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Topics of the Week.

Sir Prabha Shankar Pattani.

IN the death of Sir Prabha Shankar Pattani India has lost a politician of varied experience and an administrator of considerable ability. It was given to very few Indians to occupy positions of authority and power in British as well as Indian India and yet to enjoy the admiration and esteem of British Government, Indian Princes, British Indian politicians of even the radical school of thought and the subjects of Indian States. Sir Prabha Shankar was one of such fortunate Indians. Whether as a member of the Bombay Government or the Government of India or the Secretary of State's India Council he rose higher in official estimation and won the confidence of British authorities. But unlike many other Indians of note and distinction, he hardly ever lost caste with the extremists in this country. In the Round Table Conferences he championed the cause of Indian Princes and remained popular with Mahatma Gandhi and other leaders of the Congress. In fact the public impression that he was one of the confidants of Mahatma Gandhi in Indian States questions as in British Indian affairs, was widespread. And yet he was not known to have been criticised by the subjects of Indian States for this obvious leanings towards the Princes. No other Indian could in recent times achieve such a feat. Sir Prabha Shankar is considered to be the maker of modern Bhavnagar. The debt redemption scheme that he introduced successfully in that State, is considered to be a standing monument to his ability and to his sympathies with the agriculturists. In his long public career, he hardly knew a defeat except the one he sustained at the hands of Sir James Grigg over the customs dispute between the Government of India and the Bhavnagar State. His picturesque figure will long be missed in India.

Hyderabad Reforms.

IN view of the appointment by H. E. H. the Nizam of a committee to recommend to him the constitutional reforms that should be introduced in

Hyderabad State, a convention of all sections of the people of Hyderabad was formed on 12th November, 1937, and this People's Convention passed on 25th January last a scheme of reforms for the purpose of placing it before the committee appointed by the Nizam. The Convention worked through a committee which had the distinction of four eminent Mussalmans being included in it. The committee was, however, unable to keep them for a long time; they stayed on only to inveigle the committee and the Convention into acceptance of a proposal for a bi-cameral legislature and then left, taking umbrage at the rest of the committee not being willing to reserve for Mussalmans 50 per cent. of the seats to be filled by general electorates. The proportion of the Muslims in the total population is 1:10, and the committee were willing to reserve 20 per cent. of the seats for the Muslims, thus giving them twice the number of seats that their numerical strength would justify, and yet the Muslim members would have nothing further to do with the committee.

WE cannot understand why the committee and the Convention retained a bi-cameral legislature after the withdrawal of these members who had led them into a provisional acceptance of it in the hope of reaching unanimity on matters of wider importance. Nor is this second chamber like the ordinary second chamber; it rather resembles the Council of State in the new Government of India Act, exercising control over the budget and demands for grants. We cannot congratulate the Convention on keeping this feature in, even after the pressure of the Muslim members was withdrawn. The general scheme of reforms is conservative. The lower chamber is to consist of nominated members as to a one-sixth part, and the upper as to a one-fourth part, an equal number being elected indirectly by the lower chamber.

THE Executive Council is to consist as to half its members of men chosen from among elected members of the Legislature, to whom certain nation-building departments are to be transferred. The Convention was emboldened to recommend this measure by the dyarchy introduced recently in Cochin State, but it states with great insistence that it does not advocate the introduction of dyarchy. This claim is based upon its recommendation that the Executive Council as a whole shall be "collectively responsible to the Legislature for all matters connected with the administration of their departments." All the members of the executive are liable to be removed only "if both the chambers of the Legislature pass a resolution of no-confidence by four-fifths of the total number of both the chambers." We may agree that this is not dyarchy—for dyarchy is very much better—but a thoroughly irresponsible government. For the scheme makes the executive to all intents and purposes wholly irremovable.

WITH all this there are not wanting safeguards in the scheme. The President of the Executive Council is to be endowed with powers of certification both in the matter of bills and of demands for grants, whenever in his opinion any legislation is "essential for the safety, tranquillity or good government of the State" or any supply is "essential to the due discharge of the responsibilities of the Government." We are surprised at the timorousness of these good Convention people. Do they think that His Exalted Highness cannot be persuaded to grant more extensive reforms, or do they think that anything more than what they suggest would be really injurious to the best interests of the State? Probably, the former. If so, we must say that they are doing the gravest possible injustice to His Exalted Highness.

DO they forget that nearly fifteen years ago this very Nizam, Mir Osman Ali Khan, offered to give at one stroke to the Berars, living then under a wretched dyarchic system, complete autonomy like the one which British Indian provinces enjoy at present? Why should they think that His Exalted Highness would not give to Hyderabad now what he was prepared to give to the Berars fifteen years ago? Perhaps they have a suspicion that the Nizam's spacious offer at that time was inspired by a desire somehow to get back the Berars from the British, and that since Hyderabad is not to be similarly recovered his reforms will take a very much more restricted shape. They are disloyal to His Exalted Highness who entertain such a base suspicion of his motives. We hope that the Constitutional Committee appointed by His Exalted Highness will show greater trustfulness and loyalty than the People's Convention.

IT would be useful to recall to His Exalted Highness's subjects his uttermost keenness for constitutional reform by quoting here in full his offer about the Berars from the Memorandum attached to his letter to Lord Reading, then Viceroy, dated 25th October, 1923. The passage runs as follows :

In dealing with the subject of the restoration of the Berars to the Nizam, Lord Curzon expressed his solicitude for the welfare of the inhabitants of that province and "for a continuance of the conditions and standards under which they have attained to a high measure of prosperity." The prosperity and the happiness of the subject are as much the concern of one Sovereign as of another. Simultaneously with the restoration of the Berars to the Nizam, His Exalted Highness has resolved to grant to his subjects of that part of his Dominions a constitution for a responsible government, conferring upon them full control of their internal affairs and complete autonomy in administration, except in matters relating to the British Government and his Army Department, under a constitutional Governor appointed by the Nizam as his Representative. Thus, the Reforms introduced in the administration of British India will not only be fully adopted in the administration of the province, but, under the rule of the Nizam, will be enlarged by the grant of autonomy, only military affairs, foreign relations, and the appointment of the Governor of the province and his establishment being reserved to His Exalted Highness.

A Head-On Collision ?

SINCE the leading article under this caption on the political crisis in Bihar and the United Provinces was written, Lord Linlithgow's statement on the subject is in our hands. Although it is claimed in the statement that, even apart from any possible reaction of a general release of political prisoners in the two provinces without examination of each individual case on other provinces, the Governors would have had a right and an obligation to set aside

the advice of their Ministries, it is clear that the actual overruling of the Ministries by the Governor-General was prompted by the fear that the release of prisoners in the two provinces would endanger the peace and tranquillity of Bengal. We have shown how interference by the Governors would have been unjustifiable and how interference by the Governor-General is unjustified, and there is no need to add anything to what we have said.

LORD LINLITHGOW has not offered any solution, for his offer to the Ministries to discuss with the Governors the cases of political prisoners on their merits is not likely to be accepted after all that has happened, and particularly when there is a possibility of the Ministries being told that the release of any prisoners may threaten the peace of Bengal if not that of the two provinces concerned. The present deadlock in the two provinces will, we are afraid, continue, and we cannot be sure that it will not spread to other Congress provinces. That is a matter of strategy, and if it does not actually spread it will not be because the Governor-General has in any way tried to make things easy for the Congress. At the moment the skies are as dark as possible.

Indian Repatriates from Br. Guiana.

On Monday last the Council of State adopted a resolution moved by the Hon. Dr. H. N. Kunzru "urging the authorities concerned to take active steps to facilitate settlement of Indians on land in British Guiana and to discourage their repatriation to India". Sir Jagdish Prasad, on behalf of Government, accepted the resolution and assured the House that Government were taking up the question with the Colonial Office. As regards the six hundred Indians at present awaiting repatriation, Mr. Kunzru asked that their repatriation be postponed until the result of the negotiations was known. Sir Jagdish said that the Government of India had already taken up the matter and had requested the authorities concerned not to make irrevocable commitments on this question. We have already drawn attention to the proposal of the Government of British Guiana to charter a ship during this year to transport to India a number of Indians who had chosen to exercise their right to repatriation to India, and to the evil consequences of that step. Naturally Indian opinion in British Guiana is greatly exercised over the question. The British Guiana East Indian Association had requested the Government of the Colony to offer alternative benefits to the Indians entitled to repatriation, such as grants of money or land in lieu of repatriation. But the Government have declined. The reason for this most regrettable attitude of the Government seems to be that if it agreed to offer alternatives there will be a very large number of Indians who would choose them in preference to repatriation. Of Indians entitled to repatriation there are over 20,000. If all or most of these claimed money or land and did it simultaneously Government would find it difficult to meet the demand. Without underestimating the possible difficulties of the situation, it may be pointed out that the experience of Dutch Guiana does not lend support to this fear. Commutation has been in operation for several years in that Colony, and the number of commutations in 1934 was only 59 and the total number of commutations upto date has been only 12,915. If British Guiana had followed the practice of Dutch Guiana these many years, the annual number of commutations would not have been noticeable. If it did not, it was the fault of the Colonial Government, and not of the Indians.

If commutation is permitted even now, there is no reason to suppose that all or most of the 20,000 Indians would at once claim it, unless their present conditions of life are deplorably bad for them. The fact that in accepting commutation they will have to surrender their right to repatriation to India will deter some from seeking commutation. Even if the unexpected happens and there is a rush for commutations, the situation can be met from the accumulations of the Immigration and the Colonization Funds with the British Guiana Government, and if necessary, by subventions from the Imperial Government. It has been already pointed out that the Dutch Guiana Government utilised not only the Immigration Fund but also the Colonization Fund for the purpose of commutations. And Imperial grants for agricultural settlement are not unknown.

THE refusal of the Government of British Guiana to consider commutations is, we fear, not based on the numbers entitled to repatriation, but on other considerations. There is no likelihood that the 20,000 Indians entitled to repatriation will all at any time claim their right. And no moneys need be spent on account of those who do not claim repatriation. If the old and decrepit and unemployables leave the Colony, it is a good riddance. They are sucked oranges. Further, and it seems to be the most potent cause, commutation will to some extent deplete the labour available to the sugar planters at the present wage level, and the planters are naturally opposed to any such measure. The character of the planters as employers of Indian labour has not stood high according to the findings of the Government Commission which reported recently. To deny Indian

labourers, who slaved for the prosperity of the British sugar planters, the chance of independent agricultural occupation in order to compel them to work under unconscionable conditions for these planters is undeserved cruelty. It is not to the lasting benefit of the Colony as a whole. It is not wise and just to subordinate every human and humane consideration to the selfish interests of the sugar planters.

Winterton vs. Ramaswami.

THE following news item has been published :

In the House of Commons Capt. Heilgers asked the Under Secretary of State for India, whether his attention had been drawn to the public statement of the Dewan of Travancore to the effect that the power of the ruler of an Indian State to grant measures of Responsible Government is restricted by the necessity of obtaining explicit consent of the Paramount Power.

Capt. Heilgers also asked what was the policy of the British Government in this matter.

Earl Winterton, replying on behalf of the Under Secretary of State for India, said : "I have seen a report of that statement. It is not the policy of the Paramount Power in ordinary circumstances to intervene in the internal administration of full-powered States. In particular I can assure Capt. Heilgers that the Paramount Power would certainly not obstruct proposals for constitutional advance initiated by a ruler. The consent of the Paramount Power, had not been required before such advances had been approved by various Princes, nor, so far as I am aware, has it been sought in such matters. The Paramount Power would, in ordinary circumstances, confine itself to tendering advice when consulted.

Hurrah!

A HEAD-ON COLLISION ?

THE hope is entertained in political circles that the grave crisis that has occurred in two provinces may be resolved after negotiations between the Congress and the Government and, if not resolved, may at least be prevented from spreading to the other five Congress provinces, and that the conflict will be so handled as not to mature into a head-on collision with the Imperial Government. Everyone would wish that the hope will be realised, but the situation is full of factors which, unless managed with tact and skill, will lead to such a collision.

It seems to be now clear that the Governor-General's interference was due to considerations extending beyond the two provinces immediately concerned, though the Government have studiously refrained from avowing such considerations. That the Congress Ministries have throughout acted with great restraint and studied moderation and that they have offered a stern front to all manifestations of disorder is admitted by all. In fact, a certain amount of legitimate criticism may be made, and we are among those who have made it, that on some occasions they have allowed themselves to be betrayed into strong action in suppressing lawful and peaceful activities where no such action was required. The heartiest penegyrist of the Congress Ministries in going slow in the matter of raising restraints on civil liberty and in the matter of taking measures of social amelioration have indeed been the Anglo-Indian papers and those sections of Indian society which are deadly

enemies of any measures tending to a curtailment of their privileged position. In releasing political prisoners the Ministries have not laid themselves open to the charge of taking action which is foolhardy. The Governors have not themselves levelled such a charge. The only difference between the Ministries of the United Provinces and Bihar and the Governors of these provinces was that while the latter were prepared to consider the case of each prisoner on its merits, the former insisted upon the wholesale release, not of all prisoners, but of such of them as had abjured violence and in the opinion of the Ministries, would conduct themselves well in future. That is the reason why Lord Zetland characterised the difference as one of degree and not of kind. It may be that the Governors would not themselves have approved the release of some of them, but it does not appear from the statements so far issued that, left to themselves, either of the Governors would have thought the Ministry's action to be so fraught with peril to the peace of the province as to infringe his special responsibility mentioned in Section 52 (1 a) and to necessitate for bringing his reserve powers into play. The Governors would at best have done what Lord Lothian suggested would be the proper course; that is to say, they would have warned the Ministries that though their action might not cause immediate disorder it would do so in future and that if at that time no adequate measures for the preservation of peace were taken they would have to intervene. But no "visible"

and "imminent" danger (to use words employed by Sir Malcolm Hailey in the Joint Select Committee) seemed to them to have arisen to justify immediate intervention. It is agreed on all hands that no grave menace to the peace and tranquillity of the two provinces in question had to be met in the immediate present and that there was no imperative need for the exercise by the Governors of their special powers.

Nor did the Governors employ these powers; they merely carried out the directions received by them from the Governor-General, and it must be noted, as Pandit Gobind Ballabh Pant has pointed out, that these directions did not issue under Section 54, as would have been the case if the Governor-General had thought that the peace of the two provinces would be threatened if the Governors did not overrule the Ministries. The orders to the Governors were passed under Section 126 (5), presumably because, in the Governor-General's view, the sort of case had arisen which was contemplated in para. 222 of the Joint Select Committee's report:

A conspiracy in one province to disturb the peace and tranquillity of another might well be outside the Governor's special responsibility for the prevention of any grave menace to the peace and tranquillity of his own province; and, since we have no doubt that an ultimate and residuary responsibility for the peace and tranquillity of the whole of India must vest in the Governor-General, it is plain that the latter's power to give directions to a Governor should be wide enough to cover this case, and that it should be obligatory on a Governor to give effect to these directions, even though it is the peace of a neighbouring province and not his own which is endangered.

In this particular instance it is not suggested that a widespread conspiracy is on foot which will spread to provinces outside the borders of the United Provinces and Bihar if the political prisoners in these provinces are set at large. All that is hinted at, quite unofficially, so far as that the release of all political prisoners in these two provinces would intensify the demand for a wholesale release of prisoners in other provinces in which it would be dangerous to accede to the demand. If this is the only contention on which the Governor-General's interference can be made to rest, it must be said that the interference is thoroughly arbitrary and cannot at all be defended. The apologists for Lord Linlithgow's action have the repercussions of the U. P. and Bihar Ministries' action on Bengal and the Punjab in mind. They fear that the Huq and Shikandar Hayat Khan Ministries would in that case have too great a pressure of public opinion brought on them, which they would find it impossible to resist. The Punjab and Bengal Ministries think, rightly or wrongly, that a complete gaol delivery would put the peace of their provinces in peril, and apparently they have public opinion as represented in their legislatures at their back. No outside pressure would avail to make them change their attitude except by so influencing local opinion as to require them to modify their present policy. It must be presumed that local opinion would not favour a change in this policy until conditions had become suitable for the change. Such a presumption lies at the basis of all democratic government. And in any case the people in the other

provinces have every right to influence public opinion in Bengal and the Punjab. Surely the Governor-General has no right under the constitution to give effect to his extraordinary powers in order to prevent the formation of public opinion. And would his interference effectually prevent it either? In the face of the political crisis the pressure on Bengal and the Punjab would indeed be very much greater than if other Ministries had quietly been allowed to take all pacificatory measures which in their judgment they thought desirable and necessary. Public feeling against the Punjab and Bengal Ministries would be extremely bitter if it is known that they are the ultimate cause of the expulsion of the U. P. and Bihar Ministries from office, and we shall not be so uncharitable as to think that the Huq and Shikandar Hayat Khan Ministries really desire that the Governor-General should interfere with other Ministries in order to save themselves only from moral pressure. Lord Linlithgow's action is not only high-handed and unjust, but wholly gratuitous and bound to be ineffective and highly provocative.

The temptation for the Congress to make this central interference an all-India issue and to call for the resignation of all the seven Ministries which it controls was severe; nor would such action have been unjustified in any sense. One must recognise too that this threat is still in the offing. For the present, however, the Congress has chosen to localise the issue and wait on further developments. Its decision is entirely wise. In politics a milder course is often beneficial in the long run, and at any rate so long as the door is not closed on an amicable and pacific solution of the difficulty that has arisen there is no reason to take the war path. We cannot conceal from ourselves our fear, however, that there is no easy retreat for the Governor-General possible in the present circumstances. If the reason for his interference is that Bengal and the Punjab must be protected from any possible reactions of the U. P. and Bihar Ministries' action, the interference cannot cease unless he goes back from the theory which prompted his decision, and he would find it hard to do so. No solution which we can envisage admits of a face-saving device. But that is for the future to determine. We should be content at present with the conciliatory tones in which an explanation is offered. There is thus no immediate reason for any interruption in the work that the Congress Ministries in the other five provinces are carrying on. But this is clear that the Governor-General and the Secretary of State must find a way out if an alarming situation is to be avoided. In the two provinces immediately concerned, there is no doubt that, if a remedy is not speedily applied, the breakdown provision in the Act will become necessary. An alternative Ministry, a Ministry which will be able to face the legislature and carry through the budget, it is impossible to get. A dissolution and a fresh election will not alter the position in the way the Government would desire. The Governor will then have to resume the administration, and this will be followed inevitably by a repetition of a similar situation in the other five Congress provinces. The general unsettlement that will result therefrom, it is

impossible to contemplate without the most serious alarm in the mind of any peace-loving person. The threat to tranquillity will then be on a much vaster scale than any possible threat to the peace of the two provinces of which perhaps Lord Linlithgow is thinking. The British Government cannot afford in such

a situation to let anything like prestige stand in the way, but it must leave the provincial Ministries free in reason to shape their policies as they please — until, as Sir Malcolm Hailey said, there is a visible and imminent threat to peace.

A HODGE-PODGE RESOLUTION.

THE resolution on Indian States finally adopted by the Congress is a hodge-podge of two conflicting ideas. It is avowedly a compromise resolution. All compromises are more or less of a hodge-podge character, but the compromise accepted at Haripura partakes more of that character than compromises usually do; it is a dish compounded of ingredients which cannot stay together; the resolution thus becomes utterly meaningless in the end.

The spirit informing the Working Committee's draft resolution was praiseworthy. It was reflected in the statement submitted by the retiring President of the Congress, Pandit Jawaharlal Nehru, to whom the draftsmanship of the resolution is credited. We will quote here the passage from the statement which deals with this subject:

The Congress objective in regard to the States is clear. The independence of India includes the States, and the people of the States must have the same freedom as those who live in other parts of India. Our movement for freedom includes in its scope all the States. While the objective is clear, there has been some doubt as to the way of approach to it by the Congress. Some have advocated a policy of non-interference by the Congress in the States, leaving it to the people of the States to shoulder the burden of their struggle. Inevitably that burden must fall on them, but it is neither possible nor desirable for the Congress to keep aloof. We can and should prevent the name of the Congress being exploited, but the Congress is vastly interested in every struggle for freedom in the States and, wherever possible, it has to give it support. The States are dark and unwholesome corners of India where strange things happen and people disappear leaving no trace behind. During the past year, one of the most advanced States of India, Mysore, has gained an unenviable notoriety because of its attempt to crush an agitation aiming at responsible government in the State. The A.L.O.C. passed a resolution condemning the repression there. This resolution was criticised as *ultra vires* by Gandhiji, but I think it was entirely in the competence of the A.L.O.C. If a State like Mysore behaves in this fashion, what shall we say of the other States?

This frank recognition of the obligation resting upon the Congress to help the States to the extent of its ability is a great moral triumph for the people in the States; and if the Congress had stopped there we fancy the States' people would have been completely satisfied, realising as they do that in the present circumstances the Congress cannot do much for them. But alongside of this clear enunciation of principle, the draft resolution of the Congress placed a ban on even such little help as might have been forthcoming and, as a corollary to it, forbade the formation of any Congress Committees in the States.

The statement, like the resolution, definitively rejects Mahatma Gandhi's idea that since the States are under a different jurisdiction from British India, the Congress which is presumed to work only for

British India can have no concern with the States. It takes up the position that the Congress stands for political freedom for the whole of India and that it is not only the right but the duty of the Congress to work for the States as well as for British India. Babu Subhash Chandra Bose, this year's President, gave voice in his inaugural address to the same conviction. He said:

From the standpoint of Indian unity the first thing to remember is that the division between British India and the Indian States is an entirely artificial one. India is one and the hopes and aspirations of the people of British India and of the Indian States are identical. Our goal is that of an independent India and in my view that goal can be attained only through a federal republic in which the Provinces and the States will be willing partners. The Congress has, time and again, offered its sympathy and moral support to the movement carried on by the States' subjects for the establishment of democratic government in what is known as Indian India. It may be that at this moment our hands are so full that the Congress is not in a position to do more for our compatriots in the States. But even to-day there is nothing to prevent individual Congressmen from actively espousing the cause of the States' subjects and participating in their struggle. There are people in the Congress like myself who would like to see the Congress participating more actively in the movement of the States' subjects. I personally hope that in the near future it will be possible for the Indian National Congress to take a forward step and offer a helping hand to our fellow-fighters in the States. Let us not forget that they need our sympathy and our help.

The duty of the Congress to give active help to the States was recognised by both the in-coming and outgoing Presidents; the hope was expressed by both of them that the Congress would soon be strong enough to give more help. The policy of non-intervention was formally disowned by both of them. In commending the draft resolution to the Subjects Committee, Pandit Jawaharlal said:

To say that the Congress does not concern itself with the welfare of States is utterly wrong and a misinterpretation of the Congress attitude. It is beyond comprehension how the Indian National Congress, claiming to fight to secure independence for all India, could, even for a moment, leave out of consideration such a great part of the country from out of its scope. It is utterly unthinkable. How can we picture a free India without freedom for the States that run throughout the length and breadth of the land, spread everywhere in profusion, intermingled with the other territories surrounding them or separating them? It is our right and duty to fight as much for those States' peoples as for others. For our goal is a unified undivided India. But the States are in a slightly different category in nature and structure. In these numerous States, there thrive ideas and peoples not of to-day but discarded yesterday. It is not true to interpret that by this resolution the Congress is trying to wash its hands of the States and pursue a policy of non-interference. It is physically impossible to separate the problem of Indian States from that of the rest of India. I have no doubt this matter is now cleared up

and there is not even a shadow of doubt... To-day a remarkable awakening is taking place all over India, including the Indian States. We, on our part, must try to nurse it, to cherish it and we must organise ourselves.

If a policy of non-interference is inadmissible, if more active participation in the States' people's movements is desired, if it is expected, as Mr. Nehru remarked, that in a year or two conditions in the States would change, why ban Congress organisations in the States and why prohibit all activity in the States in the name of the Congress? Mr. Nehru gave two reasons: first, that the Congress Committees in the States are extremely inefficient and do no credit to the Congress; second, that the States' people would be more hampered than helped if they were required to conduct their movements in the name of the Congress and therefore under the control of the Congress. To both of these arguments Dr. Pattabhi Sitaramayya gave a crushing reply. Some of the Congress Committees in the States are no doubt weak and inactive, but he asked whether all the Committees in British India were strong and active organs of the Congress.

Have we not known of numerous Congress Committees who have infringed rules at every stage and yet have been allowed to carry on? Surely, all Congress Committees have not reached the pink of perfection. There are many District Congress Committees which are a mere fraud. We know it, everyone of us. Mother's secret cannot be hidden from uncles (laughter). If such committees can live, why cannot States' Committees?

He referred to the attempts made by the States' People's Conference to enrol members in the Cochin State. They had a rebuff when they were told that as long as the Congress was there, they had no need for another organisation (cheers). Proceeding, he asked, "You declare that you are not able to keep up your prestige, honour and dignity in the Indian States. How about the British provinces? What have you done in Chittagong, Midnapore and North-West Frontier till recently? We are helpless in certain respects, but let us not parade our impotency. The caravan must march, all together and not piecemeal. A husband cannot go ahead, leaving his wife and child behind to be devoured by the wolf.

How would the States' people be hindered more than assisted if they carried on their activity in the name of the Congress? Mr. Nehru said that in British India the Congress had laid aside the weapon of non-co-operation and civil disobedience for the present, and if the States' people wanted to take up that weapon the Congress would not allow it, as was recently the case in Mysore. To prohibit activity in the States in the name of the Congress, argued Mr. Nehru, is thus only to give them liberty to carry on movements which the Congress does not at the moment consider desirable in British India. The argument, we would venture to say, is not only fallacious but almost disingenuous. In the first place, if it is possible to start civil disobedience in British India and have only the normal kind of constitutional agitation or even no agitation in the States, why cannot there be civil disobedience in the States and normal agitation in British India? If the Congress did not shrink from the extreme form of movement in British India on the ground that the States were not ready for it, why should it shrink from that movement in the States because in British India it was unnecessary? If a divergence in policy in the two Indias is justified by a diversity of conditions in them, why should the

Congress prohibit civil disobedience in the States on no other ground than that it is not required at the moment in British India? The Congress of course has the right and indeed the obligation to judge for itself whether conditions in any particular State are such as to justify the inauguration of civil disobedience, but the granting or withholding of its sanction should depend, not on whether a similar movement was on foot at the same time in British India or not, but on whether in that particular State the oppression had become unbearable and whether the people there were organised enough to fight it by the weapon of civil disobedience. And, after all, the Mysore people only asked for permission to start civil disobedience and were willing to abide by the Congress decision. If they were willing to forego the advantage which they expected to derive from civil disobedience in the event of the Congress refusing permission in favour of the advantage of having the support of the Congress in all their activities, is it for the Congress to say, "You had better start the movement, only don't use our name", and thus deny to the people in all the States the prestige which they think the Congress auspices will give to their movement?

While the Working Committee's resolution tabooing the formation of Congress Committees and the carrying on of any political activity in the States in the name of the Congress was utterly unjustified, it was at least consistent; but the amendment that was proposed and finally accepted not only retains the objectionable element in the original resolution but makes it inconsistent with itself. The amendment substitutes for the clause prohibiting the formation of Committees the following:

The Congress, therefore, directs that for the present Congress Committees in States shall function only under the direction and control of the Working Committee and shall not engage in any parliamentary activity nor engage in direct action in the name or under the auspices of the Congress nor undertake internal struggles of the peoples of the States in the name of the Congress. For this purpose, independent organisations should be started and continued where they exist already within the States.

The amended resolution no doubt lifts the ban originally proposed on the formation of Congress Committees in the States, but places these Committees under a ban to carry on any political work. The Committees are to carry on only non-political work like hand-spinning, hand-weaving, Harijan uplift, temperance, etc. Even these Committees, reduced in status and emasculated by restrictions, are to be under the guidance and control of the Working Committee. We wonder what supervision the Working Committee is going to exercise over the khadi work, for instance, of the Committees in the States. Pandit Jawaharlal Nehru proposed the calling off of Committees in the States on the ground that they would in that case have to work under the control of the Working Committee which would disallow the starting of civil disobedience in the States on the ground that the Congress had stopped civil disobedience in British India. Now, not only civil disobedience, but any kind of mild political activity is put outside the competence of the Committees and yet they are made subject to the directions of the Congress! Mr. Nehru, in justifying

the ban on Committees, had said: "For carrying out the constructive policy of the Congress, there were all-India organisations working independently of the Congress. Therefore, Congress Committees in States were not required to do this." What the Congress ultimately did was to give the States' people permission to form Committees in the States, but laid down that they must be non-political bodies, and placed them further under the supervision and control of the Congress even in their non-political work. The States' people will thus have their Congress Committees, but we do not think that they wanted these Committees for constructive work. The Working Committee of the All-India States' People's Conference in a resolution passed at Navsari asked for permission to form "Committees in States to carry on constitutional activities in them." The resolution ultimately passed by the Congress is thus not a compromise resolution which meets the States' people half way. They are told, as the Working Committee's draft resolution proposed: "You shall not carry on any political work in the States in the name of the Congress." Even the hope of any future help by the Congress was destroyed by Mr. Vallabhbhai Patel declaring: "The resolution is no departure from past Congress policy. During the past fifty years the Congress had never interfered in the internal affairs of the States"! A change in the working policy of non-interference will come sooner than many Congressmen imagine, but no change was made at Haripura.

WOES OF BOMBAY MILL INDUSTRY!

THE report of the Bombay Textile Labour Enquiry Committee has been given on the whole a good reception. The general public who are not directly interested in the financial fortunes of the textile industry have, it seems, accepted the Committee's findings as fair and reasonable. The labour circles have heaved a sigh of relief at the prospect of a strike in the immediate future becoming unnecessary, even though they feel that labour has not been given what it was legitimately entitled to get. It is only the mill-owners who have been studiously silent. It would be a mistake to suppose that their silence is consent. Far from it! Their silence is highly ominous. The *Times of India* perhaps supplies a clue to the millowners' present frame of mind. Commenting on the Committee's report, it says that "an outstanding impression from the general framework of the report is the extent to which the textile industry has been put by the Committee into the vacuum of their own making". It complains that the interests of the consumers are not even mentioned and regards the Committee's version of the trend of cotton prices and of economic conditions generally as far more optimistic and far more dogmatic "than any of the hitherto recognised world's sources of information". And lastly, it takes the view that if only the Committee had relied on the table which gives the position of the textile industry in Bombay and Ahmedabad relatively to its position in the whole of India, it would have produced "a more realistic report". The Committee's failure to do

so and its recommendation for an immediate wage increase would, in the opinion of the *Times of India*, only strengthen the tendency for the industry to shift to more profitable centres outside the Presidency. This criticism is common, particularly among the millowners; and it is worthwhile examining it in the light of the Committee's report.

The table to which the *Times of India* refers shows that in 1919 Bombay had one-third of the cotton mills in India and now has just under one-fifth, that Ahmedabad had one-fifth and now has just a fraction over a fifth, while the rest of India, which had nearly half the total of mills in 1919, now has sixty per cent. of them. The report further points out that in 1919 Bombay furnished half the mill production of piece goods; it now produces just under a third. Ahmedabad manufactured a fifth and now produces about the same, while the share of the rest of India has advanced from 29 to 46 per cent. of the total. For this deterioration the Jairamdas Committee cannot be held responsible. And if the past is any guide to the future, there is no reason to believe that this deterioration would not have continued if the Committee had not made a recommendation for an increase in wages. Like every other development, the expansion of the textile industry was and is inevitable; and it is only natural that it should develop in the cotton growing centres. The reasons for the regress in the Bombay mill industry are to be found not in the expansion of the industry outside Bombay City but in its local condition. The Tariff Boards had repeatedly drawn the attention of the millowners to the over-capitalisation and involved financial position of the Bombay mills; but very little attention was paid to this warning till the other day. They also suggested that in view of the growing internal competition, the Bombay mills should go finer. This recommendation too was not carried out to the extent that was necessary. Replacement of the plant was essential for the improvement of the quality of production. But it means money; and most of the war and post-war profits were frittered away in giving fat dividends. Rationalisation is being carried on, in many cases, without appreciable improvement, let alone the replacement, of the old plant, which, far from improving the quality of the production, only adds to the strain of the workers. The Bombay millowners were the first in the field to demand protection against foreign competition. They got it in an ample measure. But what is the result? Up-country centres of the textile industry sprang up, thereby adding to the competition of the Bombay mills. The only advantage the latter got was that they succeeded in putting up a screen to hide their inefficiency. The methods of purchasing raw material and selling the finished goods required radical improvements and repeated warnings were given to the captains of the industry to improve them; but the old methods still continue in a majority of cases. The evil effects of over-production in certain varieties and those accruing from producing bewilderingly numerous varieties were time and again brought to the notice of the millowners; and such production still continues. These are some of the

factors which really constitute the formidable difficulties in the way of the Bombay mill industry competing successfully with the up-country centres. So long as they persist, it is idle to expect any appreciable improvement in the Bombay industry even if the workers agree to work without wages for some time!

With the development, due to the advantages, both natural and otherwise, of the textile industry at other centres, it follows that the proportion of the Bombay production to that of the up-country centres should show a shrinkage. But such shrinkage is no indication of the fact that the Bombay industry has gone down to such an extent as to bear no wage rise. The 1932 Tariff Board report has made a definite statement that in Bombay City, although the number of working spindles has fallen by 15%, the number of looms by 5.4%, and the number of persons employed by 13.5%, the production of yarn and cloth has increased by 23.4% and 32% respectively. This is a clear indication of the increased productivity of the industry and higher efficiency of labour for which it is entitled for a higher wage. This trend in increased productive activity in Bombay City is markedly noticeable in the years that followed the publication of the 1932 Tariff Board report. The Jairamdas Committee has pointed out (pages 33-34) that the Bombay production of woven goods and yarn rose from 970 million yards and 251 million pounds in 1933 to 1156 million yards and 276 million pounds in 1936. This improvement is further marked in the eight months of 1937 for which the figures are available and published in the report. The stocks of cloth have, according to the report, considerably gone down—which proves the increased demand and productive activity. As against the increased production and consequent increased competition of the up-country centre, there are the reduced imports and increased exports which have benefitted Bombay more than any other centre. The report proves on the strength of the figures of imports that Bombay has got considerable relief from foreign competition. In the chapter on "Trends on Productive Activity, 1937", in the report there is hardly a statement which is not supported by facts and figures. And here is the Committee's conclusion on them:

"All the indices examined above point uniformly to a considerable upward movement. The statistics for the production of goods for the first eight months of 1937 show a monthly average, which is, in all centres, higher than the monthly average for 1936 by more than 10 p. c. Consumption of Indian raw cotton in Bombay and despatches of goods from Ahmedabad and Sholapur reveal continued increased activity for the whole of the year. Increased night shift working indicates pressure of demand; and the figures of exports and imports show expanding markets for the Indian industry and a decline in the strength of competitors."

If, in spite of this authoritative statement supported by official statistical data, it is contended that the Bombay industry has not improved since the depression was lifted and is, therefore, not even comparatively prosperous, all that can be said is that such a contention is a widow's wail and no more.

In judging the trend of the economic conditions,

international and national, to which an industry like the textile industry is largely susceptible, the Committee has not drawn upon its own imagination or the theories of any particular school of economic thought. The references which it has quoted are all taken from such authorities as the League of Nations, the International Labour Office and such Indian concerns of repute as Premchand Roychand & Sons and Chunilal Mehta and Co., Ltd. In proving that the depression which affected the textile industry all over the world since 1929 was definitely over, the Committee quoted extensively from the League of Nations Survey of World Production and Prices and from the World Economic Survey and concluded that "the forces making for increased industrial activity still continue to work strong". A study of Indian economic activity during the last eighteen months also led the Committee to very similar conclusions and refers for its authority to the Review of the Trade of India for 1936-37. These conclusions were further supported by the market reports and the annual reports of certain cotton mills which the Committee has quoted.

In dealing with the cotton prices also, the Committee seems to have made a careful analysis of the factors which are responsible for price fluctuations before reaching its conclusions. It has dealt with the extent of the fall in the price of different varieties of cotton, the length of time over which the price fall would be maintained and the extent of operations over which the effects of this price fall would be available to manufacturers. The millowners contended that they would not be able to reap any benefit from the fall in cotton prices for a number of months as they held considerable stocks of raw cotton before the fall in cotton prices. The Committee has shown with the aid of figures supplied by the Indian Central Cotton Committee that the carry-over from the purchases of the previous season into the present season will be balanced by the carry-over of the purchases of the current season into the next cotton year. On the strength of the calculations made in the Indian Cotton Review for 1936-37 by Chunilal Mehta and Co., Ltd., the Committee has assumed that the level of cotton prices will continue to remain depressed during the whole of the current season. In paragraphs 99-102 of the report the Committee considers the extent to which the level of prices of 1937-38 was lower than the levels obtaining in the two previous years. From the data given in those paragraphs it considers that the price level for this season will be about 15% lower than the level of previous years. The Committee, however, makes it clear that its "calculations do not represent statistical forecasts of price levels; they are only estimates of the total advantage that the industry will obtain as a result of the cotton purchases of this season as compared with previous seasons." The trend of commercial and industrial transactions cannot be measured by exact mathematical calculations. It is governed by forces the forecasts on which are possible. How far they are correct depends mostly upon the correct understanding of those forces, their clear analysis and interpretation. With the presence of a distinguished economist like

Mr. D. R. Gadgil and an acute businessman like Mr. V. L. Mehta in the Committee, it is indeed rash to assume that its calculations are all going to be wrong just because they do not suit the millowners or the *Times of India*. Whether the vacuum into which the textile industry has been alleged to be put, is of the Committee's making or it is of the making of those who refuse to face the facts and realities, the coming year or two will show. Laymen would rather be in the wrong with economists of undoubted ability and unchallengeable honesty than be right with an interested party like the millowners.

THE MADRAS DEBT RELIEF BILL.

THE bill which has recently passed both houses of the Madras Legislature compulsorily scales down debts of agriculturists. It abolishes all outstanding interest in respect of debts incurred before 1-10-1932. The principal due or the shortage, if any, making up twice the principal, whichever is less, need alone be repaid. In the case of debts incurred on or after 1-10-1932 the interest due shall not be more than 5% per annum simple interest. Interest shall run on all decrees and loans at 6½% from 1-10-1937 in the case of agriculturists who have not been subject to income-tax or profession tax over incomes of Rs. 600/- during the two years preceding the date on which the debt was incurred, and whose annual rental value of their buildings does not exceed Rs. 600. If the current rent is paid within Sep. 1938, and the rent due for last year is paid within Sep. 1939, previous arrears will be cancelled. The amount of arrears that will be cancelled will be in the ratio of the amount of rent paid for last year subject to the proviso that the current rent is wholly paid. The bill does not apply to debts due to Government Cooperative Societies, and debts at 9% interest and below due to public companies. It does not apply to debts due by zamindars and jennis paying more than Rs. 500 as peshkush or land tax and inamdars paying more than a quit rent of Rs. 100. It does not apply to usufructory mortgages carrying no rate of interest. It does not apply to debts of waram tenants and labourers.

The Premier when moving the bill said that 'it was possible, nay even natural, for people whenever a reform or change was proposed, to say there were other matters of importance which should be tackled and that, while these were left alone, a particular thing taken on hand should not be proceeded with.' The present article does not urge any reforms for rehabilitating the ryot by preventive and protective measures so that the debt load may not accumulate again on the land. It only judges the present bill as to how far debts have been scaled down. The Premier has time and again emphasised that his object was to scale down agricultural debt as a whole independently of the question of the class of the agricultural debtors or creditors. According to him, the criterion was whether the person dealt with land. According to this criterion, there was no argument for excluding jennis, zamindars and inamdars while including ryotwari land holders of similar category; nor for excluding produce-sharing tenants and labourers.

When questioned as to why jennis and labourers were excluded, the Premier offered to consider their cases in separate bills.

The Premier defended the principle of Damdupat on the ground of the slump in prices. In that case there was no reason for scaling down post-depression debts. To revalue debts on the basis of fall in prices may be a proper argument if legislation had been undertaken in 1932 and not six years later when lands had passed many hands and many transactions had been settled to the detriment of the agriculturist. In a country of small and uneconomic holders who always borrow at unconscionable rates of interest, debts not re-payable by them will be itself a sufficient ground for the liquidation of such debts. To reopen old accounts, to calculate interest at a rate profitable for agriculture with its falling prices, and to credit the excess interest to principal and thereby scale down debts has been a common method adopted in Debt Relief Acts by the pre-Congress ministries. The Usurious Loans Act permits this method of scaling down. The Madras Agricultural Loans Act has a clause that the amount fixed as due shall in no case exceed the amount of the original principal together with interest at 5½% per annum or twice the amount of the original principal, whichever is less. The Premier might have added a clause to this effect as an additional safeguard to the law of Damdupat.

Again, Debt Relief Acts which take note of slump in prices have provisions to transfer land at the pre-slump value to the creditor. The Tamil Nadu Conference held in November 1936 has enjoined on the Congress candidates at Vellore that they should work for scaling down debts by 50% on the basis of fall in prices. The Premier has done nothing of the sort.

The main feature of the bill is the application of the law of Damdupat. To justify its application the argument of slump in price has been used. Hence the provision that the law shall apply only in respect of debts incurred before 1932. This ancient law had a meaning when money-lending was individualistic, and when money-lenders did not handle deposits. But with the growth of investment-banking, will it be fair to refuse the principal to those who invested their slender resources with the money-lenders? All previous debt relief legislation took note of this and provided that Damdupat shall mean that arrears of interest shall not exceed the principal due. Mr. T. T. Krishnamachari moved an amendment to revert to the original distinction between loans at 9% and below, and loans above 9%, the law of Damdupat being applied only to the latter class of loans. The Premier opposed it on the ground of slump in price. But he exempted debts of Rs. 3,000 and below due to women who had no property in land. The question was raised that the debts due to orphans, and invalid and disabled persons should also be excluded from the scope of the bill. But it was negatived.

The bill has done precious little that is new. Annulment of interest and its calculation at a reasonable rate even in the case of usufructory mortgages are common features of Debt Relief Acts.

The annulment of principal when interest has been paid amounting to twice the principal is the only new feature in the bill. But, as was explained by Mr. A. Appadurai Pillai, such loans will be very few, and they would have been incurred only by the bigger holders. The small holders would have adjusted repayments by mortgage and sale of land, and their loans would only be of recent origin. Relief to the majority of agriculturists would come not by applying the law of Damdupat but by reducing their debts to a size which they can repay.

Let us analyse as to what extent debts will be scaled down according to the bill. The total tenant and labour population which will not come under the scope of the bill is 160 lakhs or 32 lakhs of families. According to Mr. Satyanathan, a third of this class is free from debt, and of the rest the debt per family is Rs. 75/-. On this basis a sum of Rs. 15 crores is left out of the scope of the bill. Usufructuary mortgages form $\frac{1}{2}$ of total mortgages whose value is roughly 100 crores of rupees. This, again, is excluded. Let us find out the total debt of those paying assessment and rent. The ratio of debt to assessment as stated by the Premier and in Mr. Satyanathan's report is 29 in the case of the small holders paying land revenue of Rs. 100 and below, and 8 in the case of the bigger holders. The assessment paid by the former class is roughly 460 lakhs of rupees and by the latter 140 lakhs. The zamin rents and cesses amount to Rs. 322 lakhs. Add this figure in the proportion of the assessment paid by small and big holders, that is $\frac{2}{3}$ and $\frac{1}{3}$ of Rs. 322 lakhs respectively paid by them. Deduct $\frac{1}{2}$ of this amount as that paid by the debt free. Multiply the net figure arrived at by the debt-multiple above mentioned, 140 crores of rupees will then be owed by small holders and 14 crores by big holders. According to the bill there will be a large reduction under interest. According to the statements given in Mr. Satyanathan's Report on page 36, loans of more than 3 years' duration form roughly half of the total. Assuming that 3 years' interest at 10 to 12% has not been paid on half the amount of loans, and that one year's interest is due on the other half, interest amounting to 32 crores of rupees will get reduced. The amount which will be scaled down under principal is difficult even to guess. It cannot be much by the application of the law of Damdupat.

It should also be remembered that even this scaling down will not substantially reduce the debt charge for the future by way of interest. Every creditor is guaranteed 6 $\frac{1}{2}$ %. The Land Mortgage Banks at present lend at 5% to the primary borrower. The U. P. Relief Act provides for 3 $\frac{1}{2}$ % on decreed amounts as future interest, and 4 $\frac{1}{2}$ % to be paid by debtors under the Encumbered Estates Act. There should be a differentiation of rates between that paid on short term loans and prior debts.

Any policy of scaling down of debts in India should take due note of the repaying capacity of the debtor. The Premier replied in the Council that this was possible only when the machinery was one of conciliation, and not compulsion. According to him, it would be impossible to ascertain the ability of the

debtor to pay; it would not be possible for the courts to decide whether a man could pay or not. The law should be precise and definite. But is it impossible to devise formulæ based on the ability of the debtor to pay? For instance, land holders may be classified into (1) those who have only a subsistence holding and less, giving them an income of about Rs. 200/- and less and who make it up to Rs. 300 a year by subsidiary labour work, (2) those who have a small holding paying a land revenue of Rs. 100 and below, and (3) those who pay above Rs. 100/-. In the case of the first-mentioned class it is possible to provide for the maximum repayment to be expected of them, fixing the number and amount of annual instalments and providing for no interest payment on them. This has been provided for in the case of industrial workers in Central Provinces, and small agriculturists in the U. P.

In the case of landholders paying a land revenue of Rs. 100/- and below, the law might empower the courts to revise mortgages fixing a period of 20 years, and to grant instalments only upto 20 years, with suspension of payments during years of scarcity. Retrospective effect might be given to this power, thereby reducing all debts to 20 years' net profit from land. Recently the Bengal Legislature has passed a bill restricting the period of all usufructuary mortgages to 15 years. The U. P. and Punjab have provisions restricting land alienation to 20 years.

The bill has no provision to afford relief to the large number of insolvents. These are of two classes: those who are permanent insolvents in the sense that they hold a subsistence holding and less, and those, who even though they hold a larger extent of land, have more liabilities than assets. Many of the Relief Acts provide that a certain minimum of produce or lands should be set apart for the subsistence of insolvent debtor and his family. Mr. Abdul Hamid Khan moved an amendment in respect of insolvents that "the judgment debtor shall not be deprived of such extent of land if any as in the opinion of the court is necessary for purposes of cultivation to maintain himself and his family." Mr. Pedda Raju moved an amendment in the Council that 5 acres of wet land or 15 acres of dry land should be made unattachable for debts. The Prime Minister replied that it would lead to fragmentation of holdings with a view to evade debts. No creditor would certainly permit a division of debts incurred on joint family properties. Secondly, fragmentation upto a minimum holding is always good as it increases the number of peasant proprietors. And those that hold less will not subdivide with a view to save their holding, as they already hold less. The Tamil Nadu Conference has also proposed that the subsistence holding should be non-saleable in the case of owner-cultivators. Such a provision will certainly not leave the law in a fluid condition to be dealt with by the courts. It will be definite and will enable cases to be decided promptly and quickly without hesitation and bargaining on either side as the Premier desired.

The bill has no provision to save the debtor from being sold up. When moving the bill the Premier said:

that the state of mind of the farmer dispossessed of his land forcibly or by speculative schemes was socially dangerous. But he ended by saying that compulsory provisions of a precise character on the basis of ability to pay could not be taken up in the present bill. The secretary to the Hon. the Revenue Member gave notice of an amendment that no execution or coercive process in pursuance of any decree shall be proceeded with against an agriculturist but did not move it. It is possible to supply a schedule of prices at which alone lands could be sold, and to provide that debts shall be deemed to be discharged to the extent of the upset price whatever may be the price fetched in a public auction. The Tamil Nadu Conference has urged this policy.

When the Rt. Hon. Sastri moved an amendment that the benefit of scaling down should apply only to those who would repay the reduced amount within a certain date, the Premier replied that every endeavour would be made to enable the debtor to pay back the debts. How is the insolvent to repay his debts scaled down under the bill? Instalments could be fixed only for those who have more than a subsistence holding and whose annual repayment will not be more than $\frac{3}{4}$ of the net income from land as is generally assessed by Mortgage Banks. And such landholders are very few. But then there is no provision making it obligatory on courts to grant instalments.

There is no provision exempting a certain portion of the produce from attachment under Se. 61 of the C. P. C. which is necessary for the subsistence of the cultivator and cultivation expenses till the next harvest. The Minister had a great opportunity to declare his future policy regarding exemption of moveables when Mr. Abdul Hameed Khan moved an amendment that 'the Judgment debtor should not be deprived of implements of husbandry, cattle, seed-grain and dwelling house'. But he rejected it on a technical ground. He promised, however, to bring up a bill in respect of debts of labourers. The wiping off of the debts of labourers will require to be supplemented by stiffening the clauses relating to exemption of moveables. The materials used in husbandry and not merely seed-grain should be exempt. The dwelling house, the livestock and a minimum produce for subsistence should be exempt.

The Minister again had another opportunity to declare his policy regarding the passing on of the benefit of the reduced rental to the under-rayat. Mr. R. N. Palat moved an amendment that where the remission did not reach the under-rayat, the superior tenant should pay the usual rent to the jenmi in Malabar. The Premier however did not reply to this point.

Sir A. T. Pannirselvam moved an amendment that Government loans should be scaled down. The Premier replied that the writing off of such loans or interest thereon was a matter for executive action, that that course was always available and need not be dealt with by legislation. Such executive action is most needed in respect of house-site loans granted to Harijans whose repayments seem to be never ending. Such loans can easily be adjusted by the savings

effected by the removal of the inspecting staff appointed for the purpose.

The bill has excluded debts due to joint stock banks carrying interest of 9% and below and to co-operative societies. There is no reason why excessive interest, say over $6\frac{1}{4}$ %, should not be annulled and the law of Damdupat applied in the case of all these loans.

Speaking of election promises the Premier said that they were not committed to anything except to try their best to solve the problem of agricultural indebtedness. It may, however, be pointed out that the Congress passed at Faizpur the resolution that "all debts which are unconscionable or beyond the capacity of the peasants to pay should be liquidated. Meanwhile, a moratorium should be declared and steps should be taken to provide credit facilities."

This then is the position: The amount of debt scaled down is little. There are no provisions to scale down debts according to slump in price, and at a reasonable rate of interest. There are no provisions fixing the maximum repayments possible for subsistence and small holders. There are no provisions to save the debtor from being sold up, to order payments by instalments, to fix a fair price for land, and to declare the minimum non-saleable holding and produce necessary for subsistence. No voice was raised for the benefit of the deficit holder who could not repay anything.

The Premier talked of 'making the rayats free on their holdings, of giving them a new slate to write upon, a new feeling of freedom, of hope and confidence which was the wealth of the country.' His bill will not achieve his purpose. He has not profited by the experience of other Provinces. Bombay has better provisions to annual interest and to help agriculturist insolvents; the U. P. has better laws for granting instalments, for calculating interest on pre-slump loans, for writing off the debts of small holders, for transferring land at pre-slump values and for securing against attachment a portion of the produce till the next harvest; the Bengal Debtors' Relief Act and the Bihar Money-Lenders' Bill provide for a minimum non-saleable holding, and the latter has a clause for fixing the upset price of lands.

The future for the debtor is gloomy. He should be saved from the dangers of the present bill. Much may yet be attempted by executive action under existing legislation before the present bill becomes operative. Debt Conciliation Boards should be formed throughout the province enabling the debtor to apply to the boards and stay the court proceedings. Section 61 of the Civil Procedure Code should be implemented by executive action by exempting a minimum produce from attachment, thereby saving the debtor. S. 68 of the same Code should be implemented as in the U. P. and the Punjab by transferring execution of decrees relating to sale of land to the collectors and notifying them a schedule of pre-slump and post-slump values at which the lands should be sold. Debt conciliation officers should be instructed by executive action to fix instalments on the basis of repaying capacity, reserving

a minimum of holding or produce for the judgment debtor and his family. The Debtors' Protection Act should be amended providing for scaling down of interest to 6¼% and crediting the excess to principal. Debt conciliation officers should be informed of the maximum that should be collected from subsistence and small holders and they should be asked to reduce debts on the basis of slump in prices.

K. G. SIVASWAMY.

Review.

RIGHTS OF AMERICANS.

RIGHTS OF AMERICANS UNDER THE CONSTITUTION OF FEDERAL REPUBLIC.

By WILLIAM H. MURRAY. (2nd Edn.) [Meador Publishing Co., Boston.] 1937. 21cm. 164 p. \$ 2-00.

THE author of this book is an ex-governor of Oklahoma, an interior state in U. S. A., who has written it for the use of laymen, students and lawyers. Endurance of democratic governments can be guaranteed by first making it secure in the hearts and minds of people and this can be accomplished by explaining to the people their constitutional rights and their fullest implication. Of the two systems of law, Roman and British, the federal constitution of America is based upon the latter, the chief characteristic of which is that it is based upon ancient laws, liberties and customs which in no case can be violated. "The enjoyment of life, liberty and pursuit of happiness" declares the New York Convention of

1788 "are essential rights which every government ought to respect and preserve." (page 107) These rights are inalienable, that is "they cannot be regulated by law and are independent of, above, and exempt from all law and government." (page 25). The first chapter deals with the fundamentals of the American Constitution and deserves to be carefully studied by everyone who wants to understand how fundamental rights of men are the very foundations on which democratic government is based, how again rights of member states are securely guarded by a written Constitution and how finally, Federal courts prevent the usurpation of powers not granted by the Constitution, preserving it as vital and living instrument of freedom and wholesome government. The chief merit of the book is that it takes concrete and actual incidents into consideration and points out what would have happened if the Constitutional safeguards had not existed. The book further proceeds to explain why there should be a division of governmental powers, why member states should have rights of a constitutional character, which ought to be defended from being usurped by the central or federal government, and why freedom of industry and enterprise is just as essential to the prosperity of the people as for their happiness and contentment. The author apparently is not very sympathetic towards N. R. A. and has adversely criticised it on page 29. In the appendices texts of the Constitution of United States, the Bill of Rights and Resolutions of the New York Convention, have been given and one is able to appreciate the significance of the texts in the light of the elucidation given in the earlier part of the book. A perusal of this book by Indian readers particularly at this time will bring home to them a conviction, if indeed it were needed, as to how further off they are from the democratic ideal in spite of their having a written Constitution, a Supreme Court and all that paraphernalia with which modern federations are usually equipped. Absence of an index to the book is a defect which prevents a reader from utilising it for ready reference.

R. V. O.

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