheat to get later black market prices.

What did the poor and middle kisan do when in April-May 1942 the harvest came? He took it to the market. In the first 3 months after the harvest some 440,000 bags of wheat arrived in the Lyallpur market. He got the control price.

The trader-hoarder grabbed it. After September the scarcity in the cities began to be acute. Wheat was being sold in the black markets of Lahore and Amritsar at Rs. 10 and 12. Towards the end of the year 1942 the vanishing of grain was so complete that even the agents of the Government of India had no other alternative but to buy in the black market. They did it. We have the evidence of Mr. Baldeo Singh, the Unionist Minister himself for it:—

“Even the official military purchasing agents who could not meet their orders, entered the black market and began buying at nearly Rs. 2 per maund higher than the official rate.”

(In his speech before the Fourth Food Conference, October 1943).

The Unionist Ministry steadily fought control. They made appeal after appeal to the Government of India to withdraw the control order. They spoke in the name of the peasants. In reality they were speaking in the name of the landlord-hoarders of the western districts of the Punjab whom the Unionist Ministers really represented. They were speaking in the name of the trader-hoarder who wanted to make money out of the steep rise of the price of wheat. The Unionist Ministers did not lift a finger to curb the black market. They allowed it to flourish while the poor in the cities suffered. They used the existence of the black market as an argument to demand the abolition of control.

Who Suffered?

Did the Government of India do anything to stabilise wheat control? Nothing at all. They knew that the price of wheat was rising all round in the different provinces. They made no efforts to see that the Provincial Governments secure the stocks to stabilise the price. On the other hand their own agents bought in the black markets and made matters worse. Not only were they unable to get enough of the Punjab surplus wheat for the Army as well as civil needs outside the province, but in the Punjab itself the war production was threatened because of the very rapid rise in the cost of living of the working class in the industry.

The working class cost of living index for Lahore rose up as follows:

TABLE 3

Year	Working Class Cost of Living Index	Rise in Points
1939	123	—
1940 December	133	plus 10
1941 December	172	plus 39
1942 December	302	plus 130
1943 December	368	plus 66

The big leap upwards in the year 1942 shows the effects of black marketing and hoarding of wheat. Did the workers get a corresponding increment in their wages? Not in the least. Here are the figures for the rise in wage index for 1943 :

TABLE 4

Rise of Wage Index in 1943

Wage in 1939—100

	Metal worker	Textile worker	Press worker
Skilled	181	185	143
General	186	185	143
Unskilled	200	209	172

These figures* show clearly that while the cost of living has gone up by 360%, the wages went up only by 180 to 200%. This means the workers have to suffer an invisible wage cut of 44%. Not only the workers but the other employees and the town poor suffered. In the industrial cities like Lahore the scarcity and the consequent suffering of the bulk of the population were acute. A Food Committee movement started towards the end of 1942. Private cheap atta depots were established. Women in purdah came out to join the movement. The Government then opened cheap atta depots in the cities and supplied them with wheat and atta brought through the co-operatives.

*These figures are from a pamphlet published by the Board of Economic Enquiry, Punjab.

III. A YEAR OF DECONTROL

While the Unionist Ministry thus tinkered with palliative measures they continued their pressure on the Central Government for lifting of the control order. In January 1943 the control order was withdrawn. At once the landlord-hoarders began to unload their hidden stocks of wheat on the market. In February and March 1943 plentiful wheat came to the Lyallpur market but was sold at Rs. 13 to 12-8 per maund. The black market rate was now stabilised as the legal market rate. In these two months 50,080 bags of wheat arrived in the Lyallpur market as against nil in the corresponding months in 1942. The corresponding figures of arrivals in 1941 and in 1940 for the same months are :

30,530 bags in 1941

13,530 bags in 1940

Mr. Baldeo Singh himself admits how the hoarded stocks came out :

“Plenty of stocks came into the market and we are able to supply in a short time 175,000 tons of wheat to the Government of India in spite of the earlier scarcity in the markets.” (October 1943).

What does this mean ? The poor and the middle peasants sold out their stocks in the months succeeding the harvest of 1942 at the control price of Rs. 5. The trader-hoarder bagged it and created scarcity in the cities. The landlord-hoarder sat tight on his stock. When the control was lifted both the hoarders came out with their stocks generously and sold at Rs. 12-8 or Rs. 13 and netted a neat profit of Rs. 7 to 8 per maund. It is quite plain to see who sabotaged the control of 1942 and for what reasons. It is plain who stood to gain under no control and who suffered under it.

Khizar's Unionist Ministry has two mouth-pieces. One is Sir Chaudhury Chhotu Ram, who is a demagogue and is always telling the Jat middle peasantry how control is bad for the kisan and how the Unionist Ministry is fighting the Central Government to defend the kisan's interests. The other mouthpiece is Sardar Baldeo Singh, who is used to putting the Unionist case to the press and to the Government of India. Sardar Baldeo Singh is of course, 'all for control' if it were an all-round control—but if you can't have it—and as you

don't have it—he is all for 'no control'! When there is no control trade channels would flow easily, the price of wheat would find its "natural" level. There would be no hoarding and the Government of India would get enough supplies for civil and military needs.

What actually happened in 1943 when control was lifted and the "free trade" reigned once again? As Sardar Baldeo Singh said, plentiful stocks came into the market. The land-lord-hoarders were unloading their hidden stocks on the market to make quick money and to clear the godowns for the new crop. The price of wheat came down from Rs. 13 in January 1943 to Rs. 8 in April 1943. Speaking at the Rotary Club, Sardar Baldeo Singh said, that all was well now that control was abolished; stocks are plentiful and prices falling (April 15, 1943).

Yes, the price remained in the neighbourhood of Rs. 8½ and Rs. 9½ during the 3 months after the harvest. The poor and the middle peasants brought their wheat in the market. The arrivals in the market were plentiful even more than in normal years during these months. Whole-sale traders bought the stocks and began hoarding them. For, after the poor and the middle peasant had disposed of their stocks the price of wheat began again to rise in the Lyallpur market. Since January 1943 general food situation was worsening in the country as a whole. The all-India wheat as well as rice price index was rising very rapidly. This is shown by the figures given by the Gregory Committee report:

TABLE 5

Monthly Average Indices of Rice and Wheat
Base (19-8-1939=100).

	Rice	Rise	Wheat	Rise
1942				
January	151		199	
December	218	44%		15%
1943				
January	218		252	
February	218		252	
March	496		312	
April	634		308	
May	780		323	
June	951		330	
July	951	336%	346	34%

In these figures we see the soaring prices of rice which were the forerunner of Bengal famine of 1943-44. By June and July the first destitutes had made their appearance in the streets of Calcutta. Wheat prices were rising steeply in the other provinces. The Punjab wholesale trader looking to these developments began to hoard hoping to make big profits. What is the evidence for this hoarding? Chaudhury Chhotu Ram and Sardar Baldeo Singh deny that there was any hoarding at all in 1943.

Evidence of Hoarding

Firstly, the price of wheat begins to rise in the Punjab's market after the poor and the middle peasant have sold their wheat in the first 3 months after the harvest. The following table makes this clear :

TABLE 6

Month	Price per maund in the Lyallpur market in Rs.	Remarks
1943 :		
January	.. .. 12 8 0	Control lifted
February	.. .. 10 6 0	
March	.. .. 9 5 0	
April	.. .. 9 3 6	
May	.. .. 9 8 0	
June	.. .. 9 10 0	
July	.. .. 9 14 0	
August	.. .. 10 11 0	
September	.. .. 11 1 0	
October	.. .. 10 13 0	Stocks of banks frozen
November	.. .. 10 15 0	
December	.. .. 10 11 0	Wavell's visit
1944 :		
January	.. .. 10 8 0	
February	.. .. 9 12 0	
March	.. .. 9 11 0	
April 1	.. .. 9 12 0	
April 2	.. .. 9 10 0	Maximum price fixed under statutory control, reimposed

Prices began to rise because of hoarding by wholesale traders.

Secondly, this is proved by the fact that in the latter part of 1943 the storage rents rose very sharply. For instance in Moga which is a wheat market ranking next in importance to Lyallpur and Okara, the storage rents rose to Rs. 82 per 1,000 maunds. This is a rate which is 3 to 4 times the normal rent of storage.

Thirdly, in the latter part of 1943, there was a brisk speculation in wheat. Trader-hoarders bought wheat, deposited the wheat stocks with the banks, and raised loans from the banks against these deposits, to buy more wheat and to speculate in it. In Moga market alone some two lakh maunds were thus deposited with the banks. The total stocks of wheat with the banks in the Punjab were one and a half lakh tons.

This hoarding was taking place at a time when the rice prices were rising steeply and when a vast man-made famine had already made its appearance in Bengal as well as in the other parts of India. In July 1943 the Government of India at last awoke to the grimness of the situation and appointed a Foodgrains Policy Committee, which was to recommend plan and measures to secure for the duration of the war, "maximum supply, equitable distribution and proper control of prices in relation to foodgrains."

The central food plan was published in September. It proposed the control of foodgrain prices in every province. It contemplated rationing in every town with a population of over one lakh. To render this possible it proposed the building up of provincial food reserves in every province. For every surplus province quotas were fixed which were to be collected in each province to be delivered to the deficit provinces. *The central food plan was sound on paper. It envisaged price control as well as stock control. But its Achilles heel was the procurement of stocks. Were the provincial governments going to intervene effectively in the trade channels and procure sufficient stocks? Was the Central Government going to insist this was done effectively both by deficit as well as surplus provinces? That was the key-task.*

It was not a question of merely issuing Defence of India Orders or of administrative efficiency. It was a question of getting the co-operation of the people and of honest traders. That is how the battle against the hoarders could be won both in the deficit as well as surplus provinces. But neither the

Central nor the Provincial Government looked at the question in that way. The Central Government left the procurement to the discretion of the Provincial Governments, who in their turn left it to "normal trade channels" and "trade interests." The result was that the hoarder got on the top both in the deficit as well as in the surplus provinces.

In the deficit province, in Bengal, the price of rice continued to shoot up—vast masses of destitutes began to stream into Calcutta and the mass deaths began. In the Punjab, the Unionist Ministry, the mouthpiece of the landlord and the trader-hoarders said: There should be no statutory price control and no rationing in the Punjab. Let free trade reign and we would supply you the quota you need. Mangat Rai, the Punjab Government's nominee on the Foodgrains Policy Committee wrote a minute of dissent to the Gregory Report (September 1943) rejecting Statutory Price Control and Rationing for the Punjab.

Who Gained Under Decontrol?

At the same time the Central Government began to complain that its purchasing agents were not getting sufficient grain from the Punjab for Bengal. Sardar Baldeo Singh, the Unionist Minister, parried the charge by attacking the Central Government for shortage of wagons. He said what was being supplied was not being moved away fast enough. This counter-charge by no means disproved the fact that wheat was not coming as fast out of the hoards as was needed. In his opening address to the Fourth Food Conference Sir Jwala-prasad Srivastava, the then Central Food Member said:

"Is it right that the Punjab should have all that stuff lying hoarded when the rest of India badly needs it? There are really, to my mind, two real parties to this drama, this food debacle if I may so call it. They are the Punjab and Bengal. If these two parties could be brought together the rest of the problem would be easy."

In that same Conference Sardar Baldeo Singh and Chaudhury Chhotu Ram vehemently opposed the introduction of control and rationing in Bengal. Chhotu Ram shed crocodile tears for the agriculturist saying it was "provoking and unreasonable to see undue emphasis being laid on bringing down the prices of agricultural produce."

Sardar Baldeo Singh threatened the Government that control would have adverse effect on recruitment :

“I feel constrained to say that the responsibility for the consequences that will ensue will lie on the Government of India and I and my colleagues in the Ministry will find themselves incapable of coping with the situation.”

Was it genuine solicitude for the interests of the Punjab kisans which prompted these Unionist Ministers to oppose control and rationing in October 1943? Surely not. As we pointed out above the poor and the middle kisans had sold out their surplus in the months of May-June and July at the prices between Rs. 8|8 and Rs. 9|15. They found the prices very good. They were getting nearly double the price which they got for their produce last year while the price index of manufactured articles had risen from 166 (April-July 1942) to 258.6 (June-July 1943) i.e. by only 50% over the last year's level. The poor and the middle kisan of the Punjab did not keep back the crop but brought it in full measure to the market. More than normal quantity of wheat came to the Punjab market in these months. They were keen on taking advantage of the good prices and to get the surplus cash to get their debt-ridden land released from mortgages. The year 1943 was a record year for the figure of cancellation of mortgages and repayment of peasant debts. The figure for 1943 is something like 200% of the figures for 1942 and 1941.

The year 1943 was one of record harvest. 41.75 lakh tons of wheat were produced in the British districts of the Punjab, which is about 20% above the normal. Record arrivals came into the market in the 3 months succeeding the harvest. Still one finds in the succeeding months the price of wheat rising to Rs. 11 and complaints that sufficient stock is not available for Bengal in September and October when death has begun taking its ghastly toll there.

Was this not clearly due to hoarding by the traders who had grabbed the poor and middle peasants' wheat at Rs. 9-10 and were now sitting upon it to get a higher price—to mint money out of the death of our compatriots in Bengal? Was this not due to speculators who had mortgaged their stocks of wheat to banks to borrow more money to buy more wheat for hoarding and profiteering? Was this not due to the land-lord-hoarder who was not bringing out his stock in the hope

of getting still higher prices? Is it not clear that Sir Chhotu Ram and Sardar Baldeo Singh were in reality speaking on behalf of these hoarders and profiteers when in October 1943 and later they opposed price-control and rationing and did so in the name of the peasant?

Immediately after the Fourth All-India Food Conference, the Government of India issued orders under the Defence of India Rules to freeze the one and half lakh tons of wheat which were lying with the banks. The Punjab Government vigorously protested and declared that they would take steps to secure the maximum price for the stocks thus requisitioned. Were these gentlemen protesting on behalf of the kisan? Were they straining to secure him a bigger price? Surely not. It was hoarders' and speculators' wheat that was in question and the Ministers were fighting for the hoarder and for securing him profiteering prices.

Unionist Campaign Against Reimposition of Control

In the latter part of October, the triumvirate of Khizar-Chhotu Ram and Baldeo Singh ran a campaign throughout the countryside against introducing control and rationing in the Punjab. They paraded themselves as the champions of the peasantry fighting against the Central Government for their interests: Control will ruin the peasants and rationing will bring chaos in the Punjab—they screamed. We will never allow price control to be established in the Punjab, we would rather resign. The simple-minded Punjab kisan listened to these speeches and wondered. They ordered the Magistrates and Commissioners of the districts to pronounce against control. They dutifully did so. They asked a back-bencher in the Assembly to move a resolution against control and rationing. They staged a debate in the Assembly in the first week of November on control. Some hundred and odd Unionist M.L.As—representatives of big landlords of the dark districts of the Western Punjab where the poor Muslim tenant sweats under feudal exploitation—supplied the background chorus of anti-control speeches. The Hindu Sabha and Hindu nationalist M.L.As representing the interests of the trader-hoarders joined in the same. The handful of true Muslim League M.L.As had not the courage yet to stand up against Khizar's Unionist majority and uphold the patriotic pro-control

and pro-rationing policy of their All-India organisation. The Congress M.L.As were in jail. Akalis lined up with the Unionists.

Only two stalwart Communists—Comrades Teja Singh Swatantra and Sohan Singh Josh called the bluff off the Unionist Ministers and nailed down their opposition to control and rationing as the defence of the landlord and trader-hoarders' greed to make money at the expense of the starvation and death in Bengal. They pointed out how the bulk of the marketable surplus soon passed into the hands of the trader-hoarder or was in the hands of the big landlords. It is these handful of men who were interested in opposing control and rationing. They demanded fair price for his produce to the kisan, and extensive purchase of the bulk of the marketable surplus by the government so that hoarding might be eliminated and profiteering controlled. This will ensure food at reasonable controlled prices to the urban population and ensure maximum surplus grain to Bengal and other deficit provinces. They pulled down the case which Baldeo Singh and Chhotu Ram had built and showed how control and rationing were in the interest of the kisan and the consumer in the Punjab as well as essential to save Bengal.

In the course of his reply Sardar Baldeo Singh asked : "Did Mr. Josh want that wheat should be requisitioned" ?

Comrade Josh gave a prompt and a crushing reply : "Yes, all those who pay more than Rs. 200 as land revenue, their stocks should be requisitioned."

All the same the Punjab Assembly voted down control and rationing in November 1943 against the opposition of only two Communist members.

They Spoke For The Hoarder

But it was a command performance of the Unionists. It was not the verdict of the Punjab people. In the meanwhile in Bengal the toll of famine deaths was mounting up. There was a mighty upsurge for Bengal's aid. The people begin to see more clearly the real role and the immediate significance of the hoarder. There was a swing towards control and rationing throughout the country. A section of the Punjab press now began to condemn the Unionist Ministry for opposing price control and rationing. *Tribune*, the nationalist pro-Congress daily nailed down the Unionist opposition—as the oppo-

sition of feudal vested interest—of “landlords, who have huge stocks of wheat and intend to convert them into heaps of gold.”

Sardar Baldeo Singh tried to defend the position of the Ministry in the press. He tried to put across three points, with the aid of a jugglery in statistics at which he is a master-hand. *Firstly*, he says there was no hoarding in the Punjab in 1943—on the other hand there was already some sort of rationing in the Punjab. *Secondly*, he denied any profiteering, and said there was already a sort of price control in the Punjab. *Thirdly*, he said under decontrol it was not the big landlord who profited—on the other hand it was the bulk of the kisan population which was vastly benefited.

Why was there no hoarding? Simple, says the Sardar. Total rabi crop of wheat (1943) was 41.75 lac tons. The total consumption of the Punjab at the rate of 1 to 1½ lb. per head per day was 31½ lac tons. About 10 lac tons of surplus of wheat was being exported this year (1943-44). So where was the hoarding? We are exporting everything that remains after keeping just sufficient for our needs, says the Sardar. But it is not difficult to see through his jugglery. One has only to look at the figures of food export given in the last budget of his own Ministry (March 1944). 9 lac tons of wheat and wheat products were the export target fixed for the defence services for the year 1943-44. According to the Budget statement only 686,714 tons was actually exported between April 1943 and March 1944. Does this not clearly show that about 2 lac tons of the last crop were yet in the hoards upto March 1944? This will be further clear when we try to roughly estimate who holds the wheat crop of 1943 in the same way as we did for 1942 before.

From the Table 8 on page 19 it is clear that some 14.5 lac tons of wheat are available as surplus after feeding the entire rural population, which is 2 crores 40 lacs. Of this some 4-5 lac tons would be required to feed the 43 lacs of the urban population. 10 lacs would be available for export. But this is distribution on paper. We know that of the 10 lac tons only 7 lac tons moved out as export during 12 months. This delay and the deficiency cannot be explained except by the fact that the hoarders sat upon the stocks in the hope of getting higher prices.

Did the urban population get its wheat and atta? Yes they got. But paid Rs. 12 and 11 for it while the kisan got Rs. 8½ and 9 in the harvest months. This is due to the pro-

fitteering operations of the trader-hoarder. But Sardar Baldeo Singh denies it. Because he does not want to control the prices in the interest of the trader-hoarder.

TABLE 8

Class of peasant land-owner.	The land they own.	Their number.	% of the total cultivated land they own in 1939.	Total wheat they produce in lac tons.	Surplus in their hand after consumption or giving to tenant. lac tons	Remark
1 to 15 acres	30 7 lacs 30,70,242		34.6%	14.5		Very little
15 to 50 "	3 4 lacs 3,40,000		37.4%	11.2	7.0	comes in the market in first 3 months controlled by traders
50 acres & more	70,000		38%	15.8	7.5	with landlord hoarder mainly.
Total	34,80,242		100%	41.5	14.5	marketable surplus.

Finally, who profited by the decontrol in the year 1943? Surely not the bulk of the poor and the middle peasants who sold their crop immediately after the harvest at Rs. 8/8 or 9/8. Under control they would have got that price as they are getting this year. The only persons who gain under decontrol are the trader-hoarders and landlords who can afford to wait with their stocks and drive prices upward for profiteering. *It is well known that several big landlords and big wholesalers have made tens of lacs in the seasons of 1942 and 1943. It is stated that 13 landlords in the Punjab bettered their bank balances by about 25 lacs of rupees each by the sale of wheat alone (Bombay Chronicle, 23|12|43).* The poor and middle peasantry have at best wiped out part of their heavy debt and got their mortgaged land released.

IV. CONTROL AND AFTER

As the year approached its end the famine crisis in Bengal deepened. The Viceroy himself intervened in the Punjab and brought personal pressure to bear upon the Punjab Ministers. After a week's tussle behind the scenes, the Punjab Government published a communique on the 12th December, in which they very unwillingly declared their adherence to the principle of price control and rationing. As for practice they hedged in their promise by a number of 'ifs' and 'buts.' The statutory price control for wheat and other foodgrains was to be instituted after the next i.e., 1944) harvest. In the meanwhile the Government of India was to take measures to lower the prices of the growers' requirements to a reasonable level. Rationing was to be introduced in 3 towns as an experimental measure and finally "the present decision" was to be left to "the judgment of our constituents."

But the Unionist Ministers knew that they had lost the battle over control—and that all they could do now was to fight rearguard actions to postpone and sabotage rationing and thus attempt to blow up control. For they knew that the Government of India was determined to institute statutory price control in the Punjab towards the end of March 1944. The public opinion in the Punjab as well as in the country as a whole was now demanding control and rationing in the Punjab so that the Punjab's surplus could easily flow to the deficit and famine provinces of India. Sir Chhotu Ram now changed the tune of his speeches to the peasants and zamindars. He said: We have agreed to control in the larger interests of the country, but we would secure for you good prices. We will never resort to requisitioning. He began advising the zamindars to sell their hoarded stocks in time. For after Wavell's visit and the Punjab Government's communique on control the price of wheat began to go down (see table on page 12). They came down from Rs. 12 and 11 to Rs. 9½ and 9½ by the beginning of April 1944, when statutory price control was declared and the maximum prices for wheat, rice, paddy, gram, barley fixed.

Statutory Control Prices

According to the Punjab Government communique on Statutory Price Control for the main wheat growing districts of the Punjab the maximum wholesale price of wheat fixed

was Rs. 9|8 per maund. This held good for the districts of Gujranwalla, Sheikhpura, Shahpur, Montgomery, Jhang, Muzaffargarh and at all places in Lyallpur and Multan districts except in Lyallpur and Multan where it was fixed at 9|10.

In the main cities it was fixed at Rs. 10 and 10|2. For Lahore and Amritsar it is Rs. 10 while for Rawalpindi it is Rs. 10|2.

The prices fixed for other districts which are just self-sufficient or slightly deficit range from Rs. 9|10 to Rs. 10|10.

The prices fixed for rice were between Rs. 13|8 to Rs. 14|12 per maund while those for paddy ranged from Rs. 8|8 to 8|11.

The prices for Jowar and Bajra were fixed at :

Bajra	..	Rs. 7|14 to 8|2 per maund.
Jowar	..	Rs. 7|8 to 7|12 per maund.

These are indeed high prices. They are very near hoarder's prices. But they were slightly less than the prevailing ones in the other provinces. Wheat for instance was being sold at higher prices at Hapur, the main market of U.P. So were rice prices lower than those in Bengal and Orissa. The point was to stabilise and control them at this level. That would be a great step towards the general lowering of the prices later.

For this reason it was necessary to fix *minimum prices* below which they would not be allowed to fall in the harvest season. Otherwise there would still be the incentive for the hoarders to depress the prices in the harvest season and then buy up in large quantities from the poor and middle kisans and hoard in order later to push up the price even above the controlled price. In the case of wheat the Governor of the Punjab in his speech on April 11th had assured that

“The Central Government had promised that if prices fell they (Government) would buy wheat at any time during the next 12 months at Rs. 7|8 a maund. This meant in effect that the market price would not be allowed to fall below Rs. 7|8.”

(Tribune—13-4-44).

The assurance was welcome but the minimum price fixed was such as to leave sufficient margin to the hoarder to repeat the story of 1942. The only way to make the control effective was for the Government to procure stocks of wheat enough to

ensure the successful rationing not only of the 3 cities as immediately contemplated but for the remaining 4 cities as well. The test of whether the Punjab Ministry and the Punjab bureaucracy were serious in making the control of food-grain prices effective or not was to be seen in the efforts they would make to procure the wheat stocks to make the rationing successful in the 3 cities and to extend it to the other cities.

Food Committee Memorandum

What has been happening since the statutory control has been declared? After the announcement of statutory price control the landlord-hoarders began bringing their stocks out on the market to clear the godowns for the new crop. The price of wheat in the Lyallpur market which was about Rs. 9|12 on the eve of the statutory control, came down to Rs. 9|2 by the beginning of May. Thereafter as the new crop began to come in the price came down still more and it was about Rs. 8|8 to 8|12 by the third week of June. (See table on p. 23).

It is clear from that table that plentiful crop was coming in the market; but there was no indication that the Government was buying stocks for the rationing of three cities. No procurement plan was announced. Technical preparation for rationing in Lahore, Amritsar and Rawalpindi—enumeration etc. had begun. The Central Food Committee which was formed last year at the time of wheat and atta scarcity, and in which all the patriotic parties such as the Congress, the Muslim League, the Hindu Mahasabha and the Communists were represented, began to be active again. The Mohalla Committees began co-operating with the officials for speeding up enumeration. The Central Food Committee called a City Food Conference which demanded some changes in the rationing system announced, the most important of them being the demand of 50% additional ration for the manual labourer (12 chhataks a day per head instead of 8 chhataks, the normal ration.)

In the meanwhile rationing was postponed from April to May and May to June. In May the Central Food Committee and the Punjab Trade Union Congress Committee submitted a joint memorandum to the Punjab Government. The memorandum suggested immediate large-scale buying operations by the Government in such a manner as to keep the price at not below Rs. 8|8. It pointed out that the minimum price of Rs. 7|8

fixed by the Government of India left too large a margin. This would give the trader-hoarders the incentive to push down the prices, to grab the stocks at that low price and then sit upon them to raise the prices again for the consumer upto the ceiling price or even beyond it.

TABLE 9
LYALLPUR WHEAT MARKET

1944	Price per maund in Rs.	Arrival in bags
5 May	9 3 6	1,000
6 May	9 2 6	1,000
8 May	9 3 0	2,000
10 May	8 13 0 to 9 0 0	3,200
16 May	8 8 0 to 8 10 0	4,000
17 May	8 8 0 to 8 14 0	1,600
18 May	8 8 0 to 8 13 0	3,000
22 May	8 8 0 to 8 14 0	4,000
23 May	8 11 0 to 8 14 0	3,000
24 May	8 12 0 to 8 15 0	4,000
25 May	8 13 0 to 8 15 0	4,000
27 May	8 9 0 to 8 14 0	6,000
29 May	8 10 0 to 9 0 0	7,000
30 May	8 10 0 to 8 14 0	3,500
31 May	8 10 0 to 8 14 0	4,000
1 June	8 8 0 to 8 12 0	4,500
5 June	8 8 0 to 8 12 0	7,600
6 June	8 8 0 to 8 12 0	7,000
7 June	8 8 0 to 8 12 0	5,500
8 June	8 9 0 to 8 13 0	5,500
10 June	8 9 0 to 8 13 0	6,500
13 June	8 10 0 to 8 15 0	5,000
16 June	8 11 0 to 8 15 0	7,000

(From *Tribune* of various dates).

The memorandum pointed out that the total wheat crop estimate for 1943 (Rabi) was 37 lakh tons. This would leave 7 lakh tons surplus for export, 30 lakh tons being the yearly consumption for the Punjab (British Districts). From last year's wheat crop, there was some 2½ lakh tons of sur-

plus stock yet remaining with the stockists or with the Government. This means that the Punjab could easily export about 10 lakh tons for defence as well as for the deficit provinces. For rationing of the 7 towns of the Punjab with a population of over one lakh each, 3 lakh tons were needed. Adding another lakh ton for rationing in Delhi and Simla, we get the total of 14 lakh tons which the Government has to purchase for all its needs. The memorandum suggested that if this is done in time it would place the Government in a determining position and smash all the efforts of those who are striving desperately to break control and sabotage rationing for their own profits.

The memorandum further called for the declaration of the Government purchase agents for different districts so that the Kisan Sabhas can persuade all kisans to sell only to those and not to the trader-hoarders and thus assist the Government in getting the grain for rationing as well as for the needs of Bengal and the deficit provinces.

The memorandum further demanded that the stocks of all landlords paying over Rs. 250/- per annum as land revenue must be registered and that every sale made by them must be traceable. Thus alone can large scale hoarding by landlords be prevented and a complete control of all their stocks be kept. This was essential as we saw that the big landlords control a large part of the total marketable surplus. Registration of the landlord's stocks is the first step towards requisitioning—which will have to be resorted to if they persist in withholding their stocks to blow up control and rationing.

The memorandum warned that in view of the delay in rationing in Lahore and Amritsar, black marketeers were already building their hidden stocks in anticipation of a failure of control and rationing. "These machinations can only be defeated by building large stocks in each area adequate for the year's consumption and by declaring the position of the stocks every week. Rationing for all towns and the opening up of control shops in deficit areas are also necessary steps in this direction."

This memorandum was presented to the Provincial Food Advisory Board which the Government had formed of representatives of officials and of public bodies including the Central Food Committee and the Provincial Trade Union Committee, on the 23rd May. The Government officials headed by Sardar Baldeo Singh pooh-pooched the whole thing and complacently declared that the procurement operations of the Government

were proceeding "according to plan" and there was no need to be panicky "merely in order to agitate."

Procurement—The Key Link

However, within one week the same officials were eating their own words. At a Press Conference on the 31st May the Supply officers announced a further postponement of rationing in Lahore and Amritsar. The reason given was that the Government has not been able to build up enough stocks for rationing in the cities of Lahore and Amritsar.

Why is the Punjab Government finding it difficult to get adequate stocks? Exactly for the same reason that the Bengal Government failed in securing the *aman* crop, exactly for the same reason that the Bombay Government failed in its first procurement plan of 1943 and had to resort to requisitioning order. They all relied upon the "normal trade channels," upon the incentive of high prices and upon the "immutable laws of supply and demand." They overlooked, or chose to overlook the patent fact of the new food situation in India that the "normal trade channels" were manned by the hoarders themselves and were being clogged by them at will. The laws of "supply and demand" operated in a perverted way when supplies went underground and when those who represented "the demand" had a purchasing power which fell short of the high prices. *Reliance on "normal trade channels" meant reliance on the hoarders. What was needed was effective Government intervention backed by popular support to break the grip of the trader-hoarder on the "trade channels" to restore them to normality. What was needed was the procurement by the Government of a substantial portion of the marketable surplus of the grain—with the help of the kisan, the honest trader and the people, so that the selfish hoarder is defeated.*

The bureaucracy in every province has failed in its procurement plans and has created in different degrees a serious situation in its province. In Bengal the failure of the procurement plan has resulted in the reappearance of famine and death in the deficit districts. In Bombay, Madras and in Orissa it has meant scarcity and starvation in the deficit regions.

In the Punjab, as everywhere else, the success or the failure of Price-control and Rationing depends upon the success or failure of procurement by the Government. In the Punjab as everywhere else, it is the weakest link in the plan for securing

food for the people. It is here that the people have to intervene effectively to ensure the success of the food plan to secure food for the deficit population in the Punjab, at reasonable prices as well as for the deficit provinces of India.

Punjab's Procurement Plans

Last year, the Government of the Punjab had appointed six purchasing agents through whom they made all their purchases for the Army as well as for the deficit provinces. One of these—a British firm—Owen Roberts buys mainly for the Army while the other five Indian firms were buying mainly for the deficit provinces. They bought in mandis and the markets, employing sub-agents etc. and by calling for tenders. The agents' names were not made public, no co-operation of the kisans or their organisation was called for. In a year when every available surplus pound of grain was needed for the starving in Bengal, this purchasing system could get according to official statement the following amount as against their own target fixed :

TABLE 10

Kind of grain	Export target in tons	Quantity exported in tons	Time by which exported.
KHARIF 1942 :			
Milletts (jowar and bajra)	200,000	190,590	Dec-1942
Rice	50,000	113,298	to
Maize	8,000	20,585	30 Nov. '43
RABI 1943 :			
Wheat and wheat products	900,000	686,714	April 1943
Gram	130,000	118,269	to
Barley	22,000	32,981	28 Feb. 1944
	13,10,000	11,71,437	

These figures are taken from the Budget statement of the Punjab Government presented to the Punjab Assembly in April 1944.

During the same period they built a provincial food reserve of only 1,649,027 maunds, i.e., about 59,000 tons. (Total food-grain production of the Punjab for 1942-43 was 74.4 lakh tons and total provincial requirements were 52 lakh tons. Thus actually 22 lakh tons were available for defence as well as for deficit regions outside the province. Total export target upto April 1944 was 16 lakh tons.) These figures shows that their purchasing operations fell far short of the requirements and far short of the available surplus. The agents relied upon the "normal trade channels" which as we have seen were clogged by the profit-greed of the trader-hoarder and of the landlord-hoarder. Sir Chhotu Ram and Sardar Baldeo Singh did make airy appeals to the zamindars to release grain for Bengal. But they were meant to be window-dressing and stirred nobody.

That a real rousing appeal and campaign for Bengal aid could shake up the Punjab's peasant and landlord and move them to bring out their grain was seen, when in October 1943 the Kisan Sabha and the Communist Party in the Punjab launched their Aid Bengal campaign. It was found that wagon loads of grain could be collected and despatched. It showed how easily procurement of surplus grain would have been possible had the Government only taken the assistance of people's organisations and of the patriotism and solidarity they could rouse for the cause of Bengal, which was really the cause of Indian people everywhere.

But the purchasing agents as well as the Unionist Ministers were interested not so much in securing maximum quantity of grain for Bengal but rather in securing maximum profit for themselves and their friends the landlord-hoarders in the transaction. That is why the delay in the despatch in the grain.

The Punjab Government has to procure grain this year not only for export for defence and for the deficit provinces but also for rationing in the towns in the Punjab. Apart from the quantity for export it has to buy some 4 lakh tons of wheat for rationing. But upto the end of May its procurement arrangements do not seem to have met with any outstanding success.

The Punjab Government has reorganised its food supply department and replaced its 5 purchasing agents by 13 who are to buy grain both for export to deficit provinces as well as for rationing in the Punjab and Delhi. Since the second week of May the supply officer began giving details of their food grains purchases to the public. From these figures it appears

that the weekly purchases of the food department in wheat were about 30,000 tons. In the week ending June 8 the Government got only 10,000 tons. On June 15 Mr. Wace, the Supply Officer was complaining in the course of his Press Conference that the "market was stiff". He warned the traders that "their expectation that the price of wheat would be raised was absolutely wrong." (*Tribune* 17-6-44). It is quite clear from this that the Punjab Government is already finding it difficult to get stocks. It seems to have begun its buying operations for the new crop year late and in the meanwhile the trader-hoarder has got the grip over the stocks which came into the market in the first 2 months after the 1944 Rabi crop.

The Government can easily break the resistance of the trader-hoarder by following the suggestions made by the Central Food Committee. Let them announce the names of their agents and sub-agents in the different districts and mandis. The Kisan Sabhas and the Food Committees in the rural areas would readily come forward to rouse the middle and the rich kisans to sell their surplus to the Government agents. The Kisan Sabhas are already conducting a campaign in the villages explaining to the kisan and to the rural population in general why control and rationing in the Punjab must not be allowed to fail this time and that kisans must unite to see that it does succeed. The kisan now knows by his experience that it is not he who gains if control is blown up, but the trader-hoarder and the landlord-hoarder. Those who suffer are his own brother toilers in the cities and in the deficit districts as well as in Bengal and the other deficit provinces.

If the Government were to rely upon the patriotism and the fellow-feeling of the Punjab kisan and of the Punjab people and not on the profit-greed of the hoarder, the job of procuring the stock for rationing and maintaining control could be easily done. If with this backing they proceed to register the food grain stocks of the big landlords, paying land revenue more than Rs. 250, and call upon them to sell all their surplus stock to the food department they would not meet with any resistance. For even if requisitioning measures have to be taken against a handful of landlords, they would meet with the approval of the entire people.

Wholesalers' Syndicate

But the Unionist Ministry and their backers—the bureaucracy—will have nothing to do with these suggestions. For buying for export to deficit provinces they would rely upon the trader-hoarder in the mandis and markets. For buying for rationing in the cities they would rely upon the monopoly wholesalers in the cities. In every city, where rationing has been introduced, it is the government which has bought the food-grain stocks and sold it directly to the licensed ration shop-keepers. This is so in Bombay, in Calcutta and in Madras and in many other rationed cities of India.

But in the Punjab the Unionist Ministry has handed over the task of procuring foodgrains stocks for rationing in Lahore and Amritsar to a wholesalers' syndicate formed in these cities with official approval.

The Syndicate consists of wholesalers and millers. They are to buy from the dealers in the chief mandis and markets. Every purchase the Syndicate makes is to be controlled and sanctioned by the City Supply Officer, who issues an "import permit" enabling the Syndicate to clear the stock from the station to the Syndicate's godown. The Syndicate is to clean the grain and mill it and to supply it to the licensed ration shops.

This system of handing over the key of the rationing of the cities into the hands of the monopolist wholesalers is fraught with the gravest dangers to control itself in the Punjab.

FIRSTLY, the Syndicate itself is charged with the task of buying sufficient stocks for rationing. The Government is merely to supervise the purchase operations and to supply the import permits. This means, it is in the hands of the monopolist purchaser to delay the purchases and to sabotage the rationing scheme itself.

SECONDLY, the Wholesalers' Syndicate is allowed a very large margin as their profit of trade. For instance in Amritsar if the grain arrives at the station at Rs. 8|15 per maund the consumer is to get it at Rs. 9|12. Of this huge difference, the wholesaler pockets 0-7-6 per maund while the retailer is allowed. 0-5-6 per maund.

THIRDLY, the Punjab Government is attempting to fill the Syndicate with its own men and eliminating men whom they suspect are politically hostile to them. In Lahore they eliminated an influential wholesaler from the Syndicate just because he had sympathised with the Muslim League and had donated

to it. *This friction over the personnel of the Syndicate has been one of the reasons for the delay of rationing in Lahore.*

This is how the Unionist Ministry and the Punjab bureaucracy are drifting towards the blowing up of control and rationing. They propose to secure the stocks for the export to deficit provinces by appeasing the trader-hoarder who operates in the mandis and markets. They hand over the task of securing stocks for rationing in the cities to the monopolist wholesaler. They refuse to touch the landlord-hoarder. What would be the results of such a "procurement policy" or rather of a policy to sabotage procurement? Nothing else than black markets, and scarcity in the cities and the deficit districts of the Punjab. It would mean less exports to Bengal and to the other deficit provinces of India. It would mean that in 1944, the fiasco of 1942 would be repeated. The Punjab's hoarders would be starving not only the urban population of the Punjab but also the famine stricken people of Bengal who are now being threatened with a second and ghastlier famine.

What Must Be Done

This can and must be prevented. The kisans and the patriotic people of the Punjab must not allow the Unionists and a handful of hoarders to blacken the fair name of their Province. With the shadow of the second famine lengthening over the face of Bengal, it is the duty of the Punjab to conserve every surplus maund of foodgrain and send it to the deficit provinces. This can only be done if the Punjab kisans join hands with their urban population, if the Punjab's patriotic parties unite to defeat the hoarders' conspiracy to smash control.

FIRST AND FOREMOST, all patriotic men and women belonging to all parties must unite to form food committees in villages and in cities. They must demand an effective procurement drive by the Government to secure sufficient surplus grain directly from the peasants and landlords for export as well as for rationing—ensuring that the price which the peasant gets for his maund of wheat does not fall below Rs. 8-8-0.

SECONDLY, the Village Food Committees and the Kisan Sabhas must come forward boldly calling upon the peasants not to sell to the hoarders and profiteers but to the authorised Government agents. They must campaign against hoarding by middle and rich peasants and persuade them to bring out their stocks to sell to the Government agents to feed the starving

compatriots in Bengal.

The Food Committees, in the villages and in the cities, the Kisan Sabhas, and Labour Unions must demand of the Government to register the stocks of the rich landlords who pay land revenue more than Rs. 250. This must be understood as a first step to requisitioning the surplus of these landlords.

The Village Food Committees should form mutual-aid grain pools to enable the kammin—the village artisan and landless labourer to get grain at cheap rate or as loan in the lean months.

In the cities, all-Party Food Committees must be formed to ensure the success of rationing. There must be a mohalla food committee in every mohalla to keep a watching eye over the corruption and malpractices in the ration shops. Lahore has set a fine example to all the cities in the Punjab by creating an all-Parties Food Committee as early as the beginning of 1943. It did excellent work in those days of scarcity by opening and running depots for atta and sugar. It again sprang into action in February 1944, with the announcement of rationing. With its scores of mohalla committees it worked for 100% enumeration and saw to it that no family was left out. It campaigned for more ration for the manual workers and won it. It put forward the memorandum on procurement which we summarised above. It contains representatives of all sections of the people in Lahore and of all parties. It contains workers, traders and merchants. It has Muslim Leaguers, Liberals, Congressmen and Communists among its members.

Everyone of the to-be-rationed cities can and must have such a Central Food Committee and a net work of Mohalla Food Committees. They must become the focus of responsible, patriotic and progressive political forces of the city. If such committees begin raising their voice for effective procurement, for minimum price, for registration of landlords' stocks, even the Unionist Ministry will have to bow.

The Food Committees in the rural areas must demand from the government adequate supplies of the other necessities such as cloth, kerosene, matches, oil etc. so that they can ration them to the village population through the food committee shops. In certain cases the same can be arranged through the village co-operatives which are fairly wide-spread in the Punjab.

The Food Committees in the deficit districts must demand

that the Government opens sufficient control grainshops in suitable places.

To see that control and rationing are successful in the Punjab and are not sabotaged by a few selfish profit hunters is the job of every patriotic party. In this common effort all can and must unite—Congressmen and Leaguers, Akalis, Hindu Sabhaites and Communists. Neither the Unionist Ministry nor the bureaucracy will be able to withstand this united assault.

PRODUCTION OF PRINCIPAL FOOD GRAINS AND TOTAL
CEREALS AND PULSES IN THE PUNJAB
(IN 000' TONS)

Year	Wheat	Barley	Gram	Rice	Jowar	Bajra	Maize	Total principal foodgrains	Total cereals and pulses
1937-38	3,723.9	206.3	640.3	546.0	88.8	239.3	406.4	5,851.0	6,183.0
1938-39	3,235.4	150.7	375.0	466.3	69.2	218.1	383.9	4,898.6	5,200.6
1939-40	3,260.7	196.5	498.5	441.8	63.6	244.2	405.3	5,610.6	5,936.6
1940-41	3,338.9	219.3	699.7	462.7	98.1	477.4	447.8	5,743.9	6,088.9
1941-42	3,873.0	226.6	648.7	457.8	94.3	442.6	463.4	6,206.4	6,560.0
1942-43	4,175.1	280.6	1,095.7	600.3	113.2	711.1	465.4	7,441.4	7,854.1
Increase in 1942-43 over 1941-42	302.1	54.0	447.0	142.5	18.9	268.5	2.0	1,235.0	1,294.1

APPENDIX I

MEMORANDUM ON THE PROCUREMENT PROGRAMME OF THE PUNJAB GOVERNMENT

*Issued jointly by the Central People's Food Committee
and the Punjab Sooba Mazdoor Committee.*

Control and Rationing in the Punjab, to be successful, must ensure :

- a) A fair price to the peasant ;
- b) The availability of food in adequate quantities at rates within the means of the consumers in urban and deficit areas of the province ;
- c) The maximum possible surplus for export to famine stricken provinces and for the army ;
- d) And elimination of all chances of profiteering through hoarding.

The previous experience of the working of price control in the Punjab coupled with the experience of the working out of the new All-India Food Plan in other provinces, indicate clearly the need for government to have a thorough and complete scheme for procurement and for the actual control of all food grains in the province. The experience of Bengal, where to-day the government agents have secured only 50 lakhs out of the required 5 crore maunds of rice, while the rest has passed into the hands of the rice-mills and unlicensed traders ; the experience of the procurement operations in Bombay, where government was able to secure only one-third of its target as a result of a faulty purchase programme...these examples stand out sharply for us in the Punjab to consider. On successful procurement operations in the Punjab depend not only the people of our own province, but also the hunger-and epidemic stricken people in the famine provinces, and the army which is today defending our Eastern frontiers.

To ensure the defeat of all attempts by hoarders and profiteers to corner the market and thus blow up control, we suggest the following measures :

a) Minimum Price

The present control orders do not provide for a minimum price, but there is an assurance by the Central Government that it will not permit the price to fall below Rs. 7|8. The range between this minimum and the ceiling price fixed is so wide that attempts have already begun to push the price level down now that the new crop is coming in, so that the hoarders may be able to grab stocks cheap and keep them as long as possible till the price reaches the maximum...or, better still, the chances for a black market open up. This wide range between the minimum and maximum prices is a range, the benefit of which goes only to the hoader, while both the peasants and the urban consumers suffer. We suggest immediate large-scale buying operations by the government in such a manner as to keep the price at not below Rs. 8|8. This way alone can the incentive for hoarding be lessened and control stabilised.

b) Immediate Procurement

We suggest that Government starts now to purchase for rationing and for export in as large quantities as possible, so that it does not have to wait for a time when the stocks have passed into the hands of the hoarders. This year's wheat forecast is 37 lakh tons. There is still some of last year's grain with the government and with stockists. The estimate is, wheat 2 lakh tons and 6½ lakh tons all food grains. (A proof of this can be had at any market where a large amount of old grain is daily coming in, as godowns are cleared for the new crop). We can estimate that this will mean we can export some 10 lakh tons. For rationing of the 7 towns in the Punjab with a population of over a lakh we need 3 lakh tons. For Delhi and Simla, let us add another 1 lakh tons. A total purchase of 14 lakh tons of wheat is required. This, if done in time, will place the government in a determining position and smash all those who are striving desperately to break control for their own profits.

c) Declare Your Agents

We call for the immediate declaration of government purchase agents so that the Kisan Sabha can persuade all Kisans to sell only to Government agents and not to those who wish to hoard grain. This way alone can it be ensured that the

Kisans sell to feed their city brothers, their own sons in the Army and their fellow-kisans in the famine areas.

d) Register Landlords' Stocks

The stocks of all landlords paying over Rs. 250|- per annum land revenue must be registered and every sale made by them must be traceable. Thus alone can large scale hoarding by landlords be prevented, and a complete account of all their stocks kept. If this is not done, the bigger landlords can well combine to blow up control, because their share of the total marketable surplus can enable them to have a controlling hand in the market to blackmail government into another withdrawal of the Control Order as they did in 1942.

e) Make Cities and Deficit Areas Self-Sufficient

The only way to make sure that there can be no black market in the cities and in the deficit districts is to transfer now all stocks purchased for each of these areas to those areas. The hope that transport difficulties will result in the free operation of the black market is already stirring hoarders in Amritsar and Lahore to feverish purchasing plans and transactions. Their machinations can only be defeated by building large stores in each area adequate for the year's consumption and by declaring the position of the stock every week. Rationing for all towns and the opening up of control shops in deficit areas are also necessary steps in this direction.

These are the main needs for an adequate purchasing programme. If the Ministry fails to carry out these essential steps, it will lay itself open to the charge of continuing its anti-control policy and will be responsible if the failure in procurement in Bengal and Bombay is repeated in the Punjab. Last year, out of a total foodgrains crop of 75 lakh tons, only 16 lakh tons were exported, whereas the normal crop of 60 lakh tons allowed an export of 7½ lakh tons. That means that 6½ lakh tons more than usual were left inside our province... left inside at a time when 50 lakhs were dying in Bengal. That must not be repeated. Only an efficient programme for procurement can make sure of this.

APPENDIX II

WHOLESALERS' SYNDICATE

In view of later information, the details regarding the wholesalers' syndicate being formed in Lahore, and in the other rationed cities have to be amended in the following manner. This amendment however does not affect the main objection to them.

The main task of the Wholesalers' Syndicate is "to store, clean and distribute the grain to the retail trade." The buying as such is done by the Government which hands over the grain to the syndicate at the station of the rationed town. The Syndicate gets the commission of 0-7-6 per maund for its 'great experience' of the trade in storing, cleaning and distributing.

Thus unlike as in Bombay, Calcutta, and Madras, where both the buying as well as selling is done by the Government Food Supply Department, in the Punjab, a vital link in rationing is handed over to those who were so long opposing the whole rationing scheme and may be expected to sabotage it now.

People's Food Committees in the cities will have to be on the watch and see to it that the Syndicates do not adulterate the grain or the atta nor carry on a 'go slow' movement in carrying out their task in clearing the grain from the railway sidings to the godowns.

ERRATA

- Page 6. Line 23 after table 2
Read "about 19%" instead of "about 18%."
- Page 19. In table 8, in the second horizontal line in the column "% of the total cultivated land they owned in 1939" read
"27.4%" instead of "37.4%."
- Page 23. Line 3 after table 9 read "5½ lakh tons surplus" instead of "7 lakh tons surplus" and 31½ lakh tons being the yearly consumption" instead of "30 lakhs has been the yearly consumption."
- Page 24. Line 3 read "8 lakh tons" instead of "10 lakh tons."
Line 4 before the sentence for rationing etc. add "This 8 lakh tons includes about 1 lakh tons for the rationing of Delhi."
Line 6 omit "Adding another lakh tons for rationing in Delhi and Simla" and begin new sentence with "We get the total."
- Page 35. Under head "immediate procurement" line 7, read "2½ lakh tons" instead of "2 lakh tons."
Line 10-11 read "8 lakh tons" instead of "10 lakh tons."
Line 12-13 delete "for Delhi and Simla, let us add another 1 lakh tons."

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