

Registered B.-308.

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Topics of the Week.

Helpful.

JUST before going to press the following press telegram was received from Mr. C. Rajagopalachari from Tiruchengode :—

I read note *Servant of India* ninth March which were kind enough send me complimentary copy. You refute suggestion Liberals should refuse further co-operation. constitution-making unless Government accept their advice regarding Gandhiji and Congress. On the other hand, you ask Congress widen range co-operation beyond Harijan bills. Suggestion Liberals should refuse go Parliamentary Committee unless their advice regarding Gandhiji accepted based on two assumptions. First is that further co-operation of invitees not going material respect affect decisions. Second assumption is that notwithstanding this Government do want further co-operation of invitees for their own purpose and therefore I believe they can, if only they are firm, successfully lay down price for it in terms their demand in respect Gandhiji.

There is not power enough behind Constitutionalists enforce demands in respect constitution, but there is probably enough power compel action in respect Gandhiji Congress. Tragedy is that where there is some real power they refrain exercising it, but where there is no power whatsoever they are content make vain endeavour. If on contrary you feel you cannot get your demand in respect of Gandhiji enforced even by refusing further co-operation what hope have you make British yield anything regard constitution by simple force co-operation ?

You suggest in refusing call off civil disobedience we are misled by false ideas of prestige. You fail notice that it is because we not misled by such false ideas prestige we are

doing what you call co-operation over Harijan bills in seeming disregard our creed. We have risked being misunderstood even by fellow-workers, have thrown prestige popularity winds in order establish good faith by Harijans. We could easily shirked or postponed responsibility by finding excuse in non-co-operation when legal impediments were found in way fulfilment pledge Harijans. But we did not choose that line, sacrificed prestige, risked misunderstanding. But to seek legislation of Assembly to remove legal difficulties that block fulfilment of our pledge to Harijans in order build up inter-communal good faith and trust is totally different from giving up struggle against Government for national freedom honour. That struggle can given up only when object attained or proved attainable otherwise.

It is superfluous to examine the assumptions that Mr. Rajagopalachari makes or his estimate of the influence of the Constitutionalists over the Government if, as he says at the end of the message, it is the intention of himself and the Congress to persist in the civil disobedience campaign. Opposed as Constitutionalists are to civil disobedience, it would be wrong of them, apart from other considerations, to press for the release of political prisoners, and still more wrong to non-co-operate with the Government for the purpose, if the result of it was only to be a recrudescence of civil disobedience.

With all respect to the opinion of Mr. Rajagopalachari, we believe that civil disobedience is played out, and that there is very little risk of its being revived if the political prisoners are released. That is the reason why we have pleaded for their release. Mr. Rajagopalachari is not making it easy for the Constitutionalists to secure jail delivery by his brave persistence in civil disobedience.

Mr. Rajagopalachari contends that co-operation with the Government and the legislatures in respect of the Harijan bills is consistent with the creed of non-co-operation with the Government. Co-operation with a view to keep faith with the Harijans is only in "seeming disregard of our creed," he says. We are not aware that the Congress made any such reservation. Co-operation with the Government in any form or manner, be it for the best of objects, is just "sin." This is the doctrine that Gandhiji has been preaching.

How to Liquidate C. D.

THE discourteous way in which the request of Mr. Aney, the Working President of the Congress, to be allowed to see some Congress leaders in Yeravda Gaol, was treated by Government, only adds insult to the injury done to the country by Government's refusing permission to him. He had asked, it appears, to be allowed to meet Messrs. Gandhi, Vallabhai Patel and Gangadharrao Deshpande, either individually or collectively, at any time that might suit the prison authorities. One would have thought that, since Mr. Aney did not expressly desire an interview on political questions, the Superintendent of the prison could certainly have agreed immediately, on his own authority and without reference to Government, to his seeing Mr. Gandhi at any time convenient to the latter providing the discussion was to be about questions relating to untouchability. For we understand that this is the procedure that is followed at present in respect of interviews with the Mahatma. He decides whom and when to see. The Superintendent had no reason to discriminate against the Congress President, unless he felt that the latter would not speak to Mahatma Gandhi on any subject other than politics. For the rest he might perhaps have thought it necessary to ask for instructions from Government. What really happened was that no reply was given for one whole day and when a fresh inquiry was made the next day a comprehensive "no" in respect of all the three persons sought to be interviewed and in respect of all possible subjects of discussion was curtly given. Nothing would have been lost if even gaol authorities had been a little more polite.

Assuming, however, that Mr. Aney wanted to discuss political questions with the triumvirate of the Congress party, even then the refusal that he received cannot be justified on grounds of public policy. Government are certainly not warranted, in view of the strong tide that is flowing in the Congress camp at present, to take it for granted that the discussions that would take place must necessarily be for the purpose of stiffening the civil disobedience movement. The country has now arrived at a crucial stage of its destiny. The White Paper announcing Government's intentions as to the future constitution is about to be published. This is an event which cannot leave even the Congress wholly unaffected. It is only natural that the leaders of that body should be asking themselves whether, in the presence of an event of such far-reaching importance, the present policy did not call for revision. We do not know, and would not have the reader to infer, that Mr. Aney is in favour of reconsidering the Congress policy in the sense of suspending civil disobedience and taking part in constitutional discussions. Nor are we aware that this question is passing through his mind at all. But there is at least a strong possibility of the Congress leaders who happen to be free trying to clear their minds as to the attitude which they should assume on the present occasion, and they cannot possibly arrive at any decisions until they have had an opportunity of taking counsel with those who are still in gaol. Government ought at any rate to have ascertained what kind of talks would take place before forbidding them.

Surely Government recognise the need of allowing and even facilitating conversations between

Congress leaders in gaol and out of it at some time or other. Without such conversations the civil disobedience movement cannot be formally liquidated even if all those who have the authority take a collective decision to this effect desire to liquidate it. The Working Committee of the Congress launched upon civil disobedience last year, and it is that body which can call it off and of this body some members are in gaol and some are out. What Government themselves desire the Congress to do can therefore be achieved only by a meeting of all the members being made possible by Government, and by preventing it they are in effect making themselves responsible for keeping the movement alive. We know the Government's plea in this matter. If in 1931 civil disobedience could be ended without a formal meeting either of the Congress or of its All-India Committee or of its Working Committee, why should the need be felt now, they ask, for at least the Working Committee being allowed to meet? Of course, technically any Congressman is free to call off the movement on his own responsibility now as Mahatma Gandhi did two years ago and then obtain the Congress ratification for the action. But Government know well that no one has the moral authority of Mahatma Gandhi. If therefore they do not wish to frustrate their own object of seeing the country rid of the movement they must not impose unnecessary impediments in the way of Congress leaders like Messrs. Gandhi and Aney conferring together. They must be wholly blind if they have not noticed that, in discussing the suggestions made for terminating the civil disobedience movement, Congress leaders merely raise the question as to who *can* take the step and not as to who *will* do so. This is a clear indication to us that opinion is undergoing a wholesome change in Congress circles. If Government have any statemanship left in them, they ought at this time to promote an exchange of views between Congress leaders and not to prevent it. Their refusal of permission to Mr. Aney was therefore a blunder of the first order from every point of view.

Include Mr. Chintamani.

WE wish to repeat and underline the plea we made in a leading article of our recent issue for the inclusion of Mr. Chintamani in the Indian auxiliary committee that will be associated with the Joint Parliamentary Committee on the India Bill. The speech that Mr. Chintamani made at Allahabad on Sunday before last in support of what has come to be called the Bombay leaders' manifesto shows more clearly than ever before the imperative need of giving an opportunity to men who hold his views to exert their share of influence upon the decisions to be taken on the future constitution. For it is now plain that Mr. Chintamani's condemnation of the R. T. C. proposals is even more sweeping in its scope and uncompromising in its tone than we had imagined it to be. He requires greater improvements in the proposals than most other progressive politicians do, and he also insists upon amendments in certain matters in respect of which others have already declared their acquiescence.

The best illustration of this is found in the difference in the points of view of Mr. Chintamani, who moved the principal resolution on the occasion, and Pandit Kunzru, who presided over the meeting. While the latter entered upon an elaborate defence as to the prudence of agreeing to non-election of the States' representatives and non-insertion of fundamental rights in the federal constitution for the benefit of the States' people, the former enlarged upon the necessity of removing these features from the

constitution. And the improvements he suggests are not merely desirable embellishments, which will show off a good constitution even to better advantage, but are a *sine qua non* to his acceptance of the proposals. He says, in the most absolute terms, that he would rather go on with the present constitution till it becomes possible to obtain the kind of reforms he wants than work the reforms outlined by Government at the R. T. C. Unlike many politicians of the nationalist persuasion, he holds that the latter course will not pave the way to the attainment of our goal, but will definitely hinder it. That two such prominent members of the same political party as Messrs. Kunzru and Chintamani should hold not only diverse but wholly irreconcilable views on the future constitutional changes shows how the divergence of opinion on this matter cuts across the normal lines of political division.

In stating these views of Mr. Chintamani we do not wish it to be inferred that we are in agreement with them. We refer to them here only to show that, being sponsored by a man of Mr. Chintamani's eminence in public life, they ought to be represented at the auxiliary committee. Its counterpart of the Joint Parliamentary Committee will contain some of the fiercest critics as well as the staunchest friends of Government proposals. The opposition of these critics is not confined to mere details of the proposals, but extend to the basic principles thereof, and yet they are to be included. We make no complaint. But we shall have a very strong reason indeed to complain if in the nominations to the Indian auxiliary committee the same principle is not followed. Yet we have very serious apprehensions in the matter.

When the auxiliary committee was first thought of by Lord Birkenhead he laid down clearly on what lines it should be composed. He said that a full opportunity must be given "for Indian opinion of different schools to contribute its view upon them." But we are afraid that the Viceroy will seek to give representation to different communities and interests rather than to different schools of opinion, as he ought to do. If he wishes to carry out the original intention of Lord Birkenhead he cannot possibly exclude Mr. Chintamani, who represents a distinct school of thought, which cannot be dismissed as something erratic or eccentric, but which must be reckoned with by all realist politicians, for if it does not appear to have many adherents now it must be remembered that Mr. Chintamani has in superabundant measure the characteristic quality of a leader of beating up a large and influential party to support it. Both fairness and expediency demand that, as the most powerful exponent of an important section of opinion in the country, he must find a place on the Indian auxiliary committee.

Osmania University.

DELIVERING the Convocation Address to the Osmania University Sir Akbar Hydari attempted a defence of the University, which from his remarks appears to be not doing too well, in spite of his own powerful and sustained patronage. He complained that there were people in the Dominion, who, far from taking pride in a "national" institution, which was the "very corner-stone of the building" he was erecting for the progress and prosperity of Hyderabad, did everything to detract it. While there will be general theoretical agreement with him when he claims that "through education in the vernacular alone can there be an effective synthesis between the mind of our people and the knowledge

which we now gather so largely from the western world," few will agree with him when he claims that Urdu, albeit "Deccani Urdu," is "the national language" of the Hyderabad Dominion and that the Osmania University is because of its teaching in Deccani Urdu performing work of the "highest national importance." There would have been some justification for this claim if the Osmania University had been located in Lucknow instead of in Hyderabad. As it is, Urdu is as much the national language of Hyderabad as English is of British India. Both are languages of the Court and of the Government, though not exclusively so. Urdu is the language of the Ruler and some of his coreligionists. The great majority of the people have languages other than Urdu as their mother-tongues. Hyderabad is far too diversified in its languages to have a national language. And it is only an irresponsible and autocratic Government as that of the Nizam's that can perpetrate an Osmania University teaching in Urdu and call it national.

Sir Akbar then went on to discuss how he could develop the civic sense of the people: participation firstly in local self-government and secondly, the organization of public opinion and making the Government responsive to it. He would like to see public opinion organised by interests and formally brought into contact with the Government. He gave an example of what he had in view when he spoke of organisation of public opinion by interests. When he floated an internal loan, he sent for some "capitalists and merchants" and discussed the matter with them. Sir Akbar forgets that while these capitalists and merchants might have given him expert advice on technical aspects of the loan, the general taxpayer is vitally interested in the issue of loans by the State and should have a voice in determining them. Sir Akbar still lives in the atmosphere of mediaeval autocracy and the great step in advance he can bring himself to contemplate is consultation with special interests. He would not venture to suggest a legislative council and responsible government even as a distant aim of the political march of Hyderabad.

Governor's Support of Central responsibility.

LIKE the Governor of Bengal, the Governor of Madras has now made a vigorous defence of the R.T.C. policy of conferring full provincial autonomy and a large measure of central responsibility at the same time. In regard to provincial autonomy, the task of the Madras Governor was very much easier than that of the Bengal Governor, for the Madras Presidency has been exceptionally fortunate in making a great success of dyarchy in the province and in securing public support for the maintenance of law and order. Even if in other provinces power could not be wholly transferred to Ministers selected from non-official ranks, the claim of Madras to such transfer has been generally recognised. The special merit of Sir George Stanley therefore consists in this, that, against the opinion of die-hard Europeans in India, he pleaded for a simultaneous transfer of responsibility in the higher sphere. He was not of this opinion when he came out to India, but his experience in this country and the talks that he has had with prominent politicians have convinced him that the disadvantages of establishing a federation before the provinces have proved their capacity for self-government are outweighed by advantages that will result from the step in the shape of appeasement of the existing widespread discontent. This is a very wise utterance and reflects great credit on the Governor.

Articles.

BURMA.

REPLYING to questions in Parliament last week, Sir Samuel Hoare is reported to have stated that "the decision between separation from India and inclusion in the proposed Indian Federation still rested with the people of Burma whose representatives in the Legislative Council had yet given no clear indication of their choice between the two alternatives which were alone open to them." The forthcoming White Paper would, therefore not deal specifically with Burma, he said, nor was there any intention on the part of the British Government to convene another Burma Round Table Conference to further consider the question of separation. This is a wholly unsatisfactory condition for Burma to be in. If Burma is to have a hand in shaping her future constitution—and nobody proposes to deny her that right—and if she is ultimately to be in the federation, the decision must be taken here and now, and the case of Burma should specifically be dealt with in the White Paper and Burma represented in the further stages of the evolution of the federation. It cannot be the Government's intention that federation may go ahead without Burma being taken into account and that when the picture is complete, Burma may be invited to elect to come in or stay out. The federation, as it is now shaping, is not a simple structure capable of automatic adjustment when another unit joins up; it is a composition of the most amazingly contradictory purposes and interests so delicately balanced that it will be impossible to fit in an extra unit without a complete overhaul of the whole structure—a contingency which nobody would willingly contemplate. For instance, the strength of the federal legislature and the allocation of seats to the different communities and interests and the Government's Communal Award will have all to be thought out afresh if Burma comes into the federation. It is not to be presumed that the British Government are unaware of it. It must be presumed, therefore, that, notwithstanding that Sir Samuel Hoare said that separation was still an open question, and that it was for the Burmans to decide, it is a closed question and the British Government have closed it and decided to separate Burma from India. The decision of the Government not to convene another Burma Round Table Conference can only mean that there remains nothing that a conference of the kind shall do; all that remains to be done is for the Government to draft a bill on the lines contained in the Prime Minister's statement to the last Burma Conference.

If this interpretation is correct, it is clear that the British Government have taken a most unfortunate and unfair attitude towards Burma. It is unnecessary delve deep into the past history of the question except to repeat that the British Government was right through more zealous about the separation of Burma than the most ardent among the Burmese

separationists. At the first Indian Round Table Conference the terms of reference to the Burma sub-committee were based on the presumption that Burma was to be separated. During the proceedings of the Conference doubts were raised as to the wishes of the Burmese. The question was in consequence referred to a referendum. The results of the last general election took the Government by surprise: the vote was decidedly against separation. The Government would not read that verdict in the general election. The verdict of the newly-elected Legislative Council would be more authoritative and clear. The Council gave an enigmatic answer. It wanted separation provided Burma was given a much larger autonomy than was promised by the Government or, in the alternative, federation with India. And now Sir Samuel Hoare neither asks Burma to give a categorical answer to the single question, federation or separation, nor proceeds on the basis of federation or separation, but simply seems to hang up the question. But by proceeding with the Indian federation without taking Burma into account, he is practically making it impossible for Burma to join in. It was open to him to proceed on the basis that, since as a matter of fact Burma is today a province of British India, it will automatically be a unit of the federation until the contrary decision is taken. There is much greater justification to take this course than to proceed on the basis that Burma will separate. If the Burma Legislative Council was equivocal, the elections were not, and favoured federation.

The position of the Burmese leaders in the Burma Legislative Council seems to be that they want as much autonomy for Burma as they can get. They are not clear whether by separating from India and bargaining with England they will get more of it than they would get by sharing in the Indian federal constitution. One thing they know now, that the British Government refuse to go beyond their statement at the last Burma Round Table Conference. They know the content of autonomy for a separated Burma. But not till the whole federal scheme is ready in all its parts can they assess the content of autonomy Burma can get by joining the federation. They seem to be watching and waiting for a completed scheme of federation before they can make up their mind. But in doing so, they are forfeiting their right to participate in fashioning the federation, if ultimately they decide to join it. And it is also very doubtful if at that stage it will be possible for Burma to come in, for, as we said earlier, it will require the pulling down of a large part of the new structure and reconstructing it in order to include Burma. Their attitude is understandable but not helpful. This was apparently the reason why even the anti-separationist leaders who recently conferred with some members of the Indian Legislative Assembly, wished to join the federation now but wished also to reserve the right to secede later on if Burma thought fit. It must be mentioned however that the secession of Burma later on will cause as much dislocation of the constitution as her entry then.

As regards the right of secession, opinion in India is not clear and unanimous. All British Indians wish Burma to be included in the federation but only of her own choice. They also wish that once she joined the federation, she remained there for ever. To secure this purpose, some would invoke the principle that units of a federation have no right of secession, while others would make an exception in the case of Burma and concede her the right under certain conditions, such as the lapse of a certain period of time, say, twenty years, and so on. Both Sir Samuel Hoare and Mr. Ramsay MacDonald are among those who would refuse Burma the right to secede once she joined the federation. It does seem passing strange that the anti-secessionists contemplate with perfect equanimity Burma seceding now from the far more closely knit unitary Government of India, a right which again is not conceded to any other British Indian province. How it is open, constitutionally speaking, for a province to secede from a unitary state while it is not open to a unit of a federation to do likewise, is not quite clear. However that may

be, the practical question at issue is whether Government are justified in excluding Burma from the federation. The case for her inclusion is overwhelmingly clear. Burma is today a part of the unitary state of British India, and pending a clear and unequivocal declaration to the contrary, and the effectuation thereof, must continue to be part and parcel of British India. Such a clear declaration is not yet forthcoming. Secondly, even those who stood for separation, did it on condition that Burma got a constitution much better than the one which Government have promised them. And Government have since made it clear that they do not propose to go beyond their previous undertaking. So that rules out separation even from the point of view of the separationists. Thirdly, British Indians wish Burma included in the federation. Even those who would concede the right of secession cherish the hope that the benefits of federation would be so overwhelmingly patent and palpable that Burma would not be tempted to exercise her right of secession.

THE ROUND TABLE SCHEME.

IV. FINANCIAL SAFEGUARDS AND COMMERCIAL DISCRIMINATION.*

THE exclusion of Finance from the list of reserved subjects in the central government has been hailed in certain quarters as a definite step towards the attainment of responsibility. As, however, the expenditure on reserved subjects amounting to more than three quarters of the total budget is non-votable the financial powers of the legislature and the 'responsible' executive are substantially crippled. If the legislature were to refuse to pass a Finance Bill for the service of the reserved departments undoubtedly the Governor-General will have to certify the measure. So long as there are any non-votable items this provision will have to be incorporated into the Constitution Act. Both on the side of revenue and expenditure, therefore, there are very serious inherent limitations on the transfer of finance. But the position is made well-nigh impossible by the prescription of what are called 'Financial Safeguards.'

The Second Round Table Conference accepted the proposition that "it would be necessary to reserve to the Governor-General, in regard to budgetary arrangements and borrowing, such essential powers as would enable him to intervene if methods were being pursued which would, in his opinion, seriously prejudice the credit of India in the money markets of the world." It is unfortunate that from the very start emphasis thus came to be laid on the debtor-creditor relation between India and Great Britain. Even Sir Tej Bahadur Sapru was taken in by what he considered to be the ordinary lawyer's experience. The creditor, he said, must have securities and therefore agreed to the principle of financial safeguards. With the greatest respect for such a high authority,

we think that this was a mistaken view of the matter. All the security that the British creditors were entitled to have was already provided in two ways. Politically India was to be an integral part of the Empire and thus some measure of influence over her financial policy would be necessarily exercised by the Empire Government. The recent experience of Australia is very relevant. No safeguards are provided in the constitution of that country and for a time most objectionable budgetary and borrowing practices were followed by the Dominion and some of the state governments. This naturally created a panic among the British creditors. Ultimately, however, friendly guidance from London and local sanity combined to restore financial soundness. This experience proves conclusively that for the security of British creditors a whittling down of the financial powers of the Indian legislature is not necessary. It is an essentially sound proposition that interest charges on public debt, whether foreign or national, should not be at the mercy of economic or political exigencies of any one year. Hence these charges are rightly included in the Consolidated Fund Account. Any security to which the British creditors are entitled is thus provided by India's place in the Empire and by the interest charges being included in the Consolidated Fund Account.

How very far-reaching are the consequences of accepting the principle of safeguards will be clear from the following extract from a speech of Sir Samuel Hoare before the Federal Structure Committee: "This means, in effect, that the safeguards to be provided must ensure the maintenance of financial stability and credit; and this in its turn depends upon provisions in a new budget to control the balance, that the sinking fund arrangements

* Previous articles in this series appeared in the issues of February 9 and 16 and March 2.

are adequate, that capital and revenue expenditure are allotted on sound lines, that excessive borrowing or borrowing for revenue purposes is not undertaken, and that a prudent monetary policy was consistently pursued." Thus on the flimsy basis of security for the present British creditors of the Government of India all the future budgetary arrangements were to be placed under the ultimate control of the Governor-General. The above noted speech was an astounding performance on the part of the Secretary of State. Diversion of capital to revenue accounts, financing of extraordinary heads out of current receipts, heavy borrowings for meeting budgetary deficits and currency manipulation to ease the financial position are all 'sins' with which the pages of Anglo-Indian financial history are widely strewn. At the last Round Table Conference Sir Tej Bahadur Sapru and a few others made an attempt to define the grounds on which the intervention of the Governor-General in the working of the finance department would be based. This, however, was not successful and it was agreed by a majority that the requisite powers for the Governor-General could be suitably obtained by placing upon him by statute a 'special responsibility' in financial matters. This amounts, in law, to reducing the Finance Member of the future government to a position of subservience to the will of the Governor-General.

It was a fundamental mistake to concede the principle of safeguards as applied to non-reserved departments. All opinions expressed at the various Conferences are subject to revision after the completion of the whole picture. We feel that a very determined stand on the financial powers of the federal government is necessary even though it might entail a revoking of some concessions made by British Indian delegates at earlier conferences. In addition to the safeguard provided by creating by statute a special responsibility of the Governor-General in financial matters, two other arrangements are at present proposed. The first is a provision whereby the previous permission of the Governor-General is made essential for the introduction into the legislature of any bill connected with currency and exchange. In the past sufficient mischief has been done to the best economic interests of the country by its currency policy being regulated from London and often in opposition to informed Indian opinion. It is now proposed to perpetuate the thralldom of the Indian currency authorities by making them subordinate to the Governor-General. A Financial Adviser without any executive responsibility is to be appointed to help the Governor-General in this matter. The British delegates to the Conference have refused to accept the suggestion that this Adviser should be Indian or that he should be free from any political or financial affiliation. In all probability somebody under the influence of the Bank of England will be appointed to this post. The position of the Finance Minister will be almost intolerable and a good deal of friction between the Legislature and the Governor-General is bound to follow.

Under these circumstances the so called transfer of financial responsibility in the centre is a big sham.

But even that step, and in fact the very inauguration of the new constitution, is made conditional on the establishment of a Reserve Bank 'free from political control.' Whether the Reserve Bank is a State institution or a private concern decisive authority will be wielded over it by the Governor-General, who will be advised in this respect by the special Adviser. Freedom from political control would thus mean the retention of currency and banking in the hands of the Secretary of State. There is absolutely no justification for such an attitude of distrust with regard to the financial and currency authority of the future legislature of India. All these provisions are based on a spirit of mistrust, if nothing worse. Even Sir Tej Bahadur Sapru felt constrained to protest against the position taken by the British delegates. "Why this nervousness?" he asked. "What is the cause of this nervousness? We are willing to meet all your legal claims and obligations, but humanly it is impossible for us to satisfy your whims, your suspicions, your spirit of distrust." But even this is not all. The establishment of the Reserve Bank, or a Federal Bank, is to depend on four preliminary requirements. These are that (1) the Indian budgetary position should be assured; (2) the short term obligations of the Government of India, here and in Great Britain, should be substantially reduced; (3) adequate gold reserves should be built up; (4) and the normal exports surplus of India should be restored. All these requirements and particularly the latter two are dependent on world factors over which no single government has any control. It is, therefore, unreasonable to make such a pressing political reform as a Federal and Responsible Constitution dependent upon the inauguration of the Reserve Bank. Beyond conceding a power of financial certification for reserved expenditure and agreeing to put interest charges on a Consolidated Fund basis no further whittling down of the authority of the responsible Finance Member should be agreed to by our delegates.

COMMERCIAL DISCRIMINATION.

In the matter of what is usually called Commercial Discrimination the Third Round Table Conference marks a definite retrogression. The principle of reciprocity on which the decisions of the Conference are based is absolutely inapplicable to the economic relations between India and Great Britain. The latter has advanced on the road of industrialisation as no other country has done, while India has just begun to find its feet in the matter. Reciprocity between these is like reciprocity between the wolf and the lamb; footing. As common subjects of the Crown, it is justifiable to argue that there should be no discrimination against a British businessman in favour of an alien. But to make the term "discrimination" cover the case of the Indian Government refusing to give facilities to non-Indians which are offered only to Indians is an abuse of terms. No Dominion Government, or no Government for that matter, will consent to have its right to help its nationals thus challenged. At the Second Round Table Conference

there appeared to be some agreement on the exceptions to the general principle of 'no discrimination' which was so credulously granted by most of the Indian delegates. These exceptions were to be key industries, unfair competition and bounties. From the reports of the Third Round Table Conference it is doubtful whether any statutory step would now be taken to define commercial discrimination and to prescribe the exceptions. In one particular respect there has been a definite sliding back in the position. The Indian Fiscal Commission and the External Capital Committee had agreed that where the state granted aid to an industry in the shape of bounties it would be justified in levying such conditions with respect to control, finance and training as it liked. Indian opinion had always held even this position to be unjustifiable. Bounties are only a method of protection, which is also granted in the shape of a tariff or preferential purchase of stores. If state control is justified in the case of industries receiving a bounty it should also be justified in that of industries protected by a tariff or preferential purchase. The Third Round Table Conference, however, put the clock even behind the position taken up by the Fiscal Commission and the External Capital Committee. Their committee agreed that "bounties or subsidies should be available to all firms or individuals engaged in any particular trade or industry at the time the enactment authorising them is passed. With regard to companies subsequently entering the field the Government should be at liberty to impose conditions

of eligibility subject to the general direction of the Governor-General."

If this is the conclusion which is to be incorporated in the new constitution the control of national economic policy would be denied to the future Indian legislature. It would be very short-sighted statesmanship to bargain for the shadow of responsible government at the cost of vital financial and economic powers. The truth with regard to so-called discrimination has to be squarely faced. We are in complete agreement with the enunciation of the principle contained in the Report of the Federal Structure Committee: "No subject of the Crown," they said, "who may be ordinarily resident or carrying on trade or business in British India should be subjected to any disability or discrimination, legislative or administrative, by reason of his race, descent, religion or place of birth, in respect of taxation, the holding of property, the carrying on of any profession, trade or business, or in respect of residence or travel." It would, however, be unjustifiable to stretch this principle of civil non-discrimination to eligibility to a share in the fruits of national economic policy. In fact any constitutional changes proposed to be introduced into India will be judged by Indian public opinion by this test. Do they place financial and economic policy under national control? The decisions arrived at at the Third Round Table Conference would leave no doubt that the coming reforms fail miserably to satisfy this test.

D. G. KARVE.

TEARING UP A CHARTER.

THILL recently the native races of Kenya Colony had no sort of right in land. All land in their occupation belonged to the Crown in theory, and the Crown could dispossess them of it at will. In 1930, however, an Act was passed forming Native Reserves by which the areas included in them were set aside for the use and benefit of the native tribes of the Colony for ever. Even then the individual ownership of land by a native was not recognised, and it is not recognised to-day either; but the tribal ownership was made, as it appeared at the time, secure against all possible encroachments on the part either of the Government or of non-native races. By the Act just referred to Government relinquished the absolute powers which it could exercise till then over native lands and bound itself to administer them according to the provisions of the law, and under the provisions of the law lands included in the reserves could not be alienated to non-natives. It is doubtful whether the lands thus set apart are adequate to the needs of the present and future generations of natives, and this particular question is being investigated on the spot at the present moment by a Land Commission under the chairmanship of Sir Morris Carter, but whether any additions come to be made to these reserves as a result of the recommendations of this Commission or not, it seemed till the other day that the areas gazetted

as Native Reserves were sacred to the natives. The natives themselves regarded the law as their magna carta, but so soon after the pledge was given they find that it is being broken.

Gold has recently been discovered in Kenya and unfortunately it is found at present only in areas occupied by the natives. In law all mineral rights in land, whether in native or non-native occupation, are reserved to the Crown; but, for reasons which are intelligible, the Government of Kenya does not like to engage itself in such a speculative concern as gold mining. It therefore leaves it to be carried on by private enterprise and contents itself with receiving a royalty of 5 per cent. The natives themselves are not yet equal to carrying on mining operations, and indeed there is an express provision in section 12 of the Mining Ordinance which prohibits natives from prospecting for gold. What then is to happen to the gold find? Government has decided to allow white settlers to prospect for gold and work it. Thus Europeans are overrunning the country, digging holes, cutting trenches and sticking pegs, and this has filled the natives with profound alarm. They have begun to ask themselves: Will land that is guaranteed to us by the British Government be taken away from us again in the gold rush? Will the pledge be broken?

For the present no occasion has arisen to evict the natives. What has happened so far is this: the white settlers are granted prospecting licences; when there is a chance of successful operation a regular claim is registered; when a claim is staked out it becomes necessary to apply for a lease. But the issue of a lease of native land is subject to very stringent restrictions under the Native Lands Trust Ordinance of 1930 mentioned at the beginning. First, in every case of the granting of a lease, the Local Native Council and the natives concerned in the lease must be consulted, and the Government feel sure that if they are consulted they would refuse to grant lease straightaway, such is the natives' love for land. Secondly, no land can be let out on lease which is under beneficial occupation of the natives. If this condition is to be observed in the Native Reserve of North Kavirondo, where gold is being mined, and which is densely populated, no mining leases would at all be possible. Thirdly, no land can be acquired even for public purposes in a Native Reserve unless land equal in area to the land proposed to be acquired is added, so that the Native Reserve will on no account suffer any diminution in extent. This condition is capable of fulfilment, but the Kenya Government think it both unnecessary and somewhat difficult to fulfil it, and for all these reasons, with His Majesty's Government's support, they have passed an amending Ordinance relieving themselves of the obligation imposed by the conditions mentioned above.

To set aside the third condition is in effect to abrogate the pledge given to the natives to maintain intact the areas set apart for them. It is true that it is a temporary measure and will not result in depriving the natives of land on a large scale. It is to remain in force till the Carter Commission submits its report and Government considers it. It is estimated that as a result of the new enactment no more than 300 natives including their families will be expropriated, and the land which will pass into European hands will amount to $1\frac{1}{2}$ sq. miles. It may be admitted at once that these are not very big results, but they are enough to make the natives feel that there is no sanctity attaching to the pledges given by Government. If Government can introduce one amendment taking away a small slice of their land, why cannot they introduce another taking away a large part of it? The natives ask this question and there is no satisfactory answer to it. The effect of the measure therefore upon the natives is out of all proportion to its scope. It has shaken the confidence, not only of the Kavirondo but of all the other native tribes in Kenya, and its reverberations may possibly spread to other parts of the Empire.

What is the Government's justification for this measure? Their plea is that when the Land Ordinance was passed the compensatory exchange of land which was made compulsory under it was intended to apply to cases of permanent eviction. Temporary

eviction was not contemplated by that piece of legislation. Now however conditions of an entirely different kind have arisen. No permanent exclusion of an area from the Native Reserve is intended, but only temporary exclusion, and it would be unreasonable to add an equivalent piece of land to the Reserve because a temporary deduction is being made therefrom. What however are the facts? The leases that will be made will run for any period from 5 to 21 years, subject to renewals. They may therefore last even for 50 to 100 years, and the exclusions may be as good as permanent. Further, it is said that the area that will be taken from natives in each individual case for mining purposes will be very small; it may be anything from an acre to 20 or 40 acres. To extend the Native Reserve piece-meal by such small quantities at every transaction is hardly possible. Will then an addition be made, say, once a year or once every two years? The Colonial Secretary's Press *communiqué* says: "It may well be that a further area of land should ultimately be added to the Reserve as an additional compensation to the natives as a whole for the temporary exclusion of land included in a lease." It will be observed that Government do not definitely promise to add to the Reserve for once and all, when the measure ceases to be in operation, land of the aggregate extent of all the areas taken away from the Reserve. If Government were to give such a promise much of the anxiety felt by the natives and by those who advocate their cause will be removed. But Government are deliberately very vague in holding out a hope in the matter.

Further, it may be, as Government say, that there is no unalienated land adjoining the Reserve which can be added to it, but, as Col. Wedgwood said in the Commons debate on 8th February, there is undeveloped land adjoining the Reserve which can be repurchased by Government at a cost only of £2,000 and added to the Reserves. And if no adjoining land is available, then land at some distance may be set apart for the natives. But in any case the Native Reserve must be increased by an equivalent amount, whether the land alienated for mining is large or small. This point was fully considered when the principal Ordinance was passed. The Chief Native Commissioner observed as follows to on 11th April 1930 in the Kenya Legislative Council in meeting the objection which was then taken by the white settlers but which is now taken both by the Kenya Government and His Majesty's Government: "It is true that in some cases it may only be possible to add to the Reserves a piece of land which is remote, but if the land is small and valuable it will form an endowment for the tribe, because the tribe has probably had to find a piece of land for the man dispossessed. On the other hand, if the area—remote though it might be—were a very large one, it might at any time serve as a place of overflow for the population in some congested area." The Kenya Government of the time, presided over as it was, by Sir Edward Grigg, was opposed to the clause making it compulsory to add to

the Reserve in every case of acquisition of native land for public purposes. But the Colonial Secretary Lord Passfield, of the Labour Government, forced it upon the Kenya Government and the white settlers. The Kenya Government is only paying off old scores now by removing the provision from the Ordinance by an amending piece of legislation.

The amending Ordinance must be repealed, but that is not enough. The Kenya Government have not made full use of their mining rights which, fortunately, have been reserved to the Crown. If Government themselves cannot operate the mines, they can, as suggested by Lord Lugard, form a company in which they will have a majority of shares so that they can control the development of gold mining, devoting the profits to the promotion of native welfare. The Anglo-Persian Oil Company is an instance of the sort of private-public company that is proposed in this case. Government must also take early steps to make it possible for natives to hold land in their individual names. The system of communal holding which prevails among them is too primitive to suit modern times. To strengthen the tribal authority, as the Government are assiduously doing, is to prevent natives effectually from emerging out of their uncivilized condition. As Col. Wedgwood aptly said, they are now "being preserved helpless, ignorant, children for ever as under a glass case."

INTERNATIONAL AFFAIRS.

THE BUDGET VOTED

THE system of a bicameral Parliament is praised by some and criticised by others and there are, no doubt, excellent arguments on either side. French people have been experiencing its advantages as well as its drawbacks for quite a long span of time by now. Surely the Senate's political wisdom has had a salutary, moderating and corrective influence on some rather hasty or excessive decisions of the Chamber of Deputies. But one cannot deny that when some measure has to be urgently decided and voted upon, the endless journey to and fro between the two houses results in a waste of time, not to mention the consequent suspense and nervousness aroused in public opinion, as well as among members of Parliament themselves.

Nevertheless, after long days' and long nights' discussions, one fine morn, our budget was born (that is to say the budget for the month of March, after which further discussions are expected to continue). The dreaded ministerial crisis has fortunately been avoided, thanks to M. Daladier's hearty energy, and thanks also to the wise tactfulness of the Senatorial financial commission and its President, M. Caillaux.

Concessions have been made on either side. The Senate had finally agreed to a substantial reduction in military credits; the Chamber of Deputies, in return, has consented not to increase the present rate of income-tax by more than 10%. But the most heated discussions centred around the proposed reduction in the pay of civil servants. The question was one of principle, as much as—and even more than—one of strict financial interest; in fact the sum total of economies realised by the proposed reduction is of relatively insignificant importance compared to the deficit in the budget. Most of the Socialists considered themselves as linked solidly to the

policy of the trade unions and of the C. G. T. (General Confederation of Labour), who have always bitterly denounced the idea of cuts in civil servants' pay. To grant concessions on that point almost amounted to a revolution inside the party and it has in fact led to its breaking up in the course of a consultative meeting of the Socialist members held in the middle of the night preceding the decisive vote. Soon after that meeting ended, M. Leon Blum, President of the Socialist Parliamentary group, was seen to leave Parliament accompanied by his wife, while the general sitting was being resumed. The news was not long to spread that the Socialist block had split in two. M. Blum, who had always been the guardian of unity had felt that his authority was gradually waning of late. Recently he had been seen leaving a Parliamentary meeting in tears. The decision of his party provided an opportunity for him to resign from his presidentship, and his group does not seem to have even tried to detain him.

The consequences of the last Parliamentary vote are therefore double: financial and political. Financially speaking, the result is 4½ milliards (realised by economies, surplus taxation and diverse other resources) which, added to a similar sum already voted in December, brings the total figure of financial adjustment up to about 9 milliards.

In the political field, the disruption of the Socialist group and the resignation of its president have resulted in a division of the Chamber into three principal sections:

- 10 The Opposition (right and centre).
- 20 The cartel.

30 The extremists, who now number inside their ranks 20 pronounced socialists and 1 dissident radical socialist who have voted together against the government plan.

The plan has been sanctioned, but the parties remain divided, and we are afraid that the Chamber is lacking in the necessary cohesion to a certain extent. Nothing however is more necessary to our country at present than cohesion among ourselves and the union of our energies to face the uncertainties and menacing dangers that are arising on every side. Internal difficulties and divergencies must be appeased and government unified and strengthened.

ELECTIONS IN GERMANY

A correspondent of "Paris-Soir" alludes to the "drama" of next Sunday's elections in Germany. The word may appear as an exaggeration, and yet all the news received from Germany of late indicate a dramatic situation. Especially since the Reichstag was set on fire the country has practically been living under martial law and every day seems to bring about additional restrictions and additional violence. Hitler condemns in flaming speeches all opinions opposed to his own. The number of persecutions and arrests are increasing rapidly. Some papers give the figure of 5000 arrests since the Reichstag was burned, and the police are not publishing any more lists now. A great many democrats together with numerous people belonging to the Jewish community are obliged to leave Germany to escape persecution and imprisonment. The Republican flag has been suppressed.

Nevertheless Hitler has very cleverly tried to preserve at least an appearance of democratic consultation, which might—if it could be made favourable—prove a considerable asset to his government. But free election would have been too dangerous for the "Fuhrers" party and the difficulty was to keep the command of the situation at this critical point. It is generally accepted that the Reichstag fire was staged for the purpose, namely to provide a con-

venient excuse for wholesale repression under cover of maintaining order. While visits to the burnt building by the population are encouraged and even officially organised, papers are being suppressed, pamphlets confiscated, public meetings prohibited, and no other voice except that of the Government allowed to make itself heard. No criticisms are tolerated. The Social-Democrats and the Communist party have been practically declared illegal and deprived of the means of carrying out a normal electoral campaign. It will be remembered that these parties secured a notable proportion of the votes in the last elections (37. or 3 p.c. in the Reich as a whole, and 54, or 3 p.c. in Berlin itself). Most of their leaders are by now either imprisoned or banished and those who remain are not allowed to express themselves freely.

Under such conditions one can imagine the relative value of next Sunday's vote. Fear will play its part. Many voters will probably keep silent, and others will feel compelled to vote for Hitler against their wish. As a crowning demonstration, the Berlin Nazi Paper "Angriff" emphatically announces Hitler's prospective speech in Heidelberg "on the threshold of the blazing frontier" which is to be broadcasted.

One cannot help thinking of the grave consequences which might result from the German "drama". This is the time when the few countries which are still attached to a democratic tradition must keep a cool head and unite to preserve their liberties and bring about a state of peace and security in the world.

EMBARGO ON ARMAMENTS.

Through the voice of Sir John Simon speaking in the House of Commons, the British Government has notified its decision to prohibit all exports of armaments and munitions to China and Japan.

The English are very anxious to emphasise the fact that they have been the first to express themselves openly in that sense and they evidently want to get as much credit as possible for taking an initiative which is apparently so perfectly attuned to the League's recent verdict.

In reality, however, things are not quite so simple, and Sir John Simon's gesture is not quite so brave as it appears to be; neither is it likely to prove very effective. First of all the embargo does not affect the contracts already in existence, and anyone can guess that the belligerent powers have not awaited the day of Sir John Simon's declaration to place orders. Moreover, under the cover of impartiality, this decision can only favour Japan, since it is not applicable to raw material. Japan alone possesses armament factories and may therefore rapidly utilise raw material which will be useless in China's case. China much less prepared, and possessing a relatively much smaller quantity of stocks, will soon be deprived of defensive weapons, while Japan, richer and much better provided, will suffer much less. In fact, England after having voted in favour of the League's recommendations in Geneva, is now reluctant to break with Japan.

The "Times" justifies the British Government's action by saying that so long as a country acts alone it is impossible to make any discrimination between two belligerent powers. But precisely why does Great Britain act alone at this juncture? There is absolutely no reason why she should not have sought the agreement and support of other countries, and, to take only one instance, of America, where her Ambassador is engaged just at present in important discussions with Mr. Cordell Hull. And besides, the vote at Geneva

has already pledged England, as well as the other countries who joined it, to a discriminatory judgment concerning the belligerent powers. Then why this double face?

It is no doubt part of England's traditional policy to affect Olympian aloofness towards continental affairs, all the while pretending to keep a balance between the various forces in conflict; to act as a perpetual arbitrator, without getting directly engaged in conflicts, until it is unavoidable.

Many people in Europe are of the opinion that if England had taken a decision a fortnight earlier in 1914, the "catastrophe" would have been avoided and they are not anxious to see it repeated in the present day.

Our London Letter.

(BY AIR MAIL.)

(From Our Correspondent.)

LONDON, March 3.

SIR SAMUEL & HIS CRITICS.

THE proceedings of the National Conservative Union Association in London this week have shown that die-hardism has a stronger hold on the organisation of the party in the country than it has perhaps in the House of Commons. In criticising Sir Samuel Hoare we must give him the credit he deserves for the courageous fight he has been waging against those of his own party who would, if they could, stop all constitutional progress in India. On Tuesday he had to show the stuff he was made of when he stood up to defend the Government's policy against a formidable attack from its Conservative opponents. "The Times" has dismissed the National Conservative Union as being an unrepresentative body, but it is probably as representative as such organisations usually are, and it may yet have the power to influence Parliamentary opinion to a considerable degree.

The proceedings at the Friends House during the debate provided good entertainment for those who were present. These gatherings on the Tory side are generally a happy family party and it is a rare event for the policy of the leaders to be attacked so vigorously as was the case on Tuesday. Splits are unfamiliar episodes in that part of the political world, but it did seem on this occasion as if the organisation was riven from top to bottom on one of the main issues before Parliament at the present time.

RIVAL CAMPS.

The meeting was attended by about four hundred delegates from all over the country, and the discussion waged for the most part round a resolution proposed by the West Epping Unionist Association (Mr. Churchill's constituency) to the effect that "the setting up of a responsible government for All-India on the principles of Western democracy will be injurious at the present time to Indian welfare, British trade, and the strength of the Empire."

The counter-proposition, moved by Mr. Hugh Molson, M. P., followed very much the same lines as Lord Eustace Percy's recent amendment in the House of Commons. It congratulated the Government on "their success in restoring normal conditions in India," and merely expressed the opinion that the fullest opportunity should be given to Parliament to discuss and decide the vital questions involved in the establishment of an All-India Federation, and

in particular upon the reality of the suggested safeguards.

It will be noticed that neither in this nor in any of the other alternative resolutions was definite approval expressed in regard to any extension of self-government in India. Yet the die-hards fought bitterly against even a suspension of judgment. Mr. Churchill was cheered to the echo as he made his various points, but his whole speech was merely a repetition of what he has said many times before. No doubt it sounded like good honest Toryism to those who have been bred and born in that cult, but there was not an enlightened idea throughout the whole tirade. The speaker was in one of his most uncompromising moods, and it might have been supposed that he was criticising a Government which was surrendering the claim of India all along the line. Indeed, he denounced the present Indian policy of the Government as nothing but a Socialist policy. In strident tones Mr. Churchill challenged the Secretary of State to allow a free vote in the House of Commons when the White Paper came before it. This demand was strongly backed by other speakers as well as by the cheers of their supporters, but Sir Samuel Hoare refused to commit the Government to that course. In fact he refused to make any promises to satisfy the die-hards.

LIVELY SCENES.

Bearing in mind the orthodox Conservative record of the Secretary for India it was a singular spectacle to see him so sorely beset in the house of his friends. It must be admitted that he faced his critics with indomitable pluck. It was, no doubt, a bitter ordeal for him to be facing a crowd of hostile members of his own party, whose vociferous interruptions found but a faint counterpart on the other side.

Sir Samuel's attempt to mollify the Opposition by assuring them of the thoroughness of the safeguards and intention of the Government to give Parliament every opportunity of discussing the proposals in principle and in detail was very largely abortive. He resumed his seat in almost a dead silence.

When the question was put to the vote it seemed as if the proceedings might end in confusion. Mr. Molson's resolution was carried by a show of hands, as was also another innocuous formula, without a division being demanded. The Chairman, Sir Geoffrey Ellis, upon putting the Churchill motion, announced that it had been defeated. Whereupon there was a tremendous outcry in all parts of the hall from people who insisted that a definite vote must be taken. Mr. Churchill was leading the clamour from one part of the building and Sir Henry Page-Croft from another, while Sir Alfred Knox and other well-known die-hards made themselves equally conspicuous.

After the storm had continued some time the Chairman yielded to the demand for a count, when it was found that the condemnatory resolution had been rejected by 189 to 165—a majority of only 24 for the Government, but that majority was in the stronghold of the Conservative Party.

These strange proceedings have led to further recriminations in the Press and elsewhere. Nor is it to be supposed that the die-hards will take their beating as final. Their organs have been asserting that the majority was only secured by Ministerial pressure and the votes of officials who had to respond to the party whip. It was also alleged by the "Morning Post" that the report of the proceedings communicated to the Press had been heavily censored by the India Office, but an official denial was given to this statement yesterday.

THE EVOLUTION OF SIR SAMUEL HOARE.

Whatever India may feel about the Round Table Conference, there can be little doubt that the discussions have been valuable to Sir Samuel Hoare. He is as adamant as ever on some points (partly because he is anxious to stand by the Viceroy on such questions as the continued detention of Mahatma Gandhi), but if his earlier speeches are compared with those he has been making lately, it will be found that he has now a keener appreciation of many of the facts of the situation.

In his speech on Monday this development was specially noticeable when he was accused of putting forward a weak policy in self-government for India. He was inclined to think, he said, that the weak policy was to sit still and do nothing. "I could remain in Whitehall; I could go on steadily maintaining law and order; the Viceroy in India could go on crushing civil disobedience and any attempt to challenge the established Government; and at the end of two or three years I could imagine the world at large saying what splendid people these two were. Here were a Viceroy and a Secretary of State who were not prepared to be rattled, and prepared to go on maintaining law and order in face of every challenge, and no doubt each of us could go out of office in a blaze of glory."

It is to be hoped that Lord Willingdon, as well as Sir Samuel Hoare himself, will ponder the significance of what the latter was saying, and especially of the words which followed. "What would be the opinion of the world at large," asked the Secretary of State, "when in ten years' time there had been recrimination and reversals of policy, and when, as a result of the fact that we had failed to plan for the future when we had the opportunity, the affairs of India went the way of the affairs of Ireland before the War and the whole machine of government crashed along the road where it had drifted?"

These are the words of a statesman who is having his eyes opened to realities, even if he is not yet fully awake to the light of day. It may well be doubted whether Sir Samuel Hoare has the qualities which enable him to educate his party to the point of accepting a really substantial measure of self-government for India, but this is certain that when a Conservative leader with his record begins talking in that strain, the desired end cannot be far off.

LANCASHIRE AND THE INDIAN BUDGET.

Very few comments have appeared in the Press concerning the Indian Budget. In some quarters surprise has been expressed that Sir George Schuster was able to close the fiscal year with a balance, however small, and some satisfaction at that is felt.

In Lancashire, however, distinct feeling of vexation and disappointment have been aroused by it. The cotton industry for some time past has been looking to India to ease her burden of high tariffs that are strangling her trade, and now that no suggestion of such relief is made, Lancashire feels she has been let down. She says she is not going to sit down quietly under it, and threatens to make herself a nuisance to the British Government by constant agitation until some relief is afforded her.

Mr. H. J. Mothersill, who took a prominent part in the formation of the Cotton League, puts his claim for tariff relief on two grounds. Not only would the cotton industry in this country benefit, and the terrible problem of unemployment here be aided, but India herself stood to gain by such a move, the increase in trade more than counterbalancing the reduction in the tariff and thus producing a larger revenue. This in its turn would enable reliefs in taxation to be given internally.

Miscellaneous.

LIBERAL VIEW OF R. T. C. PROPOSALS.

A meeting of the Council of the National Liberal Federation was held at Jehangir Building, Esplanade Road, Fort, Bombay on Sunday, March 12. Mr. C. Y. Chintamani presided. The meeting considered the results of the Third Round Table Conference and passed the following resolutions:—

I.

THE Council of the National Liberal Federation of India is of the opinion that the results of the Third Round Table Conference as embodied in the official Report are unsatisfactory in view, *inter alia*, of the following features of the proposed scheme:—

1. the absence of any indication as to the date when the All-India Federation will be inaugurated.
2. the imposition of a new condition precedent that a Reserve Bank must be established and must function effectively before the Federal Constitution begins to operate, and the lack of an assurance as to what would be done in case this condition is not fulfilled at an early date;
3. the absence of a clear enunciation that the policy about currency and exchange shall rest with the Legislature;
4. the proposals regarding defence which do not confer adequate powers on the future Indian Legislature to quicken the pace of Indianisation of the Indian army, to reduce the strength of the British garrison in the country, to control the policy regarding the military training of the nationals, to throw open all ranks of the Indian Defence Forces to all classes including the so-called non-martial races with a view to achieving complete nationalisation of the army within a reasonable period, and to bringing about a substantial reduction in the huge and unbearable military expenditure of the country;
5. the absence of any decision regarding Federal Finance, the constitution of the Federal Legislature and other conditions on which the States would join the Federation;
6. the fact that the "safeguards" devised are excessive and unreasonable and are not "demonstrably" in the interests of India and that it is not provided that they shall terminate at the end of a short transitional period fixed by statute;
7. the proposed financial safeguards which constitute a virtual negation of financial power to the Federal Government and Legislature;
8. the proposed statutory provision against commercial discrimination, which is calculated to deprive the future Legislature and Executive of necessary power to afford protection to Indian trades and industries against unfair competition by non-nationals;
9. the reactionary and far-reaching proposals regarding the special responsibilities of the Viceroy conferring on him wide and unnecessary powers, financial, legislative and administrative, rendering the transfer of power in the Centre almost nugatory;
10. the absence of a provision vesting the recruitment and conditions of employment of future

entrants to the Public Services and the complete control of public servants, present and future, in the Central and Provincial governments, subject to the safeguarding of the salaries and pensions of those in service at the date of the coming into operation of the new constitution;

11. the vitiation of even the proposed provincial autonomy by the proposals regarding the special powers of the Governors analogous to those of the Viceroy with the power of interference in the administration of law and order in the provinces and the proposal for the establishment in some provinces of Second Chambers, apart from the unsatisfactory constitution of the proposed provincial legislative councils which will render very difficult the formation of non-communal parties based upon differences of policy;

12. the absence of any proposal for the abolition of the India Council and of the separate office of Secretary of State for India and his functions being made over to the Secretary of State for Dominion Affairs and for the effective limitation of the powers of the Secretary of State;

13. the lack of any provision regarding Fundamental Rights and power to the future Legislatures to make needed changes in the Constitution without the sanction by the British Parliament.

II.

The Council deems it necessary to emphasise that no constitution can satisfy the country, which will not provide for the transfer to popular control of the entire civil administration, Central as well Provincial, subject only to such irreducible minimum of safeguards as are shown to be demonstrably in the interests of India and for a transitional period fixed by statute, and which will not confer adequate powers on the future Government and the Legislature to take necessary steps to regulate military expenditure, to nationalise the Indian Army within a fixed period and to reduce the strength of British troops with a view to their eventual elimination.

III.

Inasmuch as the scheme that has emerged from the discussions of the Round Table Conference fails to secure these ends and to approximate to the constitution of a self-governing Dominion, it will not be a measure of political appeasement and is bound to intensify the present acute and widespread discontent.

IV.

This Council sets up a sub-committee to prepare a statement on the coming White Paper in the light of the above resolutions and instructs the General Secretaries to circulate the statement, among the members of the Council and to lay it before the ensuing session of the National Liberal Federation next month.

The members of the committee are:

Mr. C. Y. Chintamani, Chairman, Sir P. S. Sivaswamy Iyer; the Rt. Hon. V. S. Srinivasa Sastri, Dewan Bahadur M. Ramachandra Rao, Sir Chimanlal Setalvad, Mr. B. S. Kamat, Mr. J. N. Basu, Pandit Hriday Nath Kunzru, Lala Manohar Lal, Rao Bahadur K. V. Brahma, and the General Secretaries.

V.

The Council by another resolution strongly urged Government to release all political prisoners not convicted of violence as a measure of the highest political expediency and hoped that the Congress will stop the civil disobedience movement.