

The Servant of India

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Topics of the Week.

The Viceroy's Speech.

LORD WILLINGDON was expected to open the current session of the Central Legislature with a speech. But his illness necessitating his somewhat sudden departure for Dehra Dun made this impossible. It was then generally believed that there would be no viceregal speech in connection with the autumn session of the legislature. But to everybody's relief the Viceroy recovered much sooner than was expected and made up his mind not to miss the opportunity of meeting his legislature in its first session since his arrival in this country. Thus the announcement that he would address the central legislature on Monday was in the nature of a surprise to the public. This coupled with the information conveyed to the Assembly in reply to a question that correspondence between Whitehall and Simla was proceeding on the subject of the nomination of more Indian commercial representatives to the R.T.C. and the possibility of Dr. Ansari being asked even at this late hour to represent the Nationalist Muslims at the Conference, to which Mahatma Gandhi referred in one of his recent press interviews, raised the expectation in the public mind that Lord Willingdon's utterance would contain some important political announcement. But the expectation has been disappointed. Indeed there is hardly anything in the speech that we did not know before, even his denial of rumours about Government's intention to lower the rupee ratio from 18d. to 16d. having been forestalled by an official communique. The only new information which his speech conveyed to the public is that action intended to rehabilitate the financial credit of India was under contemplation by Government and that their proposals to that end would shortly be placed before the legislature. We can only judge of the measures when

they are made public. For the rest the viceregal utterance contained the usual references to friendly relations with neighbouring countries, to the position of Indians overseas on which subject the Government of India has always acted as the authoritative mouth-piece of Indian opinion and to the R.T.C. for the success of which everybody in this country is earnestly hoping.

British Reactionaries at Work.

THE Indian Empire Society with its head-quarters in London under whose banner are collected all the retired and reactionary Anglo-Indian pro-consuls like Lord Sydenham and Lord Meston and Sir Reginald Craddock and Sir Michael O'Dwyer has not deemed it right to leave the world in ignorance as to how far it would like Great Britain to go in meeting Indian aspirations. The whole basis of the Society's policy seems to be that "India is at present unfit for democratic institutions". Be it noted that this conclusion is arrived at after such close examination as the Society has been able to bestow on the working, not of the Assembly nor even of the provincial councils, but of local bodies. If India cannot properly conduct her municipalities and local boards, what chance is there of her running efficiently the machinery of responsible government? That is the idea running through the whole statement published by this Society. As expected, it swears by the Simon Report, but its suggestions in some respects are even more reactionary. So far as the Society is concerned, the first R. T. C. might as well not have taken place. That Conference wanted provincial Governors to occupy the position of constitutional Governors, acting only on the advice of their ministers. This naturally strikes the Society as "peculiarly dangerous." It differs from the Commission when it recommends the transfer of law and order to popular control. It has renewed the (to Indian opinion) obnoxious proposal of the Commission for the inclusion of officials among provincial ministers under the garb of Deputy Governors. The Society's solicitude for the interests of the Moslem and other minorities, quite expectedly, leads it to demand separate electorates for them and its horror of any increase in public expenditure barring of course such increase as may be involved in granting fat salaries to Britishers leads it to discourage any considerable increase in the size of either the central or provincial legislatures. Sufficient mention, we think, has been made of the Society's recommendations to enable our readers to see how hopelessly out of touch with currents of Indian political thought the Society is. If the British people tried to solve the Indian problem on these lines, they would instead of approaching its solution only make it more insoluble. Our only hope is that they realise this perfectly well and will firmly refuse to be guided by such an antediluvian body as the Society.

The Realities of the Situation.

IN discussing in its issue of August 20 the prospects of the second R. T. C. the *Spectator* gives expression to some broad-minded views which, we hope, permeate the members of the British delegation. When the English mail which arrived in Bombay on Friday last left England, it was generally feared that Mahatma Gandhi would after all be unable to participate in the Conference. This, it was widely believed, "will encourage the reactionary elements." Dwelling further on Congress non-participation, the paper proceeds:

However we may argue about the importance of Mr. Gandhi and the Congress Party, it is at least true that they represent the largest articulate block of Indian opinion, and their attitude is therefore the best available indication of what India in general will think of a particular solution. The presence of leaders of this party here in London would have served to rouse opinion in this country to the realities of the situation, and to strengthen the Indian Liberals in their resistance to the extremists here.

What, in the opinion of the paper, the realities of the situation are we are not left to imagine. They lie, it is explained,

in the fact that India as a whole desires nothing less than complete control of her own destinies, and that anything which interferes with that, at least if the interference comes from Great Britain, endangers the relations of India with the rest of the British Empire, and makes the retention of India within the Empire less and not more likely. Some safeguards, for minorities for the defence of the frontier and for Indian credit will indeed be necessary, but every such safeguard is a danger not to India but to ourselves. In our interests we should see that they are as small as is consistent with our responsibility to those safeguarded.

There is no doubt that in proportion as this reality of the situation comes to be recognised by those who have to part with their power in favour of the people of this country, in that proportion will the success of the Round Table Conference be assured.

Working of the Children Act in Madras.

THE report on the working of the Children Act and the administration of certified schools in the Madras Presidency for 1930 shows what beneficent work continues to be done under Government auspices for children who, in the absence of such an Act, would in all likelihood have gone astray. The number of certified schools remained the same as for the previous year, viz. 6, equally divided between Government and private schools. An idea of the extent of the work may be gained from the fact that the daily average strength of the schools was 771. The number of children admitted during the year was 311 (266 boys and 45 girls), over 200 of these being Hindus, 14 Muslims and 19 Christians. Of those so admitted only 211 boys and 35 girls were directly committed to school custody, the balance finding its way into the schools owing to other causes. Out of these 246, 181 were first offenders and only 5 boys had one previous conviction. The children, though coming from undesirable surroundings, seem to have conducted themselves on the whole well while at the schools, for we find that only in 64 cases was some punishment considered necessary by the school authorities. One pupil was administered whipping, while as many as 48 were punished with cuts on the palm. "Other punishments" are also mentioned in this connection; but only one pupil was subjected to them. It is difficult to imagine what their nature would be. We hope they are not more severe than either whipping or cuts on the palm. But whether it is so or

not, it seems rather strange that while corporal punishment is strictly discouraged in ordinary schools, it should be tolerated as a regular feature of disciplinary methods in these schools. The reforming influence of these schools on their inmates is also unmistakable; for out of over 200 pupils discharged during the year under report, only 6 boys are reported as having been reconvicted. The schools, it may be generally known, impart elementary education so that the number of literates among those who pass through them steadily goes on increasing. Thus during 1930, 90 were literate at the time of admission but the number of those who were literate at the time of discharge had more than doubled this figure and stood at 189. On the other hand the number of illiterates showed a marked decline. Their number on admission was 113; it was only 14 at the time of discharge.

District Boards in the Punjab.

THE first thing that arrests one's attention in the working of District Boards in the Punjab during 1929-30, the Government review on which is recently published, is their comparatively undemocratic constitution. Out of 29 district boards, as many as 26 had as chairmen officials appointed by Government, while two out of the remaining three had elected non-officials for the position and one had written itself down as unprogressive by electing an official. This establishes beyond doubt the necessity of Punjab following the example of some more advanced provinces in preventing Government officials from standing for election for such positions. That there should be so many boards still continuing under official guidance in their day-to-day administration is an interesting commentary on the progressive nature as much of the people as of the Government of the province.

Much is made in the review about the educational expenditure of the Boards going up in contrast with that on public works which is consistently going down. This is far from saying that the boards spend adequately on education. During 1929-30 their expenditure on education amounted to Rs. 117 lakhs against Rs. 111 lakhs of the preceding year, while that on public works went down from Rs. 32 lakhs during the preceding year to Rs. 23 lakhs in 1929-30. All that this means is that the boards did as much as they could for education within their limited resources. But actually how inadequate this amount of a little over one crore of rupees spent upon education by them is will be clear when it is remembered that the population to be served by them is very nearly 2 crores, which works out at a little over half a rupee per head. Who will dare to assert that this is all that is demanded by the educational needs of the rural areas? We are however glad to note the efforts that are being made by the boards to secure a better return for their money by the gradual elimination of one-teacher schools and by stopping other similar leakages. It is also a matter for satisfaction that the number of "areas", i. e. radius of two miles round a school, increased by 400 from 2,040 to 2,449. The progress of female education is however far from gratifying and the boards would do well to concert measures for pushing on its spread as much as possible in the near future. If they wait till a sufficiency of trained female teachers willing to work in rural areas becomes available before they apply themselves to the solution of that problem, as seems to be contemplated, they will indeed have to wait very long. Let them remember that the primary need is quantity accompanied, if possible, by quality, if not without it. Let not better be the enemy of good in their case.

THE PRINCES' BLACKMAIL

HOW CAN IT BE CIRCUMVENTED?—III

THE Princes hurl defiance at any one who ventures deferentially to suggest to them that the States' representatives in the federal legislature be elected. They sit back on their *gaddis* and snap out, "Well, what are you going to do about it?" The British Indian leaders on the other hand feel helpless and weakly confess to their utter impotence.

Is British India really so impotent? Can no means be discovered of retrieving democracy from the certain destruction that threatens it if the Princes are allowed to send their own nominees to the Indian Parliament of the future?

Assuredly there is. All that British India has to do is to tell the Princes that if these are their terms it will consign federation to the scrap-heap and go forward with its own internal reform, feeling sure that a turn or two more of the Britisher's screw will soon make them anxious to enter federation on its own terms.

But of course British India cannot do this so long as its leaders continue to take counsel of their fears, and the one concern of all lovers of democracy in India at the present time must be to exorcise them of these fears by showing them to demonstration, with a Q.E.D. at the end, that their fears are groundless, and that they run no risks by taking up this position at the R.T.C.

I have conceived a foolish and perhaps vain ambition to prove this to the satisfaction of all who promise to bestow a quarter of an hour's study every week for a month on what I have to say on this point. Let not sceptics shake their head and say, "Much good may it do you!" I fondly hope that I shall convert them, or else they will convert me. For my part I shall give them the closest and most unbiased attention I can. This at any rate is a line of reasoning well worth pursuing to see whither it leads.

I have tried to show that if British India takes its stand on the Government of India dispatch which envisages Indian reform on a non-federal basis, it will

- (i) secure responsibility in the Central Government which in practice will be no worse but may be much better than that contemplated in the Sankey Report; and
- (ii) bring as many departments of government under popular control as promised by the Sankey Committee;

and, further, I have tried to show that the apprehensions of certain critics have no foundation in fact; viz. that all subjects of common concern will remain, under the scheme of the Government of India dispatch at the final disposal of the Governor-General, and that finance will be a reserved subject. My contention is that on both these points the Government of India dispatch

- (iii) gives just as much power to the representatives of the people as the Sankey Report does.

If I have made good my contention so far, let me take it one stage further by considering another objection. Some critics argue that the Sankey scheme makes a decidedly better showing than the scheme of the Government of India dispatch in the matter of defence, and that this superiority is not accidental but proceeds from the fact that the former comprehends within its scope Indian States as well as British India, while the former concerns British India alone. The evolution of the British Indian constitution by itself must receive a natural check, they say, in some respects, and more so in defence than in any other. For the Crown has undertaken an obligation to protect the Indian States from internal and external attack, and unless the States by combining with British India agree to provide for the defence of the whole of India and thus absolve the British Government from its responsibility in the matter it is clear that British India alone can never get control over the army. Thus it is obvious that federation is absolutely essential to the transfer of military control to Indian hands.

The critics forget, however, that here they are merely repeating an objection which was formerly urged by the British Government and by the Princes and which they themselves elaborately refuted in the Nehru Report and other documents of unquestioned authority. They contended then that the objection had no substance from the constitutional point of view; that the British Government could well transfer to British India not merely the responsibility for self-defence, but its own obligation to defend the Indian States. How is it that an objection which had no force then comes to have force now? What is it that makes the rebutters of an objection of that time into objectors themselves? When thus cornered, they plead that want of federation at any rate gives the British Government a colourable excuse to withhold control of defence from Indians, and if only in order to deprive it of this excuse a federation with the States must be brought about. This, however, it is quite obvious, is a very poor argument at best.

But we need not press this point further. For in respect of the immediate grant of responsibility for defence, there is nothing to choose between the schemes of the report and the Government of India dispatch; they are both agreed in refusing it. Nor does the Government of India dispatch, which proceeds upon the basis of a unitary government, deny the ultimate grant of responsibility to British India should it choose not to federate with the Indian States. On the contrary it pledges the Government of India's full support for such a grant. For it says that its objective is the "evolution of a self-contained Indian force to be commanded and officered eventually by Indians and to be under the control of a self-governing India." (para. 158). So in this particular matter no palpable advantage can be claimed for the R.T.C. scheme.

But it is said that the R.T.C. scheme has a clear advantage over the other scheme in respect of the pace of Indianisation of the officer ranks of the army, for those who put forward this claim believe that the former scheme contemplates the setting up of machinery yielding a far larger outturn of Indian officers than the Government of India scheme. On what this belief is founded is not however easy to discover. The Defence Sub-Committee of the R.T.C. declares that "with the development of the new political structure in India, the defence of India must to an increasing extent be the concern of the Indian people, and not of the British Government alone." This is considered very satisfactory and it is indeed satisfactory, but is it not implicit in all the schemes for constitutional reform that we have been considering? The value of the declaration is really to be judged by the concrete proposals which follow for an increase in the number of Indian officers.

What are these proposals? First, that a military college be established in India "at the earliest possible moment" and, second, that an expert committee be appointed to work out the details of the establishment of such a College. When it is remembered how hostile or at any rate dilatory the Government of India has been in the past on this subject, it must be regarded as a great achievement that the establishment of an Indian College is no longer left in doubt. But it would be unfair to compare the Defence Sub-Committee's report with the past declarations of the Government of India. To be fair, it must be compared with its dispatch on the Simon Report. And this dispatch is not so unsatisfactory. The Government of India on this question was divided, some members favouring the continuance in the supposed interests of high efficiency of an English training for Indian cadets and the rest favouring the establishment of an Indian College "as soon as practicable". The Government of India thus left the matter open and referred it for a final decision to the Round Table Conference itself in accordance with "Indian feeling."

The important thing to note here is that the establishment of a military college in India has nothing to do with federation. If it were the case, as the critics erroneously assume, that an Indian Sandhurst would become possible only because of a federal union between British India and the Indian States, the Government of India which did not contemplate such a union would not have shown its willingness to set it up in the event of Indian opinion demanding it at the R.T.C. And what concerns us at the present moment is not to find out whether the R.T.C. scheme is superior to the Government of India scheme, but whether any superiority that it may possess is due to the fact that it proceeds upon a federal basis. The critics have no case unless they show that a slow rate of army Indianisation is inherent in any reform scheme which does not extend to the States, and that federation alone opens the road to a rapid progress in that matter. Not only are they unable to show it, but the Government of India dispatch definitively negatives their contention. If it be true that the dispatch does not provide for as quick a pace in Indianisation

as the Defence Sub-Committee's report does (and this cannot be maintained as neither goes into sufficient detail to render possible a comparison between the two), then it is up to Indian opinion to press for a quickening of the pace without necessarily going in for federation.

It only remains to clear up one point, on which there is a misconception. In para. 160 the Government of India dispatch speaks of "an officer establishment sufficient for a complete infantry division of twelve battalions, a pioneer battalion, and a brigade of three regiments of cavalry". The critics assume that this is the optimum development which the dispatch envisages in the remote future and then comment upon its utter inadequacy to our needs. But they leave out of account the fact that here the calculation is based upon the scheme at present in force and not upon such improvements as the Government of India desires to see made in it in future. The object of the whole paragraph is to state what progress will be possible on the existing basis "of an annual output of twenty officers with direct commissions from Sandhurst." It does not take future expansion into the reckoning.

The considerations advanced so far should make it clear that there is nothing in federation which makes a larger measure of popular control over defence possible than would be the case without federation, and the conclusion is therefore inescapable that British India would sustain no loss if, in the event of the Princes insisting upon nomination, British India were to give up the federal basis. As to the obligations undertaken by the Crown in respect of defending the States, upon which so much stress is laid in pronouncing the Government of India scheme to be inferior, I will finally quote from the Defence Sub-Committee's report to show that, even in the R.T.C. scheme these obligations are not got over. The report says in para. 5 :

"A view was expressed that an addition should be made to these resolutions to the effect that the Sub-Committee recognised that no action should be taken so as to prejudice in any way the power of the Crown to fulfil military obligations arising out of the treaties with particular Indian States. It was ruled, however, and accepted by the Sub-Committee that such a specific declaration was unnecessary; the Chairman giving an undertaking that neither this Sub-Committee nor any other Committee could in any way abrogate treaty obligations and engagements that were in operation."

OBSERVER.

THE CENTRAL BANKING ENQUIRY COMMITTEE'S REPORT.

THE report of the Central Banking Enquiry Committee published yesterday consists of two stout volumes. In the first volume is contained the majority report with a series of minutes of dissent, the foreign experts' separate report and a number of special memoranda. The second volume comprises of the minority report written by a single member, Mr. Manu Subedar. This enquiry on banking has been one in that imposing series of comprehensive and costly committees and commissions on various

aspects of Indian economic life which began with the appointment of the Industrial Commission. It has like the rest covered a very wide field and produced an enormous amount of printed material, but it was marked by certain peculiarities of procedure which were entirely new. In the first place the work of the Central Committee was prefaced by a series of provincial enquiries to which were specially entrusted certain specific problems, the chief among which was Rural Finance. And secondly there were associated with the Central Committee a number of foreign experts who were entitled to write a separate report if they liked.

We have as a result a most curious production in the volume before us. The Central Committee have in the first half of their report worked almost entirely on the reports and the evidence of the provincial banking enquiry committees. They have collected the material from the various reports and tried to produce a composite picture. The attempt has hardly been successful. The conditions in the various provinces are divergent; the points of view of a number of provincial reports are not easily reconcilable with each other. And no particularly useful purpose has been served by this passing in review of the work of the provincial committees by a body of men not specially competent to do this, the majority of whom were further unacquainted with the actual working of these committees. That the Central Committee, however, tried to do its work very thoroughly is shown by Appendix III which contains a useful classified list of all the recommendations of the provincial committees with the comments of the Central Committee on each one of them.

The problem presented by the experts' report is even more curious. It is very difficult to see what value should be attached to it. These experts who were presumably entirely unacquainted with Indian conditions before, arrived in Bombay on 12th December. After about four weeks which they devoted to seeing some parts of the country and studying the reports of the provincial committees they reached Delhi. Their consultations with the Central Committee began on 26th January and lasted till 16th February. These consultations had as their only basis a sort of rough forecast of the provisional conclusions of the Central Committee. As a result of this exchange of ideas, the foreign experts thought it necessary to exercise their right of writing a separate report which they finally submitted on March 12th. In this report they have in their turn passed in review the provisional conclusions of the Central Committee.

The chapters on Rural Finance which occupy more than half of the majority report we have already characterised as unsatisfactory. They contain no new matter, no important novel suggestions. There is an attempt at ambitious general surveys of the various problems with a number of references to standard text-books and reports. But there is evidence that a lot of this borrowed material has been accepted and used rather uncritically. A glaring instance of

this is the citation of the statistics of those engaged in agriculture at each census since 1891 as if these various figures were mutually comparable. This part of the Committee's report will, however, serve as a useful summary of the results of work of the provincial committees. In the majority of cases the recommendations of the provincial committees have been supported.

The next part of the report deals with the financing of industries. A portion of this subject had been dealt with by the provincial committees and there had been a general recommendation for starting Industrial Banks. There was, however, an important difference of opinion as between the different committees as to whether the industrial banks should be started on a provincial or an imperial basis. The Central Committee recommend the establishment by Provincial Governments in each province of a Provincial Industrial Corporation with branches, if necessary. But the most interesting part of the report is the one dealing with the finance of foreign trade and the banking system and the money market. The former is the field of the greatest difference of opinion among members. Naturally, because it is the sphere in which the powerful Exchange Banks work. In a considerable portion of the evidence submitted to the Committee were contained complaints of differential treatment as between Europeans and Indians by the Exchange Banks and the Imperial Bank. The Committee has nowhere definitely stated that such differentiation is proved to be existing. A number of its recommendations, however, make it clear that the present condition of the banking system leads to happenings which might easily be taken as due to differentiation. The enormous hold that the Exchange Banks have on the financing of foreign trade and the entire exclusion of Indians at the moment from a share of this business is considered to be an undesirable state of affairs. The majority, therefore, recommend that when a Reserve Bank is established in India the Imperial Bank should be asked on certain conditions to take up the work of exchange banking and in the event of the Imperial Bank's rejection of this offer a State owned exchange Bank should be started. Six Indian members of the Committee, however, feel the danger of the continued dominance of the Exchange Banks and of the possibility of their extending operations in the interior to be so great that they recommend that immediate steps be taken to establish the proposed State Exchange Bank. The attitude of the foreign experts in this connection is curiously naive. They are surprised that the Committee should have considered it undesirable "that India should continue to be dependent on the facilities afforded by non-Indian institutions for the financing of foreign trade." Either they are surprisingly ignorant of the considerations at present ruling the economic policies of nations or are deliberately shutting their eyes to certain obvious facts.

Material that is substantially new and a well-pieced together picture of the working of the money-market in India is to be found in the chapters on the Banking System and the Money Market. The most

important feature of the Indian money market is pointed out to be its entirely disorganised condition. This is strikingly brought out in the table on pages 398 to 400 which brings together the call money rates, the Imperial Bank rate and the Bazar bill rates obtaining at various dates. The reform that the Committee contemplate in these conditions can in their opinion be brought about in two ways. In the first instance by the establishment of a Reserve Bank which will act as the co-ordinating agency and secondly by the development in India of what is virtually non-existent to-day, a Bill Market. On the urgent and immediate need for the establishment of a Reserve Bank there is entire unanimity and in a separate chapter the Committee examine certain points arising out of the 1928 Bill. On the main question, however, of the constitution of the Bank they are silent. This is because of a ruling of the Chairman that this question was outside the Committee's terms of reference—a ruling deplored by the majority of the Indian members of the Committee.

Finally, the Committee make certain recommendations regarding the regulation of banking in India. The establishment of a Foreign Bank should, they recommend, depend on the grant of a license by the Reserve Bank. Their conditions of such a license should be the furnishing to the Reserve Bank of certain information regarding their activities in this country and other conditions imposed on the basis of reciprocity. All banks in the country should further be regulated by a special Bank Act. Among the recommendations for regulations are the grant of license, the prohibition of the managing agency system, a minimum paid up capital for a joint stock bank of Rs. 50,000, etc. There is also proposed a new form of balance sheet in which bank returns should be invited. But the most unusual recommendation is, perhaps, that in all banks other than foreign banks there should be a majority of Indian Directors. This is a recommendation from which the Chairman, all the English members of the Committee and three Indian members dissent.

A subject to which it may be said that sufficient attention has not been paid by the Committee is that of banking statistics. Its consideration takes up only one paragraph. This is made possible by leaving the whole question of statistical reform to the Reserve Bank that may be set up in the future. One of the chief difficulties faced by this Committee was a lack of information and statistics, especially on such questions as the operations of foreign banks and it would have been better if the Committee had made definite recommendations for an immediate reform in this behalf. We have attempted merely to give an indication of some of the more important points raised and discussed by the Central Banking Committee. They have made a large number of recommendations, some of which are very far-reaching. What concrete results flow from their labours can only be predicted when the new constitutional machinery is fashioned and set in motion.

THE ECONOMIC PROGRAMME OF THE CONGRESS.

THE resolution on Fundamental Rights and the Economic Programme of the Karachi Congress is in some ways one of the most important passed at that session. It was entirely unprecedented and it attempted for the first time to indicate a definite programme of political and economic action on the part of the Indian National Congress in case it came to hold the reins of power. Its importance, however, may easily be exaggerated. For we do not believe it to be the programme of the party that is likely to be dominant in Indian politics in the near future under conditions of self-government. It is always extremely difficult to predict the future of political parties, but even so this much can be said with some certainty, that in the event of India's attaining the goal of Swaraj the alignment of political parties in India will be on a basis entirely different from that existing at present. It is also fairly obvious that the basis to a very large extent of the new division of parties would be the economic interests of different classes. This being so it is impossible to imagine that the different groups now co-operating on the basis of a common platform of political action in the Congress will continue to co-operate when the motive to that co-operation ceases to exist. Both the circumstances under which the Fundamental Rights resolution came to be passed at the Karachi Congress and the general drift of the resolution support our contention. The definition of economic aims was thought to be necessary because of the presence in the Congress of younger elements impregnated with extreme socialistic thought and yet the resultant resolution is such that its character may be approved of by the most orthodox economist. It is essentially a compromise resolution with which the more radical elements in the country can never be satisfied. It clearly shows that the National Congress as at present constituted, while representing the more radical political parties in India, cannot endorse a programme of economic action which is in any way more advanced than the economic policies of the major capitalistic countries of the world.

That the resolution takes us only a little way towards socialism is, indeed, very easy to prove. The draft has been improved very considerably and certain important omissions made good as a result of the labours of the special sub-committee which had been appointed to revise it; but even so it remains a very temperate document. A few comments on the nature of the various clauses would suffice to make this clear. The first section of the economic part of the resolution relates to labour. This contains five clauses. Of these the one giving the right to peasants and workers of forming unions to protect their interests and another declaring that labour be freed from serfdom or conditions bordering on serfdom make no advance on the existing legal position. A third clause purporting to prohibit the employment of children of school going age in mines and factories follows naturally on the adoption of the programme of free and compulsory primary education. Of the two

remaining clauses one deals with the position of women workers and the only special protection for them that it contemplates is the provision of adequate leave during maternity. It is surprising that only leave should be mentioned in this connection. The usual provision in most countries is that of a form of insurance called "maternity benefit." Or is it that the word "leave" is supposed to embrace the benefit?

The most important clause in this section, which we have left for consideration last, consists of two parts. The first part makes a declaration to the effect that economic life must conform to the principles of justice, to the end that it may secure a "decent standard of living"; the clause does not say to whom. It is presumed that it is meant for every citizen. Justice being an abstract enough conception the word may be accepted by the capitalist, socialist, communist, all alike. The securing of a decent standard of living is, on the other hand, a revolutionary conception; but as the clauses that follow make no effective provision for bringing this about, that declaration also need not disturb anybody. The second part of this ambitious clause abruptly descends to the narrow realm of the industrial worker, promising him various things. Of these, legislation regarding conditions and hours of work is already in existence. The important portions of this part are therefore the promise of provision by "suitable legislation" of a "living wage" and the provision of "social insurance." Of these "living wage" legislation which, we take, is meant to convey the same idea as is usually conveyed by the expression "minimum wage legislation" is the more far-reaching conception. Social insurance schemes of various types have been a prominent feature of German national policy for many decades past and recent data collected by the League of Nations have made it clear how widespread has been its adoption in most countries of the world during the last decade. It has been rightly considered that both the industries and the state should bear a part of the burden of this insurance and the adoption of such schemes in India is considerably overdue. Minimum wage legislation on the other hand is not so universal. The only form in which such legislation finds a place on the statute books of most countries of the world is the provision of minimum wage legislation in the so-called "sweated industries". But there are many countries also in which a more general type of legislation is attempted. It should be noted that such type of legislation is specially held suitable to cases where the workers are not in a position adequately to protect their own interests. On this ground the necessity for its application to a large portion of Indian industry would seem specially strong. A point worthy of note here is that the agriculturists seem to have been excluded both from insurance and minimum wage legislation in this resolution. This is certainly an unfortunate omission. A recent publication of the League of Nations shows that not only is the agricultural labourer compulsorily included in most insurance schemes in the predominantly agricultural countries but also that even the

small cultivator is enabled voluntarily to become a member of national insurance schemes in many instances. Further such varied experience as that of the working of the Trade Boards in the case of the wages of agricultural labour in England and of the minimum wage legislation in a country like Mexico should certainly encourage the adoption of a progressive policy with regard to the agricultural labourer in India. And it may also be noted that the recent Labour Commission has recommended the fixing of a statutory minimum wage for labour on the Assam tea plantations and that minimum wage legislation is already in operation on behalf of Indian labour on the plantations of Ceylon and Malaya. Indeed while a large part of our labour is partly industrial and partly agricultural it would seem highly desirable that minimum wage legislation if adopted should apply equally to industry and agriculture. Allowing for these reservations, there is no doubt that both the insurance and minimum wage proposals of the Congress are important steps in the right direction and their inclusion in the Congress programme is to be heartily welcomed.

D. R. GADGIL.

(To be concluded.)

Our European Letter.

(FROM OUR OWN CORRESPONDENT.)

GENEVA, SEP. 4.

ON THE EVE OF THE ASSEMBLY

THE series of September meetings of the chief organs of the League, the Council, the European Commission, and the Assembly have begun. It is idle to conceal that on the eve of the meeting of the Twelfth Assembly, a listlessness prevails here such as has not been seen for many years. There are relatively unimportant items on the agenda of the Council and the Assembly, and as to the European Commission, with so many of the recent important international transactions concluded under other auspices, its conclusions cannot be said to matter very much. There is one exception, however, and that concerns the proposed Austro-German customs union. The advisory opinion about its legality, which the Council asked of the World Court, is now daily expected, but whatever the nature of that pronouncement may be, the proposal itself has slipped out of the range of practical politics. Both Germany and Austria need credits which Paris alone is at present in a position to accord. So long as the customs union proposal is not put aside, it will be useless to seek for French help. The real problem now is to give the proposal a decent burial. Neither the German Foreign Minister, nor the Austrian Chancellor, if they should have any standing in their own countries, where large numbers of people regard, or have been taught to regard, the attitude of France as insufferable, can appear as importunate. But the European Commission may invoke the idea of European unity and, by seeking to merge the proposed union in the larger union, which it stands for, retard its fulfilment until the appearance of the European federation, which will be equivalent to relegating it to the scrapheap of abortive schemes.

For the rest, although the Foreign Ministers, who are now daily arriving, will assemble at Geneva, their eyes will be turned in other directions. Their first

care will be to read the signs in London. Lord Cecil has always been held in great esteem and affection here, as a sincere friend of the League, and his appearance as the chief British representative on the Council and the Assembly will be regarded with gratification. The reasons why Lord Reading cannot be spared are perfectly understood, but at the same time, the fact that, when everywhere the belief prevails that the European situation is critical and important decisions have got to be arrived at, the British Government should choose to send Lord Cecil to Geneva and not one of its members, inevitably recalls the old times when the League was regarded, not as an instrument of political action, but at best, as a moral influence. The financial and economic situation, which has called the British National Government into existence, has an important international aspect, and it is not unnaturally regarded that, if the British and other Governments had sought to solve this aspect of the question through the machinery of the League, a member of the British Government would have found time for taking part in the discussions now going on here. The procedure adopted during the recent general financial crisis clearly showed that other methods of approaching the problem were being tried. Moreover, reports continue to be coming, from London that Lord Reading does not share Mr. MacDonald's and Mr. Henderson's faith in international conferences, and that Mr. MacDonald's third Government, unlike its predecessors, will concentrate all its energies on internal problems, as indeed it must. In these circumstances, while London will still continue to be a powerful force in international politics, no lead to Europe from there can be expected.

Nevertheless, the extra-League activities which the League meetings give rise to promise to be as plentiful as usual this year. The Franco-Italian negotiations have entered on another phase. France has presented a Note to Italy in which it is understood that a new method of comparative calculation, that of the respective naval construction of the two countries during a recent series of years, has been put forward. Both Monsieur Massigli and Signor Rosso, the French and Italian experts, are at present here with their delegations and will discuss the subject during their stay at Geneva.

Then there is the pact of non-aggression which the Soviet Government is discussing with different countries, whose representatives will all be able to meet the Soviet Foreign Commissar here. The most important of these negotiations concern the French Government, which is seeking to conclude a series of economic pacts and a political pact of non-aggression with the U. S. S. R. These engagements, however, have to be harmonised with the other commitments of the French Government which concern countries like Poland and Roumania. The Soviet authorities, although willing enough to come to an understanding with the former country, seem to be resolutely opposed to enter into any agreement with Roumania owing to the differences over Bessarabia.

Amidst all these discussions, there are a few outstanding facts in the European situation impossible to lose sight of. The first of these is the financial situation, in Germany, which has been saved only for a short time. At the end of that period, if nothing intervenes meanwhile, the panic of the weeks just past must reappear in a more acute form. The second is the political situation in Germany. The German Chancellor has said that the number of the unemployed in the country will reach seven millions next winter. Unless vigorous action is taken to remedy that situation there will be grave disorders in Germany which will have the effect of spreading similar disorders elsewhere. The third, and no less important a fact than the other two, concerns the Disarmament

Conference to be held here next year. If the cumulative effect of the recent events is to generate a belief that the League organs are incapable of yielding any satisfactory solution to the ills of Europe and other methods have to be sought, then that Conference will have a bad start. If, on the other hand, the Twelfth Assembly can speed up the task of the Disarmament Conference and also prepare the way for another conference for dealing with the War debts settlements and reparations payments, which is now indeed inevitable, there will be a revival of the faith in Geneva. There are advantages as well as dangers in international action by alliances or separate pacts, which is now being apparently resorted to, and the advantages can be reaped and the dangers averted, if group action is paralleled by collective action so that rivalries will not be set up.

Review.

MODERN INDUSTRIAL PROBLEM.

THE NEW LEADERSHIP IN INDUSTRY. BY A. LEWISOHN. (E. P. Dutton & Co., New York) 20 cm. 234 p.

THIS is a sane little volume which delves to the source of industrial troubles and furnishes valuable guidance for a new approach to the labour problem, though from a slightly different angle. The principal interest of the volume springs from Mr. Lewisohn's first-hand knowledge of the subject and eminently practical study of the major problems in the structure and organisation of a modern industry. He approaches them in a spirit of scientific exactitude and never allows his judgment to be swayed by any sentiment or emotional idealism. For, in most cases, as he points out, personal or class prejudices too often develop a kind of underdog philosophy and create a spirit of emotional intensity rather than of rational analysis. The great problem has thus been: how to replace passion by reason and common sense, to enable us to formulate sound principles of industrial organisation and also discover what structure of association would function most effectively in future. In this the author has fully succeeded.

He fairly clears up certain fallacies that lurk under the common belief that the modern labour problem is due wholly to the fact that our economic system is capitalistic. This "capitalistic obsession" is so great that we often ignore the underlying cause of labour unrest which springs from the resistance of any subordinate to any system of discipline in a dynamic society. Even the Soviet leaders of Russia, free from all spirit of capitalism, have their own labour problems to solve. The author thus contends that the complications of the labour problem are very often due to the inherent defects of a system and capitalism only adds further difficulties. Clever thinking therefore requires us to segregate the peculiar difficulties due to capitalism from the ordinary ones of structural organisation. Thus the complex problem can be broken down into elements showing its mixture of psychological, sociological, economic and historical factors. This analytical method is peculiar to the author and clarifies all issues.

In the chapter on "The Mental Hygiene of Employers", Mr. Lewisohn studies the mental and emotional make-up and background of the executives which control the whole mechanism of industries, and points out how lack of proper initiative and leadership sometimes defeats the aims of the management to bring about active and fruitful co-operation between the two coefficients—labour and capital.

All leadership however involves a kind of natural autoocracy which does not brook any outside interference. This was however true of the older units of business organisation wherein the employer and the manager merged into one. But a modern business unit has a wider and ever-increasing circumference and is controlled to the minutest details by a hierarchy of salaried officials. It is therefore the trained manager that counts in our consideration, rather than the employer, and there is great necessity of equipping him with good technical education and requisite qualities of active leadership in him. Mr. Lewisohn therefore suggests that professional training should be coupled with a study of subtle human relations that are developed in a factory.

Trade Unionism cannot do this so long as its dominant spirit is militant. Consultative bodies having both the employer and employee representatives, as in works councils, afford fair opportunities for fostering new leadership. They would raise the general morale and result in greater efficiency and production. The modern employer's wage policies would then cease to provoke the usual feelings of bitterness and evade to a greater extent strikes and lockouts which so often disorganise an industry. A good sense of responsibility would be developed, if the employers were to realise that whereas they have invested money in their plants, the employees have invested their careers in them. The interests of both are thus closely welded together and a constant endeavour should be made to secure justice, status and opportunity for all. This is the crux of the main problem of *the new leadership in industry*.

"From one point of view", it must be emphasised, "the factory is the melting pot of a nation. The adoption of the right methods of conducting industry and the tactful and effective supervision of employees, will make the workers appreciate the importance of the brains and leadership in our industrial structure. This will mean more for national stability than any method of artificial propaganda."

We hope Mr. Lewisohn's highly suggestive volume will attract a wide circle of readers in this country.

S. G. PURANIK.

SHORT NOTICE.

MAHATMA GANDHI, THE MAN AND HIS MISSION, (G. A. Natesan & Co., Madras.) 18cm. 232p. Re.1.

THIS ninth edition of Mahatma Gandhi's life by those enterprising publishers—Natesan & Co.—brings his lifestory upto his departure for England to take part in the second R. T. C. The eighth edition published in October last stopped short at the breakdown of the peace negotiations carried on by Sir Tej Bahadur Saprú and Mr. Jayakar. Much has happened since in which the Mahatma was directly or indirectly concerned. The first session of the R. T. C., the wholesale release of civil disobedience prisoners, the Gandhi-Irwin pact, the execution of Bhagat Singh, the Karachi Congress, the working of the Delhi pact, Mahatma Gandhi's recent negotiations with the Government leading to the Gandhi-Willingdon agreement, and finally his departure for England—all these incidents in an extremely busy and eventful life are dealt with in this revised edition. The texts of the Delhi and Simla pacts also find place in the appendices which adds to the utility of the book. That within twenty years as many as nine editions of this publication should have been called for speaks volumes for the popularity of its subject. The publishers must be complimented on their not increasing the price of this edition, though it involved the addition of 60 pages of new matter.

G. Q. P.

Miscellaneous.

THE SERVANTS OF INDIA SOCIETY.

REPORT OF WORK.

The report of the Servants of India Society for the year ended 12th June last is just published. The following extracts from the Report are reproduced here for the information of our readers:—

WORK FOR ABORIGINALS AND DEPRESSED CLASSES.

The Bhil Seva Mandal.—The work of the Bhil Seva Mandal, which is an organisation of devoted workers for the elevation of the Bhils of Gujarat and of those of the Panch Mahals in particular, and of which Mr. A. V. Thakkar is the founder and President, progressed satisfactorily during the year under report, in spite of the fact that several of its workers joined the Civil Disobedience movement and underwent imprisonment for varying terms between June 1930 and February 1931. A middle-aged Vakil gave up his practice and joined the Mandal as a life-worker. Two day schools were converted during the year under report into boarding schools as it is found by experience that day schools are not very effective in educating Bhil boys, whose habits are very irregular. At the end of the year the Mandal had six boarding schools in addition to a hostel which is run for the benefit of boys attending English schools. Some of the grown-up boys in the boarding schools were influenced by the example of their *gurus* in joining the Civil Disobedience movement and about 20 of them went to jail for picketing liquor shops. One assisted Bhil boy passed the First Year Arts Examination in March 1931 in the Ahmedabad Government College.

In all the boarding schools practical agriculture and spinning are taught and in one school weaving is taught in addition. All boys reading in the schools of the Mandal use only cloth spun and woven in their own institutions, which is a notable achievement.

Twelve new co-operative credit societies were started for the Bhils during the year, raising the total number of societies to 100. All the workers of the Mandal take a keen interest in the economic betterment of the Bhils.

As a member of the Panch Mahals District Board, Mr. Thakkar was instrumental in the laying of a road three miles long, which afforded employment in the summer of 1930 to nearly 1000 Bhils.

Antyaj Seva Mandal.—Another institution of which Mr. Thakkar has been President for several years is the Antyaj Seva Mandal, which consists of a body of devoted workers working for the elevation of the depressed classes under the auspices of the Congress. The Mandal conducts two boarding schools and eight day schools, gives grants-in-aid to six other private day schools, conducts a model co-operative credit society for the Bhangis and does other welfare work. One of the boarding schools has industrial classes for teaching shoemaking, tailoring, spinning, weaving and cane work.

A kind of particularly valuable work in which Mr. Thakkar was engaged during the year under report, as in the previous year, was the provision of wells for the depressed classes of Gujarat from two funds placed at his disposal: (1) a sum of Rs. 22,000 by Mr. J. K. Birla of Calcutta and (2) another sum of Rs. 26,000 from the Gandhi Fund. 50 wells have been either completely built or assisted out of the former fund and 32 from the latter so far.

At Nadiad a Ram Mandir and Dharmasala for the use of Bhangis were built under Mr. Thakkar's supervision out of funds supplied partly by the Bhangis themselves and partly by high caste Hindus. On the occasion of its opening by Mr. Thakkar a wealthy Patidar of Nadiad gave a dinner to about a thousand Bhangis.

Mr. Thakkar also started during the year under report two co-operative societies for the Bhangis employed respectively by the village Panchayats of Jhalod in Panch Mahals and Mahida in Kaira District. The object of these societies is to rescue their members from the clutches of usurious lathi-carrying moneylenders. As the instalments due from the members are collected directly from their pay, the societies are working quite satisfactorily. The members of one society have been completely redeemed and those of the other will be so in a short time.

Mr. Suryanarayana Rao continued to be in charge of the Depressed Classes Mission of Mangalore, which was started more than thirty years ago by the late Rao Sahib K. Ranga Rao and the management of which was handed over to the SERVANTS OF INDIA SOCIETY in 1929. The Mission maintains at Mangalore an efficient English middle school, two day schools, two night schools and a residential primary school for an aboriginal tribe at Puttur near Udipi in the same district. The middle school contains an industrial section where carpentry is taught. It has been decided to teach weaving also but for lack of accommodation the decision has not yet been carried out. The Mission is also running two free boarding-houses, one for boys and the other for girls. There were on an average 50 inmates in the former and 8 in the latter during the last year. The Mission has established near Mangalore and Udipi seven colonies consisting of 80 families. These colonists are given each a house-site with some agricultural land around it and housing materials free of charge. All the schools of the Mission except the middle school are located in the colonies. Three of them are of an aboriginal tribe called Koragas. Through these colonies the Mission is exercising a good deal of moral influence over the families. The Mission receives grants from Government and some interest from endowments. But there is still a big deficit every year to be made up by public subscriptions.

In his work of rural uplift in the Trichinopoly district, Mr. Sivaswamy, assisted by an earnest friend, Mr. N. S. Sivasubrahmanyam, has been devoting special attention to the betterment of the depressed classes who in Tamil districts are known as Adi-Dravidas. He continued to organise co-operative societies for their benefit on the basis of thrift. Those who lost their houses in the floods of last year were helped and persuaded to go in for a better type of house. Two special features of the year under report were the starting of special schools for the Adi-Dravidas and the organisation of Youth Leagues. The temperance work, to which reference has already been made, has created in the Adi-Dravidas a desire for a better life. They are therefore getting keen for schools and in several places have provided suitable huts for schools by contribution of money and labour. After running steadily for some time they get recognised and obtain a grant from the Labour Department. Thirteen schools have been started, of which six have been recognised. The Youth Leagues also are an outcome of the temperance propaganda. As many as 24 of them have been organised for helping in the propaganda. The Leagues meet twice a month for Bhajan and training in singing. Most of them conduct reading classes at night for the self-improvement of their members and teach reading and writing to illiterate young men. For the benefit of the read-

ing classes a weekly lesson, printed or typewritten, in Tamil is drawn up and supplied to the Leagues by Messrs. Sivaswamy and Sivasubrahmanyam. Several of the Leagues have the laudable ambition to improve their knowledge so as to fit them for admission into a training school for teachers.

In the flood relief work in the Madras City and Coimbatore District, in which Messrs. Venkatasubaiya and Venkataraman were engaged and to which reference is made elsewhere, the beneficiaries were mostly people of the depressed classes. They also received due attention from Mr. L. N. Sahu in his rural uplift work in Orissa. The elevation of depressed classes being one of the main items in the programme of the Society, it may be claimed that no member misses a chance of helping them when it occurs.

CO-OPERATION AND RURAL UPLIFT

The uplift of the rural classes, especially through co-operative societies and village panchayats, continued to occupy the earnest attention of several members of the Society in the year under report.

Mr. Devadhar, the President of the Society, whose past services to the cause of co-operation in Bombay are too well known to need recapitulation, and who has had to curtail his activities in that direction in recent years owing to the growing demands on his time by the activities of the Seva Sadan, however, continued his connection with the Provincial Co-operative Bank as a Director and with the Co-operative Institute as an Honorary Fellow. The Indian Central Banking Enquiry Committee, of which he was a member throughout the year under report, representing co-operative interests, claimed a good deal of his time. He was also a member of the Advisory Board of the Imperial Council of Agricultural Research and Chairman of the Deccan Agricultural Association of Poona. The latter Association is conducting, as mentioned in the previous report, a village uplift centre at Khed Shivapur, 18 miles from Poona. Its detailed management is attended to by Mr. Devadhar, assisted by Mr. Sharangpani. Various agricultural improvements recommended by the Agricultural Department such as the use of improved ploughs, of chemical manures, of selected seed, etc. are popularised; sanitary improvement including water supply is attended to; adult education classes for women are conducted; and a lady doctor from the Seva Sadan visits the centre every week to advise and help the womanfolk. Health propaganda in the surrounding villages with the aid of a cinema was also made in the year under report. Mr. Thakkar's intimate connection with the co-operative societies of Bhils and Bhangis has already been mentioned. Mr. Patvardhan continued to be connected with the Poona District Co-operative Institute.

Mr. L. N. Sahu who works in Orissa, was intimately connected with the higher co-operative organisations of that province. As a director of the Cuttack Co-operative Central Bank he was in special charge of a group of 12 societies and was also Secretary of the Development Section of the Bank. He was a member of the Committee appointed to enquire into the working of the Development Section of the Bihar and Orissa Co-operative Congress. He was a delegate to the All-India Provincial Co-operative Institutes Conference which was held at Hyderabad in April last. The rural uplift centre started by him at Chowdwar worked satisfactorily in the year. This centre maintains a free primary school, a weaving school, a free dispensary and a reading room. The rearing of eri-silk worm is taught; papers and books are read out, and meetings, often with magic lantern shows, are held in the evenings for the benefit of the illiterates. One of the most valuable features of the centre is its leprosy clinic where weekly injections

are given free to about 80 patients. Leprosy being very widely prevalent in Orissa, Mr. Sahu has made a special study of it and has undergone training in its treatment. He has started an Anti-Leprosy League at Cuttack and a clinic attached to the Ayurvedic Vidyasala where students are trained in leprosy treatment and free injections are given twice a week to about 80 patients. He has also been spreading correct knowledge about the disease by means of articles, lectures and leaflets. Two branches of the Chowdwar centre were started, during the year, one at Muahat for the special benefit of the depressed classes and the other at Sankchila. In both these places weaving and eri-silk worm rearing are taught. In addition a school has been started in the former and a co-operative society in the latter.

Co-operative and rural uplift work continued to be the main activity of the members of the Madras Branch. Mr. Venkatasubbaiya continued to be the Managing Director of the Triplicane Stores, the biggest consumers' co-operative organisation in India, till February 1931 and gave a good deal of his time for its administration. Thereafter he has been continuing as a Director and attending to the educational work of the Society. He continued to be a Joint Secretary of the Provincial Co-operative Union and to attend to the work of its office. As in the previous year, he toured frequently for general co-operative propaganda and for visiting the rural reconstruction centres which are started in eight districts by the higher co-operative institutions of the province. He kept himself in touch with the workers of these centres and advised and guided them. He was also Vice-President of the Mylapore Building Society in Madras. He attended the All-India Provincial Co-operative Institutes' Conference at Hyderabad as a representative of the Madras Provincial Co-operative Union.

Mr. Suryanarayana Rau divides his time between Mangalore, where he looks after the Depressed Classes Mission, as already mentioned, and Calicut where he looks after the activities of the Devadhar Malabar Reconstruction Trust, started out of the balance of funds collected for relief at the time of the Moplah rebellion. The Trust is conducting two efficient middle schools. To both of them are attached agricultural farms; one has in addition a well-equipped weaving department while the other has attached to it a colony of the depressed classes and a free boarding house for the children of depressed classes. There are also two co-operative societies for weavers to whom yarn is supplied and whose products are sold by the Trust, a certain portion of the members' earnings being kept back as compulsory savings. An important activity inaugurated by the Trust in the year under report is the starting of six adult education centres, at each of which a specially trained, educated and competent teacher is stationed to give instruction to adults at night and to be the general friend and guide of the villagers at all times. They promote abstinence from drink, help co-operative societies, induce patients to go to hospitals, advise the adoption of agricultural improvements, etc. and promote amity between the different castes of Hindus and between the Hindus and Muhammadan Moplahs.

Mr. Sivaswamy continued his intensive rural uplift work in the Trichinopoly district by means of co-operative societies, village panchayats, temperance propaganda and special attention to the Adi-Dravidas. Reference has already been made in some detail to the latter items. He continued to inculcate the habit of thrift among the poor people of the unirrigated area by organising and guiding the co-operative societies on a thrift basis. A beginning has also been made in the joint purchase of requirements and of joint sale of produce through the Kulitalai Loan

and Sale Society. He is negotiating with the Madras Christian Central Bank for its opening a small branch in his area with a view completely to finance the members of the Adi-Dravida Societies of that area. He was in addition the honorary executive officer of the Tamil Nadu Co-operative Federation and in that capacity visited a number of union centres for propaganda, attended district co-operative conferences, supervised the publication of the journal of co-operation in Tamil and arranged for the publication of several books on co-operation and rural economics.

As Honorary Organiser of Panchayats for his area, Mr. Sivaswamy attended to their routine work in the matter of elections and correspondence with the authorities. He organised during the last year 14 new panchayats. Of these, however, only three could be registered and started owing to certain unforeseen difficulties created by the amendment of the Local Boards Act last year, by which amendment village panchayats have ceased to be governed by a separate Act. These and other panchayats in the area are concentrating at present on digging wells for the supply of protected water (the area being very much affected by guinea-worm) and on providing buildings for schools. For both these purposes they get half-grants from the Government, the other half being made up partly by the money and partly by the labour contribution of the people. In the year under report six school buildings were completed and 17 wells were under construction. Also a road six miles long was under construction. Mr. Sivaswamy was also a member of the Rural Reconstruction sub-committees of the Trichinopoly District Board and of the Lalgudi Taluk Board.

The supervision of village panchayats in Nagpur district was the main activity of Mr. Shahane in the C. P. Branch. He was nominated as a member of the District Council which placed the village panchayats in his charge. He was a member of important sub-committees of the District Council. He has been recently elected Secretary of the Grama Swarajya Sangh (Local Self-Government Bureau) which he is trying to get registered.

BOOKS RECEIVED.

- UNEMPLOYMENT: A PRACTICAL PROGRAM. By HENRY RAYMOND MUSSEY. (League for Independent Political Action, New York City.) 1930. 20cm. 12p. 10 cents.
- BRITISH BANKS AND AGRICULTURE. By S. EVELYN THOMAS. (London General Press.) 1930. 21cm. 47p. 2/6.
- HISTORY OF ORISSA. Vol. 1. By R. D. BANERJI. (R. Chatterjee, Calcutta.) 1930. 26cm. 351p. Rs. 20.
- THE PROVISION OF CREDIT WITH SPECIAL REFERENCE TO AGRICULTURE. By H. BELSHAW. WITH TWO CHAPTERS UPON THE PROVISION OF RURAL CREDIT IN ENGLAND. By R. R. ENFIELD (W. Haffer, Cambridge, England.) 1931. 22cm. 326p. 10/6.
- ASIA'S TEEMING MILLIONS: AND ITS PROBLEMS FOR THE WEST. By ETIENNE DENNERY. (Cape, London.) 1931. 21cm. 243p. 10/6.
- RED BREAD. By MAURICE HINDUS. (Cape, London.) 1931. 21cm. 348p. 12/6.
- THREE WISE MEN OF THE EAST AND OTHER LECTURES. By ARTHUR J. TODD. (University of Minnesota Press.) 1927. 20cm. 240p. \$2.50.
- THE SOVIET PLANNED ECONOMIC ORDER. By WILLIAM HENRY CHAMBERLAIN. (World Peace Foundation, Boston.) 1931. 20cm. 258p. \$2.50.
- INDIA IN CRISIS. By ARTHUR DUNCAN. (Putnam, London.) 1931. 20cm. 271p. 5/-.
- FASCISM IN ITALY. By BOLTON KING. (Williams & Norgate, London.) 1931. 20cm. 100p. 3/-.

GOVERNMENT OF INDIA

SIX-AND-A-HALF PER CENT.

TREASURY BONDS, 1935.

Repayable at par on the 15th September 1935.

May be purchased on and from the 15th September 1931 and until further notice at the Imperial Bank of India, Treasuries and at Post Offices.

Interest will be exempt from income-tax if Bonds are purchased through the Post Office and left in the custody of the Accountant General, Posts and Telegraphs.

The purchase price of a Treasury Bond for Rs. 100 purchased on any date from the 15th September 1931 to the 19th September 1931 is Rs. 100. Thereafter the price increases by 2 annas per cent. weekly. Each increase in the purchase price represents the amount of interest which accrues weekly on the Bond. The Bonds bear interest from the 15th September 1931. The purchaser gets a full half-year's interest on the 15th March 1932 irrespective of the date of purchase.

6 per cent. Bonds, 1931, will be accepted at their full maturity value in payment of the purchase price of 6½ per cent. Treasury Bonds, 1935.

Treasury Bills which have matured will be accepted at their maturity value in payment of the purchase price.

Brokerage will be paid at the rate of 1/16 per cent. to recognised bankers and brokers in respect of applications bearing their stamp.

For further particulars, see Government of India, Finance Department, Notification No. F. 3 (14)-F/31 dated the 1st September 1931, or apply to any Local Head Office or Branch of the Imperial Bank of India, or the office of the Controller of the Currency, Calcutta, Deputy Controller of the Currency, Bombay, and the Accountants General, Madras and Burma, or at any Government Treasury or Post Office.