

Social Fiction

101-7

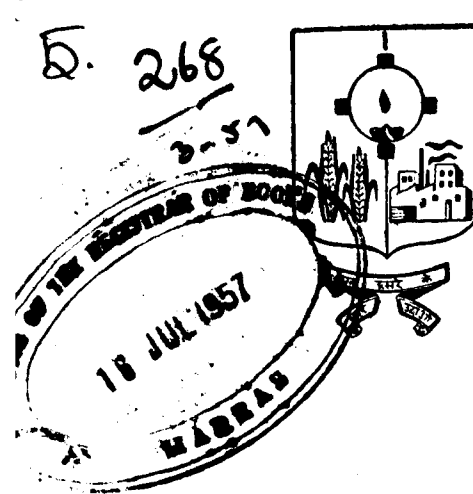
100-7.7c

July 1957



32
7m 2, NSI
NSI-7.7-11
195

268 SOCIAL ACTION



JULY 1957

Workers' Education

Kerala Elections

Social Trends and Survey

As. 10

Just out of press:

TOO MANY OF US

By A. Nevett

Second Edition :: Revised and Enlarged

Price : Rs. 3.25

Send your order to :

SOCIETY OF ST. PAUL

28—B Chatham Lines

ALLAHABAD. 2 (U.P.)

THE SOCIAL ATTITUDE

by C. C. Clump

Send your order to :

LOYOLA COLLEGE BOOK DEPOT,

LOYOLA COLLEGE,

MADRAS 31.

Price: Re. 1/- plus postage.

SOCIAL ACTION

VOL. 7 NO. 7

192. JULY 1957

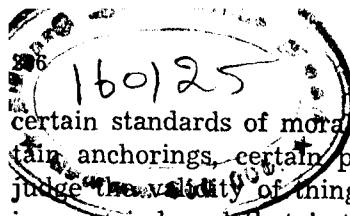
THIS SIDE AND THAT	A. L. 285
WORKERS' EDUCATION	A. FONSECA 289
THE KERALA ELECTIONS	VICTOR 291
DOCUMENTATION	292
SOCIAL TRENDS	A. F. 297
ECONOMIC AND SOCIAL SURVEY	F. C. R. 306

This Side and That

No Helter-Skelter Policy

Some young people fancy that science and technique neatly peppered with democratic slogans suffice to solve all human problems ; they call themselves progressive ; the main point with them is to move about, no matter in which direction ; they have no ideology, nor do they care about ideologies. They should heed the caution repeatedly uttered by our youthful Prime Minister.

During his pilgrimage to Ceylon, he declared : "We talk of atomic energy, bombs and the like. They represent something new in the world's history, something that may bring great benefits to humanity.... Ultimately we get back to the quality of the human being. We get back to the realm of morality and ethics from the purely economic and political realms in which we move.... All that we can do is to approach the problems in all humility, at the same time with as much keenness of mind as possible, also with



SOCIAL ACTION

certain standards of moral and ethical behaviour, certain anchorings, certain principles by which we can judge the validity of things.... One thing is certain in my mind, and that is that means are as important as ends.... I do not think that political and economic problems can be solved adequately and fully without considering the moral and ethical aspects".

The above quotation suffices to show how far Mr. Nehru's mentality is removed from the policy of our Red Comrades and their basic axiom: "What is useful to the party, that, and that alone, is moral and ethical".

Family Planning

In unexpected contrast with the above serene declaration, one was surprised, a few days later, to hear the same leader give his full official support to a vigorous campaign for family-planning. "There has been opposition and sometimes religion was brought into the picture, but fortunately the opposition has not been organised." One would have thought that organised political opposition was not necessary, that economic problems would not be solved adequately without considering their ethical aspects, that the means were as important as the ends. One had fancied that Congress leaders still remember the explicit and repeated denunciations of artificial birth-control by Gandhiji, who had taught them their basic lessons of ethics. Did not Gandhiji consider that "the greatest harm done by the propaganda (for contraceptives) lies in its rejection of the old ideal, and substitution in its place of one, which if carried out, must spell the moral and physical extinction of the race.... Contraceptives of a kind

JULY 1957

267

there were before and there will be hereafter, but the use of them was formerly regarded as sinful. It was reserved for our generation to glorify vice by calling it virtue" (Harijan, 28-3-51).

And did not Gandhiji bring religion into the picture: "A moral life without reference to religion is like a house built upon sand. And religion divorced from morality is like sounding brass, good only for making noise and breaking heads. Morality includes truth, *ahimsa* and continence.... non-violence and continence are again derived from Truth which for me is God.... Hence my constant insistence on continence.... I have not the shadow of a doubt that any man or woman can achieve what I have, if he or she would make the same effort and cultivate the same hope and faith. Work without faith is like an attempt to reach the bottom of a bottomless pit" (Harijan, 3-10-36).

Is not Gandhiji's opposition enough to bar the policy of the present day Congress planners and legislators? "Contraceptives are an insult to womanhood. The difference between a prostitute and a woman using contraceptives is only that the former sells her body to several men and a woman using contraceptives sells it to one man" (Harijan, 5-5-46). Is not the actual crisis of India's modernisation an appropriate occasion to remember his decisive lead: "Great causes cannot be served by intellectual equipment alone; they call for spiritual effort or soul-force. Soul-force comes only through God's grace and God's grace never descends upon a man who is slave to lust" (Harijan, 21-11-36). How have Congressmen become oblivious of his warn-

ing which he summarised with the words of Paul Bureau : "The future is for the nations that are chaste?"

Selling the Budget

Our Finance Minister confessed he had given up salesmanship a few years ago. Yet atavistic talent is not dormant in him. He never did a better sale in his life than when he sold his 1957-58 budget. He arrayed his arguments, excuses and concessions with virtuosity, marshalled, analysed and synthesized his statistics with resilient aplomb, he remained on the qui-vive throughout the debate, moaning and laughing at the suitable moments, he advanced proposals on which he knew he would have to compromise, and focussed Parliament's attention on kerosene and postcards but quietly introduced two enormous novelties : the wealth-tax unknown to India, and the expenditure-tax unknown to the whole world. In future everything is allowed to be taxed, at the production end or at the consumption end : income earned and unearned, revenue individual or corporate, wealth productive or unproductive, wealth accumulated or wealth dissipated, every resource is to be taxed, except the Finance Minister's ingenuity to unearth buried treasures.

We must gird ourselves for a period of austerity ; officials themselves will cut down their expenses, diminish their retinue, and seek prestige from punctuality and efficiency. Their example will tell on the people, and the nation will be mobilised for the crucial cause of the Second Five Year Plan. As Gandhiji said, great causes call for spiritual effort or soul-force.

A. L.

Workers' Education

With the rapid industrialisation of the country through the implementation of the Second Five Year Plan, a larger proportion of the Indian population will be engaged in industry. More people than ever will be leaving the countryside for employment in the towns. Side by side with the procurement of the raw material that is required to reach the annual 5% increase in production during the period of the plan, it is now being acutely realised that some attention must be paid to the human resources implicated in raising our industrial production. The human factor in industry can make or mar the success of the Second Five Year Plan. A series of strikes can cause a dislocation in the smooth process of increasing industrial output that might cost the country the loss of crores of rupees and valuable time. Numerically and even strategically, it is Labour that is the largest and most important of the human factors in modern industry despite the rapid advance of automation. And with the equalising tendencies of the present age, there is no doubt that the power of Labour will grow and its influence increase in every sphere of modern industry.

The appearance of this new phenomenon on the industrial horizon had been heralded in other countries at first with a host of repressive measures, until gradually the social conscience repaired the injuries done to the working class through a recognition of the rights of labour, more enlightened legislation and finally by a greater participation of labour in managerial functions. In India, an increasing awareness of

the problems and the latent threat that an antagonistic labour movement might hold in store for the industrialisation of the country, has compelled the Government to set aside Rs. 50 lakhs for what is now popularly called 'Workers' Education'.

Workers' Education

But what is generally understood by Workers' Education is not too clear and not even experts are agreed on the connotation of the phrase. However it is generally accepted that the phrase is no mere synonym for Adult Education or Social Education of the Worker. It has a specific meaning. It connotes the information and training that a worker needs to become a good worker, a good trade unionist and a good citizen. It does not therefore necessarily imply vocational training, though this may not be excluded from the definition. But it does emphasise the intellectual preparation of the worker for active and conscious participation in his trade union, in the industry to which he belongs and in the community in which he lives. In a sense, Workers' Education does overlap certain aspects of Social Education, but it is more specific since it is confined to the narrower field of his interests which coincides with his life as a worker, a trade unionist and a citizen.

The Goals of Workers' Education

The immediate goal of a scheme of Workers' Education would be the formation of a free, strong, united and responsible trade movement in the country. A trade union that is not free from Government interference so that it can function democratically, is no trade union, but a totalitarian menace. Freedom and

democracy imply responsibility, and a responsible trade union is a boon to any country at every stage of its industrial development. On the other hand, a trade union movement that is not strong and united cannot really perform its functions in the industrial community. Weak and disunited, the trade unions will become the pawns of management and the fishing grounds for every kind of exploiter. They will harm the cause of the worker rather than help him. In unity lies strength and in our country, the great need of the trade union movement is a united front capable of placing before the employer, the government and the community the just demands of Labour backed by the loyalty and the determination of the worker to improve his conditions of work and life. There is no other way to secure what he wants than combination in a strong united trade union.

Obviously, while a strong free and responsible trade union movement benefits primarily the worker, production is not likely to suffer. On the contrary there is every hope for its growth and increase since a responsible trade union is concerned with the larger interests of the country and in the securing of a greater share of profits for the worker. Peace within the industry is more likely to be maintained since the workers are far more conscious through their organisation of the contribution they are making towards the maintenance and prosperity of the firm. Higher wages, larger profits and lower prices can be complementary objectives where a Workers' Education programme has been successfully implemented as borne out by the experience of highly industrialised countries.

Who should be trained ?

It is sometimes discussed whether all trade unionists need undergo the training envisaged in a Workers' Education programme. Experience seems to suggest that there should be courses for rank and file as well as for union officials, and even top leadership in the union cannot do without them, although the method of imparting the knowledge will differ with the various grades of trade unionists in the union. A further question might well be ; should the training be restricted to union members or should non-union members working or not working in the industry be admitted to the training classes ? In India the question has a special significance, because of the presence and influence of the 'outsiders' in the trade union movement. The 'outsider' has played a dominant role in the progress and activity of practically every large trade union in the country and to exclude him entirely and immediately from the trade union movement might deprive it of the urgent leadership it still needs for its development. Till labour leaders are forthcoming from the rank and file, the 'outsider' will still be needed. He should therefore be permitted like the rest of the unionists to take part and profit by a programme of Workers' Education.

But what about non-union members who are however working in the industry in which the union exists. Many of them might turn out to be good unionists if they could be induced to see the union in its right perspective. Some of them may not have joined the union or perhaps left it because they disagreed with its policy or found its leadership too domineering. It

seems fairly clear that opportunities for the study of unionism should also be provided for them since they are potential unionists and labour leaders.

The Contents of the Courses

The main purpose of the instruction should be to create a trade union consciousness in the minds of all workers, unionists and non-unionists. And this can be done by explaining to the worker the importance of the role he plays in industry, and his need for an association that can safeguard and improve the conditions of his work and life outside the factory. His rights and obligations to his employer and to the community must form part of this fundamental instruction.

A more advanced and systematised course of instruction will have to be given to union officials to enable them to organise and administer their unions successfully, and to union leaders to train them to deal with management especially across the bargaining table. Because of the backward condition of the workers living in urban areas where they are denied the very essential elements of living like human beings, community welfare and the provision of essential services will form part of the union's activity, and therefore training for social welfare will have to form part of the curriculum. Labour legislation and regulations affecting labour should be studied. Finally since the Second Five Year Plan is so explicit about the development of worker participation in management, the representatives of the trade unions must be prepared for the task, if their role on the various Joint Councils of

Management and Labour is to be more than that of a sleeping partner.

Teaching Materials and Aids

It is very important to bear in mind that trade unionists are neither children nor university students. Most of them are adults with well-formed interests and habits of thinking of their own. Teaching trade unionists has therefore its own problems many of which are similar to those met with in an adult education programme. Fortunately in India much experience has been gained in the field of adult education or social education as it is now called. And the Workers' Education programme will have to take over many of the techniques of teaching discovered and profitably employed in Social Education.

In this context teaching materials and aids assume a position of importance insofar as they are required to help the adult worker assimilate new knowledge through media that are interesting and closely concerned with his own interests. For rank and file workers, very simple pamphlets with coloured illustrations explaining the union and its function on his behalf will certainly make him union conscious. Besides short films, charts and posters could be suitably used for the same purpose. Specially prepared radio programmes for workers could be broadcast with the same intent. Every type of audio-visual aid in use for Social Education could be adapted to serve the need of educating workers in a knowledge of their union, its goals and purposes and their rights and obligations as members of the union.

For the higher and longer types of courses, textbooks will have to be prepared and especially teaching manuals to guide the instructors in their work. Much information about workers' conditions in India will have to be gathered and set out either in books or pamphlets in a form attractive to workers and trade union officials. This is by no means an easy task but it has to be done if the message of sound trade unionism is to be conveyed to the mass of workmen and inspire them to join and run their trade unions in a free, democratic and responsible manner.

The Teachers — who should they be ?

The choice of teachers will be a difficult one in a programme of Workers' Education because the methods of teaching will vary from the simple lecture to the complicated role playing and discussion classes in which the audience is expected to actively participate. For a group of adult learners, a dry lecture however full of informative material may fall on deaf ears ; moreover the men must be made to think for themselves and to realise that what they have learnt in class can be put into practice. For the union officials, training in union administration and union functions can be more easily imparted through the lecture method, but leadership training for union leaders will require a knowledge by the teacher of the various modern devices of getting men to assume leadership and developing their leadership potentialities to the full.

On the other hand, specialised subjects like labour economics, labour law, or labour statistics may well

be handled by experts either from the Universities, or the Courts, or the Government Departments. But obviously the teaching of how to organise and administer Trade Unions should be left to trade union officials who have done the job for years. No classes of any kind would be suitable for top leadership, but seminars in which labour problems are discussed and foreign experience outlined could be of great value and benefit to them.

Agencies for Workers' Education

It is accepted as an almost axiomatic principle that it is one of the fundamental obligations of the Unions to educate their own men at every stage of a full-fledged plan for Workers' Education. Normally the Unions should have an Education Department of their own, which will plan out and conduct the studies. But in India where the Unions are financially decrepit, the Government proposes to step in with a promise of initial aid, on condition that after the programme has been inaugurated, the Unions will take over and carry it out themselves.

However since Government interference in union affairs is always suspect, it is the Universities and the colleges that will have to assist the unions in setting up and running the scheme with the financial assistance of the Government. The Universities, as the purveyors of education, cannot but be interested in assisting the unions to train their men even if it be in such a specialised field as trade unionism. The idea of the Universities developing into what are known as Peoples' Universities so as to broaden the field of their

interests and become truly national in outlook and serve all interests, both bourgeois and proletarian, has been implemented in the United States and the Scandinavian countries. Why cannot the same be done in India? As a matter of fact the University of Bombay has already started three months courses in Labour Relations for trade unionists in Marathi, and these are being well attended. Similarly the colleges could offer the facilities of their staff and buildings for the same purpose. Working in close conjunction with the unions, these teaching institutions can make a real contribution to the growth and development of a healthy Workers' Education programme.

It is very unfortunate that there is no Workers' Educational Association in India. In the countries of the West, this association has done yeoman work in providing opportunities for workers to train themselves for active participation in their unions through basic knowledge of modern industrial life, and the role of the union therein. As an agency that has no direct link with either the government or the employers, the Workers' Educational Association has won the confidence and admiration of the workers, and in its teaching the Association could be very honest and factual and thus make the workers realise in which direction their real welfare lies. No longer could mere rhetoric or theory not based on facts appeal to the worker who had taken a course with the Workers' Educational Association. Such an Association is an urgent need in our country.

The Length of the Training

A very disputed point in a programme for Workers' Education is the length of the training period. How long should each course be? A week, a month, three months, a year or two years? Experience seems to show that a week or a couple of weeks full time instruction through a liberal use of audio-visual aids and discussion methods should be sufficient for rank and file workers. A longer period of training might not attract them or prove too boring, besides a heavy drain on the funds of the union. For union officials, however, longer courses of about 12 weeks are more suitable. It might be questioned whether they can acquire a sufficient knowledge of union administration and other union problems in so short a space of time. The answer seems to be that the 12 weeks course should only be one of several which they should take in rotation. The important point to remember is that too long a separation from the union tends to make a man lose his interest in its activities. He may have been replaced during the time of his absence, or he may come back with a superior attitude of telling the men what they ought to do. Certainly, no democratic unions can be run on these dictatorial lines. In the United Kingdom, workers who were sent to the Universities for special two year courses in Trade Unionism did not go back to their old jobs and help their unions but found themselves better paid jobs elsewhere with a managerial status. It is therefore advisable that the trade unionist should not be away from his union and its environment for longer than 12 weeks. If he feels the need of further training he should be given the opportunity through a further course not exceeding 12

weeks however. In this way he will be able to profit by his training and at the same time stick to his union and give it the benefit of his increased competence.

Finance

Who is to pay for the worker while he is away from the factory and busy educating himself? Should he pay out of his own pocket? Or should the union pay for him? Or could management make a contribution? Or must the State bear the entire burden? Considering the marginal income of the worker, even in the advanced industrialised countries of the world, one could hardly expect him to foot the bill. And since he pays his union subscriptions, it seems obvious that the union should pay for him. In many cases, where the unions are well organised, the worker receives a stipend from the union during his period of training. On the other hand, management must be ready to release the worker for training, and perhaps even pay him his normal salary while he is away. In other words, leave with pay should be the employers' contribution to the financial aspect of the scheme. But how many employers in India will be willing to release their workers on such terms? They might be induced to do so, if the fruits of Workers' Education is a democratic and responsible trade union functioning within their industry. Finally the State may have to offer some financial assistance, although with financial assistance comes some kind of control and interference. But so long as this control is limited to seeing that the money is being well spent, there should be no suspicion of such an offer. The Indian Government

seems to be the first government in the world to inaugurate a Workers' Education programme, which is something unusual. Rs. 50 lakhs has been set apart for this purpose in the Second Five Year Plan.

Conclusion

There is no doubt that if a Workers' Education scheme is inaugurated early enough and carried through with determination along the lines outlined in the above paragraphs, a free, democratic and responsible trade union movement is bound to result. In place of the disunited unorganised and irresponsible unions, broken up by factions and ideologies, that are the plague of industrial progress at present, the country would greatly benefit from the co-operation and statesmanship of nature unions, who can identify their interests with those of the entire community, and work for the common good as well as their own welfare. Such has been the experience of other countries that have elaborate programmes of Workers' Education. The same good results could therefore be achieved in our own country, the only requirement being the co-operation of the unions with the educational authorities, for the training and instruction, and the employers and government for the necessary finance. Given these factors, there is no reason why a scheme of Workers' Education in India should not succeed.

A. Fonseca

The Kerala Elections

While the impressive Congress success in the General Elections to the Lok Sabha and to the various State legislatures, has brought light and cheer to top Congressmen in Delhi, the unexpected results of the elections in Kerala have marred their joy, and created a serious problem for the country in this newly reorganised State, which is the smallest in India. The people of Kerala have somehow voted a Communist Government into power. The Communist party with 60 of its members and with the support of 5 Independents returned with the co-operation of the Communist party, is assured a majority of 65 members in a House of 127. Of the other parties, the Congress secured 43 seats, the P.S.P. 9, the Muslim League 8, Independents 1, while one Anglo-Indian has been nominated to the Legislature by the Governor. We are therefore going to witness the rule of a party placed into power by democratic processes, but which itself does not believe in the principles of democracy beyond occasional lip-service to some of its essentials whenever it is deemed necessary to serve the party interests.

A Surprise

Not only the attention of India and especially of the Central Government, but the interest of the whole world is focussed on Kerala, which finds itself in the limelight out of all proportion to its size. The free world is anxiously waiting to see the outcome of the experiment which means so much both for India and for Asia. Any keen observer living in Kerala in the

days prior to the election would have expected some Congress defeats and some Communist success in the elections, but certainly not to the extent we have witnessed. The Communist victory was a surprise not only to the old Congress party politicians complacent in the notion of the invincibility of the Congress party, but to the Communists themselves. It must be admitted however that the Communists in Kerala planned their election strategy and worked for their representatives intensively and methodically. But their success in the elections surpassed their wildest hopes. This explains their hesitation and unpreparedness to take charge of the Government.

Analysis

Local Congress leaders have attempted explanations for the defeat of the Congress and the likely consequences that will follow, but in this article we are more concerned with discovering the reasons of the Communist victory in Kerala. If we analyse the actual votes and the results of the elections, the first thing to note is that this victory is more apparent than real. The Communist success is due not so much to the votes and the support of the people of Kerala, as to the clever *political maneuvering* of the Communists and of the poor tactics used by the Congress and the P. S. P.

Here are the actual facts taken from the results of the elections that support our assertion.

Communist Victory

Of the 7,600,000 voters in Kerala, 5,400,000 made use of their right. Of these, the Congress secured not

less than 2,209,251 votes, but won only 43 seats, while the Communists with 2,059,147 votes secured as many as 60 seats. Thus despite the fact that they gained less votes than the Congress party, the Communists were declared victorious at the polls. Such results are liable to take place due to our imperfect electoral machinery. Had our Constitution adopted the system of Proportional Representation, the Communists would never have secured the majority in the Legislature.

The Communists put up candidates in 100 constituencies, while the Congress more sure of themselves set up candidates in 124. In the places where the Communists did not contest the election, the party was very weak and their candidates would have even lost their deposits. They therefore concentrated their strength on places where they had some chance, while the Congress unfortunately dispersed their strength by putting up candidates in every constituency.

In order to understand better the nature of the Communist victory we must bear in mind the composition of the people of the State. About 24% of the population of Kerala consists of Eshavas and 6% of Depressed Classes, making together about 30% of the total population. It may be said without hesitation that these two groups are the main support and bulwark of the Communist party in Kerala. Of the nearly 2,060,000 votes obtained by the Communists in the recent election, about 70% or over 1,400,000 votes were given them by these two communities. They voted for the Communists *en masse*, 100% in several constituencies. All the other communities together gave

the Communists less than 30% of their votes. The Nairs in general supported the P. S. P. or the Congress; but if the Communist candidate happened to be a Nair, because of the communal spirit which is very strong in Kerala, the Nairs would prefer to vote for him rather than the Congress or the P. S. P. candidate. This however was not the case with the Ezhavas who stood four square behind the Communist party. If a Christian happened to stand on a Communist ticket, and an Ezhava on a Congress one, the Ezhavas voted as a solid block for the Christian Communist. The Communists could thus rely safely on the faithful backing of 30% of the total population in Kerala for planning out their campaign for the elections. And unless some unexpected changes in the outlook of the Ezhavas and the Depressed Classes takes place, it will be difficult to undermine the strength of the Communist party in Kerala.

An analysis of the votes cast in favour of the Communists at the polls reveals the following approximate figures for each community :

Ezhavas	1,200,000
Depressed Class	250,000
Nairs	200,000
Muslims	150,000
Christians (Non-Catholics) ..	120,000
Catholics	50,000
Others	30,000

Reasons for success

Based mainly on the support of the Ezhavas and the Depressed Classes the Communists manoeuvred extremely well before the elections by organising night schools and house to house visits. They began to raise funds many months earlier and the sums they collected were very large. Few people refused to contribute to their fund ; even Christians were generous with them.

Another factor which must be borne in mind is that the Ezhavas and the Depressed Classes exercised their franchise at the high rate of 90% while scarcely 70% of the other communities went to the polls.

Once sure of their support, the Communists were involved in 13 straight contests in which they succeeded in as many as 10 constituencies. They were also implicated in 58 three-cornered fights, out of which they came out successful in 31 constituencies. Had the Congress and the P. S. P. joined forces in these 58 constituencies, the Communists would have stood no chance in more than half of the 31 in which they triumphed. Any keen analysis of the results of the Kerala elections is bound to come to the conclusion that the victory of the Communist party was very largely dependent on immediate circumstances that worked in their favour.

Congress Defeat

Local Congress leaders have attempted to give various explanations for the Congress debacle. The basic causes however for the Congress defeat seems to

have been too much self confidence and unjustifiable arrogance. The Congress High Command, in its optimism miscalculated the strength of the opposing forces and refused to ally itself with other parties like the P. S. P. to build up a united front against the Communists. Had the Congress formed an alliance with the P. S. P., instead of securing only 43 and 9 seats respectively, the two parties would have easily gained over 70 seats in the legislature and thus been in a majority. For out of the 31 seats obtained by the Communists in the three-cornered contests, at least 15 could easily have been snatched from them by the Congress—P. S. P. coalition. But some of the Congress leaders thought such a coalition below the dignity of the revered Congress party only to be awakened out of their complacent day-dreaming by the shock of bitter defeat at the polls. Further, the language used by some Congress leaders wounded the feelings of the P. S. P. and the Muslim League party very deeply.

Sometime ago Mr. Nehru stated that one of the causes of the Congress defeat was not so much the adherence of the people to the Communist ideology as their discontent on local issues. In Kerala, there exists the very knotty problem of *unemployment*, a problem that is practically insoluble by any party that is in power in the State. But the Communists have made capital out of the issue, and their propaganda has been highly effective in a state that has the highest literacy percentage in India. On the other hand, one must mention the organisational weakness of the Congress as shown in their lack of effective propaganda

machinery to counteract the wild and false promises of the Communists, while frequent quarrels in the Congress itself have paralysed its efficiency as a well-knit organisation.

The Congress party is mainly supported by Christians, who form about 25% of the population and who therefore cannot give the Congress the majority of seats it needs in the Legislature. Catholics alone form only 14% of the population. On the other hand since the Ezhavas who are about 25% vote solidly for the Communists, the situation has been exploited by the Nairs who have been voting for either party to suit their own interests. It is a dismal fact that the Nairs Congress leaders have often acted with utter disregard for the legitimate demands of the Christian community that forms the backbone of the Congress party in Kerala. They have antagonised the Christians by their nepotism and partiality when in power. This partiality was shown in filling responsible posts in the administration by men of their own community. Such unfair action has widened the communal rift. The Christians, especially the Catholics, for long the staunchest supporters of the Congress felt that members of their community were being discriminated against. The denial of assistance to the Christian Depressed Class members only served to aggravate the situation. All the same in the recent elections, it is certain that 82% of the Catholics voted for the Congress, 15% of them voted for the P. S. P., and the remaining 3% for the Communists.

The support given to the Congress in the elections by different communities in Kerala can be roughly broken down into the following approximate figures :

Christians	1,250,000
Muslims	350,000
Nairs	200,000
Ezhavas	200,000
Depressed classes and others	120,000
Total	2,120,000

The total shows that Congress secured quite a large number of votes ; were we to add the 900,000 secured by the P. S. P. the result would have been a total of 3 million votes in favour of a Congress—P. S. P. alliance, which would have ensured a comfortable majority of seats for these two parties in the Kerala Assembly. Obviously this analysis leads to but one conclusion. An alliance between the Congress and the P. S. P. is imperative if the Communists are to be ousted from power. We can only hope that for the future directives to encourage this line of policy will issue from the Congress High Command.

The Communist Government

Some political experts in New Delhi and in Kerala believe that it will be difficult for a Communist government to carry on for long with the precarious majority they have secured, because the Congress, the P. S. P. and the Muslim League will fiercely oppose a party whose basic principles are a denial of the Indian Constitution, of national unity and of democratic methods.

How long the Communists will remain in power in Kerala will depend to a large extent on the contingencies of by-elections which may occur and also on the possibility of the opposition winning some members of the ruling party to their side. But if the Communists manage to rule, not in the rigid totalitarian manner, but in a democratic way, they may succeed in achieving reforms that might make them popular in the eyes of the people and ensure their position on the State gadi.

As a matter of fact, the Kerala government has already announced part of their programme such as an increase in teachers' and police salaries, workers' wages, land reforms, etc. It has also publicised its avowed policy of working the administration without corruption. It has denied reports that the Communist party would interfere with religious freedom. Indeed, Mr. Govindan Nair, Secretary of the Kerala Communist party, has officially described as pure propaganda the charge that the Communists are going to curtail religious liberty.

If the Communists succeed in achieving the aims described above, there may be serious repercussions in other States. It is not outside the bounds of possibility that the next elections might see a Communist majority in many more Legislatures. But if they are unable to solve to some extent the great problem of Kerala, the problem of unemployment, they may find it difficult to remain in power till the next elections.

Besides, if the Kerala government is going to function within the framework of the constitution, it can hardly be called a Communist government. The

task for the Communists will therefore not be an easy one. But we must remember that the Communist party while not accepting parliamentary democracy as a fundamental belief, has no scruples about using the parliamentary machinery to capture power and retain it, till the favourable opportunity for casting out democracy lock, stock and barrel comes their way.

Tactics

Have our people and especially the leaders of the Congress really realised what is afoot in Kerala? May not the Communist government in Kerala be utilized as a convenient springboard for capturing power in the other States? Communism is an international organisation and one feels afraid that the present government of Kerala is preparing a programme along these lines with outside help and under the guidance of the Indian Politburo, while parading an innocent and reformatory platform for the economic wellbeing of Kerala. The success of the Communist government in Kerala will mean a great deal for the rest of India since all eyes are now focussed on the Communist government.

The Communist party as usual will not reveal its plans till they are sure of capturing the whole of India. At this stage at any rate, their plans and objectives are mainly political. They are not anxious to bring about a tension between the Centre and the State of Kerala or disturb the relations with neighbouring states. If however the states bordering on Kerala prosper more than Kerala in the next five years, Communist propaganda would lose its strength and consequently its chances at the next elections.

But in no case should people believe that the Kerala Communist is a tamed and transformed Communist. We have it on the authority of no less a person than Mr. Nikita Krushchev that shrimps might learn to whistle before Communism gives up its faith in class war, which he described as the *essence* of Leninism. The Communist Government in Kerala must be closely watched and its tactics carefully examined for Kerala in the hands of the Communists might easily become the danger spot threatening the safety and the liberty of the entire nation.

Fr. Victor

Is Equal Opportunity Enough ?

Now some degree of 'eliteness' is inevitable in any society — and indeed desirable, for we are not trying to create a mediocre mass society, in which everyone is levelled down to a uniform denominator. Thus we can hardly imagine a society in which University education, for example, does not create a degree of elite feeling. But provided the society has an egalitarian ambience and no deep class divisions, the elite need not be divided by any large gaps from the mass of the population, who will therefore not feel markedly envious or inferior — indeed the term elite can scarcely be said to apply. This is the case in Sweden or the United States, where there is little trace of an elite psychology because there are no glaring differences between top and bottom, and no sense that the leaders belong to a different or superior class. All have shared broadly the same school education, there are no sharp differences of accent or style of life, and no deep consciousness of social inferiority or superiority.

C. A. R. Crossland in 'The Future of Socialism.'

Documentation

THE HUMAN SIDE OF ECONOMICS

(Discourse of Pope Pius XII to representatives attending the first Congress of the International Association of Economists. Rome, September 9th, 1956)

You have chosen, gentlemen, on the occasion of this first Congress of the International Association of Economists to come and tell Us about your work. We are deeply moved by this proof of your loyalty and are glad to welcome such eminently qualified representatives of the world of economics. For by your teaching in universities, your writings and the well-founded judgements you formulate, you exercise a great influence on our modern society in which economic factors play such an important part.

In the present Congress, you intend to pursue the analysis of specific economic problems which you undertake in your annual reunions. For this is the principal work of your Association which was founded in 1949, under the guidance of UNESCO, to further the advance of the economic sciences through international collaboration. That you can already count on 25 national organisations from four continents is sufficient proof of the world-wide interest that your conferences arouse among those who have the public good at heart.

The Economist's Task in the Modern World

"Stability and progress in world economy": This is the theme you have chosen, and its very title suggests the difficult and sometimes perilous dilemmas that confront the economist of today. The many component elements of our vast social structure are so closely bound together that it is impossible to modify one without also affecting the rest and being obliged to take necessary measures to retain the balance. Thus, for example, it is dangerous to increase industrial output without guaranteeing markets for the goods produced, to modify the volume of money in circulation without reference to the corresponding volume of commercial transactions, or to aim at full employment without taking precautions against the risk

of inflation. And yet, the law of progress, inherent in all human activity, constantly calls for changes and improvements which cannot be brought about without temporary upheavals. The chief care of the specialist will be to allay, as far as possible, the harmful effects of the measures imposed, to take advantage of favourable circumstances while avoiding at the same time the harsh penalties of economic crisis. On the international level, a feeling of deep disaffection is springing up between poor countries which are becoming more acutely aware of their great needs, and those nations which are abundantly provided with the necessities and the luxuries of life. In these underdeveloped regions, progress is sometimes sought after with violence, and international peace jeopardised.

And so the economist's task, already fraught with responsibility, becomes all the more extensive and difficult. In a word where distances count for less and less and ideas spread with lightning speed, the destiny of mankind hangs in the balance. The decisions of politicians and the specialists who advise them can have immediate repercussions on the lives of thousands and millions of men, bringing sometimes timely reforms, and at other times widespread discontent. The time for reckless theories and subtle systems that might satisfy the abstract mind, while being entirely divorced from reality owing to some basic oversight, has surely passed. Today, you cannot be too careful in weighing the conclusions and judgments you formulate and in checking their scientific validity: and this latter entails a conformity not only with the laws of human thought and logic, but also with the objective conditions of economic reality. Without entering into a discussion of technical points, We would like, Gentlemen, to make a few brief reflections which your visit suggests to Us.

Errors of the Physiocratic and Classical Schools of Economic Thought

The science of economics arose, as did other modern sciences, from factual observation. But although the Physiocrats and representatives of the classical schools of economic thought believed that, by treating economic facts as physical

and chemical phenomena, they could construct a sound scientific system, the falsity of their position showed itself in the glaring contradiction between the theoretical harmony of their conclusions and the terrible social misery that continued to exist in the real world. The rigorous logic of their deductions could not make up for the weaknesses in their initial suppositions. For they considered the economic factor only from its quantitative and material angle, and entirely neglected its essential human element, namely, the relationship that unites the individual to society and imposes upon him obligations in the manner of using material goods which, far from the common end they should serve and made of them mere instruments with which the strong, subjected only to the law of unchecked and fierce competition, exploited the weak.

Errors of the Marxists

The Marxists set out to remedy this defect by stressing once more the social aspect of economics and preventing individuals from monopolising the means of production for their own exclusive profit. But in so doing, they fell into an error even more deadly in its consequences: they claimed that man was nothing more than an agent of economic forces and attempted to derive the whole structure of human society from the relations of production. Thus, although man would not longer be a plaything of irrational jokes, he would find himself imprisoned and crushed by the social framework of a society hardened by the elimination of spiritual values and no less ruthless in its actions and demands than the free play of an individual's will.

The Human, Moral and Social Side of Economics.

Neither school has considered the economic factor in its full sense: namely, both material and human quantitative and moral, individual and social. For over and above man's physical needs and the consideration these demand, over and above his integration in the social relationships of production, the truly free, personal and communal activity of man, as subject of economic life, must also be taken into consideration. When man produces, buys, sells or consumes goods, he is motivated by a definite intention which, besides being the

simple satisfaction of a natural appetite, may also be an entirely subjective expression of sentiment or passion. Motives such as self-love, prestige or revenge can completely unbalance economic calculations and sometimes introduce problems that fall outside the range of a science, in the strict sense of the word. So we must seek further afield, and acknowledge the importance of truly free and personal decisions which, being conscious and rational, are capable of entering as a positive element in the construction of an economic science. Eminent economists have placed strong emphasis on the real significance of the entrepreneur's role and on the constructive and deciding part he can play in economic progress. For besides subordinate agents, who merely carry out prescribed tasks, there are the leaders, the men of initiative, who leave the imprint of their personalities on the passage of events. They blaze new trails, provide stimulating incentives, transform techniques and increase in astonishing proportions the output of men and machines. It would be wrong to hold that such activity is always motivated by self-interest alone. Rather, it should be compared to scientific inventions or artistic creations which spring from an altruistic inspiration, and which, as a new form of knowledge or a more efficient method of action, are destined to enrich the whole human race. And so if a theory is to give a satisfactory interpretation of economic facts, it must take into account that the elements which compose these are human as well as material, social as well as personal, and finally, free yet logical and constructive because in harmony with true human nature.

It is true that the majority of people more commonly follow their natural and instinctive inclinations in their daily conduct, but we believe that in moments of crisis there are some, at least, for whom altruistic and disinterested motives predominate over purely material interests. Recent events have shown once more that even the poorest people can display a real spirit of sacrifice and generosity. One of the most encouraging signs of our present age is that it tends to accentuate the need that people have of one another by bringing them to realise that a human person can only attain to his full stature by acknowledging his personal and social res-

possibilities, and that many human and economic problems can only be solved by a greater mutual understanding and love.

Seek First the Kingdom of God

To conclude this train of thought, may We quote a sentence from the Gospel which states the Christian outlook on the problem of production and the use of material goods: "Make it your first care to find the kingdom of God, and his approval, and all these things shall be yours without the asking" (Matthew vi, 33.). Even when concerned with economics, man can never allow a complete separation between the temporal objectives he is seeking and the final purpose of his existence. These words of Christ have entirely reversed the normal views of man concerning his relationship with the material world: surely they suggest that we should strip ourselves, as far as possible, of any servitude to economic considerations in order to dedicate all our thoughts and actions to a service that is divine? They teach us to master that instinct which seeks only to enjoy as much wealth as it can; they invite us to prefer poverty as a means of freeing ourselves and serving the community. Even in this modern world, with all its hankering after material goods and pleasures, there are still people high-minded enough to choose the way of detachment and to place spiritual realities before the transitory.

The work of the economic specialist is not directly concerned with the principles We have been talking about, but We feel sure that if he bears them in mind, they can influence his general approach to economic problems, and that this influence can only be to the good.

We hope, Gentlemen, that your Congress will end on an optimistic note in spite of the many obstacles that bar the way to economic stability. If everyone has courage enough to face these problems without deceiving himself or falsifying any aspect of reality, We have no doubt that you will soon be able to congratulate yourselves on the outcome of your efforts, and pursue them more vigorously in a spirit of close and effective collaboration.

Social Trends

Orphanages and Widows Homes Bill

The main provisions of this Bill have already been discussed and criticised in a recent issue of *Social Action*.^{*} A strong protest again the Bill has been made to the Mysore Government by his Grace, the Archbishop of Bangalore and to the Madras Government by his Lordship, the Bishop of Vellore. The Archbishop of Bangalore argues that "while appreciating the motives underlying the Bill, we feel that the new regulations are so stringent, far-reaching and drastic, that institutions with a long record of meritorious social welfare work, extending in some instances to 50 years, and even a century, may be stifled out of existence and all private effort throttled. What gives us cause for great anxiety is the constitution of a board of control, a managing committee and administrative machinery with powers that are bound to have an undemocratic hegemony over even the most efficiently conducted institution. The rules for recognition and its withdrawal may give rise to harassment to and interference with our institutions. Constant visitations by officials and reports on conditions and managements may result in damping the enthusiasm of the staff in their arduous and often unpleasant task."

What his Grace finds very objectionable is the authority to be conferred on the Chief Inspector, the District Magistrate, or any other authorised person to

^{*} Vide *Social Action*, April 1957, pgs. 185 sq. for details of the Bill.

enter any orphanage or widow's home at any time of day or night, if he has reason to believe that any cognizable offence is committed or is likely to be committed. Just because some of the institutions in question were found to be badly managed, why should all the others, especially the Christian institutions which were praised for their efficiency and set as an example to others in Lady Rama Rau's report, have to suffer from the effects of rigid and ill-advised legislation.

Another objection raised by his Grace relates to the teaching of religion in these institutions. No religious instruction will be allowed under the Bill. This is certainly a denial of the professed secularism of the Indian Constitution and a negation of the fundamental right of religious liberty. The clause is obviously designed to prevent religious instruction of one denomination being imparted to those of another. But the method of achieving this aim is very clumsily conceived. Moreover a lack of religious spirit in the Institutions is not going to improve either the discipline or the moral growth of the children and the behaviour of the widows. Christian institutions are characterised by their sense of delicate charity, responsibility and devotion to duty, virtues that are the outcome of a deeply religious spirit. No amount of government legislation or inspection can ever capture this spirit which is the result of conscious religious observance and renunciation.

The Bishop of Vellore lays emphasis on the same disturbing aspects of the Bill, but he also points out that if there is to be any legislation at all on this

score, it should tend to weed out the chaff from the good grain, the badly managed institutions from the well-conducted ones. He further argues that the right of inspection might be abused and endless harassment caused both to the staff and inmates of the institutions by false reports. There is a tendency for the modern state to attempt to do everything for its citizens, from running the government which is its natural obligation to bringing up orphans which is far beyond its competence. There must be a dividing line somewhere. And so he suggests that the Bill be consigned to oblivion for if it becomes law, thousands of orphans and widows will be left destitute because many homes will have to close down, for it is impossible for them to survive under such unfavourable and stringent conditions.

May Day

The interest in the industrial worker is growing apace all over the country. This was clearly manifested in the enthusiasm with which May Day was celebrated by various Catholic Dioceses with the workers attending holy mass and a public rally. The worker is thus made to realise at least once a year that the Church is deeply interested in him and his affairs and has a plan for his social and moral benefit. The dechristianisation of the worker that has unfortunately taken place in the West is being forestalled in India to some extent. Unfortunately there are evidences that at least some of the workers, especially Catholic labour leaders, have been lost to the Church because they have met with unsympathetic treatment from a few misguided individuals at the beginning of their career. However

it can be safely maintained that the Church in India has not lost the worker as She has in Europe. The mass of Christian workers are still deeply loyal to their faith, though perhaps not many of them are aware of the social teachings of their religion. This is a dangerous lacuna in their minds and unless the Church's social teachings are presented to them in a simple concrete form in the way they can easily grasp, another poison in the form of Communistic materialism might seep in to fill the empty space. The mass and the rally must be followed by a continuous all-year-round training for social and union activity through study and action.

Domestic Servants

'Akalankalaya', the Recreation and Social Centre, for young girls working as domestic servants seems to be flourishing in Bombay. For many years now the problem of these young servant girls, who slave at their jobs for a mere pittance in many cases, has been publicised as an important matter for an examination of conscience by their employers, but with little effect. They are still an exploited group in the middle of the 20th Cent and a standing example of how little the social conscience has been roused out of its indifference to their misery. A long day of work, no weekly holiday, very poor wages, nothing to break the monotony of their daily drudgery, these are some of the conditions under which they live, not to speak of the risks to morality to which they are exposed in a large city like Bombay.

The Recreation Centre is a unique institution that seeks to better their lives both economically and morally.

Run by the Daughters of Mary Immaculate, the Centre aims to provide these girls with opportunities for rest, entertainment and friendship. It also seeks to provide them with a minimum of education so that they can read and write and learn to become trained servants and be able to live out their lives more fully and satisfactorily. This is delicate work and requires great sympathy and skill. But it can be very profitable for the girl herself to prevent her from drowning her sorrows in a life of prostitution to which a great many of such women are tempted.

The Always Conference

This Conference of Catholic Social Workers took quite a number of resolutions to deepen and expand their social activity. The great need of Housing and Industrial Co-operatives was explicitly mentioned. Especially in Kerala where the unemployment problem is acute, Industrial Co-operatives should greatly help ease the situation by providing people with work and income. The lack of housing and the high rents for houses are a common feature all over India. Housing Co-operatives are a solution, especially if the generous Government loans for low-income level groups are patronised. A third aspect that received emphasis was the preparation of trained social workers. Today one can safely affirm that effective social work can only be turned out by full-time professional social workers who are paid for their work. The Conference recommended the Central Social Welfare Board to finance the training of senior workers in care institutions run by voluntary agencies. This is a good suggestion and should be carried out. It is always safer to choose

people who have already had some experience of social work and shown an aptitude for it rather than train fresh young graduates who are more concerned in seeking in social work a profession by which they can earn their living. In Social Work very much depends on the spirit one brings to it.

Another resolution asks for the establishment of an Institute of Social Sciences to be established in Kerala. More important perhaps would be the setting up of a training centre in social work. This could be done through one of the colleges, of which there are so many in Kerala. There are quite a few young men from Kerala who have gone through a full-time social work course of training. Why couldn't the services of some of these young men be requisitioned for the purpose?

Will these resolutions remain on paper or will they be put into practice? One does begin to doubt after having witnessed a number of conferences. Particularly in Kerala, where a Communist government has been installed, a sense of urgency should prevail among the people to get things done before the masses throw in their full weight behind the Communist party in order to achieve what they think and feel is their just demand.

A Study Camp

A batch of enthusiastic young men training for the priesthood in Poona held a six-day study camp at a lonely mission centre in Khandalla. They studied the effects of India's rapid industrialisation on the social,

economic and cultural background of the country's newly recruited labour force. Modern technology by itself is a neutral instrument they felt, but it can be utilised either for the enslavement or the betterment of man. In conditions where the machine has been used as an occasion for quick profits and exploitation, it has degraded the worker and exposed him to the dangers of Communist materialism. In an underdeveloped country like India, however, there is danger of the State becoming an omniscient manager of all industry, especially if there is a determination to achieve a higher standard of life for the masses as quickly as possible. But the trouble arises that because totalitarian methods appear to be the quickest, the democratic ways of acting to which the Indian Constitution is wedded might be bypassed in favour of quick results.

As for the Indian Worker, much of his former religious beliefs are being undermined by the materialist atmosphere of the factory and the city. It may be that he still conforms to the outward pattern of social and religious behaviour, but how long will he adhere to them? They do not provide him with the rational explanation he requires to imbibe the new techniques and the values that go with them to help him to integrate them into a reasonably satisfactory system of thought and motive for action.

Economically, he is not receiving the family wage which approximates to Rs. 100 to Rs. 120 in the large industrial centres like Bombay, Calcutta, Kanpur, Ahmedabad. He either lives in a tenement with several

other families or in overcrowded slums. Most of India's workers are still villagers at heart and have not been absorbed completely into the Proletariat. The unions to which the worker belongs are weak, disunited, led by outsiders and a prey to political parties. The worker has often to break up his home to come to the city in search of work. But the city attracts him and there is now no stopping the process of industrialisation. Indeed the industrial force is likely to grow very large in a short time. The new industrial centres should therefore be properly planned with due regard for the needs of human resources of production.

Socially, the worker finds himself a free man, conscious of his rights and his power as a member of a formidable group. The old caste cleavages are disappearing; so too are the ties of the joint family. But he is also made to feel lonely and insecure.

If he is not to be overwhelmed by the plague of either technological or Communist materialism, the Catholic worker in particular must find in his religion an answer to the problems raised by the new civilisation growing up around him. The priest must therefore be prepared both intellectually and culturally to sympathise with the worker's problems and offer him the means of solving them through an understanding of the industrial situation and a knowledge of the social doctrine of the Church. It is the duty of the Church to preserve and nourish the existing spiritual values in Indian culture like the belief in God, the respect of the Guru, the solidarity of the family, the dignity of the mother in her home. She must also integrate the

positive values introduced by the machine into her system of living and thinking and appreciate the advantages brought about by an increase of production and a higher standard of living. All this requires the priest to adopt a new outlook and a special training to meet the changing needs of a dynamic society.

Study camps if well planned and executed are not a waste of time. They are fast becoming one of the finest techniques of educating people to think for themselves and to make discoveries in a group through free and frank discussion. The intimate living together for a few days strengthens group unity and helps for better understanding among the individuals of the group. Interest in the subject can be very keen and a life long passion for a cause be aroused. This camp in particular succeeded to a large extent and much was achieved in the way of a new realisation of the urgency of the social problem in India and how the Church and the priest must find and be prepared with a solution.

A. F.

Economic and Social Survey

Taxes

The Central Finance Minister has introduced three bills in Parliament which seek to impose new taxes on certain categories of citizens. The bills in question are the Wealth Tax Bill, 1957, the Expenditure-tax Bill, 1957 and the Railway Passenger Fares Bill, 1957. The first taxes wealth, the second expenditure and the last, travel on railways.

All three Acts when passed will apply to the whole country. The Wealth Tax Act will be deemed to have come into force from 1st day of April, 1957, the Expenditure-tax Act will come into force from 1st April 1958 and the Railway Passenger Fares Act from the time it becomes law.

A. *The Wealth Tax.* Subject to the other provisions contained in this Act, there will be charged for every financial year commencing on and from the first day of April 1957 a tax in respect of the net wealth, on the corresponding valuation date, of every individual, Hindu undivided family and company.

In computing the net wealth of an individual the value of the assets held by him as well as those transferred by him to his wife or minor children or other persons will be taken into consideration. Certain assets, however, are excluded from the computation. These are :

- i—any property held under a trust or other legal obligation for religious or charitable purposes within India ;
- ii—any work of art, archaeological, scientific or art collections, books, manuscripts or heirlooms belonging to the assessee and not intended for sale ;
- iii—the right of an assessee to receive a pension or other life annuity in respect of past services under an employer ;

- iv—domestic animals and furniture, household utensils, wearing apparel, jewellery, provisions and other articles intended for the personal or household use of the assessee, subject to a maximum of twenty-five thousand rupees in value ;
- v—the right or interest of the assessee in any policy of insurance before the moneys covered by the policies actually become due and payable to the assessee ; and
- vi—the tools and instruments necessary to enable the assessee to carry on his profession or vocation, subject to a maximum of two thousand five hundred rupees in value.

The valuation. The value of any asset, other than cash, for the purposes of this Act shall be estimated to be the price which in the opinion of the Wealth-tax Officer it would fetch if sold in the open market on the valuation date.

The valuing of wealth and the collection of tax as well as the settling of disputes will be done by a specially appointed staff. It is computed that a huge staff numbering several thousand persons will be needed which will cost the exchequer something like Rs. 40 lakhs a year.

The rate of wealth tax payable has been stated in the Schedule to the Bill.

(a) In the case of an individual :-

(i) on the first rupees two lakhs on net wealth	Nil
(ii) on the next rupees ten lakhs of net wealth	$\frac{1}{2}\%$
(iii) on the next rupees ten lakhs of net wealth	1%
(iv) on the balance of net wealth	$1\frac{1}{2}\%$

(b) In the case of the Hindu undivided family :-

(i) on the first three lakhs on net wealth	Nil
(ii) to (iv) as above.	

(c) In the case of every company :-

(i) on the first rupees five lakhs	Nil
(ii) on the balance of net wealth.	$\frac{1}{2}\%$

It is estimated that there are 36,000 "persons" liable to wealth-tax. Of these 26,000 are expected to have net wealth exceeding two lakhs and 4,000 exceeding three lakhs. There are 6000 companies which will have to pay taxes.

B. *The Expenditure-tax.* This is a new tax levied on expenditure by an individual or a Hindu undivided family. The tax will be collected from the first day of April 1958.

Every individual whose total income under the Income-Tax Act during the previous year exceeds Rs. 60,000 will be liable to pay the expenditure tax. The rate of expenditure-tax in the case of every individual and Hindu undivided family, on that portion of the taxable expenditure are :

(i) which does not exceed Rs. 10,000	10%
(ii) which exceeds Rs. 10,000 but does not exceed Rs. 20,000	20%
(iii) which exceeds Rs. 20,000 but does not exceed Rs. 30,000	40%
(iv) which exceeds Rs. 30,000 but does not exceed Rs. 40,000	60%
(v) which exceeds Rs. 40,000 but does not exceed Rs. 50,000	80%
(vi) which exceeds Rs. 50,000	100%

In computing the expenditure liable to tax under this Act any expenditure incurred, whether directly or indirectly, by a person other than the assessee in respect of any obligation or personal requirement of the assessee or any of his dependents, which but for the expenditure having been incurred by the other person, would have been incurred by the assessee will be included.

Expenditure incurred on a number of items mentioned in sections 5 and 6, is excluded. Some changes are likely to be made in these two sections when the Bill comes up for discussion in Parliament during the monsoon session.

Both the Bills have made elaborate provision for the making of the assessment, for appeals and penalties. The Income-tax department will be in charge, for the present at least, of the Expenditure-tax as well. It is expected the additional staff needed for the collection of this new tax will cost Rs. 800,000 a year.

C. *Railway Fare Tax.* A special tax will be levied on all passenger fares for journeys by railway for distances exceeding fifteen miles. The tax will have to be paid on all classes of fares including concessional tickets but excluding season tickets.

The rate of taxation is as follows :

(i) for distances from 16 to 30 miles	5%
(ii) for distances from 31 miles to 500 miles	15%
(iii) for distances over 500 miles	10%
(iv) on mileage coupons	12½%

[on the cost of the coupons.]

The cost of living has been rising steadily over the past six months. The new taxes and excise duties imposed by the 1957-58 budget have boosted the prices still higher. Soon there will be an all round cry for increasing wages. The Communists have been quick to seize the opportunity afforded by the outcry against the burdens laid by the budget on the lower middle class to organise protest meetings and token strikes.

Production

India has made remarkable progress in the field of production of various commodities in spite of great difficulties. The country is short both in adequate finance and skilled personnel to undertake and execute various projects essential for the development of the country. But with the help and collaboration of other nations coupled with our own national effort the progress that we have made is such that we have every reason to rejoice at our achievements. Here are some figures which will bear out the above statement.

Coal. The production of coal has increased from 36 million tons in 1952 to 39 millions in 1956. The progress in this field has been severely restricted owing to the non-availability of adequate transport. Our railway system is not in a position to cope with the extra demands on it by industry. By 1960 the demand on coal will be to the tune of 60 million tons a year. To increase the production new coal fields are being opened up and transport facilities increased. The main coal bearing railway lines will be electrified which will facilitate the running of more and heavier trains. Half of the coal is mined by the State and the other half by private agencies.

Salt. Salt production reached the record figure of 88 million maunds in 1956. We are at present producing all the salt we need and a substantial amount for export. In 1956 over 8 million maunds of it was exported. Efforts are being made to increase exports and thereby earn some more much needed foreign exchange.

Oil. India has at present three oil refineries, two of which, the Burmha Shell and Stavnac in Bombay, are working to full capacity of two million tons a year. The refinery at Visakapatam operated by Caltex has just gone into production. It will be in full production by the end of 1957. Negotiations are going on to establish another refinery in North East India. Experts from various foreign countries are busy in several parts of the country looking for new sources of oil. Drilling operations began recently in West Bengal.

Fertilizers. In spite of the progress made under the First Five Year Plan in the matter of food production we are not yet in a position to say that we are self-sufficient. As a matter of fact the food situation is a cause of much concern to us. The First Plan had laid great stress on increasing food production and for this purpose had launched various river valley projects. Most of them have been completed or nearing completion. With the increased and constant supply of abundant water million of acres have been brought under cultivation. Government have established or are in the process of establishing

ing fertilizer factories in different parts of the country. The first to be established was the one at Sindri in Bihar. It has increased its initial production of 35,000 tons in 1951-52 to over 333,000 tons in 1956-57. The capacity of the plant is being increased by 60 per cent. The Sindri fertilizer sells at Rs. 270 a ton. The other projected fertilizer factories are at the Bakra Nangal Project and at Neivelli. To meet the full demand we shall need many more.

Shipyard. India has only one major shipbuilding yard, at Visakapatam. In the period 1952--56 the Yard completed nine vessels of a total tonnage of 69,000 tons. A number of other ships are under various stages of construction. There are three new building berths at the Yard at present. The Government is planning both the expanding the existing yard and establishing at least another new one, preferably on the West Coast. A team of foreign experts are currently in India looking for a suitable site. Personnel for this new shipyard is being trained.

Machine Tools. We have established a factory at Bangalore to manufacture machine tools. We had to buy all the tools we needed for our industrial development from abroad which meant a terrific drain on our foreign exchange resources. The Bangalore factory, when in full production, will manufacture various kinds of machine tools which will go a long way in making India self-sufficient. At present the plant is turning out high speed lathes at the rate of 25 a month. Other forms of tools will be soon manufactured. We have also a factory in Calcutta producing various forms of instruments.

Penicillin. Another venture which has done really spectacular progress is the Penicillin factory at Pimpri near Poona. It is already in full production though production started only in 1955. In 1956 it produced penicillin at the rate of 14 million mega units a year. The rate of production is being stepped up thanks to the hard work put in by the experts at work there. Plans are made to increase the out-put considerably and also to produce other forms of antibiotics.

D. D. T. The Delhi factory commenced production in 1955 and has produced 500 tons of D.D.T. in 1956. This factory is being doubled and another is being set up at Alwaye.

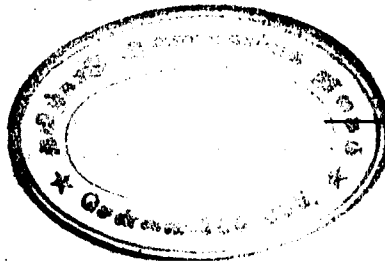
Steel. The existing steel plants are being expanded, especially the one in Tatanagar. The new ones are rapidly taking shape and will start full production before the end of the Second Plan period. Hundreds of engineers to man these factories are being trained here in India and abroad. All the engineering colleges and technological institutions in the country have made provisions to train large numbers of desperately needed technicians to run the machines in the factories that are coming up everywhere.

Electricals. In Bhopal the Government is setting up a factory for the manufacture of heavy electrical machines. It is expected to be ready by 1961-62 and will cost Rs. 450 millions. The factory will manufacture generators, transformers, switch-gears, traction equipment for the electrification of railways, hydraulic turbines for the hydro-electric projects, static capacitors and heavy motors. (*Economic Review*)

Sheep and Wool Production

For development of sheep and wool production in India, 396 extension centres are to be set up by March 31st, 1959 at a total cost of Rs. 15,000,000. The object is to improve sheep breeding and utilisation of wool, and conduct research on cross-breeding and selective breeding with a view to upgrading local sheep with the higher species. Already 24 such centres have been established and 166 will be established during the course of 1957-58.

F. C. R.



PRACTICAL CITIZENSHIP *by C. C. Clump*

THIRD EDITION, REVISED AND EXPANDED
A Course of Civics and Practical Citizenship
Training for Rural and Urban
Secondary Schools.

200 pages

Rs. 1.75 plus postage

THE CITIZEN AND THE STATE *by A. Fonseca*

Third (revised) Edition

Prescribed as a text-book on Civics for all Military Schools. Also contains a detailed survey of Indian Administration, suited to the needs of the general reader seeking for a clear and simple outline of the social problem and its solution.

231 pages

Rs. 2.50 plus postage

SOCIAL INSTITUTE
ST. VINCENT'S STREET
POONA 1

2c
16/1
REGD. NO. M-5888

SOCIAL ACTION

Social Action is a monthly devoted to social problems, and is under the direction of the I. I. S. O.

The Editorial Board do not necessarily endorse the individual views of contributors.

The yearly subscription is Rs. 6 or 10 s., or \$ 2.

Manuscripts, subscriptions, advertisements and remittances should be addressed to *The Manager, Social Action, St. Vincent's Street, POONA 1.*

The Manager does not take any responsibility for any Manuscript that may be lost. Manuscripts offered for publication should be accompanied by a stamped addressed envelope to secure their return in case they are not accepted.

Cheques if not drafted on a Poona Bank should cover the clearing commission.

V. P. P. charges are extra.

Inland Money Orders or International Money Orders : the best means of payment.

INDIAN INSTITUTE OF SOCIAL ORDER

AIMS AND OBJECTS

1. To spread the social teachings of the Catholic Church.
2. To provide theoretical and practical training for social workers.
3. To serve as a centre of information about social works.

PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

Edited by A. FONSECA, INDIAN INSTITUTE OF SOCIAL ORDER, Poona 1.

Printed and published by M. A. Thamburaj, De Nobili Press,
De Nobili Press P. O., (Madurai Dt.).

SOCIAL ACTION



AUGUST 1957

Technology

and its

Social

Consequences

2c. 10

Just out of press:

TOO MANY OF US

By A. Nevett

Second Edition :: Revised and Enlarged

Price : Rs. 3.25

Send your order to :

SOCIETY OF ST. PAUL

28—B Chatham Lines

ALLAHABAD. 2 (U.P.)

THE SOCIAL ATTITUDE

by C. C. Clum

Send your order to :

LOYOLA COLLEGE BOOK DEPOT,

LOYOLA COLLEGE.

MADRAS 31.

Price: Re. 1/- plus postage.

SOCIAL ACTION

DL. 7 NO. 8

AUGUST 1957

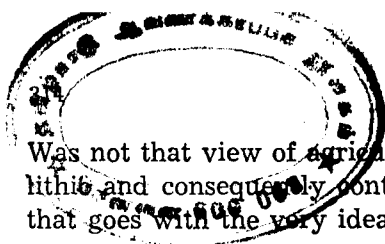
THIS SIDE AND THAT	A. L.	313
INDUSTRIALISATION AND SOCIAL CHANGE	J. BOEL	317
YOUTH IN DANGER	A. LALLEMAND	328
DOCUMENTATION		338
BOOK-REVIEWS		342
ECONOMIC AND SOCIAL SURVEY	F. C. R.	351

This Side and That

Patience

Agrarian reforms are proverbially slow, and it will take decades to transform the Indian countryside into a dynamic economy. Peasant conservatism, apathy born of centuries of misery, diffidence nursed by out-caste exploitation, all factors seem to converge and oppose change. At times the pace is so slow that the most powerful reformers get impatient. Even good old Vinoba Bhave recently lapsed into unexpected outbursts, and openly alluded to coercive and collectivist measures as resorted to in Communist countries, which are opposed to Gandhian sarvodaya.

It was not impatience, however, that dictated the majority report of the Commission which went to study land questions and reforms in China; it rather looks as if a pre-judgement, an authentic prejudice, had coloured the observations and conclusions of the majority. Had not the National Planning Commission imposed its pattern of socialism when it had dogmatically declared that "cooperative farming necessarily implies pooling of land and joint management"?



SOCIAL ACTION

Was not that view of agricultural cooperativism monolithic and consequently contradictory to the pluralism that goes with the very idea of free democracy?

Land Pooling

Would not a general policy of pooling land enforced by the State prove harmful and profitless, harmful to the peasant's sense of dignity as well as to the spirit of democracy (for what is political democracy without economic democracy?), profitless because of its unwarranted assumption that large-scale farming is normally more productive than small-scale peasant farming? Facts indeed do belie that assumption. Even in the plentiful U. S. A. with its farm-holdings six times as large as in Denmark, the yield per hectare is not one half of what it is in Denmark for both wheat and barley, and much smaller than in France or Japan for wheat, paddy and barley.

Switzerland raises nearly three to four times, and Japan twice as much wheat per hectare on their small holdings than the U. S. A. large farms, Japan seventy per cent more paddy on their minute fields than America and more than double what Russia gets out of its giant collective farms.

On the other hand, the average unit of cultivation is larger in India than in Japan or in former China. Holdings under five acres make up two thirds of the total number though they cover only 16 per cent of the total area, holdings of more than 25 acres cover one third of the total area, those of more than 10 acres over 70 per cent, and those of more than five acres over 80 per cent of the area, whilst some 40 per cent of the agricultural population is landless. Hence re-

AUGUST 1957

315

distribution of holdings may be called for, ceilings to properties needed, and assistance to farmers imperative, but, it must be noted, large-scale farming will not increase the cultivable area, nor, in most cases, the total output.

Panacea

From the neatly thought out and firmly worded minute of dissent, we learn that the majority of our China Commission fancied that cooperativisation of agricultural production would "solve at one stroke the problem of small holdings, the problem of unemployment, the problem of poor technique, the problem of low productivity, the problem of diversification of agriculture, the problem of casteism and the problem of the landless". Quite a lot of formidable problems indeed for a single indeterminate equation!

What is most piquant in the situation is that Mao-Tse Tung in his famous speech does not appear to share the enthusiasm of the Commission's majority about the "phenomenal" success of cooperatives in China: "About their having any superior qualities, judging from the actual experience of many co-operatives, this will take five years or somewhat longer. As most of our cooperatives are little over a year old, it would be unreasonable to expect too much from them so soon. In my view we will be doing well enough if we succeed in establishing the cooperatives during the period of the first Five Year Plan and consolidating them during the second. (1958-63)."

Mao-Tse Tung was, however, understandably reticent about the measures of coercion which were enforced and which the courageous minute of dissent to the Commission Report rightly denounces.

Co-operative Pluralism

A more refreshing type of co-operativism awaited Mr. Nehru when he visited the Scandinavian countries. But there co-operative effort was innocent of undemocratic compulsion, it had taken decades of endurance free from that impatience which afflicts some of our planners, and it was toned up with that pluralism which suits the complex conditions and the complex moods of the countryside. Nor should we depreciate the co-operative movement in India. The latest issue of the *Co-operative News Digest* (Agricultural Credit Department of the Reserve Bank) underlines the progress made in 1955-56: an increase of 9.6 per cent in the number of societies (up to 240, 395), a 20.1 per cent increase in working capital (468.82 crores), a ten per cent increase in membership (17.62 millions), an increase in profits and a fall in overdues, along with parallel advance in non-credit societies.

Owing to rural inertia, state financing was rather too prominent, and possibly might well grow more parcimonious in the coming critical years, whilst state help might be limited to discreet guidance and control so as to test the psychological progress of our peasantry. For the co-operative movement will blossom only when citizens will have made it really their own; then only will it become a grid of rural energy enlivening cultivation, purchase, sale, equipment and all operations of prosperous farming. Thus only can it develop the personalist factor which is crucial in an authentic socialistic pattern.

A. L.

Industrialisation and Social Change

To speak of the 'unchanging East' today would be to express a judgement biased by 'cultural aloofness', and the opinion is patently false. Witness the great transformations that have more recently taken place in China, India, Japan, Indonesia, Turkey, and other Eastern lands. Under her Communist government, China is rapidly industrializing herself in the heavy industries with Russian financial and technical assistance. Japan has already been competing with the West ever since the end of the First World War. India is now busy with her Five Year Plans to improve her agricultural production rapidly and lay the foundations of industrial advancement. As for the other nations of the East, there is not one of them that is not on the move to raise the standard of living of its people, to become industrialised and literate, and in the process to shed ancient customs and social barriers that might hinder its progress. Thus it has become a commonplace, a lack of 'cultural originality' this time, to speak of the 'changing East' of a 'crisis', of an 'evolution' in the Oriental world. The rapid changes that are taking place are facts of daily experience for the people of these vast countries; for the educator in his class room, for the employer and employee in their factory, for the farmer in his fields, for the administrator at his desk, and for the priest in his parish.

Analysing the Situation

To have an awareness of the concrete atmosphere of change is not difficult, when one is sufficiently ob-

servant of one's surroundings. We all know that changes are bound to take place in a society that is undergoing a process of industrialisation on such a large scale as, for instance, we are witnessing in India. But when it comes to analyse the situation in order to realise what is actually happening around us, we come up against a host of difficulties. What is living and ever changing can hardly ever be circumscribed within the limits of a few rigid concepts and definitions. Constant revision and adaptation to suit the changing circumstances is necessary both in our thinking and activity.

The understanding of society, however, not only in the abstract but in its concrete grim reality, cannot be considered any longer a mere academic question. It has become a necessity for everyone who claims to be playing an active part in his age and in his social surroundings. The changing needs and conditions of society call for fresh and living answers to new and urgent questions. This is true in every sphere of life. In our days the crowding of the industrial areas has produced the slums with their accompanying evils of ill health, illiteracy, delinquency and prostitution. Similarly the religious needs of a man's life are often ill catered for in the new urban surroundings. He becomes indifferent to his religious beliefs or gives them up altogether. It is therefore necessary that in his new surroundings the obligations of providing him with the opportunities of the practice of his religion should be recognised and accepted by the religious denomination to which he belongs.

But what are these social transformations brought about by industrialisation? And what are the precise factors in the process that bring about such a change?

Geographical Transformations

In the first place there has been the shift of the population from the villages to the town or the industrial area. From the statistical data available in the latest Census of India, it is noticeable that there has been a steady increase of the urban population at the expense of the rural areas, and at the same time an accelerating tempo in the process of increase. Thus from the year 1921 to 1941, a period of 20 years, there was a 2.6% increase in the urban population of India. But from the year 1941 to 1951, a period of 10 years, there was an increase of 3.4%. If we were to compare these figures with those of urban population increase in France for instance, we would be struck by the significance of the comparison. For in France at the beginning of the Industrial Revolution from 1801 to 1851, a period of 50 years, there was an increase of 4% in the urban population. Compare this with the 6% increase in India during the primary stages of her industrial development.

Comparative survey of the percentage of the population engaged in agriculture and industry in India and France.

INDIA					
	Year	1921	1931	1941	1951
	Agriculture	88.7%	87.9%	86.1%	82.7%
	Industry	11.3%	12.1%	13.9%	17.3%

Note : From 1931 to 1951, urban population rose by 6%

FRANCE

Year	1801	1851	1926	1954
Agriculture	79.0%	75.0%	50.0%	43.7%
Industry	21.0%	25.0%	49.8%	56.3%

Note : From 1801 to 1851 urban population rose by 4% and from 1926 to 1954 by 6.5%.

The same fact can be established by taking into account the growth in population of some of the most important towns :

Town	increase from 1931 - 1941	from 1931 - 1951
Calcutta	81.2%	117.5%
Madras	20.1%	118.8%
Ahmedabad	90.7%	154.3%
Nagpur	40.3%	106 %
Poona	30.3%	142.7%

During the same period of time the total population of the country has risen by 12.5%. Compare the above figures with those of some of the important towns of France. For instance, between the years 1801 - 1954, the population of Paris had risen by 780%, that of Marseille by 490%, and that of Lyons by the same percentage. In India, the rate of growth between the years 1941 to 1951 has been truly phenomenal.

Sociological Transformations

These populations movements have been accompanied by sociological changes of far reaching import for both those who have shifted their homes as well as for those who have not been involved in the migration. The study of the consequences of these changes on human relationships within the various individuals

and groups can be of great use to those concerned with the economic, social or moral welfare of the people. An adequate discussion of the subject would require a psychological study of the displaced person and of the uprooted family, who have migrated to the urban area. But we shall only point out here some of the general consequences of the change.

In the first place, there has been the transition from the rural milieu, to the urban environment ; from the small village and the open fields to the large towns with their crowded localities ; from natural surroundings where man lives in close contact with the forces of nature and participates in the rhythm of day and night and of the seasons to a milieu dominated by the machine and technology where he continually faces the ugliness of the factory and the monotony of handling the same machine and performing the same mechanical processes every day of his life and all throughout the year.

In the second place, there is the transition from a world where craftsmanship is valued and gives a man prestige to a new, large, engulfing workplace, dominated mainly by monetary values. The personal relation between work and worker is sundered and in its place is substituted the profit motive as the sole criterion for working. Work becomes essentially a means to procure money, it is almost regarded as a necessary evil one has to accept for the sake of gain. Instead of taking an active part at every step in the production of a good, as is the case with the individual craftsman in the village, the workman in the factory is a mere

cog in a vast machine, almost an insignificant link in the long chain of producers.

Thirdly, there is the transition from the life of the village to the life of the town, which implies a complete upheaval in a man's way of life. The village generally signifies for a man and his family the encircling horizon where home, work, learning, leisure and his entire social life is contained and focussed. It gives man a sense of security, a contented feeling of belonging to a family, where one has acquired a specific place in an organic whole, and where one's function is recognised as profitable to the entire community. On the contrary, the town implies a life scattered about in different milieux, which very often exert upon the individual conflicting influences that are a cause of dissatisfaction and frustration. A town dweller often feels himself alone and almost lost in the vast herd of human beings that populate the city. Few know him intimately to be friendly, and he himself may not know who is his next door neighbour. After the warm familiarity of the village, this kind of anonymous atomic existence can undermine both his emotional stability and his capacity for work.

Fourthly, as far as moral and religious life is concerned there is the transition from the rural parish to the urban or sub-urban area or zone. In the West and even in India, the presence of the religious element is very strongly felt in the village. In Europe and in many villages inhabited by Christians in India, the Church occupies the central place in the village; there can be no doubt about its presence in the life

of the people. The priest is easily approachable, and he for his part knows his people, their work, their problems, and their environment.

In the urban areas, however, no such close contact or familiarity is possible between the religious pastor and his flock. There are constantly new faces that appear and disappear with startling rapidity. There is constant movement and change. Nor do the people frequent the same place of worship. They go wherever their religious needs can be satisfied. There is no common religious life, no community, because there has not been an integration of the community within the parish. There are besides too many differing needs, too many heterogeneous elements, too many linguistic hurdles (at least in India) that prevent unification into a single homogeneous group.

Changing Society

A new society is coming into existence. It would be dangerous to deny this fact, or to try to ignore it. It is not so difficult to spotlight the dangers involved in the process of urbanisation which we are witnessing today in India. But on the other hand one should not blind oneself to the latent possibilities and advantages of this new way of life for man. In order to evaluate realistically the importance of these friendly elements, it is worth while posing the question: what are the factors at work in shaping this new society?

Technology

The process of social change is generally ascribed to the interaction of four factors. Besides the physical

environment like climate and soil, and the biological element like the size of population and its growth, the balance of births and deaths, etc., there are two other factors at work in effecting social transformations, and these are technology and culture. Technology is the term applied to the progressive control by man over the powers of nature, and includes the means and techniques that have been invented to achieve this end and the consequent regulation of human behaviour for the effective utilisation of these techniques. Culture on the other hand, comprises the various forms in which man expresses his own nature such as art, literature, religion, recreation, enjoyment, etc.

It is important to draw the attention of the reader to the fact that technology is only one of the factors which is shaping our future society. We often make the mistake of imagining that industry, the factory, the modern city, and various kinds of modern inventions, necessarily produce the materialistic outlook on life, because of their tendency to make life more comfortable and man more aware of his power and potentialities. The factory and the machine are often considered, more or less unconsciously, as enemies of morality and religion, as rendering religious life more difficult, nay impossible. The age of the paraffin lamp and of the quiet, peaceful village life is very often quoted, with a certain nostalgia, as the 'good old time,' in contrast with the diversity, the hurry, and restlessness of the modern city.

Nobody will deny that wherever technology has found its way into the life of man, other cultural

values have been on the decline. Christopher Dawson is right when he says that "a civilisation may prosper externally, and grow daily larger and louder and richer and more self-confident, while at the same time it is decreasing in social vitality and losing its hold on its higher cultural traditions."* But does this mean that the element of decay is inherent in technology as such, that this cultural decline is its necessary concomitant? Or can we say that this failure was made possible because the cultural values themselves, especially religion, have not been able to adapt themselves to face this new power and much more to provide it with a spiritual inspiration?

The Case of France

France is an example of a European country where the age of industrialisation has been disastrous to its cultural and religious values. France, an essentially Christian country, where Catholicism held sway over 90% of the population, rapidly lost its religious beliefs with the advent and progress of industrialisation. The dechristianising process spread rapidly among the French working classes, because of their exposure to the effects of the new civilisation while the Church looked on either blissfully unaware of the change, or helpless because She had not the wherewithal to provide the remedy immediately. But one may pose the very pertinent question: Was this loss of faith due to the fact that the factory system inherently suppressed all religious belief and the influence of the Church or made the practice of religion impossible?

* Christopher Dawson, *Progress and Religion*, pg. 9.

Commenting on the famous words of Pope Pius XI: "in the 19th Century, the Church lost the working classes", a French author pointed out that "these words of the Pope should not be understood as if at a given moment the workingclass were dechristianized, but in the sense that the Church, during the period of industrialisation, was not alive and *present* to this new world which was being born and as a consequence she 'lost' it by allowing it to come into existence without her."† Do these words imply that the situation would have been different if the Church had been prepared for the change? If that is so, then they contain a serious warning to those countries whose industrial development is still in its initial stages to gird themselves for the change.

A New World

We must realise that a new world is coming into existence, and a new social force, the industrial working class, is being born. We have already pointed out the transformation Indian society is bound to undergo through the impact of industrialisation from the geographical as well as from the social upheavals. Let us bear in mind that the driving force behind these changes is technology. It will lead us towards a civilisation of towns, cities and factories, mass living and mass thinking. But does this imply that the Marxian axiom that economic factors and the economic changes in the means of production dominate and inspire our patterns of behaviour, our ways of thinking, our culture and religion? In other words, does the advance of

† G. Pourchet, *Masses Ouvriers*, April 1957, pg. 37.

technology lead man towards a world of materialism, a world without God?

The Ship

It is always dangerous to prophesy, especially in historical matters, when one is not endowed with the gift of intuition. However on this problem, one can safely rely on the sane and learned opinion of a great sociologist like McLver, who strongly maintains that the technological factor in social change is *not* the final determinant. He compares technology to a ship, "which can set sail to various ports. The port we sail to remains a *cultural choice*. Without the ship we could not sail at all; according to the character of the ship we sail fast or slow, take longer or shorter voyages; our lives are also accommodated to the conditions on shipboard and our experiences vary accordingly. But the direction in which we travel is not predestinated by the design of the ship. The more efficient it is, the more ports lie within the range of our choosing."*

J. Boel

* McLver, *Society*, pg. 581.

Youth in Danger

The Second Five-Year Plan is on in full swing and the Central Ministry of Public Health and Hygiene has promised a large-scale development of medical services, and among them the establishment of a fair number of mental clinics. Indeed we may expect not only to discover many old cases of mental derangement, but an increase in the number of psychical disorders. It is hardly possible to revolutionize the country's economy and society without giving rise to untold maladjustment, social innovations, reformed education, are bound to shake up ancient ideologies, rouse new impulses, shunt old tendencies along new lines, orientate fundamental desires towards novel goals, upset individual and social psychological complexes and guide endeavours along new avenues; the psychological turmoil is inevitable, the more so that the tempo of the Plan is to be accelerated. India wants to be a prosperous and powerful nation in a few years time. Under such circumstances, maladjustments in individual and in group life, failures, cases of imbalance should normally be numerous.

Prof. S. C. Dube of Cornell University and Prof. A. R. Desai of Bombay as well as Prof. A. N. J. den Hollander at the Third World Congress of Sociology (Amsterdam, 1956) presented their various observations

and conclusions on the social changes which recently developed in India and Pakistan.⁽¹⁾

On the one hand, the British administrative pattern with its executive, judicial and legislative characteristics, modern systems of communications, large-scale industries, western type of education, western ideologies; on the other national revival with its conservative and its revolutionary trends, the very fact of independence, and of a new world status, the progressive working of the democratic process at all levels, the enlarging of educational schemes, social legislation, urbanisation, etc., all such factors have their deep influence on the structure and evolution of cities, towns and villages. Caste, kinship and territorial neighbourhood, their organisations and authorities have been subjected to changes, their cohesion and vitality have been altered, and the life of those various groups has been seriously affected, though possibly much less than social reformers expected. Those changes are the phenomena which the authors cited above analysed as well as such complex groups permitted.

Our present purpose excludes explicit reference to changes in the groups, and would rather stress possible

(1) S. C. Dube, *Social Structure and Change in Indian Peasant Communities*. Transact. of the Third World Congress of Sociology, Vol. II, p. 259.

A. R. Desai, *Impact of the Measures Adopted by the Government of the Indian Union on the Life of the Rural People*. Vol. II, p. 267.

A. N. J. den Hollander, *Changing Social Control in a Bengal City*, Vol. VI, p. 64.

individual maladjustments and call the attention of educators to the special care our modern youths require.

Conflicts

Psychological balance is disturbed and may easily be wrecked by conflicts arising between the contrasts and contradictions of traditions with the ideas and ambitions fostered in the crisis of modernisation through which India is passing. A conflict-situation is endemic in the psychology of our youths, most particularly in urban areas and among educated classes. The ancient conception of good and evil are still taught in the family, traditional observances keep their sway at home, standards are imposed on children which singularly contrast with the real conditions of life youths do observe outside the home. The forms of behaviour they note in newspapers, magazines and films are so contradictory with what was the teaching and tradition of their childhood that the first contact with life, with adolescents from other classes or youths from city surroundings can arouse conflicts and anxieties in their intimacy, and develop tensions they are unable to solve.

At college they will be given all the explanations modern scientists give about what an eclipse really is, and at home they will be forced to hear ancient legends and to participate in certain rituals which suppose contrary explanations. At home they will have shared all sorts of practices related to good luck and more so to bad luck; at school or college or in talks with youths of other communities they will hear such practices *derided* and turned down as silly *supersti-*

tions, and old women's tales. In the field of sexual needs and the desire for pleasure in general, the contrast between the home education and the sayings and doings outside strikes the adolescent as a gulf before which he feels psychologically dizzy. As wisely described by J. Nuttin in his "Psychology and Personality", a book educators should read, "the standards and rules persist, while the life-conception which gives these forms of behaviour their meaning and value has for many people disintegrated; and the individual, pulled in two ways at once, loses all psychic stability; the situation gives rise to intimate contradictions and tensions which, in psychologically weaker people, may destroy mental balance. Hence our age is more productive of maladjustments and neurotic troubles than periods of less heterogeneous culture". It is inevitable that with the several pieces of legislation on marriage, and with new manners and conventions favoured by many citizens who went out of the country for studies or as delegates of our many cultural delegations, our present youth numbers quite a few cases of psychological imbalance.

Even the modern mood in education is not without its deep repercussions on young parents. The Hartleys⁽¹⁾ singled them out about young parents in the very modern America.

Well-educated and progressive parents, they say, are constantly being urged to treat their children very differently from the way in which they were them-

(1) Fundamentals of Social Psychology, by E. L. Hartley and R. E. Hartley, New York 1952.

selves treated as children. They may have been controlled, dominated and beaten; they are urged to be permissive, supporting, unaggressive. They naturally took as standards those they had seen and experienced at home; the new standards on the other hand are held as desirable by persons in authority. Hence they feel uncertain as to what is right or which standards are better; they readily become inconsistent, veering back and forth between the models of their childhood and the precepts of to-day. They follow neither the ones nor the others wholeheartedly and they are anxious, and feel guilty and dissatisfied with whatever attitude they take. There is a case implicit in a cultural change. Do we not witness similar phenomena in today's India where practically every tradition is challenged some way or other and where social forces arise from population increase, from ideologies, from economic changes and hurriedly changing techniques? ⁽¹⁾

Other Causes of Neurosis

Neurosis in modern youth may arise from causes related to fundamental needs: the need of self-subsistence, self-assertion, self-preservation; also the need or tension everybody feels in his conscious intimacy to achieve a certain ideal, to realize the human type one evolves for oneself, to be so and so in life. All such needs, sociability or openness-to-others, self-subsistence, and self-realisation, are imbedded in each one; they normally work together so that each action

⁽¹⁾ See similar observations about the U.S.A. by W.F. Ogburn in *"India Quarterly"*, Jan. — March, 1957.

of ours is neither simply material nor simply spiritual, and so that any conflict ascribed to any one of them finds help from all or has repercussions in all; in other words, the whole man is always found in any action.

In our present crisis of modernization, our youths feel more than formerly the need for self-assertion and a craving to gain a recognized place in the world. Gone are the days when their worldly position was fixed at birth and determined by caste or community. Competition is the order of to-day. As J. Nuttin notes about modern life, "from the very first years of his life, the individual's achievements are scored and compared with those of others. At school and university, with examinations and other heavy requirements; in daily life with its struggle for jobs — on all sides young people are faced with extreme demands. The phenomenon is no less apparent in the efforts made by young women to keep up with males in all kinds of performances in professional life. Young people's faculties are stretched and exploited to breaking point, and this condition of things imposes on many of the psychically weaker ones demands which go beyond their strength."

Hence the many cases of anxiety, discouragement, frustration after having failed in an examination, in the pursuit of a job, or of a promotion, in a competition for access to this club or that association, etc. or after a disappointment in love and marriage, in economic undertaking or artistic pursuit. The higher the ambition, the keener the competition, the greater the number of cases of psychic imbalance, neurosis and psychosis.

The phenomenon is observable in all countries going through a crisis of modernization as India is experiencing. It is possibly too early for a thorough analysis among our people, but we may take heed to the peril from what happened in other countries. Turkey is a case in point, and the effect of modernization there can be instanced in terms of undeniable facts which betray the psychological disorder rapid social changes provoke.

At the Third World Congress of Sociology (Amsterdam 1956), Mrs. Nezahat Tanç of Istanbul University, read a remarkable report on suicides in her country. She pointed out that in Turkey the rate of suicides was higher among the married people than among the unattached (celib., widowed or divorced) during the 1927-46 period, a fact unexpected by most psychiatrists. The rate per thousand was 2.53 attempts and 1.03 suicides for married women, 1.09 attempts and 0.17 for unattached women; 1.29 attempts and 0.61 suicides for married men, 1.03 attempts and 0.53 suicides for unattached men. She pointed out that the period under study covered the years following the war of independence (1921-22) the establishment of the Republic (1923), the State's laicisation (1924) and the introduction of the Swiss Civil Code (1925) which prohibited polygamy, years which provoked a regular social revolution: legal equality of sexes, feminine emancipation of women from husband and father, breakaway of customs and mores from Islamic religion.

(1) Transactions of the Third World Congress of Sociology, Vol. IV, p. 113 sq.

Not only were the individuals, women especially, transformed, but even marriage and family life were deeply changed by those revolutionary movements. Free to choose her life-partner, admitted to educational institutions at all levels, allowed into all professions, the womenfolk could not help being deeply stirred, made to face problems and conflicts their ancestors had never known, and often feeling unable to solve them satisfactorily. Marriage from religious became merely a civil contract, rights of separation and divorce were equalized between husband and wife; husbands felt their superiority diminished, father and mother lost some of their power and influence on their children, marriage ties tended to lose religious consecration and permanence. "The tie between two human beings whose social, individual mutual rights were deeply altered was bound to raise serious problems." "Even the people married in the pre-revolution period according to the ancient laws had their ego changed by the new norms." The rise in the rate of suicides, and the higher rate among married people, must be understood as being due to the lack of balance which followed the change in social conditions.

More generally, anxiety and psycho-social instability appears to be a ransom of progress. The number of people maladjusted to modern life goes on increasing, and childhood itself had its carefree enjoyment of life spoiled with the recurring threat of examinations. If our illiterate masses need ampler rice-rations and better clothing rather than psychiatric attention, the same does not hold good in more advanced countries. One could instance the case of Denmark

where tuberculosis mortality is the lowest in the world (less than ten deaths by a hundred thousand inhabitants), but where suicide rate is one of the highest (yearly 24 per 100,000).

Usually suicide is explained not exactly because man wants to destroy himself, but because he cannot any longer endure the form of existence in which he *means nothing* and *is nothing*. Man wants to be somebody and to be acknowledged as somebody, and this legitimate self-assertion, this need of having a life that has a meaning is obvious in the working class movement and in the anti-colonial struggle. It is even noticeable in the workman who sees his comrade receiving higher wages; for him wages are an expression of his value and the incident strikes him as a slight on his own personality; he has been valued at a level lower than his own estimate. This sense of personal value is also revealed in the pleasure at receiving titles, medals, commendations and at the reaction of others when such rewards are not deserved, or are distributed on mercantile considerations.

In short, when man is despised or slighted, when he is not given recognition of his worth, even when he does not achieve his ideal or reach the role he intimately desires, he feels disarrayed in his intimacy, and, if he has not set his heart on values ultramundane and eternal, he easily becomes a prey to neurosis, psychosis or psychoneurosis. He may even, in his despair of being constructive some way or other, seek to become important as a nuisance, as a destructive notoriety, or as a criminal, unless he finds that life-

tension can only be solved in death. In a highly competitive system, like disorders must be expected to grow in frequency, and should receive attention from all who have to devote themselves to educational tasks, and from all who are taking the lead in youth movements.

The above notes on psychic disorders attending modernization do not cover the whole subject of social changes, they should not sound as a national S. O. S., for, in spite of all advertising publicity for our achievements and our plans, the masses, particularly the rural masses, have not yet changed their mentality and tempo of life. They only point out to a growing danger threatening our youths, more especially the educated youths who want to be "modernized" at a quick pace and at all costs.

A. Lallemand

Documentation

DANGERS TO THE SOCIAL ORDER

(Extracts from various Encyclicals of Pope Pius XII on the moral results of technological progress.)

The fascination of a materialistic civilisation

A materialistic civilisation attempts to anchor man to this present world. It makes earthly hopes shine before his eyes, increase his confidence in the efficiency of human labour, and man's ability to remedy the ills of mankind. Christians themselves do not escape this fascination. Some, too sure of themselves, hardly admit the uncertain results which follow from the use of mere technology and economic resources. Others, incapable of that loyal effort which a Christian life demands, attempt to diminish the necessity of such an effort. Such Christians are constantly on the look out for privileges and seek an easy way of escape from the obligations of their duty. The absolute nature of the materialistic dogma dazzles their eyes. While they accuse Christian morality of being uncompromising, they would fain see it adapt itself to the demands of the modern age and to those apparently insurmountable difficulties which stand in the way of the rule of this moral standard. Thus, they would bend the demands of these precepts to the private judgement of each individual! And indeed, you know how little is made of obedience to the Church, to her directives and counsels by so many of your contemporaries!

(To members of the 13th Congress of the World Federation of Catholic Young Women.)

Neither materialism nor mere technology can build a sound social order

We often hear the present age characterised — not without a trace of complacency — as the era of the "second technical revolution". In spite of the prospects of a better future

which this characterisation seems to imply, it is necessary to emphasise the permanency of suffering, and of political and economic insecurity among the most fortunate peoples, as well as in the under-developed areas. The bitter experience of the past century should be enough to explain this. Were not promises of a technically and economically perfect world made then, as they are made now? Did they not lead to cruel disillusionment? The social upheavals brought about by the application of science in a spirit that was too often materialistic ruined the existing order without replacing it with a better or stronger one.

(To members of the Vatican Diplomatic Corps.)

False Realism and the Social Order

The false realists apply their plan to the social order. According to their opinion the distressing problems which afflict modern democracy must not be laid at the door of man's conscience or his moral responsibility, but at that of man's temporal weakness. This weakness, in its turn, they hold, springs from ignorance and a want of confidence in human goodness, which ultimately is found in every person. This is why, they add, by deepening the knowledge of the natural norms which rule man and the world, the good qualities of all will be improved, and the acceptance of authority and responsibility will spread among more and more people, till all finally come under their influence. Meanwhile what should one do in the face of the deficiencies of social and civil life, such as the existence of a seemingly nameless social power, the absorption of the individual into the collective mass and the insecurity of social forces? The false realists affirm that in order to eliminate these inconveniences it is enough to integrate the principle of personal responsibility with the forces of social equilibrium which make up social life in some mechanical functional manner! And they repeat that just as a deeper knowledge of the laws and functions of nature have led to astonishing technological progress, so also

in the social order, it is enough to know more thoroughly the laws of its mechanics to bring about the establishment of the perfect society.

True Christian Realism

But in truth of what value are these hopes founded on a theory which, though it boasts of its realism, clearly ignores the true nature of man? Is it true that man's predisposition to evil is merely a perfectly curable deviation from a normal tendency? Is it true that in this there is merely some mechanical defect which may be set right by the knowledge of a higher technique? Even if — because it is true — man feels within himself the impulses of a natural development and numerous complexes, there is nonetheless a great difference between man and inanimate matter, plants and animals. Even though man feels these urges, he knows their force and the manner in which they move him. He always remains the master and knows in one way or the other, according to his free will, to integrate these urges into the course of his life. Man dominates these urges and complexes because before all else, he is a spirit, a person free to act or not to act, and he is not merely the "end" or "terminus" of a continuous natural process. In this is man's dignity, and this fact also fixes his limitations. Indeed it is this fact which explains why he is able to do good or evil; why he is capable of realizing all the potentialities of his being, but also capable of placing them in danger. It is precisely this risk which in the 20th century on account of the great values at stake has assumed great proportions, and has given rise to the distressing contradiction which afflicts our contemporaries. There is no remedy for man but to return to a true realism to Christian realism, which determines with equal certitude his dignity and his limitations, and his capacity to rise ever above the reality of sin.

(Christmas Message, 1956)

The Re-establishment of True Values

The attempt to establish security and stability of human life on an ever increasing amount of material goods means neglecting that fact that man is, first and foremost, a spiritual being created in the image of God, responsible for his actions and final destiny, capable of governing himself. In this consists his highest dignity. Right reason demands the defence of this liberty against both external constraints and the empire of social systems which would render it illusory. But he who would undertake this defence ought to know that economics and technology are useful, even necessary, forces when they are obedient to man's superior spiritual needs: they become dangerous and harmful when they are given under-importance and the dignity of being ends in themselves. The role of the Church consists in urging, in this sphere, a respect for a right order of values and of subordinating the factors of material progress to those which are truly spiritual.

The Duty of Catholics to help in Social Reform

Human society today is disintegrated and mechanized. The social order is more apparent than real. In fact, modern society is not the result of a multifarious activity directed towards the common good by the will of those who live in society. To remedy this is the urgent task of every Catholic; it is their grave responsibility. Before all else, it is indispensable that they act in conformity with the principles they profess, that they give an example of disinterestedness and help diffuse social culture. Moreover they should labour efficaciously to the end that the Christian social attitude may penetrate the consciences of men, and they should so act, "that the structure of modern society may return to its source consecrated by the Word of God made flesh. If ever Christians neglect this, their incumbent duty, leaving useless and in so far as lies in them the power which is their Faith to reform public life, they would be guilty of treason towards their God made visible among us in the cradle of Bethlehem."

(Directives to the 16th Spanish Social Week at Seville.)

BOOK REVIEWS

KURUKSHETRA ; May 1957, Mussoorie Conference number, Government Publications Division, Delhi price : 35 n.p.

In April, the Sixth Development Commissioners Conference took place at Mussoorie. In his opening address at the Conference, Shri V. T. Krishnamachari, the Deputy Chairman, pointed out the importance of increasing agricultural production to keep pace with industrial expansion for ensuring the economic growth of the country. The time had still to come, he said, when production could be 'self-sustained' or 'more or less automatic'. India has much leeway to make before she can catch up with even the Italian per capita income of £ 112½ in Southern Italy. In India we hope to reach the figure of Rs. 546 in 1976. And unless this minimum is reached, it is impossible to guarantee the functioning of democratic institutions in the country. Mr. Krishnamachari therefore thought that the State Governments should fully utilise the irrigation facilities that had been made available through the First Five Year Plan. Much of this water was running to waste because the farmer was not accustomed to so much of it and did not know how to grow crops that required an abundance of water. He also wanted new strains of wheat, rice and jowar propagated throughout the National Extension or the Community Projects blocks. The spread of co-operation in every possible form was to him a vital part of the programme. Finally he felt the necessity of integrating rural life with urban life as one more im-

portant link in the chain of improving the rural standards of living. Especially where the rural areas lie around the urban industrial centre, this effort at integration should be made.

It is true that Community Development has been the focus of the First Five Year Plan. Nowhere has such an experiment in rural community organisation been undertaken on so vast a scale. Much valuable experience has been gained. One of the advantages of the Community Development schemes has been the attempt at evaluation of their failures and successes practically every year. From foreigners who are amazed at the vastness of the scheme, the Community Development Project has received its due mead of praise. But to the Indian villager and the Indian social worker, the fruits of so much expenditure and effort are hard to come by in the rural areas. The participation of the people in the scheme has not been given the attention it warranted. And yet the whole crux of the experiment lies in achieving this incentive to social change. Unless the people are keen on improving their way of living and attaining higher standards, the Community Development Project has to all intents and purposes failed. There can be no other yard-stick for measuring the success or failure of the scheme. It is not the amount of money involved, nor the roads built nor the wells dug, nor the number of demonstration farms erected that are a true index of the progress of Community Development, but the change in the mental outlook of the peasant.

This is not easy to achieve. It takes time and it requires first and foremost a new outlook in the mind

of the administrator, the outlook not of the bureaucrat who gives orders and gets things done, but the outlook of the social worker, who wishes to help others to help themselves. One of the criticisms of the Community Development programmes has been the exclusive insistence on targets, mainly material ones, like the building of roads, schools, wells, to be achieved within a certain period of time. The Gram Sevaks are so occupied with the idea of producing such tangible results that the co-operation of the people and their actual participation in the formulating and executing of the targets is given very little attention, when on the contrary, it is precisely this human aspect of the achievements that should matter most. It is reported that in many cases just the fringe of the village population has been affected by the desire for improved forms of production; a few have tried them and persevered; others have fallen back into their former habits; but the enthusiasm that was expected for the new methods of cultivation and increased production is woefully lacking.

A large number of resolutions was passed at the Development Commissioners' Conference. This was bound to be since the Community Development Project is tackling the entire life of the villager. However a 25% increase in production figured prominently. This is urgently required for the success of the Second Five Year Plan. The country cannot afford to spend its foreign exchange in buying food grains to feed the people, especially when the food position in the country could be made self-sufficient by hard work and improved methods of production. Among the other re-

solutions taken at the Conference, the need to utilise minor irrigation projects to the full, improve the strains of cattle, encourage every type of co-operatives, especially the multi-purpose types, so that at least one member in every farmer's family belonged to a co-operative, social education and gram dhan, communications and small scale industries, public health and sanitation, all came in for emphatic mention. Unfortunately it was only as a sort of lame conclusion that the notion of the people's participation was introduced. And yet this is the essential element that should have stood foremost in the future programme of the scheme.

A. F.

A GUIDE TO COMMUNITY DEVELOPMENT issued by the Ministry of Community Development, pp. 205, price not stated.

Recently the Ministry of Community Development has published this new book entitled "*A Guide to Community Development*." Its author, as Mr. S. K. Dey seems to indicate in his foreword to the book, is Dr. Ensminger of the Ford Foundation. Written in a simple direct style, the Guide has some excellent chapters on the meaning of Community Development and Extension programmes. It stresses the desirability of the peoples' participation in their own improvement more emphatically than ever. But the book is not only a theoretical conspectus of the problem of changing the attitudes of people and on rural sociology in general, it is also highly practical and maps out in detail how the programme should be actually executed. Great reliance is placed on team work among the

administrative personnel of the Development Projects, and on the training for leadership in the villages. The family is shown to be the unit round which the various activities of the programme must revolve, if they are to have any lasting effect.

The book has been criticised for its typically American presumption of people desiring an increased income to enjoy a higher standard of living. It is said that in India people prefer to cling to their ancient habits of life even if this involves poverty and a lack of the bare minimum. But can one honestly maintain that this is still true of rural India in 1957? Ever since the achievement of independence, there has been a growing desire for the material advantages of the West, and the trouble is that the people in the under-developed countries are clamouring for their procurement as quickly as possible. The danger of the Community Development Projects may be that they are too slow in satisfying the awakening consciousness of the people for a better life.

Nor can one quarrel with the author in the emphasis he places on training for leadership in the villages. One may disagree with his advice on avoiding all argument with the village folk, because in India we do love an argument. But the revitalising of the Panchayat, which in most cases consists of the natural leaders of the village, the improvement of the status of women and the satisfaction of their needs, and the urgency of getting the youth of the village interested in their social improvement, are very significant aspects in a rural extension programme.

Briefly, Dr. Enslinger's book will prove a real guide in many ways to the large number of men and women in various capacities who are and will one day labour in the Community Development Project. It summarily recapitulates many of the village problems and shows how one can tackle them efficiently and effectively. A last merit of the book worth mentioning is its interesting style.

A. F.

GOD'S PLAN FOR THE SOCIAL ORDER by Andrew Gordon S.J. Publication of the Catholic Social Guild (Oxford). May, 1957, pp. 72, price 2 sh.

The author of two best-sellers in the sphere of Catholic social doctrine, "Security, Freedom and Happiness" and "The Challenge", now presents his latest: "God's Plan for the Social Order".

In an age of materialism, when men are seeking to settle the complicated social problem of our time *without* God — this book stands as a challenge. Either we will apostatize from God and then seek in vain for a reconstruction of the world along a just social order, or we will turn to God and reconstruct it as He wants it i.e., establish a social order based on justice and charity.

Within the brief space of 72 pages, Fr. Gordon has written both lucidly and dexterously on a wide range of topics: the right to property, the meaning and purpose of the state, Socialism, Communism and Capitalism, morality of a strike, emancipation of the proletariat, industrial democracy, etc.

Spotlighting these and other major ethico-social problems, Fr. Gordon in a simple and clear style gives a masterful analysis, from the Catholic point of view, of our vast modern social problem.

A. D'Souza

BEGGAR RELIEF COMMITTEE REPORT and a scheme to solve beggary, published by the Municipality of Ernakulam, 1957, pp. 48.

This is an interesting pamphlet that discussed the problem of Beggar Relief in Ernakulam and presents the Government with a scheme for the rehabilitation of beggars. In India, where beggary has become a real nuisance and occasionally a danger to public welfare, more sustained efforts of the type undertaken by the Ernakulam Municipality to eliminate beggary should be attempted.

The author of the pamphlet, Mr. John P. Valavi, who is the General Secretary of the Kerala Branch of the Indian Conference of Social Work, discusses the problem in six sections. The history of beggar relief in Ernakulam, social legislation in regard to beggars, a census of beggars in the same town, the relief machinery proposed and how it should work, and finally financial support for the scheme form the contents of his work. His main conclusions are valuable for social workers in other towns in India who are occupied in tackling the same problem there.

It is scarcely possible to disagree with his main recommendations which are that while the Government should provide the finance, it is the local

authorities and the public in that particular centre who should be entrusted with rehabilitating the various types of beggars. Child and adolescent beggars should be sent to orphanages and Certified Schools. Old and sick beggars must be found a habitation in Homes for the Aged, while able-bodied beggars should be found a trade or some employment to set them on their feet, so that they can provide themselves with an independent income. Briefly, it is institutionalised charity that he demands.

But it will take some time still before the public can be convinced that they must not give alms to a beggar, especially when they believe that this act is a religious one and will bring on them God's blessings. But Mr. Valavi suggests that alms could be collected by the public authority in the form of a cess and utilised for the good of the beggars.

One can only wish the scheme well and hope that beggary in India will soon be a bad dream of the past.

A. F.

INDIAN CULTURE & THE FULLNESS OF CHRIST, a report of the All India Study Week, published by the Madras Cultural Academy, the Catholic Centre, Madras. pp. 132, price Rs. 2/8.

It is certainly a pleasure to read this report. The various addresses, essays, and discussions bear ample testimony to the urgent thinking and keen interest that have gone into their production. The problems resulting from the impinging of Christianity, largely

sheathed in a Western garb, upon a re-awakening Indian Culture are briefly outlined and possible solutions suggested.

The general feeling of the Study Group appears to be that in the field of philosophy and theology, the Church has a positive contribution to make, while the liturgical cult and religious art could draw valuable inspiration from the riches of India's ancient heritage. An attempt at an integration along these lines must be made. But the task is a difficult one and there were differences of opinion as to the methods to be used and the symbols to be borrowed.

While going through the essays, one cannot help but regret that no mention was made of the changes through which independent India is passing and their effect on the problem of adaptation. Nor was there any attempt at focussing the attention of the group on the fact that they had to plan, not for a static, but for a dynamic society, a society that is tending towards international unity, a society that is caught up in the crisis of 20th century industrialisation. In a dynamic changing society, it is safest to grasp at the very bare essentials that are likely to survive, and not concentrate on the superficial elements that might turn out to be a cause of embarrassment at a later period.

The effort of the All India Study Week is highly creditable and the report an example of excellent editing. Of course in a matter of this kind there are bound to be controversial opinions, but it is only out

of such controversy and experiment that one can hope to arrive at a satisfactory solution. There can be no doubt however about the fact that in future Christianity in India must be both essentially Christian and essentially Indian. The problem is how best to achieve this desirable goal.

A. F.

Economic and Social Survey

Unemployed

An analysis of the age distribution of the applicants registered with the Employment Exchanges at the end of December 1956 revealed that out of the 758,503 applicants, 305,104 (40.2%) were between 18 and 22 years of age. Another 203,275 (26.8%) were aged between 22 and 25 years. Those between 25 and 35 years constituted 153,425 (20%). Of the total, 40,287 (5.3%) were below 18 years of age and 11,496 (1.5%) fell in the group of 45 years and above.

Classification according to occupations was also quite interesting. Out of the 191,226 clerks on the live registers, 104,528 (54.7%) belonged to the age group 18-22 and 52,471 (27.4%) to 22-25. Out of 1,664 stenographers on the live registers 56.7% were between 25 and 35 years of age.

Most of those who applied for overseers jobs were comparatively young, between 18 and 25. But the applicants to the midwifery trade were relatively old 25-45.

In March 1957 we had 14,087 persons undergoing training in various technical and vocational schools in the country. Of these 1,665 were women. In March of the previous year the number of persons under training were 12,853.

In March of this year 152 Employment Exchanges were functioning in the various States. Between them they registered 111,216 applicants during the course of the month.

Industrial Disputes

There were, in March 1957, 193 disputes in progress involving nearly 74,000 workers. The number of man-days lost owing to these disputes was 268,945. Of these disputes 81 were terminated during the month.

The Industrial Disputes Act, 1947 has again been amended. In a judgement delivered on 27th November, 1956, the Supreme Court held that no retrenchment compensation was payable under section 25 F. of the Industrial Disputes Act, 1947, to workmen whose services were terminated by an employer on a real and *bona fide* closure of business, or when termination occurred as a result of transfer of ownership from one employer to another. This decision led to a large number of workmen being rendered unemployed without any compensation. To meet the situation the President promulgated an Ordinance. Later a Bill was introduced in Parliament and passed by both houses which sought to make suitable changes in the existing law. Opportunity was also taken to amend the definition of "Tribunal".

Accordingly in section 2 of the Industrial Disputes Act, 1947 clause (r) has been amended to read: "Tribunal means an Industrial Tribunal constituted under section 7A and includes an Industrial Tribunal constituted before the 10th day of March, 1957, under this Act."

The whole of section 25FF has been replaced by a new section. This new section lays down that when there is transfer of ownership or management of an undertaking the workmen have to be given notice and compensation in accordance with the provisions of section 25F.

Besides a new section 25FFF which deals with cases when a business is closed down for any reason whatsoever. In all

cases compensation has to be paid to workmen. In cases where workmen were employed for temporary works no compensation is due if the work is completed within two years. Where it lasts longer a certain amount of compensation has to be paid or notice given.

Buddhism

Mass conversions to Buddhism have become the fashion of the day. Since the day last year when the late Dr. Ambedkar and thousands of his followers embraced Buddhism the movement has spread to several other areas of Bombay State. It is reported that in one evening 15,000 scheduled caste people of Poona were converted to Buddhism. This is surely mass conversion with a vengeance. So far no Inquiry Committee seems to have been appointed to look into this matter.

Meanwhile the Government of India has announced that members of Scheduled Castes who have embraced Buddhism are no more entitled to special benefits guaranteed to them by the Constitution, the argument apparently being that since they have ceased to be Hindus, which alone admits the caste system, they have ceased to be members of the Scheduled Castes. But the announcement has gone out of its way to state that if any groups can be proved to be backward then they would get all the benefits which have been promised to backward classes. A subtle distinction indeed! The Scheduled castes are given special helps because they are backward and not because they belong to a lower caste. In five minutes or less a person changes his faith. Faith is a purely internal affair to the person for externally he remains the same person he was before his conversion. If he was poor, backward, helpless he remains exactly the same after conversion and hence requires the same kind of help he needed before his conversion. It is interesting to note that this distinction is not made in the case of Scheduled Tribes — fortunately! A move is afoot to disqualify Scheduled caste members of Parliament and State Assemblies who have embraced Buddhism.

Cooperatives

In three years (1953-56) the number of agricultural credit co-operative societies rose from 111,628 to 159,939 (an increase of 43%); the number of members rose from 5.13 million to 7.79 million (an increase of 52 per cent); working capital from Rs. 491.8 millions to Rs. 791 millions; paid up share capital from Rs. 99 millions to Rs. 168 millions (an increase of over 99%). A large proportion of the societies, members, etc., added during these years were in the N.E.S. and Community Development areas. These results were to a large extent secured through N.E.S. movement which had covered 83,300 villages by October 1955.

Religious Leaders

A private member's Bill seeking to make the insulting of religious leaders a criminal offence was rejected by Parliament. The reason for the rejection was that the measure was superfluous as there were enough provisions in the existing laws to take care of such an offence. It was quite interesting to hear some members expressing the view that a measure like the one sought for by the Bill would deprive a citizen of his fundamental right of free speech! We sincerely hope that the honourable members of Parliament will carefully note and remember these two reasons when the notorious Orphanages and Widows' Home Bill comes up for consideration.

Sarvodaya

Early in May the annual Sarvodaya Sammelan was held at Kaladi, in Kerala with the usual solemnity. Thousands of people from every corner of the country travelled thither to participate in the various functions and listen to the many national leaders who had congregated there. This year besides the P.S.P. leader Jaya Prakash Narayan, the Congress President, Shri Dhebar, and a Minister of the Communist Government of Kerala took a prominent part. Both the Congress and the Communist seem to have suddenly discovered that there is much in common between their own particular ideologies and Bhoodanism. As things are developing it looks as if the gap between Communism and Bhoodanism is ever

irinking. At Kaladi the emphasis was not so much on Bhoodanism as on Gramdan. Vinoba's target was to collect 1,000,000 acres by the end of 1957. In July of this year a mere 5,000,000 acres have been collected and only small proportion of that land has been distributed. The present slogan is that Gramdan is more important than Bhoodan and everything should be done to encourage this latter movement. Up to the end of April this year, 2,512 villages had been created for the Gramdan Movement.

It is reported that Vinoba is rather impatient at the rate of progress of either movement and is reported to have said: "If the land problem was not solved by means of non-violence and love he would be compelled to put faith in Communism. There was no other alternative." He is said to have further remarked, "...I will openly resort to violence if I feel that there is no other way." (See letter in *Times of India*, June 1, 1957). The Congress leadership which has been very much taken up by Chinese Cooperative farming (it is actually state collective farming) sees in Gramdan a glorious opportunity to try out its new theories in spite of the total failure of collective farming in all Communist dominated countries. The Communists have every reason to support the Gramdan movement as it helps them, without a struggle, to abolish private ownership.

While the collection of villages is going apace no one seems to have any clear idea how to organise the Gramdan villages and get the villagers to undertake collective labour. You really cannot suppress in the human heart a longing for Utopia!

Railways

In Madras a public meeting was held to protest against not only the late arrival of all main line trains every day, everywhere — late arrivals have ceased to be news already — but at the late departure of trains from the starting station. In Gujarat people have threatened to take direct action if overcrowding in trains were not remedied forthwith. Meanwhile the Minister for Railways has publicly announced

that in the present circumstances very little, which in official language means, just nothing, can be done to eliminate overcrowding. The only change that seems to come periodically is the change in fares and rates. Soon the tax on passenger fares will be levied. Probably with the new tax will come the change over to decimal coinage. The net result of this combined operation will be a considerable increase in fares. The additional discomfort in overcrowded trains will be free.

All the blame for the inconveniences of travellers is not to be laid at the door of the railway authorities but the public must take a fair share of it. It is heart-rending to see the pilferage that goes on in railway coaches. Taps, lights, even fans, disappear as soon as they are installed. Recently a man was caught red-handed stealing dynamo belts in a running train. These thefts cause untold misery to the passengers by depriving them of water in the toilets, lights at night and fans during the hot days of summer. The annual losses incurred by the railways through thefts amounts to lakhs of rupees.

Habitual Offenders

The Government of India is reported to have circulated a model Bill to State Governments for their adoption. According to the Bill every habitual offender is to be registered so as to help the authorities to keep track of him and to impart to him correctional training to enable such an offender to reform himself and thus become a useful member of society. An habitual offender is "a person, who is above 18 years of age, and who during any continuous period of five years has been sentenced on not less than three occasions to imprisonment for certain specified offences."

The State Government is empowered to direct a Magistrate to register a habitual offender within his district. The Magistrate has a right to require the offender to appear before him in person on specified dates. The registration is valid for a period of five years at the end of which period it may be renewed, if so ordered, by the Government. A person aggrieved by an order of the District Magistrate has a right to appeal to the State Government.

The State Government may send an habitual offender to a correctional home for training if it is considered desirable for the reform and rehabilitation of the person.

In Kerala the Minister for jails has undertaken the reform of jails and the lives of the inmates. Handcuffs are not to be used any more.

Austerity

Two microbes are currently touring India with great success, the influenza microbe which has come from China and the austerity microbe which started operations in Delhi and has moved rapidly into the provinces. Under the influence of the former hundreds of thousands throughout the country have had to get under their blankets in spite of the sweltering heat of the pre-monsoon days and suffer various pains and aches not to mention the depletion of their meagre funds to keep physicians, druggists and chemists going. Fortunately the epidemic seems to have taken a mild course. The austerity microbe has made our Prime Minister to decide to give up his palatial official residence and move into a smaller one to be newly constructed; has made our ministers and Governors agree to voluntary cuts in their salaries amounting to 10 per cent, to forego pomp and splendour accompanying them, to reduce the number of attendants and security guards, to travel more simply, to have smaller cars instead of the showy American machines now in use; etc., etc. For the poor people the microbe has brought a real nightmare. Prices of all commodities have risen and are still steadily rising, income is stationary, taxes have increased. They are exhorted to tighten the belt still further ignoring the fact that the belt has been at the last hole for ever so long. Any further tightening might result in collapse. But we shall have the success of the Second Five Year Plan. That should be consolation enough!

Copyright

The Copyright Act, 1957, (14 of 1957) passed by Parliament received the assent of the President on 4th June, 1957.

It extends to the whole of India and will come into force on a date to be notified by the Central Government.

It is a long document with 79 sections divided into fifteen chapters. The law relating to every aspect of Copyright has been clearly and comprehensively dealt with.

Copyright subsists throughout India in the following classes of works :—

- (a) original literary, dramatic, musical and artistic works ;
- (b) cinematograph films ; and
- (c) records.

Section 14 explains what rights are conferred by Copyright on an author. We shall reproduce here only subsection (1), (a) which deals with literary, dramatic or musical work.

(1)—(a) — in the case of literary, dramatic or musical work to do and authorise the doing of any of the following acts, namely,

- (i) to reproduce the work in any material form ;
- (ii) to publish the work ;
- (iii) to perform the work in public ;
- (iv) to produce, reproduce, perform or publish translation of the work ;
- (v) to make any cinematograph film or a record in respect of the work ;
- (vi) to communicate the work by radio-diffusion or to communicate to the public by a loud-speaker or any other similar instrument the radio-diffusion of the work ;
- (vii) to make any adaptation of the work ; and
- (viii) to do in relation to a translation or an adaptation of the work any of the acts specified in relation to the work in clauses (i) to (vi).

According to the new law copyright subsists in any literary, dramatic, musical or artistic work (other than a photograph) published within the life time of the author until fifty years from the beginning of the calendar year next following the year in which the author dies.

In the case of joint authorship the copyright begins to run from the death of the author who dies last.

In the case of anonymous publications copyright subsists for fifty years commencing from the beginning of the calendar year next following the year in which the work is first published.

In case of a photograph, copyright subsist until fifty years from the beginning of the calendar year next following the year in which the photograph is published. The same provision applies for cinematographic films.

Chapter IX of the Act deals with matters concerning international copyright.

A Copyright Office and a Copyright Board will be set up according to the provisions of this Act. The Copyright office will be in charge of a Registrar of Copyrights who will act under the superintendence of the Central Government. Sub-registrars may be appointed.

The Central Government will constitute a Copyright Board which will consist of a Chairman and not less than two nor more than eight other members.

The Chairman of the Board shall be a person who has held the office of Judge of the Supreme or High Court or is qualified for appointment as a Judge of a High Court.

The Copyright board will settle disputes and hear appeals.

Any author who is interested in a copyright must make a written application, in the prescribed form, to the Registrar of Copyrights. The Registrar will, if satisfied, enter all particulars in a Register of Copyrights which he will maintain at his office.

Chapter XI of the Act deals with infringement of Copyright. Section 51 explains how copyright may be infringed. The following section lays down in what cases copyright is not infringed. It reads :—

52 (1) The following acts shall not constitute an infringement of copyright, namely :—

- (a) a fair dealing with literary, dramatic, musical or artistic work for the purpose of—
 - (i) research or private study ;

- (ii) criticism or review, whether of that work or of any other work;
- (b) a fair dealing with a literary, dramatic, musical or artistic work for the purpose of reporting current events —
 - (i) in a newspaper, magazine, or similar periodical or
 - (ii) by radio-diffusion or in a cinematograph film or by means of photographs;
- (c) the reproduction of a literary, dramatic, musical or artistic work for the purpose of a judicial proceeding or for the purpose of a report of a judicial proceeding;
- (d) the reading or recitation in public of any reasonable extract from published literary or dramatic work.

Besides these exceptions compilers of educational books are permitted to include small extracts from copyright works in collections from mainly noncopyright works; teachers and pupils are permitted to use copyright works for the purpose of instruction and for examination, etc.

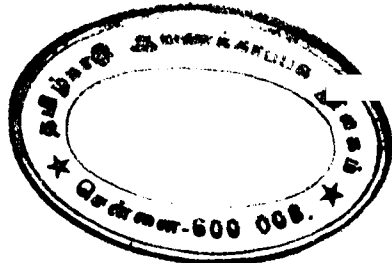
Students are allowed to make use of copyright works for their training, as for example staging a copyright play for themselves for their parents and guardians.

Newspapers and magazines may report a speech delivered in public.

Wilful infringement of copyright is an offence punishable with imprisonment which may extend to one year, or with fine, or with both.

The Government has the right to seize all copies of a work which have been published in infringement of copyright.

F. C. R.



PRACTICAL CITIZENSHIP

by C. C. Clump

THIRD EDITION, REVISED AND EXPANDED
A Course of Civics and Practical Citizenship
Training for Rural and Urban
Secondary Schools.

200 pages

Rs. 1.75 plus postage

THE CITIZEN AND THE STATE

by A. Fonseca

Third (revised) Edition

Prescribed as a text-book on Civics for all Military Schools. Also contains a detailed survey of Indian Administration, suited to the needs of the general reader seeking for a clear and simple outline of the social problem and its solution.

231 pages

Rs. 2.50 plus postage

SOCIAL INSTITUTE

ST. VINCENT'S STREET

POONA 1

26
11/8
REGD. NO. M-5888

SOCIAL ACTION

Social Action is a monthly devoted to social problems, and is under the direction of the I. I. S. O.

The Editorial Board do not necessarily endorse the individual views of contributors.

The yearly subscription is Rs. 6 or 10 s., or \$ 2.

Manuscripts, subscriptions, advertisements and remittances should be addressed to *The Manager, Social Action, St. Vincent's Street, POONA 1.*

The Manager does not take any responsibility for any Manuscript that may be lost. Manuscripts offered for publication should be accompanied by a stamped addressed envelope to secure their return in case they are not accepted.

Cheques if not drafted on a Poona Bank should cover the clearing commission.

V. P. P. charges are extra.

Inland Money Orders or International Money Orders are the best means of payment.

INDIAN INSTITUTE OF SOCIAL ORDER

AIMS AND OBJECTS

1. To spread the social teachings of the Catholic Church.
2. To provide theoretical and practical training for social workers.
3. To serve as a centre of information about social works.

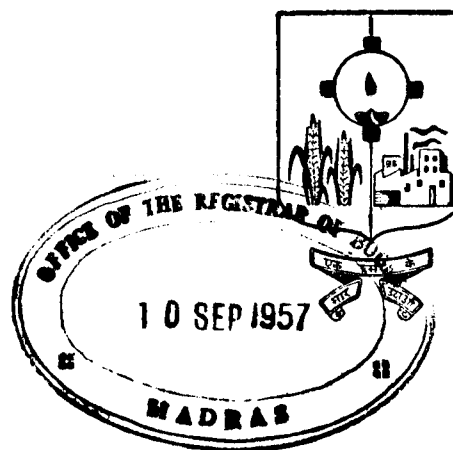
PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

Edited by A. FONSECA, INDIAN INSTITUTE OF SOCIAL ORDER, Poona 1.

Printed and published by M. A. Thamburaj, De Nobili Press, De Nobili Press P. O., (Madurai Dt.).

SOCIAL ACTION



SEPTEMBER 1957

The Budget

Nationalisation

Slum Clearance

Re- 0-62

Just out of press:

TOO MANY OF US

By A. Nevett

Second Edition :: Revised and Enlarged

Price: Rs. 3.25

Send your order to:

SOCIETY OF ST. PAUL

28—B Chatham Lines

ALLAHABAD. 2 (U.P.)

THE SOCIAL ATTITUDE

by C. C. Clump

Send your order to:

LOYOLA COLLEGE BOOK DEPOT,

LOYOLA COLLEGE.

MADRAS 31.

Price: Re. 1/- plus postage.

SOCIAL ACTION

VOL. 7 NO. 9

SEPTEMBER 1957

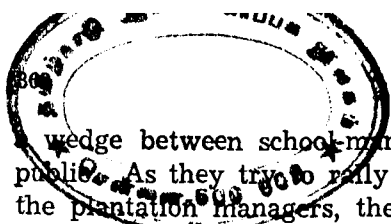
THIS SIDE AND THAT	A. L.	361
THE BUDGET — ITS HUMAN ASPECT	C. C. CLUMP	365
THE VERDICT ON NATIONALISATION	A. FONSECA	378
DOCUMENTATION		389
SOCIAL TRENDS		394
ECONOMIC AND SOCIAL SURVEY	F. C. R.	402

This Side and That

Red Tactics

The Communist-dominated coalition-ministry of Kerala were not slow in showing their true colour, a vivid red which electoral dust had toned down. Once they felt well in the saddle, they developed a peculiar trotting and capering which attracted public attention at home and abroad: relief and protection to all varieties of squatters, subtle distinction between anti-social activities and mass demonstration against the managers of foreign-exchange earning plantations, confirmation of previous educational favours to pupils of backward classes, even Christians included, alluring promises to all teachers of private aided schools, etc., up to the Mundasserry Educational bill which brought out their strategy and tactics into the open.

This mild-looking vicious manoeuvre, which is part and parcel of their strategy of building up a monolithic regime, was planned and executed to drive



SOCIAL ACTION

wedge between school management and the school public. As they try to rally the labour force against the plantation managers, they hope to win over the backward classes and the teachers against the managers of private schools. The Mundassery law would not nationalise all the schools at one stroke, it would enable the ministry to absorb them gradually, by units or by category, without any interference from the judiciary. It would imply gradual nationalisation at the sweet will of the Ministry, and the courts of law, as we label our courts of justice, would have only the most tenuous occasion of arresting the process. One may expect other parallel enabling laws to cover other fields of nationalisation, skirting the limits of the Constitution in the letter of the law and outstepping them in detailed application.

Red Logic

In their effort at building up a monolithic system of education, the Communist party are quite consistent with their principles; they are also consistent with their prosecution and persecution of the Christian churches which are the strongest rampart against the fundamental atheistic postulate of Communism. They are also logical in attempting to undermine India's Constitution from within; they are bent on remaining in power as long as they possibly can to do their work, and in the meantime hypnotize the Central Government with respectful gestures and loyalty protests. It might happen that in New Delhi there are still people who are not aware that Communist party-men are first of all impenitent philosophers who pursue their ideal relentlessly through the meanders of Marxian praxis.

SEPTEMBER 1957

363

It is regrettable that the *Patres Conscripti* who framed our Constitution did not more explicitly assert the principles of their democracy and particularly acknowledge the primary right of parents on their children's education. By the fundamental law of human nature, parents are the prior educators and parents call on State help only as a subsidiary guardian to supplement or complete parental education.

Wave of Opposition

Happily parents in Kerala are conscious of their rights and deeply steeped in India's great tradition of liberty in education. In this ancient land private initiative has an age-long record of free schooling and Kerala itself is possibly the most conspicuous instance in which private agencies have displayed their unchallengeable superiority over governmental initiative and achievement. The people have been stirred to their deepest depth in protesting against the Mundasserry bill; they have systematically demonstrated its vicious policy, denounced its unconstitutional letter and spirit, and mobilized popular opinion before which the previous regime had to bend its proudest head.

A return to genuine democratic philosophy is imperative. Let the State governments be satisfied with promoting and assisting parental and private initiative, and provide what type of schooling people are unable to establish. Let them take inspiration from what is possibly the most genuine democratic school-law, which can be studied in the Netherlands where private agencies are given full facilities to establish schools and receive grants-in-aid as well as Government

schools, provided conditions of hygiene and qualified staff are equivalent. In a genuine democracy the slogan should hold good : to equal schools, equal grants. May the Kerala people turn to genuine democracy !

Variegated Socialism

Socialism has become an ambiguous term ; it is so not only in this country where socialism covers systems going from unadulterated Marxism to personalist socialism, but also in the world at large. The ambiguity was neatly expressed at the International Socialist Congress which was recently held at Vienna, in a declaration of Shri A. J. B. Kripalani, which European and American publicists have not stressed and which many Indian electors should note carefully.

Shri Kripalani declared in substance : "Asian socialists do not accept European socialism based on Marxism and materialism. Asian socialism is based on morality, equality, justice and religion. Indian socialists are opposed to nationalisation. They advocate a decentralised industry to prevent unemployment. There is a difference between industries in Europe and in Asia. In Europe labour is scarce whilst there is plenty of it in Asia. The Socialist International must widen its scope if it wants closer cooperation between European and Asian socialists".

An Austrian socialist, Herr P. Straser, replied that European socialism was not based on Marxism, except for a few who based their political convictions on Das Kapital.

A. L.

The Budget — Its Human Aspect

Few events, in recent times, have stirred the country more than the publication of India's Central Budget for 1957-58. This is, perhaps, all to the good for no democracy worthy of its name can hope to thrive unless its citizens take an active part in the affairs of the nation. The present Budget has this merit precisely because its provisions touch the interests of every class in the Indian Union.

What the people think

Taking at random some opinions on the Budget we find it described as "The severest budget in history", according to the correspondent in India of *The Economist* (May, 25th, 1957). "An Icy Blast" is how *The Eastern Economist* (May, 17th 1957) depicts it. Speaking at the Commerce Graduates' Association in Bombay on May 25th, Mr. A. D. Shroff said : "The Central Budget presented last week is a gamble in planning". "The Budget will prove definitely inimical to sound and safe economic development the country, and detrimental to its moral fabric" writes a columnist in *Commerce* (May 25th 1957).

But this is not all. While the experts have given their opinions in the Press and from the Platforms of the country, perhaps, the most interesting commentaries on the Budget are heard from the common man as he moves to work by train or bus or as he relaxes for a cup of tea or coffee in the many small restaurants of our towns and cities. He satisfies his need as he

reads the legend: "One cup tea no sugar — two naye paise less!", or again, "Gur is sweeter than sweet sugar".

Why taxes?

What the common man is at pains to understand is how this formidable array of taxes — income tax, super tax, wealth tax, expenditure tax, taxes on various commodities — is going to help him, and bring about that Welfare State we all so wish for! The four objectives of the taxation proposals give, to some extent, an answer to this question. The objectives of these proposals are that,

1. they must produce a sizable addition to public revenues ;
2. they must provide incentives for larger earnings and more savings ;
3. they must restrain consumption over a fairly wide field so as to keep in check domestic inflationary pressures and to release the resources required for investments, and
4. they must initiate such changes in the tax structure as would make tax yields progressively more responsive to increased incomes and facilitate an orderly development of the economy, with due regard to the social objectives we have adopted.

Obviously the four objectives are all interlocked. In the light of these proposals, and leaving aside the possibility of monetary aid from overseas, there can be no 'addition to public revenues' unless that addition

comes from the earnings of the people, and of course, the larger the earnings of the people, the larger can be the slab taken from them for these public revenues. And here the confusion arises, at least in the mind of the common man! What is the use of incentives "for larger earnings and more savings" if he, ultimately, is denied the enjoyment of his bigger income and increased savings? To be sure, he would like to contribute his mite towards the expenses of the State. Yet, he must have the wherewithal, first, to satisfy his own needs before he is able to make such a contribution. And this he finds, to say the least, difficult! In fact, the direct taxation which the proposals introduce now brings within its net persons whose gross earned income is Rs. 3,000 a year. That means that people who earn, approximately, Rs. 250 a month will be forced to make their contribution towards public revenues! There is no need here to invoke the aid of statistics or figures of the family budget of persons whose income each month is merely Rs. 250, in order to understand the financial straits in which they live! With an all-round rise in prices, thanks again to the Budget, and the rising costs of education, it is not easy to understand how the ordinary man, the large number of the middle-income group, can make ends meet, not to mention the contributions to the public revenues.

Restraining Consumption I

What perhaps astonishes the common man most is the recommendation "to restrain consumption" put forward by the taxation proposals! In a country in which the greater number of people live without the barest necessities of life, it is almost fantastic to speak

of restraining consumption. Perhaps Mr. A. D. Shroff's illustration, taken from his address quoted above, will make this clear. He said: "I was recently at a village near Baroda and went round a free primary school. The total number of people in the village was about 900 and the number of children of school-going age was 98. When I enquired I found that only 58 children attended the school, and I asked why the other 48 were not brought to school. I was told that the parents were hesitating to bring them, because they had no clothes to put on". Mr. Shroff, then, significantly adds, "Well, if this is achieving a higher standard of living for the masses, under our schemes of planned development, I would leave it to the authors of planned development to get whatever satisfaction they derive from this reality in Indian life. What I wish to emphasize is that in a country like ours where the overwhelming majority of people live on the bare subsistence, the objective of restraining consumption, particularly of the daily necessities of life, can only be described as the achievement of a still lower standard of living".

It needs no great experience of Indian life today to know that examples such as given by Mr. Shroff may be found in most parts of the country, and that the basic needs of the majority of the people in the country are so far from being satisfied that any talk of restraining consumption is certainly out of place. However, it would not be fair to omit to mention that since the tax proposals were first published, the Finance Minister has graciously condescended to lessen the hardship of the common man by introducing certain

modifications on some excise duties. This was done in the Lok Sabha on June 7th, when, among other changes, the increase proposed in rates of excise duty on kerosine, tea and coffee have been withdrawn.

On the utility of hartals!

It is interesting to note the Finance Minister's explanation for withdrawing the increases in the excise duty on tea and coffee. He said: "Both these items (tea and coffee) affect largely the urban population who are vocal. It is easy to get people to join a *hartal*, if a tea shop has added one anna or six naye paise for a cup of tea. I realise that the incidence of duty here is fractional so far as tea is concerned, and not very much so far as coffee is concerned. The total return which we get out of this is Rs. 325 lakhs. Still there is a large urban population which is amenable to the influence of my friend, the Leader of the Communist Group. My Hon'ble friend says, 'what can I do?' We had it in Calcutta. You can have a *hartal* in any place. If any non-compliance with a *hartal* is followed by consequences which are far more serious than following a *hartal*, if my Hon'ble friend thinks we do not know about it, I think, he does less justice even to the meager intelligence that I possess.... Therefore, Government have decided to withdraw entirely the increases proposed in the rates of excise duty on coffee and tea and I hope Hon'ble Members and their friends will not pay anything more for their cups of coffee and tea".

Commenting on the reason which forced the Finance Minister to withdraw the increased excise duty

on tea and coffee, *Commerce*, (June 8th) writes, "It looks as though the main factor that made him give up these additional excises was the fear that the political opponents of the Congress Party would make capital out of them." However, this may be, it is a distressing commentary on the fact that these increased excise duties were withdrawn not out of any consideration of the hardships they inflicted on the masses, but because certain elements in the country were prepared to have recourse to force! Hence, the common man rightly asks whether, if and where the people are not "vocal", if they do not wish or cannot indulge in *hartals*, must they suffer all things at the hands of the powers that be? Can the Government be coerced to step aside from a path which it considers right and just? Would it not have been much more in keeping with the decorum of the Government to withdraw these increased excises precisely because they tend to deprive the masses of the necessities of life, and not because "safe politics" or fear or favour dictated such a course?

The wealth and expenditure taxes

If the lower income group is now directly hit by Income Tax and indirectly by the many taxes on commodities which are necessities today, it does not escape the adverse effects which spring from the new taxes on wealth and expenditure which fall on persons of the higher-income groups. In this latter group are the businessmen, industrialists and employer-class who still operate in what is left of the so called private sector of the country's economy. It needs not deep knowledge of human nature to understand that when

this group feels the pinch of the new tax burdens, they are not going to sacrifice themselves for those who depend on them for employment and wages!

The Wealth and Expenditure Taxes are new impositions and appear for the first time in India's budget proposals. Of the former, the Finance Minister, when presenting the final version of the Central Budget for 1957-1958, said, "My first proposal is to levy a tax on wealth. It is recognized that income, as defined by existing Income-tax laws and practice, is not a sufficient measure of tax-paying capacity and that the system of taxation on incomes has to be supplemented by taxation based on wealth. This is more equitable and it also promises, over a period, to reduce the possibilities of tax evasion.... The tax will be payable by individuals, Hindu undivided families and companies. In the case of individuals, values up to Rs. 2 lakhs and in the case of Hindu undivided families values up to Rs. 3 lakhs will be exempted. In respect of wealth exceeding that amount, the rate will be $\frac{1}{2}$ per cent for the first Rs. 10 lakhs, 1 per cent for the next 10 lakhs and $1\frac{1}{2}$ per cent on the balance... In the case of companies there will be no tax on assets up to a value of Rs. 5 lakhs; on values beyond that the rate will be $\frac{1}{2}$ per cent. The wealth tax is intended primarily as a measure of personal taxation, but, in the peculiar economic structure of India, I consider it advisable not to exclude companies from the purview of this tax." Referring to the Expenditure Tax in his same Budget speech, the Finance Minister said: "The other proposal I make is the introduction of a tax on expenditure. This is a form of taxation which has no

backing as yet of historical experience. It is, however, a tax which, given effective administrative arrangements, can be a potent instrument for restraining ostentatious expenditure and for promoting savings... I propose to levy this tax only on individuals and Hindu undivided families whose income for income-tax purposes is not less than Rs. 60,000. The tax will be imposed on all expenditure incurred, from whatever source it may be, in excess of certain sums which will vary with the size of the family. The amounts excluded are a basic amount of Rs. 24,000 for an assessee and his wife and Rs. 5,000 for each dependent child. The rate of tax will be based on a slab system, the rate for each slab increasing progressively with the increase in the level of expenditure. Thus for excess expenditure up to Rs. 10,000 the rate will be 10 per cent and for higher slabs, the rate will increase progressively... I propose to make this tax applicable from the financial year 1958-59 and, therefore, take no credit for any receipts in 1957-58". It should be noted that in the changes in the budget proposals announced by the Finance Minister in the Lok Sabha on June 7th, a wealth tax holiday was proposed for the first five years from the date of incorporation on the value of the assets pertaining to an industrial undertaking of a new company. However, such a company should not be formed by the splitting up or by the transfer to a new business of buildings, machinery and plants already used in an existing business. It was also proposed that investments of one company should not be included for the purpose of wealth tax in the hands of the investing company.

As may be expected, these new taxes have come in for serious and unsparing criticism! A columnist in *Commerce* (May 18th, 1957) says of them: "They will discourage savings and hard work. They will open the flood-gates of corruption in the administration. They will add to the scope that already exists for harassing the assessee. They will reduce the scope for privacy in life and tend to make the people slaves of the State. They will give new impetus to the inherent tendency among our people to hoard their wealth in such unproductive assets as gold, silver, diamonds, platinum and other precious metals: in short, they will drive underground such savings as are left and adversely affect the banking habit built over years of hard work and against heavy odds. They are entirely foreign to the Indian soil and offend the generally accepted principles of sound equity taxation. They will bring about a further deterioration in the morale of the people". (p. 979).

While this picture of the possible effects of the new Wealth and Expenditure taxes may be too gloomy, there is nothing to assure us that the forecast of the Government on the effects of these taxes are any more certain. In fact, there are too many psychological urges and drives involved in the spending and saving habits of a people to allow of any dogmatic prediction. Thus, Messrs. Place, Sidons and Gough, a leading Calcutta firm of share-brokers, in their month of June fortnightly, *Share Market Report*, commenting on these taxes say, "The avowed purpose of the expenditure tax is to curb consumption, in other words, to promote saving. There is, of course, the possibility that, instead

of saving part of income which would be spent on extravagant consumption, the effect of the expenditure tax may be to discourage the earning of that much income. The tax will then act as a dis-incentive to work, not as an incentive to save. To what extent this effect will appear can only be known from experience of the working of the tax in practice. As India is the first country in the world to introduce this novel tax, there is no previous experience on which we can draw."

The inspiration behind the new taxes

It is an open secret that the introduction of these new taxes owes much to the Kaldor Report. Professor Nicholas Kaldor is a Cambridge economist. Some years ago he visited this country and drew up his report when, it is said, the Government of India was considering problems and policies of taxation. However perfect in theory Professor Kaldor's taxation proposals may be, like everything else imported into this country, their success, in the final analysis, depends to a large extent, on their suitability and acceptability to Indian ways of thought and habits and conditions which obtain in this country. And it is just in this field that these proposals would appear to have hit a snag!

One of the Professor's most fundamental recommendation is the imposition of an expenditure tax which, so the theory says, makes consumption a better criterion for judging the capacity of a person to bear taxation. In other words an expenditure tax considers what a person takes away in goods and services from the nation's stream of manufactured goods and services,

and taxes him accordingly. Now, in India the majority of its people still do without the bare necessities of life, they take away for their own use, a very small proportion of the goods and services: this is common knowledge. Therefore, in this country, any tax based on actual consumption must necessarily affect a very small part of the population — the economically better off part of the people. If then, savings would result from the imposition of such a tax, it is obvious, that this would be the savings of those who are already well off, and the real effect of the expenditure tax would be to concentrate more economic power in the hands of the few. In such circumstances one naturally asks what happens to the much lauded Socialistic Pattern of society which we are all engaged in bringing into existence?

Further, it is not at all sure that the expenditure tax will make tax evasion more difficult. Indeed, had the learned Professor known something of the working of Indian business and business habit he would have understood that such a claim is unfounded. Writing in the April 8th issue of *Commerce*, Prof. P. C. Jain says: "In India fictitious *benami* transactions are not unknown and an expenditure can be safely evaded by showing an outlay on buying a house or some other property which in fact actually belongs to someone else. If both parties were subject to the expenditure tax such transactions could easily be discovered, but it would be almost impossible to do so if one of the parties is not paying the income tax or the expenditure tax. Moreover, in the case of small business in India, personal accounts are mixed up with business accounts,

and it would be quite easy to evade an expenditure tax by either inflating the receipts of the business house and reducing one's own income or by passing some items of the expenditure to the business house. In the cause of big business the allowances made available to business executives in connection with business, in spite of all the suggestions which Dr. Kaldor has made in this connection, would give scope for tax evasion." (p. 697).

However in spite of these severe strictures on this year's budget in its relation to the common man, Dr. V. K. R. V. Rao, one of India's foremost economists, in the A. I. C. C. Economic Review (June 15, 1957), has calculated that in reality the incidence *per capita* on the common man would come to little more than one rupee per head per year. The common man, whose income is below Rs. 3,000 a year, is not affected by the direct taxes. Neither customs duties, nor the excise duties on cement and steel will affect him, but the excise on motor spirit and diesel oil will slightly increase his transport charges. He will definitely be affected by the increase in railway fares when he travels, and by the increased rates of postage for his letters. In all he will roughly be paying to the exchequer approximately Rs. 37 crores. But when the standard of living in India is as low as it is, even this amount will mean some sacrifice. But without a sacrifice there can be no advance, and though some of the frills may be cut out, the essential core of the Plan — steel, fuel, transport and power — must remain intact to break the vicious circle in which the country is caught.

Moreover, it will give the common man no little satisfaction to know that all his sacrifices are not in vain! In fact, the preliminary review of the progress of the Second Five Year Plan during the first year of its operation makes heartening reading. Writing on the progress of industrial production, *The Economic Weekly* for July 6th says: "According to the official review production in all the principal organised industries (barring aluminium and vanaspati) was higher in 1956 as compared to 1955. The revised index of industrial production rose from 122.1 to 132.7, i.e. by 8.7 per cent. Separately the output of radio receivers rose by 86 per cent, and the increase in output of bicycles, automobiles, electric motors, transformers and power driven pumps ranged from 33 to 60 per cent. Cement, sugar and diesel engines belong to the category of industries where the increase was in the range of 10 to 25 per cent. Production of steel and mill-made cotton cloth recorded an increase of only about 4 per cent. A number of new items were also produced in the country for the first time. Levels of output in industrial undertakings in the public sector, say the official reviews, were also generally higher than in 1955, i.e. in locomotives, integral coaches, DDT, penicillin, newsprint, cables and machine tools. The order of output obtained in these public industrial enterprises has not, however, been indicated — for what reason it is difficult to say". (p. 849).

C. C. Clump

The Verdict on Nationalisation

Scarcely a decade ago, nationalisation of large-scale industry was regarded as the panacea for all the ills of our economic system, especially the exploitation of the worker through large profits and the maldistribution of wealth. Today however the pendulum seems to have begun swinging in the opposite direction. More than one voice is now heard to decry the failure of nationalisation to achieve the goals it was intended to achieve. Among the most outspoken have been the leaders of the Labour Party in the United Kingdom, men like Mr. Gaitskell, Mr. Crossman, Sir Richard Acland, backed by the eloquent silence of Mr. Aneurin Bevan, which is more powerful than words. The Anti-Cartelisation Act that has just become law in West Germany is a pointer in the same direction, while the Common Market Plan for the six European countries will mean a definite step in the direction of free trade. All the same there is no likelihood of a return to the days of 'laissez faire'. But the rapid change of opinion in regard to nationalisation in particular is all the more remarkable because of the fervid faith with which it was accepted by its believers. How has this change come about?

Réasons for Nationalisation

It was generally held that industries providing essential services like gas, electricity, or transport should be in the hands of the State, because either the size of the producing unit is very large in comparison with the market, or because the apparatus for distributing the product involves heavy capital expenditure.

To have two or three competing firms to provide these essentials would mean a waste of productive or distributive equipment. And so a monopoly for their production should be granted to one of the producers. In order to safeguard against all possible exploitation, it was argued that such public utility industries should be both owned and managed by the Government.

Another important reason for nationalising industry was the dangerous situation, not only economic, but even political and social, caused by large-single firm monopolies. Of course they could be broken up by Anti-trust laws, but competition of several small firms would deprive them of the economies of large scale. So the ultimate solution seemed to be that Government should take them over lock, stock and barrel.

A third important argument in favour of nationalisation was the existence of certain commodities that were widely used by several industries, the proper supply of which in the required quantities might endanger the economy. It was generally felt that the production of such commodities would be safely vested in the hands of the State, since the public welfare was intimately concerned. These three arguments related to the essential structure of an industry or its significant function in the total economy and show why the industry should be nationalised, from certain natural propensities that it possesses for state monopoly.

The fourth argument is from a different angle, that of Efficiency. It was firmly believed that large

scale production provided illimitable facilities and advantages that should not be foregone in the public interest. It was therefore evident that the more competition was ruled out and the larger the size of the firm as a result of unification or monopoly, the greater would be the economies secured. In particular, it was felt, at least as regards the state of industry in England at the time, that for instance in the case of electricity or gas, the optimum size of the firm was larger than that of the existing firms, or that the large-scale coal and steel industries urgently needed reorganisation, or that the competition between the railways and road transport was wasteful because of heavy overhead charges.

But if such great economic advantages were to be obtained by the promotion of large-scale industries, these could not be placed in the hands of private owners but should be transferred into the hands of Government. Marx has already pointed out the development towards concentration of industry in the hands of the few but he had also urgently demanded that the means of production should all be concentrated in the hands of the State to prevent every form of exploitation. And the Marxian dogma was widely believed and proclaimed.

Finally it was customary to argue that the profit motive was incompatible with public interest. In many cases it appeared that where the employer was only concerned with maximising profits, his level of investment was often too low to ensure full employment, or to escape the normal and abnormal cyclic changes

that were a constant threat of unemployment to workers.

Social Arguments

To the economic arguments were added arguments from the ethical and social standpoint. Thus there was a widespread belief that the profit motive was inherently evil and should not be tolerated. The only way to suppress it was to have the community run all the industries. It was also thought that the relations between management and labour would inevitably improve when the State took over industry, and that industrial democracy could not be established without public ownership. It was further assumed that especially economic equality could not be guaranteed unless all private incomes from property were extinguished. But would not such a policy of expropriating ownership in property be unjust and impolitic? Compensation would have to be paid. All the same the interest rates to such holders of compensation stock would be less than the high dividends paid them by private firms.

The Experience of Nationalisation

Those countries that have tried the experiment of nationalising certain of their key industries during the period after the last World War, countries for instance like Britain, have not achieved the results of higher production, and redistribution of income they expected. Economic conditions have changed vitally in quite a few aspects. It is now clearly perceived that ownership of property is one thing while control of property is

quite another. In most industrial firms, the shareholders have little to say in the policy of the firm except to receive dividends and censure the management if profits are less than they expect. As to the control of the firm insofar as policy-making and responsible decisions are to be taken, it is the management of the firm that is entrusted with these duties. But even management is not all powerful; Government pressure can always be brought to bear on management to toe the line in the public interest. Thus Government can plan even for the private sector and can effectually carry out its will without the need for nationalising private industry. Through the budget and the Central Bank of a country, Government can always guide even private industry along the lines it pleases.

Another important change that has occurred recently is that since most people do not receive large differences of income in hand as they used to before, their spending power has been equalised to a large extent. And so it has become out of date to speak of production for use and production for profit as economists used to do before.

A grave problem that has arisen with nationalisation is how to control the industrial sector that has been taken over by Government. It hardly matters what the percentage of stock of the industry has been purchased by the State. The difficulty is to make the autonomous boards that have been set up to run these industries responsive enough to the guidance of the Ministry. In Britain, "it was a common saying", writes Mr. C. A. R. Crossland, "that the Government

had less power over Lord Citrine than over I. C. I.; and the quip was not without force. The Bank of England, for example, continued to pursue a highly independent policy of its own, especially in the field of foreign exchanges. In the crucial fuel and power industries, control was almost non-existent. The three industries were allowed to go their own independent way: each competing and advertising against each other, each charging the lowest price it could, each unrestrictedly pushing sales in every direction, oblivious of the fact that coal was desperately scarce and large economies clearly possible if policy were only unified. It was a situation which cried out for government co-ordination, either through prices or physical controls; but none was forthcoming."*

Of course much of this difficulty rose from the fact that in Britain the Nationalised Boards were given a wide area of freedom within which to work in order to prevent them from being transformed into mere Government departments, as in many cases they have become in India. Nor was there any Planning Commission in the United Kingdom of the sort we have in this country to lay down specific targets and the time limit for their achievement. But as Crossland argues, the point is that if there is no insuperable economic difficulty about the Government imposing its will on either public or private industry without nationalisation, then why should it be necessary to nationalise industry at all? Modern recent experience seems to prove that Governments have all the economic power

* The Future of Socialism by C. A. R. Crossland, pg. 467.

they need ; they must choose to use it. The mere change of ownership does not make a decisive difference.

Other important lessons to be learned from the experience in nationalisation are that monopoly has not all the advantages over competition ; competition does tend to prevent sloth and encourage initiative and to cater more to the varied tastes of the consumer, while monopoly places a restraint on freedom nor does it give talent fair opportunities for expansion. Further there seems to be a strong view of the limitations of large-scale enterprise. While it may be true that the purely material economies of large-scale are evident enough, the difficulty arises for both labour and management. There are limits to the capacity of management to attend to the needs of a firm beyond a certain size. Similarly, it is now maintained that it is scarcely possible for healthy labour relations to be maintained in a factory employing more than 500 men. If there are many more engaged the factory should be broken up into several units to achieve the proper size.

Public and Private Sector

In India we have our Public and Private Sector. In imitation of the British post-war economic set-up, there has been in this country a cry for nationalisation. No sooner did the country become independent than several of the industries were taken over by the State, and new State enterprises begun. The Railways and the Aviation Companies were nationalised. State Transport quickly followed the same path in the dif-

ferent States. The new Sindri Fertilizer Factory, the Chittaranjan Locomotive Factory, the Perambur Coach Factory are essentially Government enterprises. All Life Insurance Companies were recently transferred into the hands of the State. The Hydro-electric projects undertaken during the First Five Year Plan were all financed and executed by the State. The new steel factories planned for the Second Five Year period, will be Government owned and run.

This policy of the public ownership and management of large sectors of industry has been shaped by the terms of the Industrial Policy Resolution of 1948, according to which "the adoption of the socialist pattern of society as the national objective, as well as the need for planned and rapid development, require that all industries of basic and strategic importance, or in the nature of public utility services, should be in the public sector. Other industries which are essential and require investment on a scale which only the State, in present circumstances, could provide, have also to be in the public sector." Then follows the classification of all industries into three categories, those which are the exclusive responsibility of the State, those in which the State will take the initiative, but in which private enterprise will be expected to supplement the effort of the State, and lastly all other industries which will be left to private enterprise. It is however stated that even where the first category is concerned "the State is free to secure the co-operation of private enterprise when the national interest so requires, subject to the proviso that while securing such co-operation, it will ensure through majority participa-

tion in the capital of the undertaking or otherwise that it has the requisite powers to guide the policy and control the operations of the undertaking."

The experience in India of our nationalised industries has not been too favourable. In most cases the management of the industries has been placed in the hands of the capable Indian Civil Service personnel. These men have had years of experience in administration, but they are novices where managerial functions are concerned. Till they are prepared for the technical job of running a business, the industry is not likely to prosper under their guidance. On the other hand, they have been helped especially in the new enterprises by a capable band of scientists and engineers, and the result has been a gradual improvement over the years after the first mistakes. Production targets have been achieved, but where there is no competition, it is difficult to judge of efficiency. However the Sindri Fertiliser Factory has doubled its expected output by the end of the First Five Year Plan. The Chittaranjan Locomotive Factory has already begun to produce locomotives for the railways at the rate of 14 per year which will soon rise to 50. Similarly the Perambur Coach Factory with its training centre is in a fair way to achieving the results expected of it. But an old industry like the aviation industry has certainly suffered by the change of management. The losses of income to the nationalised company have been considerable in the last few years.

Some of these industries have Boards of Management that are autonomous in some degree. But others

especially the locomotive and the coach factories are mere departments of the Railway administration. In most cases the control of Government over the Boards is therefore much greater than in Britain, and the accountability of the management to the Minister correspondingly higher. The tendency is therefore towards over-centralisation, and red-tapism is rampant.

In the public sector, relations between the new managerial staff and labour have been none too happy. A slight increase of wages has to be sanctioned at ministerial levels while the bureaucratic temperament of the managers does not help them in their dealings with labour. When questioned, some of them felt that the union was a superfluity in their factories, while others seemed quite contented with the company unions they had created in their industry. The Workers' Education Report that has been recently published, specifically recommended that the Government should set the example of being a good employer in the Public Sector.

The Future

What is likely to happen in India is the growth of private enterprise even in that section of industry which is now the preserve of the public sector, so that side by side with enterprises run by the Government there will also be some run by private individuals or groups of individuals. The trends of economic thinking in Britain normally take time to percolate into our Universities and other public bodies that form public opinion in India and influence the Planning Commis-

sion. There is no doubt that the private sector has done well for itself. Investment by private enterprise has exceeded all expectations already during the first year of the Second Five Year Plan. From the policy outlined in the Plan, it seems fairly clear that no doctrinaire approach to nationalisation has been envisaged, although the planners have been deeply influenced by the ideology of the Labour Party in Britain and Socialism in general. But the experience of nationalisation abroad will certainly have repercussions in this country. How true are the words of Pope Pius XII, who had already commented on the problem in May, 1948, when he pointed out that the Church approves of nationalisation of industries "which cannot be left in the hands of private individuals without endangering the common good.... To make nationalisation, however, the normal rule for public organisation of the economy would be to reverse the order of things." We need most urgently to get rid of the doctrinaire idea that public ownership is necessary for the control of industry, for this is one of the most important lessons of experience in regard to nationalisation.

A. Fonseca

Documentation

THE BUSINESSMAN AND THE STATE

(Extracts from various Encyclicals of Pope Pius XII)

The Responsibility of the Christian business-man towards his workers

The material and moral conditions of work for men, and especially for women, in workshops and factories, the standard of human relations between the head of the enterprise and the workers of all ranks who labour for the common prosperity, the share workers have, with all those in the enterprise and in the country for the establishment of social justice — all this, ought to be so many considerations to occupy the mind and heart of all those who have the responsibility of being the head of a business concern. To meet his obligations, the head of the enterprise will not fail to foster, more and more, all loyal contacts with those who furnish him with that irreplaceable experience which alone the world of labour can provide, and who will help him realise that the aspiration of every worker is to be treated not only as "a hand that is hired out and one who sells his work", but as "a man, a member of human society, who wishes to collaborate for the good of the same society, in the enterprise in question."

(To the President of the Centre Francaise du Patronat Chretien Rome, March 8)

Workers must have the same economic and social Security as employers.

If the owner of a concern secures by means of his enterprise the consolidation and stability of his social position, is it not becoming that he should bring himself to confer like benefits on those who depend on him, and who contribute to his support by their labours? Have these people, also, not the right to occupy a stable position in society, to possess

the necessities of life for themselves and their families and to use their possessions to obtain a legitimate profit? This is not the place to go into a detailed examination as to how small and medium enterprises may contribute towards securing the social stability of their personnel and, how by granting them greater access to private ownership, they may enjoy the liberty it confers. We wish, however, that the greatest number of men may be given this opportunity to acquire this stability coming from the guarantee of permanent resources and which may be increased by one's personal labour. It is certain that workers who know that their interests are bound up with the prosperity of an enterprise, because a part of their resources is in the venture, will feel themselves very closely obliged to help with their efforts and even sacrifices. Thus, they feel themselves more like men, the custodians of a large share of responsibility. They realise that others are indebted to them and, with a good heart they go about their task, often though it be hard and exhausting.

Employer-Worker collaboration

The economic and moral function which every man aspires to fulfil requires the unfolding of personal activity which should not be wholly subject to another's will. The head of an enterprise appreciates, above all else, his freedom to make decisions: he foresees, orders, directs while taking responsibility for the measures he ordains. His natural gifts, his former theoretical training, his technical skill, the very experience he gains in the discharge of his office, all this, become a principle of the development of his own personality and of his creative pleasure. But, once again, can the head of an enterprise refuse to his inferiors that which he, himself, appreciates so much? Should he reduce his daily co-helpers, to a role of simple, silent performers, who, though they wish it, are unable to make use of their own experience, with reference to those decisions which concern their own activities? A humane attitude in business enterprises should, doubtless, safeguard for the common good, the authority of the head of

the enterprise, but this does not involve such a great blow to the value which the workers possess. Moreover, when there is a question of improving technique, or the need of real effort to increase production, an appeal will have to be made to the indispensable collaboration of the workers.

(To members of the Catholic associations of small and medium enterprises. Castle Gandolfo, October 8)

The evils of exaggerated State interference

Just as the Church does not hesitate to raise her voice in protest when the civil power tries to arrogate to itself a monopoly of the instruction and education of the young, so in like manner, She opposes, on the basis of moral principles, everyone who would attribute to the State excessive control over the economic life of its citizens. Where this interference is not restrained there can be no adequate solution of the social problem. Where this interference is extended to "total planning" certain aims are realised, but only at the cost of inestimable losses brought about by an insane and destructive urge. The just liberties of the individual are destroyed. The security of labour is disturbed. The social character of the family is violated. The love of country is corrupted. The precious patrimony of religion is obliterated.

We hope, therefore, that responsible men will not yield to the easy temptation of inviting, on the part of the State, an excessive interference which would embarrass, discourage and suffocate the independent action of men who, while they work, of course, for their own legitimate interests, still are making an essential contribution to the welfare of all their fellow-citizens as well as to the prosperity of their native land.

The just limits of State intervention

We must, however, add another word with the same pastoral frankness. One sometimes hears understandable, but scarcely justifiable, complaints about certain interventions of

the State, which are directed not towards hindering the productive impulse, but rather towards regulating in a more equitable manner distribution of the goods produced by human industry.

Such intervention cannot be called unlawful without some qualifications. Our rejection of totalitarian planning which destroys all individual enterprise does not imply that a regime of absolute freedom in the economic field is acceptable. This would be, in fact, to set a premium on indifference to the welfare of others, and would engender contempt for certain indispensable principles dictated by considerations of human and Christian brotherhood. These principles are more urgent today than ever before.

*(To members of the Italian Water Works Society,
Rome, April 14).*

The subsidiary nature of State intervention in business

It is evident that the realisation of these objectives (i.e. the just distribution of wealth) cannot be confided to private initiative alone, much less can it be left, as many would wish, to the free play of economic forces. Such a doctrine is founded upon a false conception of the State and man, and results many a time in class-war, which has subjected the gradual development of the economy to a rude shock. Since egotism, in this field, shows itself too frequently, it belongs to the State, as the promoter of the common good to recall individuals to their social duties, and to regulate, always within the limits of justice and honesty, their economic activities so as to bring such activities into harmony with the common good.

It would, however, be no less fatal an error to assign to the State the duty of planning the whole economic life, in order to establish the ideal of a chimerical equality between all men. Even in this field, the intervention of the State can

only be subsidiary: its action will be inspired by justice without suppressing individual initiative. Thus, the State will intervene only, at the moment and in the measure, required by the common good, in order to stimulate and coordinate, while leaving to citizens and lesser organizations those functions they are able to discharge by their own proper means. "The economy," said the Holy Father, in his discourse of May 7th, 1949, "no less than any other branch of human activity, is not, by its nature, an institution of the State, it is, on the contrary, the living product of the free initiative of human beings."

*(Directives of Pius XII to the Italian Social Week at Bergamo,
Italy. September 23 to 30).*

Social Trends

Seminar on Slum Clearance

The Indian Conference of Social Work recently organised a Seminar on Slum Clearance. The Souvenir volume containing the names of the persons who took part in the Seminar and some of the more important contributions has been published, and the final reports of the Working Groups publicised.

Slums in India can be roughly divided into urban and rural slums. The Seminar was mainly concerned with the former, with special reference to the situation in the City of Bombay. A slum was described as "a chaotically occupied, unsystematically developed and generally neglected area which is over-populated by persons and overcrowded with ill-repaired and neglected structures. The area has insufficient communications, indifferent sanitary arrangements, and inadequate amenities necessary for the maintenance of physical and social health and the minimum needs and comforts of human beings and the community. There is a general absence of social services and welfare agencies to deal with its major social problems of persons and families in respect of sub-standard health, inadequate income and low standard of living who are victims of biological, psychological and social consequences of phsyical and social environments."

The causes of slums were held to be the absence of social organisation to deal with social change, no control over immigration into the towns and the growth of population, absence of town planning, low income,

high costs of building houses in the urban or rural area, absence of health, education and community welfare services, haphazard industrial growth and location, and the lack of cheap transport facilities which led to the congestion of the working population around the place of work.

The social consequences of slums are so evident to one who has merely walked through them that they hardly need mention. Briefly the slum environment makes people unhealthy in both body and mind. Disease and dirt are rampant, no family life is possible, women are degraded, and the youth succumb to the evils of gambling, smoking and petty thieving. There is no opportunity for self-development or improvement of one's skill or talent.

Of course there are different types of slums caused by different sets of circumstances, such as squatters' slums, or displaced persons' settlements, or labour camps. Each of these types requires different treatment to meet their needs.

Slum clearance generally involves two aspects, demolition and re-development. But the process must be worked according to an integrated plan. The Municipalities, the State and the Central Government must pool their resources of personnel and finance to clear the slum and rehabilitate the former slum dweller. A survey of slum areas in the city should be made and the worst slums chosen for prior treatment. The owners of the land on which the slum lies should either be compensated for the land or else develop it

according to the plan laid down by the Municipality while the slum dwellers should as far as possible be accommodated in the developed location, and near their place of work. Side by side with the improvement in housing, the slum dwellers should be educated in better living. Essential amenities like water, lighting, sanitary conveniences, conservance, schooling and recreation will have to be provided for them. They must not be allowed to fall back into their former habits of living and behaviour.

As important as slum clearance is slum prevention. This can only be done by the vigilance of the local authorities and the strict enforcement of municipal regulations regarding squatting, in order to prevent the building of houses according to the standard specifications and town planning.

It was felt that the minimum standards of accommodation per family should be 2 rooms each 120 sq. ft., a kitchen and verandah 120 sq. ft., a bath 16 sq. ft., and a Water Closet 12 sq. ft. In case this was too expensive, one of the living rooms could be dispensed with, but in such a way that after a period of ten years, it could be added without difficulty. Dormitories were suggested for bachelors or men living without their families in the city. It was recommended as a general rule that the planning of improved housing should be in view of the coming generation and therefore should be conceived on a more generous scale. The development of the areas should be on the principle of neighbourhood units. A comprehensive neighbourhood plan should include all necessary amenities like

open spaces, community buildings, shopping centres, etc. The reasonable size of a neighbourhood unit should be somewhere about 3500 to 5000 persons, and 120 persons per acre. 60% of the area proposed for development should be plotted, 40% to be covered by open spaces including parks and playgrounds, roads, community buildings, etc.

It was time that the Union Government legislated for a National Housing policy, and a scheme for Town and Country Planning to prevent the formation of slums. New industries should be built away from the towns.

Finally the creation of a cadre of Housing Supervisors with clear and well defined duties for the social welfare of the tenants was urgently recommended.

Obviously one can hardly disagree with these findings of the Seminar. On the contrary, the problem has been discussed and a solution suggested from a very wide consideration of all its aspects. But the main hurdle is going to be that of finance. While the Second Five Year Plan has placed aside Rs. 20 crores for slum clearance and sweepers' housing, some of the members of Seminar calculated that a full fledged scheme for eliminating slums would require the construction of 11 lakhs of houses which would cost about Rs. 500 crores. Any attempt at slum clearance will therefore have to take into consideration the financial possibilities and only then plan for the future.

A. F.

Social Study Circle

The enterprising social workers of Mangalore have been conducting a very successful study circle since 1955. The membership did not at any time exceed 15 and often they have been as few as half a dozen. The paucity of members has been amply made up by the enthusiasm of the members. Though under Catholic auspices no distinction of caste or creed is made in the admission of members. In fact one of the active members, till his election to the Union Parliament, had been Mr. K. R. Achar.

The Study Circle has been interesting itself with a variety of subjects like Social Ethics, Social Psychology, Health and Hygiene, Trade Unionism, Industrial Relations, Land Problems, Co-operatives, etc. Each member takes a particular problem and studies it as best as he can and then in a subsequent meeting shares the fruit of his labours with others. From time to time distinguished persons are invited to lecture on some important social problem and to these meetings the members of the public are invited.

Each year a symposium is held. In 1956 the symposium was on Family Planning. The subject was thoroughly discussed from the economic, medical, social and ethical points of view. The lively discussion which followed each lecture was a sign of the interest taken by the public in this vital problem.

The 1957 symposium was on a more ambitious scale and, judging from the report, a signal success. It was on Labour Relations. Several able speakers

addressed the members on Labour Relations and Labour Disputes, each lecture ending in useful discussions on the subject treated. One of the fruits of this symposium was a seminar held a short time later on Labour Relations which was attended by a good crowd. It lasted for six days. The various aspects of the labour problem were treated by specialists in the particular subject dealt with. Those who attended, among whom were many labour leaders, were very grateful to the members of the Study Circle for organising this seminar as it helped them a lot to carry on their work for the workers with greater profit.

With a little enthusiasm such study weeks could be easily organised elsewhere too for the great advantage of social workers for much energy is wasted away for lack of proper knowledge both of the subject and the technique of field work.

Agricultural Labourers

Some people are of the opinion that labour unions can exist only among urban workers and, that for the successful running of them, the members should have at least a modicum of education. Fr. Alexis, a Missionary working in the Cuddapah District, has conclusively proved by his efforts that successful unions can be organised and successfully run even among the so-called backward classes living in the interior. Fr. Alexis who has been working among these poor downtrodden agricultural labourers for many years saw clearly that one of the best ways of helping these unfortunate people was to organise them into a sort

of labour union believing in the old adage: Union is Strength. Besides uniting them to fight their battles in common there was need also to instil into them some badly needed ideas of economy, thrift and social virtues such as cleanliness and fraternal charity. The venture, at the start, looked almost utopian but, Fr. Alexis undaunted by difficulties and talk of impossible barriers, went forward step by step drawing inspiration from the little success achieved and turning his back resolutely on the many failures. In the space of less than three years the good Missionary has been able to organise the union so well that it is a force recognised even by Government officials in the area. Recently the union which is called the Cuddapah District Vyavasaya Cooleela Sarvodaya Sangam held a public meeting at which sixty-five leading members from thirty-four villages were present. At this meeting besides the Rector of the Nellore Seminary, who has taken a keen interest in the union from the beginning and has been a staunch supporter of the President, Fr. Alexis, the Social Education Officer, Mydukur and Development Block Inspector of the same area addressed the meeting and congratulated the members on their enterprise wishing them every success. The two latter were loud in their praise of the Christian missionaries who have done and are doing so much for the uplift of the poorer sections of the community.

Fr. Alexis is now busy training leaders to share with him the work of the Union and thus lighten his burden. The savings scheme is working very well. Father has many more schemes in store to enable his people to overcome the many handicaps they have to reckon with.

Co-operatives

Coastal Andhra is noted for its handloom industry. Large numbers of people live by it. The weavers, mostly simple villagers, are much handicapped for lack of requisite funds, especially to buy yarn, and a proper organisation for marketing their products. Government has been encouraging the weavers to form cooperative societies to whom generous subsidies and loans are granted.

Rev. Fr. Jayanna, the Parish Priest of Sattanapalli, in Guntur District, has organised a cooperative for his people and from reports received it is doing well though still cutting its teeth. The members are drawn from all communities without distinction of caste and creed. In fact while only 25 per cent are Catholics the rest are all non-Catholics, mostly Hindus. The Cooperative society has at present 100 looms. The share capital has been collected and deposited in the Central Co-operative Bank. When the Society is registered, which is expected to be soon, it will receive a grant from the Government at the rate of Rs. 200/- per each loom. They have still to overcome a few difficulties but with the able direction of the Father and the enthusiasm of the members the society will go forward rendering great service to the poor weavers.

F. C. R.

Economic and Social Survey

Minimum Wages for Journalists

The decisions of the Wage Board for Working Journalists appointed by the Government of India on 2nd May, 1956 for fixing the rates of wages, etc. of persons employed in the newspaper establishments were published in an Extraordinary issue of the Gazette of India, dated 11th May, 1957.

For the purpose of fixing the rates of wages the Board has recommended that newspaper establishments should be classified into the following five categories on the basis of their gross revenue.

Gross Revenue			
A	..	..	Over Rs. 25 lakhs
B	..	..	Over Rs. 12½ lakhs to Rs. 25 lakhs
C	..	..	Over Rs. 5 lakhs to Rs. 12½ lakhs
D	..	..	Over Rs. 2½ lakhs to Rs. 5 lakhs
E	..	..	Rs. 2½ lakhs and below.

The procedure for assessing the gross revenue has also been laid down in the report of the Board.

Retrospective effect is given to the Board's decision from the date of the constitution of the Board in respect of newspaper establishments classified as 'A', 'B', and 'C'. In respect of newspaper establishments in classes 'D' and 'E', the decisions are operative from November 1, 1956.

The classification of weeklies and periodicals published by newspaper establishments which do not publish dailies has been recommended on the basis of circulation in the following manner :—

Class	Circulation		
A	..	..	Over 25,000
B	..	..	From 10,000 to 25,000
C	..	..	From 5,000 to 10,000
D	..	..	From 3,000 to 5,000
E	..	..	Below 3,000.

On the point of allowances payable to working Journalists the Board recommended classification of cities and towns on the basis of population into the following areas.

Area	Population	
I—(Cities)	..	Above 10 lakhs
II—(Towns)	..	From 5,00,001 to 10,00,000
III—(Towns)	..	From 3,00,001 to 5,00,000
IV—(Towns)	..	From 1,00,001 to 3,00,000
V—(Towns)	..	Below one lakh.

For the purpose of determining emoluments, full-time working journalists have been grouped into four categories, viz.,

Group I — Editor.

Group II — Assistant Editor, Writer, News Editor, Commercial Editor, Sports Editor, Film or Art Editor, Feature Editor, Literary Editor, Special Correspondent, Chief Reporter, and Chief Sub-Editor.

Group III — Sub Editors and Reporters of all kinds and full time correspondents not included in category two; news photographers and other journalists not covered in the groups.

Group IV — Proof readers.

Minimum basic wages recommended for working journalists range from Rs. 90 for a working journalist in a Class 'E' newspaper establishment to Rs. 1000 for an Editor in a Class 'A' newspaper establishment. Besides fixing the minimum starting pay, the Board has prescribed the scale of pay of all categories of journalists except those employed in 'E' Class of dailies and 'E' and 'D' Class of weeklies. Dearness allowance prescribed ranges between Rs. 30 and Rs. 200, and is linked to the All-India cost of living index. Every working journalist working in areas with a population of more than one lakh will also get in addition a location allowance ranging from Rs. 7.50 to Rs. 50 depending upon the salary and the class of the town or city from the point of view of population.

Part-time correspondents, who are working journalists will get retainer ranging from Rs. 15 to Rs. 100 depending on the paper which retains their services and the area in which they function. In addition, they will be entitled to payment according to the volume of news actually published.

The Board has left conveyance, travelling, entertainment, overseas and other allowances for determination by collective bargaining between working journalists and newspaper establishments in view of 'paucity of evidence on the subject'.

It has been recommended that the working journalists should be fitted into their respective scales on the basis of a slab system with an increment for every three years of service subject to a maximum of five increments. The salary scales and grades of working journalists in fortnightlies and monthlies have not been fixed but it has been recommended that wages paid to them should not be less than those in weeklies of their class.

The Wage Board made it clear that its decisions should be reviewed by another Wage Board after a period of three years and not later than five years.

The Board has recommended to the Government of India the compilation of a middle class cost of living index based on a scientific study of family budgets.

onus

The quantum of bonus awarded in the various cases before the Adjudicators and Industrial Tribunals on industrial disputes during the first quarter of the year 1957, ending on March 31st of the same year varied widely from 7 days wages to 7½ months' wages. Some of the more important bonus awards were as follows:

- (1) bonus for 1954-55 equivalent to 5/24 of the basic earnings for the workmen of Crompton Parkinson (Works) Ltd., Bombay.
- (2) bonus for the year 1955-56 equivalent to 2½ months' earnings to the workers of the Indian Hume Pipe Co., Ltd., Lucknow.
- (3) bonus for the year 1954-55 equivalent to 1/45th of the total basic earnings (exclusive of overtime and all other allowances) to the employees of the Deccan Paper Mills Co., Ltd., Poona.
- (4) bonus for 1953-54 equivalent to 1/3rd of basic wages to the employees drawing wages up to Rs. 500 p.m. in the Associated Cement Companies, Ltd., Bombay.
- (5) bonus for both the years 1954-55 and 1955-56 equivalent to 7½ months' wages to the workers of Messrs. Larsen and Toubro Ltd., Bombay.
- (6) bonus for the year 1954-55 equivalent to 3 months total average wages to the workers of S. U. S. Davey Sons, Madras.

Sugarcane Production

There has been a remarkable improvement in the sugarcane crop of the current (1956-57) season. The all-India final estimate of the crop places the aggregate yield at as high as

66.89 million tons, which compares favourably with the partially revised estimate of 58.32 million tons for the previous season, representing a rise of over 7.57 million tons or 12.8%. Expressed in terms of *gur*, the production of cane comes to 6.75 million tons as against 5.98 million tons. The substantial rise in output is due partly to the increase in the area sown and partly to the increase in the yield per acre. The current season's sown acreage is put at nearly 5.02 million acres, as against 4.56 million acres, — a rise of 455,000 acres or 10%. The average yield of cane per acre is estimated to be more than 13.3 tons, the figure for 1955-56 being 12.9 tons.

The increase in acreage during the current year has been shared by almost all sugarcane-growing States, and is marked in the case of the U. P., the Punjab, Bombay and Bihar. This is attributed mainly to better climatic conditions at sowing time as compared with last year. Higher prices of *gur* and better irrigation facilities during the current year in Uttar Pradesh are also reported to be responsible for the increase in area under sugarcane.

The increase in production has been reported by almost all sugarcane-growing States, especially the U. P., Bihar, Bombay, Madras, Mysore and Rajasthan, and is attributed partly to increase in acreage and partly to favourable weather conditions during the growing period.

Cottage Industries

During the four years 1952-56 the Government of India has spent a little over Rs. 12.32 crores on the development of cottage industries.

In 1956-57 the country produced about 24 million yards of khadi valued at Rs. 4.93 crores. Total sales of khadi amounted to Rs. 5.95 crores as against Rs. 4.26 crores in the previous year. In addition khadi cloth worth Rs. 1.26 crores was pro-

duced by those who spin for their own consumption. It is estimated that there are about 587,000 such people in the country.

The number of people employed in the production of khadi in 1956-57 increased by over 400,000 bringing the total to 1,380,000. In addition, the Ambar Charka programme, provided employment to about 53,000 people.

Government has given generous help to the cottage industries and the various schemes for the development, promotion and improvement of such industries. Training centres have been set up in various parts of the country to train workers and to teach new methods for improving both the technique as well as the output in existing industries.

These cottage industries have brought relief to a large number of low income group families by bringing in a little additional money to meet the rising cost of living.

The cottage industry is still handicapped to a great extent from the lack of proper marketing facilities. The producers are finding it more and more difficult to get rid of their stocks.

As a great many of these cottage industries are in the hands of beginners in the trade the quality of goods produced is not of a high standard. But rapid progress is being made.

Unemployment in Bihar

A report on urban unemployment in Bihar reveals the extent of unemployment in the State. A sample survey was conducted in 1954 in 15 towns of the State having a population of 20,000 and more. The towns selected were Patna, Ranchi, Bhagalpur, Muzaffarpur, Chapra, Arrah, Motihari, Madhubani, Jamalpur, Purnea, Deoghar, Hazaribagh, Purulia, Dhanbad and Giridih.

In the first five cities, which have a population of 50,000 and more two per cent of the families were interviewed while in the other towns three per cent were chosen. The number of families chosen was 4,716.

Results

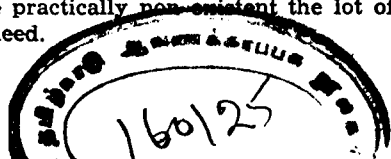
Out of the 4,716 families surveyed, 1,663 families constituting 35.2 per cent were found to be affected by unemployment. In the total surveyed population of 37,028 only 21,349 persons belonging to the age group 16-60 years, i.e., 57.7 per cent of the population, constituted the 'labour force'. Of the 10,884 males, 1,672 (15.4 per cent) were found to be totally unemployed. On the other hand only 1.8 per cent of the employable females (10,465), who were willing to work, were unemployed. Only 767 males, which formed 7.05 per cent of the employable males, were found to be partially employed. Thus 2,439 males out of the total of 10884 or 22.4 per cent, were employed partially or not at all. Two thirds of the totally unemployed or partially employed persons belonged to the age group 16-25.

Unemployment, total or partial, was less among the illiterates than the others. One third of the unemployed had studied up to the middle standard. Matriculates formed the second largest group of unemployed. There was some unemployment among the college educated persons.

Eighty-one per cent of the unemployed had no technical or vocational qualifications. Among the semi employed persons the percentage was somewhat lower (54 per cent). 78 per cent of the unemployed were in the employment market for the first time and the rest had some employment previously.

It is estimated that the percentage of totally or partially unemployed persons in the rural areas of the State is far greater. Since the majority of persons in the rural area have little or no income from their lands they have to augment their resources by work. As both large and small industries are practically non-existent the lot of the people is very hard indeed.

F. C. R.



PRACTICAL CITIZENSHIP

by C. C. Clump

THIRD EDITION, REVISED AND EXPANDED
A Course of Civics and Practical Citizenship
Training for Rural and Urban
Secondary Schools.

200 pages

Rs. 1.75 plus postage

THE CITIZEN AND THE STATE

by A. Fonseca

Third (revised) Edition

Prescribed as a text-book on Civics for all Military Schools. Also contains a detailed survey of Indian Administration, suited to the needs of the general reader seeking for a clear and simple outline of the social problem and its solution.

231 pages

Rs. 2.50 plus postage

SOCIAL INSTITUTE

ST. VINCENT'S STREET

POONA 1

REGD. NO. M-5888

SOCIAL ACTION

Social Action is a monthly devoted to social problems, and is under the direction of the I. I. S. O.

The Editorial Board do not necessarily endorse the individual views of contributors.

The yearly subscription is Rs. 6 or 10 s., or \$ 2.

Manuscripts, subscriptions, advertisements and remittances should be addressed to *The Manager, Social Action, St. Vincent's Street, POONA 1.*

The Manager does not take any responsibility for any Manuscript that may be lost. Manuscripts offered for publication should be accompanied by a stamped addressed envelope to secure their return in case they are not accepted.

Cheques if not drafted on a Poona Bank should cover the clearing commission.

V. P. P. charges are extra.

Inland Money Orders or International Money Orders are the best means of payment.

INDIAN INSTITUTE OF SOCIAL ORDER

AIMS AND OBJECTS

1. To spread the social teachings of the Catholic Church.
2. To provide theoretical and practical training for social workers.
3. To serve as a centre of information about social works.

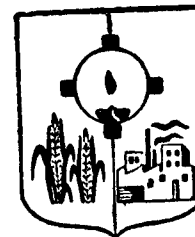
PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

Edited by A. FONSECA, INDIAN INSTITUTE OF SOCIAL ORDER, Poona 1.

Printed and published by M. A. Thamburaj, De Nobili Press,
De Nobili Press P. O., (Madurai Dt.).

26 SOCIAL ACTION



26)
4-7

OCTOBER 1957

Calculating Wages

Vocational Guidance

Credit and Insurance

Book Reviews

Re. 0-62

Just out of press:

SARDAR PANIKKAR AND CHRISTIAN MISSIONS

By Fr. Jerome D'Souza S.J.

Price Re. 1. (Postage extra)

Published by:

Fr. R. Doraiswami S.J.

St. Mary's, Dindigul.

Also available at the Social Institute, Poona.

TRUTH SHALL PREVAIL

A reply to the Niyogi Committee.

Price : Rs. 2. 50

Send your order to:

CATHOLIC ASSOCIATION OF BOMBAY
5, CONVENT STREET
BOMBAY 1.

SOCIAL ACTION

VOL. 7 NO. 10

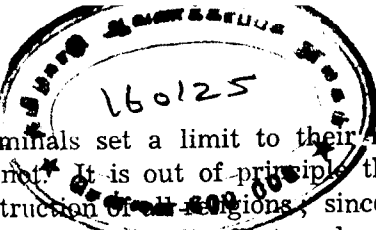
OCTOBER 1957

THIS SIDE AND THAT	A. L.	409
FITTING THE INDIVIDUAL FOR THE JOB	C. C. CLUMP	413
CALCULATING WAGES	A. LAHURI	424
DOCUMENTATION		432
SOCIAL TRENDS	J. B.	437
BOOK-REVIEWS		442
SOCIAL SURVEY		447

This Side and That

Kerala

As foreseen, the notorious Education Bill was passed. It is an enabling bill; it enables the party in power to dispose of all educational matters in any manner and at any time it finds suitable. The Catholic community spearheaded the opposition; they had the advantage of definite convictions and traditions in education, and they know from their fellow religionists in other countries what the Communist policy involves. Their resistance was splendid and they face the implementation of the unjust law with the courage of martyrs. What was surprising was that religious-minded Hindus in other States had so little to say against the bill; possibly they did not realise what Communism stands for. Anti-religious measures are not exactly mere political manoeuvres on the part of the Reds, but the spontaneous outcome of their basic atheism. It cannot be repeated too often that Communists are not criminals; they are much more dangerous; they are philosophers that have gone astray.



Criminals set a limit to their misdeeds, philosophers do not. It is out of principle that the Reds seek the destruction of all religions, since they are subjectively convinced that all effort and attention must be concentrated on mundane matters, they are impatient of any other worldly preoccupation and have no use for co-existence with religious organisations, which they at best tolerate when they consider them negligible.

Hence their attempt to monopolise all educational institutions. As Comrade M. I. Kalinin wrote in his book, "On Communist Education" (1950): "Education must be subordinated to the task facing the Party and the State, the chief task being the maximum assistance in the class struggle we are waging". Such is the import of the Kerala Education Bill.

Red Jargon

A specific trouble when dealing with Communists is their impossible jargon. In ordinary language, democracy implies that the people in some way or other choose the policy to be pursued; but in what are called the people's democracies, the people are supposed to follow blindly the policy imposed by one man or a small gang at the top. Dictatorship of the proletariat means dictatorship over the proletariat. Proletarian philosophy is the concoction of two bourgeois, Marx and Engels. It was not improved when Lenin added his theory of imperialism and smuggled in his theory of the omnipotence of the Party.

From that time onwards, it must be assumed that what calls itself the Party is always right, and that

all other citizens are wrong, even when they form the majority of the proletarians. A hundred flowers may blossom, but if some of them spoil the colour-scheme in the master's eye, they are classified as weeds and mercilessly uprooted.

The cult of personality is fatal, but what a personality is challenges definition. The cult of Marx, Engels and Lenin is obligatory, but the cult of one of yesterday's heroes like Stalin becomes abominable once Stalinists become a minority. It is true that Stalin himself deserved his posthumous downfall. Is he not the one that introduced the distinction between a good Communist and a bad Communist, which terms do not refer to orthodox doctrine or to talent, but to subservience or independence?

In like manner, in Communist dialect a deviation does not imply that you got out of the way, but that you did not keep in step with the tune played by the first violin. Genuine trade-unionism itself is a horrid type of union, it is despised as anarcho-syndicalism à la Bakunin; and so on and so forth. The Red jargon is a bigger headache for Malayalees than Hindi.

The Kerala Reds have already made their contributions to their masters' lingo. For the police, to keep law and order means only to wait and see; popular education means a system in which managers take the dictation from the students, especially from students who do not deserve promotion; respect for the Constitution means evading its awkward provisions, etc. The Kerala Reds are well in the Moscow tradition.

Union of India

National prosperity is the first essential of our Five Year Plans. National harmony is the second ; for national harmony not only are linguistic and cultural aspirations to be taken into account, but regional prosperity is demanded as well, on the basis of equity and political stability. Was this factor given due weight in our Plans ? Obviously each and every region has not an equal potential of development since the national resources are unevenly scattered, but each and every region insists on tangible proofs that it is not classified as a backward area. It is said that the Planning Commission is giving this problem a keen and timely attention.

Underdeveloped areas are fertile grounds for discontent, frustration and possibly disruptive activity. So far Punjab, Bombay, Madhya Pradesh have been privileged areas ; West Bengal and the Bihar mineral belt have also witnessed a large concentration of industrial development which is most effective to raise the per capita income. But what of Andhra, Maharashtra and Tamilnad ? What of the contrast between the Eastern and the Western districts of Uttar Pradesh ? Is there no way of distributing industries so as to avoid the disparities which exist between the many regions of this vast and complex subcontinent ? The problem will demand a good deal of attention for a good many years to come so that no region comes to feel it is neglected. On the other hand, let local initiative go beyond claims and grievances and rise to the level of suggestions, plans and proposals. The Planning Commission is all ears to take in constructive propositions.

A. L.

Fitting The Individual for the Job

With the establishment of the National Council for Training in Vocational Trades by the Labour Ministry of the Union Government on July 30th, 1957, one more step has been taken to secure the necessary trained manpower for the development of the national economy.

The National Council came into being on the recommendation of the All-India Council of Technical Education Committee which was entrusted with the task of preparing a scheme for the establishment of an All-India Trades Certificate Board. The duty of this Board being to award certificates of proficiency to craftsmen in various engineering and buildings trades on an All India basis, the demand for craftsmen of this type became acute with the industrial expansion of the country. In fact, it was found that while, on the one hand, there were a number of unemployed persons in the country, on the other hand, there were not enough trained workers to meet the demand coming from technical and trades institutions. Thus, as late as June 30th 1957, the number of persons seeking employment on the Live Register of the Employment Exchanges in the country was as follows :-

Industrial supervisors	:	4,707
Clerical workers	:	227,817
Domestic service workers	:	25,818
Skilled and semi-skilled workers	:	57,846
Educational workers	:	39,533
Unskilled workers	:	386,634
Others	:	37,123

It would be wrong, however, to conclude that nothing has been done so far to train the unemployed in various skills and crafts, both to provide them with employment and to meet the expanding demands of industrial development in the country. Till recently, the various programmes managed by the Union Government were mostly emergency measures, in that they were devised to meet the needs of particular situations. Thus, short term training of craftsmen on a national scale was first undertaken during the second world war in order to supply training personnel for the armed forces, and those civilian industries which were engaged on war work. Later, with the coming of peace, these same Training Centres were used to help train ex-servicemen, and till quite recently, many of these Centres were used to meet another emergency which the country faced with the growing refugee problem, and the need to resettle refugees who had to be trained to take up various trades which a new way of life demanded.

With the experience gained over this period, in 1950, the Adult Civilian Training Scheme was opened. It provided a two-year period of training in the technical trades. The present Craftsmen Training scheme which was opened in 1954, is more or less a continuation of the former Adult Civilian Training Plan. At present there are 64 Training Centres giving training in 28 technical schools and 17 trade schools. Under the earlier Adult Civilian Training plan and the present Craftsmen Training Scheme a total of 18,240 persons have so far completed their training in technical trades and 6,781 persons in vocational trades. Since November

1956, the administration of the Training Centres has been transferred to State Governments in keeping with the recommendation of the Committee of the Training and Employment Services Organisation.

In April this year, the Union Ministry of Labour set up its vocational guidance and employment counselling schemes. This fills a long felt need, and is an important step towards helping the unemployed and the young who have just left school to find suitable jobs. The objects of the scheme are to guide school-leavers in the choice of occupation, to develop counselling services for adults seeking employment and to develop attitude tests. The scheme will be introduced during 1957-58 in the employment exchanges at Delhi, Bombay, Calcutta, Madras, Lucknow, Nagpur, Patna, Hyderabad and Ambala. A beginning was made in April when a three-month training course in vocational guidance and employment counselling was attended by employment officers from various States in Delhi. The syllabus of the course consisted of lectures, group discussions, laboratory exercises and library work. The officers who attended the course were able to obtain some idea of the basic concepts and techniques of vocational guidance and the skill necessary for undertaking individual and group guidance work at the employment exchanges.

The importance of vocational guidance in the social order of many countries has long been recognized. In most advanced countries vocational guidance methods operate on the high-school level and are closely linked with the Ministry of Education. Thus in Denmark,

the Ministry of Economic Affairs and Labour in agreement with the Ministry of Education, distributes by law vocational guidance information material to school children. This material is intended to acquaint children with various careers open to them when they leave school, the conditions for entry, the training required and the prospects offered.

In Federal Germany, the law requires vocational guidance to take physical and mental traits, character, inclination and economic circumstances of the applicant into due account. Long before the pupil leaves school, guidance is prepared and facilitated in this respect by the school, where a "pupil's card" (sometimes a form provided by the employment office) or "personal record" is made out for each individual for about a year before he or she is due to leave school. In this way the teacher keeps a close record of each child showing achievements and aptitudes, such as, the kinds of gifts and special qualities which the child possesses, his preferences, speed, method of work, sociability, and so on. Interviews between the teacher and the counsellor, and sometimes, between the teacher, the counsellor and parents take place in order to ascertain the aptitudes of the child. Often the medical officer and the psychologist are called in to determine the physical and mental aptitudes of the child. Usually these specialists do not make any positive suggestions regarding a vocation, but merely refer to the physical and mental characteristics that should be kept in mind when the choice of occupation is made.

By these means, the experience obtained in the several years of school attendance, the observations of specialists and that of the parents, the child may be guided in the choice of an occupation with a reasonable degree of certainty. It must be noted that in some countries, initially, the child is not viewed from the standpoint of any particular trade or occupation, but merely to obtain a picture of him as a whole, to try to discover where his aptitudes lie and so to deduce the kind of occupation for which he is most suited. Very special importance is attached to the young person's own desire in the choice of an occupation. Preferences expressed by a boy or girl aged 13 to 14 years, are usually, not always, taken as very or highly problematical.

Besides the personal aptitude of the child, the guidance counsellor is expected to have due regard to the economic situation, and the manpower needs in various occupations. Moreover, in order that he may be able to give correct and useful information on the different occupations and their prospects, the vocational guidance counsellor must, himself, be fully acquainted with the characteristics and other requirements of the occupations in question, the significance of each in the economy of his immediate region, and also in wider regions, and the prospects of future demand for new workers. This is the very wide and comprehensive knowledge of the occupational field which modern vocational guidance science has tended to make its own, and which the vocational guidance counsellor is expected to possess.

This knowledge along with that furnished by the school record or 'pupil's card', the guidance counsellor uses in his interview with the young applicant. The interview which is the joint conversation with the young applicant and his parents is really the deciding stage in the process of vocational guidance. It is obvious that the greater the mutual confidence between the two parties, the better are the chances of right guidance, and the possibility of discovering the young person's real inclination and aptitude. The art of interviewing the young is an important qualification for the office of guidance counsellors. In some countries while the vocational guidance officer is attached to the employment exchanges his services are at the disposal of the schools to give lectures to pupils and even to interview them if the school so wishes. In Denmark, to facilitate the counsellor's work, the Ministry of Economic Affairs and Labour, in co-operation with the Ministry of Education, has drawn up standard questionnaires to be sent to the schools last attended by applicants for employment on whom information is required from the head teacher or school doctor. The information received is strictly confidential and may not be used for any other purpose than vocational guidance; it may, however, be seen by the child's parents.

In some countries various means are employed to convey to young persons occupational information, and build up the proper attitudes. During the ordinary process of education, some instruction in vocational ethics is used to instil into the young the right attitude towards work, trades and professions; in the course

of teaching some subjects reference is made to the different trades and their social functions, and the guidance counsellor helps the teacher by providing suitable material and by conducting his own occupational classes. Some of the other more important means are: evening meetings of parents arranged jointly with the schools; occupational exhibitions helped by local trade associations; visits to undertakings, both commercial and industrial for teachers and pupils sometimes conducted by the guidance counsellor; film shows; publications giving occupational information furnished to the schools by commercial and business houses, and the collection of articles from the Press and Radio news services.

While India is still developing her vocational guidance institution, it is to be hoped that this institution will be integrated with our educational system. The imperative need of such guidance for our high school children is easily recognized when it is remembered that many a student decides on an university career or takes up a profession merely because some other member of his family has done the same. A random investigation made among 220 first year university students in two colleges revealed that six out of every ten were following a science course because they did not know "what other course to follow!" The wastage of talent and the loss to the country involved in such conditions may more easily be imagined than described.

The need of proper vocational guidance becomes still more imperative when it is recalled that a large

percentage of those seeking employment still come from rural areas. They have their own outlook, attitudes and patterns of work. Now, it is a commonplace that in an underdeveloped country, cultural and social patterns of life and behaviour are important factors which, if neglected, may retard the progress of industrialisation. The very change from a predominantly agricultural economy to that of industry involves vast changes in the lives of the people, and there is no one who has watched the advance of industrialism in this country who has not been conscious of the social problems which are due, in large part, to the coming of industrialism.

Sociologically, this means a clash of cultures — a clash between the culture of our rural peoples with that of industrial life in our urban centres. In terms of the human factor, it means a revolutionary change in the habits and ways of life of the rural worker who comes to the city to seek his fortune as an industrial worker. The fact is that the basic patterns of behaviour and the attitudes built up under conditions of a rural economy do not fit the rural worker for the quasi-regimentation and team-work demanded of those who work in industrial establishments. Working for the most part alone and under conditions in which he is usually his own master, the rural worker does not easily fit into a plan of work which demands fixed hours and co-operative responsibility. In other words there are certain essential basic attitudes which the rural worker must possess before he can be shaped into an efficient industrial worker. It is not enough for him to know how to handle a file or operate a machine. And

this is the task of vocational guidance, no less than that of our Technical Training establishments.

With good reasons, therefore, Mr. Nehru, in his inaugural address to The National Council for Training in vocational Trades, emphasized the need of cultivating in the modern technical worker certain basic attitudes, without which there can be no social progress. After stressing the need of trained manpower, he went on to point out that "the higher techniques" and industrialisation itself, cannot be imposed on the people "from outside", and if such attainments are to serve any useful purpose in the country, "it has to grow in the country". In fact, it is a finding of sociological analysis that before any apparatus, or technical know-how, can yield the expected results, they must first be integrated into the material or cultural way of life of the people. It is during this period of integration, when the country is moving from one type of culture to another, that the most serious social problems arise, and on the solution of these problems depends, to a large extent, the all round progress in the country.

Continuing his address, Mr. Nehru pointed out the need of the spirit of co-operation. "We may become", he said, "able and technically trained and all that, as individuals and as groups. But how do we pull together?" Now, it needs no deep reflection to understand that co-operation is the law of progress. In fact, the advance of industrialism means a greater division of labour and unless this is operated in a spirit of co-operation the whole industrial machine will come to a standstill. In modern industrial society and in broad

terms, this co-operation is usually understood to mean harmony between management and labour which problem, unfortunately, is not really solved even in advanced industrial societies.

In an underdeveloped country the difficulties in the way of bringing about a spirit of co-operation in industrial society are extraordinarily great. In the first place there is the lack of industrial experience on the part of both management and labour. Each new industry in the country confronts both employers and workers with special and peculiar problems both in the technical field and in the field of human relations. Further, labour, for the most part still drawn from the rural areas must acquire both technical skill and those basic attitudes which are necessary for work in factories and workshops. It is a commonplace that the environmental changes no less than need of technical skills create problems in co-operation which the ordinary worker does not solve till he has had a long experience at his job.

Moreover, unless this spirit of co-operation thrives, there will continue to exist those "disruptive tendencies" which Mr. Nehru deplored, in the life of the country. In other words, co-operative labour and the spirit of social responsibility are closely interlocked. Unfortunately, neither the spirit of co-operation nor that of social responsibility is developed merely by training the workers in technical know-how, and it is to be regretted that the Courses as planned by the Training Centres while very useful for turning out fitters,

welders, machinemen and technicians do nothing to give the trainees any insight into the social problems and problems of human relations which they will meet with in industrial life. Moreover, it is open to question whether the time within which a trainee may acquire technical skill would be sufficient to build into him those social attitudes which must underpin his technical ability. Experience would seem to indicate that the best period for training in social attitudes is the last years in the high school. This may be operated by a Vocational Guidance Course.

C. C. Clump

We cannot afford to be oblivious of the fact that every year there is a net addition of 1.8 million to 2 million persons to the working force in the country on account of the continuous increase of population. It must be our common aim that the total effect of our policies is the creation of maximum employment in the country, accompanied by a steady rise in living standards. This will also inevitably mean for the workers and their children opportunities of a varied kind, at higher levels of skill.

Gurzarilal Nanda

Calculating Wages

The ordinary citizen who hears about wages, bonus, premium, etc. day after day might, quite sensibly, like to be enlightened about the precise meaning of such words and even be initiated into the mysterious calculations which fix money values. "Wages are the aggregate earnings of a given employee for a given period of time such as a day or week, and are equal to the product of hourly rate times by the number of hours or the product of piece rate times by the number of pieces, plus any premiums or bonuses earned"⁽¹⁾ They are called nominal if expressed in money, real if translated into goods or services.

A premium is that portion of earning expressed in some function of, or proportional to, wages saved above normal time wages; namely, the surplus which is saved to the management by the workman who does a better or a quicker job than the average workman. A bonus is that portion of earning which, at some fixed point of efficiency, exceeds the earning arranged for a preceding point, or it is the measure of excess earning over the base wage and remains constant whilst the premium increases for higher efficiencies. The combined amount of constant bonus and variable premium are often designated as "incentive".⁽²⁾ One should note other, non-financial, incentives, like promotion, training, records of performance, competitions,

(1) Cf. *Production Handbook* by L. P. Alford and J. R. Bangs, Pp. 1177.

(2) *Ibid.* p. 1181.

praise, honour, patriotism etc., which are outside the mere wage-system.

The various factors of wage-determination can be arranged in many ways to calculate the earnings. Nearly every arrangement had been tried in France and England long before the present plans were re-invented in the U.S.A. At the start they were largely guessed at or bargained for as standards of production. But in the U.S.A. the lead was given for a thorough analysis of time, movement, fatigue, attention, quantity and quality so as to get a job standardisation. Names, like Taylor, Halsey, Gantt, Rowan, Merrick, are familiar to experts, Halsey having drafted the first plan in 1890, five years before Taylor's. The general idea had already been insisted on by Belidor, a French military engineer (XVIIIth century), who used to say that "ten working hours of a man who has his interest as foreman is worth at least fifteen of others who have their day well regulated. Pressing these further means to vex them and to get them sick and ready to leave"⁽³⁾.

In order to make matters accessible to the general reader, we are precluded from entering into technicalities, and remain satisfied with a few fundamentals, even if these necessitate a little algebra which, it is hoped, will not rebut anybody. The needed glossary is short. S represents the actual wages, s the guaranteed minimum wage. T is the time allotted, t the time actually taken. N represents the production or number

(3) Alain, *Le travail ouvrier*. p. 106.

of pieces expected, n the production or number of pieces actually attained ; p expresses the piece-rate.

Thus we have that S , the real wage paid according to time, is st ; when paid on a piece-rate basis, it is np . At times, and this was proposed by Taylor, wages are paid on a minimum production to be reached ; if the actual production, n , is below the expected production, N , the salary $S=np$; if it is above N , then $S=k.np$, where k is a coefficient which is arbitrary or bargained for and usually ranges between 1.20 and 1.40. Such a system urges the good workmen to put in as much work as possible, and discourages the mediocre workers. On the other hand, the system easily urges good workers to overdo it, to tire themselves beyond endurance and provokes unhealthy strain. As a consequence, it was strongly opposed by trade-unions and abandoned in most places.

Halsey Salary

Halsey suggested a new formula. The difference between the expected time, T , for a given basic production, and the time actually taken, t , if it is shorter than T , would be shared between the factory and the workman according to a coefficient k varying between 0 and 1. In other words, if the production rose above the norm, the value of the increment would be shared between the workman and the management, the salary being calculated by the formula, $S=st\left(1+k\frac{T-t}{t}\right)$

Where the worker's production takes an abnormally longer time, the basic salary would still be paid.

When wages are paid on a piece-rate basis, the formula is $S=st\left(1+k\frac{n-N}{n}\right)$. The Halsey system is easy of application and readily understood by labour, but labour does not so readily admit that the profit above a given level of production should be shared with the employer ; this profit, they argue, is due only to the personal effort of the worker and should all go to him. On the other hand, the incentive value of the Halsey system is rather low. It is mostly adopted when production is not regular, because of its very nature, or when the times, T or t , are not calculated with precision. Even a fair increase in production would not raise Halsey salaries much above the wages given in other departments and provoke claims in those other departments : a great advantage in the eyes of managers.

Gantt System

The Gantt salary is better known and applied more generally. It is a combination of time rate and of high piece rate. When the fixed minimum production has not been reached, the earning is the basic wage. When the minimum production has been reached or exceeded, the earnings are ks , where k is a coefficient generally ranging from 1.1 to 1.3.

The incentive value of the Gantt system is most apparent up to the minimum production, since production refers not only to the number of pieces but also to their quality, and it is detrimental to employee and employer to have products damaged in hurried labour.

Other Systems

It will be noted that in the Halsey system, workers' earnings vary proportionally less than output. In the same class may be ranged the Bedaux system and the Barth Variable Sharing system.

In contrast, with some systems earnings vary proportionally more than output like the High Piece-rate and Standard Hour systems f.i., when there is a one and one-third per cent increase in earnings for each one per cent of increase in production or when earnings are more than ten times the time rate for that task completed in eight hours if ten hours is the normal time required.

Finally other systems give earnings varying in proportions which differ at different levels of output. Of this type is the Gantt task system, which provides a wage increase of 20 per cent of the time-wage if the worker reaches tasks or output set at a high level. In the same class one may range the Taylor and the Merric Differential Piece-rate system, the Emerson Empiric or Efficiency System and others.

Besides the above systems of providing incentives to individual workmen, some productions or processes do not permit of calculating the task of each worker separately. Then the total earnings of the group are calculated; if all are of equal skill, the earnings are equally divided; if they are not equal, f.i., if skilled and unskilled men are together, the unskilled will receive their time-rates and the skilled ones will pocket the remainder of the total earnings. Various are the

ways of unequal division, as also various are the ways of distributing earnings among the employees of a department or of a plant.⁽⁴⁾

Comparing Wage Systems

The most commonly used systems are the Halsey, the Rowan, the Barth Variable Sharing, the Bedaux and the piece-work systems. For rates of output, earnings are greatest with the piece-work system, followed by the Bedaux, the Halsey (50-50 sharing), the Barth and Rowan systems, though this descending order is not quite uniform, as noted in the I. L. O.'s "Payment by Results".

Which System to Choose?

For a long time, labour opposition to any system of payment by results has been systematic, and it took the obvious needs of the after-war reconstruction to break down that opposition in France and Great Britain. In 1910, the British Trade-Unions advanced three main objections: such systems are not fair and uniform; they spoil the wage policy; they demoralise labour. Their objections were not due to a fear of unemployment, but rather to past experiments which had to be corrected as they had left the worst possible impression on workers who are but too ready to suspect any

(4) A clear summary of the systems of payment is to be found in "Payment by Results" published by the International Labour Office, Geneva, 1954. May also be consulted L. P. Alford and J. R. Bangs's *Production Book*, L. M. Alain's *Le travail ouvrier*, P. S. Florence's *Labour*, J. Dunlop's *Wage Determination Under Trade-Unions*, Fr. S. Doody's *Readings in economics*.

change introduced by the management. At present, opposition has disappeared, though not suspicion. L. M. Alain tells of a striking case. In a factory of Pharmaceutical products, the women workers had resolved to limit their output at 500 boxes; if ever by miscalculation they produced a larger number, they took the surplus home and brought it back the next day. The boss was not going to cheat them!

When introducing a system of payment by results or any change, the management should take certain steps: first, secure the consent of the Trade-Union delegates and the Labour Management so as to obtain what Glen Miller calls a suitable "antagonistic co-operation" which is necessary for the common good; next, give a formal guarantee that, whatever be the premium, the rates will not be diminished; finally, call workers to check the measurements and rates calculated to establish the system. (In the U.S.A. Trade-Unions have their own experts to check the management's measurements and calculations).

Indian Conditions

In India, systems of payment by results are applied in various degrees only in certain industries: textile, mining, iron and steel, metal, and occasionally in the building and clothing industries. In June 1950, over 200,000 workers or 44.9 per cent of the cotton textile labour force, 33.4 per cent in the silk industry, and 31.0 per cent in the woollen industry enjoyed such systems. The Tata Iron and Steel Company, Ltd,

operates a plant-wide scheme which applies to all production, maintenance and service workers in the plant, and also various schemes which are peculiar to the different departments. "The Company has stressed that the workers' capacity to earn more depends mainly on their own productivity, but that in comparison with steel workers elsewhere, the labour force at Jamshedpur is about three times what it should be; allowing for the greater mechanisation of similar plants abroad and for climatic and other factors, there is, in the Company's view, obvious scope for a considerable reduction in man-power and for a corresponding increase in the workers' earning capacity without causing any undue strain on them" (*Payment by Results*: I. L. O. p. 103).

It was also noted that, in Tisco's steelworks during the pre-incentive period (March to Sept. 1949), the output per man ranged from 1.69 to 1.75 tons, whilst during the incentive-period, it rose to 1.9 tons by November 1949 and reached 2.15 tons in December 1950. So after all, our labourers aren't so dumb!

Conclusion.

The meeting of experts, held at the I. L. O. Geneva headquarters, unanimously concluded that the general welfare "can be achieved only where systems of payment by results are developed and applied with the agreement of the workers and in an atmosphere of good industrial relations. It is also necessary that the system should be adapted to the conditions peculiar

to each industry and country concerned and that they should include definite safeguards designed to protect the interests of the workers."

Quite a task for you, my masters, who have taken up industrial welfare as your favourite field of social work.

A. Lahuri

Documentation

THE ROLE OF CREDIT AND INSURANCE IN BUSINESS
(Extracts from various Encyclicals of Pope Pius XII.)

The role of the People's Banks

The idea launched by Raiffeisen and Schulz-Delitzsch, with the passing of time, ought to reveal all its possibilities. Does it not, in fact, call upon an essential postulate of all social life, namely, the free collaboration of individuals in order to reach a goal of common interest? To escape the clutches of usurers who, even today, have not given up their tactics, interested persons were invited to group themselves, and lend each other financial help, on the basis of mutual confidence between the associates.

They secure the best interests of small savings

Faithful to their chief function, the People's Banks have been the destined instruments to collect savings and to assure their best utilisation, at the very place of collection, for the general profits of those who save. They are, thus, appreciated by a great number of people of modest means whose enterprises they support, by credit given with discretion, while, at the same time, guarding their capital from too serious risks. The monies which they dispose of, are, in fact, both the

means of existence and of indispensable labour to the associates. This money has been acquired by hard labour, and may not be used in risky, yet attractive, operations. It follows, therefore, that it should be used especially to consolidate the welfare of people upon whom, for the most part, rests the stability of social institutions and the moral value of the nation, and, who, at all times, have shown their fidelity to the country, the family and their religious faith.

Duties of administrators and of associates

Hence, it follows, that the duties of these banks cannot be too strongly stressed. Administrators must remember, that before all else, they are the managers of the common possessions of the associates. In this case, it is the good of all which must come first and go before all other considerations, such as, the ambition to obtain a brilliant financial success, or to arrogate to oneself, in the general economy of the country, a place of distinction. A healthy management in Credit Institutions must, above all, scrupulously respect all established rules which treat of legal provisions, the statutes particular to banks or the lessons learnt by experience.

As for the associates, a high moral and civic sense will keep them from seeking their own interests alone, while they move forward along the road towards a loyal and generous collaboration. They should put to good use the credit granted them, thus, justifying the confidence placed in them. The fruit of their labour will, then, become for the Bank both a means of further expansion and of making new progress.

Educative value of these Banks

Thanks to the principles they follow, these Banks exercise, moreover, an educative action of the highest importance. Do they not bring into evidence how the habit of thrift, and the proper restraint of consumption condition the movement of economic expansion? Instead of yielding to a desire of ease

and egotism, which is unconcerned about the future, in order to enjoy unhampered the present, the individual learns to plan his life in a thoughtful manner, in view of the solidarity which unites him to the members of the social community to which he belongs. In the choice of investments which these Banks operate, an important criterion should be consideration not only of technical, but also of moral capacity, and the spirit of enterprise and sacrifice of those to whom money is lent. Reciprocally, the agriculturalist and the industrialist certain to find the necessary financial backing for their activity, will draw from this conviction an overflow of energy and enterprise.

People's Banks and welfare services

The Welfare services, among other characteristics of these Banks, must be emphasized. Such services are of public utility, and generally help, in one way or the other, the economic and cultural development of the regions in which they are established. It seems to Us that by contributing a large part of their profits to educative activities which offer no perspective of immediate gain, but which aim, above all, at raising the intellectual and spiritual level of the people, your Banks realize, in an eminent manner, the purpose for which they have been founded. They, thus, confer a new dimension on the whole economy which, far from being an end in itself, must remain subordinated to a higher finality, namely, that of the human soul and the transcendental values of the human spirit.

(To members of the Eight International Congress of Peoples' Credit, July 1, 1956)

The importance of Insurance Institutions in modern economy

From recent disasters come, yet again, an illustration of the importance of Insurance, under various forms, in modern

economy. Commercial advantages and, especially that of maritime transport during the age of the sailing-ship, so full of risks, were the first to profit from the operation of institutions destined to reduce the cost of these risks. Despite the calculations of probabilities made by Pascal, and the mortality-tables constructed by the astronomer Halley, it was only towards the end of the 18th century that Insurance Firms thought of using these findings. Today insurance operations have grown to such a size, that all States have had to take strict and clear measures to control private insurance companies, in order to protect their citizens from possible errors and faults of insurance administrations. Persons interested in investing their savings in a contract to assure the needs of their old age, or that of their families, are not always capable of verifying, by themselves, the value of the guarantees offered them. Hence, this control, on the one hand, to encourage a truly praiseworthy desire to provide against family wants and social solidarity, and, on the other, to offer the maximum protection against the weakness of those who administer insurance policies.

The technique of Insurance Companies

The technique of Insurance Companies involves complicated problems of the actuarial science, the elements of which vary according to the evolution of social and economic conditions. Thus it is, that We find in your programme reports on contracts for the reduction of premiums on life insurance, and on the combination of life insurance with a lottery. You note that the life insurance contracts are more easily concluded when you have to deal with groups of persons, as for example, the members of a society or of an organisation, rather than when you deal with individual persons. While, on their side, the numerous associations do their best to obtain for their members financial advantages, such as a reduction of the premium. There is no doubt that, by seeing the practices carried out in various countries, you happily enrich your knowledge of

this subject. The other question, namely, the possibility of combining life insurance with a lottery, calls in question the very principle of insurance itself. You, rightly, ask yourself if such a procedure would not threaten the chief aim, namely, the foresight in favour of the aged and their dependants of life insurance.

The psychological factor in insurance

It belongs to man, so to order his life that he may be able to cope with circumstances of unexpected difficulties. Then, it is not only the material prosperity of the individual which is in question, but also the psychological reaction of his activity. In order to launch, with confidence, into favourable operations, but which do not exclude risks, man must be certain that he alone does not bear the consequences of possible failure, while his success will benefit the whole community. The normal progress of society, its harmony and prosperity, demand that this law of compensation be applied as rationally as is possible.

Interior stability comes from God alone

However legitimate may be the anxiety to secure the future, it is clear that, it is impossible to organize so perfect a system of foresight so that the results of accidents which befall man may be wiped out. Even if man were able to place his money-capital in relative security, he would never succeed in driving away from his soul, anxiety, sadness and the trials of the moral and emotional order. But, man, however, is even anxious to protect himself from that very personal sorrow, sometimes, so cruel, as when afflicted with the loss of a dear one and finally, he even seeks to free himself from unescapable death itself! But against all this there is no material protection. It is in the sphere of the spiritual, and beyond the perspective of the purely temporal that he must seek for the true remedy.

(To members of the Third International Conference of the Control Services of private insurance companies, Oct. 4, 1956)

Social Trends

The (West-) European Community

In Rome on the 25th, March 1957, were signed two treaties which by one of their authors were called the 'first step' towards a more complete integration of the (West-) European Community. The first has become known under the name of the *Common Market Treaty* that constitutes the *European Economic Community* consisting of West-Germany, Belgium, France, Italy, Luxembourg, The Netherlands, with a total population of 160 millions into an integrated whole so far as their economic activity is concerned. The second, called the *Euratom*, makes provisions for a common pool of nuclear energy. The treaties will become operative from Jan. 1st, 1958, if the parliaments of the respective countries ratify the decisions of their representatives. The parliament of West Germany has already done so. The membership has been left open to other countries and it is reported that both Spain and Portugal are likely to join the pact.

Both these treaties are the outcome of intense diplomatic activity, starting from the Messina Conference on June 1st and 2nd, 1955 when the ministers of Foreign Affairs of the six countries adopted a resolution stating that the time had come to establish a unified Europe by the development of common institutions, by a progressive fusion of the national economies, the creation of a common market and a common social policy. An inter-governmental committee was established under the chairmanship of Mr. Spaak in order to

work out the decisions. The sessions were held at Brussels and a final report was submitted to the different governments in April, 1956. One month later, in May, 1956, the foreign ministers convened at the Conference of Venice, in order to accept the report and to make in case of necessity a few secondary amendments and additions. This then led to the final draft of the treaties, which were drawn up after a long session between experts, heads of delegations and foreign ministers at Brussels from June 26th, 1956 till March 10th, 1957.

France

The role of France during the Venice Conference came as a surprise. Mr. Pineau made the acceptance of the Common Market Treaty conditional on a variety of stipulations: the equalization of social conditions (salaries, holidays, etc.) ; stress on the protection of agriculture and especially the inclusion of the overseas countries in the European Economic Community ; finally, the possibility of other countries joining the pact. This last condition has been interpreted as an underhand invitation to England whose partnership France is said to be desirous of with a certain nostalgia.

Common Market Treaty

The main objective of the Common Market Treaty seems to be the free circulation of products and, as a consequence of this, an equally free circulation of labour, capital and services. In order to achieve this purpose, the treaty includes a gradual suppression of the customs duties between the six countries in three stages: the first of 4 to 7 years duration ; the second

and third of 4 years duration each. This means that the Common Market will be achieved within a period of 12 to 15 years. As regards the customs duties: import customs will be reduced by 10% on Jan. 1st 1958, and by 25% at the end of the first period. A common commercial policy has to be drawn up in relation to the other countries and a common social legislation within the Economic Community. Strict rules are also to be set up to secure honest competition in the sphere of business and production.

Euratom

As regards the Euratom, the six countries intend to put up a common centre for nuclear research with a considerable budget ; an equally common agency for the supply of fissionable matter ; common factories, common laboratories and a European university for atomic science ; all this however according to the needs and the financial, economical and technical possibilities. To France alone has been granted the military use of atomic energy. This was one of the conditions put forward by M. Pineau at the Conference of Venice.

Administration

The administration has been planned as follows :

1. A Council of Ministers of Economic Affairs of the different countries, responsible to their respective national parliaments, (and not to the European Assembly).
2. The European Commission (9 members) : not an executive but a consultative body to the Council of Ministers.

3. The Court of Justice, in common with the European Coal and Steel Community.
4. The Parliamentary Assembly, also in common with the ECSC. (142 members chosen from among the national parliaments.)

Institutions

A few other institutions have been set up :

1. The European Bank of Investment : One thousand million dollars for European projects ; transformation of enterprises and their adaptation to the changing economic conditions and requirements ; equipment of the underdeveloped regions of the Community. (S. Italy).
2. A Social Fund : in case of conflicts arising from the new set-up and in spite of social legislation, this fund will be used to smooth away the difficulties of the transition period. It will bear 50% of the costs for the re-adaptation of the unemployed workers.
3. Association of the Overseas Territories : 581 million dollars will be sunk in an annuity during the first stage for social and economic projects in those countries (in addition to the ordinary budget of colonial affairs).

Evaluation

It has been pointed out that the Common Market Treaty has a clearly neo-liberal character (free circulation of labour, products, capital and transport). It cannot be denied however that it has been inspired by

a high social motive : the desire for a common social legislation tending to equalise the social status of all the members of the European Community at the highest standard of living prevailing today. On the other hand there is another motive compelling the Europeans to unite their forces. "The present world", writes B. Fournier in *Etudes*, March 1957 p. 387, "belongs to the large spaces : the U. S. A. and the Soviet Union. In between the two lies Europe divided, split up, a zone of depression. If Europe wishes to survive and find back its economic and political independence, there seems to be only one way out ; to unite itself, without losing anything of what constitutes its inherent richness ; its personality, made up both of great diversity and a common Christian heritage."

J. B.

BOOK REVIEWS

SARDAR PANIKKAR AND CHRISTIAN MISSIONS

by Fr. Jerome D'Souza S.J., published by Rev. Fr. R. Doraiswami S.J., St. Mary's, Dindigul, 1957, pp. 146, price Re. 1.

This book is a rejoinder to Sardar Panikkar's 'Asia and Western Dominance' which appeared some four years ago and aroused controversy over the aims and methods of missionary effort in Asia. As an Asian and an Indian, who has taken his share in shaping the Constitution of the country and representing it abroad at the U.N., Fr. D'Souza welcomes the independence of his country and the awakening of Asia. But while he shares with Panikkar a detestation for Western exploitation and injustice towards the Asian countries, he deplores the unauthorised and slashing generalisations of the Sardar when the latter tends to identify the expansionist aims of the European nationalities with Christian influence and characterises missionary effort as one more subtle instrument for the subjugation of Asia by the West. Panikkar's thesis is not a new one; it has been put forward by lesser publicists in India several years ago. But coming from Panikkar, who is held to be an impartial historian and has a world wide audience, the accusation has called for a clarification of this sadly misunderstood issue of missionary endeavour.

Fr. D'Souza's book is confined to refuting Panikkar's thesis regarding missionary activity. He first tries to analyse the reason for this deep seated pre-

judice in the mind of so well-read and sincere a man as the Sardar. He traces it to the hostile anti-Western climate in which Panikkar has been recently living, especially as Indian ambassador in Peking, to the many false sources he has consulted to boost his arguments, and to the disunity in Christianity itself, which has provided him with the best criticism of Catholic and Protestant missionary effort. He then explains the theological reasons for missionary effort and clearly distinguishes the essential Christian faith from its accidental veneer of European culture. He draws attention to the really humanitarian efforts of the missionaries and the cathartic influence of Christian ideas on the social fabric of Indian society.

This book makes interesting and enlightening reading. It is a calm, impartial and fair-minded diagnosis of a situation that has roused passion and prejudice in many Eastern minds. It throws much light on the real facts of the case, which have been sadly neglected not only by lesser historians but by great minds like that of Sardar Panikkar.

A. F.

FUNDAMENTALS OF SOCIOLOGY by P. Gisbert, Orient Longmans, 1957, Price Rs. 8, pp. 408.

This is a text-book for the Indian student of Sociology. It is well written and comprehensive. There is a wealth of quotation and references to classical sources and the most recent books on the subject that have been published abroad. One significant advantage of the work is the constant and careful introduction of Indian social material. This is difficult to find in books

written outside India and therefore makes the book of inestimable value to the Indian student, and contributes the main element of originality in the work.

But there is another element throughout the book that might cause some controversy. This is the author's philosophical perspective that leads to a very balanced evaluation of the various elements that form the material object of Sociology. The general tendency in books on Sociology is to regard and interpret social events and processes from a highly materialistic standpoint. The author's outlook is definitely spiritualist and this is as it should be and far more in accordance with the actual evolution of social forces.

A questioning attitude might still be adopted with regard to the methodology in writing books on Sociology. In treating of economic or state activity must the text book on Sociology be mainly descriptive of present trends or function as a mirror of comparative social change or social evolution? Recent books on Sociology seem to be rather descriptive than comparative and the author follows the prevailing fashion in the writing of his text. But this does not detract from the several good qualities of the book. It still remains one of the best text-books the Indian student and the general reader on Sociology with special reference to India can find on the market.

A. F.

"TRUTH SHALL PREVAIL" Reply to the Niyogi Committee. Pp. 276. Catholic Association of Bombay, 5 Convent Street, Bombay-1. Price: Rs. 2.50.

This reply to the notorious committee set up in Madhya Pradesh to find out what was wrong with missionary work among the tribals was prepared by a committee of educationists: A. Soares, G. X. Francis, W. Coelho, M. Ruthnaswamy, M. F. Colaco, M. Arokiaswamy, G. D. Pinto and M. Hermanns. They take up in turn and refute the Niyogi Committee's accusations and aspersions on various points. Conversions, background and sources of the Niyogi Report, political attitude, education, culture, social welfare, tribal institutions.

The work is a scholarly and thorough study of the various points and the style bears no trace of controversial acrimony. It is highly recommended to readers who want to approach the problem with unprejudiced minds. The attention of sociologists is called to the chapter of Fr. M. Hermanns, the Viennese anthropologist, who compares and contrasts Hindu and tribal societies, and has expanded his study in a separate booklet "Hinduism and Tribal Culture" (available at K. L. Fernandes, Bandra, Bombay 20).

A. Lahuri

HISTOIRE DU MOUVEMENT MUTUALISTE CHRETIEN EN BELGIQUE. By R. Rezsahazy. Paris, Erasme, 1956.

The present book was written on the occasion of the golden jubilee of the Christian Mutual Aid societies

in Belgium. The first were survivals of the corporatist system so flourishing under the pre-Revolution regime; they were copied right and left and build on a professional base which in course of time had to be broadened and born of private initiative always suspicious of any state interference, which down the years became necessary, particularly in after-war periods.

Even under the most recent legislation centred on obligatory insurance and social security, those Mutual Aid Societies like the trade-unions are not prepared to abdicate their liberty to the state and even volunteer to become the organs of social security. State aid is welcome, but freedom and autonomy must be maintained at all costs. This policy of subsidised liberty explains the pluralist character of the Belgian social organisations which, owing to historical reasons, have usually a denominational or political outlook. Mutual Aid societies are profitless associations which through periodical fees secure aid to their members, particularly against eventual risks and reverses: old age, sickness, fire, death, etc. They are federated on a regional and a national basis.

The author retails all the incidents of the growth of the Christian Mutual Aid Societies from the time they were organised under the National Alliance, which numbered 90,896 members in 1906 and reached a total of 403,169 active members with not less than 1,248,869 participating members in 1956 out of a population of some nine millions. A fair evidence which added to the trade-unions, co-operatives and other multiple social organisations bear witness to what free initiative can achieve.

A. Lahuri

Social Survey

Housing

Government has announced its decision to set up Housing Corporations in the States and a separate Department of Housing at the Centre. The Central office will be in charge of a Housing Commissioner who will be assisted by an adequate technical, administrative and financial staff. His task will be to see that schemes are expeditiously and efficiently carried out. State Governments will be urged to set up similar departments without delay.

It is expected that nearly Rs. 1,000 crores will be spent by the end of the Second Plan period. The Corporations will channel into housing schemes funds drawn from the private sector — banks, investment companies and other financial institutions — as well as funds from the Life Insurance Corporation, provident funds, etc. The Governments also will be asked to subsidize low-income group housing by allowing construction on Government land.

It is proposed to reconstruct houses in 500 villages during the current year, 1,500 in 1958-59, 3,000 in 1959-60 and 5,000 in the last year of the Second Plan.

Other features of the programme are: long-term interest bearing loans, repayable in annual instalments over a period of 20 years. The amount of the loan will not exceed 50 per cent of the cost of construction subject to a maximum of Rs. 1,500. The village house-holder will be required to contribute the other half.

At present the scheme will be confined to N.E.S. and Community Development blocks, with preference given to flood-affected areas.

Communists

The doings of Communists in various parts of the country seem to be having some influence on Congress party leadership. Sriman Narayan, the General Secretary of the Congress, after a tour of Kerala bluntly accused the Reds of spreading lawlessness in the State and undermining security and order. It is reported that certain remarks made by the Union President on Independence Day in Trivandrum this year have embarrassed the Party. The President not only commended the activities of the Communist Government but hoped that other States would try this experiment of co-existence between the Centre and State. Efforts are now made to show that the President did not mean what the words seem to convey at first sight. In the Lok Sabha the Finance Minister, Mr. T. T. Krishnamachari, in a hard hitting speech told the Communists that they were out to cause disorder and sabotage the Five Year Plan. The Home Minister too was quite plain in accusing the Communists for at least encouraging the recent threatened strike of Government employees. In a debate on Government's labour policy the Deputy Minister for Labour, Mr. Abid Ali, confounded the Reds by recalling some very unsavoury historical facts. The Kerala Education Bill has opened the eyes of a great many people. Unfortunately there are many in the country who are still blind. Among these there are a good many so called intellectuals who are only too eager to lend their support to the Comrades.

The new political party set up recently in Kashmir by a former member of the Kashmir Cabinet has received the blessing of the Communist Party of India. Mr. A. K. Gopalan went out of his way to pledge the support of the C. P. I. even before the new party was formally inaugurated. With the coming into power of Dr. Singh in Nepal the Communists there seem to have gone into hibernation. Straws in the wind!

Opposition Party

There is again talk of setting up a strong opposition party for the better working of democracy in India. All are agreed that a well organised party in opposition to the party in power is of prime importance if the democratic form of government we are wedded to is to be preserved and to grow. Rajaji, Jayaprakash Narayan and Minoo Masani have spoken recently both on the need and the urgency of it but no one seems to know how to go about it. Meanwhile the criticism levelled against the Congress only serves the purpose of making people more and more dissatisfied with the Governments, both Central and State. As the existing political parties in India, with the exception of the Communist Party of India, are languishing for lack of real dynamic leadership and a clear philosophy the Communists are making steady and rapid progress. A real opposition is taking shape and soon will be in a position to challenge effectively the ruling party. But unfortunately since the rising power does not believe in democracy it will serve not the purpose of preserving and expanding the democratic process but of eradicating it once and for all.

Insurance

The business transacted by the Life Insurance Corporation in 1956 dropped to Rs. 187.69 crores as against Rs. 238.30 crores in 1955 and Rs. 236.34 crores in 1954. Various reasons have been given for this disastrous drop in the year of nationalisation, such as the disorganisation caused by nationalisation, inadequacy of trained technical staff and so on. The figures for the first six months of 1957 show, however, that business is slowly picking up.

Independent observers, however, attribute other reasons for the sorry state. Government seems to have no clear policy. As pointed out by field workers and employees in Calcutta, the agents who used to secure a substantial portion of the business have been hard hit by various actions of the Corpora-

tion which have curtailed their emoluments and placed other restrictions. But as long as there are citizens to be taxed Government can venture on new fields for trying out nationalisation.

Agricultural Production

If figures given by Government of agricultural production in the country are to be relied upon, even with a generous deduction of ten per cent for error, the country seems to be well on the way to self-sufficiency. But the question is whether the figures are reliable. The prices of food stuffs have steadily risen during the past twelve months. Our imports have increased substantially. In spite of the assurances given by the Government spokesmen of plenty the prices do not show any sign of coming down. It is to the credit of the Government that prices have not gone up as high as some pessimists had expected.

More and more of our river valley projects are being put into commission and water is being made available for cultivation. But full use is not yet made of the facilities and hence the advantages derived are far below expectation. Both at the Centre and in the States there is an awareness that more attention must be paid to agriculture if the country is to make real progress. Funds which could have been utilised for other useful purposes are now diverted to purchasing of food stuffs from foreign countries thus depriving the country of much needed foreign exchange.

American Aid

Between 1947-57 American aid to India amounted to Rs. 476 crores, "by far the largest contribution to India's economic development under the Five Year Plan." The aid includes both private and public assistance in loans and grants. Nearly Rs. 190 crores have come through the United States Technical Co-operation Mission since 1952. The remainder has

come through other Governmental grants, loans in commodities, in voluntary contributions by private American organisations, and in assistance made available through Foundations.

(*Eastern Economist*)

Advertisements

The Government of India spent during 1956-57 the huge sum of Rs. 3,100,027 on advertisements to various newspapers in the country.

Macaroni

The Central Food Technological Research Institute, Mysore, has found a way of processing tapioca, the staple food of people in Kerala, into the form of a nutritious macaroni-like product. This tapioca macaroni is a balanced food and nutritionally superior to rice. The product contains 60 per cent tapioca, 25 per cent wheat suji and 15 per cent groundnut flour. It has 10 per cent protein content and is rich in vitamin B and minerals. It seems it takes only 10 minutes to cook and is easily digestible. Besides cutting down imports of food-stuff into the State it will also be a cheaper and more nutritious food. It sells at 20 naye paise per pound.

The Communist Government of Kerala is reported to be doing its best to popularise macaroni. Another country where macaroni is very popular is Italy, which incidentally has the largest Communist party outside Russia. It would be interesting to find out what connection macaroni has to Communism!

The First Plan

The "Review of the First Five Year Plan" recently published brings out clearly the great progress made in various fields by planned economy. The First Plan was only an initial step. Even so it has succeeded in rousing the interest of the people in the progress of the country.

The First Five Year Plan, as finally formulated in 1952, proposed a total outlay of Rs. 2,069 crores but had to be raised later to Rs. 2,378 crores. How much has been spent on the Plan is not known yet. Nearly Rs. 1500 crores were spent by 1954-55.

During the First Plan period the national income increased by about 17.5 per cent. The per capita income over the Plan period recorded an increase of 10.5 per cent.

Agricultural production showed distinct improvement. The output of food grains in 1955-56 at 64.8 million tons was nearly 11 million tons above the production level of 1949-50, which was the base year for this purpose. The output of other agricultural commodities also showed marked improvement. The index of agricultural production (1949-50 — 100) rose from 95.6 in 1950-51 to 114.3 in 1953-54, and 116.4 in 1954-55. In 1955-56 there was a slight decline. Altogether the index of agricultural production by the end of Plan period was about 19 per cent higher than in the year preceding the Plan. Agricultural production was not uniform in all the States. While in some there was marked progress in others, however, there was real decline. All the progress could not however be attributed to the Plan as during the Plan period, rainfall being good and other factors favourable, there were bumper crops year after year.

Various measures were adopted to improve food production. Chief among these are financial aid to States to start irrigation projects, land reclamation on a vast scale, providing irrigation facilities through canals and tubewells, supply of fertilizers and improved seeds.

Much progress has been also made in ancillary industries such as dairying, fruit growing and animal husbandry.

Rs. 569 crores or 29% of the total outlay of the Plan was spent on irrigation and power projects. From major and minor irrigation projects water is available for 6.3 million acres. Some 4 million acres are actually being irrigated. The output of power has gone up from 2.3 million Kws to 3.4 million Kws. Most of the power projects will be fully commissioned only during the Second Plan period. Facilities available for irrigation, however, are not yet fully utilised thus wasting a lot of national wealth.

One of the most significant achievements of the First Plan is the Community and N.E.S. block project for the improvement of rural areas. 140,000 village situated in 988 development blocks, comprising a population of 77.5 million persons have been brought under the scheme. Only about Rs. 46 crores out of the Rs. 90 crores allotted for the Community Projects and N.E.S. blocks were spent. There was lack of enthusiasm in certain quarters to make the scheme a success. Dearth of properly trained personnel also affected the progress adversely.

During the Plan period industrial production made substantial progress. The production of capital goods increased by about 70 per cent. The production of intermediate goods, mainly industrial raw materials, increased by about 34 per cent. The overall increase of industrial production was about 38 per cent.

Production of mill-made cloth increased from 3,718 million yards in 1950-51 to 5,102 million yards in 1955-56. During the same period cement production increased from 2.7 million tons to 4.6 million tons. Several new products like typewriters, alternators, penicillin, etc., were manufactured for the first time in the country. A number of smaller industries e.g., bicycle manufacturing, plastics, chemicals, etc., showed remarkable increase in production. (*Economic Review*).

The Second Plan is making satisfactory progress in spite of the financial difficulties it has run into. Some sort of pruning might have to be done but the main projects will be successfully completed.

F. C. R.

Industrial Labour

The Government of India proposes to amend the Industrial Disputes (Central) Rules to eliminate delays and thus expedite the settlement of labour disputes at the adjudication stage. Experience has shown that delays occur generally not at the conciliation stage, which is the first step in the process of settlement of industrial disputes, but at the stage of adjudication which follows when conciliation fails. While the main cause of the delays in the industrial tribunals and courts is procedural, the frequent requests for adjournments by the parties to a dispute have also contributed largely to the delays. The draft amendments drawn up by the Union Ministry of Labour and Employment provide that the Labour Court or Tribunal should not ordinarily grant an adjournment for a period exceeding a week at a time and not more than three adjournments in all at the instance of any one of the parties to the dispute. Also hearing of appeals should be normally continued from day to day and arguments should follow immediately after the closing of evidence.

To eliminate procedural delays, the amending rule provides that when the Central Government refers any industrial dispute for adjudication to a Labour Court or Tribunal it should send the copy of the statement of demands to the opposite party concerned in the dispute. Within two weeks of the receipt of the statement of demands, the opposite party should file its rejoinder with the Labour Court or the Tribunal and at the same time forward a copy to the other party.

Moreover the conciliation officer will not only have to be merely informed about the dispute, but also be presented with a statement of demands.

National Productivity Council

A National Productivity Council is soon to be set up with the purpose of achieving increased production by improved techniques, proper utilisation of various resources, raising the standard of living of the people and improving the working conditions of labour. Already in Bombay there is a productivity centre functioning in co-operation with the I.L.O. This centre will become the executive arm of the National Productivity Council. National organisations of employers and workers and Government employees will be represented on the Council in equal proportion. Representatives of associations of technicians, professional consultants, research workers, as well as other interests like small industries will be co-opted on the Council.

Strikes

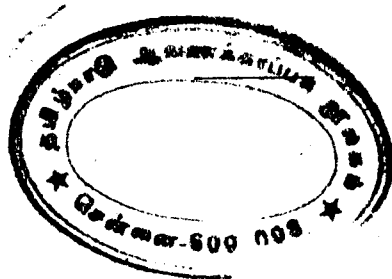
The country has been suffering from a spate of strikes in recent months. The Post and Telegraph Workers threatened to stop work last August and the strike was broken by the announcement of a Government ordinance that the Post and Telegraphs were essential services. Though the Ordinance was never signed by the President, the threat was sufficient to send the employees back to work. But, as far as can be gauged from the demands put forward by the various unions, the causes of the strike were mainly economic. There was a general complaint that prices were rising and that wages should therefore keep in step with prices. The workers maintained that during the first five year plan they had loyally co-operated to make the plan a success and had not asked for a rise in wages. But it was now time for them to share in the prosperity brought about by the plan.

During the month of September, municipal and hospital workers in Bombay and bankmen in Calcutta have been on strike. Increased wages are the essential demand. The Municipal workers in Bombay wanted 50% of the dearness

allowance to be merged with their basic pay. They have succeeded in getting what they wanted and the strike was called off. Nothing so far has been decided about the hospital workers or the bankmen.

Gramdan

There is every likelihood of the closer co-operation between the Gramdan movement of Acharya Vinoba Bhave and the Community Project Development schemes. In so far as it is essentially non-violent and voluntary, the Gramdan movement fits naturally into the traditional social and religious outlook of the Indian peasant. It has been fairly successful in some parts of South India and the Government is beginning to take a greater interest in the scheme. The Community Projects have not perhaps tackled the peasant from the right angle and though much money has been spent, a large proportion of it has been wasted. Gramdan does provide the typically Indian traditional outlook which can make the whole idea of Community development more appealing and arouse the peasant to co-operate enthusiastically in his own uplift.



PRACTICAL CITIZENSHIP

by C. C. Clump

THIRD EDITION, REVISED AND EXPANDED
A Course of Civics and Practical Citizenship
Training for Rural and Urban
Secondary Schools.

200 pages

Rs. 1.75 plus postage

THE CITIZEN AND THE STATE

by A. Fonseca

Third (revised) Edition

Prescribed as a text-book on Civics for all Military Schools. Also contains a detailed survey of Indian Administration, suited to the needs of the general reader seeking for a clear and simple outline of the social problem and its solution.

231 pages

Rs. 2.50 plus postage

SOCIAL INSTITUTE

ST. VINCENT'S STREET

POONA 1

2-
110 REGD. NO. M-5988

SOCIAL ACTION

Social Action is a monthly devoted to social problems, and is under the direction of the I. I. S. O.

The Editorial Board do not necessarily endorse the individual views of contributors.

The yearly subscription is Rs. 6 or 10 s., or \$ 2.

Manuscripts, subscriptions, advertisements and remittances should be addressed to *The Manager, Social Action, St. Vincent's Street, POONA 1.*

The Manager does not take any responsibility for any Manuscript that may be lost. Manuscripts offered for publication should be accompanied by a stamped addressed envelope to secure their return in case they are not accepted.

Cheques if not drafted on a Poona Bank should cover the clearing commission.

V. P. P. charges are extra.

Inland Money Orders or International Money Orders are the best means of payment.

INDIAN INSTITUTE OF SOCIAL ORDER

AIMS AND OBJECTS

1. To spread the social teachings of the Catholic Church.
2. To provide theoretical and practical training for social workers.
3. To serve as a centre of information about social works.

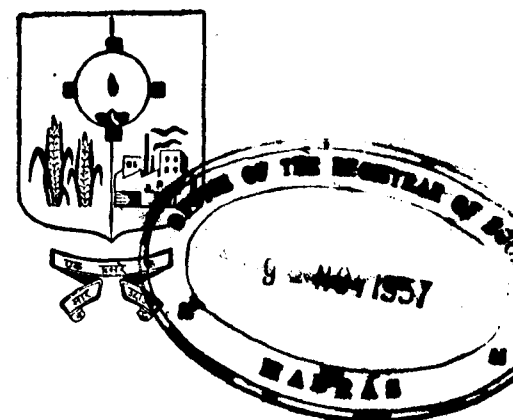
PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

Edited by A. FONSECA, INDIAN INSTITUTE OF SOCIAL ORDER, Poona 1.

Printed and published by M. A. Thamburaj, De Nobili Press, De Nobili Press P. O., (Madurai Dt.).

SOCIAL ACTION



NOVEMBER 1957

Ancillary Industries

Juvenile Delinquency

Society and the Farmer

Indian Labour Conference

Re. 0-62

Just out of press:

SARDAR PANIKKAR AND CHRISTIAN MISSIONS

By Fr. Jerome D'Souza S.J.

Price Re. 1. (Postage extra)

Published by:

Fr. R. Doraiswami S.J.

St. Mary's, Dindigul.

Also available at the Social Institute, Poona.

TRUTH SHALL PREVAIL

A reply to the Niyogi Committee.

Price : Rs. 2. 50

Send your order to:

CATHOLIC ASSOCIATION OF BOMBAY
5, CONVENT STREET
BOMBAY 1.

SOCIAL ACTION

VOL. 7 NO. 11

NOVEMBER 1957

THIS SIDE AND THAT	A. L.	457
ANCILLARY INDUSTRIES	F. RYAN	461
JUVENILE DELINQUENCY	T. D'SOUZA	468
DOCUMENTATION		479
BOOK-REVIEWS		484
SOCIAL TRENDS	A. F.	493
SOCIAL SURVEY	F. C. R.	499

This Side and That

Gramdan

The Conference at Yelwal (Mysore) where Vinoba Bhave met the stalwart leaders of political parties revealed the tremendous possibilities of private initiative for social reform. The frail pedestrian ascetic offered the State the 3,000 villages he was donated in his gramdan movement, all of them acquired by his persuasive non-violent spirit. Officials and politicians expressed due appreciation of this donation, unique in world-history. Even the Communists who were present joined in the general praise of this private initiative, though possibly more out of a sense of ever-ready opportunism than out of consistency with their statolatric principles. Premier Nehru did not miss the occasion of restating the basic ideas of democracy: the gifts of land and of villages had to be purely voluntary, and any individual peasant could opt out of the co-operative farm.

Thus was the Conference at Yelwal a triumph for the fundamentals of the present Government; indi-

vidual freedom is to be respected, even at the economic level, and official intervention is called for only when and where private initiative is found to fail. Is not this fully in consonance with the principle of moralists that the State should be a factor subsidiary to civic and economic freedom?

On the other hand, no one should expect that the gramdan and cooperative movements will have plain sailing in the sea of multifarious interests which often conflict in social and economic life. At a subsequent conference of Bhoodan workers, it was agreed that gramdan will accept only such villages where at least seventy-five per cent of the villagers are agreeable. Hence the difficult task of the Bhoodan volunteers who have to argue with truthful promises, urge with restrained emotion, and persuade with sweet reasonableness, not only with the full-girthed proprietors, but with the poor peasant who is possibly still more sensitive about his little possessions.

Re-definition

A recent circular of the Congress Party had the merit of re-defining Socialism in the very words of Mr. Nehru. A socialist order of society, we were told, does not mean collectivisation or government monopoly of employment. "Socialism is a method of production, distribution and general development. Socialism is not a question of merely equalising everybody.... The whole conception is the use of higher techniques for production of wealth. Otherwise there is only general poverty. The normal apparatus of our life is capitalistic. The public sector is growing but, however big it be-

comes, it does not mean socialism. We have adopted a policy of encouraging both public and private sectors. Socialism is a product of society whose productivity had increased. When new wealth was being produced, the question arose why this increased production should not be distributed equitably." Nor should it be expected that the introduction of higher techniques should be in advance of the preparedness of the country. Even Lenin had taken to his New Economic Policy because his country was not prepared for "a more advanced step". On the other hand, is not the role of the State being enlarged even in the U. S. A. which is the classical land of private enterprise, and did not President Eisenhower recently declare: "The aim of fostering higher standards of living has become a central concern of Governments everywhere and of the international community?" "We must have growth that does not endanger stability; we must have stability that does not throttle growth."

Such pragmatic proposals on a democratic background should go a long way to tranquillize metaphysicians who crave for a comprehensive and well-adjusted system of ethical principles and conclusions.

Private enterprise

What is vital is the rehabilitation of the masses to which social workers devote the best of their time. Community projects, national extension blocs, co-operative organisation find their chief merit in the desire and hope of self-improvement which they arouse among the economically backward people. Equally useful would be the measures suggested by the Small-Scale

Industries : re-definition of small-scale units so as to cover concerns with a capital of under five lakhs and with a fifty-man labour force per shift, low rates for allotted credit. All such facilities bolster up timid business talent and may develop the many ancillary units which normally will surround our large-scale manufactures.

The importance of private enterprise in India calls for much greater publicity than it has been accorded, and its success when compared with the public sector needs emphasis. Possibly certain foibles in our foreign policy lead outsiders to suspect our final aims, as if the Congress government were bent on wholesale nationalisation and allergic to a climate of private enterprise. This largely explains the difficulties our pilgrims meet as they go the round of the temples of Mammon in the West.

Moreover historians are not slow in pointing out the lessons of experience. Government dominance and monopoly in economic life always occurred at periods of national decline, in Egypt and China during the fourteenth and fifteenth centuries B.C., in the Greek cities a thousand years later, in the Roman Empire during the Byzantine period. They recurred at all times of absolute or totalitarian regimes.

Government economic initiative and monopoly are not signs of national health ; at best they deserve the subdued welcome accorded to medicines.

Ancillary Industries

The practice of political democracy makes one grow conscious of economic democracy and the great need of a similar system of equality, common purpose and mutual responsibility in the sphere of Industry as is already at work in the area of the State. The Laissez Faire ideology placed absolute power in the hands of the owner-manager of the factory or the firm. But the growth of the trade unions and the two world wars have brought about a great change in labour management relationships. There is definitely a major trend towards equality of status in the industrial firm and the sense of common purpose and mutual responsibility is growing. But in this process, it is not only the powers and functions of labour and management that matter. Another important aspect is the material structure of industry. The Second Five Year Plan has mapped out an industrial pattern that envisages not only a public and a private sector, but also the establishment of a vast number of small scale industries scattered all the country to serve the needs of the larger industries.

Why Decentralization

These small industries are meant to provide the base for an essentially decentralised industrial and economic structure of society that will provide employment for the maximum number of people. In an economy which wants to guard itself against the evil effects of heavy concentrations of industry and the resultant human and economic problems, the small-scale sector can play a vital role complementary to the

large scale sector. In fact their production programmes can be so arranged that they not only dove-tail into each other, but also mutually strengthen and sustain each other for the common benefit of the nation's economy and of the social order.

Japan's Example

Regarding decentralized industries we can benefit from the experience of countries like Japan and Switzerland which have evolved a pattern of mutual inter dependence between the large-scale and small-scale sectors whereby small industries have developed to a very large extent as ancillaries to heavy industries. In those countries there are only a few small industries which are completely independent of large-scale industries in their process of production or in their relation with the market. The majority of them either manufacture parts required by large-scale industries or manufacture finished products with the articles produced by large-scale industries.

The small industrial units of Japan are primarily contracting industries of the bigger enterprises, manufacturing parts or goods for them on a contract or a sub-contract. The degree of dependence of some of the heavy industries on the small contracting industries of Japan can be gauged from the following figures :-

<i>Industries</i>	<i>Degree of Dependence</i>
Automobiles	62% (of the total cost)
Rolling Stock	77% " "
Ship Building	70% " "
Textile Machinery	34% " "

" The greater the diversification of process of manufacture in any industry, the greater is the dependence of the larger units on the smaller contracting industries. And the larger the number of parts and accessories to be manufactured, the greater is the number of contracting industries. For instance, in Japan three automobile manufacturing units have 394 contracting industries and six wire communication equipment units have 237 attached smaller units. The contracting industries in turn often give sub-contracts to still smaller units, thus forming a pyramid with one large industry at the apex".

The large size industries of Japan generally manufacture only those parts requiring a good deal of precision, whereas the parts that are comparatively easier to manufacture, are obtained from the ancillary small industries.

Advantages of Decentralization

The pattern of inter-dependence of the heavy and small industries yields the following distinct advantages.

- (a) The larger industries need not make big investments on plant and machinery, because in the sub-contracting system that has been described above the capital investment gets dispersed among the ancillary enterprises.
- (b) The smaller industries do not face the problem of marketing as the larger industries are their ready market, and therefore they can pay more attention to the improvement of the quality of their products.

- (c) In order to secure parts of good quality the heavy industries may give technical guidance to the contracting small industries. In some cases the heavy industries may also be in a position to give financial aid to the small units.
- (d) It is common knowledge that the manufacturing costs of small industries is often comparatively less on account of lower wages and overhead charges. The system of distributing the work among feeder industries, therefore, enables heavy industries to manufacture at lower cost, thus affording them greater margin for competition in the markets at home and abroad.
- (e) In the small scale sector the labour relations are usually cordial due to the personal touch of the Management with its Labour. Therefore the heavy industries that depend on smaller units can avoid loss in production that may occur in them due to labour troubles.
- (f) Above all, there is the most important advantage of the system of mutual interdependence of big and small industries which furnishes greater employment potential.

During the past four or five decades, with the growth of mechanised large-size centralised industries, the importance of small scale and cottage industries has declined in many countries and the number of men employed in the latter sector is much lower than what it was before centralized industries came to be developed. Workers employed in this sector have to some extent been absorbed in large-scale industries; but

many workers have also been thrown out of employment. Some of these countries have managed to divert considerable portions of the displaced labour from one economic activity to another by starting public works.

In this country, however, the number involved is so large that such a simple solution is not adequate. We have to provide employment over a period of ten years — for about 15 million persons who, according to the Ex-Finance Minister of the Government of India, are unemployed today, *i.e.* we have to find jobs for 15 lakhs of people every year. This does not take into account the millions who are under-employed in our agriculture and in our cottage industries. This is yet another aspect which should induce us to prefer the decentralized form of industrial production.

Government effort to decentralise industries

The evils of concentration and the advantages of decentralization have not failed to attract the attention of the Government of India. In fact, the Government is actively engaged in the pursuit of encouraging new industries on a decentralized pattern and wherever possible even trying to decentralise the existing ones. In February, 1955 the Ministry of Commerce and Industry set up the National Small Industries Corporation to assist small scale units in the country. The Government Purchase Division of this organisation has been making systematic efforts in finding ways and means of developing small units as ancillary units to big industrial enterprises. Their method is of two parts. The first part deals with the development, wherever possible, of a large number of small units around

big units as regular suppliers of components to the latter. The second part covers such commodities for which there is an ample demand in the country from big industrial units.

If the first part of the scheme is to succeed it is essential that large units should enter into long term contracts with small units assuring the latter of a minimum annual offtake at pre-determined prices. Such a contract will enable the smaller units to function economically and efficiently. The corporation has successfully persuaded some of the large scale industries in the country to enter into such contracts with smaller units and quite a number of large units have accepted the scheme in principle and are negotiating with smaller units.

Messrs. Sen-Raleigh Industries of India Ltd., Calcutta, for example, have prepared detailed schemes for the establishment of eight small ancillary units for manufacturing some of the components required by them. Messrs. Premier Automobiles Ltd., Bombay has accepted the scheme in principle and the decision of its Board of Directors is awaited.

As for the second part of the scheme, the Corporation has requested the small Industries Service Institutes set up by the Government of India to use their influence and obtain agreements from large units falling within the private sector to order as many requirements of their industry as possible from small units.

The procedure is that the Small Industries Service Institutes should request the large units to supply them with a list of items required by them along with their specifications and drawings. The Service Institutes will in turn recommend to them a list of small units that are capable of manufacturing the parts required by them. Large units will be requested to send enquiries for the supply of items of small units recommended by the Institutes and at the same time let the Institutes know about the action taken. It is expected that the large units will normally give preference in the matter of placing contracts with those units recommended by the Institutes.

This part of the scheme also is gradually becoming popular. For instance, in Bombay Messrs. National Machinery Manufacturers Ltd., have placed a trial order with small units recommended by the Director of Small Industries Service Institute for certain articles required by them. Again, Messrs. Union Co. Ltd., Madras, have placed a trial order for certain components for foot and hand pumps with small-scale industrial units recommended by the Director of Small Industries Service Institute of the Southern Region.

It is hoped that such assistance and co-operation, born of a desire to realise the benefits both to large and small-scale units and to the national economy will be forthcoming in increasing measure and create a spurt of industrial activity for its future prosperity.

Juvenile Delinquency

It is difficult to give any off-hand definition of Juvenile Delinquency. In the legal sense a delinquent child is one who is brought to a juvenile court for any action or conduct considered to be detrimental to the public interests. It is in this legal sense that juvenile delinquency is generally defined. But all the children brought before the juvenile courts are certainly not the only ones who should be classified as delinquents. There are probably a large number of children whose wrong doings do not fall within the competence of the Courts. But are these children therefore not to be considered as delinquents and treated for delinquency? Perhaps the difficulty arises from the fact that there is no single universally accepted definition of juvenile delinquency. In many cases, delinquency means different things to different writers. Yet one may suggest that a broad enough definition of delinquency should include every kind of immoral and anti-social behaviour of children between the ages of twelve and seventeen, behaviour that is regarded as prejudicial not to public interests alone, but also to the child himself, and occasionally both to the child and society at large.

In her book on 'The Child and His Welfare', Hazel Fredericksen believes that the delinquent behaviour of the child consists in the 'violation of State law, and acts or conduct likely to endanger the morals or health of the child himself or others; such as running away from home, being beyond the control of parents or guardians, being found in questionable places, or as-

sociating with immoral persons.'¹ From this description one can gauge that delinquency is concerned with a variety of offences peculiar to the circumstances that accompany the dependency of childhood and normally covers such behaviour as would be condoned in the adult but which is found to be reprehensible in the child.

The actions of the delinquent may be light or serious; they may differ not only in degree, but in kind; and delinquents may be found among both boys and girls.

Delinquent Behaviour

A few examples of delinquent behaviour may help to clarify the subject still further. Sunder is a young boy of twelve, smart, active and intelligent, but fond of stealing books from his classmates, or cycles and spare parts of parked cars when he gets the chance. Often he enters residences and shops with the intention of lifting articles. He may also be a member of an organized gang of boys who indulge in stealing, causing damage to property, tampering with the rail-roads, or cutting electric wires, all for the fun of it. Sunder and his fellow gangsters are to be classified as delinquents. Besides these acts which might land them in the juvenile court, Sunder and his friends also indulge in smoking and gambling to assert their independence and their simulated adulthood.

Asha is a pretty looking girl of fourteen, very fond of fashions and amusements. She is habituated to steal

¹ Hazel Fredericksen, *The Child and His Welfare*, pg. 127.

trinkets and other apparel to look fashionable. She may run away from home in search of entertainment and amusements and in all probability because of the hectic life she leads, there is every danger of her degenerating into a sex delinquent or even growing up into a prostitute.

These instances are commonplace and typical, and they are found all the world over. Juvenile delinquency therefore poses a serious challenge not only in one country, but everywhere. It is fraught with grave and dangerous consequences; timely preventive checks therefore seem to be very necessary to halt the march of this social malaise.

Causes

There are several causes of juvenile delinquency. Physical, mental, economic or social factors may work either jointly or separately to produce delinquent behaviour. Normally, however, for the sake of orderly classification, the causes of juvenile delinquency may be attributed to

- (a) factors within the individual like his needs, conflicts and frustrations,
- (b) environmental factors like economic and social ills — poverty, inadequate housing, broken homes, lack of parental authority, over-strict discipline, lowering of moral values, weakening of religious influence in the family, etc.

Both these types of causative factors tend to create fear and anxiety in the child who desperately seeks

an opportunity to escape from them through delinquent behaviour.

Modern writers on delinquency like Hazel Fredericksen and John Watson lay great emphasis on the good influence of family surroundings for preserving the child from the danger of delinquency. Thus Fredericksen maintains that the delinquent is primarily "the neglected, unloved, emotionally deprived child".² And John Watson in his book 'The Child and the Magistrate' writes: "the basic cause (of delinquency) is lack of unity and happiness in the family. Nothing more than this can be so utterly destructive to the moral fibre of the child who falls its victim".³

Naturally, the child, still emotionally immature, still keenly sensitive to love and sympathy, still dependent on the appreciation of its parents in regard to its behaviour, reacts harshly to the deprivation of such an environment which it instinctively seeks. The child thinks and feels it is not wanted. Healy and Bronner having carefully analysed delinquent behaviour have come to the conclusion that delinquents having experienced these feelings of inadequacy or inferiority try to bolster up their 'ego' and indulge in "substitute compensatory satisfactions through delinquent activities".⁴ Their attitude is one of protest and defiance and it is the adult parent who has miserably failed in his duty to provide his children with the

² Hazel Fredericksen, *The Child and His Welfare*, pg. 129.

³ John A. F. Watson, *The Child and the Magistrate*, pg. 31.

⁴ Healy and Bronner, *New Light on Delinquency and its Treatment*, pg. 133.

love, care, security and proper training that is so essential for the child's growth and development that is to blame. It is quite obvious that because of his deprivations and insecure position in the family in which he is born and lives, he is unable to make the necessary personal adjustments to society and conform to social norms. He becomes therefore "a fugitive from the social and moral code which he has spurned with the scornful unconcern of a rebel but without the rebel's steadfastness of purpose." Pope Pius XI in his encyclical on the Christian Education of Youth clearly states the responsibility of parents or guardians in the proper up-bringing of children. He says there are "three necessary societies into which man is born—family, civil society and the Church, and as St. Thomas exhorts, we should not only be concerned with the generation of offspring but also with their development to perfection." The one to blame for the rise of delinquency seems to be really the adult and not the child, who is exposed by his irresponsible parents to so many dangerous situations in his early years, when he is still immature and weak.

It must be further remembered that the group age, psychologically speaking, is the most interesting period of the child's life. Before he passes into the adolescent stage, he tends to become highly socialized. He develops new loyalties outside his family circle and joins groups of his own age. Although the gang spirit is more characteristic of boys than girls, both sexes show an intense gang spirit for sensational things. Since the gang spirit makes its appearance a little before the onset of puberty, it is the responsibility of the parents

or guardians to care for the proper training of the child's social instinct. It is at this stage that children seek recognition or desire the approval of others, and if this is denied them, they form themselves into gangs to satisfy this need. The Nazi Movement in Hitlerite Germany and the R. S. S. Movement in our own country gained such momentum precisely because they catered to the satisfaction of these natural instincts both in children and in adolescents.⁵

Delinquency in India

As has been observed, delinquency is a disease that assails the whole world and our country is no exception to the rule. But what is most appalling in India is that delinquency is on the increase as is clearly shown in the tables below. It is shocking to find that within the short space of five years the number of delinquents has more than doubled. Moreover there are signs of a further deterioration in the situation unless timely checks are exercised.

Apart from the general causes mentioned above, some of the prevalent and pertinent causes of delinquency in India have been ascribed to the change in the family life brought about by the slow disappearance of the joint family system, the increasing urbanization and the consequent urban-rural conflicts in the minds of the newly arrived villagers in the towns, the quick growth of industrialisation, the after-effects of the Second World War, and the incidental developments

⁵ Dipika, Vol. II, 2, Social Influences on Personality, by the author.

which followed in the wake of the struggle for independence.

Among the most common offences of the delinquents in this country, pick-pocketing, snatching of jewellery and ornaments, wandering in the streets at night, boot-legging in the States where Prohibition is enforced, gambling and looting are very high. Railway godowns and big stations have repeatedly been the scenes of delinquent activities.

Table I⁶

Report of the Ministry of Education, 1950

Offences committed by 40,119 children

(37,040 boys & 3,079 girls)

<i>Nature of offence</i>	<i>Number of children</i>	<i>Percentage</i>
Against property	13,568	33.8
Against State	5,853	14.6
Against person	3,016	7.5
Against morality	1,098	2.7
Vagrancy	4,984	12.5
Other offences	11,600	28.9

⁶ Social Welfare in India, Govt. of India Publication, 1955.

Table II⁷
Total Juvenile Arrests (1948 -- 54)

<i>State</i>	<i>Arrests</i>
Bombay	23,198
Madras	19,146
Bombay City	15,344
Calcutta City	8,476
Andhra	3,976
Madhya Pradesh	3,416
Saurashtra	2,662
Punjab (East)	2,406
West Bengal	1,931
Delhi	1,517
Other responding States **	4,319

The Process of Rehabilitation and Reform

In dealing with Juvenile Delinquency we are at once confronted with two major problems:

- (a) of preventing children from turning into delinquents, and
- (b) of reforming those who have already become delinquents.

⁷ A Report on Juvenile Delinquency in India, published by the Children's Aid Society, Bombay, 1956, pg. 203.

** The other responding States are Orissa, Hyderabad, Madhya Bharat, Mysore, Pepsu, Rajasthan, Travancore-Cochin, Ajmer, Vindhya Pradesh, and Hyderabad City.

It has been the experience of juvenile courts and other social agencies dealing with child welfare that the traditional methods of correction by meting out corporal punishment are not too congenial to the climate in which the child should be reared, and it has been realised that despite punishment many children continue to indulge in delinquent activities. Our method of approach therefore should be as Michael Kaye says, "the neglected, exploited and ill-treated children should be given care and protection before they become offenders, and the juvenile offenders should not so much be punished as given that care, protection and treatment for lack of which they become offensive"⁸. It is unwise to impose strict rules and rigid discipline on the unhappy, defiant and unwholesome child. The child becomes unruly and is likely to develop a negativistic attitude. The child should be treated for his welfare by imparting adequate training and education. We must help the delinquent child to achieve satisfying relationships with himself and with society.

Prevention

The prevention of delinquency necessitates proper study of causal factors. Surroundings with evil influences must be removed or changed and healthy ones substituted. In the words of Brooks, "bad companion-shop, poor recreational facilities, bad home conditions, excessive street life, and low moral tone of a community need to be replaced by the corresponding desirable conditions," and again, "such a programme requires vastly increased provision for parks, playgrounds,

⁸ Michael Kaye, *Child Welfare outside the School*, pg. 203.

athletic fields, gymnasiums, and other recreational facilities, all competently directed and controlled and readily accessible to those who need them."⁹ It is quite true that individuals do not suddenly become delinquents. Their conduct is shaped and their activities are influenced to a large extent by their surroundings. First the home and then the community should provide the child with the surroundings that can healthily influence him, and in which he can experience satisfaction of success rather than of constant irritation; if this is done, delinquency is bound at least to decrease, if not rooted out completely. It is very encouraging to note that the Central and the State Governments in this country have accepted the challenge of juvenile delinquency and are appointing committees of experts to go into the problem and evolve a machinery that will help to eradicate the disease.

Treatment

A delinquent, as has been observed, is an unhappy, dispirited, emotionally starved, and socially boycotted child. It seems but natural that the treatment for such a child should be one of redemption rather than rigid penalties or severe punishment. The delinquent, it must be remembered, has a salvage value; he has not yet become a confirmed criminal or a vicious evil-minded adult, though he is on the path to such a career by his acts of incipient lawlessness. Our attitude therefore should be one of sympathy and kindness towards the delinquent with a view to reclaiming him. He must be made to understand his needs, conflicts, frustrations and his non-conformist behaviour.

⁹ F. D. Brooks, *The Psychology of Adolescence*, pg. 616.

It is the responsibility of society to view the delinquent as a sick individual and attend carefully to his malaise. It would be wrong "for society to hurt the individual simply because he has hurt society".¹⁰ Instead all possible welfare resources both private and public should be used to reform him and rehabilitate him. It is a fundamental postulate that every child has the right to good physical, mental and spiritual development, and it is only through such a development that the child of today will become the citizen of tomorrow and be able effectively to play his role in the life of the state and among his fellowmen.

T. D'Souza

¹⁰ Michael Kaye, *Child Welfare outside the School*, pg. 204.

Documentation

SOCIETY AND THE FARMER

(Extracts from an address by Pope XII to members of the Congress of International Movements of Catholic Agricultural and Rural Youth, at Nimegen, Holland, on August 2, 1956)

The obligations of society towards rural peoples

It is not Our business to define the particular provisions that society ought to adopt in order to fulfil its obligations of coming to the assistance of rural peoples. Nevertheless, it seems to Us that the aims pursued by your Confederation are in accordance with the duties which society has towards you.

Such are, for example, the wider diffusion of agricultural ownership and its productive development: the placing of farmers who are not property owners in the position of salaried employees working under contract with an income sufficient to insure their stability on the lands cultivated by them, and to facilitate their rise to full property rights, preserving, of course, the regard due to productivity, to the rights of the owners and above all to their investments; encouraging them with concrete assistance to improve their method of cultivating the soil and their patrimony of livestock in such a way that it will increase their income as well as the prosperity of the nation; by promoting in their favour those forms of assistance and insurance which are common among other groups of labourers, but administered according to the special conditions of the farmer; promoting the technical training, especially of young men, in keeping with modern and rational methods, which are in continual progress; and, finally taking pains to remove the acute difference between agricultural and industrial income, which is the cause of the abandonment of the countryside to the great disadvantage of an economy which in a country like yours, is based in large part upon agricultural production.

Now, while you put forward these demands to the nation, you must not forget your obligation not to ask for them without taking account of what the nation can actually do, nor with the impatience of those who regard the State as the mere servant of individuals or of particular classes. All this, the spirit and the letter of Catholic social doctrine teaches you, which doctrine you have adopted as the rule of your association, and to which your directors intend to hold fast in their efforts to improve your conditions.

Duties of the farmer: co-operation with God, nature and technique

It is commonly said that "nature does everything" in the fields. This is true if one attributes to the marvellous power of nature the miracle of germination, growth and maturity, which no power or art of man can reproduce or replace. But nature waits to be assisted and directed by the intelligence and hands of men in unfolding its almost unlimited energy to the advantage of mankind. The work of the farmer, therefore, is a kind of co-operation with the creative work of God and is thus a source of great honour to Him Who accomplishes it. Now, the more this co-operation shows itself to be intelligent, assiduous and vigilant, the more prompt will nature be to make a generous response to human effort.

You are aware that modern science has discovered and is constantly opening up new methods of reinforcing man's collaboration with nature, with a view to exploiting its resources more intelligently. It is necessary that you should know, study and apply the methods suggested by science. This implies the abandonment of primitive systems of trial and error, which constitute not only a waste of human energy, but a serious loss of results, the more deplorable where, as is the case among you, the land is inadequate for the number of its inhabitants. The farmer of today can no longer be satisfied with so-called patriarchal methods; he must

acquire technical knowledge of his profession, and with confidence allow himself to be guided by those who recognise in agriculture a science and an art. Above all, the young must be encouraged to acquire a modern professional training, by being provided with the time and means for it.

Farmers must help the progress of national economy

The life of a farmer, being somewhat isolated, might lead you to think that you are strangers to the real work of the nation, and also, perhaps, as being in a position inferior to that of other citizens. There could be no greater mistake. The agricultural community, especially in Italy, has been and is the very basis of the national life, whether one considers its important contribution in the economic sphere, or the wholesomeness, vigour and sound morality by which it is distinguished. Italian rural families have always given and still give to the nation not less than to the Church countless saints and famous scientists, artists, political leaders and patriots; thus demonstrating that they still continue to be the good sap of a mighty tree.

Persevere in this splendid tradition; be convinced, moreover, that your ordinary contribution to social life consists in improving the output of your labour, in being careful not to be led astray by the disruptive forces that are desirous of drawing you into their orbit, and in taking an active interest, by means of sound political activity, in seeing to it that the community at the centre as well as in the periphery, is guided and ruled by men who are honest by every test.

Farmers must cultivate a deep spiritual life

It is commonly said the farmer is nearer to God because he assists, as it were, hour by hour, in the marvels of God's providence. However, it may happen that the farmer's un-

ending work, lack of facilities, and even distance from the church prevent the religious seed planted in his heart from germinating and ripening into the fruits of instruction, of religious practices and of genuine sanctity, for even this is quite possible.

For her part the Church has never neglected this chosen portion of Christ's flock, but has sent zealous priests to establish themselves in the rural districts and to attend to their spiritual needs. In contrast to the early ages of Christianity, the rural population has remained, down to our own day, a sort of depository of the genuine Christian tradition. But at present the new conditions of rural life have raised not a few problems, spiritual as well as material; their solution must be taken to heart not only by the priest but also by the farmer, and the entire community of citizens.

Now what is your prime duty in all this? Keep yourselves in close contact with your priests. God became visible in His only-begotten Son, Who, in His turn, continues to "dwell among us" in the eternal priesthood of the Church. The priest is the way to Christ, the dispenser of the means of sanctification, and authoritative herald of the Gospel of Christ. If you are docile to his teachings, his advice, his invitations, you will find in him pastures of salvation for the soul athirst for truth and grace, and in your daily labours you will find him a father and a brother solicitous for your true good.

The attraction of the City

And here we should like to add a special word to the young people who are so frequently tempted to abandon the countryside by a deceptive dream of an easier life in the cities.

The echoes, dear young people, that come to you from the large cities, by means of the press, the radio, the television

and the cinema, have a tendency to obscure your vision of reality. Quite different is the life described in the glow of diverting artifice from the actual everyday existence in the city. The law of compensation holds in every respect when you compare the advantages of urban life with those of the country. The high wages in the city are decimated by the easy opportunity of spending; the spectacular amusements are not worth the loss of serene hours spent in a peaceful family circle; nor do abundant conveniences compensate one for the loss of independence, of health, of security for the future, which are the prerogatives of life in the country.

The praise which has always and everywhere been bestowed upon country life is not without foundation. In any case it will depend upon your own wisdom to make the right choice; but if you feel that you must change your occupation, take care not to base your choice on glittering and empty appearances.

BOOK REVIEWS

REPORT OF THE STUDY GROUP ON WORKER PARTICIPATION IN MANAGEMENT, 1957.
Published by the Manager of Publications,
New Delhi. pp. 117, price not stated.

The dearth of literature on the conditions and the prospects of the Indian worker is slowly been filled by the production of expert reports published by the Government of India on various aspects of the workers' life at home, in the factory and in the union. The report on Worker Participation in Management is one more valuable addition in this respect. One might express a feeling of disappointment with the report in general, because over three quarters of the report is devoted to describing and evaluating worker participation in management in the various countries of Europe that the Committee toured. The few remaining pages contain the recommendations of the study team.

Of course this had to be expected since the team was sent abroad to study conditions in foreign countries so as to suggest how a scheme of worker participation could be implemented at home. The study might have been more valuable had the team concentrated their attention on conditions in Indian Industry too. However the recommendations have been accepted by the recent Indian Labour Conference which proves that the employers are ready to consult their workers at least on certain important aspects of management policy in the factory. Such co-operation between management and labour is heartily to be commended.

The recommendations stress the necessity of willing co-operation from both sides, management and labour. It is felt that the attitudes of the lower grades of management, such as junior managers, supervisors, foremen, etc. will need to be transformed from those of mistrust, suspicion and authoritarianism to those of sympathy, trust and equality. To help create such attitudes both management and the unions need to be educated sufficiently in their peculiar roles of working together as a team for the good of the industry and the country.

While trade unions will still retain their importance for negotiating issues between the worker and the manager, consultative machinery will have to be set up at all levels in the factory with the active consent and assistance of the unions. Nor should there be any blurring of their respective functions. But the spirit of co-operation must infuse all these institutions, so that they can work harmoniously to the benefit of all. On the other hand, the Report emphasises that the initiative for joint consultation should come from management, because though formal machinery may be imposed by law, the actual successful working of the scheme will depend greatly on the readiness of management to accept to consult their men. There are already worker-directors on boards of management in the nationalised industries, but it is preferable that growth should come from below and gradually creep up to the topmost levels.

The Report describes the functions of the Consultative Councils in detail, but one of the members, a

trade union leader, Mr. Michael John, did not agree with some of them and thought subjects like alterations in Standing Orders, and proposals for rationalisation should be settled across the bargaining table.

Beyond these general suggestions, the Study Group did not venture to go further into the matter for reasons that are obvious, since there is very little joint consultation taking place in India. Most of the Works' Committees are moribund, and exist merely because of the requirements of the law. But one does feel that the Study Group might have also investigated in much greater detail the possibilities of setting up consultative machinery in specified factories in the country, or at least chalked out a workable programme for the introduction of the machinery. Consisting as it did of employers, trade union leaders and Government officials, it was quite competent to do so.

A. F.

REPORT ON WORKERS' EDUCATION, March, 1957.

Published by the Manager of Publications,
New Delhi.

Through the publication of this report, Workers' Education in this country will now receive much greater attention both by the Unions as well as by the educational authorities. The Report mainly consists of the recommendations of the expert team, four Indians and four foreign members. The recommendations are spelt out in detail and cover the entire field of workers' education.

One must distinguish between Workers' Education and Adult Education in general. The mind of the team seems to be to restrict Workers' Education to the knowledge every worker must have about the meaning and purpose of trade unionism, its objectives, and the methods to be used for achieving them. He must know why he must join a trade union, and what are his rights and duties as a trade unionist. A strong, united, free and responsible trade union movement in this country will only develop when workers become conscious of their trade unions, know how to run them and realise their responsibilities to the trade union, the industry and the consumer.

The Report therefore suggests the formation of a central committee consisting of representatives from trade union, educational institutions, government and employers, to administer the programme, allocate funds, arrange for the provision of educational materials, establish standards for teachers and programmes, etc. Of course besides this central committee there will also be regional and local committees where needed or wherever there is a demand. All industrial workers, whether literate or illiterate, trade union member or not, will be eligible for training. Normally they will have to apply for the training courses through their unions. The courses will be of various kinds to suit the needs of each strata within the trade union. Thus there will be short seven day courses for rank and file members, longer courses going up to three months for trade union officials, and seminars for trade union leaders. Suitable material for the courses, like films, posters, simple pamphlets, etc. will have to be

prepared and supplied. Most of the teaching will have to be done by trained teacher administrators assisted by simple teachers, chosen from among the union members, or the service of specialists from the Universities and the government will be obtained for specific subjects, like labour economics, or labour law. Finally the scheme is to be financed initially by the Central Government and later by the Unions in conjunction with management, who will grant the trainees leave of absence with pay.

While the recommendations no doubt are excellent and have been accepted *in toto* by the Indian Labour Conference, the report would have added much to our knowledge of Indian Trade Unions, had the team published their findings during their tour through the industrial centres in the country. Only a brief summary of the cities and towns they stopped at and the persons they interviewed is contained in the report. Perhaps the time of two months at their disposal was too short to produce an ampler report.

A. F.

REPORT ON LABOUR-MANAGEMENT CONSULTATION AND CO-OPERATION IN THE TATA IRON AND STEEL COMPANY, Published by the Labour Bureau, Ministry of Labour, Government of India. pp.69, price Rs. 1.50 or 2 sh. 3 d.

This report is the result of an investigation undertaken by Shri R. V. Mathai, Research Officer of the Labour Bureau of the Central Government and Shri Gurbachan Singh, an Economic Investigator in the same Bureau, into the conditions of labour-manage-

ment consultation and co-operation in TISCO. The lines of their investigating study was planned by a special editorial board consisting of Shri Michael John, the President of the TISCO union, Shri S. C. Joshi, Director of Personnel in TISCO and Shri N. K. Adyanathaya, Director of the Labour Bureau, Simla. However the report is practically the work of Shri R. V. Mathai.

Why has there been industrial peace in the Tata Iron and Steel Company for many years now? What are the reasons? To discover these causes is the main objective of the Report. It is maintained that industrial peace flows from good wages and satisfactory conditions of work. And the Report outlines in detail the manner in which wages are paid and the various kinds of bonus given to the employees. While the basic wage forms some 40% of the total wage, and the allowances, bonus and the incentives the remainder, the basic wage as such is not so high. Unskilled and semi-skilled workers are paid about Rs. 30 to Rs. 40 a month as basic wage. When all over the country there is a demand for the merger of the basic wage with the Dearness Allowance, one wonders why the TISCO Workers Union has never broached the question to Management. On the other hand, there is no doubt that the Tatas are generous employers, and that may explain part of the secret of their long tradition of peace in TISCO.

Side by side with the description of the Wages and Conditions of Work, there is an analysis of the committees between labour and management for joint

consultation in several spheres. But no attempt has been made to investigate how they have been running in actual fact. The mere absence of strikes does not prove that these various committees are functioning successfully. The report lacks an edge of criticism that is so necessary when making a social investigation of this sort. Things in TISCO seem to be too perfect to be true in this defective world of ours.

Near TISCO is TELCO which is run by the same management as TISCO. But wage conditions in TELCO are by no means as liberal as TISCO. Yet the workers of TELCO have been organised and cared for by the same Union leaders as those of TISCO. Despite this fact, industrial relations in TELCO are anything but satisfactory. Suppose the conditions in TISCO were transferred to TELCO, would the situation change?

One can only conclude that the Report is more descriptive than analytic and that it has not really uncovered the secret of the good relations between labour and management in TISCO. Some of the reasons like good wages and working conditions have been underlined, but no study has been conducted into the attitudes of the union members towards the union and management, nor has there been any attempt at discovering the psychological factors at play in the relationships between the men and their supervisors on the job. This would be a task too vast for one man to perform, but the results of such a study would be exceedingly valuable. In India very little work of this kind has been done, and it is rather expensive.

All the same work of this type would be much more useful and far more appreciated.

A. F.

HOW DID KERALA TURN RED ? by Fr. Vadakkan, published by the Anti-Communist Front, Trichur, pg. 66, price 50 nP.

This Malayalam booklet is a reprint of a series of articles which the Anti-Communist Front leader, Fr. Vadakkan, contributed to his organization's daily paper "Worker" on the causes that led to the Communist victory in the last general election in Kerala. He lists three main causes: the Communist Party's organizational strength and skilful propaganda as the champions of the have-nots; the common man's loss of faith in the non-Communist parties and the respectability won by the Russian and Chinese Governments by India's friendly relations with them. The major part of the book is devoted to fourteen causes that brought about the Congress Party's downfall. Father Vadakkan's analysis is searching and the leaders of Kerala would do well to ponder over them if they love freedom and the democratic method.

But Fr. Vadakkan's answer to his initial question "How is it that 35% votes won a majority of seats and 65% only a minority?" does not seem to be fully satisfactory. The real answer to this is our unsatisfactory electoral system. An example will make this clear. Consider a small eleven member assembly formed from eleven constituencies of eleven voters each. Six members will form the majority in the as-

sembly with just 36 votes or 30% of votes, while 70% will get only 5 seats. This defect can be remedied only by some kind of proportional representation as in most West European countries. The best propaganda for the Communists in Kerala was the Anglo-American support of aggression in Kashmir in the Security Council and the malicious and insulting press campaign against India and Indian statesmen.

A. E. Makil

"I am convinced of the importance of the growth of village industries in India, but I am equally convinced that they can only grow if they use the highest techniques available to them."

Pandit Nehru

Social Trends

Indian Labour Conference

The 15th Session of the Indian Labour Conference which was held in Delhi last July continued the tripartite traditional pattern that has been set over the years. Government, employers and employees were represented at the Conference. Among the employees, the leaders of the four largest federations of the trade unions in the country were present. Besides the Central Minister of Labour, Shri G. L. Nanda, who presided over the session, several other State Ministers attended the session, and some of the representatives of the various employers, federations of India.

It was generally reported in the press that there was a large amount of agreement among the three parties at the end of the Conference. This is a good indication of the fact that there is a wide area of agreement between labour and management and that where Government plays the role that is really its own, viz. to control, guide, encourage private initiative, both peace and progress in industry is possible. On the other hand, since Government today is the largest employer in India, it has to set a good example as a model employer. But to play a dual role of this sort is not easy, and that may be one reason to explain the continuous unrest among Government employees, and the complaint about the rigidity of their service rules.

Besides accepting the reports on Workers' Participation in Management and on Workers' Education,

there were four important topics that were brought up for discussion. In the first place, there was the question of wages. Production during the First Five Year Plan had risen by 17%, and the workers therefore felt that they must be given their share of the increase in the shape of higher wages. Moreover prices of essential commodities were rising and in view of this fact, wage increases were absolutely necessary.

The Conference was of the opinion that while the Minimum Wage was 'need-based' and should ensure the minimum human needs of the industrial worker, certain norms should be accepted as a guide by all wage fixing authorities. These were that in calculating the minimum wage, the standard working class family should be taken to comprise three consumption units per single male wage earner, that the minimum food requirements should be calculated on the basis of the net intake of calories as prescribed by Dr. Akroyd for the average Indian adult of moderate activity, that clothing to be consumed should be 18 yds per annum per capita, that the house rent must also be considered, and that fuel, lighting and other items of expenditure should constitute 20% of the total minimum wage. Wage Boards on the tripartite model are to be established for each industry so as to prescribe the minimum wage and see whether 'Fair Wages' according to the industry's capacity to pay cannot also be calculated.

Discipline

Another important subject that came up for discussion was the question of discipline in industry. A

code of discipline to be observed both by employers and employees was drawn up. This code embraced the following principles :

1. There should be no strike or lockout without notice.
2. No unilateral action should be taken in connection with any industrial matter.
3. There should be no recourse to go-slow tactics.
4. No deliberate damage should be caused to a plant or property.
5. Acts of violence, intimidation, coercion or instigation should not be resorted to.
6. The existing machinery for settlement of disputes should be utilised.
7. Awards and agreements should be speedily implemented.
8. Any action which disturbs cordial industrial relations should be avoided.

The Conference felt there was need to clarify certain matters like defining 'unfair labour practices', fixing time limits for the speedy settlement of industrial disputes, achieving uniformity in wages and service conditions in the same industry in a particular area. Moreover sufficient publicity would have to be given to the principles of discipline and their voluntary observance secured from both employers and employees. The function of dealing with matters relating to discipline should be part of the duties of the Works Committee at the unit level.

Rationalisation

The question of rationalisation was sought to be amicably settled by management and labour through mutual agreement and the application and observance of certain principles. In the first place, it was thought essential that rationalisation which did not serve the real economic interest in the present conditions of the country should be avoided. Even where such schemes have been started, they should be stopped. In the next place if rationalisation was judged necessary, there should be no retrenchment or loss of earnings of the existing employees. There should also be equitable sharing of benefits of rationalisation between the employer, the employee and the community. Lastly there should be proper assessment of work loads by experts mutually acceptable to management and the unions, and suitable improvements in working conditions.

It was also agreed that while the company could plan out a scheme of rationalisation, it should give between three weeks and three months notice of the change to the union or unions concerned. The notice should contain full information about the proposed change and its implications for the workers in regard to their duties and their possible earnings, and also the reduction in the number of jobs. The employer and the employees will then meet to discuss the proposal, and within a week after the discussion, the union will have to present its views to the employer. In case of agreement between the two parties, the employer will then be free to introduce the change. If there are

differences, the matter will be referred to an arbitrator or for adjudication.

Subsidized Industrial Housing

On this problem, some advanced solutions were accepted by the Conference. In order to overcome the difficulty of rising cost and non-availability of land, steps will be taken by Government to freeze land prices at a suitable level and thus make land available for construction under the Industrial Housing scheme. Government should guarantee the necessary supplies of building materials required. Each State Government should have a Housing Department dealing with all aspects of housing in an integrated manner, so that the housing schemes for workers and other low-income groups could be effectively implemented. The quantum of financial assistance to employers is to be raised from 62½% to 75%, i.e. 50% loan plus 25% subsidy, and guarantees from Scheduled banks and Co-operative banks may be accepted as alternative security in lieu of execution of agreements and mortgage deeds.

It was further agreed that State Governments should be permitted to sell part of the developed land for which the Central Government advanced loans at low rates of interest, to employers and co-operatives on a no-profit-no-loss basis for the construction of houses under the subsidized Industrial Housing Scheme. When these schemes are located far from the place of work, transport should be provided.

Employers should provide at least a reasonable number of houses for their workers, and the Housing Departments of the State Governments should organise housing co-operative movements. The State Governments have already been permitted by the Central Government to allot houses built under the Subsidized Industrial Housing Scheme to workers on a Hire Purchase basis. If some of the workers preferred to own the houses straight away, they could be permitted to withdraw their contribution of 25% from their accumulations under the Employees' Provident Funds Account.

Finally it was agreed that the present arrangement of providing 50% of the cost of housing as loan and 25% as subsidy should be changed to 60% loan and 30% subsidy in the case of workers' co-operatives.

A. F.

Social Survey

Bright Students

The Rajasthan Government has decided to start a College the admission to which will be strictly restricted to students who score at least 50% of the marks at the High School or Intermediate examinations.

The reason for this venture is that as all colleges are overpopulated, the brighter boys are lost in the crowd and do not get the individual attention they deserve. The college will provide facilities only for about 400 students.

With the brighter boys gone the duller ones may have better opportunities in other colleges. The reaction of the teaching staff to the new venture is not yet known!

Kerala Schools

As the number of schools in Kerala seem to vary with the political views of the speaker or writer we shall give here some figures taken from Yojana, a Central Government publication.

There are 9,389 schools in which 2,608,823 pupils are studying. Of these 5,898 schools are run by private agencies both Hindu and Christian which are together educating 1,457,639 students. Thus, almost 65 per cent of the schools in Kerala are privately-managed. They receive State aid covering the salaries of teachers.

Seventy five per cent of her men and fifty five per cent of her women are literate. Other States of India together account for a literacy rate of just 18 per cent. Nine out of every ten school-age children in Kerala are attending classes.

All these figures go to show that as far as education is concerned Kerala is far ahead of any other State in India. These figures also show that if literacy is so high in the State the credit goes in great part to private agencies which have

been running educational institutions of all categories. Further by implication these figures also show that the purpose of the Educational Bill sponsored by the Communist Government has ulterior motives. The plain truth is that the Government's only aim is to gain control over education and through education over the minds of the young. All else is mere eyewash.

Land Reforms

One of the objectives of the Second Five Year Plan is the overhauling of the land tenure system in India. All the States have been asked to bring their land laws up-to-date by introducing such reforms as are necessary to make them conform to a socialistic pattern of Society. There will be ceilings on holdings, there will be distribution of land to the landless and there will be special taxes on agricultural wealth.

The Kerala Government has issued orders for the assignment of Government lands to the landless and indigent families in the State. The lands will be assigned on registry.

In urban areas each family will be allotted 25 cents and in rural areas twice that amount. Land reclaimed from forest areas will also be made available for resettling landless families.

The assignees will be required to pay a small sum of money for plots allotted to them. These plots may not be alienated by them.

A Bill will be introduced in the next session of the State Assembly which will contain Government proposals for land reforms. A keener contest than the one for the Educational Bill is expected. All parties combined to fight the Government against Educational Bill but, it is feared that many joined in not because they were against the provisions of the Bill but it was an opportunity to topple the Government. But as land reforms will hit personally quite a few who have some power in the State the fight will be more earnest.

Already, long before the publication of the Bill, a delegation has gone to Delhi to acquaint the authorities there of the things to come.

School Teacher

A very interesting decision was given recently by the State Industrial Court, Nagpur. It decided that a school falls within the definition of the term "industry" but a teacher of the school does not fall within the definition of the term "employee", under the C. P. and Berar Industrial Disputes Settlement Act, 1947.

The services of a teacher employed in the Yugantar High School, Nagpur, were terminated. He applied to the District Industrial Court to get the order declared discriminatory, unfair and illegal. The Court held that the running of a school was an industry and that the action taken against the teacher was unfair and mala fide. It also held that the teacher was not an employee and the court, therefore, had no jurisdiction to entertain the application. The application was, therefore, dismissed.

The teacher went on appeal to the State Industrial Court. This tribunal acting on the precedents set up by the Bombay High Court and the Supreme Court of India in giving a wide definition to the term "industry" and looking to the wide terms in which the word "industry" has been defined in the Act held that a school would be covered by the definition of the term "industry".

In dealing with the issue whether a teacher could be deemed to be an employee the Tribunal was mainly guided by the definition of the term in the C. P. and Berar Industrial Disputes Settlement Act, 1947 and the decision of the Labour Appellate Tribunal as well as the other Tribunals under the Central Industrial Disputes Act. Under the C. P. and Berar Act an "employee" is defined as a person employed to do skilled or unskilled, manual or clerical work for hire or reward. On behalf of the teacher it was argued that since

the school fell within the definition of "industry" a person employed therein should be treated as an employee. The Court, however, refused to accept these arguments. It observed: "No body can be considered an employee unless he does skilled or unskilled, manual or clerical work for hire or reward. Whether those who do writing work can be considered as clerks or officers would be a question to be determined on the nature of the work and the degree of responsibility. But certainly the work of teachers is not merely confined to writing work." The appeal was dismissed. (Labour Gazette 1957, p. 165).

It would be interesting to know what a higher court would have to say if the teacher were to appeal further. It sounds a little queer to say that the school is an industry while the teacher is not an employee.

Gramdan

The total number of Gramdan villages up to August 1957 was 2,932 which included 1,847 in Orissa, 301 in Kerala, 237 in Bombay, 223 in Madras, 77 in Assam, 75 in Andhra, 12 in U. P., 8 in West Bengal, 97 in Bihar, 26 in M. P., 15 in Mysore and 14 in Rajasthan.

Domicile

The Home Minister of the Union Government has introduced in the Lok Sabha a Bill called the Public Employment (Requirement as to Residence) Bill which seeks to regulate the requirement as to residence in regard to certain classes of public employment in certain areas.

Clause (2) of article 16 of the Constitution provides *inter alia*, that no citizen shall, on grounds only of residence be ineligible for, or discriminated against, in respect of, any employment or office under the State. Parliament is however, competent under clause (3) of the said article to regulate the extent to which it would be permissible for a State to depart from the above principle.

The States Reorganisation Commission had recommended that if any departure from the principle of non-discrimination on the ground of residence is to be authorised at all, it should be such as to cause minimum hardship.

The Government stated last year that it did not consider it desirable to impose any restrictions for any public employment and that it was proposed to repeal all the laws in force prescribing any requirement as to residence for any public employment. It was further stated that certain exceptions might have to be made in respect of certain areas. The present Bill seeks to give effect to this decision.

Section 2 of the Bill gives the main provision of the proposed legislation. It reads:

"Upon commencement of this Act, any law then in force in any State or Union territory by virtue of clause (b) of article 35 of the Constitution prescribing, in regard to a class or classes of employment or appointment to an office under the Government of, or any local or other authority within, that State or Union territory, any requirement as to residence herein prior to such employment or appointment shall cease to have effect and is hereby repealed."

In section 3 the Government reserves to itself power to make exceptions to certain areas viz. Himachal Pradesh, Manipur, Tripura and Telengana.

Nurses

A Bill to amend the Indian Nursing Council Act, 1947 has been introduced in the Lok Sabha by the Minister for Health, Mr. D. P. Karmarkar. The reasons for the proposed amendment are the following:

1. to make certain changes in the constitution of the Council with a view to increase the number of members;
2. to facilitate the registration of Indian citizens holding foreign qualifications and the temporary registration of foreign nurses who are engaged as nurses or teachers or

administrators in hospitals or institutions in India, even though there are no reciprocal arrangements for the recognition of Indian qualifications with the Nurses' Registration Councils in the countries where they are trained or registered ;

3. to empower the Central Government to amend the Schedule listing recognised qualifications ;
4. to provide for the maintenance of an All India Register of nurses.

This Act will apply to the whole of India except the State of Jammu and Kashmir.

Certain clauses of section 3 of the present Act have been amended with a view to increase the number of members of the Council.

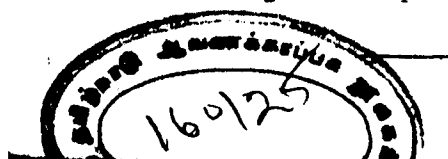
In section 11 two notable additions will be made. The first provision makes it possible for nurses possessing foreign qualifications to be registered in any State.

The second provision deals with foreign nurses. It reads :

" (b) a person not being a citizen of India who is employed as a nurse, midwife, auxiliary nurse-midwife, teacher or administrator in any hospital or institution situated in any State for purposes of teaching, research or charitable work may, with the approval of the President of the Council, be enrolled temporarily in the State register for such period as may be specified in this behalf in the order issued by the said President ; provided that practice by such person shall be limited to the hospital or institution to which he or she is attached."

This provision will be a great boon to many foreign nurses who have volunteered for medical relief work in India. Most of them are attached to rural hospitals. Hitherto some of the States did not recognise their qualifications.

F. C. R.



PRACTICAL CITIZENSHIP

by C. C. Clump

THIRD EDITION, REVISED AND EXPANDED
A Course of Civics and Practical Citizenship
Training for Rural and Urban
Secondary Schools.

200 pages

Rs. 1.75 plus postage

THE CITIZEN AND THE STATE

by A. Fonseca

Third (revised) Edition

Prescribed as a text-book on Civics for all Military Schools. Also contains a detailed survey of Indian Administration, suited to the needs of the general reader seeking for a clear and simple outline of the social problem and its solution.

231 pages

Rs. 2.50 plus postage

SOCIAL INSTITUTE

ST. VINCENT'S STREET

P O O N A 1

REGD. NO. M-5998

SOCIAL ACTION

Social Action is a monthly devoted to social problems, and is under the direction of the I. I. S. O.

The Editorial Board do not necessarily endorse the individual views of contributors.

The yearly subscription is Rs. 6 or 10 s., or \$ 2.

Manuscripts, subscriptions, advertisements and remittances should be addressed to *The Manager, Social Action, St. Vincent's Street, POONA 1.*

The Manager does not take any responsibility for a Manuscript that may be lost. Manuscripts offered for publication should be accompanied by a stamped addressed envelope to secure their return in case they are not accepted.

Cheques if not drafted on a Poona Bank should cover the clearing commission.

V. P. P. charges are extra.

Inland Money Orders or International Money Orders are the best means of payment.

INDIAN INSTITUTE OF SOCIAL ORDER

AIMS AND OBJECTS

1. To spread the social teachings of the Catholic Church.
2. To provide theoretical and practical training for social workers.
3. To serve as a centre of information about social work.

PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

Edited by A. FONSECA, INDIAN INSTITUTE OF SOCIAL ORDER, Poona 1

Printed and published by M. A. Thamburaj, De Nobili Press,
De Nobili Press P. O., (Madurai Dt.).