

# The Servant of India

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## Topics of the Week.

### Very Irish.

The King is at war with himself! The King, on the advice of his Ministers in England, passed the Irish Emergency Duties Bill and the King, on the advice of his Ministers in Ireland, will sign the Emergency Bill approving thereby of an economic war between England and Ireland. If it was not so tragic, it would be comic. Having proclaimed economic war against each other and while Ireland is seeking foreign markets for her produce, both England and Ireland are attending the Imperial Economic Conference in Ottawa to discuss, among others, imperial preference.!

The tariff war between England and the Irish Free State is most unfortunate and not likely to serve the purpose in view. According to the statistics published by the League of Nations, the Irish exports to England amounted in 1930 to £41,794,000, while the Irish imports from England amounted to £41,794,000. England offers nearly as large a target as the Irish Free State does for tariff broadsides. If the trade between the two countries survives the war, Ireland will collect from the English people nearly as much as England will collect from the Irish; if it collapses, England will not be able to collect enough money to cover the Irish annuities account. Other countries will benefit at the expense of the tariff combatants. In 1930 Irish imports from England formed 80 per cent. of the total Irish imports, and exports to England formed 91.4 per cent. of the total Irish exports, whereas from the British point of view, imports from the Irish Free State formed only 4.4 per cent. of the total British imports and exports to the Free State only 6 per cent. of the total British exports. The loss of English trade will mean a heavier blow to Ireland than the loss of Irish trade to England. All

things considered, the Anglo-Irish tariff war is suicidal and does nobody any good.

The dispute as regards the personnel of the arbitral commission is also very unfortunate. The British insistence that it should be confined to the British Empire was, considering the sentiments of Mr. De Valera towards the Empire, most unwise. After all, both England and the Free State are members of the League of Nations and have a status outside and independent of the British Commonwealth, and it would not have been improper if the arbitrators were, some of them, of non-Empire origin. The theory that membership of the British Commonwealth in some way takes away the rights which membership of the League of Nations gives nations, seems to be based more on sentiment than on any constitutional or international law or convention. It is a good sentiment that those who are members of the Commonwealth should not take their disputes to others, but should settle them themselves, even as it is good that domestic disputes should not be taken to the law courts. But it is quite a different thing if an aggrieved member of the Commonwealth is precluded from seeking outside arbitration, particularly of the larger body of the League of Nations, of which it is a member as well.

On the other hand, it is a pity that Mr. De Valera totally lacks this sentiment. His whole procedure in the controversy has been more provocative of conflict than calculated to produce the results he desires. It almost seems that Mr. De Valera will be disappointed if he got what he wanted peacefully. He cannot be happy without a grievance. So Irish!

### The Revolt in the Punjab.

THE rumour has gone forth that the Government of India, by a majority, have recommended that the Muslims in the Punjab should be given a statutory majority on a communal electoral roll. It has called forth vigorous protests from the Sikh and Hindu communities, which cannot be easily ignored. The decisions of the Sikh Panthic gathering which is to meet in Lahore at the Samadh of Maharaja Ranjit Singh on the 24th inst. will be awaited with some anxiety. The temper of the Sikh community is revealed in the statement issued by Sirdar Tara Singh and the joint representation made by Sirdar Bahadur Sir Sunder Singh Majithia, Sirdar Bahadur Raghbir Singh Sandhanawalia, Sirdar Sir Jogendra Singh (Minister of Agriculture in the Punjab Government), Raja Sir Dalit Singh, K.C.I.E., and Sirdar Sohan Singh, M.L.A. Sirdar Tara Singh characterises the Muslim desire for communal domination as immoral and for other communities to submit to it was equally immoral and he fears that it may lead to anarchy.

The signatories to the joint representation are men of great influence in the Punjab, and they do not mince words. "It is an irony of fate that

those whom the Sikhs conquered should now rule Central Punjab by means of an award given by the British Government in whose service we have shed our best blood. \* \* We faced the might of the Mogul Empire with no other purpose but to prevent communal *raj* and today, again, if we are called upon to do so, we shall consider no sacrifice too great to defend our honour, hearth and home. So God help us." They proceed, "The effects of separate electorates and communal preference have already undermined the British tradition of administration and their perpetuation will have disintegrating effects which may turn provincial autonomy into a battle-field of communities and ruin the achievements of British administration of nearly a century to give India a non-communal government and to make the sovereignty of law supreme." Whatever one may think of the historical argument, there is no mistaking the temper of the Sikhs, nor the justice of their concluding remarks on British administration.

It will be noticed however that, while resolutely protesting against Muslim *raj* in the Punjab, the Sikhs demand weightage on a par with that given to the Muslims in other provinces and, surprisingly enough, seek to justify their claim by appealing to Queen Victoria's Proclamation promising equality of treatment to all people of India. The principle of weightage is itself a negation of equality; it is a privilege. They would have done well if they had opposed not only statutory communal majority, but also weightage and communal electorates and stood for common electorates. The Hindu Sabha made the same mistake in demanding weightage for the Hindu community in the Punjab. The best course for all would be to demand common electorates and no weightage. And that is the course that the British Government will be well-advised to adopt. Political parties being what they are in the Punjab, no communal award will be acceptable to all communities. Under the circumstances, it will be far wiser to do the right thing from the point of view of democratic future of the country and, even at the risk of displeasing the Muslims for a time, to undo the mischief of separate electorates.

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#### Joint Electorates for Bengal.

THE communal claims in Bengal are not less tractable. Hindus and Muslims have been vieing with each other in holding conferences and passing resolutions confirming their particular positions. This most unhealthy state of communal feeling will last till the communal award is given by His Majesty's Government. It is significant that in Bengal a section of the Muslim community has a common platform with the Hindu community. The Bengal Presidency Muslim League recently demanded joint electorates without reservation of seats for any community. In the acceptance of this joint demand of Hindus and an influential section of the Muslims represented by the League lies the salvation of Bengal. It is not only an agreed solution, but, what is more important, it is the right solution.

\* \* \*

#### Trade Union Unity.

AFTER prolonged discussions, the Trade Union Unity Conference, which was held in Madras last week, adopted a resolution to form the basis of the re-union of the All-India Trade Union Congress and the All-India Trade Union Federation, and now for the first time, of the All-India Railwaymen's Union. It will be recalled that at the Nagpur session of the Trade Union Congress there was a split in its ranks and as a result, the Trade Union Federation was formed.

Since then earnest labour leaders realised that the split was unfortunate and inimical to the best interests of labour in India and made persistent efforts to bring about re-union between the two rival bodies, and if possible, to rope in the Railwaymen's Federation also, which had hitherto followed its own isolated existence. The difference between the Federation and the Congress were fundamental, though at the time of the split there were other temporary causes which precipitated the crisis. The Congress stood for Communistic principles or something not far different from them, while the Federation held to the ideal of socialism. While the former emphasised the class struggle aspect of trade unions, the latter relied more on cooperation between capital and labour, wherever it was possible. The two labour schools corresponded to the two political schools then prevailing in the country; the former had strong affinities with the Indian National Congress and its policy of non-cooperation and direct action, while the latter was more in line with the Liberal Federation, believing in cooperation, wherever possible, and in constitutional action. The basis of re-union adopted in Madras is a compromise between the two schools. Communistic principles were wisely eschewed, but the principle that trade unions were primarily organs of class struggle was retained. This was unfortunate, but there is no need in the present development of the trade union movement in India to attach much importance to the theoretical enunciation of Trade Union ideals. Mr. Abdul Gani, from the Punjab, was wise when he said that the Conference should not be carried away by the ideals of the movement, but must find out practical ways of improving the conditions of the working classes. The compromise may, therefore, be accepted. Perhaps the more important part of the compromise was the resolution that the methods of achieving the objects of the labour movement shall be peaceful, legitimate and democratic.

\* \* \*

#### Registered in India.

THE right of India under the Reforms to discriminate, in the interest of Indian industrial and commercial development, against non-nationals of India and against Britishers, who, while not being the nationals of India, are still the subjects of the common Crown and who claim a privileged position in India, was the subject of prolonged and acute discussion and negotiation both at the first and second sessions of the Round Table Conference. The formula ultimately agreed on was embodied in paragraph 18 of the Fourth Report of the Federal Structure Sub-Committee, over which, it will be recalled, the Lord Chancellor, Lord Sankey, presided with such distinction. It laid down that no subject of the Crown ordinarily resident or carrying on business in India should be discriminated against. Lest the word "subject" should be understood to mean only individuals, the Report expressly said that it included "firms, companies and corporations carrying on business within the area of the Federation." But did it intend that the exemption from discrimination should be confined to companies registered in India and carrying on business in India or be extended to companies which are not registered in India but are carrying on business in India? In order to elucidate the intention of the paragraph, Sir Purshotamdas put a leading question to Lord Sankey when the matter came up before the Round Table Conference at its Plenary Session. The Lord Chancellor acknowledged that Sir Purshotamdas had given notice of the question, and replied that the intention of the paragraph was that the exemption should be confined to companies registered in India, and added that he thought that it would solve the question. The Lord Chancellor

lor has since reconsidered his explanation; in fact, he has gone back on it, and informed Sir Purshotamdas of it. He means now that the exemption from discrimination should apply to all firms carrying on business in India, whether registered in India or not.

The formula regarding commercial discrimination embodied in the Report along with the explanation added at the instance of Sir Purshotamdas was itself, as we said above, the result of a prolonged and acute controversy and compromise. The reply of the Lord Chancellor was not an *impromptu* explanation offered to a question sprung on him; it was his considered answer to a question of which he had received previous notice, and it was accepted by everybody present, including the representatives of British trade in India. It is rather too late in the day now for the Lord Chancellor to discover that he did not mean what he had said; it is evident that he has gone back on an agreed settlement of a most vexed question. The only explanation is that Lord Sankey has surrendered to Sir Samuel Hoare. Now that Sir Samuel Hoare has scrapped the Round Table Conference, he has begun to scrap all such agreements as were reached thereat.

\* \* \*

Slim.

AMONG the R.T.C. delegates who have stood aloof from the policy of non-co-operation the most prominent are the representatives of Indian commerce, Sir Purshotamdas Thakordas and Mr. G. D. Birla. They have not blessed the change in procedure; on the contrary they have condemned it as vehemently as others. But the manifesto issued by the delegates commits them to non-co-operation in the future stages of constitution-making, and because of this these two delegates have refused to sign it. In the statements issued by them they pretend as if they never cared for the R.T.C. and its works—since Mahatma Gandhi dropped out of it. As shrewd businessmen they no doubt calculate that the invocation of the Mahatma's name and the apparent homage they pay to his policy may be made to serve as a cloak to hide from the public their own unwillingness to be involved in non-co-operation. "I never thought," says Mr. Birla, "that the Consultative Committee and other Committees in which Gandhiji could not take part will be of the slightest use. Liberals have discovered it only now, and therefore feel surprised and disappointed. To me there is neither surprise nor disappointment." This makes quite a brave show. Only their antecedents make the commercial representatives a little suspect. For it is known that Sir Purshotamdas declined to accept membership of the Consultative Committee not because Mahatma Gandhi was not included in it, but because an intrigue in his constituency balked him of the prize. Nor is it known that Mr. Birla was wholly disdainful of a seat on the Consultative Committee. Anyhow it is very significant that the violent condemnation of the new procedure by these commercial magnates does not include support of the policy of non-co-operation.

\* \* \*

Thank the Merchants for this.

THERE is grave reason to suspect that the decision of the Secretary of State to settle the question of commercial and financial safeguards after consultation with traders, bankers and industrialists and over the head of R.T.C. or its committees had its origin in the suggestion of our merchant princes. The Federation of Indian Chambers of Commerce passed a resolution on 27th March asking that "the questions connected with trading rights, financial safeguards, etc. be referred to a Committee composed of an equal number of British and Indian experts,

the latter to be such men as command the confidence of this Federation." Taking this cue, Sir Samuel Hoare said in the Commons that, in the view of many Indians, "the discussions of financial safeguards in the nature of things would take place much better informally and confidentially between individuals, as financial and commercial safeguards are mainly questions for traders, businessmen and financiers. It seemed to us that by this means we might be better able to bring individual Indians into direct touch with the people who, in many cases, really matter much more than politicians." This reactionary part of the scheme the country seems to owe entirely to the merchants who always pose as much too radical to suit the tame Liberals.

## Articles.

### CONGRESS HELP IN RESTORATION OF PEACE.

IT is but natural that Congressmen see in the refusal on the part of Liberals and Nationalists to take further part in the discussions on reforms as a protest against the virtual abandonment of the Conference method a possibility of greater approximation between themselves and others. The Acting Dictator of the Congress, Dr. Kichlew, has in consultation with Pandit Malaviya, issued a statement in which he appeals to these new recruits to the policy of non-co-operation not only to persevere in their abstention but to carry on a vigorous campaign, even if in their own approved ways, so as to secure early withdrawal of the Ordinances and other repressive measures. It is reported that Sir Tej Bahadur Sapru, who has taken such a prominent part in initiating non-Congress non-co-operation, was approached in particular with a suggestion to lead the country in taking a stand against the continuance of Ordinances. We do not know what kind of response Dr. Kichlew and Pandit Malaviya met with at his hands, but we can well guess what it would be like.

Sir Tej Bahadur Sapru surely needs no persuasion as to the expediency of Government surrendering all special powers. He has already urged this course upon Government. Nor do Liberals stand in need of pressure in that respect. They have, if possible, even more directly and unequivocally emphasised the need of an end being put to repression if the constitution to be framed is to win general acceptance. They have done so in the belief that, after six months of continuous and hard fighting between Government and Congressmen, in which neither party gave quarter to the other, both would feel exhausted, and cast about for another and less destructive method of pursuing, if not reconciling, their quarrels. It is not of course to be supposed for a moment that the physical strength of either disputant has been or will soon be exhausted. In fact it is almost illimitable on both sides. The Congress has obviously inexhaustible reserves of man power to draw upon. The more its leaders are put out of action and its activities brought under check, the greater incentive will it afford to people who might otherwise be rather cool towards the Congress to step into the breach as it were and carry

on the fight. In a country as wide as India there will never be wanting men and women who, whatever their own political views may be, will be goaded into action in support of the Congress by the very appearance of demoralisation in the Congress ranks. There will therefore be always an unending stream of Congress recruits coming forward to carry on picketing, issue unauthorised bulletins or break the Government's orders in one respect or another. In justifying the renewal of Ordinances Sir Samuel Hoare argued that the Congress movement had been controlled, but not completely stopped. He will never be in a position to make a more reassuring announcement. He can never say that there is no one left in India at present who will venture to take part in civil disobedience. Large masses of people would ever be ready, even in spite, possibly, of their own internal opposition to civil disobedience, to plunge themselves into the movement just to prevent the Secretary of State from making a statement so humiliating to the national leaders.

If Congress strength is thus nearly inexhaustible, so is, we are convinced, Government's strength. The utmost that the Congress can at any time expect to achieve is that its country-wide activities will greatly harass Government. In this it has undoubtedly succeeded; but its success from the very nature of things cannot extend further. It will never be able so to deplete Government's strength that it will at any time lack police or military forces to put down outward manifestations of the Congress movement. This is equally obvious. On the basis of physical strength, therefore, there is no reason why the present struggle should ever be terminated if it is to be continued on either side as long as it can possibly be continued. But without the ability to carry on the struggle being exhausted, it is surely likely that the will to do so will disappear—on the part of both parties to the controversy. Liberals believe that the experience of the last six months has produced something like this state of things. Government and Congress, in spite of the bold exterior which they feel it incumbent to wear in public, would be willing to recall their warlike measures and get on once again to the plane of friendly conversations. In doing so neither party need confess defeat. In fact neither has been completely defeated; each has succeeded in a measure. If therefore civil disobedience on one side and repression on the other is to be laid aside, it can be done without loss of prestige for either party. Sir Samuel Hoare no doubt says (and the Congress too would repeat it) that he would not like to have the fight end in a draw, but to see his adversary utterly vanquished. If the struggle comes to be suspended it would emphatically be in the nature of a drawn game, neither being entitled to claim victory.

Is the belief of the Liberals justified that both Government and Congress have tired of war and would welcome peace if it came in a way so as not to compromise their position in any respect? The Liberals at any rate would have no ground to go upon if such were not the case. In asking Government to

revoke the Ordinances and set at liberty those who are in gaol on account of their acts of civil disobedience, they hope, on the one hand, that Government will not, in spite of Sir Samuel Hoare's utterance to the contrary, insist upon the surrender of the Congress, and, on the other, that the Congress upon a general release of its politicians will not restart illegal activities but seek other means of redressing their grievances. At the present moment neither of these hopes cherished by the Liberals appears to be near realisation, so far as outward appearances go, but the Liberals go on with their efforts to bring about a cessation of hostilities in the firm belief that a complete defeat of either party being out of the question, the stage of negotiations has at one time or other to be entered upon; and that it may as well be entered upon now as later. Since, however, it has become clear that Congressmen are not disposed to spurn but rather to welcome such help as the Liberals can give in inducing Government to sheathe its sword they have a right to expect that Congress on its part will do likewise. Dr. Kichlew's suggestion presumably implies as much; but a firmer indication that Congress will in its turn reciprocate a desire for peace that may be shown by Government will afford valuable help to those who will be in a position to use their good offices in the interests of the peaceful political development of the country. We should not have dared to make such a plea had not Congress itself desired Liberals to move in the matter. It is obvious that where neither Government nor Congress shows by its outward acts a willingness to move away from a war psychosis the difficulties across the path of the peacemaker are tremendous. If, on the other hand, he knows that one of them at least would not mind owning that it is tired of war, there would be some *terra firma* on which he can take his stand and from which he can commence his operations. From what we have said above it is obvious that there can be no indignity or humiliation in either party giving such an indication, for the cessation of war, if happily it comes about, will not imply even remotely infliction of a defeat on those who make the opening bid for peace. On the contrary, in the estimation of all right-minded persons, it will reflect credit and glory. In any case it needs no saying that if civil disobedience is not to be called off even after repression is ended, Liberals who ask for a change in the Ordinance regime will be deprived of all justification for their demand. There are many chauvinists in the Government who would like to see Liberals rendered powerless to make their demand effective by reason of Congress taking up an impossible position. It behoves the Acting Congress Dictator therefore to confound such wicked designs of these enemies of the country's progress.

#### RESTORE R. T. C. METHOD.

SIR SAMUEL HOARE'S second attempt to put a gloss upon what is virtually a jettisoning of R.T.C. method has proved even more unsuccessful than the first. He seems to think that to go on as before with meetings of the whole Conference

or even of its Federal Structure Committee necessarily leads to dealing with Indian reforms in two stages, the first stage of provincial autonomy on which opinion is unanimous coming soon enough, but the second one of federation on which opinion is widely divided being held up indefinitely. "We can," he says in effect, "indulge in interminable discussions in big meetings if we are in no particular hurry to take decisions on various matters connected with federation, on which R.T.C. delegates take diverse views. But if federal questions are to be dealt with simultaneously with provincial questions, as Indian opinion insists, then it is obvious that either both questions will have to be put off or that the discussions of federal questions will somehow have to be curtailed. Opinion in India will not brook delay, and therefore there is nothing for it but to cut short future discussions. This is all that is proposed by Government, and there is no ulterior motive save to expedite matters." But various alternative suggestions have been put forward by Indians which will ensure speed and at the same time preserve the R.T.C. method intact. If it is merely a question of a choice between any of these methods and the method now decided upon, is there any doubt as to what the choice of any statesman will be, when he knows that he would lose Indian co-operation with the latter and retain it with the former? Sir Samuel Hoare however deliberately chooses the latter, and in doing so shows distinctly that he does not care overmuch for the co-operation of Indians in framing the constitution.

He also says that the ultimate sovereignty of Parliament must be respected. As if anybody ever questioned it! When Lord Irwin and Mr. Wedgwood Benn hit upon the R.T.C. plan they did not mean to override Parliament's supremacy; and when Indians now insist on the restoration of that plan they do not wish to override it either. All they want is that Government shall base its own proposals to Parliament on the agreements reached at the Conference. Parliament itself will be under no obligation to pass the proposals as placed before it. It will have unfettered freedom to alter or even reject them. Only if they fail to pass, it will entail upon Government the consequences which defeat of its proposals usually does. Government must regard this as a vote of censure upon itself and quit office. The British Government when it proposed the R.T.C. accepted this position. But anyhow the supremacy of Parliament was not in question then and is not in question now. This is thus an entirely irrelevant issue which Sir Samuel Hoare has raised. And the raising of it will not help him in justifying the abandonment of the method. To many Indians the one feature of the new plan that seemed somewhat satisfactory was that of the "more formal consultations" that might be held in London in the event of the Consultative Committee not reaching agreed conclusions. It was felt that if Sir S. Hoare was minded to do so he could extend the scope of these consultations in such a way as to restore the Federal Structure Committee under an alias. And as Indians were not worrying at all about

names but only about the substance they saw in this feature of the new plan a possible means of meeting their wishes. But, curiously enough, this feature was not as much as referred to by Sir Samuel in his recent explanation. It is thus clear that there is not much justification for building any hopes on this part of the scheme. It will not be used by the British Government for the purpose of satisfying the to Indian demand.

It is not therefore surprising that none of the non-co-operating R.T.C. delegates sees any reason to modify his policy of severe abstention. Sir S. Hoare himself does not feel much concern at the breakaway of Sir Tej Bahadur Sapru and Messrs. Jayakar and Joshi from the Consultative Committee or of other delegates from the policy of the new plan. He is confident on the other hand that he will get others to take their places, and, what is more, that public opinion will support them. The first expectation will be fulfilled easily enough, but the second is certain to be disappointed. Communal feeling will no doubt give its backing to the Consultative Committee and other Committees, but the general sentiment in the country will, we are sure, range itself definitely against them. Unless however special steps are taken to demonstrate this, it will always be open to the bureaucracy to claim that the people are with the Committees instead of against them. The unpopularity of the Simon Commission could be proved by the fewness of the witnesses that appeared before it and the hostile popular demonstrations that marked its proceedings. But the Consultative Committee carries on its work *in camera* and takes no evidence. The means that were available at that time of demonstrating public resentment are not open now. In view of this it would be well if some way is devised whereby we could weigh as well as measure public opinion which expresses itself against the new plan and set it against that which expresses itself in favour.

Lord Irwin, whose admission into the Cabinet will be hailed in all political circles in this country as an event fraught with immense possibilities for good, assures us that the change in the scheme of procedure does not bespeak a change in spirit. We shall accept this statement unreservedly, in so far as Lord Irwin is concerned, but it is difficult to believe it of those who have made an attempt before to shut down the R.T.C. and ring down the curtain on reforms. But we shall put this to Lord Irwin: if it be intended that the constitution bill will eventually be made to embody the agreed conclusions arrived at in conferences in which Indians will occupy the same status as Englishmen, why insist upon retaining that procedure which at any rate is so full of alarm to Indians? Cannot the procedure be so modified as to make for speed and at the same time to retain, as the Welfare of India League's resolution so well puts it, the two principles of Equality in negotiation and Agreements being made the basis of the bill? Supposing that Sir Samuel Hoare's schemes secures these objects better than any of the alternative plans suggested by Indians, will it be to the advantage of England, not speak of the advantage to

India, if a better scheme which however involves the consequence of non-participation by prominent Indians is preferred to a worse scheme in which these Indians take their full share? We may go further. If the schemes proposed by Indians will necessarily interpose delay, why should not Sir Samuel Hoare even then accept them, for such delay

as occurs will in that case of the Indians' own making. He will then have a very good excuse to blame everything that goes amiss on them. Lord Irwin will surely admit that it is far more important for Government to carry public opinion with them than to avoid causing a little delay, especially if the delay is caused by the Indians' own wrong-headedness.

## LOTHIAN COMMITTEE REPORT.

By SIR P. S. SIVASWAMY AIYER.

THE problems which the Indian Franchise Committee were called upon to investigate were probably more fundamental to the constitution of a responsible government than those with which the Federal Finance Committee and the Indian States Committee had to deal. They involved issues of the deepest interest to many communities and sections of the people whose points of view are often divergent and not easily reconcilable with the ideal requirements of a united nationality. The task of reconciling these conflicting views and interests was one of exceptional difficulty. The Lothian Committee deserve high praise not merely for the celerity with which they completed their labours, but also upon the amount of agreement they have been able to secure from their members in their conclusions. The dissenting minute of Messrs. Tambe, Chintamani and Bakhale no doubt discloses differences upon a number of important points, but they cannot be regarded as affecting the soundness of the Committee's conclusions on the most vital questions dealt with by the Committee. Apart from the criticism which has been offered from sectional standpoints, the report has been criticised by radical as well as conservative politicians in England and in India. Theoretical perfection is not generally attainable in the world of practical politics. That the recommendations of the Committee are the result of a compromise of conflicting considerations is not a demerit, provided they do not create obstacles to the development of a healthy nationality.

We may now examine the main recommendations of the Committee and see whether they are open to objection on the ground that they have neglected to provide for the representation of important sections or interests or have made a sacrifice of vital principles to temporary expediency. The necessity for the expansion of the electorate so as to make the legislature an adequately representative body for the superstructure of responsible government has been recognised on all hands. It was held by the sub-committee of the Round Table Conference that while adult franchise is the ultimate goal of representative government, it is only practicable to reach that goal by stages. The arguments in favour of and against adult franchise have been examined and set forth by the Committee and the reasons they have given for their conclusion that adult franchise is not now practicable are convincing. It is interesting to observe the changes which public opinion has generally undergone in the West and in India in regard to the

basis of the political franchise. At one time it used to be considered that some proprietary interest which would be affected by legislation was essential to give a claim to representation and that some measure of education was also necessary as a test of fitness for the exercise of the franchise and for the discharge of the duties which a system of representative, not to speak of responsible, government imposes upon the elector. Every demand for extension of the franchise had to be justified by proof of some proprietary interest or stake or of capacity for forming and expressing an opinion upon measures of legislation or administration likely to come before the legislature. While a sense of responsibility in the voter is still regarded as desirable and necessary, the considerations to which we have referred as tests of a feeling of responsibility have gradually receded into the background and the franchise has come to be regarded as something in the nature of a natural right of every citizen and the onus is being shifted to those who oppose the extension of the suffrage to every adult citizen. It cannot, however, be said that the existence of some pecuniary or proprietary interest and an educational or literary qualification have become irrelevant factors in the decision of the question. It is now considered not without force that the possession of the franchise will itself be an instrument of political education, that the resources of modern scientific invention furnish facilities for political education and that the growth of political and party organizations will soon help to break down the impediment of illiteracy. In view of the administrative and other difficulties pointed out by the majority of the Committee, their proposals for the extension of the franchise have gone as far as possible to meet all reasonable demands and secure as broad a basis as is now practicable for an extended system of representation. The effect of their recommendations upon the electorate for the provincial legislative council is shown to be that the present electorate of 7,000,000 in round numbers will be increased to 36,000,000 and the percentage of the proposed electorate to the adult population will be 27.06. The proportion of the new electorate to the adult male population is raised from 10% to 43% and the proportion of female electors to the adult female population is raised to 10.5%. Under the Committee's proposals the male electorate in the provinces will be increased  $4\frac{1}{2}$  times and the female electorate 21 times. The electorate for the federal legislature is proposed to be increased 7 times the existing electorate of 1,140,000.

It cannot be reasonably urged that the increase in the electorate proposed by the Committee does not make a very long stride from the present position.

The three dissentient members of the Committee hold that the administrative difficulties have been over-emphasised by the majority and that the experiment of adult suffrage should be introduced in all cities which have a population of 1,00,000 or more, or at least in the capital cities of all the major provinces. The feasibility of adult franchise in the larger cities may well admit of a difference of opinion, but the administrative difficulties are not the sole reasons for a restricted suffrage and it would be invidious to make a distinction between the rural and the urban population and to confer upon the urban resident a right or privilege which is not extended to his rural brother. The argument that the extension of the franchise is a measure of justice is based too largely upon the conception of the franchise being a natural right. If justice requires enfranchisement in urban areas, irrespective of pecuniary or literary qualifications, logic requires its extension to rural areas as well. And we are brought up at once against the administrative difficulty of working the unwieldy electorate which would result from adult suffrage and which would far exceed in dimensions the strength of any electorate, even in the largest and most advanced countries in the West.

The complaint of the dissentients that no statutory provision is recommended for an increase of the electorate after 10 years and that a time-table has not been fixed for universal introduction of adult franchise ignores the fact that there is no finality in any scheme of representation in the world, that it would be competent for the legislatures themselves to revise the franchise when they think fit and that the matter will be pressed upon their attention in due course of time by the persons who do not possess a vote and by the politicians who would be interested in bringing them on the electoral roll. There is no reason to think that a future extension of the franchise can only be secured by convulsive agitation.

The rejection by the Committee of the various proposals for an indirect system of election to the provincial councils must command general approval.

Turning next to the basis of franchise, the practical difficulties of including wages as a basis have been forcibly pointed out by the Committee and one cannot help thinking that these difficulties have not been properly appreciated in the dissenting minute.

The minority have done well to emphasise the importance of adhering to the recommendation of the Franchise Sub-committee of the Round Table Conference that the franchise qualifications in any province should be the same for all communities.

As regards the provincial franchise schemes, the criticism of the minority relates to a matter of comparative detail and it may or may not be possible to reduce the rental qualifications proposed by the Committee with regard to particular provinces.

On the question of women's representation, the proposals of the Committee are entitled to our approval.

The enfranchisement of wives of voters is justified on the ground that, short of adult suffrage, it is the only means by which a fairly reasonable proportion of female voters can be brought on the roll. We must agree with the Committee that the opinion of the women witnesses against any separate or sectional electorate must be respected. The introduction of communal electorates for women would be as mischievous as it is uncalled for.

As regards the question of the depressed classes, it would be unwise to enter the controversial region of the extent of the population of the depressed classes in particular provinces. We must express agreement with the view of the minority that even where the depressed classes form a distinct and separable element, no steps should be taken which would perpetuate their distinction and separation. The special qualifications suggested in Chapter X, of the Committee's report for the purpose of increasing the number of voters belonging to the depressed classes may be accepted under the conditions prevailing in Madras, Bombay and the Central Provinces. The system of reservation of seats with a joint electorate would seem to be a more appropriate solution of the problem.

With regard to what are called the minor minorities, the ideal system of representation is one under which representatives of these minorities would seek election in a general electorate and identify themselves with the masses of the people. While the dissenting minority are right in principle in contending that the interests of these minorities would, where necessary, be secured by temporary reservation of seats in a general electorate rather than by separate electorates, there is reason to fear that the influence of these minorities would be too strong for the British Government to resist, even if it were inclined to do so, the claim to a separate electorate.

We may be thankful to the Committee for recognising the force of the criticism that the representatives of special interests should not form a block of such a size or character as seriously to affect the balance of parties formed by representatives of territorial constituencies and so of the general mass of the population.

As regards the method of voting, we may agree with the Committee and the minority that so long as the system of reservation of seats is necessary, multi-member constituencies are a necessary corollary. Even apart from the question of reservation of seats, the principle of a fair representation of minorities may render it necessary to adopt the system of proportional representation by a single transferable vote, and in so far as this method becomes necessary, plural constituencies must continue to be a feature of the electoral system. It is not, however, possible to approve of the system of cumulative votes recommended by the Committee. The working of this system is extremely uncertain and the results impossible to predict. Where party feeling is strong, if members of one party resort to the device of a cumulative vote, the members of the opposed party will also adopt the same device. The result will be that the members of

each party will plump for their own candidates and the candidates belonging to the strongest party will win all the seats. The hope that minorities may have a chance of returning their candidates under a system of cumulative voting and that an elector will have an opportunity of exercising his discretion and making a broader choice can be easily defeated by a skilful management by the party organization. A multi-member constituency with restrictive or single vote or a single transferable vote would seem to be decidedly preferable to the cumulative.

As regards the federal Senate, I do not approve of the proposal of the Committee that the members of the provincial legislatures who form the electorate should be allowed to elect one of their own number. The disadvantages of this system are obvious. There will generally be a tendency on the part of the members of the provincial legislature not to go outside their own body, but to choose one of their own number. While theoretically unrestricted, the field of choice will practically be confined to members of the provincial legislature. Secondly, as a result of this tendency, those who seek election to the Senate will probably be obliged to go through the process of seeking election to the provincial legislature as a preliminary step to election to the Senate. Thirdly, every election of a member of the provincial legislature to the Senate will entail the necessity and expense of a bye-election. The arguments against co-option are clearly pointed out by the Committee. There is neither inconvenience nor hardship to anyone in requiring aspirants to legislative membership to make up their minds beforehand as to whether they would seek to enter the provincial legislature or the Senate. It seems to me to be desirable to enact some qualifications for members of the Senate similar to those enacted in the Belgian and some other constitutions for the purpose of ensuring a certain standard of political or administrative experience or public service.

As regards the question whether the Senate should be elected as a whole immediately after every general election or should be elected piecemeal by a system of retirement by rotation, I am strongly in favour of the latter method which will ensure continuity of experience and steadiness of opinion in a body the primary function of which should be that of a revising chamber.

The Committee have faithfully carried out the task entrusted to them by the Prime Minister and they must be congratulated upon the manner in which they have endeavoured to carry out their instructions and consult the interests of all classes of the public and of the country at large. Their proposals may be open to criticism in details here or there. But their main recommendations will receive general approval.

## IMPERIAL PREFERENCE.

### I.

**T**HE question of Imperial Preference has undoubtedly to be looked at from both the political and economic points of view; but it is the former

aspect that has so far dominated all discussion of the problem in India. This is entirely natural as it is unnecessary to look into the merits of an economic policy so long as you have not the entire power of moulding it in your hands. This general attitude of most responsible leaders of Indian public opinion has been lucidly expressed in the minute of dissent appended to the report of the Indian Fiscal Commission from which we may quote the following:-

"The principle underlying Imperial Preference (is) that the country granting it has full power of initiating, granting, varying and withdrawing preference as it suits the interests of its own people. Such power India does not possess at present. It does not enjoy the powers which a member of the Commonwealth possessing Dominion Status does. The logical conclusion, therefore, is that India cannot accept the principle of Imperial Preference until she has attained responsible government, and is able to regulate her fiscal policy by the vote of a wholly elected legislature." (Italics ours.)

That the last phrase in this passage is important was proved by the discussion that took place on the nature of the so-called "fiscal autonomy convention" at the time of the passage of the Cotton Industry Protection Bill through the Legislative Assembly in 1930.

The view expressed by the distinguished writers of the minute of dissent has been the universal view of all Indian political leaders since Imperial Preference came to the fore towards the beginning of this century and has been held by them consistently till this day. It is indeed obvious that we cannot and should not be asked to give general approval to a policy over the working of which we have no control. For Imperial Preference can easily be so applied as not only to benefit the Empire and Great Britain but so as also to involve a complete disregard, to put it no stronger, of Indian interests. And there is enough in our fiscal history to show that fears of this character are not entirely baseless.

It is important to observe, further, that this view is held not only by leaders of Indian public opinion but that it has also been subscribed to by the Government of India. It has been embodied in the statement made on behalf of the Government of India by Sir Geoffrey Corbett before the Imperial Conference in 1930 and it would be particularly pertinent here to quote the opening remarks of Sir Geoffrey Corbett:

"It has been stated, Mr. Chairman, that it is the declaration of 1926 that has really made this discussion possible. It has been said, for instance, (I am quoting from an article in the "Times"), that until the constitutional issue had been settled, a policy of economic cooperation was inevitably embarrassed by the natural sensitiveness of opinion in the Dominions to any suggestion of "dictation" and by the equally natural reluctance of the Government of Great Britain to take any initiative which might be misinterpreted. May I remind the Conference that the declaration of 1926 did not extend to India and that the constitutional future of India is to be discussed at another conference, which is to meet as soon as this Conference is concluded? It is true that for some years now India has, by a convention, been free to determine her own fiscal policy. But while our constitutional future is unsettled, at a moment when it is the one vital issue that our country has to face, I feel sure that our fellow-members of the Commonwealth will understand and sympathise if we approach this question of economic cooperation with some reserve."

The Dominions themselves have thus felt the



difficulty that lies initially in the way of India's consideration of the question of Imperial Preference and the open offers of the type made by Dominion ministers at the Conference of 1930 could only follow the constitutional establishment of their position of perfect equality with Great Britain in 1926.

What then has transpired since 1930, we may well ask, that can lead Indian political leaders and the Government of India to change their attitude? Has there been any substantial change in the political situation? Or if there has been a change, has it been a change for the better that we should be asked to adopt a more generous or rather a more unguarded attitude at the present juncture? It has been argued that we may make a gesture in the expectation of its being appreciated and duly rewarded. Apart from the efficacy of gestures who is, we wonder, being asked to make it? Is it the Indian delegation at Ottawa? and if so, what value can be attached to the gesture made by a purely nominated official delegation of this type? For the delegation can represent none else than the present Government of India. Or is the declaration in favour of Imperial Preference to be made by responsible leaders of Indian political parties? The only party that could make such a declaration to-day with some measure of assurance of its being endorsed by a future Indian Government is undoubtedly the Congress party. That being out of account, it may be made by any of the minority parties. But what value, in this case, could be attached to it by British statesmen? The change from Cosgrave to De Valera has been too recent for its lesson to be forgotten by the British. For the change means that hard-won concessions from any State are in jeopardy if even an influential minority in the State is decidedly averse against them. The Republicans were definitely routed at the earlier elections and vocal public opinion in Ireland was all in favour of the English Treaty. Even so an extremely uncomfortable situation has arisen within ten years of the signing of the

treaty. In India the voice of the dominant public opinion cannot be mistaken. Can the British, therefore, attach any value to gestures by minority parties in this country?

And are the British not already taking sufficient precautions, and more dependable precautions, than gestures and treaties to safeguard their interests? Safeguards, financial and other, are being contemplated. More important than these, however, are the safeguards introduced in the very structure of our future constitution. Is it not true that it was only on the introduction of the stable and safe element of the Princes that even the most liberal British statesmen consented to think of responsibility at the Centre? Have not the minorities and the British commercial interests entered into a pact only recently? And is it not obvious that the weightage to be given in the constitution to the Princes and the communalists will be so substantial as to make it impossible for the opinion of the majority to affect the vital interests of the British people?

A gesture, then, at this time could only be an unauthorised, helpless gesture which is neither wanted by the British nor will be heeded by them. It will profit nobody, least of all the party that makes it. It would be a complete departure from the consistent policy adopted hitherto by all Indian political parties.

Such a departure is entirely unnecessary and unjustified and could at the present moment only be reckoned as an act of political folly.

It may be rightly said that not much thought has been given to the economic side of Imperial Preference. This is but natural. We are, however, convinced that not only on political but also on economic grounds it is not in the interests of India to adopt a definite policy of Imperial Preference. We, therefore, propose in what follows to examine in some detail the economic aspect of this problem.

D. R. GADGIL.

## REPARATIONS AND WAR DEBTS.

### II

AS it has already been stated, Europe owes to the United States 11 milliard dollars for war debts, and 10 for private credits.

Mr. H. Bérenger refers in his articles to three possible solutions:

#### A CLEAN SLATE.

The first is what is commonly termed "A Clean Slate." It is the one favoured by Mr. Lloyd George.

The United States would lose thereby, in capital and interest, a total sum of \$22,150 million, which, if gradually paid during the following years, would ensure to them an average annuity of \$270 million.

Great Britain would lose the total sum of payments expected from her European allies, namely, £2,230 million. (As for as reparations are concerned, she would also lose her share of German payments, namely 22%.) But she would gain the annulment of her debt to the United States of America, which amounts to 11 milliard dollars, divided into 55 annuities, the lightest of which represents nevertheless 180 million dollars.

France would lose the totality of her reparation payments, namely, an average annuity of 1,200 million gold marks during 55 years. She would be remitted her double debt towards the United States and Great Britain, namely, in capital \$6,847 million

to U. S. A., and £653,128,000 to Great Britain. This represents for 55 years a minimum annuity of \$60 million and £12.5 million. To put it briefly in francs: France would lose an annuity of 7,200 million francs in the way of German payments (if the "conditional" and "unconditional" fractions are totalised, the "unconditional" fraction being about 4 milliard.) But she would not be compelled to pay 1,500 million francs to the United States, and about 1,200 million to England.

Italy would lose the totality of her German reparation payments, namely, an average annuity of 300 million gold marks for 55 years, but would gain the annulment of her double debt to U. S. A. and England, that is, a double burden of \$2,500 million and £582,500,000 divided in 55 annuities.

Germany would gain the total annulment of her debts to all her creditors, 36 milliard gold marks, (present value), divided between 55 annuities.

Although it is somewhat delicate to establish a precise and definitive balance of these accounts, owing to the diversity and variability of monies, a simple comparison of gains and losses is sufficient to explain the position of each one of the interested parties.

The United States are willing to make a clean slate of German payments to Europe, but not of the payments that they expect from Europe.

France does not care for a clean slate which will mean 3 milliards supplementary annuities to her tax-payers and make her lose a capital of legitimate reparations.

Germany is fighting desperately for getting rid of all her war debts.

Italy favours the clean slate solution, losing little thereby, but gaining the advantage of assuming an attitude of great international diplomacy.

Great Britain also considers a complete cancellation favourably as it would not hit her severely, while a complete liberation of her from her heavy charges towards the United States would prove a very valuable advantage.

"The indirect consequences of the clean slate solution," says Mr. Bérenger, "do not promise to be less serious than its direct results. Germany, free of her movements again, would crush the world under the production due to the ultra-scientific machinery with which she has equipped herself, thanks to the money borrowed from other countries; her commercial balance would become stronger and that of others weaker; Germany would thus become the first industrial power in Europe and perhaps in the world. The United States, who has been enriched by the war, would be impoverished by peace, and the tide of power would flow from New York to Berlin. France would lose 3 millions per year on her budget, and her foreign trade could not sustain the weight of German competition unburdened by the same charges. Her allies of the Little Entente would be weakened by this adventure. The lack of balance in Central Europe, so alarming even now, would be so much greater that Anschluss and Mittel-Europe might well become a reality. Italy would then pay a heavy price for her imprudent 'diplomatic' initiatives: being deprived of raw material, she would fall under the economic and industrial control of a German power preponderant on the Continent and master of Austria. Great Britain's situation would be more serious than in 1914; not so well equipped mechanically, not so well trained scientifically, not so well disciplined socially, she would see her industries decline in proportion with the German rise. World-balance would be imperilled anew by a renewed pan-Germanism loosened from the least contestable of its contractual obligations."

#### PROPORTIONAL ADJUSTMENT.

To the second solution envisaged the term of "proportional adjustment" has been applied. As early as February 1932, the American Ambassador in France seemed to consider it as desirable when he declared to the Press: "Our European neighbours are studying what can be asked from them in the way of adjustment among themselves".

Adjustments have been recommended by the Basel Committee on the following basis:

(1) Interdependence of inter-allied debts and reparations. ("An alleviation in favour of a debtor country unable to bear the burden of certain payments tends to transfer this burden to a creditor country, who, being itself a debtor, would in its turn be unable to bear it").

(2) Monetary stability. ("After the war and the inflation which followed, European governments have made a great effort to restore monetary stability. The destruction of what has been achieved would be a backward step heavy with consequences. The stability of German money, like that of any debtor country, may be imperilled when the confidence of capital lenders disappears".)

Any reduction on the German debt must therefore be accompanied by an equivalent reduction in payments to America, and must also be proportionate

to the conditions of stability of German money.

It is easy to realise that Germany and America represent the two poles of the question. Is it in their interest to remain intractable? We do not believe it.

One of the possible adjustments considered was a reduction of the non-deferable German annuity, and a postponement of surplus payments. In fact Germany has not paid anything since then, owing to the Hoover-Laval arrangements in August 1931.

As early as December 1931, the Basel Committee wrote in reference to the Young Plan and the present crisis: "The Young Plan, with its growing annuities, presupposed a constant development of world-trade, not in volume only but in value as well. It was thus expected that the burden of annuities would become lighter and lighter on Germany. But things have turned otherwise. Since the Young Plan came into force, the volume of world-trade has been reduced, and the exceptional decrease of gold prices has considerably increased the weight of German annuities, as well as that of gold payments." If the statement is correct, it is applicable not merely to Germany, but to America's debtors as well. The annuities agreed upon according to the gold monies of 1919 to 1926 must all be revised according to the present lower standards of gold prices.

One can hardly expect, however, that America will be satisfied with an adjustment which leads essentially to a moratorium in favour of her debtors, while her own budget suffers from a deficit of more than 2 milliard dollars. Other schemes of adjustment have therefore been put forward. One of them would be the delivery by Germany to her creditors of obligations (mostly on the German railways), representing the capital corresponding to the non-deferable annuities during the 37 years foreseen by the Young Plan ( $660 \times 37 = 24,420$  million gold marks). These obligations would be distributed, according to a new percentage, between the United States, France and other countries who are creditors to Germany; but interest would only be served from 1934. This would mean a notable relief to Germany, while associating her creditors with the "renaissance" of her prosperity.

#### A GENERAL MORATORIUM.

In the third solution examined by Mr. Bérenger, that of a general moratorium, all the causes of the present unrest are allowed to remain intact.

Even the short Hoover moratorium has accelerated and extended the crisis, instead of slowing down its pace and circumscribing its action. It has not been productive of energy, economy, loyalty, respect of the plighted word and regard for engagements, but rather of inertia, illusion, deficiency, indolence and general uncertainty. "The whole universe," writes Mr. Bérenger, "has got accustomed to the morphia of moratoria, and to the cocaine of sleighted accounts, and its awakenings promise to be more and more bitter." By extensive quotations from the various international agreements, he establishes very clearly that France has pledged her word to pay the United States, only in so far as her own paying capacity shall not be altered by the default of Germany and other debtor countries.

\* Germany would pay only two-thirds of the non-deferable annuity. This would be divided among European creditors (according to the Young Plan percentage). The deferable annuity would be deferred in agreement with the United States who would in its turn postpone its exigency of payment concerning the various annuities of European debts to it. These moratoria would be productive of interests spreading over a number of years, in conformity with the possibilities of the debtors.

If the Lausanne Conference, or any other, came to fail, recourse to The Hague tribunal is possible, in conformity with Article 15 of the 1930 Hague Agreement.

France does not refuse to adjust contracts to the new necessities of the crisis. She simply refuses to bear the burden alone.

The first action of the Lausanne delegates has been to prolong the moratorium for the duration of the Conference. Perhaps the only argument that can be put forward in defence of a provisional expedient is the advantage of gaining time, but that at least cannot be denied. Let us hope it may help in its own way to restore confidence and favour more constructive and more dynamic solutions, based not on international contest, but on international collaboration. European civilisation shall not survive otherwise.

Paris.

L. MORIN.

## Our Geneva Letter.

( From Our own Correspondent. )

GENEVA, July 9.

( BY AIR MAIL. )

### GOOD NEWS FROM LAUSANNE.

YESTERDAY afternoon's papers brought the welcome news of the Lausanne settlement. The significance of that settlement can be fully appreciated only by those who through these last several years have watched from Geneva one conference after another come to an inglorious end on account of the differences between France and Germany. The inevitable results of those abortive attempts to promote peace and prosperity in Europe have been the progressive vitiation of trade and the atmosphere of demoralisation and gloom which has surrounded every forward movement. Since Locarno, which rendered Germany's entry into the League possible, every effort to consolidate the European system has been thwarted due to the liabilities of the War. Lausanne has not only led to the completion of the good work commenced at Locarno, but it also probably represents the first of a series of steps calculated to determine the history of our times. All the principals at the Conference deserve great credit for this accomplishment: Monsieur Herriot, for his good sense in agreeing to what is little more than a token payment, and hypothetical at that, from Germany by way of reparation, when he could have so easily won much applause from large masses of his countrymen by flourishing a categorical negative at all reasonable offers; Herr von Papen, who has incurred the displeasure of a considerable number of his compatriots and in all likelihood endangered his position for yielding to the French refusal to consider the political clauses of the Versailles Treaty relating to war guilt and so on in this connection; and most of all, Mr. MacDonald, to whose patience, persistence and commanding position in European affairs to-day this victory must for the larger part be attributed. It must have been a great temptation for the British Premier, with the support he has in the present House of Commons and the superb influence which circumstances have given him in the country, to turn angrily away from the interminable quarrels of divided Europe with a speech in the manner of the one made at the Round Table Conference on the communal question, to establish a separate understanding with the United States, where, as it is well-known,

Americans fully reciprocate his fondness for them and their spectacular ways. Any such impatience, justifiable in a tired, sick, over-worked and over-burdened man, may have had the effect of retarding the unity of Europe by a generation and eventually making the situation infinitely worse even for Great Britain. As it is, he has helped to give the moral leadership of the Continent to his country, the effects of which both for himself and for Great Britain will be reflected in many other things besides trade returns.

The two main considerations which Mr. MacDonald put before the Lausanne Conference in his inaugural speech are the necessity, in the interests of ordered international life and progress, to bring about changes in the existing contracts by common consent, not by unilateral declarations and repudiations, and secondly, the wisdom of facilitating such changes when new conditions had rendered the observance of old agreements impossible. For some time past the inability of Germany to make good her obligations as regards reparation payments has been apparent to all but irresponsible critics whose aversion for everything German amounts to a theological belief, and the principal purpose of Lausanne was consequently to frame a suitable agreement by which this inability could be recognised in a lawful manner. No one believes that the 3,000,000,000 marks for which Germany has made herself responsible to France, on return of prosperity, is of any value beside the other results, direct and indirect, which Lausanne has produced, namely, the final liquidation of the reparations question, the united front which Europe can put forward vis-a-vis the United States in respect of war debts, the removal of an important obstacle in the way of all fruitful negotiations between France and Germany, the utilisation of any future German payments for the collective welfare of Europe and the tradition arising from this procedure and from the control of these payments by the International Bank and, as the German Chancellor has pointed out in the speech to his countrymen broadcast from Lausanne, the beginning of a new hope for Germany of exercising control over her economic machinery and the possibility of establishing channels of trade in the congested parts of Central Europe.

### TURKEY'S MEMBERSHIP.

All this is good news for Geneva, especially as it now seems obvious that the world economic conference which is to take up the threads of the work accomplished at Lausanne will be closely connected with technical organisations of the League, even if it is not held under their auspices. In this connection, it is interesting to note that not only is the League being strengthened by Turkey's entry into it, but, according to this morning's papers, the United States Government is now disposed both to examine the war debts question in the light of recent developments and to adopt a friendly attitude towards Soviet Russia. Turkey's adhesion to the League and the establishment of cordial relations between Soviet Russia on the one hand and the United States and, in that event, presumably also with Great Britain and France on the other, will have the effect of dissipating for ever the bogey of a combined offensive by Russia and Germany against Western Europe. It will contribute to the formation of an enormous block of productive units, with unlimited possibilities, stretching all over Europe from North to South and reaching as far as China and America. The consequences of such an event for Japan, should she persist in challenging the authority of the League and reverting to the methods of eighteenth and nineteenth centuries for her expansion, may be imagined.

### THE NEW DIRECTOR OF THE I. L. O.

The Governing Body of the I. L. O. held a memorial meeting in honour of the late Director, M. Albert Thomas, on 30th June and appointed Mr. H. B. Butler, C. B., the Deputy-Director, as Director in succession to him at its meeting on 1st July. The new Director has been from the beginning of his career connected with Labour. He has held an important position in the British Ministry of Labour and took part both in the Peace Conference and in the first Washington Labour Conference. He has not only been instrumental in conceiving the constitution of the I. L. O. and its establishment, but has shared the responsibilities of the conduct of this new institution from the outset with the late Director as his trusted colleague and personal friend. Mr. and Mrs. Butler are well-known in Geneva for their international outlook, their liberal spirit and for their devotion to the League cause. It is a popular appointment with the staff which in this uncertain time likes to be under an old and familiar chief and, in view of Mr. Butler's experience and qualities, likely to be a very successful one.

## Miscellaneous.

### G. I. P. E.

#### REPORT FOR 1931-32.

*The following Report for 1931-32 was submitted by the Board of Management of the Gokhale Institute of Politics and Economics, Poona, to the Servants of India Society, who are its trustees. It is being published as part of the Society's annual report.*

DURING the year under report the teaching side of the Institute continued to work under a feeling of uncertainty. As would appear from what was recorded in last year's report, the University had decided then to affiliate postgraduate institutions. This decision, however, was suddenly upset by the Syndicate last August and at present the exact status to be assigned to such institutions in the framework of the University has yet to be determined. The changing policy of the University has made it necessary that we should restrict the number of students admitted to the Institute. The total number of students on the roll of the Institute during the year was 27 of whom 4 were research students. The intercollegiate arrangement for lectures for M. A. students in economics and politics continued as during the last year with the exception that all the lectures were this year not delivered in the Servants of India Society's Home. Two scholarships were awarded by the Institute during this year. Mr. P. N. Driver's scholarship was extended for a year and Mr. N. M. Joshi was the other recipient of a research scholarship. Mr. S. G. Nawathe was awarded a free studentship.

An important step forward in the development of the Institute's activities was taken this year by the Institute's embarking upon the work of a specific detailed investigation. The subject chosen for investigation was the "Marketing of Fruit in Poona." "The Institute was lucky in securing for this purpose the services of Mr. V. R. Gadgil, B. Ag., M. Sc. (California) who has had considerable previous experience of the fruit industry. The investigation was begun in August 1931 and it has been decided to complete it by June 1932. It is expected that a bulletin containing the results of this investigation will be published

by October 1932. We record with pleasure the ready assistance given to us during the course of this investigation by many Government departments, the Poona City Municipality, the Co-operative Institute, banks, supervising unions and societies and many other private associations and individuals. As a result of our representation, the Poona City Municipality, has already begun to publish weekly the price of fruits and vegetables in the Poona market. We have to thank specially Rao Bahadur D. L. Sahasrabudde, Rao Bahadur P. C. Patil and Prof. V. G. Gokhale who kindly acceded to our request to act as an advisory committee for this investigation.

Mr. D. R. Gadgil's attention having been directed by the prevailing circumstances to the salaries problem, he suspended his other work to devote a few months to an examination of this question. As a result of this study he wrote out a pamphlet covering about 50 printed pages entitled the "Salaries of Public Officials in India." This was published as "No. 1" of the "Publications of the Gokhale Institute of Politics and Economics" last August and priced at Re. 1. The sale of the pamphlet has not been large, but it has had excellent reviews from such divergent sections of the Press as the "Maharatta" and the "Times of India." We quote below an extract from a long review of the pamphlet which was recently appeared in the "Indian Journal of Economics." "The study is a very clear, able and valuable one. It should be gone through by all those who have the interests of the country at heart."

The progress of the marketing investigation has been so satisfactory that it has been decided to expand the activities of the Institute in this direction. It has been decided to continue the work of Mr. V. R. Gadgil after he finishes the present enquiry on some analogous problem and the Board of Management has further resolved to undertake another investigation preferably on an industrial or commercial subject during the next year. With the appointment of another investigator the limits of the present financial resources of the Institute will be reached and future development will depend on the way we succeed in impressing the public with our studies and with the results of our investigations during the next two or three years.

## BOOKS RECEIVED.

### I. L. O. STUDIES AND REPORTS.

- Studies on Industrial Relations. II. (A. 35.) 1932. 24cm. 162p. 3/6; \$1.
- The Social Aspects of Rationalisation. (B. 18.) 1931. 24cm. 381p. 8/-; \$2.
- Safety in the Manufacture and Use of Acetylene. (F. 5.) 1931. 24cm. 185p. 6/-; \$1.50.
- An International Enquiry into Costs of Living. (N. 17.) 1931. 24cm. 209p. 1/-; \$2.
- Statistics of Migration: Definitions, Methods and Classifications. (N. 18.) 1932. 24cm. 152p. 3/6; \$1.
- International Survey of Legal Decisions on Labour Law. 1931. (Sixth Year) 1930. 24cm. 366p. 8/-; \$2.
- 1st Item on the Agenda: Abolition of Fee-Charging Employment Agencies. (16th Session) 1932. 24cm. 139p.
- 2nd Item on the Agenda: Invalidity, Old-Age and Widow's and Orphans' Insurance. 1932. 24cm. 312p.
- The I. L. O. Year-Book, 1931. 1932. 24cm. 547p. 10/6; \$3.
- WOMAN LABOUR IN INDIA. By Rajani Kanta Das. 1931. 23cm. 72p.