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Topics of the Week.

Agreement with Japan.

THE Indo-Japanese cotton agreement formally announced last week follows essentially the same lines as the one which was in force during the last three year period. The link of raw cotton exports to Japan with the piece-goods imports from Japan, the arrangement of the years for the counting of the two quotas, the possibilities of carry-over, the basic limits and surplus equivalents are all there as in the former agreement. Even the basic quantities, so far as raw cotton exports to Japan are concerned, have been maintained intact. The piece-goods imports figures have, however, been changed. Instead of the older figures of 350 million yards as against a million bales of raw cotton rising to 400 million yards with the increase of raw cotton exports to a million and half, we have the new figures of 283 million yards rising to a maximum of 358 million yards. There has thus been a distinct lowering of the Japanese quota. The division of this quota into categories of grey, coloured and white continues as before and the percentages allotted among the various categories are the same as before. There is, however, an additional refinement in the division of the coloured into (i) coloured printed and (ii) coloured dyed or woven. The importation of fents which were outside the scope of the former agreement had caused a lot of complaint. It has not been possible to bring the fents into the quota even in the renewed agreement, but the Japanese Government has agreed to a maximum limit of 8.59 million yards for the annual importation of fents, a figure much lower than the imports of fents in recent years and one which is almost the same as the fent imports for the last year before the Indo-Japanese trade agreement, i. e., 1933-34.

WE fail to see any strikingly unsatisfactory features about this agreement. There is a continuation

of the old pattern of a reciprocal single commodity agreement, and in the exchange the terms have become a little more favourable to India at the renewal. The complaint that artificial silk or the products of a number of other miscellaneous industries have not been included seems to us utterly beside the point. Widening the scope of the agreement in this way would mean changing essentially its character, and for that to come about we would have had to offer something fresh to Japan from our side. Or else our position must needs have been overwhelmingly strong. It is surprising to note that Sir Homi Mody criticises the agreement on the ground that our raw cotton is so indispensable to Japan that we need not have conceded almost anything to that country in exchange for its custom. Sir Homi Mody has no need to think of what even a threat of Japanese boycott can do to cotton prices and how these prices will affect the fortunes of agriculturists in large tracts of India. But even he might have remembered how the Clare-Lees-Mody agreement with its substantial concessions to Lancashire was defended on the score of what the pious promise contained in it meant to raw cotton interests. Our raw cotton position is not so very strong and it would have been hardly possible to persuade the Japanese Delegation to extend quota regulation to other Japanese goods. Even if, however, the scope of the agreement could have been widened to bring in small miscellaneous industries we should not have welcomed such a step. For, we shall consistently protest against any extension of a virtually protective regime, either in degree or in extent, without a proper enquiry and proved competence.

Constitutional Activities.

MR. KHER, the leader of the Congress Party in the Bombay Legislative Assembly, defends, in the *Bombay Law Journal*, the demand for an assurance of the Governor's non-interference with his Ministers in their constitutional activities and contends that there is no ambiguity about the phrase "constitutional activities", pointing to Professor Keith's definition of it in his letter in the *Scotsman*. We wonder, however, whether Mr. Kher knows how Mr. Keith has defined the expression. Mr. Keith says:

If the word 'constitutional' had been interpreted in its proper sense, namely in accordance with the spirit of the constitution, the Governors could have replied that, of course, they would not use their special powers or disregard such advice. Constitutionally, the Ministers are bound to preserve tranquillity, not to neglect or oppress the minorities, not to ill-treat the Services, not to corrupt the administration of justice, and not to injure the interests of the States. The special powers, they could have pointed out, are solely intended to meet cases of unconstitutional action which they could not contemplate as intended. As the matter has been handled, it is not surprising if the

Indians feel that the assurances given by Sir Samuel Hoare are being violated at the start.

If Mr. Kher approves of this definition, it only means that in no case need the Governors refrain from interference, for all that they would have to say whenever they desired to practise interference would be that the Ministers were acting unconstitutionally. Mr. Keith argues that such a plea on the part of the Governors would be right too, for the safeguards are as much a part of the constitution as cession of power, and Mr. Keith, like the *Tribune*, is quite willing to leave the decision on what is constitutional and what is not constitutional activity in the sole hands of the Governors. Does Mr. Kher think that the Congress will gain anything by this assurance, and is it possible that Gandhiji thought of this kind of assurance, in which the power of decision on "constitutional activities" was to rest exclusively with the Governors? Mr. Kher must have a very poor case indeed if he is reduced to arguing in this way.

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"Treachery".

THE *Indian Express* has unearthed a speech which Mr. Jamnadas Mehta delivered in Madras in June last and in which he denounced the new constitution in vehement language, and has drawn from it the conclusion that, in accepting ministerial responsibility under the same constitution, he is guilty of "treachery" to the country. The following passage from Mr. Mehta's speech is quoted to support this conclusion:

The whole Act is fraudulent. The British people know it. They also know that the new Act is not a measure of advance. Any person offering his co-operation under the terms of the Government of India Act is only offering himself for auction for purchase by foreign Imperialists. (Cheers) Under whatever guise or disguise this co-operation is offered it is absolute untruth and the man is a cad."

The indictment of the *Indian Express* based on this passage would be justified only if it was to be assumed that there is a necessary and inherent contrariety between rejection of the constitution and acceptance of office under it. The Congress Socialist Party in fact bases its propaganda in favour of rejection of office out of hand on this very ground that rejection of the constitution carries with it the natural and logical implication of rejection of office.

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BUT the *Indian Express* has never admitted the soundness of this reasoning, for, while rejecting the constitution, it has itself stood for acceptance of office. The Congress does not think either that rejection of one leads necessarily and inevitably to rejection of the other. If it did, why does it take so long in making up its mind about it? The *Indian Express* might argue that if the Congress supported acceptance of office after rejecting the constitution it would do so only after an assurance, very informal though it be, from the Governors about their non-interference with the Ministers, which would mean that the provincial part of the constitution had been so transformed by the assurance as to justify the Congress's acceptance of it, instead of rejection, and this part of the constitution being accepted under altered circumstances, the Congress could also accept office under it, but Mr. Jamnadas, having had no such assurance, and therefore having to work under the old unregenerate constitution, cannot take office without exposing himself to the charge of apostasy to his principles.

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BUT surely the *Indian Express* and other pro-office Congress journals and Congressmen never

thought of an assurance as a condition precedent to office acceptance before Mahatma Gandhi made a proposal to that effect in Delhi. Were the *Indian Express* and Mr. Satyamurti and Pandit Gobind Ballabh Pant and several others then traitors before the A. I. C. C. meeting but were redeemed from this mortal sin by the Mahatma? Cannot Mr. Jamnadas now claim, as they claimed only a little time ago, that if he has taken office he has done so not to co-operate with the British Government, but only to bore from within. Does this involve the deliberate creation of deadlocks from the start on every conceivable occasion? If it does, why did not the pro-office group in the Congress pledge themselves then to a policy of continuous obstruction? What is it that poor Mr. Jamnadas has done which Mr. Satyamurti and Mr. Pant and Mr. Bhulabhai Desai would not have done if the Mahatma had not emerged from his retirement and queered the pitch for them?

* * *

Protector of Indian Labour in Burma.

THE Hon'ble Mr. P. N. Saprú needs to be thanked for putting the Government in mind of their obligations in relation to Indian labour in Burma. So long as Burma was in close association with India, the Indian Government could itself effectively look after the interests of Indian labourers. With the separation of Burma, however, the case is quite different, the central Government ceasing to be directly responsible for their well-being. From the standpoint of Indian labour Burma in the post-separation era occupies a position analogous, e. g., to that of South Africa, Ceylon, Malaya, etc., which depend upon this country for a large part of their labour supply.

* * *

AGENTS of the Government of India are stationed in these countries principally with a view to safeguard the interests of Indian labourers. By means of his resolution moved in the Council of State, Mr. Saprú wanted the same thing done in regard to Burma, now that she is a political entity distinct from India. He dubbed the proposed officer the Protector of Indian Labourers, but that was the term he borrowed from the Royal Commission on Indian Labour. What he really meant was an Agent to be in charge of Indian labour interests in Burma, notwithstanding the fact that he chose to style the officer differently. As things are, the duties of what is known as the Labour Statistics Officer in Burma include the care and protection both of emigrants from and immigrants into Burma. But his duties, or rather those of his office, begin and end with the arrival and despatch of immigrants and emigrants respectively at the port. The Assistant Protector who is an officer from India and represents the Labour Statistics Officer is present at the arrival of ships bringing emigrants, but he makes himself so unobtrusive that the Whitley Commission express a doubt in the report "if the majority of those arriving are aware of his existence." "Apparently", say they, "no one is responsible for the welfare or protection of immigrants after they have actually landed."

* * *

IN view of the large ignorant and illiterate Indian labour population in Burma and the prevalence of anti-Indian feeling there which found expression a few years ago in the form of riots the need of a responsible officer to look after their interests is pretty self-evident. The Whitley Commission recommended the appointment of a Protector who, though working in co-operation with the Burmese Government, would be responsible solely to the Government of India. He should, the Commission recommended, be a whole-time officer, in which case

the post of Assistant Protector might be found superfluous. Mr. Sapru was cordially in agreement with the Commission in pressing for the appointment of a Protector. But, luckily for him, it was not a case of his having to knock at a door which was closed, bolted and banged, as the ready acceptance of his proposal by the Government spokesman showed.

Definition of Political Prisoner.

WHENEVER a demand is made for the release of political prisoners, the difficulty of defining the term is officially put forward as an excuse for non-compliance. We use the word "excuse" advisedly, for we know that, whether the term is clearly defined or not, its constant use has familiarised everybody with its meaning. Unless Indian officialdom is to be supposed as exceptionally dense-headed, it must also be presumed to understand what is implied by the words. And it is impossible to take its plea of lack of definition at its face value. Yet for a wonder the self-same excuse was trotted out in the Council of State on a recent date.

THE occasion was the discussion on a motion recommending that Government request the King to order the release of all political prisoners and detenus on the occasion of His Coronation next month. Dealing with the demand the Home Secretary spoke as if in the absence of a definition of a political prisoner he did not know what to do. Mr. Ramadas Pantulu who followed with a speech in support of the request for general amnesty tried to deprive the official world of this handy excuse by the definition which he put forth. In the first place he made it clear that a political prisoner does not include one convicted of physical violence. Having thus cleared the ground, he defined political offences as those which did not involve any moral turpitude, but in which the gravamen of the charge is the excessive patriotism of the person convicted.

THE definition may not be ideally correct but that it provides a rough and ready indication of the intentions of those who use the term can hardly be open to doubt. The least that can be said for it is that it will serve as a basis for a more perfect definition if only officialdom would co-operate in the task. But the only help offered by the Home Secretary was of a destructive variety. He tried to pick numerous holes in it but said precious little to indicate how it could be improved upon. In this matter at any rate officials and non-officials must be said to have exchanged their usual roles of constructive and destructive critics. If Mr. Pantulu proved himself useful by providing a definition Mr. Kunzru helped by pointing to a precedent. It consisted in the action of the late Mr. Montagu in advising the then King to set all political prisoners at liberty on the occasion of the introduction of the Montford reforms. Incidentally it may be remarked that the phraseology used in the proclamation then issued might help in the evolution of a definition of the term which has successfully foiled so far all attempts in that direction.

Reduction in Army of Occupation.

MR. KUNZRU is apparently determined to keep the Government in mind of the Indian demand for a reduction of British troops in India. Recently he moved in the Upper House of the Indian Legislature a resolution impressing on Government the need for continuous action to this end. It is obvious that in this matter the Government of India, whatever their

sympathies, are not a free agent, India's military policy being dictated from London. Moreover a so-called expert committee has ruled that no reduction was possible at any rate in the present condition of world politics. It is impossible for the Government of a dependency like India to take action not sanctioned by the higher authorities.

IF the Commander-in-Chief had expressed his inability to accept Mr. Kunzru's resolution on any one or all of these grounds his position would have been intelligible. But he attempted a defence of the status quo on other grounds which at once showed up its unreality and exposed its utterly unconvincing nature. He spoke as if he could move forward if he so desired but that he failed to see the need of such a move. In trying fruitlessly to do so, he pointed to the process of Indianisation of a division which was in progress as a factor resulting in a reduction of British troops. Apart from the fact that the process is admittedly in an experimental stage and likely to be stopped if found unsuccessful, it is really interesting to see what the reduction of British troops involved in the scheme of Indianisation really amounts to.

MR. KUNZRU in his reply had little difficulty in showing that the disappearance of British troops to be brought about by the Indianisation scheme would in fact be very negligible. The Indianisation of two artillery brigades would result in the elimination of only 1,200 British soldiers, while the creation of two signal units comprised in the scheme would add another 200 to 300 to that number. But even for securing the elimination of these 1,500 British soldiers a period of nearly ten years would be required. And 1,500, be it not forgotten, is only a fortieth part of 60,000, which is the present number of the British garrison in India. Thus the period required for the total disappearance of British soldiers from India would at the present rate come to four centuries! And as in Mr. Kunzru's words, "self-defence is the life-breath of self-government," it follows that India would have to wait for full self-government for another four hundred years.

A REFERENCE was made by Mr. Kunzru to a suggestion, which, he saw from questions asked in the House of Commons, was being seriously considered by the Imperial Government, that a part of "the army of occupation" should be drawn from the Dominions. The Commander-in-Chief professed complete ignorance and stated that there had been "no correspondence whatever" between Delhi and London on the subject. We have no intention of charging Sir Robert Cassels with a deliberate desire to keep inconvenient facts to himself. But that the idea is being seriously entertained in responsible quarters in England admits of little doubt. What Mr. Kunzru had in mind when he referred to questions in the Commons was doubtless the speech of Sir V. Warrender, Financial Secretary to the War Office, in the debate on the Army Estimates on March 16 last, when he said:

My hon. friend the seconder of the Amendment (Mr. Bernays) suggested that recruits for the Foreign Service Army might be forthcoming from the Dominions. That is a suggestion which, not as regards long-term service but in another sense, has been thought of at the War Office. I am not sure that he will find a great many men in the Dominions who will be willing to serve for 21 years in India, but certainly as far as the possibility of obtaining recruits from the Dominions is concerned, it has not been lost sight of.

It is clear from this that though the suggestion might not have been officially communicated to the Government of India it is exercising the mind of the Defence authorities in England. Anyhow the matter is too important to be neglected and Mr. Kunzru gave faithful expression to public opinion in raising his voice against it. He characterised the suggestion to import

Dominion troops into India as being "an intolerable insult to the dignity of this country" and expressed the hope that India's weakness will not tempt His Majesty's Government to translate it into action even by way of experiment. We hope the warning uttered by Mr. Kunzru will not remain unheeded.

ELECTORATE THE ULTIMATE AUTHORITY.

LORD LOTHIAN'S suggestion that the Governors be required, in matters where they feel they cannot accept the advice of their Ministers and must use their special powers, to refer the matter in issue to the electorate has given a new and a constructive turn to the question of safeguards. Lord Lothian says, quite truly, that under a responsible government the ultimate source of authority is the electorate, but the point in the present controversy is whether, as the safeguards are meant to be patches of autocratic government excepted from the operation of the system of responsible government, the British Government will agree to make the electorate the final court of arbitration in regard to their use. The argument of Lord Lothian seems to be that if the Governors brought their special powers into play on their own authority and set aside the advice of their Ministers and the Ministers in consequence asked for a dissolution of the legislature and their party again obtained a majority in the next election, the Governors would in practice be compelled to abide by the advice of the Ministers, though in theory they would be able to set it aside again. If the Governors, therefore, promised to be guided in the exercise of their special powers by the verdict of the electorate they would only promise to do what, even without such a promise, they would have to do, and therefore, Lord Lothian thinks, the British Government would not be surrendering any substantial power which it has taken to itself under the safeguards of the constitution if the Governors were directed to give such a promise.

While it is true that the Governors will find it extremely difficult to exercise their special powers in an arbitrary way if, in election after election, the voters supported the policy of the Ministers which the Governors thought was in conflict with the discharge of their special responsibilities, it is doubtful whether the British Government takes the view underlying Lord Lothian's suggestion that the Governors should allow the Ministers, without let or hindrance, to carry their policy into effect if it receives unmistakable support of the electorate, even when in their opinion it trenches on the field reserved to them for their authority. It appears to us that Lord Lothian takes a broad-minded and progressive view of the question because he concentrates his attention on the protection which the Governors are directed to give to the interests of minority communities in India. But let us take the question of the safeguard provided in the constitution for the services or the European trading community. We are not quite sure that if, for instance, the Ministers did anything which, in the opinion of the Governors, discriminat-

ed unjustly against the Europeans and placed them in a position of disadvantage, Lord Lothian would be willing to bind the Governors to accept the decision of the electorate; or that, when peace and order were threatened, he would require the Governors to accept what they regard as a dangerous policy because it was endorsed by the voters. The *Statesman* agrees generally with Lord Lothian's suggestion to make the electorate the ultimate court of appeal, again, because, we guess, it thinks for the time being of the Indian minorities. It says:

The special powers of the Governors have in fact been created in order to protect the public from an abuse of power by Ministers with a fluctuating or temporary majority. The idea that a majority of the electors after full consultation may wish to commit a deliberate injustice to a minority, and that if that is their permanent mood they can be prevented from doing so by the veto of Governors appointed from London must be ruled out of court. The whole point of the special powers of the Governors is to prevent hasty legislation and to procure full consultation of the electorate. That being so, if a Ministry proposed something either in the administrative or the legislative sphere which a Governor felt bound to disallow, and if the Ministry considered the issue of such vital importance that it must either resign or ask for a dissolution clearly it would by means of its majority be in a position in any case to force a dissolution. All that is required therefore is a definite understanding that in the case where a Governor decides that he cannot accept the advice of his Ministers, he will agree to their summoning the legislature should they so desire. If this understanding is reached we believe that the impasse will be resolved.

As in the case of Lord Lothian, we are not certain that the *Statesman* would be equally ready to waive the exercise of special powers on the part of the Governors in matters where the interests of the services or of the European commercial community or of peace and order were threatened.

The British Government would in fact contend that to agree to do this is to sweep away all the safeguards. The Governors would always be entitled to ask for the resignation of a Ministry whenever they have reason to think that the Ministry has lost the confidence of the legislature and to order the dissolution of the legislature when it appears to have got out of touch with the electorate. If these are safeguards they are provided in all constitutions purporting to give full responsibility to the people. If no additional safeguard is provided in the Indian constitution admittedly conferring only a limited responsibility, the Governors would not be able to implement the special responsibilities that are devolved on them by law. There would then be no use in reserving for the control of the Governors a sphere of administration, as has been done in the new constitution after full deliberation. As in the Central

Government the Governor General would not necessarily be guided in the management of the Military Department by the vote of the legislature or of the verdict of the electorate, however decisive it may be, so must it be with matters reserved to the Governors. These matters do not form a separate department, it is true; they together form but a very small fragment of the whole field of government, but they are of vital importance. And in any case they resemble a reserved department inasmuch as they are excepted from the region of responsible government. The Governors would no doubt tend as public opinion grows in volume and strength to defer to it when exercising their special powers, as the Governor-General too would in administering the Military Department, though it is frankly a reserved department; but the point is that the Governors must have the power, however sparingly he may use it, to take action independently of the Ministers even when the Ministers' policy finds full support with the electorate. We have no doubt that this will be the line of reasoning that the British Government will adopt.

The minorities too will have reason to complain that they will not receive adequate protection if the electorate is to decide finally the nature and extent of the protection. It is just because some communities are in a minority in the electorate that their interests call for special safeguards, and if the majority of the electorate is put in the position of removing the safeguards, then obviously they run the risk of being oppressed. In all this discussion our own position is quite definite. We do not think that the safeguards are at all justified, whether for minorities or services or anyone else. The Ministers, the legislatures and the electorate ought in reason to be given unfettered authority to deal with the questions that come up before them in the way that appears expedient to them. We do not agree that the interests of minorities or others will in fact be neglected. If they are, a solution must and will be found within the limits of the constitution itself. They are not entitled to any more protection than a democratic constitution can give them; nor do we believe that the British Government will give them more protection than what they would receive if the matter were left to the free decision of the people as a whole, notwithstanding the British Government's claim to the contrary. The

wolf always persuades itself, and sometimes the flock, that he is a better guardian than the watch-dog. But this view of the minorities question did not find favour with the British Government, nor with Lord Lothian and other members of the Liberal Party in England. Having received special protection, will not the minorities which wanted it be aggrieved if it is now rendered ineffective? Will they not say that it would be ineffective if they were to be placed at the mercy of the electorate in which they are in a minority?

Nor would this solution be any concession to the Congress. For, without any understanding from the Governors in this form, it would be in a position with the majorities it commands in the legislatures of six provinces to bring about the same result. Suppose a Governor in any province unduly interferes with the Ministry; the Ministry can tender its resignation; no alternative Ministry can be formed which commands the confidence of the legislature; dissolution of the legislature follows; the Congress obtains a majority in the election once again. Without any kind of assurance, therefore, the Congress will automatically and by a natural process be in the identical position in which it would be if the Governor bound himself not to interfere directly but refer the matter in dispute to the electorate. Or, without resigning at all, the Ministry can ask for dissolution, for as Mr. Kher says in the *Bombay Law Journal*, if the Governor refuses "consent to some act which the Ministry deem essential to their remaining in office," it "would end in a dissolution and a general election. A request for dissolution has never been refused in England since William Pitt invented the principle that a Cabinet faced by a hostile majority (in the legislature) may appeal to the electorate instead of resigning." We do not see, therefore, what advantage the Congress would obtain if it got the sort of pledge from the Governors that Lord Lothian has suggested, even if the British Government agreed to it. The Congress can always, without any pledge, force an appeal to the electorate. Lord Lothian's suggestion is to be commended only because it indicates a certain amount of weakening of the position of those who insisted upon the insertion of safeguards in the constitution. But otherwise there is not much value in it.

DEFINING THE ISSUE.

MAHATMA GANDEHI will have to straighten not the position with regard to the Congress demand for an assurance, for different interpretations are being put upon the scope of the assurance in apparently authoritative circles, and the Mahatma must say what is the kind of assurance that he had in mind when he formulated the Delhi resolution in connexion with it. Did he want thereby to secure for the Ministry more power than the Constitution Act contemplated or merely that the Governors should not arbitrarily flch away from the Ministry any of the limited power that the Act intended to give? We have always contended that the

special powers vested in the Governors are much too broad and inclusive and cut very deep into the powers of the Ministry and the legislatures. Provincial autonomy will not be complete unless they are wiped off the constitution. But the question of immediate importance is whether Mahatma Gandhi insists that in no circumstances would these powers be invoked by the Governors, though they might be allowed to remain on the statute book in suspended animation, or simply that they would be used only in grave emergencies.

So far as the Government is concerned, it has made its position perfectly clear. It never professed

to give complete authority to the Ministers; this authority was hedged about with explicit limitations; and though it said that the Governors would use their overriding powers wisely and would never proceed to extreme measures unless there was sufficient reason for so doing, it also made it absolutely clear that these powers had been taken for being used. The Joint Select Committee has said that the safeguards provided in the scheme of the constitution were not intended to be paper safeguards; that they were intended to be used as often as would be necessary, though, given good will on both sides, the occasions for their use would be rare. Sir Samuel Hoare, then in charge of the India Bill, repeated this several times. The *Hindu* has quoted one such statement of his to prove that Mahatma Gandhi did not misinterpret Sir Samuel when the latter was represented as having given the assurance that the Governors' special powers would not be ordinarily used. On December 10, 1934, Sir Samuel said about the special responsibilities of the Governors:

These safeguards are not paper safeguards. They are safeguards with sanction behind them and with effective executive action to be put into effect if need arises. I have emphasised their efficacy to the House, but I do not wish any hon. Member to think that the Committee or the Government contemplate that there will be constant need for their use. I believe that the very existence of these powers in reserve will make it unnecessary nine times out of ten to bring them into play at all. I believe that the Governors, who will be in close contact with their Ministers, when they see the case arising in which one of these special responsibilities may be endangered, will persuade their Ministers to take the necessary action, and in nine cases out of ten the Indian Ministers will be only too glad to take that advice and to take that action. It is only for the emergency cases that we contemplate there will be need for this intervention. If, however, the need does arise, there will be the powers and there will be the effective executive action behind them. So far from thinking that these safeguards will be an obstacle in the way of the development of self-government in India, I believe that they are the necessary support without which self-government in India cannot succeed.

In this extract, which the *Hindu* quotes with an air of triumph, Sir Samuel lays at least as much stress upon the fact that the powers are meant to be used whenever necessary as upon the likelihood that their use will not become constantly necessary. This should be obvious to all: no one asks for power which he does not intend to use. Power is asked only because action is desired.

While the Government's intentions are clear, Mahatma Gandhi's are not. Does he want the Governors to bind themselves to use their reserve powers only in the circumstances contemplated by the Act and even then in moderation or never to use them in any circumstances? Does he want unfettered self-government in the provinces, whatever be the letter of the law, or does he want, recognising the safeguards to be a reality, that they should not be brought into force in ordinary circumstances? His reference to Sir Samuel Hoare's speeches in an approving manner would lead one to think that he would be satisfied if the Governors promised not to use their powers

ordinarily. If this is the whole extent of the controversy there is no reason why it should continue even for a minute. Sir Sivaswamy Aiyer, the editor of the *Hindu* and others have suggested that it should be brought immediately to an end by the Governors being allowed to promise explicitly what is indeed implicit in the constitution itself. Lord Zetland need not object to it: in his article in the *Christian Science Monitor* of 13th March he wrote about provincial autonomy: "It means in the first place that Indians will have it in their power to govern themselves in the provinces; I say that they will have it in their power, because, although there are provisions in the Act which loom somewhat large in the aggregate, giving the Provincial Governors powers of control, these provisions will only take effect if the Indian Ministers use the authority entrusted to them in a manner inconsistent with the responsibilities of the Governors to the Crown." This brings into prominence both the reality of the safeguards and their limited scope as envisaged by the constitution. When we say "limited scope" we hope no one will misunderstand us as agreeing to the safeguards even impliedly. Does Mahatma Gandhi recognise the special responsibilities of the Governors and only urge that there should be a binding promise that the special powers meant to implement them will not be exercised except in times of emergency?

Some Congress journals do, the most prominent among them being the *Hindu*, which, though not avowedly a Congress journal, would not express a view which was unpopular among Congressmen and would certainly not attribute to the Congress a view which it had reason to suspect was not acceptable to the High Command of the Congress. This paper admits that the use of special powers by the Governors would not be debarred by the desired assurance in cases of real emergency. Replying to Lord Zetland's plea that protection of minority interests for which the Act provides would be incompatible with the assurance demanded, the *Hindu* wrote: "In the extremely improbable event of the Congress following such a foolish policy, there are ample emergency powers provided to enable the Governors to intervene. It is, therefore, idle to plead minority interests as an excuse for refusing an assurance that the special powers will not, *ordinarily*, be used." The *Tribune* wrote in the same sense. It argued that the Governor could well plead in such a case that the Ministers were not acting within the limit of the "constitutional activities" to which alone the assurance was to extend. "There is not a single Congressman in any part of the country," said this paper, "who would consider the proposed measure (of closing down certain schools intended for minority communities) a constitutional activity on the part of the Ministry." Indeed, the *Tribune's* whole argument in favour of the assurance is that since the Governors would be the final judges of what is and what is not a constitutional activity (and the Congress is willing to leave, it says with a trifle over-confidence, the last word on the subject to the Governors), "the acceptance of the Congress resolution would not have committed the Governors to any course of conduct to which they did not wish to commit" themselves.

Does Mahatma Gandhi want an assurance in this sense?

The *Bombay Chronicle*, on the other hand, which is more a Congress journal than the two to which we have referred above, rejects this interpretation of the assurance that is desired by the Congress. It will not be enough, according to it, if the Governors would promise to refrain "ordinarily" from using their special powers. It says: "The addition of the vague word 'ordinarily' makes the assurance practically worthless. Indeed, such an assurance has already been given by the highest authorities, of course, with the knowledge that it will enable the Governor to use his powers whenever he likes." What the Congress wants to secure by the assurance is, say some of the Congress papers, that the Governors should not interfere at all with the Ministry. This kind of assurance, it is clear, is utterly out of keeping with the whole intent and structure of the constitution. In asking for it, if such an assurance is asked under the belief that it could be given without upsetting the constitution, the Congress betrays ignorance of the magnitude of mischief which is inherent in the constitution. This is the reason which impels Mr. Brailsford to wonder how Mahatma Gandhi could bring himself to ask for such an assurance. He is clear that it could not have been given. Mr. Nariman also is puzzled to know how a demand like this could be put forward. "If Zetland's constitutional standpoint is erroneous (that such an assurance would be incompatible with the constitution), as even some of Congress luminaries labour to prove, then a great force and argument is taken away from our drive and campaign against the Act. It means that the Act in spite of all its defects has potentiality and seed for provincial autonomy, and, by mutual understanding permissible by the constitution, popular parties can function and give effect to the national programme as in other provincial autonomies." The constitution is too bad to be made good by a convention like this without altering its whole make-up. It is impossible to warp this constitution, by a slight device, to nationalist wishes and ambitions.

We deplore, with Pandit Jawaharlal Nehru, that this essentially political controversy should be carried on on a legalistic basis. It obscures the real issue, and by not giving a clear indication as to the kind of assurance he wants, Mahatma Gandhi has obscured it still more. Pandit Jawaharlal leaves us in no doubt as to what he wants. "Congress decided," he says, "to accept Ministries if it was assured, even in the limited sphere of provincial autonomy, that the special powers of the Governors would not be exercised and the Ministers' advice prevailed." He would not be content unless the Governors were precluded from exercising their reserve powers in all circumstances. It would not be enough for him, as it would be for the *Hindu*, if "as a rule" the Governors refrained from interference, if their interference ceased to be vexatious. Interference must cease altogether, in normal conditions as well as in emergencies. But is this also the Mahatma's position? Particularly because he suggests reference to arbitration, the demand must be made

explicit. If a struggle is to be carried on with the British Government it is best carried on on a major issue. A grievous wrong has been done to India by imposing on her a constitution which is hated by almost everybody who thinks of politics, a wrong which calls to God for vengeance. The Indian people have every moral right to battle against the constitution. For our part we would never like the battle to cease, and if we favour acceptance of office, it is only because we fear that unless schemes for the amelioration of the conditions of the people which does not brook delay are taken in hand immediately, there will set in a reaction later which will make the carrying on of our struggle difficult. We would insist, however, that those who devote themselves to constructive work must not let themselves be so absorbed in it as to forget the most important task that lies ahead—replacement of this constitution by a better one. If the Congress intends to give battle to the constitution here and now let it do so on a clear issue. It is therefore necessary that the issue be properly defined. Just now no one knows what exactly the controversy is about.

"A TRAGIC COMMUNITY."

A NEW colour bar has been introduced by the Union Government in its Marketing Bill. The object of the Bill is to rationalise agriculture and to eliminate waste in the industry by regulating supplies marketed from day to day so as to avoid periods of glut and scarcity. Its further object is to regulate prices by regulating supplies. The present position of agriculture in South Africa in general is that farmers are producing at a loss. A large unsaleable surplus of agricultural products is overhanging the market. For some years past the farmers were encouraged to produce as much as they could. A large part of the commodities thus produced was sold overseas, for at that time there was a great demand for them. But these markets are now being closed to South Africa. The countries which took in its produce are stimulating production of their own and are raising high tariff walls, with the result that there is a large surplus of agricultural production, and the present Bill aims at organising agriculture so as to get rid of the surplus. The machinery that is provided for this purpose is briefly this: the producers submit a scheme; then the Agricultural Council, created by the Bill examines the scheme with a view to its practicability and success; and then various kinds of boards put it into execution, subject to the control of the Agricultural Council.

To any unprejudiced observer it would appear that on every one of the bodies created by the Bill all communities should be represented; but the Bill not only makes no provision for the representation of all communities but expressly debar all non-European races from sitting on them. A bar on the ground of race and colour is certainly not unknown to South Africa, but in introducing it in a Bill connected with such a thing as marketing, the Union Government has extended it to regions in which it was not known before. A very modest amendment was moved in the

House of Assembly to mitigate this injustice. It did not purport to make it obligatory on the Government to secure a proper number of seats for non-European races on the Producers' Advisory Committee which discusses and votes on schemes submitted to it. The amendment only sought to empower the Government to appoint non-Europeans to the Committee if the Government thought it desirable to do so, but even such a modest amendment was rejected by the Government.

The amendment was moved by Mr. Alexander in the interest of the Indian community who occupy a very important and in some lines a commanding position in agriculture in South Africa. Their services to the whole country have been appreciated by a Royal Commission in an unstinted manner. "In numerous localities in the uplands," it said, "as well as in the coast districts (in Natal), they have converted waste and unproductive land into well-kept gardens, planted vegetables, tobacco, maize and fruit trees. Those settled in the vicinity of Durban and Pietermaritzburg have succeeded in winning for themselves almost entirely the supplying of the local market with vegetables." They are, as Mr. Bowen said in the debate, "born gardeners." Besides the actual work of agricultural production, Indians bear a very important part in the marketing and distribution of agricultural products, particularly fruits and vegetables, and yet in carrying out measures for controlling the production and marketing of agricultural produce they will be completely ignored. Not only will the Government ignore them in bringing the measures into operation, but the Government itself will be under a legal disability under the Bill to give any representation to them or to any other non-European community to vote upon a marketing scheme.

As the Bill aims at controlling both production and marketing the results flowing from it might be disastrous. Mr. Alexander described them thus: "As far as Natal is concerned, 80 per cent. of the banana producers are non-European, and it may be decided by the European 20 per cent. that the 80 per cent. should cease production in order to enable the 20 per cent. to get a better price for the bananas they put on the market. . . . If a scheme suggests that these things must not take place on the north or the south coast of Natal (where Indians engage themselves in agriculture), these people will be deprived of their livelihood, because they will have no opportunity of voting upon the scheme, . . . (By this Bill) you blot out a whole section of the producers simply because they are non-Europeans. I say that if this is allowed to stand, it will be an act of flagrant injustice. It is brutal self-interest to hand these people over to the tender mercies of the European producers." Another member, Col. Stallard, said: "We are to take steps under this Bill to compel the produce of a certain section of the population to be subject to the provisions of any schemes which are adopted and set up under this Bill, and subject to levies as well. . . . You have got people who in the production of a fruit like bananas have the control of the great majority of the fruit. You are going to say to them, 'You are bound to come

under this scheme, but you are going to be under the control of people who are producers, but who are producers of a less quantity than you produce!' I know of no other provision that has ever been suggested in this country in which the whole of the means of livelihood of any class has been taken out of the hands of the people who produce it and placed under the thumb of the other people."

The Minister of Agriculture, Col. Reitz, was brutally frank about this exclusion of non-Europeans on the ground of race. The whole body of the Union law is based, he argued, on the exclusion of the coloured people and on differentiation between black and white. There was, therefore, no reason for anyone to be surprised if the segregation principle found a place in this Bill. "It is a principle," he said, "which is embedded in our constitution. . . . This principle is inherent in our legislation. It is one of the foremost principles in our social fabric and in the constitutional fabric of our country. If we were to remove this from this Bill, the Bill would be as dead as the dodo." This principle of segregation may be wrong or unethical, but it is followed in South Africa, and no other principle can be followed, such is the mentality of the Europeans. About this he said: "I don't justify everything that the white man has done towards the Indian and the native in this country, but I did not fashion the temper of the white man towards the native. When a deputation, an Indian deputation, came to me I said to them, 'You, Indians, in South Africa will always be a tragic community because of the temper and the temperament of the people of South Africa.' We have that temper and that temperament, because we are going to keep South Africa a white country. . . . Let us recognise facts, and let us recognise that we are a small white community in this country, struggling to keep our identity and to keep our race pure, and that we have deliberately adopted this policy, some of the results of which are tragic, but it is the will of the people of this country."

And the Minister is not a bigot on racial matters. He is known to have fought racialism on certain occasions. If a man like him, who has the reputation on the whole of being broad-minded, speaks in this way of the principle of exclusion—as if nothing else could be thought of in South Africa—one can easily imagine how desperate the situation there is. Indeed, the Indians and all other non-whites in South Africa are tragic communities and will remain tragic.

ADMINISTRATIVE PROBLEMS.

EDUCATION IN BOMBAY.

It is observed from the administration report of the education department of this presidency for 1935-36 that the number of educational institutions increased by 387 to 17,314 and the number of scholars by over 54,000 to about 14¾ lakhs. The general level of literacy consequently showed a slight rise from 6.52 to 6.77. The increase of literacy among males and females separately was also very nearly in the same proportion. The percentage of male scholars to the total population which was 9.51 in

1934-35 went up to 9.80 last year, the corresponding percentages for females being 3.21 and 3.40. Apart from the low level of literacy which these figures indicate, they also show the great disparity that exists between the literacy levels of the two sexes. Unless special action is soon thought of to narrow down the gulf by the wider and speedier diffusion of female education, the disparity may tend to grow more marked.

As is a matter of common knowledge, the number of villages in the Bombay Presidency borders on 27,000, only about 11,000 of which are provided with schools. The school-less villages include 259 with a population of over 1,000. Each of these would provide sufficient strength for a school and it would be well if the Department concentrated its attention upon schools being started in these villages as soon as possible. Observations in the report seem to give ground for the hope that such an effort is already under contemplation.

The increase of 387 in the number of educational institutions, which is referred to above, was largely shared in by primary schools, of which 222 (205 for boys and 17 for girls) came into being during the year under report. Similarly the largest increase in the number of scholars, over 41,000 out of over 54,000, was effected in the field of primary education. Compulsory education was in force in 12 municipalities and an equal number of local boards, but it is said to have been only on paper. One can understand the impossibility of its wider extension due to financial reasons, but what is not so easily intelligible is the unwillingness of local bodies to make it really effective. It is time the need for action to this end so as to receive a full return for their expenditure on compulsory education, if for no higher purpose, were realised by them.

The absence of a recognition of this need on their part results in unsatisfactory progress in attendance. As a matter of fact the report describes the enrolment in compulsory areas as being "no better than in areas under voluntary education" and says that only about 70 to 80 per cent. of those enrolled actually put in an appearance at school. And why should better results be expected when "no local authority has cared to face enforcing compulsion"? To continue the doleful tale. "In many cases only notices are issued and no further action taken. Bombay, Surat and Bandra are the places where one would have thought more energetic action could have been taken. In Sind, of the 150 complaints filed in court, 99 were withdrawn. The summons was either issued to the wrong party or the information required by the court was found to be inadequate."

The failure of the scheme of compulsion must be said to have been due largely to the defective constitution of school boards. These contain elements knowing nothing or very little of education and having no educational ideals. Their sole aim in securing election to these boards is personal aggrandisement or party gain. It follows that their real interest lies more in powers and patronage which their membership of the boards confers on them than on anything else. That is the general impression created by the working of these boards—an impression shared as much by departmental officials as by non-officials. The Educational Inspector, Southern Division, e. g., says :

While everyone wishes to enjoy power, few of those in power really use that power in the best interest of the general public or the scholars or the cause of primary education in their charge. The individual merges in the party and so do his ideals, if any. Every item of administration is looked at from the party point of view and the educational aspect is conspicuous by its absence.

Appointments and transfers are made more on the grounds of party allegiance than of efficiency or the interests of the schools concerned.

He adds :

The School Board inspecting officers are completely under the Boards and have really no voice even in educational matters. Their suggestions and reports are either not free and voluntary or they are ignored. In the ultimate resort, the teacher, who is also the electioneering and canvassing agent, is the dominant authority.

These extracts give faithful and authoritative expression to what the general public feels about the working of these Boards. The state of affairs here disclosed obvious by calls for drastic action which would be impossible without an amendment of the Compulsory Education Act. An exhaustive inquiry by a committee of educationists into its working would be a useful preliminary to its revision. The problems of educational waste and stagnation which have so far baffled the efforts of the authorities at their solution might also be referred to this committee for consideration. In brief, let a complete overhaul of the whole system of primary education be aimed at.

BIHAR MUNICIPALITIES.

For the first time in the history of the province the Government resolution on the working of municipalities for 1935-36 issued from Patna restricts its attention only to the province of Bihar. Former resolutions used to deal with both Bihar and Orissa, but with a separated Orissa province it is but natural that the resolution should contain no reference to municipalities in the adjoining province. So far as the working of municipal bodies in Behar is concerned, with a formidable list of superseded municipalities it would be a travesty to describe it as in any way successful. Nor do the other municipalities seem to have managed their affairs with exemplary efficiency or with special regard to the interests of the rate-payer. The collection of municipal dues by most of them was not all that it might have been and though the percentage of outstandings showed a reduction from 30 to 21, the number of municipalities with a black mark, i. e., municipalities whose outstandings exceeded one-fifth of their current demand, remained the same, that is, 21.

In this connection the example of a number of superseded municipalities with an improved record in the matter of realisation of municipal dues is admirably held up in the resolution as worthy of imitation by other municipalities, and the complacent belief is expressed that what became possible in their case should also be possible in the case of the non-superseded ones. While nobody would like to say anything in defence of municipalities with an unsatisfactory collection record, one is not sure that the model is particularly apposite or applicable in this case. In the first place, supersession is the very negation of self-government for which local bodies are supposed to provide the training ground. And in the second place the collection of municipal dues by a Government servant owing no responsibility to those from whom the dues are to be collected is bound, in the nature of circumstances, to be carried out with less regard for their economic or other difficulties than if it was done by regularly constituted municipalities. If it were only a question of efficiency and not of self-government as well that is involved here, the superseded bodies might have been looked forward to as a guide. Apart from this it can hardly be doubted that the machinery of collection in the municipalities as a rule needs to be considerably tightened up.

The observations in the resolution on municipal accounts show the scant care with which public funds were generally handled by these bodies. But what

was even more deplorable was the tendency to screen wrong-doers. In one case an employee who had misappropriated about Rs. 350 was prosecuted but, curiously enough, could not be arrested. In another a head clerk and an accountant were found to be in league in the commission of a series of misappropriations, but, strange to say, no disciplinary action was taken against them. It is something that in both these cases the missing monies were made good by the relatives of the culprits. But it would have gone some way to purify municipal administration if an example had been made of these and numerous other culprits guilty of a clear misuse of the rate-payers' money who find mention in the report. In some cases, again, taxes were allowed to be time-barred. In other words they were allowed to remain in arrears for more than six years, which evidences lack of proper supervision and of a careful and regular check on collection accounts, the importance and need of which are very appropriately stressed in the resolution. We can only hope that in the year which has just closed the municipalities will be able to give a better account of themselves.

BOMBAY EXCISE ADMINISTRATION REPORT.

The excise administration report of the Bombay Presidency for 1935-36 has been published. Though it is signed by the present Commissioner of Excise Mr. Knight, the fact of its having been drafted by Mr. Maxwell who held the post for some time last year is mentioned in a special note. Is this to be taken as an indication of the fact that Mr. Knight finds it against his grain to father the opinions expressed by Mr. Maxwell in the report? Except on this hypothesis, the prominent mention of the real authorship of the report, which is so unusual in the case of official documents, becomes both unmeaning and pointless. For how is the public for whose edification and education the report is published concerned to know whether it was A who drafted the report or B who did so?

And the contents of the report lend strong colour to this belief. Not that there is anything which flagrantly conflicts with the Government's policy or will not fit in with views usually to be found in such publications. The fact is that Mr. Maxwell has expressed them in such a way that it is likely to be supposed that his real object was not so much to give an account of the year's working as to carry on in a very subtle manner a pro-drink propaganda by means of the report. This is the general impression the report has produced, as readers of newspapers must not have failed to observe. But let us see what Mr. Maxwell has to say. He is by no means satisfied with the present level of consumption of country liquor which fell by a paltry 6 per cent. last year to 10,40,197 gallons.

The fall, if unaccompanied by a rise in the consumption of fermented liquors, would have meant something to be thankful for. But along with it the consumption of fermented liquors rose by more than six times the fall in the use of country liquor or by over 42,000 gallons. Even so Mr. Maxwell would have people indulge in drink to a larger extent! Nothing would please him more than to see the consumption go up by more than two lakhs of gallons when it would attain the 1929-30 level. Till this happened, Mr. Maxwell for his part would hold that there was a considerable margin of demand which remained unsatisfied. The opening of additional shops is an acknowledged way of meeting the unsatisfied demand, and Mr. Maxwell's regime as Commissioner of Excise presumably witnessed the rise of five in the number of shops that took place in 1935-36. But Mr. Maxwell does not stop here. He advocates a reduction in the price of the commodity so as to bring it within the means of the poorest of the poor.

If they want to have more drink and incidentally ruin themselves, Mr. Maxwell is certainly not the man to stand in their way.

The fact of over 80 per cent. of the recommendations of Excise Advisory Committees having been accepted by Government is rather prominently mentioned in the report. The proportion is undeniably impressive. But what really matters is deference to public opinion as expressed by the Committees in such important matters as closures of existing shops and non-opening of new ones. It is clear from the report that in such matters public opinion counted for very little with the Government, many of the rejected recommendations being concerned with the closure of existing shops.

An increase of 177 in the number of cases of illicit distillation is recorded in the report. This, taken along with the year's fall in consumption, might seem to accord well with the official theory about the proportion of illicit crime varying inversely with open consumption. But a closer examination of the contents of the report will show that this support to the official theory is more apparent than real. It happens that the increase in abkari offences is shared in even by those districts which drank more than last year. It would be interesting to see how this inconvenient factor can be squared with the above theory.

EDUCATION IN PUNJAB.

An improvement in the finances of the Punjab is reflected in the slightly larger educational expenditure met out of public funds accompanied by a rise in the number of scholars. This is to be contrasted with the continuous decline recorded for the last five years. The increase of nearly 6,000, though by no means very considerable, is to be welcomed as an harbinger of a period of steady progress in the educational field in the near future. Despite the increased strength in schools, the level of literacy virtually remained unaffected, having risen only by .02 to 5.40. The decrease of .02 in respect of male literacy is explained by a fall of nearly 8,000 in the number of pupils in recognized institutions. But this is more than offset by a rise of nearly 14,000 in enrolment in girls' schools, both recognised and unrecognised, with a consequent increase of .07 in female literacy.

Compulsion in regard to primary education was enforced in 65 additional areas which now number over 3,000. But, generally speaking, its introduction may be said to have been largely nominal so that the increase in attendance is not all that it might be. The employment of attendance officers has done something to improve the situation. But so long as there is a general disinclination on the part of local bodies to enforce the penal provisions of the law, a real and lasting improvement as measured by increased attendance cannot be expected. Even so the bringing of new areas within the scope of compulsion, however small the number, is doubtless heartening.

It is a matter for regret that the adult education movement is not taking root in any province in India. The Punjab is no exception to the general rule. Nevertheless there was an increase of 55 in the number of such schools, of over 1,000 in the number of scholars, and of 225 in the number of literacy certificates awarded. The province's record in adult education was at one time very flattering, but the educational report for 1935-36 records a considerable setback. If the phenomenon could impress on the authorities the need for more systematic and vigorous propaganda so as to imbibe in adults a realisation of the value and benefits of education,

the reaction may be made to serve as a starting point for a forward move.

As in other provinces so too in the Punjab special steps are taken to promote the spread of education among children belonging to the depressed classes. The result of such special action is to be seen in the increase of nearly 2,000 in the enrolment of depressed classes children recorded in the report. The total abolition of special schools for these classes which was a noteworthy feature of the year's work of the department will be generally acclaimed as a step in the right direction.

LOCAL BOARDS IN BOMBAY.

The Government resolution on the working of district boards in the Bombay Presidency for 1935-36 attributes the growth in the number of panchayats to the stimulus given to the panchayat movement by that of rural uplift. One is doubtful if the explanation can be regarded as universally applicable. An increase in the number of panchayats was most marked only in the Central division where as many as 95 new village bodies sprang up, but in the other two divisions their rise was not equally conspicuous, the number of new panchayats in both of them being nearly 30 each, while Sind does not yet boast of a single panchayat. Is it to be supposed that the rural uplift movement is strong only in one division, weak in the other two and wholly non-existent in Sind? Such a belief would be obviously contrary to facts, for the movement of village uplift is more or less equally strong in all parts of the presidency. Anyhow it is difficult to believe, as stated in the report, that the marked growth of the movement in the Central division was largely if not solely due to the increased public interest in the movement of rural reconstruction. But whatever the cause, the increase is greatly to be welcomed.

The educational expenditure of the boards rose by nearly Rs. 4 lakhs to about Rs. 1,21,28,000, the increase being accounted for, amongst others, by the restoration of cuts in the salaries of teachers and the opening of new schools. The resolution would have added to its utility from the public point of view if it had given information about the number of such schools and the numbers of scholars in the board schools both at the beginning and end of the year. That new schools came into being in the course of the year is doubtless a thing to be welcomed. But what the public is really keen on knowing is not the mere fact of new schools having come into existence, but their number and their effect on the general level of literacy. The resolution is most uninformative from that point of view. It might be said that the information could be found in the reports of individual boards. But it would greatly help the public in having a comprehensive view of the spread of education in the rural areas if among the numerous tables appended to the report an educational table giving detailed information about the number of schools and scholars for the year with the totals for the previous year is included.

The Government review reports a gradual disappearance of the public prejudice against children of the depressed classes learning side by side with higher class children in schools. So far as the Central division is concerned, "there was no trouble in any district," while in Belgaum "nearly 56 per cent. of the scheduled class pupils attended ordinary schools, a circumstance which testifies to the fact that in this area deep-rooted social disabilities are gradually disappearing." Similar information about Gujerat would have been highly useful, but is unfortunately lacking in the review. But it is clear from some observations in the resolution that in the matter of allowing depressed classes to take water from com-

mon village wells, public prejudice is still as strong as ever, so much so that separate wells for the depressed classes is officially believed to be the only solution.

The expenditure of the boards on medical relief is proverbially inadequate. Of this no more convincing proof is needed than the fact that they spend about Rs. 13¼ lakhs on catering to the medical needs of a population bordering on 1¾ crores, which works out to a little over one anna per head per year or a little over a pie per month, and that their expenditure on quinine exceeded Rs. 1,300 which is only a drop in ocean. No wonder that public health in rural areas is extremely unsatisfactory. But unless the boards are allowed more elastic sources of income it is useless to look for any improvement worth the name in their performance of this duty.

Review.

INDIAN SUGAR PROTECTION.

THE INDIAN TARIFF POLICY WITH SPECIAL REFERENCE TO SUGAR PROTECTION.
By B. N. ADARKAR. (Author, 152, Hindu Colony, Dadar, Bombay.) 1936. 23cm. 161p. Rs. 3.

THE volume under review is of great topical interest. Though not a treatise on protection, its aim is to present a systematic and critical analysis of some of the latest views of eminent thinkers on this problem "with a view to ascertain the efficacy of tariffs as a means of mitigating the effects of depression." It is argued by the writer that the present controversy in India centres round one problem, viz. how to assess the burden of protection on consumers. Following the methods of the Australian Tariff Board, estimates are prepared on the fundamental assumption that protection has a bearing only on prices and production of protected commodities and that it is neutral in so far as its effects on total production, income and employment are concerned. This assumption, it is asserted, is essentially wrong. A policy of protection may be taken to have succeeded only if it results finally in the total increase of the national dividend of the country. But this rarely happens, and facts are very often obscured by the gains of the vested interests and the complexity of the system under which tariffs work. It is further contended that the claim of the tariffs as a cure for unemployment is at least unfounded. "If there is one thing that protection cannot do," wrote Mr. Keynes in 1923, "it is to cure unemployment." He is said to have slightly modified his views in his latest book, "The General Theory of Unemployment, Interest and Money;" but the numerous provisos which hedge round the statement and are lucidly summed up by the writer on pages 8 to 10 make us aware of how cautious and guarded his modification is. The effects of protective tariffs on the balance of trade, international movements of capital, flow of investments in home-industries, &c. are further considered. The views of Mr. Whale and Mr. Harrod are critically examined and it is argued from these theoretical discussions that protection by increasing costs and lowering incomes at home tends ultimately to diminish the volume of international transactions. Hence it cannot cure unemployment. It is further maintained that, even in countries which are on an independent standard, it is doubtful whether any interference by the Central Bank with the flow of goods and capital would succeed in bringing about the desired results; much less so in a country like India which is on the sterling-exchange standard. A policy of trade restrictions is, therefore, considered by the writer as a treacherous instrument and therefore "before rushing headlong

into a policy of intensive protectionism, it is wiser to investigate the applicability of other alternative means of achieving the same object" (p. 46). A programme of stimulating home investments is preferred to any other restrictive method because "it entails no unfavourable repercussions on the outside world."

Mr. Adarkar does not thus favour protection nor any policy of trade restrictionism because of its unfavourable repercussions on national dividend and incomes of the people, home investments and volume of foreign trade, and also "on the outside world." The weight of theoretical arguments is pitted against a layman's views to condemn tariffs outright. It should, however, be noted that the whole reasoning tacitly presumes a close analogy between conditions of western countries where tariffs are generally adopted and those prevalent in India. But this is hardly correct. Tariffs in western countries were adopted in post-war years as one of the national instruments of a broader policy of restrictionism or planning with definite national ends in view, such as a means of mitigating the evil effects of trade depression or as a sure measure to gain national self-sufficiency, &c. If any one of these ends be not secured by tariffs alone, the national governments of these countries stand committed to a responsibility of buttressing tariff walls by other measures if necessary. We do not think that there has ever been such broad construction put upon the Indian tariff policy. The Indian tariffs, though following largely the principles of discriminating protection under conditions laid down by the Fiscal Commission, represent a haphazard growth and an aimless drifting yielding to this or that pressure that may be brought upon the Government by the different vested interests. A revision of the Tariff is thus needed and its aims need to be clearly defined. In the absence of any such definite end, it is no wonder if the tariffs have failed to achieve the desired results. We doubt whether even a zealous protagonist would ever claim to remove unemployment in India totally by tariffs alone. Partial relief from the present serious unemployment is often claimed by the Indian industrialists as one of the incidental advantages of the growth of Indian industries. The scope, however, is rigidly limited. But we think a protective tariff need not be considered as a hindrance to the adoption of "other alternative means" which the author suggests. Had the problem of stimulating home investments been broached further, the difficulties that beset this complex task in a backward and undeveloped country like India would be quite obvious. This does not, however, mean that we minimise the advantages of a policy of home investments nor uphold strongly the present tariff policy. There is ample scope for reform here.

The most popular argument in favour of protection in India is the infant industry argument. This, it is argued by the author, is a slow and costly process increasing finally the burden on consumers. Even in a highly developed country like the United States of America, Prof. Taussig holds that at least a period of thirty years is required before the industry could be adjudged an adult. In a backward country like India the period required must be longer and the process exceedingly painful. The burden on the consumers instead of becoming temporary tends to become perpetual. One net effect of high tariffs is, it is correctly pointed out, to extend the home market for protected goods and to multiply rapidly the number of firms. Great importance is attached to external economics only and factors affecting the internal economy and efficiency of the industrial unit are ignored altogether.

The author, therefore, suggests the grant of direct subsidies to such industries. The problems of sugar industry being more of research and of marketing, more money should be spent on such investigations. The grant of direct subsidies in preference to tariffs is, we think, a matter of administrative convenience and its success would depend upon the efficiency and capacity of administrative machinery. It is doubtful whether it would necessarily reduce the burden on tax-payers. It may mean greater interference on the part of the Government at all possible points to enforce its obligations and it is uncertain how far this would be tolerated by the industrialists. Under present circumstances what is needed is a machinery to enforce vigilant control, corresponding to the Imports Duties Board in the United Kingdom. It is difficult for us to agree with the view that because customs loom large in the financial resources of the Government of India, "the Indian tariff policy must primarily be directed by revenue considerations" (p. 61), a point of view that is constantly harped upon by the successive Finance Members. Can there be no alternative means?

Two more chapters are devoted to the consideration of some particular aspects of the Indian sugar industry, viz. the agricultural aspect and the industrial aspect. These deserve close attention of all critics. We entirely agree with the writer when he says that the Tariff Board in their Report on Sugar Industry have gone out of their way and raised an altogether novel issue when they stressed the so-called agricultural aspect as the most important one. They took upon themselves the impossible task of reconciling two mutually incompatible ideals, viz. to avert the crisis and growing hardships of cane growers by creating an outlet for increased sugar-cane consumption by giving an overdose of protection to white sugar industry, and at the same time to maintain an increase of cane cultivation area through the development of irrigation. An attempt to improve agriculture via the development of industries by protective tariffs is certainly a novel idea. On the whole the results have been disastrous. The sliding scales of cane prices as adopted by the U. P. Government have proved abortive. Only 12 p. c. of the total cane production is consumed by the white sugar industry (p. 90) and the remaining being far in excess of the normal demand for gur, the prices of gur have fallen too low and have no correspondence with those of white sugar. While the white sugar industry, because of heavy protection, could enjoy a spell of an artificial boom, the gur industry is faced with a rapid decline. The problems of white sugar are essentially those of research, of investigation into conditions of marketing and of transport and these deserve greater attention.

We desire to stress one thing, viz. that tariffs are only an instrument and their success or failure depends entirely on the use we make of the instrument to achieve a particular national end in view. What constitutes this national end is a point on which opinions can differ. The need for the revision of tariffs in India is admitted by all, but we do not approve of the method which is followed by the Tariff Board. It treats each industry separately and thus fails to create a comprehensive outlook and programme that is badly needed at present for national reorganisation. Mr. Adarkar's volume is lucid, critical and thought-provoking and deserves great attention not only because the subject is topical, but even from a theoretical point of view.

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