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Distribution of Income in India

by

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The pattern of income distribution in a country can reveal much if it could be obtained with some degree of reliability. But it is not available in a ready made form in the published official statistics of the country. All the same, there is a premonition that some significant changes have occurred in income distribution since World War II. One obvious factor which has prompted this fear is the wartime inflation and its after effects. In an inflationary situation certain groups in the economy benefit at the cost of the others. They are generally the larger agricultural producers in the rural sector and the business classes among the urban population; whereas those with fixed incomes who constitute the middle class in urban areas and the landless labourers in the rural areas suffer deterioration in their economic position. Such a tendency would accentuate the existing inequalities in the distribution of income. To counteract such a tendency there should simultaneously exist in the economy measures directed towards a deliberate policy of development through planning. In India during these crucial years since the war there have been such measures, as, for instance, the changes in fiscal policy since the war and the commencement of the era of Planning since 1951. Some research into the counteracting tendencies of these opposing forces may therefore be worthwhile.

Urban Incomes

The Taxation Enquiry Commission considered the problem of distribution of the total assessed income among the various sectors of the economy and gave a few important findings. The chief among them were that the trading concerns predominated the urban sector and their share in the total assessed income of persons with incomes above Rs. 50,000 a year increased at the cost of those with incomes below Rs. 25,000 a year since 1940-41.

The table below gives the changes in distribution during the period 1940-1959. The data as given by the Taxation Enquiry Commission have been brought up-to-date for purposes of comparison.

TABLE I

Distribution of Income assessed according to source of income (Rs. crores)

Sources	Total Assessed Income			
	1940-41	1948-49	1952-53	1958-59
Salaries	65·20 (30%)	130·36 (22%)	167·14 (23%)	255·34 (22%)
Interest on Securities	6·59	14·33	23·54	13·55
Property	13·51	21·45	32·09	38·86
Business (including Companies)	104·99 (49%)	344·67 (59%)	416·12 (57%)	679·84 (57%)
Other Sources (including dividends)	24·46	74·13	90·71	196·26
Total	214·75	584·94	729·60	1183·85

Source: Report of the Taxation Enquiry Commission, Vol. II, (1953-54).

This obviously refers to a very small portion of the income accruing in the country, as the total income assessed in India forms only about 1/10 of the national income. The proportion has increased from 6·76% in 1948-49 to 7·43% in 1952-53. It stood at 10·13% in 1958-59. It could be noticed that there was a significant fall in the proportion of 'Salaries' to the total assessed income, from 30% in 1940-41 to 22% in 1948-49. During the same period business incomes rose from 49 to 59%. A slight reversal of this trend may be noticed in 1952-53. In 1958-59 there has not been any significant change in the proportion of the business incomes, though the proportion of 'salaries' has declined. The obvious conclusion emerging from this data is that the tendency has been towards greater inequality in the distribution of incomes.

Further scrutiny of the data may be necessary to determine the exact degree of inequality and the period during which it is manifesting itself. A comparison of the size distribution of the income between the two years 1940-41 and 1949-50 may be made, as they mark the end of the pre-Plan period. The coverage of the study will be co-extensive with the income-tax revenue statistics published in the country. The assessed income during this period rose by 173%; the absolute figures being Rs. 215 crores and Rs. 587 crores respectively for the two years. As against this increase in the total income there was an increase of only 23% in the number of assessees. This by itself is an indicator of the tendency of the concentration of incomes in the latter year. Further evidence of it may be produced by estimating the proportion of the total income received by different interpercentile groups. The following table gives the pattern of distribution of assessed income before tax among specified groups:

TABLE II

Interpercentile Group	*1940*	*1949*	*Difference*
Top 1 per cent	32	39	+7
Second to fifth per cent	13	16	+3
Sixth to tenth per cent	9	7	−2
Eleventh to twentieth per cent	12	11	−1
Twentieth to fiftieth per cent	19	15	−4
Fifty-first to hundredth per cent	15	12	−3

It may be noticed that the top 1% of the income units received 32% of the total assessed income in 1940. Their share increased to 39% in 1949. There was generally a redistribution in favour of the top layers as compared with the layers in the bottom of the table, indicating a trend towards greater inequality. The concentration of as large a proportion as 39% of the total assessed income among the top 1% of the income units is disquieting.

But the period between 1940 and 1950 is also one during which considerable changes in the tax structure took place. The incidence of these direct taxes was heavy on the higher income groups and it reduced considerably the concentration of incomes.

The following table gives an idea of the changes in the structure of rates in 1949-50 as compared with 1940-41.

TABLE III

Total income Rs.	1940-41	1949-50 On wholly earned income	1949-50 On wholly unearned income
3,000	2·5	..	..
5,000	3·6	2·3	3·3
10,000	6·0	4·9	7·1
25,000	11·9	14·7	19·7
50,000	19·8	30·5	36·7
100,000	28.2	48·2	55·1
200,000	35·3	63·2	72·1
500,000	46·6	76·5	84·8

Source: Report of the Taxation Enquiry Commission (1953-54), Vol. II, p. 372.

An application of these rates of direct taxation to the income distribution will give the percentage of post-tax assessed income received by specified groups of income recipients. The following table indicates the position. The top 1% of the income units that received 32% of the total income before tax had its share reduced to 28% after tax. There are corresponding increments in the shares of the layers at the bottom of the distribution. Thus direct taxation made a slight reduction in the inequality in income distribution in 1940. The increase in their share of income to 39% in 1949-50 was completely offset by the further progression in the tax structure of that year. The post-tax income of the year remained the same as the post-tax income in 1940. Still, the distribution of income remained inequitable, as the top 1 % received 28% of the total income as against only 16% accruing to the rest of the lower half of the income units.

TABLE IV

Percentage of Assessed Income after Tax Received by Specified Interpercentile Groups

Interpercentile group	1940	1950
Top one per cent	28	28
Second to fifth per cent	14	15
Sixth to tenth per cent	9	9
Eleventh to twentieth per cent	12	12
Twenty-first to fiftieth per cent	21	20
Fifty-first to hundredth per cent	16	16

A significant feature of this tendency towards inequality has been the increase in the share of 'business income' as compared with income accruing as salaries. This position continued to prevail even during subsequent years. Taking 1940-41 as the base year, the index number of salaries in 1948-49 was 200. It rose to 256 in 1952-53 and to 392 in 1958-59. On the other hand, the index number for 'business' was 328 in 1948-49. It rose to 396 in 1952-53 and to 643 in 1958-59. Thus the changes in their relative positions brought about during the intervening years between 1940 and 1949 was continued during the next decade also.

While the fiscal policy of the country was able to tone down the inequality of incomes to an appreciable extent, the planned effort of development during the 1950's was successful in bringing about almost a change in the trend of income distribution. To assess the position a trend analysis of income distribution during the years 1950-57 has to be made with income-tax statistics, though their coverage may be small owing to the omission of all those who fall below the taxable limit. A further difficulty consists in the changes made in the taxable limit during this period. Low income groups subject to assessment are therefore non-comparable during selected years in this period. Therefore comparison is confined to high income groups receiving incomes ranging from Rs. 5,000 and above. A statistical computation of the cumulative percentages of incomes and of individuals shows that the inequality of income distribution for the high income groups has declined after 1950-51. The tendency is manifested with a further decline in inequality

TABLE V

Income Group	Individuals (Nos.) 1957-58	Individuals (Nos.) 1955-56	Individuals (Nos.) 1950-51	Income (Rs. Crores) 1957-58	Income (Rs. Crores) 1955-56	Income (Rs. Crores) 1950-51
5001—7500	169026	206089	107911	69·35	144·16	74·38
7501—10000	80459			102·06		
10001—15000	74339	61368	33596	90·49	74·16	40·70
15001—25000	48602	37564	22419	92·44	71·47	42·65
25001—55000	28887	21554	13078	100·51	72·74	44·20
55001—100000	5324	5920	4148	37·82	39·51	28·20
Over 100000	2284	2139	1828	46·11	47·89	39·49
Total	408921	334634	182980	538·78	449·93	269·62

Source: Statistical Outline of India, (Tata Industries Private Ltd.).

during the years 1955-56 and 1957-58. So with the acceleration of economic planning in the country, a tendency towards greater equality of incomes is revealed. Further, there has also been a fall in the proportion of business incomes from 59 to 57% during the decade 1948-49—1958-59. The table on page 6 gives the distribution of income for high income groups in India.

Rural Incomes:

The preceding study of the distribution of urban incomes refers only to a fraction of the total National Income of the country. As already observed only 10% of the National Income is assessed for income tax in the country. To get therefore a wider picture of the pattern of distribution in the country and its tendency to change a consideration of the accrual of rural incomes and their changes over time is of considerable importance. Some special studies have already been made of changes in rural income and one of them, which has been the source of inspiration for this study is that on "Income distribution in Rural Areas" submitted to the Panel of Economists by the Gokhale Institute of Politics and Economics, Poona. The centres purposively selected by them exclude non-agricultural families as well as landless agricultural labourers. Thus, about 56% of the rural families are included in the study and their position in 1956 is depicted. The results obtained from this study are bound to have a wider coverage, as income from agriculture accounted for nearly half of the total national income during that year. The table below shows the distribution of cultivating families according to their annual income in 1956.

TABLE VI

Annual Income	*Percentage of families*	*Percentage of Income*
— 500	26·34	6·45
501 — 1000	28·29	13·76
1001 — 2000	23·17	19·57
2001 — 3000	10·38	15·05
3001 — 4000	4·04	9·28
4001 — 5000	2·83	8·26
5001 —	4·95	27·63
Total	100·00	100·00

It may be noticed from the table that there is a high concentration of income among the top layers of the rural strata, which forms about 5% of the rural families. It is peculiar that almost an inverse correlation is manifested between the number of families and the proportion of the total agricultural income, when the highest and lowest strata are compared. One of the basic factors which could account for such a pattern of distribution of income is the nature of landholdings among the rural families. The following table gives the distribution of holdings by size groups for the year 1950-51.

TABLE VII

Size of the Holding Acres		*No of Holdings* %	*Area* %
Upto 1		16·8	1·0
1·1 — 2·5		21·3	4·6
2·6 — 5·0		21·0	9·9
5·1 — 10·0		19·1	17·6
10·1 — 25·0		16·2	32·5
25·1 — 50·0		4·2	19·0
Above 50·0		1·4	15·4
	Total	100·0	100·0

Source: Essential Statistics: Agricultural Labour Enquiry 1951.

A comparison of the two preceding tables brings out the curious fact that 95% of the families have an annual income of less than Rs. 5,000 per family, while almost the same percentage of holdings comes under the size of 25 acres per holding. So on an average a family holding may be said to earn only about Rs. 200 if the top layer of 5 % of income receivers is excluded. There seems to be therefore a correlation between the distribution of landholdings and that of income in the rural areas in India. This is brought out by the following table:

TABLE VIII

Income Size Rs.	*Families* %	*Size of Holding* Acres	*No. of Holdings* %
— 1000	54·6	— 5	59·1
1001 — 2000	23·2	5 — 10	19·1
2001 — 5000	17·2	10 — 25	16·2
5000 & above	5·0	Over 25	5·6

The two distributions compared above refer to two different years. The income distribution related to 1956 and the distribution of landholdings to 1951. Still, the conclusions need not be totally vitiated, as income accrual in 1956 seems to have been influenced by factors other than landholdings to some extent. This could be brought out by subjecting the above data to further scrutiny for ascertaining the inequality of the incomes and the changes thereof among the rural families. The share of the total income to different layers of the population may be compared with the corresponding share of the total area. About 28% of the income is held by the top 5% of the families. Similarly about 33% of the total area is held by the top 5% of the families. The percentages are as hereunder:

Families	1951 *Area%*	1956 *Income%*
Top 5%	33	28
Top 10%	45	40
Top 20%	64	57
Top 25%	70	62
Top 50%	90	84

It may be noticed that the distribution of income in 1956 appears less unequal than the distribution of holdings in 1951. This may be construed to indicate a possible reduction in the inequality of income distribution in rural areas. The only reason that may be attributed to this tendency may be the adoption of better farming methods and the rise in the net income per acre. This fact is also borne out by farm management studies, which show that the net income per acre varies inversely with the extent of operational holding. Thus it may help in reducing the inequalities of income. Therefore the distribution of income may be slightly less unequal than the distribution of holdings with the adoption of better techniques. It may be concluded that there is some evidence to show that the inequality of rural incomes has been slightly reduced during the years intervening 1951 and 1956. This must be considered as an achievement, since the trend towards inequality was ascending continuously prior to Independence. There was a great expansion of the low income groups due to subdivision and fragmentation of holdings upto 1946. Land alienation also showed an enormous increase during the period. Between the years 1916-17 and 1942-43 the percentage of non-agriculturists to the total number of land-owners increased from 9·3 to 21·9 and the area held by them rose from 12 to 30·87% of the total area. At the same time there was also an enormous increase in the number of landless labourers. These data lend support to the fact that inequality in rural sector showed an upward trend in the early decades of the present century.

A greater part of the improvement should be attributed to the land reform legislation of the country. Similar results were achieved in Japan with the implementation of land reform measures. A comparison of the distribution of landholdings in Japan with that in India in 1950 reveals that the distribution of landholdings in Japan is even more equitable than it is in India. The following table throws some light on it:

Holdings	Area % Japan	Area % India
Top 5%	21	33
Top 10%	33	45
Top 20%	48	64
Top 25%	55	70
Top 50%	79	90

The land reform measures which are being implemented in India would reduce further the concentration of landholdings.

Though it may not be possible to measure it now as several of the land reforms are still in the process of implementation, there are clear indications of a rapid decline in inequalities since 1950.

In concluding this paper the basic inferences that emerge from the study may be emphasised. There is clear evidence to indicate that inequalities of income and wealth are on the downward trend both in the urban and the rural areas in India since Independence. This may be attributed to land reform legislation and the implementation of economic planning. As an ancillary to planning and the attainment of the social objectives thereof, suitable tax measures have also been pressed into service. They have had their impact on the existing tendencies towards concentration of wealth and income. Liberalisation of credit facilities for the rural areas which has come in the wake of Independence has supplemented the land legislation measures in augmenting and dispersing rural incomes. So, on balance the high ideals and the free scope for legislative enforcement of the post-Independent period have had a salutory effect on the pattern of income distribution in the country.

French Contribution to Indology*

by

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In the discovery of India which burst upon the West like a second Renaissance and which indirectly led in India itself to a revival of the study of the country's past and its culture, and in the further development and consolidation of these studies as a branch of knowledge and scientific discipline, France had a great part to play. The actual discovery by England and the tremendous flair for its development in Germany were preceded by the several initiatives which go to the credit of Frenchmen. As far back as the 17th century, the French travellers Tavernier and Bernier, physicians at the Moghul Court, gave several observations on India and Indian customs, civilization and monuments. In the next century Fr. Pons wrote a grammar of Sanskrit in Latin, translated *Amarakośa* and sent to France the first collection of Sanskrit manuscripts to be deposited in any European Library. Madras area played its own part in the ushering in of this dawn of Indian studies in France. While Pons was active in Chandranagore, at Pondicherry Calmette collected and sent home in 1731 the first copies of the three Vedas and some other Sanskrit works; as early as 1739, the first printed catalogue of Indian works to be published abroad appeared from Paris. From Pondicherry Le Gentil produced the first version, in French, of the Bhāgavata Purāṇa based on its Tamil version. With the help of a Tamil scholar of Pondicherry, Mariadas Pillai, it was De Guignes who first recognised the equation of the Sandrakottos of the Greeks with Candragupta which became the sheet-anchor of Indian Chronology; and the other sheet-anchor and basis of all further study of Sanskrit and of modern linguistic science, the kinship of Sanskrit with Latin and Greek, was recognised by the French Jesuit Coeurdoux in 1767, which was earlier than the famous observation on this by Sri William Jones, though,

* In December 1960, the University of Madras organised an East-West Cultural Week devoted to India and France and Seminars were arranged in the different branches of study. The above was the opening address to the Seminar on Indo-French contacts in Language and Literature studies.

it must be mentioned, nearly two centuries before either the founder of the Asiatic Society in Calcutta or the French Jesuit, the little-noticed Italian scholar Filippo Sassetti (1540-8) suggested this linguistic kinship. The next landmark is the translation in 1801-2 of the Upaniṣads in Dara Shikoh's version by Anquetil Duperron, which led to a revolution in the mind of some German intellectuals. It was in Paris where there were, as already mentioned, Sanskrit manuscripts that Hamilton the English Prisoner of War, the only man then in Europe, other than Wilkins, to know Sanskrit, taught Sanskrit to the German poet Frederich Schlegal. It was in Paris again that the first Chair of Sanskrit was founded, in the *College de France,* and the *Societe Asiatique,* Paris, antedates the *Royal Asiatic Society of Great Britain and Ireland.*

It was at the feet of the first regular Professor of Sanskrit in Europe, Chezy at the *College de France,* that the great German pioneer Lassen, the Schlegal brothers and the first regular founder of Indo-European Philology, Francis Bopp, studied. Chezy was a self-taught Sanskritist and it was he who first published the text of Śākuntala in Europe. Chezy was followed by Burnouf who from his early years displayed a versatile interest in Oriental studies,—Avesta, Buddhism, Pali and Sanskrit; nine *Skandhas* of the *Bhāgavata Purāṇa* were edited and translated by Burnouf. As in the time of Chezy, in the time of Burnouf and his direct disciples, Paris continued to be the important centre for the study of Sanskrit in Europe attracting scholars from the neighbouring countries. Among Burnouf's students were Regnier who edited *Prātiśākhyas,* Barthelemy St. Hilaire who was the first to write on *Sāṅkhya* and taught the Italian Gorresio, whose edition, which was the first, of the *Rāmāyaṇa* was published from Paris, and the Germans who were to loom very large in the field, Roth, Goldstucker and Max Muller. Now the field of Indological studies were also widened and among his pupils and successors, Ariel interested himself in Tamil and Tassy in Hindi and Urdu.

Indian studies had now taken a definite academic development and new institutions were now established, at the end of the 19th century, for fostering them. The *College de France* and *Societe Asiatique* have already been mentioned. The *Ecole des Hautes Etudes* at Sorbonne, the *Musee Guimet* and the *Ecole Francaise d' Extreme-Orient* were the others to be founded, to all of which the study of Indology in its literary and archaeological sides, in Hinduism and Buddhism, within the confines of India and outside in South East Asia, owes a great deal. Different lines of specialisation now followed, but at the same time there were scholars who became quite versatile and touched with distinction one speciality after another. Paul Regnaud did some pioneering work in Alaṅkāra and Nāṭya Śāstra but did not give up Vedic studies. Barth concentrated on Indian religions. Bergaigne was the foremost of the Vedic scholars of this stage and he chalked out new paths of analysis and interpretation of the religion and hymns and the texture and rhetoric of the Ṛg-vedic hymns, his researches on the simile of the Ṛg-Veda as holding the key to interpretation being an illuminating investigation. Senart carried on the tradition of Buddhistic studies.

The next trio comprised Alfred Foucher, Louis Finot and Sylvain Levi. Foucher touched grammar, Nyāya and archaeology. Starting with Sanskrit drama and sacrifice in the Brāhmāṇas—themselves subjects quite apart from each other, Levi, particularly after his visit to Nepal, turned to Buddhism and Greater India, mastered Tibetan and Chinese and started restoring Buddhistic texts, comparing the Sanskrit, Chinese and Tibetan versions. Levi's students, some of them still active, were drawn from different countries, including India. The speaker had the honour of having been examined by him for the Doctorate and of collaborating with a pupil of his from Dublin, Myles Dillon, on a unique dramaturgic text discovered by Levi in Nepal. Levi was a great humanist and apart from his scholarship, his warmth has left an abiding memory on his friends and students. Other names which come to our mind are Masson-Cursel whose field was Indian philosophy and Felix Lacote who worked on *Bṛhatkathā*-versions. Among those nearer to us and our times but who are unfortunately not with us now, Jules Bloch is the outstanding philologist whose work embraced modern Indo-Aryan (Marathi) and Dravidian.

Prof. Louis Renou at Sorbonne is at present the senior-most Sanskritist. Student of Levi, Renou, who spent some considerable time in India some years ago, is chiefly devoted to Vedic and classic Sanskrit, to grammar and lexicographical studies. He has been of continuous assistance to the new Sanskrit Dictionary project of Poona. At Lille, is Oliver Lacombe, who was for some time in India in charge of the Cultural Affairs of the French Embassy, whose main interest lies in Indian philosophy. Jean Filliozat who is in charge of the College de France has not only contributed to the study of Indian medicine and astronomy, and has latterly been interesting himself in Tamil, both of Saivite and Vaishnavite branches, but has been playing a very active part in promoting and consolidating the Indological work carried on by France in different centres in the East. Among those devoted to Buddhism is Demieville and Miss Lalou, and to Indo-Cambodian studies, Coedes, Malleret, Dupont, Parmentier, Groslier and others. P. Meile of the School of Oriental Languages is continuing the interest in Tamil. A good number of younger Sanskritists, several ladies among them, who are students of Renou, Lacombe or Filliozat, are now engaged on diverse branches of Indology, Veda, Kashmir Saivism, Semantic Philosophy, Dvaita Vedanta, Tulasidas and so on, so that we have every hope that the torch of Indian studies in France will be carried on.

French work has always taken some practical turns: For example one of their specialities is to found in the regions of their study their own schools; it is in this way that they have been able to push forward their work in the different fields, through the French School of Far East, their French Archaeological School at Kabul, their Franco-Japanese Maison in Tokyo and lastly, the latest to be organised, the French Indological Institute at Pondicherry at whose inauguration the speaker had the pleasure of participating. Pondicherry, as already noted, played a pioneering role in the part that France played in the development of Indological studies abroad. Before Independence, work in South Indian art and archaeology and temple architecture counted among their foremost scholars and path-makers J. Dubreuil to whom they owe many discoveries of far-reaching significance. The present French Institute at Pondicherry, headed by Dr. Filliozat, has brought out within the few years of its founding, several publications. When we speak of Pondicherry we cannot forget the figure of Ānandaraṅga Pillai, Chief Agent of Dupleix, and the unique document that he left, *viz.* his *Daily Diary,* whose Tamil original still remains to be fully edited and published. Some amount of literary and artistic activity was fostered by Ānandaraṅga Pillai and the Sanskrit account of his life, the Ānandaraṅgavijaya Campū by his protege Śrīnivāsakavi, which the present speaker brought to light and edited, throws welcome light on some historical facts not known from Pillai's own *Diary* or other records of the times.

Apart from the valuable writings of individual scholars, the three French periodicals, *Journal Asiatique, Bulletin d' Ecole Francais d' Extreme-Orient,* and *Annals du Musee Guimet,* have done distinguished service to the cause of Indology. Two undertakings of French Indologists, of the nature of collaborated work, should also be mentioned—the *Bibliographie Bouddhique* and the recently complete three-volume compendium of all departments of Indology, *L'Inde Classique.*

An account of the origin, nature and growth of French interest in Indian culture and thought will not be complete if we leave out the impact which the first Sanskrit classics to be known there produced on French literatuers, philosophers and others interested generally in cultural pursuits. At the beginning and later too, for a time, even those who did academic work on Sanskrit classics were men of literary and philosophical leanings who turned to the Veda or Upaniṣad, Kālidāsa or the fables in Sanskrit for inspiration. A contemporary French writer, whom the speaker had the pleasure of meeting in Paris, — Mr. Raymond Schwab, has written a whole book entitled *La Renaissance Orientale* (Paris 1950), followed shortly after by a paper on the valuable and interesting subject of how the discovrey of the East acted like a second renaissance and led to an enlargement of the intellectual horizon of the West. Schwab calls this 'the grand revolution of the spirit'. Great writers and philosophers like Voltaire and Bergson became acquainted with Indian thought, the former saying in his *Essay on the Morals* that the history of the texts of the Hindus and the Chinese exceeded greatly that of the smallness of Hebrews. Emphasising particularly the effect of the study of Sanskrit in France, Schwab says that the long Indian epics led to a revival of interest among French poets to revive the long poem. Lamartine had at his knees, as he says, the *Rāmāyaṇa* and the *Mahābhārata,* out of which he took episodes for themes of his own poems. *Śākuntala* he extolled as a masterpiece of epic and dramatic poetry, combining the essence of the pastoral charm of the Bible, of the pathos of Aeschylus and the tenderness of Racine. Lamartine was also inspired by the Vedic hymn, for he, like some others, developed the belief of a Supreme Soul indwelling all beings and nature. A later French poet was also inspired to write in Vedic style hymns to *Pitaras* and *Sūrya.* In his familiar *Lessons of Literature,* Lamartine gave a place of distinction to Sanskrit epic and dramatic poetry. On the plan of the Sanskrit Mahākāvya, Victor Hugo planned his trilogy and in the *Legend of the Ages* here, he elaborated the legend-background seen in the *Kenopaniṣad.* An idea of the profound influence created by the

Sanskrit epics could be formed from the historian Michelet: "That year will always remain a dear and cherished memory; it was the first time I had the opportunity to read the great Sanskrit poem of India, the divine *Rāmāyaṇa.* If anyone has lost the freshness of emotion, let him revive it in the *Rāmāyaṇa;* let him drink a long draught of life and youth from that deep chalice." He also summed up Indian thought in the words "the Veda of Vedas the Secret of India is this — man is the eldest of the gods; the Word created the world." Balzac, the novelist, in his novel *Louis Lambert* makes that character exclaim about Indian scriptures that these magnificent images are not found in the writing of the Hebrews. Victor Cousin, a philosopher of the times, observed that Indian philosophy would receive the same attention as the Greek did. Ballanche's enthusiasm went so far that he proposed that the study of Latin in the schools might be replaced by that of Oriental languages. Even scientists writing on origins of mankind or races sought evidences in Sanskrit sources. Fable-writers freely borrowed from Sanskrit. The spiritual transformation caused cannot be better put than in the words of Pierre Loti who said: "It is to India the cradle of human thought and prayer that I go to ask peace from the guardians of Aryan thought; I beg them to give me belief in an indefinite survival of the soul." Although purely scholastic and textual work soon developed, this tendency did not die down. Some of the academic Indologists maintained their literary flair. The growth of Oriental studies on purely research lines, under the Universities, came to be considered by some not only as inadequate but also wrong. A new school started with Rene Guenon who was a Vedantist who took his stand on uncontaminated and authentic tradition. In Guenon's line is Schuon, an Advaitin and exponent of the fundamental tradition of Gnosis in all religions, a volume of whose French essays, in English translation, was recently ushered by the present speaker in their maiden Indian publication.

A French writer who turned to modern India and three of its most eminent personalities, Ramakrishna and Vivekananda and Gandhi, who is very well-known in India is Romain Rolland. This French biographer of Gandhi, Ramakrishna and Vivekananda, as Prof. Renou says, "has been the most successful worker, in the spiritual sphere, for a closer union between India and France." Taking the same approach and these three eminent Indians as also other Saints of modern India like Ramana Maharshi and Aurobindo, but more precisely an indefatigable translator, is Jean Herbert, of the U.N. establishment at Geneva, author of over hundred and fifty publications.

In this survey, I have placed before you such facts as would enable you to note the landmarks in the development of Indian studies in France, the chief participants in this work of interpreting Indian literature and thought, the main lines of their work and their chief works. What I would like to emphasise before I close is that while German Indology is thorough, and British, critical, not unoften hypercritical, French Indology, while not neglecting either virtue, is yet informed by a warmth and an imaginative quality, traits which had also endeared some of the eminent French Indologists like Levi to all those who came into contact with them. In the task of promoting understanding, it is these qualities that are most effective.

The Removal of Nescience

by

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I

THE PROBLEM

Is the destruction of nescience real or unreal? If real, then, here at least there is one reality apart from and second to Ātman, and as a result of this, the theory of the non-duality of Ātman has to be given up. If the destruction be unreal, then too, nescience will exist as really as Ātman exists since there is no real destruction for it. And the world of plurality, the product of nescience, will also have to be said to exist as really as Ātman. Nothing could be more repugnant to the Advaita philosophy than this consequence.

It is possible to say that nescience itself is unreal and that for the unreal an unreal destruction is not quite unintelligible, that Ātman is real and that, thus, there could be no parity for nescience with the Self.

But then, this destruction being unreal and all unreal entities being the products of nescience it should be supposed that the same nescience itself is this unreal destruction, in which case there will be the persistence of nescience. How, then, could it be said to have been destroyed?

Or if it be assumed that it is by a nescience other than the nescience which is destroyed that the destruction takes place, it does not solve the difficulty, for the point is that some nescience persists. And so the removal of nescience and release are impossible.

To this Vimuktātman, in his *Iṣṭa Siddhi,* offers the following reply.

II

THE ANSWER

Destruction of nescience not originating from nescience

The dilemma of the world being real in case of the destruction of nescience being unreal or the non-duality of Ātman being compromised in case of the destruction being real is really foundationless, and Vimuktātman takes the bull by the horns.

Even when nescience is there, there is no entity other than Ātman. It should be much less so when nescience is absent.[1]

It is objectionable to say that the unreality of the destruction is because of the destruction sharing the nature of *māyā*, for, only then, the difficulty of persistence of *māyā* even after its destruction can have any ground. And it can be shown that the destruction is not unreal in the sense of sharing the nature of *māyā*.

The *pūrvapakṣa* seems to be as follows: Nescience is unreal; its destruction also must be unreal since destruction has nescience as its antecedent and since, thus, destruction itself can be said to be produced from nescience. An effect follows from its cause which is its antecedent and which ceases when the effect is produced. In this sense, here, the effect can be said to be the destroyer of its cause.

The argument is ingenious but hollow.

If destruction has nescience as its antecedent material cause, it will exist only so long as that cause exists. With the disappearance of the material cause, the effect also should disappear. When nescience is destroyed, nescience-less states follows; there is no transformation of the material cause viz., nescience. And, sharing the nature of nescience, how can the destruction of nescience be a destruction at all? Again, whatever has an origin is the product of nescience. If destruction is said to originate in whatever manner, it is nescience still and thus nescience would not have been destroyed. Yet destruction of nescience and attainment of knowledge is the desired goal of mankind.

Destruction not originating from Ātman or from itself

The destruction of nescience can be said to originate from Ātman, if not from nescience. But this is plainly impossible. Ātman cannot be said to have been modified into this destruction as it is changeless. Nothing that is inert is born of Ātman. And for consciousness there is no origination. Nor can this destruction

1. *ajñānabhāve'pi nātmano'nyad vastvasti, kiṁ punastadabhāve*—*I.S.*, p. 364.

be said to be born, being itself non-existent, from nothing. Nowhere is it observed that a non-existent nothing is born of nothing.

So this destruction of nescience can neither be real like Ātman, nor unreal like the void. Is it then indefinable? Vimuktātman at least in the last chapter of his work seems to answer in the affirmative.

Destruction of nescience is not origination of anything else

It is clear then that the unreal destruction of nescience is not born from its antecedent cause viz., nescience, and that destruction of nescience is not the origination of anything else. If there could be anything else, it could only be Ātman; but this is unreasonable because Ātman is unoriginated. It may be suggested that Ātman itself is the destruction of nescience and not the originated Ātman; but then the destruction of nescience will always be there since Ātman is eternal, which means that nescience and bondage could never be there.

Another course open is to say that, while admitting that the destruction of nescience is not something from Ātman, nor Ātman itself, it may be taken to be the negation of anything other than Ātman which will be one way of establishing the secondlessness of Ātman. But the old question whether this negation is the same as Ātman remains, with the attendant difficulty that since Ātman is eternal, there will be the negation of nescience always; in short, there could be no nescience, and therefore, no bondage. If we assume that the negation of the existence of anything other than Ātman is not Ātman itself but something different, the concept of non-duality must have to be abandoned. We are back at the dilemma again. Vimuktātman solves the dilemma in the same way as indicated earlier. The non-dual Ātman is not incompatible with nescience itself, much less with its negation.

If non-duality is construed to mean non-possession of duality for Ātman, it is not incompatible if it were the same as Ātman. If it were not, there could be no bondage for bondage is duality. If non-duality is, on the other hand, construed as being the locus of nescience and its products consumed by knowledge, either this consumption of nescience is the same as Ātman, or different. In either case there is difficulty as noted earlier. So this construction of the meaning of non-duality fails to be satisfactory.

The destruction of nescience is not the origination of anything else, whatever may be the case with regard to the positive determinable entities. But nescience is determinable neither as real nor as unreal. And, *pramāṇas* which destroy nescience do not produce anything as the destruction of the pot produces potsherds. If it did, it would cease to the *pramāṇa*, for *pramāṇa* reveals only what is already existent and does not *create*. And, knowledge itself is beginningless and eternal and, therefore, it cannot be said to be arising from the operation of *pramāṇas*.

If it is urged that if the destruction of nescience is not the origination of something positive and is merely a negation of nescience, no cause could be thought of to operate in mere negation and that, therefore, destruction should result in something positive so that cause could intelligibly be said to operate, then, on the same ground it can be shown that no positively previously non-existent can be said to originate from destruction as it is said that no cause could operate in what is non-existent. Much less could it operate in the case of the existent because of existence itself. If the existent is said not to be in conflict with non-existence which is merely a negation, the previous non-existent entity can continue to be non-existent for ever as there is no conflict with a positive existent which puts an end to non-existence. And so, if the positive entity that is said to originate on the destruction of nescience is previously non-existent, then it can never be said to originate because of the non-operation of cause. If it were previously existent, there is no need for its origination at all.

If the existent is said to originate annulling the previously existent, then, if this annulment is by virtue of being an existent, when an existent exists all the other existents must be annulled. Even the existent that annuls will not exist because of conflict with its own existence. If self-conflict is said to be impossible on the ground that conflict is always with another, then it must be confessed that conflict is in virtue of *difference* and, not of *existence*. But then, there will be conflict of the existent with what is non-existent, since the non-existent is *different* from the existent. If it is asked how there could be difference in that which does not exist, it can be equally asked how there could be difference within the existent itself without sacrificing its oneness. In view of these difficulties the destruction of nescience is not *itself* the origination of a positive something.

Even assuming that destruction, though not the same as origination, coincides with the origination of something else happening

simultaneously with it or even is that origination itself, no point is gained because what applies to things that have a beginning in time like pot does not apply to nescience which is beginningless. When the pot is made clay is no more there. This is because pot is the modification of clay. But nescience is not a modification of anything else. It is beginninglessly there.

Removal of Nescience not determinable by Pramāṇa

That nescience is destroyed is a patent fact. Yet this destruction is not established by any *pramāṇa*. *Pramāṇa* always dispels ignorance and makes things known. If the *avidyānivṛtti* is established by *pramāṇa,* it will have to be supposed that in establishing the *avidyānivṛtti* itself, the *pramāṇa* dispels an ignorance of *avidyānivṛtti,* and this means an *avidyānivṛtti* of the first *avidyānivṛtti.* The second *avidyānivṛtti,* too, must have to be established by a *pramāṇa* with the same result as above. Thus, there will be infinite regress and no one can say, "There has been a removal of my nescience".

Knownness and Unknownness of Objects

The indefinability of the removal of nescience is reached by an analysis of the knownness and unknownness of objects. When the object or the Self is known there is the removal of nescience. The knownness and unknownness of the object can neither be said to be the nature of the object so known nor something else. Knownness cannot be the nature of the object because of inconstancy and futility of *pramāṇa,* inconstancy because knownness is absent prior to the rise of the *pramāṇa;* futility because if the object has the nature of knownness, it should be always there, and, therefore, there is no need for a *pramāṇa,* which makes something hitherto unknown known.

Unknownness, too, cannot be the nature of the object because unknownness is removed. If it were the nature of the object, then, with its removal the object itself will be removed. It is contradictory to say that the non-established object is the product of *pramāṇa* and the established object is destroyed by *pramāṇa.* Moreover, if *pramāṇa* itself could be the originator and destroyer of the object, since *pramāṇa* itself is inert, the world would be void of intelligence and nothing could be known.

Even for Ātman whose nature itself is knowledge, knownness through *pramāṇa* is inconstant because of its absence prior to the rise of *pramāṇa.*

Again, if knownness and unknownness were the nature of the object, then, *pramāṇa* can only reveal the object as known or unknown. If the object is known as unknown, it amounts to saying that nescience itself is known since it qualifies the unknown object. But nescience can never be known by any *pramāṇa*.[2] For this presupposes that once nescience was unknown and at some other time known. The unknownness earlier would mean accepting nescience for nescience. But there is no nescience for nescience itself. Otherwise, there will be infinite regress. Further, if the object is known, as unknown, there is the futility of the *pramāṇa*. Yet, it cannot be said that nescience is not destroyed by *pramaṇā*, for, otherwise, *pramāṇa* becomes purposeless.

It has been shown above that the object cannot be known as unknown. It cannot be known as known either, for the obvious reason that *pramāṇas* are not necessary for things already known. Otherwise, there will be infinite regress.

This puzzle points to the indefinable character involved in the removal of nescience.

The meaning of Atman-knowledge

There are Scriptural declarations like "All This is Ātman", "When Ātman is known", "By hearing which the unheard", "From the knowledge of which, O, revered one!" But does it mean that when Ātman is known everything, including nescience and its products, is known ?

The answer is in the negative. Firstly nescience is not knowable. Secondly, if nescience and its products are known, even assuming that they can be known by the knowledge of Ātman, they would no more be nescience, they would be Ātman itself. For, Ātman-knowledge must have only Ātman as its object. Thirdly, if what is not Ātman also is known by that, why should it be called Ātman-knowledge instead of "non-Ātman knowledge" or '‚Ātman-non-Ātman knowledge"? If anything, it should be knowledge of non-Ātman only since things that are *not* Ātman are numerous, just as a village is called a Brahmin-village for the reason that in that village Brahmins are predominant in number. Fourthly, in this case, it can never be said that when one is known everything is known. Knowledge of everything is only through knowledge of everything.

2. *Iṣṭa Siddhi, VIII, 18.*

How then is the scriptural text that by knowing Ātman everything is known to be understood?

Vimuktātman says that the text only means that nothing that is unknown and yet to be known will remain.[3]

The meaning is that the unknownness of the phenomenal plurality of things relates only to indeterminable nescience, and is consumed without vestige by the knowledge of Ātman. In the case of pot being known, for example, there are things other than pot which remain to be known. But the case of Ātman-knowledge is dissimilar. When Ātman is known, there is nothing else to be known, nescience being destroyed as a whole. Just as a person advised to know the hundred elephants running about in a small enclosure says: "I have known" meaning that there is nothing unknown to be known, so is the case here.[4]

Or alternatively, the meaning of the text: "When Ātman is known everything is known", may be taken to be that with the knowledge of Ātman, everything becomes Ātman. Just as people say: "All that water in the lotus-pond and that army has become that place itself when that place is seen",[5] even so when nescience and its products are destroyed by knowledge, Ātman alone remains like the place in the saying.

The destruction of nescience, it has been said, is only the known Ātman.[6] The locus of nescience is only the Self. This is apparent from the Śruti texts "*Indro māyābhiḥ puru rūpa īyate*", "*māyāṁ tu prakṛtiṁ vidyāt*" etc. So only destruction of nescience is meant, and not knowability of nescience and its product by such declarations as above. Only thus are to be construed the other declarations like: "By hearing which the unheard", etc., "All this is Ātman", "All this is Brahman only", as the statement: "That pond, army etc., is that place itself",[7] would be construed.

It is fairly settled now, therefore, by the foregoing analysis, that knownness and unknownness are not the nature of things. They are not knowable by their respective *pramāṇas*.

3. *nājñātaṁ jneyaṁ kimcidavaśiṣyate ityarthaḥ* — *I.S.*, p. 370.
4. See *I.S.*, p. 370.
5. *ibid.*, p. 371.
6. *jñāto hyātmā ajñānadāha, Ibid.*
7. See *I.S.*, p. 371.

To pick up the thread of our original argument, the second alternative viz., that knownness and unknownness are different from the object need not detain us long since then knownness and unknownness do not even *appear* as different from the object.

Yet, there is no disputing the fact that when an object is known, nescience is removed by the *pramāṇas*. Knownness is only the fitness for usage of an unknown object when knowledge of its form arises through *pramāṇas*.[8] Knownness itself is not known because of infinite regress. Yet it is patent. This, knownness, therefore, is the removal of nescience with regard to the objects of experience. So is the case with Ātman-knowledge also. Knownness of Ātman is through the knowledge of Ātman's immediacy (*aparokṣatā*) gained through the study of the Vedāntas culminating in the Supreme oneness of Being, the *Aupaniṣada-puruṣa*. This knownness alone is the removal of nescience. Once removed, nescience does not rear its ugly head again, because it has no cause. Since it is the cause of everything that has origin, when it itself has been consumed by the fire of wisdom, there is the cessation of all becoming.

Therefore, when the fire of nescience is quenched, nothing else is born, much less nescience itself. So, the destruction of nescience is only the immediate experience of Ātman (*aparokṣānubhava*) generated by the study of the Scripture. Though this *avidyānivṛtti* is not something existing over and above Ātman, yet, the fact of it is not established before the rise of knowledge. That is why there is no fear of *avidyānivṛtti* being there always.

So, the destruction of nescience should be on the same footing as the existence of nescience i.e., as much indefinable.

Destruction of Nescience Involves no Duality

The objects of experience are inert, being the products of nescience which is inert. So the destruction of the inert nescience cannot be itself inert. Nescience itself, in other words, cannot be its own destruction. That knowledge alone removes nescience is a common observation. Nor even is it that the Ātman-Intelligence is the destruction of nescience since Ātman is there when nescience is there.[9] Still, the destruction of nescience is not

8. *mānattadakāratayā jñāne jāte tasya vyavahārayogyatā arthasaya jñātatā nama*—*I.S.*, p. 371.

9. *nāpyajaḍa ātmā tannāśaḥ, tadbhāve' pi tasya bhāvāt*—*I.S.*, p. 372.

always there like Ātman, as otherwise, there would then be no need for the destruction to be caused. Therefore the destruction of nescience is not real. Even assuming for the sake of argument that the destruction of nescience is real, it is only Ātman itself, and, so, there is no snag of duality of Ātman and destruction of nescience. But the destruction is not real. The destruction of the unreal can never be real. If it could be, it cannot be through knowledge. Knowledge does not create anything; it reveals. And destruction is only for the unreal, and not for the real. So, *since the destruction* of necience is neither Ātman himself nor anything pertaining to nescience it is only inexpressible.[10]

Ātman is the fruit (*phala*)[10a] when he is known through *pramāṇa*, though he is eternally self-luminous. For things like pot etc., there is only knownness, and not the nature of being a fruit (*phala*) or being knowledge itself. In the case of Ātman being intelligence, there is, in addition to having knownness, also being the fruit (*phala*). Knownness and being the fruit are stated for Ātman because Ātman, though eternally self-luminous, is yet known only through the source of Scripture. It is thus that there is no contingence of the destruction of nescience always. And also, since it is Ātman who is the fruit of Ātman-knowledge, there is no question of *avidyānivṛtti* being a second real. Moreover, the annihilation of nescience is only through knowledge. Otherwise, the existence of Scripture is rendered purposeless. Destruction of nescience by knowledge is declared by the Scripture as much as Ātman's identity with Brahman, its nescience, its transmigratory character, the world of plurality, final release through knowledge, final release while embodied. All these ideas are accepted only because Scripture declares them.

Just like fire accompanied by wind consumes dried grass, Ātman, mounted upon the *pramāṇa*, consumes his nescience, and, along with it, the *pramāṇas* also. *Avidyānivṛtti* does not mean anything negative, because classification like negative and positive obtain only in the realm of nescience. The author of the *Vārtika*

10. *anirvācyastannāśa iti sthitam*—*J.V.*, *I.S.*, p. 623.

10a. When a psychosis comes into contact with, say, a pot, there is generated in the pot a reflection of intelligence; and it is this reflection that reveals the pot, and is called the *phala*. Cp. *I.S.* *cit pratibimbaṁ hi asmākam phalam iṣṭam*. *J.V.* P. 623.

puts it: "The knowledge of the Supreme Ātman, the nescience being itself unreal, fighting shy to kill the already dead consumes the negative character also. Having burnt the classification into positive and negative entities through the fire of Ātman as "not this", "not this", and removed the darkness and the error created by it, itself enters the fire". It has been said by Vedavyāsa Bhaṭṭāraka: "O Brahmin, the unmanifest dissolves in the motionless Brahman".

So, according to Vimuktātman, the destruction of nescience is itself unreal and indefinable,[11] for the simple reason that for the unreal nescience, there cannot be a real destruction.

In the earlier portions of his work *Iṣṭa Siddhi* (p. 63), Vimuktātman explains indeterminability as removability by knowledge.[12] Thus while nescience is removable, *ex hypothesi*, *avidyānivṛtti* is not. So *avidyānivṛtti* can be said to be indeterminable only to the extent of being neither real nor unreal-*sadasadvilakṣaṇa*-short of being removed by knowledge, *jñānanivartya*.[13] Otherwise, the inference of the illusoriness of the world adopted by the Advaitin will be badly damaged.

Vimuktātman also holds that there is a fifth mode of *avidyānivṛtti*.[14] It may be something different from being real, unreal, real-cum-unreal and from indeterminability also.[15] But even the

11. *I.S.*, viii, verse 15:
sadasatkimanirvvācyam |
tadanātmanyutātmani ||
iti tatra nayāḍhyatvād |
antyaṁ pakṣam atiṣṭipam ||
Also verse 19.
12. *na ca vayaṁ bhāvābhāvapramāṇagaṁyatayā ajñānasya anirvācyatvaṁ brūmaḥ; api tu jñānamātrāpanodyatvāt rūpyavat* — *Pañcapādikāvivaraṇa* says: *ajñānasya svakāryeṇa vartamānena pravilīnena vā saha jñānena nivṛttirabādhaḥ, tathāvidha anavabodhanivṛttau bādhaprasiddheḥ*: p. 34.
13. *Jñānottama* says: *atra cājñānanivṛttestādṛśamevānirvācyatvaṁ khaṇḍyate yādṛśam ajñānasya jñānanivartyatvena anirvācyatvam*, p. 452.
14. See *Iṣṭa Siddhi*, p. 85. Also Jñānottama's *Vivaraṇa*, p. 452.
15. There are notions like difference of the soul from God, *Jīveśvarabheda*, the relation of nescience to its locus, Brahman,—*avidyā-cit-saṁbandha*, which are neither nescience nor its products but which are not real. *Avidyānivṛtti* also belongs to the same category. *Pañcamaprakāranivṛttirmithyā ityeva rahasyam*, *J.V.*, p. 452.

fifth mode is only illusory and it is not apart from Brahman. The removal of an indeterminable nescience must be commensurate with that nature of nescience. Verily, the oblation must be commensurate with the deity, *yakṣānurūpo baliḥ*.[16] The character of the cancellation of nescience must be other than that of nescience. Nescience is destructible and the destruction cannot be the same as the nescience destroyed.[17]

16. Vimuktātman uses a similar expression to say that *avidyānivṛtti* can only be indefinable: *yādṛgajñānasya bhāvaḥ tadanurūpa eva tadabhāvo yuktaḥ* — *I.S.*, p. 372.
17. *I.S.*, p. 86, *pradīpa prakāśahetuka tamo nivṛttiryathā na tamo'ntaraṁ tadvajjñānaprakāśahetukājñānanivṛttir na nivartyasajātīyajñānam*—*J.V.*, p. 452. Prof. Hiriyanna compares the fifth mode with the imaginary number of the mathematician. See *I.S.*, p. XXXV.

ABBREVIATIONS

I.S.: *Iṣṭa Siddhi*
J.V.: Jñānottama's *Vivaraṇa*.

The Territorial Limits of Tamilaham of the Sangam Age

by

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If one wishes to study the history of a country, a knowledge of the geography of that country is a necessary prerequisite; for, that knowledge will not only lead to an understanding of the background of that history but also justify it. The land is always a 'given' factor in the history of any country. When Hakluyt said that "Geography and chronology are the two eyes of history," he was uttering a simple but basic truth; and the second eye is determined by the first. In the first place, the determination of chronology depends on the facilities that geography offers for the historical researchers; and in the second place, geography determines the course of events in the political career of that land.

In the case of the Tamil country, the land has not revealed any ancient monuments which might help us to fashion our thoughts about the ways of the ancient Tamils. This might only mean one of three things: (1) The land has nothing to reveal, for there was nothing to be preserved; Tamil monuments were never there. (2) The monuments were there but they were of such a nature that the non-cooperation or active and hostile interference of geography could destroy them with a melancholy thoroughness. (3) They were there and some at least of them are still there, but historical and archaeological 'spade work' has not been thorough enough yet to bring to light these monuments. The first hypothesis can be ruled out in view of the persistent mention in the early literature of the land of the Tamil architectural and other artistic achievements. The second suggestion is perhaps a high probability in view of the advanced nature of the society depicted in the contemporary literature of the country. So our present position is that we do not get much positive aid from geography for the study of Pre-Pallavan Tamil History.[1]

1. Notable exceptions are the archaeological finds unearthed at Adittanallūr in Tirunelvēli District, stray megalithic finds, the Roman coins found in places like Śūlūr in Coimbatore District, and the material found in Arikkamēḍu.

But there is a sense in which geography has played a catastraphic rôle in ancient Tamilaham. The southern and the eastern seas are said to have swallowed up some land areas[2] or particular cities[3] and have denied to us a fruitful source of information on ancient Tamil History.

A grasp of Tamil geography will lead to an understanding of the basic condition of political progress in the land and also delimit the area within which such progress took place. And such a study of the geography of a land is to be undertaken from two angles; that is (a) treating the area under consideration as a viable constituent of a larger geographical area; and (b) treating the area as consisting of a variety of detailed geographical peculiarities.

If we look at a large-sized map of India, the picture that presents itself to us is that of a compact land mass bounded by easily recognizable geographical frontiers. The Himalayan Mountains in the shape of an inverted tickmark guarding the Northeast and two coast lines drawn from the western and eastern ends of the Northern ranges at an acute angle to meet at Cape Comorin roughly give a triangular shape to this landmass. It stands like a sleeping top. The clear-cut nature of the Indian boundary lines is such as often to tempt observers to overlook the major geographical subdivisions into which this landmass falls; and while some notice the general geographical oneness of this landmass, others note the internal differences and designate it a 'subcontinent'. This latter appellation is apt not only in view of the extensive area accounted for but also in view of the internal qualitative divergences like those relating to climate, language, ethnic stocks, cultural traits etc. This enables and justifies the further subdivision of the land mass into two or three units. Whether this should be *two* or *three* has been a matter of considerable difference of opinion. The difference is caused by the two possible ways of horizontally cutting up a country lying North to South; that is, either into North and South by drawing a convenient line in the middle or drawing two lines and calling the three consequent compartments the North, the Middle, and the South.

K. A. Nilakanta Sastri means by South India, "all the land lying south of the Vindhyas".[4] T. V. Mahalingam says, "South

2. Śilappadikāram: XI, 19, 20.
3. Maṇimēkalai: XXV, 176, 177.
4. K. A. Nilakanta Sastri: *History of South India*, p. 1.

India, like South Italy, constitutes an almost independent geographical unit by itself. It resembles a strong fort, being surrounded on all the four sides by natural boundaries, the Vindhyan range and the jungles adjoining it in the North, the Arabian Sea in the West, the Indian Ocean in the South and the Bay of Bengal in the East."[5] But the view that the division of India into North, Middle and South is not only a more convenient but a more natural division seems to be held by many scholars. Smith says: "Southern India, as distinguished from the plateau of the Deccan from which it is separated by the Krishna and the Tungabhadra rivers, *has a character of its own* and a history generally independent of the rest of India."[6] S. Krishnaswami Iyengar holds that "In the earliest South Indian sources, South India seems synonymous with Tamil Land."[7] It seems reasonable to hold that even as one draws the line of demarcation between North India and the rest of India along the starting point of the Deccan Plateau, viz., the Vindhyan ranges and along the banks of the Narmada, another line has to be drawn farther South at the point where the Deccan plateau slopes down. Despite the fact that the second line is not as clearly geographically fixed as the first and does not as clearly suggest itself, the limits within which the line is to be drawn are beyond doubt. They range between a line drawn from Raichur to the Krishna Delta in the North and a straggling line connecting the Nilgris with the Pulicat Lake, in the South. The area lying between these two lines must be considered to be a sort of fluid borderline between Central India and South India. We can agree with Dr. S. Krishnaswami Iyengar when he says: "In modern parlance, therefore, Hindustan, Dekkan and South India indicate the three divisions of the country."[8]

The reason for including the Deccan in South India is its very name. Deccan is an Anglicised form of the Sanskrit Dakshiṇa which is a diminutive of "Dakshiṇāpada", literally meaning "the Southern regions." But perhaps it may be appropriate to remember that ancient Sanskrit scholars in Āryāvarta[9] originally designated all land to the South of Āryāvarta as Dakshiṇāpada

5. T. V. Mahalingam: *South Indian Polity*, p. 1.
6. V. A. Smith: *Early History of India*, p. 488; italics mine.
7. S. Krishnaswami Iyengar: *Evolution of Hindu Administrative Institutions in South India*, p. 1.
8. *Ibid*, p. 3.
9. Āryāvarta: The land of the Āryans.

for it is so natural for them to do so; this is even as the Tamils of the far South referred to all areas to the North of their Northern boundary as 'Vaḍavar Nāḍu'[10] (the land of the Northerners). So the central plateau in India is South to the people of the Gangetic Valley and North to the people of the Kāviri Delta, a simple geographical fact which is recognized best by calling the intervening tract 'Central India'. Hence any study of the History of India can, and ought to, proceed only on the basis of the threefold territorial division of the sub-continent, viz., (1) Āryāvarta, (2) Dakshiṇāpada, and (3) South India which we should call 'Tamiḷaham', the name by which the Tamils knew their country.[11]

We are now concerned with the Southernmost third of India. This land unit which can be in a sense called 'Peninsular India' has three clear boundaries, i.e., it is bounded on the West, the South and the East by the Sea. The Northern boundary had been always a matter for great controversy.

While it is impossible to assert a definite northern boundary[12] for ancient Tamiḷaham, it may not be impossible to locate a working boundary for Śangam-Tamiḷaham recognized as such by the Tamils of that age.

Taking up the Northern boundary, therefore, first one finds that Smith observes: "The earliest tradition fixed the northern boundary of Tamiḷaham on the east coast at Pulicat, a little above Madras, and on the west coast at the White rock near Badagara, to the South of Māhe, the frontier line between the two points passing round by the hills of Vēnkata or Tiruppati, 100 miles to

10. Vaḍavar: Northerners.

11. Śilappadikāram: III, 37; Puṛanānūṛū: 168, 18; Maṇimēkalai, XVII, 62. Though within the area here denoted as Tamiḷaham, Malayālam and some Kannaḍa speaking areas are also to-day included, in the Śaṅgam age the entire area consisted of Tamil speaking people.

12. The Northern boundary being a land frontier and capable of being more easily attacked and less easily defended than the coastal boundaries in those days when the sea route was used more for commerce than for warfare and the land route was used more for warfare than for commerce, the fluctuating boundary would naturally be the 'northern'. Though this is true, the southern boundary also according to some literary sources underwent some push northward due to an erosion of the Southern Ocean at an unmentioned period in history, even as in comparatively historical periods the Western boundary suffered an eastward push when the Kēraḷa Land became distinct from the Tamilnad.

the Northwest of Madras and then inclining southwards to Badagara." He again mentions the Northwest limit as a point to the South of Mangalore and says that later tradition extended the Northeastern boundary as far as Nellore on the North Pennār.[13] S. Krishnaswami Iyengar is of the view that "Tamil land is distinctly markable as the country south of a line drawn eastward from the mouth of the Kalyāṇpuri river on the west coast down to a little way to the South of Nellore."[14] And these are suggestions thrown out by historians of South India so far. It is necessary for us to cover the ground again and go to the sources.

In the special laudatory preface[15] to the Tolkāppiam, there is a reference to the northern and southern boundaries of Tamiḷaham. It speaks of "the good Tamil-speaking world bounded on the North by Vēnkatam and on the South by Kumari".[16] This is generally taken to be the standard enuncation of Tamil boundaries. The preface to the Tolkāppiam was not composed by Tolkāppiar himself but by Panambāranar, a classmate of Tolkāppiar; so Vēnkatam in the North and Kumari in the South were recognized as the established Tamil boundaries in the days of Panambāranar, i.e., in the days of Tolkāppiar.[17] But what are stated in that preface are only the Northern and Southern boundaries of the land where Tamil, as a language was prevalent. It does not speak of either boundary as a political boundary. And a cultural area, a political area and a geographical area need not be identical.

Vēnkatam *is referred to in the following passages also which* throw some additional light on the position of that point as northern boundary.

(a) Māṅgudi Marudanār, extolling the exploits of the Pāṇdyan King Neḍuñjeḷiyan of Talaiyālaṅganam, says that "All the land enclosed by the Kumari in the South, the great mountain in the North, and Ocean in the East, and the West......obey thy commands."[18] Here the northern boundary is mentioned as a great mountain. It seems it is not Vēṅkatam (the northern boundary of

13. V. A. Smith: *Early History of India*, p. 438.

14. S. Krishnaswami Iyengar: *Evolution of Hindu Administrative Institutions in South India*, p. 7.

15. Known as 'Śiṛappuppāyiram'.

16. Tolkāppiam: Pāyiram, 1 to 3.

17. According to tradition he was one of the Twelve disciples of the famous Agastya.

18. Maduraikkāñji: 70, 71.

Tamiḻaham) but only the Himālayās that is intended, though Nachchinārkkiniyar, the commentator holds[19] that it is the puranic Mēru that is meant; but he, too, does not suggest the 'Great Mountain' to mean Vēnkatam.

(b) Kurungōḻiyūr Kiḻār, admiring the adroit escape effected by Yānaikkat Śēy Māndaran Chēral Irumporai from the prison into which he had been thrown by the Pāṇḍyan King Neḍuñjeḻiyan says that the ancestors of Śēy ruled all the land bounded by the Kumari in the South, the great mountain in the North and the Ocean in the East and the West."[20] Here, again, a 'great mountain' in the North is mentioned; and the anonymous commentator on the Puṟanānūṟu hods that it refers to the Himāḻayās. The exactly identical terms in which these two references mention the boundaries lead to the suspicion that such references had become a mere formula of praise.

(c) Kāri Kiḻār, bestowing a benediction on the Pāṇḍyan Palyāgaśālai Mudukuḍumi Peruvaḻudi, mentions "the Snow-capped cliffs on the North, the frightful Kumari in the South, the ocean in the East and the ancient ocean in the west" as territorial limits.[21] Here the northern boundary seems to be more definitely mentioned; for the 'snow-capped' cliffs cannot but refer to the Himālayās — the mountain of snow'; and the commentator agrees.

There are two references in Padiṟṟuppattu where the Himālayās are mentioned clearly as the Northern boundary;[22] and there are two other references in the same work which speak of other areas to the North of Tamiḻaham proper but politically within the jurisdiction of the Tamil Kings.[23] In these instances,

19. *Ibid*, 70, 71. Nachchinārkkiniyar's commentary.
20. Puṟanānūṟu: 17: 1 and 2.
21. *Ibid*, 6 : 1 to 4.
22. Padiṟṟuppattu: XI—23, 24; XLIII—7 to 9.

In the first of these references, praise is bestowed on Imayavaramban Neḍuñjēralādan, and in the second on Kaḍalpiṟakkōṭṭiya Śenguṭṭuvan, both of whom have been associated with a victory over the Āryans of the Gangetic Valley and with the exploit of inscribing the 'bow' on the Himalayan rocks; hence the reference to the Himalayas as the Northern boundary.

23. (a) In the Padiham to Pādiṟṟuppattu VI Ten, Aḍukōṭpāṭṭu Chēralādan is referred to as having presented to some Brahmins of Toṇḍi the kind of sheep called 'varuḍai' caught in the 'Daṇḍāraṇya' (the Vindhyan forests).

(b) In the Stanza 88, Iḻañjēral Irumporai is said to have conquered the enemies of 'the forest bearing the name of the Goddess' which the anonymous commentator takes to be the Vindhyan forests.

the boundaries that are mentioned are the boundaries of the territory over which those rulers are said to have ruled. The determination of the southern, the eastern and the western boundaries never caused any difficulty, for Tamiḻaham of the Śaṅgam age was coterminous with the southern part of the Indian peninsula; the sea was the unquestioned boundary on the other three sides. It is no surprise, either, that the Himālayās should be mentioned as the northern boundary of the land ruled by the two Pāṇḍyan kings and the Chēra king. It is common knowledge that each of the three great royal dynasties of Tamiḻaham — the Chēra, the Chōḻa and the Paṇḍyan kings — claimed to have marched up to the Himālayās with their army and overcome all military opposition on the way, and engraved on the Himalayan rocks their respective royal emblems — the bow, the tiger, and the carp.[24] But it is not necessary for these exploits to have happened for them to find a place in the poems composed by the court poets.

In Śilappadikāram, Iḷaṅgō Aḍigaḷ speaks of "The Tall One's hill and the Braceleted One's ocean which are fixed as boundaries of the fertile Tamil (land)."[25] Here Vēṅkatam hill and the Kumari are mentioned as the boundaries, and the commentator Aḍiyārkkunallār holds that these are the boundaries of Tamiḻaham.[26]

There are many references to Vēṅkatam in Śaṅgam literature especially in *Ahanāṉūṟu.* These references bring out the following facts : (a) that Vēṅkatam is the name of a hill primarily and that it refers to a principality (or even a town) only as a derivative;[27] (b) that the name of a robber chieftain, Pulli,[28] is often mentioned as the ruler of Vēṅkatam, and it is reported that he subjugated the 'Maḻapulam' (meaning the land of the 'enemies' or 'strangers'), though Tiraiyan[29] is also mentioned as a ruler of Vēṅkatam. Here is no discrepency and it is not necessary to consider that Pulli and Tiraiyan were not contemporaries; for Tiraiyan the traditional ruler of Toṇḍai Nāḍu was the ultimate overlord of Vēṅkatam (that being the northernmost point of

24. The bow—Padiṟṟupattu: II Ten, Padiham.
The tiger—Śilappadikāram: V, 97, 98.
The carp—*Ibid*: XVII, 1 & 2.
25. Śilappadikāram: VIII, 1 & 2.
26. *Ibid*, VIII, 1 & 2; Aḍiyārkkunallār's commentary.
27. Ahanānūṟu: 85; 209.
28. *Ibid*, 61.
29. *Ibid*, 85.

Toṇḍaināḍu) and Pulli was but a robber chieftain of the locality. Hence the same poet Kallāḍanār could speak of these two 'Lords of Vēṅkatam';[30] (c) that frequent references are made to a desert (at least arid, dry and infertile land) in connection with Vēṅkatam;[31] (d) that Vēṅkatam referred to is a place in the north of Tamil Nad;[32] (e) that it is a place famous for religious festivals;[33] (f) that beyond Vēṅkatam 'the land of the people of a different tongue lies;[34] (g) that the land of the Vaḍugar lay beyond Vēṅkatam;[35] (h) that travelling beyond Vēṅkatam was tantamount to leaving the motherland and going away; that it was (like) passing through a shadeless desert.[36]

So Vēṅkatam is a hill of some religious importance in the northern part of Tamil Nad; it was once ruled by one 'Pulli' who defeated the 'Maḻavar';[37] the hill was in Toṇḍaiyar Nadu ruled by a 'Tiraiyan'. This 'Tiraiyan' is said to have ruled over the land of 'Pavattiri' (a sea-coast town) also.[38] Beyond the hill, people spoke a different language and a people called 'Vaḍugar' lived. The land was not fertile but mostly mountainous, desert and of the

30. *Ibid*, 85; Kuṟuntogai, 260 by Kallāḍanār for mention of Toṇḍaiyar; and Ahanāṉūṟu, 209 by the same poet for mention of Pulli.

31. *Ibid*, 141.

32. *Ibid*, 27.

33. *Ibid*, 61.

34. *Ibid*, 211.

35. *Ibid*, 213; Kuṟuntogai, 11. The Vaḍuhar referred to here were a people residing in the present Āndhra Pradēsh immediately to the North of Venkatam. The name is derived from the Tamil 'Vaḍakku' (North). 'Vaḍuhu', 'Vaḍavar' are similar derivation.

36. Practically every stanza referring to Vēnkaṭam in Ahanāṉūṟu relates to the 'Pālai' situation and the essence of 'Pālai' is the reference to the lover leaving the land of the beloved for a distant and probably foreign land for various purposes, military, educational, commercial, ambassadorial, etc. The term 'Vēnkatam' a compound of two words 'Vēm' and 'Kaḍam' literally means the 'burning forests' and justifies the Tamil concept of the hill representing 'Pālai'.

37. 'Maḻavar' means 'strangers'; so 'Maḻapulam' is stranger's or enemy's land. This is borne out by the references to Pulli's conquests of the Maḻavar. There are many references to 'Maḻanadu' and 'Maḻapulanāḍu'. K. A. Nilakanta Sastri holds that 'Maḻanāḍu' is a corruption of Malai Nadu and that it is in the Western Ghats. (History of South India, p. 75). This view seems to be rendered untenable, because: 'Maḻa' means 'young' as in 'Maḻa Kaliṟu' (young elephant), 'Maḻaviḍai' (young bull); by extension it means the young soldiers 'Maḻavar'. There is also a literary form 'Maḻapula Vānji' which describes destruction of enemy forces. 'Maḻanadu' simply therefore means 'the land of the heroes and warriors'.

38. Ahanāṉūṟu: 340.

nature of a forest. The 'Vaḍugar' mentioned as trans-Vēṅkatam tribes, being identifiable with the Āndhras or the Telugus, Vēṅkatam can be identified with Tirumalai (which lies to the north of 'Tiruppati'). So the northern boundary in the North-east was understood by the Tamils to be Vēṅkatam hill; and it is evident that Tamil jurisdiction included Vēṅkatam hill.[39]

Many chieftains like Karumbanūr Kiḻār[40] and Ādanungan,[41] ruling over the Vēṅkatam hill have been praised in Tamil poetry, and Nachchinārkkiniyar, the commentator is of the view that Vēṅkatam (the sacred hill) like Kumari (the sacred cape) was part of the Tamil land.

A striking fact about reference to the Tamil Northern boundary is that while the Himalayas and the Vindhyas are occasionally mentioned as a far northern political boundary, Vēṅkatam is invariably mentioned as a frontier point beyond which Tamil as a spoken tongue begins to fade out. In the Ahanāṉūṟu references as well as in the Tolkāppiam Pāyiram and Śilappadikāram Vēṅkatam is mentioned only as a kind of Tamil linguistic outpost; and the northern political boundary mentioned as lying beyond Vēṅkatam was a very occasional boundary and never the usual boundary.

Vēṅkatam, and not any other point on the northern boundary line, is often referred to as the northern limit for three reasons: (1) Along that line Vēṅkatam was the northernmost point; (2) The transition from Tamil land to non-Tamil land is clearly marked off by the Coorg and Mysore plateaus in the northwest while it is only in the northeast. where the terrian does not very abruptly change, that the boundary point needs mention; (3) Vēṅkatam was a place of considerable religious importance to the Tamils of that and subsequent ages. It is also usually believed that places like 'Nellore', 'Chittoor', 'Gudur', etc., were part of Tamiḻaham in the Śaṅgam period, basing the belief on the Tamil origin of these names.

While Vēṅkatam was the Northern frontier point the land lying to the South of Vēṅkatam and reaching down to Kānchipuram and perhaps somewhat to the north of the latter place was

39. Tolkāppiyam: Pāyiram: Nachchinārkiniar's commentary.

40. Puranānūṟu: 381.

41. *Ibid*.: 389.

'aruvānāḍu'; and the people of that part of Tamiḻaham were the 'Aruvāḻar' known to the Vaḍugar as 'Aravallu'; hence the Telugu 'Aravallu' for all Tamils. Around Kāñchi was the nucleus of the Toṇḍaimaṇḍalam which was the north-eastern division of the Tamil land.

The Paṭṭinappālai says[42] that the 'ancient Aruvāḻars' were the subjects of Karikālan. Dr. S. Krishnaswami Iyengar, quoting Ptolemy, suggests that 'Arouva Nai' mentioned by the Alexandrian geographer was 'Aruvāñāḍ'; and he holds that this northern part of Tamiḻaham take us to the mouth of the River Krishna. But it is quite clear that the Aruvā Nāḍu and the Aruvā Vaḍatalai-naḍu lay to the south of Tiruppati hills and cannot take us to the mouth of the River Krishna; in any case beyond Tiruppati lay the land of the Vaḍugas.[43]

In the northeast the Tamil boundary did not reach to the north of the lake Pulikat; the Tamil frontier line can be taken to have moved westward till it reached the eastern fringes of the Mysore plateau in a southward curve and reached the western coast somewhat to the south of Mangalore.

It is suggested by some historians that during the Śaṅgam age or at least during the Mauryan period Kāñchipuram was part of the Mauryan empire and the Tamilian northeastern boundary line was pushed southward. But this is mentioned by them only as an assumption or a hypothesis[44] and they do not adduce reasons for such statements and do not pursue the implications of such a hypothesis. So that view need not detain us here.

Along the northern boundary line extending from east to west and in the eastern Mysore area lay the territory of the Gaṅgas. Mention is made of a chieftain 'Pal Vēṛ Kaṭṭi' (Kaṭṭi of many spears)[45] and he is said to have been a 'Gaṅga' i.e., 'a ruler of the Gaṅga land".[46] The latter day association of a dynasty of Gaṅgas

42. Paṭṭinappālai: 275.
43. S. Krishnaswami Iyengar: *Beginnings of South Indian History*: P. 125.
44. K. A. Nilakanta Sastri: *History of South India*, p. 84: "It seems not unlikely that a part of the Toṇḍaimaṇḍalam was included in it".
45. Kuṛuntogai: 11.
46. Ahanānūṛu: 44; though it is possible in this context (as in Śilappadikāram XXV: 156) to hold that 'Gaṅgan' was different from 'Kaṭṭi' it seems that it is better to 'treat Kaṭṭi as a Gaṅga, for while Nannan, Ēṛṛai, Atti and Kaṭṭi are proper names 'Gaṅgan' is not. (In Aham. 44).

with Mysore indicates the Mysore area as the Gaṅga land; like the Vaḍugars the Gaṅgas also spoke a non-Tamil language and were 'northerners'.[47] But the Gaṅgas seem to have functioned as subordinate chiefs under the Chēras for some time.[48] It is quite possible that the western Gaṅgas of Gaṅgavāḍi or Mysore of whom we hear in the 10th century A.D. were but the descendants of the Gaṅga family to which Kaṭṭi of the Śaṅgam Age belonged. The Silappadikāram speaks of how when Śeṅguṭṭuvan proposed to invade the North, the Kaliṅgas, the Karunāḍars, the Koṅgars and the Gaṅgas knew of his intentions through their spies.[49] It is to be noted that all these lands lie to the north of Vañji, the capital of the Chēras. Very near the land of the Gaṅgas was Erumaiyūr (the city of Buffaloes) ruled by a chieftain not named but simply is called 'Erumaiyūran'.[50] This Erumaiyūr quite possibly was the earlier name for Mysore.[51] The Karunāḍar referred to in the Silappadikāram[52] were the people ruled by Erumaiyūran.

The Puṛanānūṛu mentions an 'Iruṅgōvēḻ'[53] whose ancestry is said to be capable of being traced 49 generations back and who is associated with 'Tuvarai' evidently meaning 'Dvārasamudram' (and not 'Dvāraka' of the epic hero Krishna) from where the Hoysalas of the 12th and the 13th centuries ruled. Dvārasamudram is modern Haḷēbiḍ (Paḻaya Vīḍu) and refers to another northern point at which a Tamil feudatory was ruling.

The northwestern most point of the Tamil country was the land of the Kōśars. The Kōśars are frequently mentioned in the Śaṅgam literature. The land of the Kōśars was Tuḻu Nāḍu[54] i.e., the present South Kanara District. In Asoka's edict II a class of rulers called 'Satyaputas', (a Pali corruption of Satyaputras) are noted as independent rulers treated as foreign powers by the Magadhan emperor. While the Chōḻas, the Pāṇḍyas and the Kēraḻaputras mentioned in that edict are easily recognizable, the

47. Kuṛuntogai: 11.
48. Ahanānūṛu: 44.
49. Śilappadikāram: XXV: 156.
50. Maduraikāñji: 128, 129. Com.
Ahanānūṛu: 36.
51. Deriving 'Mysore' from 'Mahiṣāsura Mardhani' is possibly a later practice.
52. Śilappadikāram: XXV: 156.
53. Puranāṇūṛu: 201.
54. Ahanānūṛu: 15.

Satyaputras are difficult to identify. Smith holds[55] that the Satyaputras of Asoka where the same as 'Satyamangalam' (sic). It may be noted that while the Satyaputras were a people, Satyamangalam is a town; and as Satyamangalam is well within the Konguland (usually under Chēra occupation) it would not be correct for the Asokan edict to treat them separately from the Chēras. Smith is, however, correct when he disagrees with Prof. Bhandarkar and refuses to locate the Satyaputras near the ghats of Poona but says that the land of the Satyaputras was clearly a Tamil realm. The Ahanānūṟu categorically says that the Kōśars belonged to the Tuḷu Nāḍu and it is well known that Tuḷu like Malayaḷam is a clearly Dravidian Language with strong affiliations to Tamil. The many references in the Śaṅgam literature mention the 'Meimmali Kōśar', referring to their 'truthful speech and habits'. 'Meimmali' (truth-loving) tallies well with Asoka's 'Satya' putras and there is no difficulty in considering the Kōśars of Tuḷu Nāḍu as the Satyaputras.[56] The view that the 'Satyaputras' refer to a people in Toṇḍaimaṇḍalam near Kāñchipuram and that the existence of a town called 'Satyavēḍu' in the present North Arcot District justifies this view,[57] may be dismissed as lacking any contemporary support, and based on vague similarities.

The other three boundaries of Tamiḻaham do not raise any difficulty; for in the West, in the South and in the East the Sea was the boundary.

The Greeks and the Romans who traded with Tamiḻaham in the Śaṅgam age refer to Tamiḻaham as Damirike. Periplus has a close account of the ports and inland towns of 'Damirike' and that is a Greek corruption of Tamiḻaham done directly into Greek by the merchants who visited Tamiḻaham often enough to need to know the name of the country they dealt with. The description does not in any way clash with the view that the west coast to the south of Mangalore and the east coast to the south of Pulicat formed part of Tamiḻaham.

This territory, i.e. the entire southern tip of geographical India to the south of a line drawn from Mangalore to Mysore and thence

55. V. A. Smith: *Early History of India*, p. 185.

56. Though historians like Dr. B. A. Saletore (vide *Indian Culture*, I: P. 667) will not agree.

57. *J.R.A.S.*, July and October 1918, Pp. 541-542.

to Lake Pulikat via Tiruppati was the Tamil Land. It was a compact linguistic and therefore cultural area; but was never a single political area before the days of the Imperial Chōḷas. There were not only the three traditional monarchies of the Chēras, the Chōḷas and the Pāṇḍyas but many feudatories like the rulers of Kōvalūr, Parambu Nāḍu, Kolli Hills, Tahaḍūr, Koṅgunāḍu, Toṇḍaināḍu etc. The subdivisions of the kingdoms for administrative purposes into Kōṭṭams, Nāḍus, Kūṟṟams, etc., was a uniform practice in Tamiḻaham. The social traditions and the political institutions designed to preserve and perpetuate those traditions were also uniform if not identical.

Public Enterprise in a Developing Economy

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Form of Organisation:

The rise of public enterprises to importance in most of the underdeveloped countries is a recent phenomenon. It is to public enterprise that is assigned the greater part of the task of building up the basis for the structure of a dynamic and diversified economy. Specific fields of activity may well be earmarked for the operation of public enterprises. Prominent among these are the provision of power and transport, huge irrigation and river valley projects etc. The suitability of fertiliser manufacture which is vital to the progress of the whole economy, to be undertaken for public ownership cannot be overlooked. "A state fertilisers enterprise, not being primarily concerned with profitability, can concentrate exclusively on the maximum and lowest cost production, within the limits of the resources allocated to it by the government."[1] The writer after a study of the operation of public enterprises in three different countries — Turkey, Mexico, and India—comes to the conclusion that not only the pace, but the character of economic development influences the extent to which public enterprise has to be used. 'Public enterprise without a plan can achieve something; a plan without public enterprise is likely to remain on paper.' The type or form of organisation of these enterprises, the justifiability of tax exemptions, concessions or subsidies granted to them, pricing and marketing of products manufactured by them in relation to private enterprises and finally the control of public enterprises are all some issues which come to light. Enterprises started by the State may occupy either a monopoly status as regards production and distribution or they may try to compete with private enterprises already existing in the field. A study of these enterprises in some leading Asian countries shows that by nature they can leave little room for competition. This is especially true of giant monopolies establish-

1. A. H. Hanson: "Public Enterprise and Economic Development", pp. 159-160.

ed with a view to undertake the development of specific areas e.g., the Damodar Valley Corporation. Public enterprises competing with private ones are usually not shown any tax concession or exemption. "The general principle is that public enterprises occupying a complete position vis-a-vis private enterprises should not be given any exemption, special protection or preferences."[2] This is due to the reason that generally when an enterprise is developed by the Government it enjoys certain basic advantages over private enterprise e.g., often land is cheaply acquired and facilities like road, rail and supply of power etc. are also easily available.

There are several alternative types or forms of organisation—'the departmental enterprise', the public corporation and the limited company. The departmental form is the traditional way of organising a public enterprise. Some of the salient features of this type are that such an enterprise is financed by annual appropriations from the Treasury and that it is subject to the budget, accounting and audit controls as applicable to other Government departments. The permanent staff of an enterprise organised in the departmental way are civil servants and the enterprise posses-ses the sovereign immunity of the State and cannot be sued without the consent of the government. Among the non-departmental forms the public corporation is considered to be the most suitable one since it provides the right combination of commercial freedom and governmental control. In the words of President Roosevelt the public corporation form of organisation is 'clothed with the power of government but possessed of the initiative and flexibility of private enterprise.' In fine, it combines public responsibility with the necessary flexibility found in private enterprise. According to the United Nations study on this subject,[3] the following features are characteristic of a public corporation.

(i) It is wholly owned by the State,

(ii) The Corporation is generally created by a special statute,

2. United Nations: Economic Bulletin for Asia and the Far East: (1954). "Some Commercial and Economic Aspects of Public enterprises in certain Asian countries", p. 30.

3. United Nations: (Technical Assistance Administration) "Some Problems in the Organisation and Administration of public enterprises in the industrial field" (New York) 1954. Also refer William. A. Robson: "Problems of Nationalised Industry."

(iii) As a body corporate it is a separate entity for all legal purposes,

(iv) The public corporation is usually independently financed, borrowing its funds either from the Treasury or from the public,

(v) It is generally exempted from regulatory and prohibitory statutes applicable to expenditure of public funds,

(vi) The corporation is not ordinarily subject to the budget accounting and audit laws and lastly,

(vii) The employees are recruited and remunerated under terms and conditions which the corporatoin itself determines.

The term state company is used to denote an enterprise established under the ordinary company law of the country. The State has a controlling interest here either through ownership of all or some of the shares. Those who are against this form of organisation point out that this type evades the constitutional responsibilities which the State enterprise has to the parliament.[4]

However in India there seems to be a clear trend towards this particular form of top management viz., the company form.[5] The Companies Act was codified afresh in 1956 and for the first time there is a reference to Government Companies. The fact that several sections of the Act are specifically applicable to Government Companies signifies that specific legal recognition is given to this particular mode of management for public enterprises.

Some commercial aspects:

The most important reason for Government's entry into a business operation is that private persons cannot provide the good or service. Indeed as Messrs. Koontz and Gable[6] in their recent book remark, 'certain economic activities have come to be acknowledged as public functions.' The term commercial aspect when applied in the context of public enterprises has a different connota-

4. A. D. Gorwala considers the company form superior to the public corporation for the discharge of 'substantially commercial functions' because of its greater flexibility.

5. Refer appendix on the list of public sector undertakings classified.

6. H. Koontz and R. W. Gable: "The Public Control of Economic Enterprise," Part 7.

M. 7

tion from what it means under private enterprise. This is mainly due to the fact that such enterprises which private enterpreneurs hesitate to undertake applying the criteria of profitability, the State may readily step in. The enterprises may be run on losses for a considerable period which would cripple the private capitalist. Again they may receive assistance from the State, distinctly on a non-commercial basis. The prices of the products may be fixed so high as the businessmen would think it ridiculous. Such defiance of commercial considerations may be mistaken in common parlance as 'unbusinesslike'; not so in a public sector enterprise. "To demand commercial behaviour in the ordinary and accepted sense of the term therefore is to cry for the moon."[7] The underlying idea for this differential approach is that, "the enterprise in fact is not just an ordinary business in which the State happens to hold the capital; it is an agency of economic development."[8] The opinion expressed in some quarters that public enterprise is necessarily commercially less efficient than private enterprise cannot be generalised. The Renault Factory in France and the ICI in United Kingdom stand to disprove any such preconceived notion.

The possible sources of capital for a public enterprise are (i) it may float shares or bonds to the public, (ii) it may depend upon Government grants, loans or share participations and (iii) it may resort to self financing, by means of ploughed back profits. It is essential that a public enterprise — for that matter, any enterprise — should be started on a sound financial footing. A financially successful public enterprise can contribute to capital formation in several ways. Like other enterprises in the field, it can plough back its surplus into its own activities for purposes of expansion. It may also surrender the whole or part of its profits to the Government by way of interest, dividends, tax payments or 'ad hoc' transfer of funds. The Government may employ the surplus to finance new enterprises or may utilise it for the expansion of existing ones. Lastly, the enterprise may benefit society at large by following a 'break even' policy. By making no profits of its own the enterprise can pass on the benefits to the consumers at large, by means of lower prices. If the product in question enters into the cost of production of industrial or agricultural under-

7. A. H. Hanson: Op. Cit., p. 441.
8. *Ibid*, p. 441.

takings, the benefit may be passed on to that sector which will earn increased profits. If the benefit is passed on to the individual consumer, it is quite likely that the consumer, by paying less will save and invest a higher proportion of his income.

We may observe that the Government's responsibility in starting an enterprise is nevertheless easy. It should take steps to ensure that an enterprise is not hampered by excessive capital charges during the initial period. The Government should also see to it that necessary financial incentives are given so that the enterprise will attain the maximum efficiency in the minimum time. Lastly, it is again the duty of the Government to see that the enterprise in question contributes to the process of capital formation to an extent determined by the country's planning. The question as to how far the public enterprise should finance itself leads us to the wider issue of the role and significance of profit making in the public sector. The public enterprise should aim at optimum economic efficiency since freedom from competition provides a climate in which any state monopoly may abuse its favoured position. If the public enterprise competes with others, then the level of its profitability will provide some indication of its degree of efficiency. By eschewing profit the public enterprise can contribute only indirectly to capital formation.

Profit Making and Public Enterprise:

In a mixed economy like ours where the Government can only influence the price level in the market and cannot determine it, the price policies of public enterprises should be directed to fulfil certain primary economic aims, such as (a) the maximum utilisation of capital employed, (b) accumulation at the projected rate, (c) the stimulation of certain types of consumption at the expense of others, and (d) the provision of the strongest possible incentives to efficiency.[9] The major issue arising here may be represented thus. Should public enterprises follow a policy of breaking even? Or should they effect a departure and deliberately aim at high profits? Some Government enterprises have endeavoured to follow a break even policy. The pricing policy of Sindri Fertilizers and Chemicals is an instance in point. In this case, there has been a progressive attempt made to reduce the cost of production and price. Sindri Fertilizers has consistently refrained from export-

9. *Ibid*, p. 438.

ing its products at a higher price even though a large number of offers have been made as "such a policy would have run counter to the national policy and Sindri has accepted the sacrifice for the long term national programme of self-sufficiency in foodgrains."[10] This is more an exception than a rule. "Generally Government have accepted the principle of state undertakings fixing prices, so far as possible, on commercial principles".[11] This is so because it is impossible to follow a uniform policy in respect of all public sector undertakings. With regard to such departmental enterprises as the railways, the main principle that is followed is that of 'charging what the traffic will bear', i.e., fixing the charge for each variety of goods according to its ability to pay, taking into consideration the value of the commodity and the use to which it is put. In enterprises like posts and telegraphs, it is service rather than revenue that is the test of success. On the other hand, with regard to the sale of power, we find that generally three aspects are taken note of — a reasonable return on capital invested, the level of rates prevailing in neighbouring states and most important of all, the capacity of the consumers to pay. Pricing in commercial and industrial undertakings is not always based on strict commercial principles. It is interesting to note that in the case of the Bhadhravathi Steel Works of Mysore, a selling price is fixed by the Government to protect the interests of the consumers while at the same time there is a retention price to ensure a reasonable return to the units engaged in production.

The experience of Western countries points out in favour of the 'break even' method. But price fixtion in an underdeveloped economy should take into account the need for relating it to the economic and institutional framework in which they operate. "A policy of 'no profit, no loss' may be appropriate for public utilities in an advanced country and is perhaps the best to be hoped for in the earlier stages of working of some public enterprises here. But we do not recommend it as the long term goal for public enterprise or as a permanent policy for most state undertakings in India."[12] It is usually suggested that prices should equate with marginal costs in the case of state enterprises. But such a principle is difficult to implement since marginal costs can by no means be determined accurately. Further in cases where the

10. Vide Chairman's address, June 1953.
11. Report of the Taxation Enquiry Commission, Vol. I, p. 195.
12. *Ibid*, p. 202.

State uses the public enterprise as a means of indirect taxation, the price may be fixed higher than the marginal cost.[13]

Next we come to the utilisation of the surplus from public enterprises for the planned development of the economy. The Third Five Year Plan has tentatively placed the figure at Rs. 440 crores. It may be useful to note that socialist economies like the U.S.S.R. and China and private enterprise economies like Chile, Philippines and Puerto Rico have relied to a great extent on profits from state enterprises for their development. According to Dr. Lakdawala, "The actual prices charged by public enterprises may contain a tax or subsidy element, but this must be justified in the light of current ideals and practices in public finance."[14] Successful public investment programmes add to national income and taxable capacity and increase tax revenues considerably.[15] But the present returns from State enterprises is far from encouraging. For a total Government investment of Rs. 243 crores to the end of 1957-58, a profit of only Rs. 1·33 crores was made. Though a further sum of Rs. 160 crores was invested in 1958-59, the estimated profits is not much.

The Control of Public Enterprise:

The accountability of the corporation is an important issue under public corporations. The public accountability of the corporation can be ensured by three ways: (a) through parliament, (b) through audit control and (c) through consumer committees. Parliamentary control is exercised through the two committees of parliament — the Estimates Committee and the Public Accounts Committee. In India both the committees are at work. It may be pointed out here that the accountability of a corporation can be ensured not only through ultimate control of essential matters by the Parliament and the concerned minister but also by forming advisory committees of consumers. Such committees are in operation in the United Kingdom. In India the only example that we have is in respect of the Air Corporations. Let us note the

13. Dr. R. Balakrishna: "Studies in Indian Economic Problems", p. 165.
14. Dr. D. T. Lakdawala: "Contribution of Public Enterprises", *The Indian Economic Journal*, April, 1960, p. 403.
15. The practice in foreign countries in regard to taxability of public enterprise varies. In U.K. the public corporations are not immune from taxation of any kind; in the U.S.A. on the contrary, public enterprises are generally exempt from taxation.

main features of such committees in England. Not only are these committees statutory in character, but the members are appointed by the minister. The total number of members usually varies between 20 and 30. Their main functions are limited to that of obtaining information from the enterprises and bringing complaints and opinions of the consumers. These committees publish their views and make annual reports to the minister. The necessity for instituting such committees in India can hardly be overemphasised.

The place of the minister also comes in for discussion. The minister's relations with the corporation are generally governed by two factors: (a) statutory powers and (b) non-statutory influence of the minister. In India the statutory powers of the minister are considered to be rather vast.[16] He has the following powers: (1) the power to appoint and remove the members of the board, (2) the power to issue general directions to the Corporation, (3) the approval of the minister is required for specified categories of actions, programmes and policies, (4) the minister may ask for a financial statement in advance for information purposes and (5) the ministerial rule making power over staff administration and financial matters is very extensive. It may be worthwhile to recollect the remarks of Robson, "....ministerial influence in the conduct of these public boards should remain restricted to major questions of policy."[17] It is important to note that public enterprises should not be subjected to the exigencies of party policies. To bring about co-ordination as between the various projects in the public sector, a co-ordinating Committee was formed in September 1957, with the following powers: (a) to review the progress of all projects, (b) to co-ordinate all training and production programmes of different undertakings, (c) to discuss labour, financial, production and development policies and (d) to discuss research programmes. This co-ordinating Committee formed three sub-committees to discuss various specific problems.

16. Amba Prasad: "The Theory and Practice of the Public Corporation in a Democracy": *The Indian Journal of Public Administration*, Jan.-March, 1960.

17. William A. Robson: "The Public Service Board, General Conclusions" (in "Public Enterprise", Ed. by W. A. Robson), p. 381.

Nature and Size of the Board:

According to Mr. Appleby,[18] what is essential is that ablest administrators wherever they are found should be selected. Questions concerning the internal administration should be settled by the board of the corporation. Regarding the governing boards we have to answer such issues as whether there should be a single board or two boards, the constitution of the boards and the size of the boards. Let us solve these seriatim. The existence of a two board system — (i) a small executive body and (ii) a larger and bigger body serving as a council of control — was a common feature in pre-war years. Since the Second War the growing trend seems to be towards a single board system; the governing body itself is endowed with both the deliberative and controlling functions. The only example that we can conceive of in our country for a two board system is that of the Life Insurance Corporation. But it may be concluded that the single board system is the most feasible one since we cannot effect a complete divorce between policy formulation and policy implementation, in a manner the two board system implies. As L. Gordon emphasises, however, advantageous divided responsibility seems to be, "an undertaking engaged in active operation of a dynamic enterprise, where definitive decisions must be frequent and rapid, requires a determinate location of power."[20] Coming to the second issue, namely, the type or form which these boards should take, we find that they may be either appointive or representative. Under the former, the board members are appointed by the Government and this practice is continued in the United States of America, United Kingdom and India. As W. A. Robson writes, "The most likely way of securing a measure of popular control combined with a reasonable probability of the special knowledge required for making the key appointments, is by entrusting the matter to a minister in charge of the appropriate department."[21] The representative

18. We may recollect that Paul H. Appleby has submitted two reports (1) on the system of administration in general and (2) on "Re-examination of India's Administrative System with special reference to Administration of Government's Industrial and Commercial Enterprises" (The latter is more important for us).

19. Even now some countries follow a two board system, e.g., German Railways. The executive board known as the 'Vorstand' consists of four members and the bigger controlling body is known as the 'Verwaltungsrat'.

20. L. Gordon: The Public Corporation in Great Britain, p. 326.

21. William A. Robson: Op. Cit., p. 368.

Corporation is less common, since no satisfactory technique has been devised with regard to the construction of the board. The French practice of representing the three groups, the State, the consumer and the employees has not been a success. The actual size of the board and the nature of membership varies as between the different state enterprises. Sometimes the number may be fixed by legislation. India adopts the principle of flexibility.[22] There seems to be no consensus of opinion among writers regarding the size of a public Corporation. While L. Gordon places the minimum and the maximum at 5 and 9, M. E. Dimoc puts it however between 5 and 7.

Labour Participation:

Whether public enterprises have any specific responsibilities in the sphere of labour relations is a question to which opposing answers are given. On the one hand it is asserted that there should be no substantial difference between public and private enterprise in this respect. "The contrary view is that public enterprise, precisely because it is public, has special social and educational duties. It should be a lever for raising the material status and the cultural level of the working classes."[23] It is held that it should adopt model employer practices and that there should be 'democratisation' of industrial management. Extremists like Syndicalists, Guild Socialists and Industrial Unionists plead for a system of workers' control and they cite Yugoslavia as an example. In that country, the workers—meaning thereby all the employees—choose from among them the workers' council. The workers' council elects the management board and the director, who form the executive organs of this council. There are at least two sound arguments against the adoption of such a scheme. Firstly, it is said, "As for Yugoslavia which certainly is underdeveloped, no one can say as yet how the system is working or even whether the statutory provisions for workers' control correspond with reality; for no fully informed and independent observer has reported

22. The smallest size is 3 (D.V.C.) and the largest 34 (Employees State Insurance Corporation). The size of some others may be given as follows: Life Insurance Corporation 15; State Bank of India 20; Industrial Finance Corporation 12; Central Warehousing Corporation 14; Indian Airlines Corporation, Air India International and Rehabilitation Finance Administration 9 each.

23. A. H. Hanson: Op. Cit., pp. 464-465.

on the subject."[24] On this basis it is concluded, "...the time has not yet come when the Yugoslav experiment can be held up as an example particularly for underdeveloped countries whose political regimes are fundamentally dissimilar."[25] Again, theoretically speaking, workers' control may be fully justified. But how can we expect high technical skill, essential for the successful operation of an enterprise, to come from ordinary representatives of workers? Perhaps that is why we speak of joint control now-a-days. In addition to the workers, other interests also get represented in the board. In Western Germany, we are told the principle of joint control has been applied by statute to public and private enterprises alike. In India the system of joint consultation is accepted and it is pointed out that under the Second Plan the public sector undertakings should set an example in this respect. We fully endorse the statement of Hanson that in underdeveloped countries in general far less emphasis is placed on the problems of human relations than on those of productive techniques. "All too often it is not realised until very late in the day when much damage has been done and many valuable resources squandered, that the two aspects of economic development are inseparable."[26]

APPENDIX

Public Enterprises in India

Public Corporations:

1. Damodar Valley Corporation (1948)
2. Rehabilitation Finance Administration (1948)
3. Employees State Insurance Corporation (1948)
4. Industrial Finance Corporation (1948)
5. Indian Airlines Corporation (1953)
6. Air India International (1953)
7. State Bank of India (1955)
8. Life Insurance Corporation (1956)
9. Central Warehousing Corporation (1956)

24. *Ibid*, p. 466.
25. *Ibid*, p. 466.
26. *Ibid*, p. 474.

Government Companies: Companies wholly owned by the Central Government.

1. Hindustan Steel (Private) Ltd., (1957)
2. National Coal Development Corporation (Private) Ltd., (1956)
3. Sindri Fertilizers and Chemicals (Private) Ltd. (1951)
4. Nangal Fertilisers (Private) Ltd., (1956)
5. Heavy Electricals (Private) Ltd. (1956)
6. Neyveli Lignite Corporation (Private) Ltd. (1956)
7. Hindustan Machine Tools (Private) Ltd. (1953)
8. Bharat Electronics (Private) Ltd. (1954)
9. Western Shipping Corporation (Private) Ltd. (1956)
10. Eastern Shipping Corporation (Private) Ltd. (1950)
11. Government Telephones Board (Private) Ltd. (1940)
12. Export Risks Insurance Corporation (Private) Ltd. (1957)
13. Hindustan Anti-biotics (Private) Ltd. (1952)
14. Hindustan Cables (Private) Ltd. (1952)
15. National Instruments (Private) Ltd. (1957)
16. National Projects Construction Corporation (Private) Ltd. (1957)
17. National Industrial Development Corporation (Private) Ltd. (1954)
18. Hindustan Insecticides (Private) Ltd. (1954)
19. State Trading Corporation (Private) Ltd. (1956)
20. National Research Development Corporation (Private) Ltd. (1953)
21. National Small Industries Corporation (Private) Ltd. (1953)
22. Nahan Foundry (Private) Ltd. (1952)
23. Hindustan Housing Factory (Private) Ltd. (1953)

Companies having joint capital participation of Central and State Governments:

1. Hindustan Aircraft Factory Ltd. (1940)
2. Indian Rare Earths Ltd. (1950)
3. Orissa Mining Corporation Ltd. (1956)
4. Travancore-Minerals Ltd. (1956)

Central Government Companies having the share capital participation of State Government and Private Company:

1. The Indian Telephone Industries (Private) Ltd. (1950)

Central Government Companies having private capital participation:

1. Hindustan Shipyard Ltd. (1952)
2. Ashoka Hotels Ltd. (1955)
3. Rehabilitation Housing Corporation (1955)

State Government Companies:

1. Mysore Sugar Company Ltd. (1933)
2. Radio and Electricals Manufacturing Co., Ltd., (1946)
3. Praga Tools Corporation Ltd. (1943)
4. Nizam Sugar Factory Ltd. (1937)
5. United Electricals Industries Ltd. (1950)
6. Travancore Titanium Products Ltd. (1946)
7. Madras Industrial Investment Corporation Ltd. (1949)
8. Tripura State Bank Ltd. (1945)
9. Orissa Road Transport Company Ltd. (1956)

Departmental Enterprises:

1. Chittaranjan Locomotive Works
2. Integral Coach Factory, Perambur

Apart from these there are various ordnance factories set up in our country (Total 20).

Traditional Values in Modern India*

by

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1. Tolerance is one of the most important, if not *the* most important, among the concepts which invest the Indian traditional culture with a distinction and distinctness. It has been suggested that the attitude of tolerance could, as some American friends have pointed out, mean a certain condescension, likely to lead to misunderstanding. Human concepts have always this tendency towards pejoration or elevation. But this should not make us forget four things about Tolerance: One: It constitutes a fundamental part of Indian tradition. Two: It is a value that has played a leading role in the history of the country down the centuries. Three: It has a dynamic and creative aspect which could well help keeping it up without deteriorating into some ineffective namby-pamby sentimentalism and indifference, which blunts the keener sensibilities or dullens the urge to positive activity. Four: Though basically a cultural concept, it has widest sociological and political application and Free India believes in it as the chief principle guiding its national and international policy. In the India of today, which has emerged as a modern state, a historian may not be able to recognise several things which, his study of ancient literature or inscriptions would tell him, are characteristic of Indian thought or attitude or mode of life, but he cannot miss this fact that this attitude of tolerance is the most conspicuous native value which has not only survived but is taking on a dynamic significance in the modern context. In the modern context concepts are of increasing significance or vital influence, in the measure in which, from their academic, intellectual or cultural seclusion, they are able to radiate their influence on the wide fields of public activity. Estimated from this standpoint, the ancient Indian philosophic concept of Tolerance is today the sheet-anchor of the international policy of India. Apart from the

* This paper was presented at a Seminar on Traditional Values in Modern India and U.S., sponsored by the UNESCO and held under the auspices of the Delhi University.

criticism mentioned that Tolerance degenerates into condescension or indifference, there is always the difficulty against which Tolerance as an article of faith according to some has to contend. Tolerance is equality of attitude towards all views and when there are two powerful partisans, a third party which endeavours to maintain its impartiality is faced with the situation that neither partisan is able to appreciate its stand. Powerful blocks would rather like alignment with themselves and draw more and more groups into the vortex of their controversies; but the wisdom of Tolerance should in such cases persevere and try to win the contending parties not to this view or that, but to the super-view of comprehension which would digest divergent or opposing elements and allow understanding, amity and the policy of live and let live to prevail.

This concept of Tolerance was something which the ancient Indian found as a precious gem in his religious and philosophical quest. Its earliest enunciation is also in the earliest literary document of the nation, the *Rigveda,* so that this dominant note is also the oldest and most persisting one. In the midst of a plurality of deities to whom worship was offered, the Sage declared that it was the one Reality which the wise spoke of manifoldly and it was the One that was invoked by many names. The Upanishadic philosophy of the One Absolute taking manifold empirical forms and of all paths leading to the same goal, with the analogy of diverse rivers falling into the same ocean, put this idea on a firm philosophical footing once for all, so that later, when sectarian worship of Siva, Vishnu or Devi or the six systems of philosophy or *Darsanas* developed and were productive of controversies, the wise ones never lost sight of this basic principle that all gods were forms of one Divinity and all schools were different approaches to the one summit. The principle was extended to the socalled heterodox system of Buddhism and Jainism; Asoka proclaimed that Sramanas and Brahmans were equally worthy of respect and concord was best; *samavāya eva sādhuḥ.* The Buddha was absorbed as an incarnation of Vishnu. Later, the fruitful way in which this attitude worked in the context of the Islamic impact could be seen in the further development of Sufism on Indian soil and the rise of Akbar and Dara on one hand and saints and poets, on the other, like Kabir who were apostles of understanding and synthesis. India possesses also one of the oldest traditions of Christianity. Hospitality has been the key-note of her history and culture, and it is in India that one has a living tradition today of Zoroastrianism. The policy of secularism, so far as the Government of Free India is concerned, helps votaries of all these religions to follow their faiths peacefully and without endangering other faiths.

It has been pointed out that the culture of India today is a composite culture and that the traditional values have undergone change in the course of history, as well as in the modern contact with the West. But it should not also be forgotten that the Indian ideology has equally modified the cultures or peoples from outside who came into contact with it. It is here that the vitality of the Indian ideology of tolerance and liberalism is most clearly seen. Indian Islam and Indian Christianity have both taken Indian characteristics and the influence of Vedanta or Bhakti or forms of popular religious activity on these two faiths could be seen. In one important respect, the old religious culture of India differs from two of the religious cultures with which it had to come into contact and to live together in the medieval and modern periods, the Islamic and the Christian; both of these latter mentioned faiths believe in extending actively their domain over the globe and the peoples; Hinduism does not. Side by side with the expansion of Muslim and Western power, side by side with political colonialism, the sway of Islam and Christianity had sought to be extended, perceptibly or imperceptibly, by force or by subtle organisational methods. However much modern Western powers may forswear any linkings with religious propagation, all Christian proseletysation in the East has gone on with the monetary help of organized agencies in the respective Western countries and the moral support of the colonial political power. One of the evil effects of this proseletysation of native populations is the inculcation in them of an inferior feeling and a tendency to look up to the proseletysing peoples as the heaven-born and also consider that their real homeland is elsewhere than where they have been born and where they have lived for generations. If it cannot be denied that world tensions have inseparable religious entanglements, it should be conceded that the only way to ensure world-understanding is to end religious colonialism; and it is precisely here that the age-old and tested Indian ideal of tolerance is still purposive in the modern context.

I had argued this with some friends from the West. Some of them maintained that if the right to practise a religion like Christianity is conceded, it goes without saying that the right to convert is also conceded; for, according to them, it was an essential part of Christianity to do proseletysation. This belief is sister to the belief that one's own religion is the only way of salvation or the only true religion. But to the Hindu, who lacks no wealth of sects or diversity of beliefs, the claim of such absolutism sounds hollow. Mr. Edward Shills of Chicago who was out in India studying the Indian intellectual, told me when I asked him to point out certain trends in American culture, that American liberalism discounts this kind of claim on the part of any religion and that Catholics in America could not preach such exclusivistic doctrines. I think that the Indian doctrine of all religions being different paths to the same goal is the only solvent of this problem. In a modern world which has brought us all so near each other, not only physically, but also spiritually, we are building for ourselves a complex of religions and spiritual ideas with extracts and essences of the best in each world religion, all of which we have today learnt to value and cherish. The compilations and publications of Bibles of the World or Selections from World Religions that are increasing are symptomatic of the growth of this new spirit and a vindication of this ideology of Tolerance.

2. Synthessis, Unity in Diversity: Alongside of the above concept of Tolerance and the validity of diverse approaches to the one Truth, is the consistent effort of the Indian mind to see similarity, points of contact, and unity. In the field of religion, the operation of this has already been explained. On the historical side, in the field of small cultures, the process of integration that has gone on has been one of preserving elements of value and consolidating them. This is a unity in diversity, a *Visishta-advaita* in Ramanuja's terminology, as I have shown in my paper *Variety and Integration in the pattern of Indian Culture* which was presented at a symposium organised by some American Professors in India. This again is an idea still live or enduring and animating the administrative ideals of the Free Indian Government. There is a tendency now on the part of groups or regional cultures to stress differences or vax eloquent about their superiority, antiquity or uniqueness; some foreign anthropologists too delight in this atomistic approach and indulge in declaring that there is no such thing as a pan-Indian culture.[1] There are distinct

1. Such analysis would apply to any structure. In this connection attention may be drawn to an analysis of American life and culture by Francis Fergusson of Rutgers University, New Brunwick, in an article of his, 'The Search for New Standards in the American Theatre' [pp. 57-68, *The*

and numerous threads in the fabric of Indian culture but the threads do not hang by themselves; they are best appreciated as components of a rich colourful tapestry. What applies to India applies to the greater museum of cultures, the world. And the same Indian attitude towards toleration and liberal accommodation should help us to see the good in all world cultures.

3. As a corollary to this basic attitude of his towards another or his culture and history, it may be noted, the Indian is not anxious to criticise or pass sweeping statements or indulge, in half-learned or ill-digested parade of information about other countries and peoples. There are practically no books written by Indian scholars about English or American history, society or culture, and there are no Indian research scholars engaged in such work. In the political field also, this Indian attitude has kept India free of the taint of thrusting its rule on an alien population; there have been Hindu kigdoms in South-East Asia but these were merely the achievements of culture and never the result of political domination or exploitation or the rearing up of colonialism. The cry of Lebensraum, land--lust or territorial expansion was never there. The beautiful hymn to Mother Earth in the *Atharva Veda*[2] already proclaimed in the remote past the Indian attitude that the world is wide enough and rich enough for the children to live there without congestion and milch of her their own desired resources of life, without fratricidal competition.

4. That such an over-all synthetic and sympathetic outlook, a spirit of universalism, is an inborn trait of the Indian mind could be seen from the many utterances in the ancient literature of the land. The ancient Indian classics have always stressed universalism and never advocated parochialism or exclusivism. A South Indian Sanskrit playwright said, "Appreciate quality wherever it may come from; quality matters, not the particular part of the world wherefrom it comes."[3] One of the most oft-quoted Sanskrit verses says: "The consideration that one is mine own, the other is

American Review, Jan. 1961]. Fergusson says: "On the surface this country is strikingly uniform.... But if we dig deeper in search of the intimacy and common understanding..... we find we are Western or Jewish or "down East"....the imaginative description of the modern world which Dr. Oppenheimer recently gave — countless cultural "villages" in which we live our most intimate lives, crossed but not united by the super highways of mass communication — applies to our situation in this country."

2. AV. XII. i.

3. Śaktibhadra, Āścaryacūḍāmaṇi, Prologue.

an outsider, sways only small-minded ones; to those of high minds, the entire world is one family." The prayers uttered at the end of congregations or periodical study or exposition of sacred books speak not for salvation or happiness to oneself or one's own community or country, but to the entire universe: "May all mankind be happy," "May there be well-being to the entire world"—these are the prayers.

5. Next to Tolerance and its attendant qualities, the most prominent and enduring characteristic of the Indian attitude is spirituality. It is a common-place observation that the East, and more especially India, represents a spiritual culture, whereas the West stands for material progress. This dichotomy may be taken as too simple to be of complete validity, but on analysis it does seem to be generally acceptable. The Indian attitude has always attached greater value to things of the spirit and its investigations or advances in the realm of the material have been, comparatively speaking, less conspicuous or important. In the scheme of values which any human being should seek, Indian thought has placed *Dharma* or the principle of righteousness and virtue as the primary value. In fact, it is considered to be the sustaining force *par excellence* of life, as its radical definition signifies. This *Dharma* is a multiple concept and includes all those principles of virtuous conduct, goodness, morality, truth, etc. Thirteen of its phases are enumerated by the *Mahabharata* which says finally that nothing that is against the welfare of the people at large could be counted as *Dharma*. In this respect, it goes hand in hand with the principle of non-violence, *Ahimsa*, which has been defined in the old texts as the supreme *Dharma*. That this is a characteristic native cultural value that has stood the test of time is more than amply borne out by the life, precept and achievement of the greatest of the active philosophers of modern times, Mahatma Gandhi. *Dharma* is classified in the older scheme as being twofold, one relating to active or positive life (*Pravritti*) and the other to retirement, renunciation and the seeking of the salvation of the soul (*Nivritti*); in subsequent times, the latter was separated and counted as the fourth and supermost human value called *Moksha*, spiritual emancipation. These two ideals—*Dharma* and *Moksha* standing at either end, exercise as it were a check or refining influence on two other aspirations natural to human beings, the seeking of material gain (*Artha*) and the gratification of emotional needs (*Kama*). These two naturally tend to align themselves with the weakness of flesh in man to the disproportionate length of leading to encroachment on others and producing conflict and misery. The first Upanishad, therefore, exhorts in its first *mantra*, "Do not covet another's possession". The corollaries which flow from this ideology are: i. The subordination of material considerations or the urges of one's desire to those of right and wrong and of one's own moral elevation or depravity. ii. In the extended sphere of public affairs, this would, as Yajnavalkya laid down, give the reign of law and morality an overriding authority over the exigencies of politics and diplomacy. iii. The head of a State is not a master but only a regent of *Dharma* and a trustee. The *Upanishad* says that wanting to create something more powerful than regal authority, the Supreme Being created *Dharma*. iv. Law protects, if it is protected. v. As the Ramayana says, the pursuit of mere *Artha*, material gain or expediency, or the resort to mere *kshatra* or military striking power is to be condemned; and *Dharma, Satya Anrisamsya*, Right, Truth and Humanity, are the eternal bases of authority. vi. The Indian ideal would therefore discredit as uncivilised all modern states and power politics based on economic issues and military strength; these ancient exhortations of India are never more timely than today when the mad race for nuclear arms has brought the so-called great nations to the brink of ruin where they live in constant dread of each other.

6. The modern slogan of raising the standard of life has meant generally the increasing of wants. The Indian view emphasises that happiness is an inner and spiritual factor and of an order of reality different from that of the external material accessories; the *Upanishad* declares, the spontaneous innate thing called bliss, the *Akrita*, is something not to be had through the artificial, the *Krita*. In experience, we know that one may have possessions and yet lack peace of mind; even so with nations. It is not argued that ameliorative measures or development programmes should not be undertaken; what is meant is that such programmes do not form all the solution that is needed. This betterment attends only to the physical needs of the people; over and above these is the moral betterment. It has been recognised now that there is an urgent need to supplement these projects with emotional integration programmes. While physical comforts and happiness are not to be ignored or despised, the Indian ideal set forth above would serve to restore to us a sense of balance and realisation that true culture is of the spirit existing irrespective of accumulation of goods and that it should not be forgotten in the breathless anxiety with which we spin round the mounting spiral of material advancement.

7. The idea of subservience to an ideal of *Dharma* also sublimates human activity into something impersonal. The reign of *Dharma* means that one is expected to fulfil certain duties laid on him. The traditional culture of *Dharma* in India is one of discharge of one's duties, duties to oneself, to one's kith and kin and society, to the state and country, and to the past cultural inheritance and the future; it is not a culture in which individuals or groups bargain on the basis of rights. It is a regime not of fundamental rights but of duties.

The question of rights and privileges and their nursing may refer to groups also, but it is in the very nature of the clamour for rights to give rise to an atomistic conception of man; on the other hand, the *dharmic* conception has the potentiality to attenuate individualism, merge man in a common ideal and promote cooperation and unity. In fact, properly pressed, from the modern point of view, the ancient Indian *dharmic* ideal could yield endless fruitful ideas and prove to be a source of constant and dynamic inspiration.

8. If Indianism stands for spiritualisation of politics or *Artha,* it has, all through its history, spiritualised also the aesthetic activity of man, or all expression having its ultimate springs in *Kāma* (desire). Indian aesthetics has its chief characteristic in its spiritual orientation. Godhead is the fountain-source of all beauty and whatever is beautiful here is, as the *Gita* says, but an aspect of that divine plenititude. Literature, music, dance, sculpture, every art is but a *sādhana* or spiritual discipline leading to self-realisation and to allow artistic gifts to subserve only mundane ends or the gratification of the physical self is to render profane those gifts. This is a fundamental feature of Indian artistic tradition that had been cherished and strengthened in modern times by poets like Tagore and Bharati.

Related to this traditional Indian conception of art is the other characteristic feature of Indian art, viz., that it is not divorced from life, day to day activity and the homes. Artistic expression is suffused all through the activities of man, manifesting itself in anything and everything that he uses or does. This makes everybody have some art round about him, however poor his home and however limited his range of activities; this would also make a good deal of Indian art folk-art or anonymous art, as indeed many of our masterpieces of sculpture and paintings are. But this is not a drawback; on the other hand, the Indian attitude thus prevents art from being segregated to the museums or galleries or the drawing-room of the affluent and from being a luxury. This integration makes man as such, as he lives everyday and at his own home and environment, a more complete being; for otherwise, he lives merely in that state in which, as Sankara says, he is no better than an animal, eating, resting and procreating.

9. The permeation of all life by the artistic ideal means the shifting of emphasis from ends to means. The entire body of *Dharma,* the *Samskaras* or sacramental refinements of the human medium, the *Gītā*-precept of doing well regardless of the fruit and in a spirit of equanimity, all these exalt means over ends and sublimate action.

10. The spiritual ideal discussed above as giving a complete orientation to all activities of life holds within it another important tenet also. Material considerations are considerations of the moment, considerations based on the seen; they are not related to the thing unseen, which it would even discount. On the other hand, the attitude which gives the controlling power to *Dharma* or the requirements of *Moksha,* looks at the problem from a long-term view, from the standpoint of forces not immediately in front of us. The spiritual values are the results not only of a comprehensive approach to the diverse interests here but of an integration of these interests here with those in the hereafter. This is the union of heaven and earth, which Goethe said, Kalidasa symbolised in his *Sakuntala.* If the technical details of this integration are worked out, if the this-worldly short-sightedness, of the moment or the present alone, is to be given up, one will have to accept the other axiomatic Indian concept of *Karma;* the doctrine which fastens responsibility on oneself and his own acts is a potent force for ethics, moral behaviour and self-improvement; 'raise thyself by thine own self' is the constant call.

11. *Samatva.* The most prominent feature of modernism is the breakdown of distinctions, and monopolies and concentration of any human activity or achievement in any particular classes or groups. Both in government and sociology, egalitarian principles have come into operation. Any traditional Indian attitude which runs against this grain of the times is bound to be discredited as outmoded and no longer of any significance. A closer or calmer view would however disclose that the traditional stand on this question of equality is not without significance in the present context. The philosophy of the one Absolute proclaimed in the Upanishads admits of no fundamental difference between one human

being and another; the *Gita* says that the Supreme Being is *Sama* or the Equal. While this is, philosophically, perfectly valid, reality is, as it is, of the very nature of difference. In a world in which, in the same palm, each of the five fingers is of a different height, it is futile to contend that merely by force of power, legislation or any other mechanics, an artificial equality can be extended to all aspects of life or applied on a nation-wide scale or maintained as a natural form of government. Equality cannot be achieved on the material plane; it can be realised only as a spiritual truth. In a democracy, equality is a theoretical axiom, but only those having the equipment or quality of leadership rise to leadership; and only those who are endowed with the ability to efface their own selves and place the good of the community before their own selves could be real leaders. This is technically stated in Advaita Vedanta that *Bhava-advaita* is what can be realised or is advocated, and not *Kriya-advaita*. In actual life there have been numerous divisions in the community, but saints had frequently risen from the lower rungs and had been revered and canonised and accepted by all up to the highest rungs. Any political theory, which is a force operating on the material plane, that seems to extend to its logical limits the principle of equality, runs counter to human nature, and can only be an aberration, and to seek violence as a means to enforce any objective, which is apparently a doctrine of justice, is a contradiction.

12. *Diversity.* This has been dealt with under unity and synthesis; but as we are considering here the principle of equality, we might as well try to see what ideas of significance to the present times could be drawn out of certain traditional concepts of India on this question. Difference or diversity need not mean conflict and contention; it can mean the coming together of diverse specialities or functions or requirements in a cooperative endeavour in an over-all scheme. The analogy of an orchestra in which different instruments and players have each their part, to be executed without confusion or encroachment on that of the others, will illumine the significance and scope of this social arrangement; as Kalidasa or the *Gita* would say, no part is intrinsically inferior to the others, but each is complementary to the others, and all subservient to a masterpiece of symphony. While according to the requirements of the different parts, there are different types of qualities and efficiencies expected, *adhikari-bhedas* as they are technically called, no *adhikarin* is to be looked down upon or could be dispensed with.

13. Involved in the idea of *adhikara-bheda* or difference in equipment is also the idea that progress is a matter of slow evolution. Gradualness, the undergoing of the necessary process, is an essential element of this traditional concept of progress; its pace cannot be forced and any rough handling of it is bound to leave more lasting injuries than benefits.

14. *Sādhana. Adhikāra* as qualification demands that the required discipline and preparation should be undergone before one could take upon oneself the responsibility. In Indian religious or spiritual endeavour, the requisite *Sādhana* is first insisted upon. This could be fruitfully extended to all spheres of public activity where, today, persons are more anxious for position, name or fame, without having acquired the qualities required for it.

15. There are several other concepts in Indian traditional culture, which, looked at today, in the context of modern life, have begun to gleam with the glow of fresh suggestions. Within the framework of *Dharma*, there were concepts like *Ishtapurta*, *Dana* and *Bhuta-yajna* which were forms of social service. The *Gita* has the expression *Loka-sangraha* for social service. Indian contact with the West and Christian institutions had deepened the Indian conception of charity and modern India has developed far more intensely the concept of social service. Herein is an example of an ancient value revitalised in the modern context and holding within itself limitless possibilities. The setting apart of the last two parts of one's life to selfless activity and service is another traditional idea (in the scheme of *āśramas*) which could be of significance in the field of public work today. In ancient Indian education, there were ideals like corporate life at an educational institution, free education and intimate teacher-pupil contact which have their modern counterparts; in fact, our educationists today frequently hold up the ancient *guru-kula* ideals. Another highly valuable traditional idea which has repeatedly received emphasis at the hands of modern Indian leaders, including Tilak and Gandhi, is the *Gita* doctrine of disinterested discharge of one's duty, regardless of the fruit, of success or failure.

16. The adaptation or revitalisation of older concepts has been a regular process by which Indian culture has been ensuring its continuity. In modern times, as a result of a non-cultural curriculum of studies at School and College, during the British period, and the relegation of cultural studies to Oriental scholars, Indians themselves had to re-discover their cultural values. In

this they did receive help from the work of Western scholars. Thanks to this re-discovery, the awareness of India today towards its own culture is far more critical than it otherwise would have been. But the situation has not been free from its drawbacks; for Oriental studies of British scholars had been a handmaid of their administration, and oftentimes Indians had been compelled to accept particular concepts of their thought and culture as a British or other European Orientalist steeped either in Graceo-Roman civilization or Christian thought insisted on interpreting them. What is needed today in a free world is not to give room for any inhibitions in the field of comparative cultural study; no nation could study the history or culture of another people without the background of its own country and culture, but it is necessary also to take into count the way in which a culture is understood by those who actually profess it. An idea is to be taken in the form in which it has sustained or inspired its professing people for a continuous period; but not in a speculative anthropological form from which, according to some evidence, it might have originally developed. A pearl was originally an irritating foreign substance within an oyster, and a piece of dazzling diamond was once mere charcoal. In a symposium held three years back, at the University of Toronto, under the auspices of the American Oriental Society, American Professors of Far East, Middle East and Indian studies discussed how best their fields of study could be more intimately correlated to general education or pursued in a way more significant to the larger body of educated public. Reference was made here to the recent organisation in some American Universities of South-East Asian area study programmes, so that a certain number of equipped personnel could be reared who may be usefully employed for diverse state, commercial and other work in the areas of their study. Making pointed reference to this new "area studies centres" Mr. Wilfred Cantwell Smith, Institute of Islamic Studies, McGill University, Montreal, Canada, observed: "These have arisen not primarily out of inner impetus towards disinterested knowledge, but in response to a stringent practical demand .... it would be equally idle to deny that it is full of danger, both to our studies and to the world. There is the danger of 'being used'; of subordinating knowledge to policy, rather than vice versa. There is the subtler danger of acquiring seeming knowledge, that is in fact false. For it happens to be a law of this universe in which we live that you cannot understand persons if you treat them as objects. You misinterpret a culture if you approach it in order to manipulate it. *A civilisation does not yield its secrets except to a mind that approaches it with humility and love*". May I plead for such an approach on both sides so that with true humility and love, we could study each other's cultural values better and learn to imbibe therefrom elements of value that have endured, and are, even today, capable of giving us light and lead.

Rural Society in India and Germany

An Anthropological Approach

by

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Introduction

The anthropologist's primary object of study is a living culture or an actual social structure he investigates, analyses, compares to other ones and attempts to understand in its historical setting. Peculiarities of the actual structure may yield hints or evidences of the particular way a society went on it its past. Since the system of social relations forming an actual society is a product of history, the anthropologist is challenged by his own material to contribute to the history of the respective society. In these circumstances, he is not only able to supplement the findings of history; he, after all, may even be in a position to reconstruct the function and role of an institution in its past as it was the case with the *jajmani* system of the old Indian village community having been reconstructed and even rediscovered to a certain extent from recent remains still alive in the folk-society of rural India.

Today, anthropology does not confine itself any longer to the study of so-called primitive people and their cultures.[1] The changing anthropological outlook gave rise to new problems hitherto unknown and made anthropologists feel the need for a critical reappraisal of many a topic of methodology. Vis-a-vis this background, touching a subject like ours involves the necessity to think on the best way how to tackle it in order to contribute to the current discussion.

Note.—Since at the time of writing this paper only a few books pertaining to the subject were at hand, only few and partly incomplete references could be given.

1. Cf. R. Redfield, *Peasant Society and Culture*: An Anthropological Approach to Civilization. The University of Chicago, 1956, p. 10 sqq.

I. *As we find it*:

Some aspects of social life and some problems pertinent to

We are going to approach in a comparative manner a few aspects of rural life in India and Germany as we find them today or as they existed only a few decades ago. This paper does not refer to the fundamental socio-economic changes, which happened during the last decade in the agricultural set-up of the German Democratic Republic. Let us start with the comparison of some items from the social sphere of both countries, obvious even to a mere casual observer.

1. *Concept of marriage*

Availing oneself of the opportunities for anthropological information offered by newspapers one first might pay attention to the matrimonial advertisement published by the dailies, and even a superficial glance at these advertisements stimulates reflections regarding the attitude towards marriage.

Naturally, one should not overrate these advertisements since they express the view of a limited number of people or only of certain strata of the population. Nevertheless, in their majority they show a definite attitude which can be confirmed by observations on individual views towards the topic in course of conversations. Observations of this kind lead to the conclusion : in India—so far as the traditional attitude is concerned and, of course, taking the Hindu view as representing India — marriage is looked upon above all as creating connections between two families, whereas in Germany marriage is considered mainly as a matter of two individuals. Whereas in Germany the sympathy with the selected mate, the personal merits and the position of the individual in life are considered to be decisive, in India you will find people asking not only for the family to which the person belongs, but also for the position of the father and even today, as it seems, not seldom the question is raised regarding the caste or other kinds of community affiliation as an important factor which stimulates the selection of a mate. Unlike the Hindu conception of marriage, there is no religious sanction behind the traditional conception of marriage in Germany, at least not in the sense that marriage is regarded as a necessary phase in an individual's life circle. In common opinion, marriage appears as a normal thing for a healthy man or woman and adults growing old unmarried are looked upon as a sort of queer people. But, lastly,

it is left as a matter of personal decision whether one gets married or not.

To avoid misunderstandings a remark is to be added. The picture sketched above is somewhat abstract stressing the theoretical concept behind that institution. In reality, of course, one may find a number of variations depending on the nature of the social surroundings. Though in theory praised as an essential feature of modern western society, in practical life there were many limitations set to the alleged free choice of a mate according to individual taste and mutual sympathy. In capitalist Germany, for instance, for reasons of wealth and the strive to enlarge property, many a marriage was not concluded merely by reason of the individual choice of the two people concernd, in particular among the well-to-do classes. The recent changes of the social conditions in the German Democratic Republic towards a socialist type of society brought with them also remarkable changes in the attitude towards marriage. They can be recognised, inter alia, in the changing attitude towards such things like advertisements as a way to find a mate. Today among many people more and more a feeling arises which can be described as a dislike or aversion against the method of offering oneself in the columns of a newspaper. An increasing number of people are gradually becoming reluctant against that practice because they consider it reminiscent of a market where human beings are offered to be sold and purchased. After abolishing the reasons which may have sponsored such a practice in the past, they think it out of date and incompatible with the dignity of human beings.

2. *Patterns of family*

A second problem may be pointed out which is closely connected with the first one just described. In India, one usually meets the custom of mentioning one's father's name at official and semi-official occasions. Here it is customary to describe actually a boy or a girl as son or daughter of so and so. This you cannot find in Germany. In Indian newspaper announcements conveying thanks to people who attended marriage celebrations or sent presents on the occasion of a wedding the parents of the couple will propose the thanks. Contrary to the said custom, in Germany you will find the newly married couple proposing thanks, simultaneously on behalf of both parents, as it is phrased usually. The impression one gets from such experiences might be that in India the bonds of family-interrelationship are much stronger than those in Germany and that traditionally the individual is far more subjected to a joint-family organisation headed by the father. Such an impression gets support from the experiences of the strong position the father holds among the family members and from the evidence given about the responsibility of the eldest son regarding the maintenance of the family members. Thus, in present-day India one recognises the old joint family system still in force, or at least strong survivals of it, still functioning. Comparing those findings to the situation in Germany, an essential difference is palpable, since there in traditional rural society the nuclear family represents the basic social unit. Even in past decades in Germany very seldom peasants' families could be found which consisted of members other than the owner of the holding with his wife and children and, perhaps, his parents from whom he had inherited the farm. The brothers and sisters of the owner, however, when getting married usually shifted to their mate's home or any other place. In general, relatives are living separately with their own nuclear family consisting of the parents and their children. All over Germany with the exception of a few small areas, the peasant holdings were inherited undivided by one of the sons. In cases where in the past an old couple was living with a grown-up and married son, the old couple very often ran an household of their own, they were certainly staying in rooms of their own and were expected not to interfere with the matters of the son's family.

3. *Use of kinship terms*

In this connection it may be of interest to ask for the manner in which kinship terms are used within the family set-up of the aforementioned types. Compared to Germany, in India one may at once find a far greater number of kinship terms. But even more impressive to the foreigner than the mere existence of the terms will be the fact that while addressing a definite person of one's relationship an elaborate system of terms is being used to define exactly the position the person holds in respect to the speaker, regarding the degree of relationship, the belonging to an age group older or younger than the speaker, and the affiliation with the group of relatives on father's or mother's side. Against this, in Germany only one term each is used to designate brothers, sisters, aunts and uncles respectively. For the purpose of actual addressing, however, the use of kinship terms is limited still further and moreover, recently the kinship terms are being gradually replaced for the most part by the personal or mere pet-names or by expressions derived from children's language (so, for example, *vati* and *mutti* or *papa* and *mama* for father and mother etc.). True kinship terms were used in Germany to address father, mother, grandfather, grandmother, and uncle and aunt. But, as far as the addressing of parents is concerned, the original terms meaning exactly father, mother, etc., are used in present-day Germany only in comparatively rare cases due to a rapid change of customs going on since about the years of World War II and after. The terms uncle and aunt are widespread still today, but besides being used for the designation of father's or mother's brothers, respectively father's or mother's sisters, those terms very often and particularly in towns and cities, are used by children to address any non-related adult male or female with whom the child becomes aquainted, a custom occurring in India too. In all the other cases of addressing relatives, while addressing children by parents, brothers by brothers, brothers by sisters and vice versa, the personal name of the person addressed is made use of.

4. *The system of names*

A further problem emerges from another sphere of social life. Sometimes one may hear Europeans complaining about the difficulty to recognise Indians by name for it appears that a few names are shared by a great number of people. Almost every second or third Indian from the North seems to be a Singh or Sinha, a Gupta, Mujumdar, Roy, Bose, Mukherjee or Chatterjee, and if it comes to western India, it appears to be the same with the Desai or Bhandarkar, the Patil and Ranade. In the South the picture is not less bewildering, for here the foreigner will meet certainly not only one Menon or Panikkar, Nayar, Nambiar, Aiyar, Rao, Pillai, Mudaliar and Chettiyar. The fact that these are caste names or names peculiar to certain communities reveals a profound difference to the customs prevalent in Germany or Europe in general, where true family names exist. But, at the same time, in India two closely related persons as two brothers or father and son are designated by names completely different, so that a foreigner at once may realise the importance of the institutionalised habit of calling somebody "son of so and so" or "daughter of so and so", testifying thereby to the existence of a patrilineal and—as we know from historical sources—patriarchal family organisation. This, too, bears some difference compared to the customs prevalent in Germany or generally in Europe where individual and family names are used combined to designate a person as an individual and as a member of a definite family. Nevertheless, features similar to those referring to a former patriarchal type of family organisation are occurring also in present-day Europe. Thus, for instance, in Scandinavian countries family names are not seldom mere patronymics, like Svenson in Swedish, Petersen in Danish, or Einarson in the Icelandic language, designating a person as "son of Sven", or "of Peter", or "of Einar", respectively. Or again with one people of another branch of the Indo-European languages, of the Slavonic languages, the system of names clearly shows similar features. In Russian, everybody besides his personal and his family name is given a name designating him as "son or daughter of so and so", referring to the father's name. For instance, the son Igor or the daughter Nina of Alexander Brunin will be called: Igor Alexandrowich Brunin or Nina Alexandrovna Brunina, respectively. And colloquially the individual is addressed by that personal and the father's name, no mention being made of the particular family name. A slight reminiscence to the custom of tracing the descent through names can be recognised also in Germany. Here not seldom—mostly perhaps unconsciously—a child is given as a second name the name of his father if it is a boy, and the name of the mother in case of a girl; occasionally, the name of the grandfather or grandmother may be given as a second name, too. As regards the habit of using family names one should remember their comparatively recent introduction in Europe. In Germany, historical sources relating to events of the period of the Great Peasant Wars in the first quarter of the 16th century A.D. prove that family names were not yet in common use among the rural population at that time. Family names were required first for administrative purposes when crowded towns sprang up and hence, in Germany, they came in use only from the 14th and 15th centuries onwards.

In their origin German family names are different. Many names are derived from the designation of trades, crafts and professions, others refer to individual and bodily peculiarities; some originally may have been mere nick-names. Further, there are names indicating the possible place of origin of the family in a particular part or place of Germany; colour names occur as family names, and the majority of the family names as well as of the personal names do not have any meaning at all, at least not in their present form, thereby essentially differing from the nature of the majority of Indian names.

Some names or forms of names in Germany may be considered typical of particular geographical areas of the country, a regional grouping of the names being possible to a certain extent which, of course, shows close connection with the areas of distribution of the various dialects of the German language. Except a certain regional grouping of the names which is possible to a limited degree, there are comparatively slight interrelations only between definite names and the bearer's membership of a particular community or of a social group which, however, by no means prove a cogent coincidence in every case. Moreover, interrelationship of that kind has always been of minor importance in German social history. The social groups eventually to be put out in such a way never formed part of an elaborate social hierarchy as it can be seen from Indian history, since the set-up of the feudal society in Germany obviously differed from the structure of the old Indian society backboned by the caste system.

5. *Economic interrelationship, social communication and administrative organisation of the village*

A comparative glance at the public spheres of rural life in both countries also easily yields certain differences besides several similarities. One of the most striking features of Indian village life visible still today in a restricted form is the close traditionally regulated communication between different groups of villagers following different professions. That system, known as *jajmani* system,[2] involves many mutual social and ritual relations and obligations but, simultaneously, a peculiar form of personal dependence of the artisans and socially low-ranking specialists upon the cultivators or owners of the soil, who form the bulk of the population and who are the dominating group in the village.[3] There is a type of economic interrelationship based on an exchange of a traditionally fixed quantum of products between followers of various professions. Contrary to that, in rural life of Germany even some decades back the relations between peasants and artisans were governed by rules of commodity production. Certain fami-

2. W. H. Wiser, *The Hindu Jajmani System*, 2nd Printing. Universal Publishers, Lucknow, 1958, pp. XVII sqq.

3. O. Lewis, *Village Life in Northern India.* University of Illinois Press, Urbana, 1958, p. 79

T. O. Beidelman, *A Comparative Analysis of the Jajmani System*, J. J. Augustin for the Association (Monographs of the Association for Asian Studies, VIII), Locust Valley, N. Y., 1959, pp. 1, 15, 33.

lies of peasants were considered the usual customers of certain artisans, indeed, but on the whole the actual economic interrelations were based on money-economy. Any institutionalised obligations concerning the rendering of services by the artisans to peasant families did not exist.

According to the common view of villagers towards social ranking in Germany, so far as the peasant villages are concerned, the peasant-proprietor was considered the dominating representative of the village. Artisans and, to a much greater extent, agricultural and forest labourers were looked upon as "small people" in a social sense. Such an attitude did not remain only a mere concept springing up among the peasant-proprietors from the consciousness of their socially superior position. But, moreover, in some parts of Germany at least, the phrase "*kleine leute*" ("small people") was used colloquially among the peasant-proprietors, the "big people" of the village, when they referred to artisans and other non-peasant inhabitants of the village.

Within the field of village administration in Germany until few decades back the representatives of the village forming a village council or a municipal council quite usually hailed from "respectable" peasant families. Respectable in this connection not only meant wealthy but, coincidentally, implied the affiliation with one of the old or long resident families in the village members which, perhaps, played an important role in village life already several generations ago. The council of the village in Germany cannot be equated with the Indian village panchayat because of its minor importance and its far more limited functions owing to the stronger centralized structure of the state compared with that of India. The council of the German rural municipality did not possess a judicial and political power like that of the Indian panchayat. Moreover, the actual administration of the village affairs was carried out by a formerly honorary official or burgomaster, chosen according to certain traditional rules from among the heads of the most respectable peasant families of the village. Thus, not only the municipal council of German villages offers a picture differing from that of the administrative body of the Indian village, but also the hereditary system of office-bearers of the Indian villages could not be found existing in German villages in their past history.

Lastly we should point out the fact that until few years ago considerable tracts of the countryside in the once most backward

northern and eastern areas of Germany, now mainly forming parts of the German Democratic Republic, were dominated by so-called estate villages. These villages not seldom consisted only of a landlord's estate and the dwellings of the agricultural labourers attached to the estate, the local administrative power having been vested solely in the hands of the landlord. Many villages in other parts of Germany comprised similar landlord's estates too, the holdings of which extended over a large portion of the village area. Wherever these landlords were existing, they played the leading role in all matters of local administration and greatly influenced the whole of the social life of the rural community due to their outstanding social and economic position. After the implementation of a democratic land reform on the territory of the new GDR in 1946 there those conditions ceased to exist.

So far our glimpses at a few aspects of social life in India and Germany have led us to the statement of some similarities and several differences. Now, after drawing this sketch we should ask for some basic facts on the differences in the historical way of the two social structures in the past, underlying the recent traits of the two societies just described.

II. *Things behind:*

Community organisation and social structure of the villages:

In his lectures on "Village Communities in the East and West", published in 1871, Henry Sumner Maine made an analysis of the Indian and the Teutonic and Anglo-Saxon community organisation in their relation to the respective set-up of the state from the point of view of comparative law. Comparing the system of right in the soil in the early feudal states in north-central and north-western Europe to that of India at the beginning of British rule, he came to the conclusion: community organisation and structure of the state in India represent an earlier stage of development which previously must have been passed through also by the European society. In India, he said, we are facing a society with an unfinished feudal set-up, spoken in terms of development. Leaving aside his conception of the development of society, state and law he looked at as a process similar to organic development, we should take into consideration the reasons Maine referred to and lay out shortly the facts connected with the problems raised by him. Going on in that direction, we arrive at the question of the basic features of community structure and feudal set-up in the respective areas.

In the early German community (*markgenossenschaft*) as well as in the Indian village community, the full entitled members were those who held a share in the land of the community. They were full entitled since they possessed full political rights, above all the important right to take an active part in the community meetings deciding community affairs and matters of public interest. Besides the full entitled members during the period of flourishing of the community certainly forming the bulk of the population, there were some other groups of people living in the village, not being full entitled to various degrees: firstly, a set of artisans or specialists who supplied the agricultural and household goods not manufactured by the cultivators themselves, and, secondly, people being personally unfree to different degrees and attached to families of cultivators as a sort of domestic or patriarchal slaves or bondsmen, in the Indian community partly belonging to the community as a whole and living in a peculiar state of hereditary serfdom.

So far as the right of the members of a community in their share in the land is concerned, a certain difference is to be observed which became important in course of the development of the German or Indian community respectively. The share, it is understood, consisted not only in a portion of the arable land but was combined, simultaneously, with a right to a housesite, with the right to use the common pasture, etc. For the purpose of the current discussion it will be irrelevant whether the share was realised in the shape of an actual separate holding of a plot of land, cultivated individually, or whether it was realised in kind, as a share in the produce only, obtained by the joint efforts of the members of the community. The share of the full entitled members of the German community (termed *allod*) came to be considered as an individual and inheritable property of the individual family, whereas in the Indian community the share continued to be inseparable property of the community itself and could be utilized—in theory—by a member of the respective village community only. In spite of the characteristic features described, the German community did not disintegrate at once but kept its community organisation as such intact for centuries, though stripped of many functions taken over by the feudal lords and their administrative organs which arose as the new representatives of public power. One reason conservating the community organisation can

be seen in the so-called 3-field system[4] dominating the cultivation with its compulsory rotation in the utilization of the arable land and causing the necessity of a certain organisation of cultivation work for the village as a whole. Yet the existence of a community organisation did not prevent the rise of feudal lords out of the former community co-members and military leaders, who took charge of the public and military affairs of a certain area, for which purpose they collected fees and started to consider themselves masters of their districts, levying rent on their subjcts and seizing the common lands of the villagers. The last mentioned transformation of the social relations and the change of the peasant members of the communities into dependents of feudal lords took place in the different parts of Germany between about the sixth and the ninth centuries A.D.[5] With the development of the feudal order the property in the soil rested with the feudal lord. He, besides, possessed a limited right in the person of the peasant who ran a farm of his own. The artisans of the former community held a similar position, often more or less attached to the estate of the feudal lord and rendering services to him till in later centuries towns emerged as strongholds of trade and industry and attracted the feudal dependents in the countryside. The feudal dependents strived to escape the bondage system and to settle down within the realm of the newly established towns which emanated the idea that there 'the air emancipates."

In India, the basic pre-condition of any large-scale cultivation is the irrigation of the soil. Therefrom the necessity sprang up of a planned and well-organised work to construct a net of irrigation channels, tanks, etc., on the efficiency of which each cultivator was dependent. Within the villages the work was carried out jointly by the members of the village community or else, as evidenced by records on south Indian villages from the beginning of the 19th century, partly or wholly by the personal dependants and agrestic slaves of the members as well as by the non-full entitled members of the then disintegrating community under the supervision of the community or its organs. The net of big chan-

4. Vide H. Mottek, *Wirtschaftsgeschichte Deutschlands (Economic History of Germany)*, Deutscher Verlag der Wissenschaften, Berlin, 1959, s.v. 3 — Felder — Wirtschaft.

5. Vide Neussykhin, *The Rise of the Feudal-Dependent Peasantry in Western Europe during the 6th to 9th Centuries A.D.* Leningrad 1956 (in Russian).

nels particularly prevalent in the large river valleys of the North and in the deltaic areas was constructed and maintained by the state with the hands of the cultivators or members of the village communities, who besides paying the rent were bound to render manual services also. Feudal lords supervised the work on behalf of the state, they collected the rent fixed by the state as a share in the crop of the cultivators, and after a certain deduction made on account of their personal expenses they transmitted the amount to the exchequer (the zamindars) or maintained a certain number of armed forces on behalf of the state (the jagirdars). The Indian feudals of pre-British days, unlike their western counterparts (with the exception of some cases in Bengal) did not run estates of their own. They generally confined their activities towards the cultivators to the collection of the rent and did not seriously interfere with the community affairs administered by the community itself. In the community the ultimate right to dispose of the land as well as of the water for irrigation purposes was vested. Since the classical accounts of the Indian village community included in the famous Fifth Report (1812) and written by authors like Buchanan, Wilks and Elphinstone, we know the pre-British Indian village as having been a small autonomous township governing itself by an administrative body of its own, which economically was comparatively isolated from the whole of the society. It contained in itself most of the necessary requisites to satisfy the humble needs of its inhabitants, who were interrelated and interdependent closely by a traditionally fixed system of division of labour in connection with customary social and ritual obligations (*jajmani* system).

According to the structure of the Indian society ruled by the caste order, the population of the villages consisted of members of different castes which sent their representatives into the village council. We are leaving aside for the time being problems linking the community with the state and the whole of the society, as the question of the interrelation between social status and caste status of the villagers, the differentiation into privileged and non-privileged classes and their relationship to caste status; but we should make mention at least of the general socio-economic grouping of the village population arising to an hierarchy within the scope of a given village community and not being identical with the caste hierarchy at the time of the commencement of British rule.

The top ranking group was formed by officials like the headman and the accountant of the village possessing certain privileges and enjoying rent-free lands or a share in the rent amount collected from the village.

The bulk of the population consisted of the full entitled members of the community forming the community proper in a political sense and being the main source of rent, taken as a share in the gross produce either in kind or in money after deduction of a certain amount for community purposes: for maintaining the village artisans and other non-agricultural specialists, for the general fund of the village used for repairing irrigation channels, for charitable purposes, etc. Among the representatives of this group we find the *khudkasht* in Bengal, the *thalkari* in Maharashtra and the *kaniyatchikar* in Tamilnad. In southern India, under Muslim administration the different regional terms for the holder of an hereditary share in the village land were replaced more or less by the general designation of *mirasdar*.

A third group consisted of non-agricultural specialists maintained by the community: by way of distributing to them plots of land rent-free or/and by certain fees due to them the amount of which was fixed traditionally according to the type of services rendered and according to their caste status. This group embraced members of different castes ranking from the Brahmin priests, astrologers and teachers to the low caste or even untouchable craftsmen, like tanners and shoemakers.

At the time of establishment of British rule very often a considerable portion of the village land was cultivated by people generally designated by terms meaning '"stranger" or "non-resident cultivator." These were the *paikasht* raiats of Bengal, the *upris* or *kulwaris* of Maharashtra and the *parakudis* of Tamilnad. The majority of them seem to have been ruined peasant members of village communities who after migrating from their native village took up cultivation of land in some other place, thereby not seldom entering into a status of a share-cropper with a member of their new place of residence. They were looked down upon as non-full entitled inhabitants because of their being "strangers" to that place and its traditional member-families.

The lowest group of the village population consisted of the so-called untouchables; they mainly went for agricultural labour besides doing the heaviest and most despised kinds of manual work.

They held the position of agrestic slaves or dependants but to a lesser extent also supplied wage labour.

III. *Summing up the historical background:*

The feudal set-up

Summing up the basic features of the feudal set-up in Germany and India:

In Germany, the community lost its nature as being a communal organisation of joint owners of the land in consequence of the development of individual property in the soil. The community became deprived of its functions as an autonomous political organisation of its members by the arising feudal lords, who took over the public power and were the owners of the land besides being sovereigns in their respective territories, simultaneously running an estate of their own.

In India, the title of an owner of the land rested with the state impersonated in its ruler. In practice, the right in the soil was divided between the state, the feudal lords and the communities. The state in its capacity as owner fixed the rent on the soil to be paid in form of a share in the produce of the cultivators. The feudal lords acted as collectors of the rent and had their share in it, but — contrary to their western counterparts — they did not run estates of their own (with certain exceptions in Bengal); the feudal lords in India did not hold the position of sovereigns in their respective territories and did not exercise judicial and administrative powers like those in the west. In this connection, the situation in Mughal India may be remembered where military leaders and top officials as remuneration for their services rendered were given *jagirs* granted usually not in kind of a definite tract of territory, but merely as a certain amount of rent due per year, and it was left entirely to the administrative officials to assign to the grantee an area answering to the purpose. After all, the actual right to dispose of the land was with the village community; the community was responsible for paying the due amount of rent through its officials, but was entitled otherwise to settle the internal problems itself. Contrary to the west, in India the peasant members of the community were not subjugated to personal dependence upon the feudal lords, but — on the other hand — they could not become independent of the community organisation, since only their membership in a community entitled them to a share in the arable soil.

An exceptional position was that of Kerala where the village system did not exist and where the feudal set-up on the whole reminded somewhat of the structure of the feudal state in Europe.

To avoid oversimplification of the historical sketch drawn here, mention should be made of one developmental trend during the last centuries of Indian history prior to the arrival of the British which aimed at destroying the above picture. The traditional village communities seem to have entered a stage of gradual disintegration at many places even perhaps a few centuries before the impact of the British rule, which caused the final blow to the village system as a whole. One of the results of the decay of the village communities was the emergence of a new or "secondary" type of feudal lords,[6] who apparently not seldom arose from the upper strata of the village, making themselves masters of a territory where they maintained their supremacy with the help of armed forces, levying rent on behalf of their own. Feudal lords of this type seem to be represented by most of the so-called Palayakars ("Poligars") who played an important role in the history of large areas of South India. The discussion of that problem, however, is beyond the scope of the present paper.

6. D. D. Kosambi, *An Introduction to the Study of Indian History.* Popular Book Depot, Bombay, 1956. In Chapter 10, p. 326 sqq., Kosambi deals with the rise of a historically secondary type of feudals from "below" in a general way.

The French Revolution of 1789—A Study*

by

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The French Revolution of 1789 abounds with a kaleidoscopic succession of dramatic episodes whose emotional content has been fully exploited by playwrights, novelists and the silver screen. The details of the Revolution have been adequately studied and described by a succession of great historians. My purpose is simply to set forth some lessons which can be usefully drawn from this great movement and which may possibly admit of universal application in matters dealing with human society. I know that I am entering here on the controversial ground whether history can ever be equated with the sciences. I admit readily the truth of the statement that history never repeats itself and that human behaviour can never be exactly predicted. We have also to consider differences which might result from influences based on geography, chronology and the character of the people in a given area. But, I submit that, in spite of these valid considerations, that it is possible to conclude that a certain set of circumstances will produce a certain result, other things being equal, and that, though prediction would be rash in the case of the action of individuals, it is possible to some extent in the case of groups.

One lesson which stands out from a study of the French Revolution is that a successful revolution can arise only in a prepared soil. A revolution, if it is to endure, cannot be made to order. The government must either be so oppressive that the people feel that their individual rights are at its mercy or it must be so incompetent that the people feel that their individual rights are so unenforceable as to be practically non-existent. In either case, there must also be the consciousness that a change of government cannot be accomplished by legal and constitutional methods. I stress the point that the people must feel this and desire a change

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because passive submission to something ordained or the inertia produced by despair are both inimical to action. In France, the despotic monarchy which had rendered useful service to the nation in the past had outlived its utility. While it was still clothed with irresponsible power, it had become discredited and undermined. It had become so inefficient that it could not redress the grave evils which afflicted the country. The *cahiers,* which the electors sent to Paris along with their delegates, while loyal in tone, refer strongly to these evils and demand thoroughgoing reforms. The unfair privileges held by the First and the Second Estates who numbered only one per cent in a total population of twenty-five millions stand out, glaring and anamolous. These Estates own more than half the land and monopolise all important offices. It is incorrect to describe the French society of this period as feudal, for feudalism has been destroyed more completely in France than elsewhere in Europe with the possible exception of England. The French nobles have become ornamental attendants at the royal court. But, they still collect from the peasants through the stewards obsolete feudal dues which had lost all meaning. The privileged orders bear a less burden in the financial contribution made to the state than the other classes of the community. The *taille,* from which they are exempt, is increased arbitrarily on any sign of prosperity in urban or rural real property. The clergy are totally exempt from the *Vingtieme* which takes away five per cent of incomes, while the nobles pay only a part of this. The lower classes feel more than the others the severity of the incidence of the *gabelle* which is arbitrarily fixed and which varies from place to place. They resent the *corvée* enforcing compulsory labour without pay on a number of days for the purpose of the state. In spite of heavy taxation, the vicious system of tax-farming, extravagance of the court and the succession of wars deplete the treasury and land the government in a chronic deficit. Individual rights are sacrificed in an unhealthy judicial system which permits judges to purchase their offices and recoup themselves, which deprives the accused of safeguards for a fair trial and allows the use of weapons like torture and the *lettre de cachet.* It was true that abuses were worse in some other countries of Europe like Russia and Germany where the peasants still continued to be serfs at the mercy of the lords and where royal despotism still misruled the country to a more scandalous extent. The difference so far as France was concerned was that the French peasants who were better off than in those countries were no longer inclined

to put up with abuses and that the prosperous trading class of France, who were suffering under numerous restrictions, were also eager to get rid of all kinds of maltreatment. The middle classes, superior in wealth and brains to the privileged classes, refused to tolerate the unequal position held by the latter. The philosophical movement of the 18th century, which exalted the use of reason against any kind of authority and which was revolutionary in that it questioned every fabric of the social order, though it affected the intellectual classes all throughout Europe, found a congenial soil in France where public opinion was more ready for revolution, because, in the absence of a constitutional machinery to bring about the necessary reforms, the people were faced only with a choice between submission and revolution. As Morley points out, Rousseau, by his fervid eloquence and burning convictions which he kindled in the hearts of great numbers of men, inspired energy enough in France to awaken her from the torpor as of death which was stealing so rapidly over her in the past. The excellence of English parliamentary institutions proclaimed by Voltaire and emphasised by Montesquieu seemed to offer a standing example of what could be achieved. From the Americans, volunteers like Lafayette had learnt that 'resistance is the most sacred of duties' and it could be claimed that the French government had itself, although unconsciously, admitted the righteousness of this maxim by siding with the American rebels.

I am again stressing the importance of popular discontent expressing itself in action by pointing out one instance to the contrary. In England, in 1649, a determined minority dethroned the king and set up a republic. But, this revolution was doomed to failure, because public opinion was not ready for the change. The republic, in spite of its paying lip-service to the consent of the people, remained in fact a military autocracy and its end was hailed by the people with joy. In our own country, the movement which ended British rule, though it was relatively free from the violence associated with revolution and though it succeeded in realising its goal through constitutional channels, was none the less a revolution in actual fact, for the transfer of power was forced on the British because of the conviction driven into their minds that the continued functioning of the British government in India was impossible owing to overwhelming popular hostility.

A second lesson I would draw from the events of the French Revolution is that democratic government cannot be implanted in a community where the conditions are unfavourable. Democracy, admittedly the most difficult form of government, needs long and laborious training to function well, and it works successfully in the Anglo-Saxon countries where this condition has been tolerably fulfilled. Its relative success in our country has been due to the fact that the British administrators gave the people a kind of rudimentary training in the machinery of electing representatives, and, though they did not concede responsible government in the centre, it was granted subject to limitations in the provinces. Independent India started on its onward march from this vantage point. In contrast, Parliamentary institutions have encountered bad weather in the Congo where the Belgians never allowed the native population even a shadow of self-government during their rule. The French National Assembly of 1789 was mainly composed of theorists who were inexperienced in the practical aspects of government. The Assembly refused to accept definite rules of procedure and thus hampered itself. To emphasise its popular character, it gave free access to the public to its galleries with the result that the mob which filled those galleries disturbed its work. Delegates tended to address the public galleries rather than the house. Decay of luxury industries in Paris resulting from the flight of the *emigrés* created the danger of idleness in large sections of the Parisian mob, while the breakdown of the old machinery of local government in the rest of the country led to the decline of law and order. It has been pointed out that when the nobles and the bishops gave up their privileges in the meeting of the Assembly on the night of August 4, 1789, this action was really no sacrifice. These classes simply accepted a *fait accompli*, because the peasants had already sacked their castles and destroyed all legal records. In October, the mob fetched the king from Versailles to Paris so that he might be a hostage for the good conduct of the nobles and their foreign abettors. The Assembly followed the king and both became prisoners of the mob. The Constitution of 1791 drawn up by the Assembly paralysed executive authority by weakening it and prevented any harmony between the executive and the legislature by separating both. It destroyed central control over the localities by setting up locally elected councils with undefined powers so that even small municipalities refused to listen to any higher authority. It gave a blow to the administration of justice by ordering election of judges by the people and even that for short terms.

The mob showed its power in the Insurrection of August 10, 1792, by storming the royal palace of the Tuileries and forcing

the Legislative Assembly to suspend the king. Mob leaders rose everywhere. Though the Jacobin leaders belonged to the middle classes, the rank and file came from the lower classes. The Jacobins formed a minority; but, they were superior in energy to their opponents, and with the backing of the Paris mob, dominated the Convention. It is a matter of debate among historians whether the Reign of Terror was the outcome of passion or the result of deliberate policy. It is permissible to hold that the Jacobine acted on design to save themselves from a hit in the back, while they were engaged in the allout war against the foreign enemies, by extirpating royalist suspects. Very soon, the guillotine, hitherto used against suspected enemies of the *regime*, was used as a tool against personal rivals who were also patriots, prompted by feelings of spite, jealousy or fear. Thus fell great Girondin leaders like Vergniaud and Brissot. Madame Roland cried out on the eve of her execution 'Oh Liberty, what crimes are committed in thy name!' Repulsive deeds took place like that of Carrier who deliberately drowned four thousand women and children at Nantes. Demagogues like Hebert appeared who exclaimed 'To be safe, you must kill everybody'. The fall of Robespierre ended this dark chapter and the dictation of the mob was also terminated when, in the insurrection of Vandemeire, it was, for the first time, dispersed by artillery fire.

But, democracy was still far off. The constitution of the Year III gave no satisfaction to the people. The Directory, a group of corrupt politicians, misruled the land and lacked both the ability and the unity to carry out necessary reforms. Overissue of *Assignats* skyrocketted the cost of living. Lack of finance made the Directors adopt the easy path of allowing the generals to finance their campaigns by exploiting the resources of conquered areas. This developed a close affinity between the soldiers and the generals to whom they looked for sustenance. The more the victories of the army the greater was its elation and its contempt for the politicians at home. The peasants were never truly republican. They were chiefly interested in social equality and lessening of the tax burden and not in political power. To them the revolution was over when they got rid of the relics of feudalism. The people at large were weary of political controversy and, faced by a demoralised administration, hankered for a supreme power which would enforce sound order and good government in the country. Napoleon Bonaparte was already popular before he seized power in the *coup d' etat* of Brumaire. The

Constitution of the Year VII had been designed by its framer, Abbe Siéyès, as a balanced constitution; But, Napoleon made it the tool of a vigorous executive. Local government was brought under central direction through nominated Prefects. The constitution paid a lip-homage to democratic ideas and it was approved by a plebiscite. But, all this meant nothing. The plebiscite was a controlled vote in which the opposition was not allowed to organise itself and people had to say only 'yes' or 'no'. Press censorship, a system of education designed to foster loyalty to Napoleon, control of public shows like the theatre and the establishment of a secret police maintained the unchallenged authority of Napoleon. A single, dominant will now controlled the whole country and its resources. So, Napoleon had little difficulty in converting himself into an emperor in 1804. But, there is little doubt that most of the French people, dazzled by its brilliance, backed his despotism.

I now pass on to another controversial matter—the influence of personality on history. Some historians like Lecky have overrated the share of individuals in influencing the course of history. Carlyle regarded history as only a succession of biographies. As against this view, others have pointed out with justice that the *zeitgeist* or the time-spirit must be favourable for an individual to exert his influence. It has been well urged that the Reformation of Luther could not have succeeded, if circumstances had not been favourable for it at the time. We can admit that, if the time-spirit is favourable, a dominant individual can give a particular shape to a developing movement and may even lead it sometimes. Judged from this view, the court party at the time of the French Revolution signally failed. King Louis XVI was well-meaning. A real, humanitarian feeling made him sympathise with reform. But, this zeal was intermittent and he lacked the necessary ability and drive to carry out essential reforms. He weakly allowed the initial progress of the movement; but, when he found that it was assuming a shape different from what he expected, he intrigued against it, but again weakly. Acton truly remarked that he perished in expiation of the sins of his forefathers. This unhappy person would have fared well, had he been an ordinary locksmith. His queen, Marie Antoinette, had the vigour and decision which he lacked. But, she has been correctly stigmatised as the most illiberal influence that surrounded the throne. She never understood France and its problems. Her extravagance spoiled any effort at financial rehabilitation. She

would have well fitted the frivolous society circles of Mayfair in London of the 19th century. But, fate placed her in the France of this period. Mirabeau, the one statesman produced by the Revolution, wanted reform, not revolution. However, as a noble, he was suspected by the anti-court party, while the court party detested his leaning towards its opponents, and both disregarded his sound advice. His failure illustrates the failure of an individual to reverse the inevitable course of history. The Jacobin leaders, who climbed to power through circumstances, justified their supremacy by brilliant executive ability. Carnot, a born administrator, prepared sound military plans, organised about thirteen armies, appointed able officers and infused confidence and a sort of crusading zeal amongst the men. St. Just was the deadly enemy of sloth and inefficiency and inspired people to die for liberty. Danton, by his eloquence, inflamed the nation and created an ardent zeal for national defence against external and internal enemies. He was not personally blood-thirsty and his share in the violence of the Terror was prompted by his patriotic feeling that any action which was necessary should be taken to secure the salvation of France. His aim to prevent anarchy and his call for moderation later led to a massing of his enemies against him which he was unable to withstand. Unlike Danton, Marat was ferocious in his call for blood, his temper being made more virulent by a painful skin disease. Robespierre presents an interesting study in his character. Earlier in his career he had resigned a provincial judgeship rather than sentence a man to death. But, in the heyday of his power, he had no compunction in ordering wholesale executions. The reason is to be found in his fanatic passion for the creation of a new order of virtue. He was not a demagogue and was a man of culture. Honest in an age of corruption, he was yet narrow-minded in regarding all those who differed from him as enemies of the new order, who should be exterminated. A keen follower of Rousseau, he wanted the society to be based on his ideas. He may be compared to Oliver Cromwell of England who also held that austerity and virtue should be enforced by law. History has proved that men cannot be made good by acts of parliament. Yet, we still find instances of not merely individual statesmen but also of governments bent on ignoring this warning of history.

Lastly, we come to Napoleon. It has been aptly remarked that he was a child of the Revolution and his rise to power was conditioned by it. Yet, by sheer force of his personality, he was able to dominate events for a long time, rearrange the map of Europe according to his will and caprice and decide the political future of numerous rulers. His own personal gifts of character including indomitable energy, incredible industry, self-sacrificing courage and uncanny military ability are well known. But, his career illustrates the usual failings of dictators. A colossal egotism made him fill Paris with triumphal arches to commemorate his victories and plunder other countries of precious works of art. It made him seek marriage with the illustrious Hapsburg dynasty. His craze for theatrical effects and self-advertisement increased with the lapse of time, and in his later years, he disdained the counsel of others. His bad temper and overbearing manners alienated his brilliant generals like Moreau and Bernadotte. In his selfishness, he sacrificed everybody to satisfy his unscrupulous all-consuming ambition. While his pride increased, his judgment degenerated. His fall was inevitable. But, to the last, he was unrepentant for the huge slaughter and enormous suffering which he had caused in his aggressive wars. While in captivity at St. Helena, he dictated his *memoirs*, putting on a pose of injured innocence and unmerited martyrdom. This Napoleonic legend misled several historians like Abbott. Lord Rosebery remarks 'The mind of man has not in it sufficient ballast to enable it to exercise or endure for long supreme, uncontrolled power . . . All history from the Caesars onwards teaches us this. Strong as was the intellect of Napoleon, it formed no exception to this rule.' Yet, this awful warning of history has not deterred later dictators like Mussolini and Hitler.

If the French revolution had been a failure in its immediate objective of the establishment of a democratic republic in France, it has been a success in another sense. The Declaration of the Rights of Man embodied the democratic idea that sovereignty resides in the nation, that no body or individual can exercise authority if that authority does not take its origin from the nation and that all the officials of the state are responsible to the people. The maxim on equality it lays down is that men are born and remain free and equal in rights and that social distinctions can only be founded on public utility. The Convention laid down that there should be no grades in society, abolished slavery, gave women rights to property and extinguished primogeniture. These ideas were carried to all parts of Europe by the conquering French armies and lived on, causing the great upheavals which convulsed Europe in the 19th century, and later travelled to other parts of

the globe. The present-day emphasis on economic equality to the extent possible may be regarded as an extension of the principle of equality though perhaps not contemplated at the time of the French Revolution. The idea of democracy has become unchallenged in all parts of the world. Regarded in this way, the French evolution must be deemed to be one of the great formative forces of our modern political and social organisation.

The French Revolution ushered in also the idea of a French Nation displacing the idea of the French Monarchy as a force attracting the devotion of the French people by its call for the defence of the Fatherland, demand for conscription, use of a national anthem and abolition of the old provinces. When France under Napoleon resorted to aggression on other countries, this force of nationalism spread to those countries, roused against this danger from France. Resistance in the other countries of Europe, which during the early days of the French Revolution, had been half-hearted, since the French then stood for the ideals of liberty and equality, now became fierce, because of the strength given by national patriotism against the onslaught of an aggressor. The great national movements, which disturbed Europe in the 19th century and which have influenced events in Asia and Africa in the 20th century, may therefore be regarded as the product of indirect influences emanating from the French Revolution. There have been other significant contributions. The codification of the French law which culminated in the *Code Napoleon* had begun even before him and embodied the new ideas of civic equality, equality of inheritance and religious toleration and this Code exercised decisive influence on the legal systems of Europe. Abolition of serfdom was begun in Prussia even before the fall of Napoleon by Von Stein and later spread to other countries. A national system of education planned by Condorcet during the French Revolution, which was later adopted with modifications by Napoleon, influenced the educational systems of Europe. Likewise has been the spread of the metric system devised originally by the Convention.

Judging from the French Revolution and similar revolutions, the conclusion is inescapable that, if people are wise, they should prefer the path of ordered change legally effected, by displaying the qualities of sweet reasonableness, a spirit of give and take, a readiness to accept necessary reforms and profound respect for law. Any revolution, even if the element of violence is less, always leaves a trail of sentiments of bitterness, anger or revenge. It fosters disorder and leads to social cleavage. The only way to avoid all this undesirable consequence is to cling steadfastly to the democratic way of life, reconciling the rule of the majority with sound respect for the feelings and rights of the minority and both the majority and the minority uniting in the aim of advancing the commonweal by a proper working of the constitutional machinery.

The Objective of Indian Monetary Policy

by

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The Problem formulated:

Prof. Kenneth K. Kurihara has described in one of his recent books the following features, viz., low per capita real income, deficient natural resources, insufficient capital equipment, technological backwardness, structural underemployment, extreme income disparities and external indebtedness are some of the salient indicators of economic underdevelopment.[1] So far as India is concerned, her underdevelopment is well-reflected, *inter-alia,* in her relatively low level of per capita real income and low standard of consumption. The per capita income in the U.S.A., for instance, is 8564 in terms of rupees[2] whereas in the case of India it was only Rs. 281 at the end of the First Plan and it is expected to be not more than Rs. 331 at the end of the Second Plan. Similarly, the per capita consumption in the U.S.A. is 3090 calories whereas in India it is estimated to be only 1685.[3] This explains the low productivity and the low rate of savings in the country. In this connection, the observation of the Bernstein Committee will not be out of place. They have stated in their Report, submitted to the Government of India in 1953, that this poor rate of capital formation of around 5% will be sufficient only to provide tools and equipment to a population growing at a rate of 1·25%.[4] This observation still holds good to India because even though the investment as a percentage of national income has been planned to go up from 7·3 in 55-56 to 10·7 at the end of the Second Plan period,

1. *The Keynesian Theory of Economic Development* (George Allen and Unwin Ltd., 1959), pp. 26-34.
2. Dr. R. Balakrishna, *Studies in Indian Economic Problems,* (Bangalore Press, 1958), p. 29.
3. *Ibid.*
4. Their Report, p. 3.

this increase in the rate of investment is likely to be offset by the envisaged rise in population from 384 million in 55-56 to 408 million in 60-61. A recent estimate made by Central Statistical Organisation shows that the size of population will be nearly 431 million in 1961.[5] In contrast, the rate of capital formation in the advanced countries has been estimated at around 15% which is said to be consistent with the average standard of living increasing by about 1½% to 2% per annum, even if their population growth is assumed to increase at a rate of 1½% to 2% per annum.[6] Thus "at current levels of capital formation in Asia — around 5% net per annum — the difference between the standard of living in Asia and in Europe and North America must widen year by year and that relative difference cannot even be maintained unless capital formation in Asia approximates 15% per annum or more."[7] Here it may be useful to record that India hopes to achieve a rate of investment of the order of 16% by the end of her Fourth Plan only.

This low level of capital formation, in turn, sharply restricts the rate of growth of real output, and in the face of an alarming rate of population growth, the backwardness of the economy tends to be perpetuated. In such a situation, the responsibility for initiating and directing the process of rapid economic growth devolves upon the government. This is because of the physical and financial impossibility of the private sector to undertake so big a task of allround economic development with its own means and materials. What is more, if the power of taking major economic decisions is left to the discretion of private sector then there may quite possibly be mis-allocation of resources to the detriment of national welfare. But, for the purpose of development the government requires enormous amount of finance. This can be obtained, broadly speaking, either from internal sources or from external sources or practically from both. However, much reliance cannot be placed on external finance because this is available mostly in the form of loans. Since the loans have got to be paid back some day or other by the fruits of our own efforts it can at the most facilitate but cannot lay the entire foundation for building up the edifice of economic development. This, therefore,

5. *Commerce*, Oct. 1, 1960, p. 582.

6. *The Report, op. cit.*

7. *Economic Bulletin for Asia and the Far East*, (U. N. 1952), p. 2.

means that the ultimate dependence must be on our own domestic resources only. But the resources available at the moment are totally inadequate when compared to the multiplicity of needs of the growing population. It may be noted in this context that even the transfer of resources from the private to the government sector has so far been insufficient as judged by the meagre amount of tax revenues brought to the exchequer from year to year. The proportion of total tax revenue to national income has been only 8·3% in 58-59 which may well be around 9% by 1960-61. This rate is of course very low as compared with rates of 20 to 30% which is reported to be typical of many industrial countries. The rates of tax revenue as a percentage of gross domestic product for the year 1954 were approximately 33% in both West Germany and the U.K., 27% in the U.S.A., 24% in both Belgium and Canada, 22% in Australia, 21% in Japan and 18% in Israel.[8] Therefore, besides attempts at improving the tax system, the deficit financing has come to be regarded as one of the essential and inevitable means of achieving the requisite transfer of resources. But this means of deficit financing, in so far as it represents an excess of investment outlay over current receipts from the sources of taxation and loans, will lead to an expansion in money incomes. Inflation will arise if real income in terms of goods and services lag behind money incomes.[9] In a country like India where deficit financing is used for greater investment on producer than consumer goods the gap between real incomes and money incomes will be serious in view of the fact that it takes time for the investment outlay to get fructified in the form of goods and services which can be made available to consumers. Besides, the excess of effective demand, created as a result of increased money incomes, may affect some groups of commodities and markets more than others. Therefore, this increase in demand coupled with lack of perfect mobility of factors of production and the dangers of rise in wages, sprouting up in some sectors of the economy, will only add to the inflationary pressure, generated by deficit spending. This is the reason why, contrary to the Keynesian theory and also to the experience of advanced countries, expansion of money supply, consequent on deficit financing, brings in its wake price rises long before a level of ful employment is reached.[10] The

8. *Economic Survey of Asia and the Far East*, (U. N. 1957), p. 72.

9. Dr. D. Bright Singh, *Inflationary Price Trends*, (Asia Pub. House, 1957), pp. 143-144.

10. S. E. Harris: *National Debt and the New Economics* (1947), p. 122.

inflationary impact of such a situation on an underdeveloped country is likely to be very disturbing in the short-run "in view of high marginal propensity to consume and the absence of a broad based industrial structure which makes short-run conditions very inelastic."[11]

Now, what are the harmful effects of this inflation? Firstly, it set at naught our cherished egalitarian ideals by reducing, in general, the standard of living of the masses through price rises and by widening, in particular, the inequalities of income through windfall gains to enterpreneurial class and arbitrary losses to people in the fixed income strata like civil servants, pensioners, etc. Secondly, it affects adversely the economic relationship between producers vs. consumers, creditors vs. debtors and employers vs. employees, thereby jeopardising political stability of the country. Thirdly, the price rise and the high marginal propensity to import which are the frequent accompaniments of inflation and increased money incomes may give rise to balance of payments difficulties by reducing exports and increasing imports. This implies that the objective of making the economy "self-sustaining" as early as possible will be forced to remain far from its point of accomplishment as the machinery and equipment needed to manufacture the machines and other capital goods required for rapid industrialisation of the country cannot be imported from abroad due to sheer want of foreign exchange resources. Thus the process of growth is likely to be brought to a stage of grinding halt unless otherwise it is offset by resort to some lines of corrective actions such as import control of unnecessary items, deferred payment arrangements, export promotion, etc.

Though, therefore, inflation is a socially costly, politically dangerous and economically not very much reliable means of financing economic development the concensus of expert opinion, however, supports the contention that it is a necessary evil which the underdeveloped countries like India can hardly do without for some time to come, at least until the industrial base has been sufficiently built up in the country. Inflation in this manner constitutes a challenge to forces of growth as well as stability. Hence it must be controlled. But this control in the particular context of an expanding economy like India must be exercised in such a way as to ensure economic growth with monetary stability. This

11. *Economic Bulletin, op. cit.*, 1951, p. 24.

indeed is a task of formidable magnitude for the concerned central banking authorities. To spotlight the acuteness of this problem confronting our Reserve Bank, we would do no better than quote so high an authority of its governor himself: The situation in India is so complex that "the Monetary Policy has to be geared to a rapidly developing economy in which deficit financing necessarily plays an important part. It is an economy in which, on the one hand, money has to be found for the rapid industrialisation of the productive resources of the country and on the other, inflationary pressures created by such utilisation are kept under control. The policy has therefore to be at the same time expansionary as well as restrictive."[12]

Origin of the objective traced:

In India the need for enabling the monetary authority to operate its currency and credit policy in such a manner as to ensure all-round economic development was recognised as early as 1930, i.e., five years before the Reserve Bank of India was established. It may be remembered that this was the year when the famous Central Banking Enquiry Committee was appointed. The Committee held that the proposed Reserve Bank "would by mobilisation of the currency and banking reserves in one hand tend to increase the volume of credit available for trade, industry and agriculture and to mitigate the evils of fluctuating and high charges for the use of such credit caused by seasonal stringency."[13] Here it may be noticed that only the promotional but not the regulatory aspect of Monetary Policy has been emphasised. This is understandable, for, the Committee conceived the Reserve Bank more as a means of accommodation than as a mechanism of control. But, however, when the Reserve Bank of India Act was promulgated in 1934 it was explicitly stated in the preamble that the Reserve Bank's aim would be "to regulate the use of bank notes and the keeping of reserves with a view to securing monetary stability in India and generally to operate the currency and credit of the country to its advantage." The Bank could not implement this objective in its entirety right in the initial few years of its operation for a variety of reasons, the important among them being the Cheap Money Policy it pursued till 1951 and the intervention of the World War II. The exigencies of the war time were such

12. Speech of H. V. R. Iengar, *Reserve Bank of India Bulletin*, 1958, p. 364.
13. *The Report*, Vol. I, p. 417.

that the Bank was compelled to follow a policy which was rightly described as one of naked inflation by Prof. C. N. Vakil.[14] At this critical juncture of history, India was the major base of supplies of goods and services to the armies of the U.K. and her allies. The total expenditure incurred by the British Government in India during 1939-45 was about Rs. 1,385 crores,[15] for which His Majesty's Government paid by creating *ad hoc* sterling Treasury Bills. This procedure thus accounts for the steady rise in the value of Reserve Bank's sterling balances from Rs. 71·16 crores in 1938-39 to Rs. 1662·71 crores in 46-47. But the Reserve Bank was constrained to make use of this large accrual of sterling balances for the purpose of repatriating the sterling debt of the government. Therefore, between 1940 and 1945, Rs. 424·86 crores worth of sterling was drawn upon for repatriation of sterling debt.[16] With the virtual obliteration of the dated and undated sterling debt the government proceeded to take advantage of the remaining sterling accumulations to fund their obligations in respect of Railway annuities and Railway debenture stocks. The necessary rupee finance for all these purposes was found mostly by creation of rupee securities. The ultimate result of these actions was the tremendous increase in notes issued from Rs. 210·64 crores in 1938-39 to Rs. 1255·6 crores in 1946-47. Consequently the index number of general price level also rose from 100 in August '39 to 247·4 in March '45, i.e., by nearly 150% over the pre-war level. Nevertheless, nothing could be done by the Reserve Bank to set right this situation as it was afraid that any such counteraction would be in direct conflict with the smooth pursuit of cheap money policy which the government would hardly approve. However, soon after the cessation of hostilities, there was a heavy demand for bank credit for post-war reconstruction and development purposes. Since the banks had already depleted their cash balances, they had to disinvest their government securities, which were accumulated in a large volume during the war period, in order to meet the expansion of demand for bank credit. This, of course, resulted in a setback in the gilt-edged market. By this time, the Korean war broke out. Thus the onset of Korean war boom combined with the consequences of cheap money policy and

14. The Falling Rupee. Also see his article on *The Illusion of our Sterling Assets*, in *Commerce*, Vol. 65, 1943.

15. Dr. V. K. R. V. Rao: *The Post-war Rupee*, p. 4.

16. *Report on Currency and Finance*, 1946-47.

the subsequent comfortable cash reserve position of commercial banks were either wholly or partly responsible for the upsurge of inflationary symptoms in the economy in 1951. So the need arose on the part of the Reserve Bank to pursue a restrictive policy in order to tone down the tempo of inflation, to check the practice of unloading of government securities and thereby to avoid the collapse in the gilt-edged market. But it was an irony of time that this period coincided with the beginning of planning era in the country. The objective of development that the Plan set before itself made it incumbent on the Reserve Bank, which was already nationalised, to be a little too liberal in its attitudes and activities. Hence the Reserve Bank was faced with a dilemma as to whether it should pursue an expansionary policy to facilitate economic development or a restrictive one to minimise the rigours of inflationary pressure. This was, however, amicably resolved by the Reserve Bank as a consequence of its bold espousal to a *via-media* policy of controlled expansion, eminently appropriate to India.

The above objective was only reinforced as a result of the later developments in the economy. In the First Plan, the amount of deficit financing which was proposed to be undertaken was placed at Rs. 290 crores according to the original estimates. But actually Rs. 532 crores were spent. Then, in the Second Plan, the amount envisaged for deficit financing was Rs. 1200 crores. But the anticipated amount of deficit financing for the first four years of the Second Plan is already of the order of Rs. 1245 crores whose year-wise break-down is as follows: Rs. 239 crores in 56-57, Rs. 496 crores in 57-58, Rs. 268 crores in 58-59, and Rs. 242 crores in 59-60.[17] This means that altogether Rs. 1777 crores have been disbursed so far by way of deficit financing. The following table brings out clearly the effects of deficit financing on the economy.

Thus the total money supply consisting of currency and deposit money with the public has registered an increase from 1764·71 crores in 1952-53 to Rs. 2702·19 crores in 59-60. The difference of Rs. 937·48 crores, which indicates the total expansion of money supply between '52-53 and '59-60, works out to roughly 53% of the total amount of deficit financing undertaken during the same period. In this context it must be borne in mind that in the first year of the First Plan there was no deficit financing; in fact there

17. Govt. of India, Planning Commission, Second Plan Statistics, Dec. 1959, pp. 24-25.

was a small surplus. During the second and third years, deficits were financed mainly by drawing down cash balances, but, after

TABLE I

(In crores of Rupees)

Year	Currency with the public	Deposit money with the public	Total money supply	Index of wholesale prices (52-53=100)	Consumer price index (1949=100)
1951-52	1216·57	587·22	1803·79	—	105
1952-53	1199·25	565·46	1764·71	—	104
1953-54	1229·43	564·54	1793·97	101·2	106
1954-55	1311·77	608·86	1920·63	89·6	99
1955-56	1505·09	679·23	2184·32	99·2	96
1956-57	1556·50	756·39	2312·89	105·1	107
1957-58	1606·60	782·22	2388·83	106·1	112
1958-59	1724·53	774·23	2498·75	112·1	118
1959-60	1861·78	840·41	2702·19	118·6	123

Source: *Reserve Bank of India Bulletin*, July 1960, pp. 1016, 1047, 1049.

54-55 deficits were financed almost exclusively by expansion of Treasury bills.[18] Besides, the wholesale price index has steadily soared up from 89·6 in 54-55 to 118·6 in 59-60. The same upward trend seems to have persisted in the case of consumer price index also as is evident from its perceptible rise from 96 in 55-56 to 123 in 59-60. All these phenomena undoubtedly indicate the presence of inflationary pressure in the economy. How the Reserve Bank has sought to control this inflation and has at the same time ensured progress forms the subject matter of the following pages. This is dealt with under two heads, viz., promotional and regulatory measures, adopted by the Reserve Bank since 1951.

18. Dr. K. C. Chacko: *The Monetary and Fiscal Policy of India*, (Vora & Co.), Bombay, p. 262.

Promotional Measures:

The first striking measure taken by the Reserve Bank in the sphere of development is the introduction of a Bill Market scheme in January 1952. It is only an extension of the old practice by which the Imperial Bank was in the habit of getting advances from the government against commercial bills. The scheme has provided for the lodgement of bills with the Reserve Bank as security but not for rediscount with it. In view of this it is open for the borrowing banks to withdraw any of the bills lodged as also to replace them by other eligible bills. The banks are thus enabled to minimise interest charges by borrowing according to their needs and by remitting spare funds to the Reserve Bank to reduce their indebtedness. For the customers of the banks the scheme combines in itself the advantages of both the cash credit system as well as of the bill of exchange thereby enabling them to make withdrawals and repayment into the account as often as before.[19] But the only essential requirement to be complied with by the banks is that the demand promissory notes of the customers must be so converted into usance bills as to make them eligible for getting advances from the Reserve bank under Sec. 17 (4. C.) of the Reserve Bank of India Act, 1934. The following table shows the progress of the scheme till 59-60.

TABLE II

(In lakhs of rupees)

Advances under Sec. 17 (4.C) to Scheduled Banks		
1952-53	..	6687
1953-54	..	9681
1954-55	..	14758
1955-56	..	22775
1956-57	..	56064
1957-58	..	30524
1958-59	..	11975
1959-60	..	8541

Source: *Reserve Bank of India Bulletin*, May, 1960

The above table indicates that the banks have taken great advantage of this facility until 1956-57 as is obvious from the sharp

19. *Reserve Bank of India; Functions and Working*, (1958), pp. 34-35.

increase in the Reserve Bank's advances from Rs. 66·87 crores in 52-53 to Rs. 560·64 crores in 56-57. But after March '57, the advances under this scheme have steadily gone down. This may be due to Reserve Bank's withdrawal of stamp duty concession, raising of Reserve Bank's lending rates and imposition of import and selective credit controls.

However, to call this scheme a Bill Market Scheme is a misnomer in the sense that any such scheme in the Indian context should necessarily spring from and develop our indigenous hundi which is the exact counterpart of the Western bill of exchange. But, nevertheless, since the Indian hundi is indisputably found to be more in the nature of finance or an accommodation bill, than a trade bill, the attempt of the Reserve Bank to make the best out of the existing predominant practice of cash credit and overdraft arrangements by ably bringing them within the ambit of a Bill Market Scheme in order to supply more credit to the productive sectors of the economy is indeed appreciable in view of the fact that this financial assistance would greatly facilitate economic development. This apart, recently, the export bills have also been brought within the purview of this scheme with a view to enabling the banks to provide finance to exporters on a liberal scale. The Reserve Bank has thus lent a helping hand in expediting the pace of export promotion measures undertaken by the government to augment our export earnings.

Another noteworthy step taken by the Reserve Bank in regard to the development of the country is the enactment of the Reserve Bank of India (Amendment) Act in 1956. According to the original Act, the total notes issued should be backed by 40% in the form of gold coin, bullion and foreign securities. It was felt that this position would have a very restrictive effect on the quantum of note issue as every expansion in money supply had to be matched by gold and foreign exchange in the ratio of 2 : 5. This was deemed to be undesirable as the retention of this method would not only not make available a sizable increase in money supply to meet the proposed heavy investments in the economy but would also not release the requisite amount of foreign exchange resources required for rapid industrialisation of the country. On account of all these reasons, the old proportional reserve ratio principle had to be replaced by a fixed or minimum reserve system. This was what the Amendment Act had sought to do in effect. Accordingly, the Reserve Bank was allowed to keep a minimum legal cover of Rs. 515 crores which should consist of Rs. 400 crores worth of foreign securities and Rs. 115 crores in the form of gold. However, under exceptional circumstances, the minimum level of foreign securities was allowed to be reduced further to the rupee equivalent of Rs. 300 crores with the previous permission of the Central government.

The total amount of foreign balances at the commencement of the Second Plan was in the region of a little more than Rs. 746 crores. The minimum, to be kept according to the statutory requirement, being Rs. 400 crores worth of foreign exchange, which might be reduced further to a level of Rs. 300 crores under emergency circumstances, the Bank was ultimately left with Rs. 446 crores of external resources to be utilised for financing the envisaged import transactions. In spite of these liberalisations, the foreign balances of the Reserve Bank, had actually declined from Rs. 746·13 crores on March 30, 1956 to Rs. 327·10 crores on October 25, 1957, i.e., a formidable drain of nearly Rs. 420 crores within hardly seven months. The excessive withdrawal of our sterling balances of this deplorable order was solely responsible for the outbreak of the foreign exchange crisis in the latter half of 1957. However, as the Reserve Bank anticipated the debacle long ago, it sought to safeguard its position by the passage of an ordinance in November 1957. According to this, the minimum legal reserves could be reduced further to a level of Rs. 200 crores of which the aggregate value of gold coin and bullion, held in the issue department, should be at any time not less than Rs. 115 crores. Besides, the Section 37 of the Reserve Bank of India Act, 1934, which stipulated that the Bank should pay a tax of not less than 6% in the event of any shortfall in the legal reserves, was also now amended to the effect that the currency reserve requirements in respect of foreign securities could be suspended temporarily without payment of any tax to the government. Thus these various amendments served to enlarge the constitutional framework by virtue of which the Reserve Bank was enabled to provide the necessary volume of notes and foreign exchange resources to facilitate economic development at a rapid rate.

In this context a pertinent question may be raised as to whether this reduction in the legal reserves will not lead to any loss of confidence in the currency by the public, thereby affecting the currency stability on the one hand and the course of economic development on the other. In this connection we would do well to record the view of the Gold Delegation Committee of the League of Nations that "so long as the world is not disturbed by wars or other disastrous events the cover of bank notes is of very little concern to the public whereas in the event of such a disturbance even a cover of 100 % would not be possessed of the power to preserve confidence."[20] Lord Keynes in another context has said that "the percentage method possesses no sound foundation in logic or commonsense....It appears to combine all the possible defects of systems of note regulation....in emergencies and difficult moments when the gold reserves are falling, it requires so drastic a curtailment of money proportionately to the loss of gold as to be exceedingly dangerous."[21] Moreover, the modern trend of opinion seems to endorse the conception that the soundness of bank notes depends not so much on its 'cover' reserve held in the form of backing against note issue as on its 'international currency' reserve by which deficits in the balance of payments can be met.[22] Even apart from this, there had been examples of many countries which had either reduced or altogether abolished the legal reserves in the depression, the post-depression, the war and the post-war periods. Thus, during the world war, the U.S.A.[23] had reduced the currency reserve limit from 40% to 25%. Again, the note cover was lowered in Argentina from 100% to 40% in 1929, in Denmark from 50% to 33⅓% in 1931, in Eucador from 50% to 40%, in Latavia from 50% to 30%, and in South Africa from 40% to 30%.[24] Further, before the War II, Germany, Italy and Greece had abolished altogether the practice of keeping legal cover.[25] So also, Canada, New Zealand, Australia, Israel, Ceylon and Philippines had not prescribed any backing at all against note issue.[26] Therefore the Reserve Bank's action in this regard can be regarded as neither abnormal nor unwise.

Besides, there had been numerous occasions, when the Reserve Bank had used its power of Selective Credit Control in a positive way so as to facilitate extension of bank advances for certain special purposes. For instance, in 1952, the Reserve Bank had ensured reasonable financial assistance to banks in order to overcome the difficulties experienced by them in financing the

20. *International Currency Experience*, League of Nations Publication, 1944, p. 96.
21. J. M. Keynes: *Treatise on Money*, Vol. II, pp. 268-278.
22. Dr. S. K. Basu: *Survey of Contemporary Banking Trends*, (1957).
23. *Commerce*, 1956, p. 1130.
24. *International*, *op. cit.*, p. 97.
25. Dr. S. K. Basu: *Recent Banking Developments*, pp. 15-17.
26. *Reserve Bank of India Bulletin*, 1956, p. 919.

cotton imports. In the same year, the Reserve Bank had exhorted the scheduled banks to reduce the margin on sugar stocks from 25% to 15% to obviate the want of liquid funds from which the sugar mills suffered on account of the carry-over of stocks from 1951-52 and the fall in the sugar prices. Almost similar was the help rendered by the Bank in the form of a limited guarantee scheme to the tea gardens in 1952-53 when they encountered some financial difficulties. Recently, the Reserve Bank had assisted a great deal in the procurement programmes of some states like Orissa, Punjab, etc., for certain commodities like wheat by making appropriate adjustments in the marginal reserve requirements of banks.

Yet another significant role played by the Reserve Bank in recent years is in the sphere of agricultural credit. It may be recalled that the Agricultural Credit department was set up along with the inauguration of Reserve Bank in 1935. Within the next two years, it submitted a couple of Reports to the Government of India in conformity with the Section 55 (1) of the Reserve Bank of India Act wherein the Bank put forward a fervent plea for reconstructing and revitalising the cooperative movement in the country. Besides, the Bank gives financial accommodation to the agricultural sector for short term, medium term and long term. The Reserve Bank's loans for financing seasonal agricultural operations and marketing of crops are granted at 2% below Bank rate and those for financing production or marketing activities of cottage and small scale industries at 1½% below Bank rate. In 1951, the Bank convened an Informal Conference under its auspices which recommended in the main the following steps, viz., widening of the interpretation of the terms 'seasonal agricultural operations and marketing of crops' so that it will include in its scope mixed farming activities and processing of crops also; supply of funds to state co-operative banks for financing the production and marketing activities of cottage and small scale industries; provision of medium term finance to the co-operative banks; extension of rural credit to the regions which are co-operatively less developed; undertaking of a survey of rural credit and setting-up of a standing Advisory Committee on Agricultural Credit. The Reserve Bank had subsequently implemented almost all the abovementioned recommendations. Further, as a consequence of the recommendation of the Rural Credit Survey Committee (1954) the Bank had established two special funds. The National Agricultural (long term operations) Fund was founded in February

1956 with an initial capital of Rs. 10 crores and an additional contribution of Rs. 5 crores every year in order to make medium term and long term loans available to agriculture. The balance in this Fund amounted to Rs. 35 crores on June 30, 1960. The National Agricultural (Stabilization) Fund came into existence in June 1956, with an initial capital of Rs. 1 crore and an annual additional contribution of Rs. 1 crore for enabling the State co-operative banks to convert short term credit into medium term credit especially when they are confronted with extreme financial difficulties under such exceptional circumstances as drought, famine, or other natural calamities. The balance in this fund as on June 30, 1960, was Rs. 5 crores. The Reserve Bank had poor business with State Co-operative Banks for almost twelve years since it came into being. As a matter of fact, the total amount of advances of Reserve Bank to State Co-operative Banks under Section 17 (2. b), 17 (4a) and 17 (4c) between 1937 and 1947 was only Rs. 110 lakhs of which Rs. 104 lakhs was supplied under Section 17 (4a) alone against government and trustee securities. The Section 17 (4.d) remained virtually ineffective owing to lack of agricultural bills and absence of adequate warehousing facilities. It was only to plug this lacuna, the Agricultural (Produce and Warehousing) Corporation Act was passed in 1956. The result of all these measures including some procedural reforms brought about by the Reserve Bank, consequent on the informal conference, was a significant spurt in total advances of Reserve Bank to State Co-operative Banks from Rs. 17 lakhs in 1947-48 to Rs. 10065 lakhs in 1959-60. As rightly pointed out by Mr. Chester Davies in his memorandum on Agricultural Credit, submitted to the Planning Commission in 1954, "the Reserve Bank has been giving new life and leadership to the co-operative credit movement in recent years. Probably no other Central Bank in the world is doing as much to help, develop and finance rural credit institutions."[27]

The Reserve Bank's role in the field of industrial finance also is by no means insignificant. Its assistance to the industrial sector is both financial and organisational. In fact when the Industrial Fi-Finance Corporation was established in 1948 the Bank had contributed over 20% to its paid-up capital of Rs. 5 crores and had liberally invested in the bonds issued by it. The Bank, in addition, provides both medium term and short term advances to the Corporation. On account of the Bank's participation in the Corporation's

27. As quoted by G. M. Laund: *Co-operative Banking in India* (Bombay, 1956), pp. 65-66.

share capital the former is entitled to appoint two of its nominees to the Board of Directors of the latter. The Bank has helped the other State Finance Corporations also by subscribing 10 to 20% of their share capital. The Bank grants short term accommodation to them by way of loans and advances under Section 17 (4) and further assistance for financing the production or marketing activities of cottage and small scale industries is offered under Section 17 (2. b). The Bank is represented by one nominee in the Board of Directors of each of the State Financial Corporations and is also frequently consulted in the appointment of managing directors. As a result of close association that the Bank has developed over the course of years with the various financial corporations a measure of co-ordination has been brought about by the Bank to avoid any overlapping and duplication of functions of each other. Accordingly a convention has been established whereby the loan applications for amounts exceeding Rs. 10 lakhs are entertained by the Industrial Finance Corporation and those within Rs. 10 lakhs, by the State Finance Corporations. Recently, a Refinance Corporation has been set up on June 5, 1958, with an initial issued capital of Rs. 12·5 crores of which Rs. 5 crores is subscribed by the Reserve Bank. The object of this Corporation is "to provide relending facilities against medium term loans, granted by the member banks to medium sized units in the private sector." Again, on July 1, 1960, the Government of India has evolved a guarantee scheme with the object of enlarging the supply of institutional credit to small scale industrial units by granting a degree of protection to the lending institutions against possible losses that they may incur in respect of such advances. The task of administration of the above scheme is entrusted to the Reserve Bank which is known as guarantee organisation under this scheme.

This, then, is a brief review of the important activities undertaken by the Reserve Bank, in recent years in respect of economic development of the country. The Reserve Bank has also somehow succeeded in achieving exchange stability but it is only in the the sphere of ensuring monetary stability that it is faced with grave difficulties. Therefore we shall now discuss how far its regulatory instruments have been effective in fulfilling the objective of monetary stability.

Regulatory Role:

Bank Rate:

The first weapon relied on for this purpose was the Bank rate. It may be remembered that the year 1951 witnessed a revival of monetary policy in more than one country. Confronted, as it was, with the inflationary pressure in the economy, following the Korean war boom, and also with an excessive demand for bank credit by this time, the Reserve Bank had to raise its Bank rate from 3% at which level it had remained since November 28, 1935 to 3½% on November 14, 1951. This increase in the Bank rate was immediately followed by corresponding changes in the upward direction in other money market rates also. The Imperial Bank's general rate on advances went up from 3½% to 4%; the call rate for advances to banks against government securities amounting to Rs. 5 lakhs and above rose from 2¾% to 3%. As the busy season progressed, call money rates of larger scheduled banks hardened and the Imperial Bank further increased the rate for its advances of Rs. 5 lakhs and above against government securities to 3½% and that on amounts below Rs. 5 lakhs to 3¾%. Thus the rise in the Bank rate, accompanied by an upward adjustment in the market rates, and the change in the method of open market operations introduced therewith were responsible for the immediate curtailment of liquidity of the banking system. This, in turn, drove the banks to increasingly resort to the loan facilities offered by the Reserve Bank to meet the seasonal demand for bank credit.

The Bank rate was again raised to 4% on May 15, 1957. This was done with a view to keeping pace with the movement of other lending rates of the Reserve Bank. For, from February 1, 1957, when the stamp duty on usance bills was enhanced, which was described as a "fiscal measure with a monetary intent" by the then Finance Minister, the effective borrowing rate of scheduled banks rose to 4%. On the same date the advance rate of the Reserve Bank against government securities was raised to 4%. Thus from May 15, 1957, with the rising of the Bank rate also to 4% a unification of rates was brought about. "The rising of the various lending rates was mainly by way of realignment with the trend of money market rates and also directed to making the structure of lending rates of the Bank internally more coherent."[28] As a result of these changes, the hundi rate of the State Bank was put up from 5¼% to 5½%; its advance rate from 4¼% to 4½% and its call loan far below Rs. 5 lakhs from 4% to 4¼%. Almost the same is true of the reaction of the other market rates also to the changes in Reserve Bank's lending rates.

28. *Reserve Bank of India Bulletin*, 1958, p. 757.

Open Market Operations:

In the past, the open market operations were used in India to assist commercial banks to surmount seasonal financial stringency, to help the government in its borrowing operations and to maintain orderly conditions in the gilt-edged market but seldom was it used as a potent weapon to influence the cost and availability of credit. "Broadly speaking, in India open market operations have not assumed the role of a full-fledged instrument of credit policy...they have been rarely made use of deliberately for the purpose of restraining credit; the Bank has sought to restrict credit, when necessary, though other monetary measures including selective credit controls."[29]

However, in 1951, as mentioned already, a chance in the method of open market operations was made simultaneously with a rise in the Bank rate in order to make the latter effective. Accordingly, the Reserve Bank announced that it would, except in special circumstances, refrain from buying government securities to satisfy

TABLE III

Operations in Central Government Securities with the public on the Bank's investment account

(in crores of rupees)

Financial year		Purchases	Sales	Net Purchase (—) Sales (+)
1951-52	..	66·60	54·78	—11·82
1952-53	..	12·66	13·86	+ 1·20
1953-54	..	17·77	39·91	+22·14
1954-55	..	29·94	57·94	+28·00
1955-56	..	21·97	37·92	+15·95
1956-57	..	47·47	28·30	—19·17
1957-58	..	24·01	89·23	+65·22
1958-59	..	65·10	154·05	+88·95
1959-60	..	23·31	83·64	+60·33
Total	..	308·83	559·63	+250·80

Source: *Reserve Bank of India Bulletin*, June, 1960, p. 803.

29. *Ibid*, June 1960, pp. 798-799.

the seasonal requirements of scheduled banks but would as a normal practice advance money at the prevailing bank rate on government and other securities as specified in Section 17 (4.a) of the Reserve Bank of India Act. Thus, with the initiation of a new open market policy in 1951, this instrument has been increasingly used to reinforce general monetary policy which had been one of general credit restraint since then as the table on page 117 will show.

As may be observed from the above table, between 51-62 and 59-60, the total purchases and sales amount to Rs. 308·83 crores and Rs. 559·63 crores respectively. Thus the amount of net sales by the Bank during this period works out to Rs. 250·80 crores. The relatively high sales from July '57 to March '60 represent the huge investment of P.L. 480 counterpart funds by the State Bank in government securities. Another reason for the large sales is the emergence of slackness in the economy due to imposition of import control. This created conditions of excess liquidity, giving rise to increased demand for government securities chiefly by banks. This in turn enabled the Reserve Bank to take full advantage of the situation by pushing up sales of government securities in the open market.

Variable Reserve Requirements:

The power to vary reserve ratios within the limits of 5 to 20% in the case of demand deposits and 2 to 8% in that of time deposits was given to the Reserve Bank in 1956 as a result of the Amendment Act enacted in the same year. But the occasion for having recourse to this technique arose only on March 11, 1960, when the scheduled banks were required to impound with the Reserve Bank additional reserves equivalent to 25% of the increase in deposits accruing after the above date. This was in addition to the original 5% of demand deposits and 2% of time deposits that had to be kept with the Reserve Bank as a minimum. Along with this measure, credit curbs were also imposed on shares of speculative character, budla financing and clean advances. The aims of the series of measures were to mop up the excess liquidity in the banking system, to restrict the expansion of money supply and bank credit and lastly to reduce thus their impact on price level. But, since the bank credit continued to increase by Rs. 40·71 crores within scarcely two months from 11-3-60 to 29-4-60 in spite of these measures the necessity arose on the part of the Reserve Bank to direct again all the scheduled banks on May 5, 1960, to enhance

the proportion of deposits to be kept with the Reserve Bank from 25% to 50% over and above the statutory minimum.

Selective Credit Control:

All the aforesaid instruments are designed to operate on the general credit situation alone and, therefore, they can only influence the liquidity position of the commercial banks and thereby change the demand for real resources but cannot regulate the flow of credit to particular spheres of economic activity. They affect merely the aggregate demand for and supply of credit without discriminating between activities which are essential to development and those which are not. The only qualitative element in an otherwise quantitative system of control is the Central Bank's prescription of certain rules of eligibility of rediscounting purposes. Hence, "if the supreme test of monetary Policy lies in its ability to prevent the growth of prices without retarding the growth in population it may be necessary to control in different ways the supply of money to different sectors of the economy.[30] This is what the selective credit controls seek to do in principle. The Reserve Bank has been given sufficient powers in this respect under the Banking Companies Act, 1949, particularly to determine the policy relation to advances to be followed by banking companies, to direct them in regard to the purposes for which advances may or may not be made and to prescribe the margins to be maintained in respect of secured advances and the rates of interest to be charged thereon.

Though the Reserve Bank has made use of this method from time to time through directives and circular letters to the banks with the hope of restricting their advances against shares and commodities, it is only since 1956 the Reserve Bank has begun to operate this weapon regularly and systematically. So far, the selective credit controls have been extended to cover bank advances against rice, paddy, wheat, pulses, other cereals, cotton textiles, sugar, groundnut, oil seeds, oil cakes and shares, either through directing the banks to raise margin requirements and to fix a ceiling on aggregate advances or through mere exhortation to banks. The controls over advances against commodities are intended to shun their speculative hoarding and the consequent

30. I. G. Patel: *Article on Monetary Policy in Post-war Years*, I.M.F. Staff Papers, April, 1953.

price rise, and those against shares, to check the undesirable tendency of cornering of shares with the help of bank credit.

In addition to these various measures, the Governor of Reserve Bank has exercised his power of moral suasion on several occasions through issuing circulars to banks and convening conferences with leading bankers, thereby prevailing upon them to achieve a positive reduction in their advances as and when circumstances warranted such a step. In fact this was what was actually done on June 29, 1957, June 15, 1959 and May 8, 1960.

Besides these vast powers of credit regulation, comprehensive administrative and general regulatory powers had also been added to the armoury of Reserve Bank as a result of the Banking Companies Act and its subsequent amendments. These powers include those of licensing, inspection, liquidation, regulation of capital, reserves and liquid assets of banks, control of branch expansion, amalgamation, schemes of arrangement and even appointment of managing directors and chief executive officers of banks.

Very recently on September 21, 1960, the Reserve Bank, following the Japanese practice of charging differential bank rates, announced three measures to hold the price line. They are as follows: (1) Imposition of penal rates of interest on banks for borrowings from the Reserve Bank in excess of the quota fixed for each bank. This quota is equal to 50% of the reserves to be maintained by each bank with the Reserve Bank in terms of Section 42, sub-section (1) of the 1934 Act, i.e., 5% of demand liabilities and 2% of time liabilities. The schedule of changes for borrowing from the Reserve Bank is given below. The bank rate will be charged on borrowings against government securities and bills upto 100% of the quota. 1% above the bank rate will be charged on borrowings over 100% but not exceeding 200% of the quota, and on borrowings over 200% of the quota, 2% above Bank rate will be charged. (2) An increase in the average lending rate of banks to their customers by half a percent and (3) a limit on the interest rate paid by banks on call deposits. These new measures had taken effect from October 1, 1960.

This then is a factual account of the steps taken by the Reserve Bank to achieve monetary stability. But have they all been successful? If not, why? Are there any concrete alternative or supplementary solutions with which the stability may be achieved

without hindering at the same time the speed of development? We now turn to explore the answers to these questions.

First as regards the Bank rate, it must be said that even though the two changes in the Bank rate have been duly followed by corresponding changes in the market rates, the fact that it relates only to the interest rate movements in the organised money market alone, which consists mainly of the Indian scheduled banks, the exchange banks and the State Bank, must be conceded. It may be worthwhile to mention that even to-day the interest rates in the unorganised money market, comprising chiefly moneylenders and indigenous bankers, move far out of proportion to changes in the Bank rate.

Regarding the open market operations it may be stated that though in recent years this weapon is reported to have been applied to reinforce monetary policy its effectiveness is likely to be all too limited until a broad, security market, as exists in advanced countries, is established in India.

As for the variable reserve requirement, it may be rather too early to assess its scope and significance in as much as it was introduced for the first time in India as late as the last March. But, however, considering the slack season in which it was enforced, this measure also leaves much to be desired as indicated below.

TABLE IV

Assets and Liabilities of All Scheduled Banks

	(In Crores of Rs.) 11—3—60	29—4—60	9—9—60
Aggregate deposit liabilities ..	1883·84	1929·94	1928·75
Borrowings from Reserve Bank ..	56·33	43·85	52·04
Cash in hand and balances with Reserve Bank ..	125·35	140·09	160·65
Bank credit ..	1089·10	1129·81	1127·25
Investment in Govt. securities ..	760·08	741·60	736·05

Source: *Economic Weekly*, May 14, August 6, and September 24, 1960.

The above table indicates that there has been an increase in total deposits by approximately Rs. 45 crores between 11-3-60 and 9-9-60. On this increase, 25% till May 5, 1960, and 50% afterwards must be impounded with the Reserve Bank. That means the net deposits available to banks for lending purposes is roughly Rs. 17 crores. But the bank credit during this period has expanded by Rs. 38·15 crores. The additional deposit resources being therefore inadequate to meet this excessive demand for bank credit, the banks had inevitably resorted to the means of withdrawal of cash balances from the Reserve Bank and liquidation of their investment in government securities. This implies that the variable reserve ratio has succeeded in achieving exactly what the Reserve Bank wanted to avoid.[30a]

Incidentally, another significant fact which emerges out of the above analysis is the disappearance of the usual features characterising the Indian slack season. Contrary to the expectations, there has been an unusual increase in the borrowings from Reserve Bank by Rs. 8·19 crores between 29-4-60 and 9-9-60. Further, the decline in bank credit seems to be only Rs. 2·56 crores during the same period. In addition, the disinvestment of government securities has taken place to the tune of Rs. 5·55 crores in these five months. Usually in the slack season there will be return of funds to the banking system which will have to be used for investment in government securities and/or for repayment of advances of the Reserve Bank. The abnormal phenomena in the current as well as the previous few slack seasons reflect that the economic activity in the country is increasing in recent years on account of the growth in the secondary and tertiary sectors facilitated by the planned development.

This apart, though the production of foodgrains has steadily increased from 58·3 million tons in 52-53 to 73·5 million in 58-59 the prices of food articles have not shown a declining trend except of course in the years 53-54 and 54-55 when there was a sharp fall in prices due to the bumper crop. Thus the index number of food articles has continued to rise from 86·6 in March 56 to 124·1 on 3-9-60. Besides, the same upward trend is perceptible in the case

30a. The deposit impounding scheme has now been withdrawn in two stages; on Nov. 11, 1960, when it released half of the reserves immobilised till that date and on June 13, 1961, when the whole scheme was suspended for assisting the scheduled banks to meet the busy season requirements.

of prices of industrial raw materials like raw cotton, sugar and groundnuts. The most important reasons for the spurt in prices of these articles are speculative hoarding through borrowing mainly from non-bank sources, inadequacy of supply and larger export quota. Prof. P. C. Jain writes: "Selective Credit control assumes that the basic cause of rising prices is the speculative hoarding of foodgrains, of sugar and groundnuts through bank credit. The fact is that bank credit supplies only 5% to 10% or even less of the total amount of money invested in speculative hoarding of stocks and even the complete stoppage of bank credit would make no material difference in price level because of the existence of a large non-monetised sector on which selective credit control can have no effect. Besides, most of the hoarding of foodgrains, sugar and groundnuts is done not by speculators with bank credit but by the producers themselves."[31]

Again, the Reserve Bank's attempt at hitting the bulls on Stock Exchange and thereby bringing down the prices of equities has also proved abortive as is evident from the increase in the index number of variable dividend industrial securities from 130·6 in June '58 to 175·3 in June '60. Moreover, there are reasons to believe that the Bank's credit curbs on budla financing and clean advances have gone astray on account of the possible replacement of the former by the overdraft practice and of the likelihood of getting over the limit on the later by allowing larger credit lines for secured loans.

Thus the failure of these measures is perhaps the reason why the Reserve Bank has ultimately resorted to the novel method of charging penal rates of interest on borrowings in excess of the prescribed quota etc. Even here it is feared that these restrictions will greatly reduce the amount of advances used for production and marketing of cash crops. This may most probably upset the prospects of export promotion and the possibilities of increased export earnings.

Therefore the broad inference we draw from the foregoing survey is that the Reserve Bank has not succeeded to a great extent in controlling inflation which is distinctly manifest in the fact that the wholesale price index has registered an increase of 20% since the commencement of Second Plan. As a result the value of

31. Article on *Character of Indian Inflation Analysed, Capital*, December, 1959.

our rupee has dwindled by 1·7% per annum on an average in recent years. To say that this extent of erosion in the internal purchasing power of our currency compares favourably with the annual depreciation[32] of 4·3% in the British pound, 6·8% in the French Franc, 1·8% in the American dollar and 1·7% in the German mark between 1948 and 1958 will only amount to deluding ourselves, for, if the rising prices are left unchecked the society may have to bear a heavy social cost on a date near or distant. What is more, whatever may be the monetary value of our achievements of the planned development, in real terms they may be little or negligible.

Reasons for restricted scope of Monetary Policy:

Now, what are the reasons responsible for the limited efficacy of Reserve Bank's instruments? (1) Currency is the major medium of exchange accounting for about 67% in total money supply. (2) The existence of a large non-monetised sector, (3) the undeveloped banking habit, (4) The under-developed state of capital and money markets, (5) The dichotomous structure of our money market into organised and unorganised sectors with no element of stable integration between them, (6) The practice of making frequent variations in the liquidity position of commercial banks, (7) The presence of many foreign banks in India with the facility of getting financial resources from abroad irrespective of the nature of monetary policy, pursued by the Bank and (8) the lack of adequate eligible rediscountable assets. Obviously, the credit policy cannot go far unless these obstacles in its path are removed or minimised.

Some suggestions:

Therefore, to enable the Reserve Bank to make effective its monetary policy, it is first of all necessary to extend the area of its operations. For this, much reliance may be placed on services rendered by the hundi brokers who have been instrumental of late in forging a link, though tenuous, between the constituents of organised and unorganised sectors of our money market, especially in the busy seasons. Besides, some constructive attempts must be made by the Reserve Bank to standardise our ancient hundi so that it may become a credit-worthy trade bill instead of what it is at present.

32. J. J. Anjaria in his address to the All-India Economic Conference held at Annamalainagar, in December, 1959, as reported in *Facets of Planning'* issued by Ministry of Information and Broadcasting, p. 77.

Secondly, to reduce the pressure in the equity market monetary policy must be supplemented by taking direct action against speculation share markets through banks with the help of the Directorate of Stock Exchange, by prohibiting the highly speculative scrips from having the benefits of futures trading until the markets returned to normalcy, by breaking the veil of secrecy surrounding the forward dealings and by asking the Life Insurance Corporation to disgorge a part of its holdings.

Thirdly, in a developing economy like India it will not be an exaggeration to say that the success of monetary policy depends exclusively upon the co-operation extended by scheduled banks. This Co-operation is likely to be hampered by the Reserve Bank's recent measures of sterilization of deposits and restriction of advances with the results of reducing their earnings, curbing their initiative for opening new branches and affecting their enthusiasm for canvassing bigger deposits. Hence some scheme must be devised so that the banks' lending policies can be integrated with the government's policy of promoting such of those industries as arranged in the priority list through liberal financial assistance while assuring at the same time a reasonable rate of reward for the banks' services.

Fourthly, in the absence of a rise in the Bank rate, there seems to be a tremendous wastage of capital by the public sector right from the central government down to the village panchayat as judged by their large expenditure on non-developmental heads. The main reasons, adduced for not raising the Bank rate so far, are as follows: 1. The higher Bank rate will deter economic growth. 2. It will add to the cost of government debt, and 3. It will inflict on banks heavy capital loss by bringing down the value of existing government securities. The first reason will not hold good to India since the element of interest charges forms a relatively small proportion in total cost of production. Furthermore, if the higher Bank rate is found to be harmful to the developments of certain essential sectors of the economy, this can be overcome by making suitable adjustments in the selective credit control so as to ensure a liberal flow of credit to those particular sectors while at the same time keeping the Bank rate at a high level. Regarding the second reason, the increased cost of government debt is desirable as long as it discourages unproductive and wasteful expenditure of the government. As for the third reason, it may be stated that if the Bank Rate is pushed up to such a high level as will make the banks incur a very heavy depreciation in the value of government securities, the banks will then think twice before selling their gilt-edged securities in the sagging market.

However, the extent of capital loss will greatly depend upon the maturity pattern of government securities, held by the banks. If the securities, sold in the market, are of long-term maturity, then the extent of loss will be very severe indeed. But on the contrary, if they are of short-term maturity, then the loss incurred will be only very little. Hence an increase in the Bank rate is preferable at the moment as it will prove beneficial by inducing economy and efficiency in the use of capital, by discouraging hoarding of foodgrains, raw materials and finished goods, by stimulating a high rate of savings, by forcing the state to follow an appropriate fiscal policy and by restraining boom in the stock exchange which yields enormous sums of unearned profits to big investors and speculators.[33]

Lastly, in India, as stated already, inflation is caused by heavy expansion of money which consists of currency and deposit. The inflation arising out of the increased currency supply can be controlled most effectively by means of fiscal policy in view of the reason that the currency is the main medium of exchange here. But in so far as a certain proportion of this excessive issue of currency percolates into the banking system in the form of additional deposits, the fact that the enhanced deposit resources will engender credit inflation through the process of multiple expansion of bank credit cannot be denied. Hence effective control of inflation in the special context of India necessarily presupposes control of both currency and credit inflation for which no other solution can be found more effective than the integration of monetary policy with fiscal policy. Now, how is this integration to be brought about practically? This can be done by introducing some kind of a built-in-stability mechanism in the integrated roles of monetary and fiscal policies so that the instruments of each can be adjusted automatically according to the gravity of economic conditions, in such a way as to accomplish the objectives which are undoubtedly common to both. After all, these two policies are two different species of the same genus, namely economic policy, whose overall objective can be smoothly fulfilled only by a co-ordinated but not definitely by a conflicting behaviour of its own offsprings.

33. *Commerce*, October 1, 1960, p. 583.

Conclusion:

The Reserve Bank's role in the sphere of development is satis-upon to keep in nice balance an economy subject to major strains ing monetary stability. This is because of the complexity of circumstances in which it is placed and of some technical limitations which restrict the scope of its instruments. This does not mean that monetary policy can never work in India. "The mills of monetary machine grind slowly; but they can grind surely..... Our conclusion is that monetary measures cannot alone be relied upon to keep in nice balance an economy subject to major strains from both without and within. Monetary measures can help, but that is all. How far they should be called upon to help depends not only on their own merits and demerits but also on how they compare with the advantages and disadvantages of other methods of influencing the total pressure of demand."[34] This unanimous verdict of the well-known British experts on monetary policy is as much relevant to India in its efforts to achieve the objective of controlled expansion as it is to Britain. The main source of monetary instability in India is inflation which can be controlled by the concerted use of the instruments of both fiscal and monetary policies. But this can only be a short-run panacea. What then is the long-run remedy? In the words of the Planning Commission "increase in output through fuller utilization of capacity, through improvement in technical and managerial efficiency and through harder and more sustained work all-around is basically the answer to inflationary pressures and this would be a far better way of bringing supply and demand into equilibrium than some of the other devices which, while doing good, have also a somewhat depressing effect on the economy."

34. Radcliffe Committee Report on the working of the Monetary System, (London), pp. 168 and 183.

Review

Economic Growth and Inflation—"A Study of Indian Planning"—Andrew Shonfield—The Council For Economic Education, D-1, Corinthian, Bombay-5, 1961, Price Rs. 7.50.

In this brochure Mr. Andrew Shonfield, the Financial Editor of the London "Observer" has presented briefly the monetary implications of the Third Five Year Plan. The problem of price stability during the Third Five Year Plan was a theme of the three lectures delivered by him at Sapru House, New Delhi in early February 1961. These lectures are presented in this book. In the first lecture the author vindicates the competency of entrepreneurs to anticipate every twist and turn in the extraordinarily complex, labyrinthine structure of the modern economy. In contrast, he points out that a system of rationing and licensing which depends on the administrative machinery is likely to cause avoidable delay in the developments of economy. The implication of relying heavily on entrepreneurship and on private investment, under conditions of scarcity of goods, would no doubt be rise in prices in certain areas.

In this context he cites with approval Professor Hirschman thesis that such a physical sensation of inflationary shock is a prime mover in the mechanism of unbalanced growth. Mr. Shonfield adds that a few commodity prices subject to random shocks may not affect general price stability. The commodity price trends in India during the last ten years have been seldom sectoral. In the final analysis one notices the impact of sectoral prices on the general rise of prices of goods of mass consumption. A reduction in the real income of fixed income earners and secular decline in the real incomes of agriculturalists who do not adjust their output readily in response to changes in price have been some of the disturbing influences of sectoral increases in prices in India. Hence it is difficult to accept this aspect of Hirschman's thesis.

The trend of inflation generated in India is the result of manifold causes. Mr. Shonfield points out savings deficit as the most important feature of Indian inflation. There is an understandable anxiety among the monetary experts in this country to prevent the rising trend of forces from developing into one of the Latin American type of galloping inflation. In the Third Five

Year Plan the emphasis on the importance of averting adventitious or haphazard rises in prices is explicitly indicated. Whereas a modest, price incentive to keep the tempo of trade and industry is essential the authorities have to be judicious in restraining prices of commodities of universal consumption.

The suggestions of Mr. Shonfield in respect of keeping down the prices of food and cloth are a liberal import or acceptance of gift of foodgrains from countries with potential surplus and the expansion of domestic supply of cloth from textile cottage industries.

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Progress, Time and Eternity

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PROGRESS, TIME AND ETERNITY

"The ascent of man into heaven is not the key, but rather his ascent here into the spirit and the descent also of the spirit into his normal humanity and the transformation of his earthly nature. For that and not some postmortem salvation is the real new birth for which humanity waits as the crowning movement of its long, obscure and painful course".

Sri Aurobindo, *The Human Cycle*, pp. 295-296.

The concept of Progress and the problems connected with it fall largely within the domain of Philosophy. Progress is a value concept and implies a movement towards an end which is regarded as desirable. We may ignore the wider but looser use of the term in which Progress is an approximation to any end, irrespective of its value. In this sense we may speak of progress in crime, in disease and in the production of destructive weapons. In the strict sense the movement implied is always, and on the whole, though not necessarily at each step, upwards and forwards. What are the highest ends of the individual and of society, how are they to be determined and to what extent they can be realized—these are questions of prime importance, the answers to which will provide the foundation of an adequate theory of Progress.

While recognizing that progress can only be determined and defined by reference to an end which is a value, a balanced and comprehensive view of the phenomenon requires us to regard it as a process unrolling itself in time and hence coming within the purview of the historian, who works with a different method and a different set of presuppositions from the philosopher. We have therefore to avoid two extremes. We cannot submit the question of the fact of progress entirely to the judgment of the historian, for the historian works under a double limitation. It is not his business, as a historian, to raise the question of values and the hierarchy of values, or to examine the nature of Reality in which these values are explained and conserved. Further, as a mere historian, he lacks that higher vision and total perspective with reference to which alone the march and turn of events reveal their inner significance. To the extent that the historian is an interpreter and not a mere chronicler of events, he makes use of a scale of values which he has derived from the social milieu, from the promptings of his moral nature or any other source, but does not, as a historian, make his guiding principles of interpretation the object of a reflective inquiry. These principles throw light on the process of history, but are not themselves a part of this process.

It is these limitations of the historian which has given rise to the epigram that history should be written by philosophers. The epigram expresses a truth, but the truth has to be understood with many qualifications. If it is intended to emphasise the need for the historian to cultivate a broad vision, a capacity to see things steadily and as a whole, so that history appears to him, not merely as a rag bag of events, but as the moving image of a Reality which includes and transcends history, then the suggestion that history should be written by philosophers would, in my view, be unexceptionable. But if it is taken to mean that philosophy is a sufficient qualification for the writing of history, then the truth is immediately converted into a grotesque error. The writing of history is a specialised art, requiring special training, capacities and qualifications. The historian is not simply the philosopher writing history, but the historian himself, writing with or without the insight of the philosopher. At most we can say that a philosophical insight would make the historian a better historian, but not that it is sufficient to make him a historian.

Even this statement requires an important qualification. We cannot overlook the notorious fact that among philosophers there is and has always been a wide divergence of opinion and points of view. There is nothing that can be objectively described as *the* philosophical insight. There are tender as well as tough-minded philosophers, idealistic philosophers who exalt all things by asserting that they are, in varying degrees, full of the divine, and positivistic philosophers who reduce all things to the dust of matter or the commonplace of sensations. Each philosopher has his own *weltanshaaung*, if he does not belong to the school which looks with suspicion and distaste on all *weltanschaaungs*. The kind of history the philosopher will write will, therefore, depend, not only on his training and qualifications as a historian, but on the kind of philosophy that he adopts. The mere fact that a historian is also a philosopher is by no means a guarantee of the best possible results.

The other extreme we must take care to avoid is the error of excessive a priorism in the interpretation of the course of history, the tendency to allow preconceived ideas to distort our perception and appreciation of events. The danger of this error is greater when the need for a special equipment and training in the task of writing history is ignored. As history is the meeting ground of the historian and the philosopher, each must have the humility to learn from the other. There must be a fine balance and adjustment of points of view, a co-existence and mutual support of the *a priori* and the *a posteriori*, a harmony between our allegiance to ideals and metaphysical principles and our respect for facts. "The philosopher follows the *a priori* thread of the world plan which is clear to him without any history,' says Fichte. And like Hegel and others he follows the *a priori* thread into egregious historical blunders. The philosopher's superciliousness towards what he calls "brute facts" and his sole reliance on *a priori* insights leads to the creation of a history which depends for its plausibility, as Russell suggests, on two factors, "some distortion of facts and considerable ignorance."

It is possible, though not easy, to lay down a rule which will define and delimit the spheres of the historian and the philosopher and indicate the contribution which each is expected to make to the total result. The two individuals must somehow fuse into one, the historian acquiring the vision of the philosopher which sees beyond and behind the surface procession of events, and the philosopher cultivating the historical sense and steeping his mind in the torrent of events, fully alive to the novelty, the contingency and the surprises in the heart of the temporal process. If, without a philosophical vision the historian is in danger of groping blindly amid a welter of occurrences, without a lively sense of facts the philosopher is likely to suffer from an intoxication of the *a priori* and begin to mould facts in the light of his preconceived ideas.

A faithful and comprehensive interpretation of the course of history is thus a result of a co-operative venture, in which the two personalities of the historian and the philosopher merge into one. Yet, in a broad way, it is possible to indicate the contribution which each can make, more effectively than the other, to the total result. If it is true to say that "Progress is the key to history and the law of the collective life," it will be the task of the philosopher to define the concept of progress and to seek the justification for the application of this concept to individual and collective life in the wider concept of Reality and man's relationship to Reality. As far as it concerns the individual alone the meaning and fact of progress will be purely a philosophical problem. The nature of man and his ultimate destiny and the inner process of development that leads to its realization are questions on which the historian can throw no light. The issues have to be debated exclusively within the forum of philosophy. It is when we apply the concept of progress to the collectivity and talk of social as distinguished from individual progress that the philosopher has to join hands with the historian and make a common study. The historian takes the lead in analysing the complex movement which constitutes human progress and in indicating the concrete form, with its numerous twists and turns, setbacks and deviations, as well as modes of advance which the complex upward movement of humanity actually takes. The historical analysis may reveal the laws of general tendencies which govern the process and may provide the necessary corrective to the natural tendency of the theorizing mind to reduce the entire complexity of the phenomenon of progress to the expression of a single, trenchant, abstract and one-sided law. Indeed, the historian may point out that there is nothing that as yet corresponds in actual fact to the concept of the history of humanity taken as one whole, and that what he is aware of is only a plurality of histories, with their many resemblances and differences, but which do not coalesce into one common, universal history. The many histories may hold promise of the emergence of a universal history, but so far, it may be said, the possibility has not been realized.

But here too the philosopher may have a significant role to play. His reflection on the nature of Reality and the significance of the evolutionary movement might enable him to see more deeply into the heart of the historical process and thus discern more clearly than the mere historian the signs of a gradual emergence of a universal history. His vision may transcend the pluralism of the historian in sensing, not merely the emergent possibilities of a history of mankind, but its actuality in the working of forces hidden to the normal consciousness and deriving their sanction from the Supreme Reality. He shares with the historian a deep respect for facts, but facts do not always clearly speak for themselves. They need a mind to interpret them and reveal their significance. Once the historical process is viewed *sub specie aeternitatis*, our perspective radically changes, and in this enlarged vision, not only the meaning, but the very nature of progress is seen in a new light. The different features of the process, including the upsets, the crises, the catastrophies and the errors, crimes

and follies of men with which history is replete and of which history is said to be but a dismal record, acquire a new value and significance. In this higher comprehension, the judgments and verdicts of the lower and partial points of view are not brushed aside or pronounced as sheer error, but are accommodated, with the necessary modifications, in a vision of the totality which has always been the prerogative of the philosopher.

I have emphasised the importance of the philosophical approach to history and of the need, on the one hand, to elevate history to a profounder study of the truths that underlie the long procession of events, and, on the other, to temper the visionary zeal of the philosopher by a stern discipline in the school of facts. But the statement that history should be viewed *sub specie aeternitatis* requires an explanation and a justification. What we have in this statement is a philosophy of history and it is not possible to ignore the fact that there are alternative philosophies of history, each claiming to give a true and comprehensive interpretation of the historical process. It may be asked, by what criterion is one to judge between these rival claims and determine which is true or contains the greatest measure of truth?

It should be obvious that as the different philosophies of history all claim to account for the same set of facts, there is no objective criterion for judging the merits of the rival claims. By an objective criterion I mean a criterion which is external to the different philosophical systems which give rise to the different philosophies of history. One has to judge the different pronouncements on the nature and meaning of history, made by philosophers, entirely in the light of the particular philosophy that one adopts as one's own. And this again means that the differences of opinion cannot be settled by the objective test of referring to the facts of history, for the same facts are differently interpreted and fitted into different ideological schemes. The issue has to be debated at a higher or deeper level at which history as such tends to fall out of sight and we are left with issues that are purely philosophical. Rival philosophies of history are, in the main, rival systems of general philosophy, and in determining the truth or otherwise of these systems, their pronoucements on the nature of history have no relevance at all.

This is not the same as saying that historical facts have no relevance for the philosophy of history. The latter is not a mechanical extension of general philosophy to the realm of facts in their temporal aspect, but is in some sense determined by the latter. The mode of determination may be made clear by drawing a distinction between vision and concrete form, and the relation of these two is precisely that which, according to Kant, holds between concept and percept, viz., that each without the other is either empty or blind. The two are not only closely related, but inseparable, except by a process of abstraction. The mind's understanding of the significance of history is not imposed on the historical facts *ab extra,* even as the categories are not imposed arbitrarily on the manifold of sense. The philosophy of history arises and takes a concrete shape in the mind in the very process of steeping itself in the flow of events; and the facts are never received by us passively, but as already interpreted and illumined by the mind's vision. This organic relation, the mutual dependence of facts and their interpretations, is true of all intellectual inquiry, including science. Though it would not be quite correct to say, as Popper does, that in science, "we actively try to impose regularities upon the world" yet there is a large measure of truth in his observation. The mind does not passively wait for the facts to reveal their patterns of sequences and evolve a theory through "the digest of observations." Scientific theories, according to Popper, are inventions, but it would perhaps be better to express this by saying that the mind reads theories into facts in the very act of gathering and digesting these facts. We may even say that the mind is, as it were, one jump ahead of the facts, but withal, carries the facts along with it, while at the same time appearing to follow in the wake of facts and to be their faithful recorder and interpreter. Facts do not by themselves determine the vision in which they are embraced. They are vague, suggestive pointers from which, however, a general scheme cannot be inferred. That depends on insight, arising in the context of one's general philosophy, but the insight in turn, must be *en rapport* with facts, and the two taken together reveal a mysterious pre-established harmony.

The philosophy of history is, in this respect, like the philosophy of science in so far as the latter estimates the presuppositions and limits of scientific knowledge and its place in the hierarchy of knowledge. A philosophy of science, in this sense, is not derived from a scientific study of facts, but is only the accommodation of science as a body of knowledge into a preconceived framework of philosophy. Similarly history does not itself give rise to a philosophy of history, but is rather interpreted in terms of it. The

philosophical grasp of history owes its origin and justification mainly to the more general outlook which constitutes one's central philosophy of life. This is so, since the knowledge on which we sit in judgment cannot itself supply us with the criteria by which the worth of the knowledge is to be judged. If with Popper we accept as a mark of a scientific theory that it can be tested with reference to facts, so that facts may conceivably prove the theory to be false, then a philosophy of science is not science at all. The same is true of the philosophy of history. The facts of history cannot of themselves disprove the philosophy of history, unless the latter oversteps its limits and rashly indulges in prophecies concerning future events. The philosophy of history is concerned with the interpretation of occurrences, their significance in the unfolding of underlying purposes and their contribution to the progress of humanity. It expresses no undue confidence in what is going to happen, except in a very general way and on a long-term view. The philosopher may assert, for instance, that there is progress in history, though the actual concatenation of events which draws us nearer to the ideal of progress or intervenes as a setback and a barrier to the realization of the ideal may remain hidden to him. Here science affords a parallel. Science proceeds with the confidence that there is the reign of law in Nature, though the actual form and content of the laws it discovers cannot be predicted or deduced from the general principle that Nature is subject to law. Similarly, the philosopher may express faith in the fact of progress, but cannot delineate *a priori* the lines of progress, its tempo and detailed expression.

If one's philosophy of history is in effect a corollary from one's general philosophy, and the facts of history while giving it a concrete shape are powerless to disprove it, since their significance emerges only within the context of a philosophy of history, how is the truth of the latter to be determined? Obviously, it may be said, by examining the general philosophical standpoint from which the philosophy of history issues as a corollary. But what is our criterion for determining the truth or otherwise of a philosophical system? I believe there is none, if by a criterion we mean a conclusive test. In the last resort a philosophical system can be neither proved nor disproved.

The concept of philosophy and the nature of philosophical reasoning are not topics that properly fall within the scope of these lectures, but a reference to them is unavoidable, since our interpretation of history presupposes a point of view which it might naturally be thought stands in need of justification. I must therefore explain what, in my view, is the kind of justification one may legitimately demand of a system of philosophy.

The starting point of all philosophy is alogical in the sense that its logic follows from it, but cannot, by a reverse movement, encompass it. I use the word logic, not in a formal, abstract sense, but to indicate the coherence and rationality of the philosophical system. The process of justification of a philosophical standpoint is then no more than an attempt to exhibit the reasonableness of the standpoint, but not to prove it. Since the standpoint itself, being alogical, is not susceptible of logical treatment, it follows that what appears adequately reasonable to one mind may not appear so to another; but this is only another way of saying that philosophers disagree and have always disagreed. Philosophers disagree because behind each philosophical system there is an act of choice; a philosopher chooses his philosophy, or since the choice is alogical and not shown on logical grounds to be inevitable, it would be just as true to say that his philosophy chooses him.

This explains why we have alternative systems of philosophy. Each system rests on an alogical ground and hence is incapable of either establishing itself incontestably or of effectively dislodging the rival systems. If this view suggests that the philosophical adventure must end in relativism and a self-stultifying scepticism, it may be pointed out, first, that irresoluble differences among philosophers is a fact, however disconcerting, that has to be recognised by all, irrespective of their own philosophical views. Secondly, it may be possible to overcome the implied subjectivism in the philosophical theory by regarding the mutually repellent character of the different systems as merely a surface phenomenon, caused by a too passionate adherence to limited points of view. By a widening of our perspective, opposites may reveal themselves as complementaries, partial aspects of an integral truth. This desire to adjust and reconcile conflicting viewpoints is itself the result of recognising the alogical character of the starting point in philosophy; for then, either all thinking falls into the abyss of scepticism or each philosophical system that sets itself up in opposition to others is seen to be an attempt to explicate or present in coherent, logical form, a fragment of the whole truth. I believe that a truly integral viewpoint in philosophy should liberate the mind from all sense of conflict and opposition and all desire for

polemical argumentation. The complete philosopher has no quarrel with anybody. "God", says Eckhart, "is the denial of all denial." The philosopher likewise accepts all affirmations save those which are merely the obverse of the negation implicit in partial points of view.

But there is, from the standpoint of spiritual philosophy, a still more effective safeguard against subjectivism. Reality which is represented only symbolically in the form of ideas and concepts has to be seized in a direct experience in which the knower and the known become one. In this immediate knowledge by identity, the nisus inherent in thought is overcome and thought itself transcended in a self-luminous awareness which sets all doubts effectively at rest. It is the philosophy that identifies knowledge with thought that runs the risk of remaining enclosed in its subjective constructions and ending in the agnostic cry — 'all is beyond us'.

Now since the philosophy of history is philosophy applied to history the initial act of choice will also determine the point of view from which history is grasped and interpreted. The philosophy of history presupposed in these lectures must be understood in the light of this clarification. I should not be expected to *prove* the truth of the philosophical vision, which, in my opinion, reveals the inmost significance of the historical process. I can only hope to persuade you of its reasonableness by giving a coherent exposition of it and indicating how it claims to do justice to all the relevant aspects of our experience.

I believe that from the standpoint of an integral philosophy Progress must appear as the master concept in the inerpretation of history. The concept, however, would first have to be adequately understood. The simple-minded and romantic idea that Progress is a happy and unimpeded canter along a straight path towards the goal and that everyday, in every way, we are getting better and better, has to be replaced by something that approximates closer to the actual course of events. The pattern of progress is unimaginably complex and complicated, baffling to the logical intellect. It contains within it and reconciles elements which, on a superficial view, even appear as antagonistic to progress. Just as an integral philosophy reconciles all opposition and itself stands opposed to no point of view, except in so far as it denies the denials inherent in the partial approaches to Reality, so the interpretation of history, under the guiding concept of progress will recognise the truth of the key concepts underlying other interpretations and show how they enter into and enrich the central idea of Progress, even while seeming to remain outside and in opposition to it.

The concept of progress must be understood with reference to the cosmic process of evolution. In Nature, the apparent starting point is Matter or the Inconscience that underlies the lowest term of the evolutionary series. The upward ascent of Nature through matter, life and mind has two important features. These features reveal themselves more clearly in the last stage which the course of evolution has so far reached and are important for understanding the phenomenon of human progress. The process is, first, inconceivably complex and many-sided, composed of innumerable strands, each of which might easily be mistaken for the whole. Nature, we may say, is labouring towards a unity, but a unity which is rich and variegated, to be completed only when all its potentialities are brought out and given their proper place in the total harmony.

The second noteworthy feature is that the process is an upward movement from darkness to light and therefore it is essentially a groping, stumbling, blundering movement replete with errors, deviations and setbacks, lurching forward, apparently without prescience, towards its distant goal.

These two features, however, while they certainly belong to the process and are apparent on the surface, do not give us the real clue to the nature of the evolutionary process. Evolution is a part of the universal manifestation and there is an underlying Reality which manifests. An adequate comprehension of the process can only be obtained by going behind the surface and seeing it in its relation to the divine ground. It is then understood as the working out of a divine purpose. Even when thus viewed *sub specie aeternitatis* the process requires to be understood at two levels and from two different points of view, which we may call the empirical and the metaphysical. The characteristics which reveal themselves at the empirical level are genuine features of the process and contain a partial truth, but their significance has to be interpreted in the light of the metaphysical truth underlying the process. History must be seen and understood from a viewpoint which transcends history. The temporal process reveals its secret when we take our stand outside time, or rather on the meeting ground of time and eternity.

This difference of standpoints and levels of understanding accommodates and reconciles the different interpretations of history which would otherwise remain in mutual conflict. Thus, to take the second of the two features mentioned above, the ascent from darkness to light, a movement which, it would appear, carries in it the stamp of finiteness and imperfection. This, however, would be a truth from the relative standpoint, but a deeper penetration would detect behind the imperfect, floundering, widewasting movement, vitiated by gigantic evils and disasters, a perfect intelligence, omniscient and wholly benevolent, presiding over the evolutionary ascent and secretly guiding it to its predestined course. From the higher standpoint, the complexion of the process is entirely transformed. It is seen no longer as a blind and blundering upsurge, but as a harmony and a marvel of perfection, complete and immaculate in every detail. It is the divine intention that the manifestation should be an evolutionary process with its roots in the Inconscience underlying matter. Such a manifestation is an eternal possibility which the divine will has actualised. If we view the process from a partial standpoint, confining our attention to the surface phenomenon, we shall be overwhelmed by its defects and limitations, but viewed as a whole and as an attempt to explore and give expression to all the ranges of existence between the lowest and the highest terms, we find that it leaves nothing to be desired. If the manifestation is to be a movement from darkness to light, giving rise to the phenomenon of progress, then the form which it takes is precisely what it should be, not only in outline and as a whole, but in every expression and in the minutest detail. It is a perfect revelation of the phenomenon of progress. Within it there is stumbling and error and the creation of disvalues, but these are partial discords contributing to the harmony of the whole process, and behind it all is a wide-awake intelligence that never falters or stumbles and in whose omnipotent hands lie secure the destinies of all the worlds.

The truths of the empirical or relative standpoint and those of the metaphysical or absolute standpoint, though apparently opposed, do not cancel each other. The former are included in the latter as their partial aspects and without the latter would no doubt remain true, but their partiality would generate an error in our understanding of the phenomenon of progress. The statement that "history is the disgrace of humanity, every page being crowded with crimes and follies", making allowances for rhetoric, does not contradict, or rather is not contradicted by the statement that "history is just what it ought to be and cannot be improved". But to pass from the one to the other requires a radical change in our point of view.

We shall understand better the role of "errors, crimes and follies" in a history that is just what it ought to be if we ascertain the nature and law of progress. In a general way we may say that the emergence of what are called disvalues is a necessary by-product of an evolutionary manifestation. Their existence can only be justified by us in principle, but not in detail, as our insight into the cosmic process is necessarily limited. The one factor that accounts for the major crises, catastrophies and horrors with which history is replete is undoubtedly the factor of complexity which I have mentioned above. Let us see how it explains the creation of disvalues.

Humanity, seeking as it does, not only the perfection of the inner life and the development and fulfilment of all its potentialities, but also a perfect external embodiment of its spirit in a material environment, mastered and transformed by science into the "kingdom of man", has undertaken, or has thrust upon it a staggeringly gigantic task. It has to advance, though not simultaneously, on numerous fronts, attempting to synchronise all its lines of development. The upheavals in the path of progress and the fateful moments of history are partly the result of a too vehement upsetting of the balance of forces or a disproportionate stress on some factors and a serious lag in others. The crisis in civilization in present century, which, happily, is showing signs of abating, illustrates this point. Scientific knowledge has given man the power of a giant, but the user of that power is, in his moral and spiritual nature, still a pygmy.

We must learn to look at humanity as a whole and regard the development of its total potentialities as forming part of a single, complex and infinitely varied movement. Looked at from this comprehensive point of view the progress of humanity appears as continuous and unbroken. The retrogressions and disasters are, rightly understood, not inimical to progress, but its essential accompaniments. Many lessons have to be painfully learnt and many experiments tried and given up before humanity can grow out of its adolescent stage and mature sufficiently to progress at a more equable and exhilarating pace. The reversals and failures

are but stepping stones over which humanity passes to a higher destiny—

"We fall to rise, are baffled to fight better, sleep to wake".

The political idealists of the 18th and 19th centuries, who believed in the religion of progress and the advent of the new age round the corner rested their simple faith on an inadequate understanding of the complex human situation. Their shallow optimism aggravated the rude awakening of humanity and the cynical disillusionment and sense of frustration that followed the termination of the first world war. Pessimism, however, rests on the same foundation of error as shallow optimism. The present day prophets of doom are equally guilty of miscalculating the true forces of human evolution.

It seems to me that throughout history there are four major lessons that Nature has been insistently teaching man, using, when necessary, ruthless and devastating means, as in the case of the last two world wars.

The first lesson is that man cannot achieve peace by a process of exclusion, by shutting out evil or concentrating organized life and culture in limited areas. The city states of Greece, the small and independent republics of ancient India, the little nation of the Jews and the artistic and intellectual centres in medieval Italy are chapters of blazing glory in human history, but they could not maintain their splendid isolation. Such limited groups are by nature impermanent, subject to internal disorder or defenceless in the face of a hostile world. This does not mean that the larger unities in which they were absorbed automatically solved the problem of human unity or brought the solution any nearer. Undoubtedly, if unity and not exclusiveness is Nature's aim, a World State or at least a Federation of Nations must eventually come into being, but many other difficult and delicate problems arise on the way, which the formation of a larger unity may accentuate rather than solve.

This is the second lesson, that a successful unity cannot be at the expense of variety. It is not achieved in the whole that lays its iron yoke on the parts and brings heterogeneous aggregates into a forced political unity for the glorification of the ruling power and the exploitation of the ruled. The empire builder is not the master builder of human destiny. In recent times the last of the great empires has broken up and gone the way of its predecessors, though the manner of its dissolution was unprecedented and augurs well for the future.

The third and perhaps most important lesson of all, one which mankind has been slowest to learn and which in our present times there is a real danger of being lost, is that unity cannot be brought about by the immolation of the individual on the altar of the omnipotent State. In the very first formation of the State concept there was implicit a drive towards totalitarianism, the progressive limitation of freedom and the play of individuality in the interests of a powerful, highly centralized and mechanically efficient State. This totalitarian tendency has to be worked out, its advantages and limited gains assimilated and all its horrors and brutalities witnessed and lived through before it can be finally destroyed; for destroyed it must be both in body and in spirit if humanity is to be saved from the clutches of a soul-less monster. The problem confronting mankind is thus the establishment of efficient, well-organized form of collective life, which at the same time safeguards the freedom and recognizes the dignity and the sanctity of the individual.

The fourth great lesson is that the ideal of human unity cannot be realized by mechanical means; and all means are mechanical except the spiritual means. As Sri Aurobindo says, "A society that lives not by its men but by its institutions, is not a collective soul, but a machine". History has amply shown that organisations do not transform human beings, or grant them more than a temporary security. There is something in the nature of man that corrupts and destroys every structure that he raises. The true conditions of unity and peace are inward and psychological and cannot be brought about at the economic or political level. We have to look to man and not merely to the structures he creates for the true diagnosis of the world's ills. The natural tendency of the mind that is unaccustomed to work its way to first principles is to go outwards and seek satisfaction in the adjustments of the externals of life and to become preoccupied with its most immediate, as distinguished from its fundamental needs. This confusion of the immediate with the fundamental is responsible also for the exaggerated importance given to science and technology as cultural forces, and the gradual decline of true culture, *viz.* the pursuit and cultivation of values which transcend the needs and refinements of our animal existence. A shallow utilitarianism forgets that what is useful is useful for something

higher and other than itself, while what is intrinsically valuable must, in the last analysis, be valuable for its own sake. A technical and commercial civilization leads to what Gabriel Marcel calls "a general pragmatisation of human beings and relations", and this in the end must lead to the dehumanisation of man.

In recent times there is a growing recognition that outward material prosperity in a society or nation is not only not a guarantee of harmony and happiness, but is even compatible with a deep inner unrest and a sense of frustration. Let me quote Marcel again: "The astonishingly high incidence of psychosis in American and Americanised countries such as Sweden is enough to show that the system which they seem to have adopted involves a tragic oversight of certain deep human exigencies, and this is perhaps the more convincing because these are the countries which are prosperous and in which all the basic needs seem generally to be satisfied. But the ravages caused in them by boredom, sexual immorality and drunkenness are, as it were, irrefutable symptoms of a deep-seated lesion, of what I would indeed prefer to call a sin against life itself".

If a spiritual malaise is the cause of all our troubles the remedy too must lie in man himself. To pursue 'the one thing necessary', to live centrally in the spirit, is to achieve that inner integration and freedom which without denying anything, gives everything its right place and emphasis. Nothing less than this reorientation of our lives which establishes spiritual values as the invisible presiding powers that assume the inner governance of the world, can lead to the creation of a new world and a new age of humanity. This emphasis, by precept as well as example, on the primacy of spiritual values would seem to be the special mission of our country and to hold aloft the torch of the spirit in a world darkened by the counsels of collectivisation and mechanisation, her allotted destiny.

II

Progress, Time and Eternity

In the last lecture we considered the nature of Progress and its characteristic features and suggested that the concept of Progress is the key to the understanding of history, and the goal of progress is the kingdom of the spirit. Further, progress can be considered from the point of view of the individual as well as of society. The main concern of all religions is with the individual and his ultimate supernatural destiny or salvation. Man has a direct, intimate relationship with the Supreme, either as an inseparable portion of the Whole or identical in essence with it. His relations with his fellow-men are, as it were, external or at least indirect. Man can discover his true relation with his fellow-men only in and through the discovery of his inward relationship with God. God is the meeting ground of all relations, the constant middle term for the relation between one individual and another. Without God each individual would become a windowless monad, a solitary, seeking a timeless, spiritual isolation, *kaivalya,* as the goal of his existence. With the discovery of God as the self of his self the individual sees the same divine presence in all men that he finds in himself, and though he continues to live and move in society as a free spirit, society is for him, at its best, a congregation of divine presences, an association of veiled or exiled divinities, and at worst a form of collective life, shallow, iniquitous and discordant, which can have no hold on the soul seeking deliverance from the conditions of relative existence.

It would not, however, be true to say that religion is interested only in individual salvation. For all religions, except those which in their pitifully cruder forms divide humanity into two classes, the elect and the damned, there is also such a thing as a collective salvation. Individual salvation implies, eventually, salvation for all, particularly if it is recognised that all individuals are, in their essence, incorruptible and inalienable portions of divinity. Collective salvation, however, does not necessarily imply a new form of collective life, but just as individuals here and there have risen above their limitations and escaped from the wheel of birth and death into some haven of immortality, so also the whole of humanity will, in the fullness of time, enter securely the kingdom of heaven, bringing to a close the long episode of their exile and corporate life on earth.

From the point of view of the salvation of the individual and of humanity, history does not have any great significance, for salvation precipitates the soul beyond the sphere of time and history. It is in a very real sense a break with history, a leap out of the stream of change and evolution onto the quiescent shores of the Infinite where Time comes to a stop. Progress itself is transcended, for progress is a movement in time, but man's ultimate destiny is to transcend all nisus and hankering after distant horizons and to discover in his inmost centre an abiding fullness which lifts him out of the flow of time.

Let us consider this problem from the standpoint of Advaita Vedanta. According to the Vedanta, progress and time are relative to each other and are merely phenomenal. The self is beyond both. Time is understood as the condition of change and the process of becoming. The self is eternal and changeless. It cannot grow or diminish or become other than itself; it can only lose its self-awareness, ignore its divine status, and through a process of attachment or identification, *adhyāsa,* precipitate itself into the stream of time, thus putting on the semblance of finiteness and mortality. With the destruction of ignorance, or the withdrawal of the act of self-ignoring, the self does not become — for that would imply the reality of time—but realises itself as eternal and divine. What the Vedanta does not adequately account for, it seems to me, is this dual process of self-ignoring and self-recollection. Undoubtedly these two acts are not temporal, if time necessarily implies a process of becoming; for the self never becomes other than what it is from eternity to eternity. Yet the dynamic aspect of the dual process cannot be ignored and one of two conclusions seems inevitably to follow: if time is appearance, then consciousness can be active and dynamic in a non-temporal way; or behind the time which is the condition of the process of becoming and which we condemn as appearance we must posit a real Time as the efficient energy of consciousness. These are really alternative ways of expressing the same conclusion. It would make for greater clarity if we say that in the time of our experience there is a reality reflecting the dynamic aspect of consciousness that can be known and enjoyed in a state of spiritual freedom. What is important to understand is that we cannot simply identify the eternal with the static and summarily dismiss time and the dynamic function of consciousness as illusory or as conditioned by ignorance. We have to admit a dual form of eternity, a timeless, i.e. static eternity, as well as what Sri Aurobindo calls Time-Eternity. The recognition of Time-Eternity is the connecting link between Reality and its manifestation, between God and History, and enables us, in opposition to the Vedanta and the traditional religions, to take history seriously, even from the ultimate point of view.

Progress, if it be defined as an upward movement conditioned by nisus, i.e. a sense of inner incompleteness, is equally, according to the Vedanta, a phenomenal appearance. Progress, in fact, cannot be affirmed definitely of anything or individual. It is really a by-product of the association of self and nature, but in reality belongs to neither. The self is changeless and therefore cannot progress; nature is a conglomeration of qualities which are always changing, shifting, dissolving old combinations and forming new wholes and patterns of personality, like pieces of coloured glass in a kaleidoscope. The qualities of nature change, but do not progress, i.e. do not become better than what they are. Hence we have the paradox: the self has no need to progress, nature cannot progress; and yet there is progress and the process of becoming. The Buddhists, I think, express the same truth in their paradox: There is reincarnation, but nothing, (or no one) reincarnates.

The paradox is by no means obscure if we remember that progress is a phenomenon of relative existence, and relative existence comes into being in the state of ignorance, obscuring the true nature of the self, in the state of the mutual superimposition of self and nature. Progress is relative to personality, but personality unlike the self is not an entity, it is the changing mask of the self with which the self feels identified. In the relative existence there is a succession of personalities which can be arranged in a graded series, but it is not the same entity which is better or worse at one stage than it is at another.

By what criterion, then, do we arrange the successive personalities in an ascending series? or to put it differently, how does the phenomenon of progress arise as a by-product from the association of the changeless self with a succession of personalities?

The answer to this question will also explain the relative importance of moral growth and development. What is the significance of moral values to an unchanging and perfect self? Morality has meaning for the self because the self, through ignorance, has put behind it its divine status and identified itself with the qualities of nature, thus giving rise to a new centre of consciousness conditioned by an illusory sense of separation. The aim of the self is to destroy its ignorance and its identification with nature and to return to itself. In order to achieve this the cultivation of moral values becomes indispensable. The hold of nature on the self is so strong that it cannot be shaken off by a casual effort or a mere wish. Before nature can be transcended it has to be purified and harmonised. The harmonisation of nature is, in essence, what is meant by moral development. Hence progress consists in the increasing harmonisation of nature so that it reflects more and more the light of the spirit. If the progressive harmonisation is represented by a horizontal line, we may say that the release from identification with

nature is a vertical line at right angles to it. It is therefore with reference to the point at which the self, instead of moving forwards, moves upwards or inwards to discover itself that the succession of personalities can be arranged in a graded series. Progress in our outward nature or personality is determined by the proximity to that point on the horizontal line from which the self takes off into the Infinite, the point at which the self breaks with nature to return to and abide within itself. Hence there is progress but nothing or no entity, which progresses.

I have explained the Vedantic view of progress. I think this view is acceptable only if by progress we mean a process of becoming, conditioned by nisus, a stumbling passage from the unreal to the real, from darkness to light. This is what Sri Aurobindo calls evolution in the Ignorance, concerning which it may be possible to say that it is an evolution in which nothing evolves. But, if, as we said, Time as such is not appearance but a real aspect of the Ultimate, then we may recognise the possibility of a new type of progress in real time which is indefinite in its range but which at the same time rests on a sense of inner fullness and freedom. Sri Aurobindo Calls this dynamic life, evolution in the Knowledge, and it is this type of evolution or progress, an infinite self-enrichment on the basis of an inner self-sufficiency, that reveals to us the true sense of history and makes possible a transformed humanity evolving a new type of collective existence, thus bringing history to its ultimate fruition and realising the ancient dream of a kingdom of heaven on earth.

Let us explain further this key concept of evolution in the Knowledge. According to the Vedanta the self starts with a sense of identification with nature and proceeds to disentangle itself and discover its true identity or oneness with the eternal spirit. Its highest goal is, therefore, freedom from nature and from the five-fold bodies or sheaths (*kośas*) in which the spirit is enveloped. Once this freedom is attained or realised the self severs its relation with nature or tolerates the play of its qualities only as an unavoidable but short-lived *prārabdha karma*, the residual momentum of the previous life of ignorance, soon to be exhausted. It has no further interest in time, change or the world of manifestation which it regards as *māyā* or as an ocean of *saṁsāra*, incurably evil, which the wise cross and leave behind for ever. The free soul is in the world, but not of it, and the only motive that keeps him there is the compassionate one of rescuing the many souls adrift and drowning in the ocean of *saṁsāra* and drawing them onto the shores of the eternal. The kingdom of heaven is not of this earth.

The ideal of individual and collective salvation, in which Time is brought to a stop, is perfectly valid within limits, but it is directed only to one aspect of the Infinite, the Transcendent beyond manifestation, and rejects the story of creation and evolution as a gigantic illusion, a meaningless sport, or a tale told by an idiot. Such an extreme attitude would be unavoidable if all evolution were a process of the present kind, an indefinite upward ascent propelled by nisus, with no final issue, no prospect of ultimate fulfilment. But evolution need not be only of this kind, a perpetual growth or circling around on the basis of an ineradicable incompleteness; nor need the world of manifestation be fundamentally and unchangeably a world of ignorance. The concept of evolution in the Knowledge has reference to the sphere of manifestation, to what is regarded as the outer nature of man, to the instruments of the spirit. If the world of manifestation were incurably evil, like the curled tail of a dog which can never be straightened out, the evolution would cease to have any significance, once man had discovered the possibility of rejecting terrestrial or embodied life and escaping into some heaven or Nirvāṇa. But it is forgotten that the world of manifestation as it is at present, does not really manifest, i.e. show forth or express the divine reality within, but on the contrary distorts and disfigures it, or at best presents a pale reflection of it in those parts of Nature where the *sattvaguṇa* dominates. Orthodox Vedānta declares that all is the non-dual, blissful Self, and distinguishes between the self and its several bodies or *kośas.* These bodies do not as bodies participate in the glory of the self; they are products of ignorance and their function is entirely negative, that of encasing and obscuring the self by creating in it a sense of finiteness and preventing it from realising its essential divinity. They have to be shuffled off finally in a state of disembodied freedom. The Vedānta does not envisage the possibility of transforming the bodies into fitting instruments of the spirit or including them in the total process of regeneration. It is this possibility of transforming the instruments of the spirit, the body, life and mind, that gives a new meaning to embodied existence and makes intelligible the paradoxical concept of eternal progress on the background of eternal rest, 'a free becoming supported by the sense of the Infinite.' For an inexhaustible richness in manifestation is an essential feature of the Infinite; and while it reveals itself completely and indivisibly in

the very self of man, it also pours its inexhaustible riches unceasingly into his so-called outward nature, once this has been transfigured and changed by the touch of the spirit from a product of ignorance to a willing and pliant instrument of a luminous knowledge.

When it is realised that embodied existence need not necessarily be a bondage, it becomes possible to view history in a new and more serious light. It is seen no longer as *māyā* or as the action of a sportive Deity but as the working out of a divine purpose, leading to a denouement which will not bring history to an end, but swing it upwards to a new course to work out endlessly its infinite divine potentialities. To recognise the possibility of a spiritual fulfilment in Nature and in the body is to overcome finally the dualism of spirit and nature and to open up the prospect of a new type of collective existence, a new social order in which human relations will be based on an intimate sense of unity, and not, as they are at present, on a sense of division and exclusiveness, giving rise to a world of claims and counter claims, held together in an unstable union.

A major obstacle to the recognition of history as the unfolding of divine purpose and of the prospect of a spiritual fulfilment in embodied and collective existence on earth is provided by the metaphysical doctrine that claims to demonstrate the unreality of Time. Such a demonstration lends support to that dangerous half-truth that in thought and in life, to realise the unimportance of time is the gateway to wisdom. We must therefore examine some of the important arguments to show that the alleged demonstration does not and cannot succeed.

The main argument underlying all attacks on the reality of time is that the notion of Time is unintelligible and riddled with contradiction and what, in this manner, breaks down under investigation proclaims itself as appearance, for the real is necessarily that which can be coherently conceived. In the light of the analysis of the nature of philosophical reasoning which I gave yesterday it should be possible to show that the very intention of the idealist's critique of Time is based on a mistake. As by reasoning we cannot reach new conclusions in philosophy, but only explicate foregone conclusions, it is not possible by reasoning alone to condemn anything as appearance. Any argument that sits in judgment on a concept or an aspect of experience is really predetermined and guided by a concept of reality which is logically gratuitous in the sense that it is not itself based on a logical demonstration. A careful examination of the Idealists' position will show that the true drift of their thinking does not consist in showing the incoherence of Time and thus justifying their rejection of it as appearance. They already start with the notion of reality as eternal and in the light of this predilection for the eternal, supported by an unrecognised assumption that what is static cannot also be dynamic, they are driven by the logic of their position to discover, might even say to create unintelligibilities in the notion of Time. Having already decided to hang the dog they proceed with a show of justification to give it a bad name! Let us consider some of these dialectical diatribes against the notion of Time.

Time presupposes the distinction of earlier and later, and this distinction is made possible only with reference to the concept of 'now'. The 'now' is the pivot of the temporal system. But what is the reality of the 'now'? Is this pivotal notion intelligible? We find that the 'now' itself is a process and not a pin point, and therefore the distinction of before and after breaks out within it, requiring another pivotal point to make it intelligible; but this process leads to infinite regress. Hence we are unable to find the so-called pivot of the temporal order. Every 'now' dissolves into a series of other 'nows', and it is impossible to discover the unit which constitutes the series. Nor can we regard the 'now' as something stationary, for then Time would be paralysed and cease to be Time. Considered from within the notion of time is seen to be incomprehensible.

If we try to conceive Time as a whole we run up against the well-known antinomy that we cannot coherently conceive Time either as beginningless or as having a beginning. It cannot have a beginning because all beginning is in time; but if we say it is beginningless then we have the contradiction of assuming that an infinite series of events is completed.

Hence according to the Idealists Time, when analysed, breaks down in contradiction and must therefore be condemned as appearance. But appearances must somehow be contained in Reality, for outside Reality there is no room in which they can live. Appearances are taken up in Reality and transmuted so that they lose their discrepant character. How Time is transmuted in Reality or how Reality is complete and yet includes within itself a process which is beginningless and endless may transcend our powers of comprehension, and yet as Bradley would say, somehow it must

be so. Time "loses its character as an endless chain of relations between other relations", though we cannot say how. It is possible and its possibility is enough, "for that which can be, and is, upon a general ground shown to be, that surely is."

In criticising the above arguments I must not be understood to imply that I do not accept the view that Reality is self-existent and complete and not a part of a process of change. My objection is to the assumption that we are logically driven to this conception of Reality by an analysis of the notion of Time and more particularly to what is regarded as a corollary of this conception, viz. that Reality being changeless is necessarily only static and that therefore there cannot be any individual or collective fulfilment in the world of Time. My object is to consider and reject the arguments based on the principle that Time can be shown to be appearance on the grounds that it is unintelligible.

The argument concerning the pivot of the temporal order and the impossibility of discovering it appears plausible only so long as we do not discover the false assumption with which it operates. The assumption here is that Time, to give a satisfactory account of itself, must reveal the elements of which it is composed. But if Time is continuous, as it must be, it can have no such elements. It is foolish to search for them, and still more foolish to declare when we fail to find them, that therefore Time must be a self-contradictory appearance. The dilemma that if the units of Time are non-temporal Time as a whole is paralysed, and if the units are temporal they contain a distinction of before and after and are therefore not units, can be met with the rejoinder that Time is continuous and though we may regard it as infinitely divisible, the temporal series is not constructed by putting together the so-called units of time.

As regards the antinomy, it is difficult to say how we can arrive at the conclusion that it shows the nature of time to be self-contradictory. If we fail to find a solution to this puzzling character of Time it would be more honest to confess that we have not understood the nature of Time. Nothing is gained by projecting the incoherence of our ideas on the phenomenon we are trying to understand and declaring that it is Time itself which is infected with contradiction. Contradiction is a character of thought or propositions and not a feature of things, which are what they are. Hence it does not even make sense to say that Time is self-contradictory. Even those who make this extraordinary statement do not deny that Time belongs to reality. Hence if an infinite completed series is a contradiction, then it would mean that there is contradiction in the very heart of Reality. To say that Time is transmuted in Reality may be true and important, but however it is transmuted it still remains a fact that at any moment an infinite series of events has already occurred. We must seek a solution of the antinomy along different lines.

Time which is a condition of a becoming process conditioned by nisus is to my mind appearance. But such Time is relative to ignorance and arises not directly out of the timeless eternal but through a limitation in the pure flow of Time. Time which is, in the words of Eckhart, an obstacle to God, is an appearance of the real Time which is the dynamic aspect of pure consciousness. Corresponding to real Time we have to recognise the value of action as the self-expression of the spirit. Action is not incompatible with perfection or self-realisation. The limitation arises not in action, but when action is impeded. It is when passion or passivity mixes with action that the sense of incompleteness and frustration arises. The Time which is to be set aside as appearance and overcome is really a tension in consciousness and an impediment in action. It is this tension that creates the psychological divisions of Time into past, present and future and makes one regret the past and anticipate the future as a means of filling an inner incompleteness. When the tension which is the result of ignorance disappears, there is pure action, without fear, regret, hope or anxiety. There is neither the inertia or drag of the past nor an incompleteness which creates the future but pure action which is felt to be complete from moment to moment.

What then is the feature of Time which requires to be transcended and transmuted when Time is taken up into Reality? Time loses not its dynamic character, but its indefiniteness; that aspect of it which merely pushes one farther and farther backwards or forwards without reaching a resting place or a point of vantage from which the whole process can be instantly comprehended, a point of view in which it stands instantly self-justified. What is dynamic is not indefinite in this sense. We may amend Plato's description of Time by saying that Time which is appearance is a distorted image of pure action. Movement is not, as Plato believed, a mark of imperfection, unless it is conditioned by nisus. It is real when it is the spontaneous self-expression of a spirit inwardly complete and abiding within itself.

In the *Gītā* we find the gospel of divine action, the ideal of the liberated soul engaged with utter detachment and devotion in the performance of divine works. But the *Gītā* does not reveal the full truth of action based on freedom, which can be found only in the context of evolution. The *Gītā* does not conceive a new ascent on the ladder of evolution in which the dynamic aspect of consciousness may find fulfilment, and in spite of its emphasis on *niṣkāma karma* and the life of action in a spiritual repose it is at times oppressed by the spectacle of suffering and the transitoriness of things and suggests that perhaps the best solution is to escape from the world of change into the timeless beyond. The two extreme terms of existence, Spirit and Nature, are thus left unreconciled.

Thought has natural tendency to rest on a dualism. It defines by a process of contrasting and its determinations are accompanied by their corresponding negations. Even when it seeks consciously to overcome its partiality and one-sidedness and gather all things into a unifying vision of the whole, it falls into a final dualism by defining that unity in terms of the Spirit and setting up a contrast between Spirit and Nature, God and the world, the realm of Christ and the realm of Caesar. It seeks the kingdom of God through a denial or abandonment of the world process. It affirms eternity by shaking off as unreal or as insignificant the travail of evolutionary nature through eons of time. The final end of man is also the end of history and the embodied and collective life on earth.

We are familiar with the Christian strictures on non-Christian religions and particularly on Hinduism, that they do not appreciate the role of God in history, and fail to find in history the meaning, the climax and the fulfilment which God's dealing with His World has infused into it. This attack from Christianity rests largely on error, the result perhaps of an unbecoming assumption of exclusiveness and superiority, but it contains an important element of truth which needs to be emphasised and discussed. It is true if it is meant to point out, as I have done above, that the religious seeker's preoccupation with the timeless leads him to ignore or reject the world of change as having no ultimate sense or purpose. But is Christianity, in this respect, in a better case? I shall consider the Catholic view of history and its relation to religion and show that it, equally with other religions, fails to perceive the divine sense immanent in time and working itself out in the course of history. We are told that Christianity "is an historical religion in a sense to which no other religion can lay claim", and the justification offered for this statement is that God's incarnation as Christ and his crucifixion are historical events and the Christian faith is based on and completely bound up with the recognition of these historical facts. Further, it is claimed, that 'the crucifixion was the turning point in the life of mankind and the key to the meaning of history." By this I suppose is meant that the whole of past history was only a preparation for the coming of Christ who opened out a new life for all mankind and brought the good news of salvation and the kingdom of heaven. The whole of history, after Christ, is perhaps understood as the gradual movement, not indeed of the whole of mankind, but a selected portion of it towards the goal revealed in the teachings and exemplified in the life of Christ.

The division of mankind into two parts is emphasised in the writings of St. Augustine who is regarded as the chief spokesman of the Catholic philosophy of history. Those who live according to man belong to the City of Man, and those who live according to God are the blessed inhabitants of the City of God. On earth, the two cities, Babylon and Jerusalem, lie in uneasy juxtaposition, but the members of the heavenly city are merely pilgrims on earth and they value the order and security of the earthly society only in so far as they make it possible for them to pursue undisturbed their supra-muṅdane end of life. The spiritual Jerusalem is above and not of this earth.

Now, in this theory, which merely asserts some historical facts as essential to the Christian faith and speaks of a community of men, presumably all Christians, who will be transformed into a community of saints in the fullness of time, it is difficult to see what the unique feature is which justifies the extravagant claim that "it is through Christianity that man first acquired the sense of a unity and a purpose in history," or that it is the Incarnation, described as a "unique divine event" which gives spiritual unity to the whole historic process.

In the first place, the historical facts of the incarnation and the crucifixion, which need not be denied, are essential to the Christian faith, but not to faith as such. Secondly, they are significant, not as historical, but as the means through which timeless truths are communicated to men. Thirdly, these historical facts on which Christianity insists are not the only facts which have changed the

course of human history. Long before Christ there have been prophets, sages and even Incarnations who brought a new life into the world, turned the face of man towards the eternal and opened wide the golden gates of salvation. The Incarnation of Christ is not the centre of history, but only one of the major episodes in the long struggle between the powers of light and the powers of darkness. Christ shone and will for ever shine, as a light in the world, but there have been other luminaries as well, of equal, if not greater brilliance.

Referring to non-Christian theories, Dawson says that in them divine incarnation has not the significance for history which the Christian concept possesses. "No divine incarnation", he says, "is regarded as unique but as an example of the recurrent process which repeats itself again and again *ad infinitum* in the eternal recurrence of the cosmic cycle." Let us consider this statement with reference to Hinduism and the doctrine of the Avatār. It is true that no Avatār is regarded as unique in the sense that descent of Avatārhood is to be regarded as an unprecedented and unrepeatable event. But this, in my opinion, really shows that in Hinduism there is a more mature, broadminded and comprehensive understanding of the significance of Avatārhood. If divine intervention and descent are necessary for the working out of the divine purpose in human society, there is no reason at all why it should be confined to one time and place. The only justification which the Christian doctrine of the uniqueness of the divine incarnation has is that it may be regarded as a corollary from the belief in the uniqueness of the Christian faith, but the premiss of this argument has a little rational justification as the conclusion.

The second part of Dawson's statement that the divine incarnation in non-Christian religions is only an example of a recurrent process repeating itself *ad infinitum* in the cosmic cycle, illustrates the fact that dogmatism has frequently to rely on ignorance for the presentation of its case. The Hindu concept of the Avatār is intimately connected with the concept of evolution. Let me quote Sri Aurobindo on this subject. "The Hindu procession of the ten Avatārs is a parable of evolution. Krishna, Buddha and Kalki depict the last three stages, the stages of spiritual development—Krishna opens the possibility of Overmind, Buddha tries to shoot beyond to the supreme liberation, but that liberation is still negative, not returning upon earth to complete positively the evolution; Kalki is to correct this by bringing the Kingdom of the Divine upon earth, destroying the opposing Asura forces. The progression is striking and unmistakable. The Diviine appears as Avatār in the great transitional stages. The Avatār is one who comes to open the way for humanity to a higher consciousness. The manifestation of the Divine in the Avatār is of help to man because it helps him to discover his own divinity and find the way to realise it".

There is, however, another important reason why we cannot take seriously the Christian claim that their religion, more than any other, reveals the true significance of history. There is a fundamental dualism in Christian thought between two principles which are in unceasing conflict. They are embodied in the two social orders referred to, the City of Man and the City of God. History can be shown to have significance in terms of an unfolding divine purpose only if the two cities are thought of as organically related, representing different stages of an evolutionary ascent, and further, if the City of God which is 'above' is brought down and made the earthly habitat of human beings in their embodied existence. On both these counts the Christian doctrine can be shown to be inadequate.

The City of God has no organic relationship with the City of Man. It comes in from outside and merely replaces it. "It descends from God out of heaven like a bride adorned for her husband." The Gospels insist, we are told, on the supernatural and catastrophic character of the coming of the Kingdom. The old order will be destroyed by flood and fire or by some other catastrophic means, before the eternal Kingdom can be established. To quote Dawson, "The Kingdom of God is not the work of man and does not emerge by a natural law of progress from the course of human history. It makes a violent inruption into history and confounds the work of man, like the stone hewn from the mountain without human agency which crushes the image of the four world empires into dust." This means that progress and ordered evolution are replaced by magic and miracle and what the Christian doctrine offers us is not the significance and the culmination of history, but the end and meaninglessness of history. Dawson realising that his own exposition of the Christian view appears to point to this conclusion protests that the conclusion does not in fact follow. He makes no attempt to show why the conclusion does not follow, but merely reiterates his earlier statement that the Kingdom is to be "the crown and culmination of history" The only justifica-

tion he offers for this statement is that the Kingdom is "not a kind of abstract Nirvāṇa." This, however, is entirely beside the point. It is true that Nirvāṇa is not a society of selves while the Kingdom presumably is; the point which is ignored is that both Nirvāṇa and the Christian Kingdom are eternal and metahistorical and are achieved, in the one case by abandoning the world order and in the other by a cataclysmic destruction. Neither can lay claim to being the crown and culmination of history. Dawson points out that the Kingdom "was often conceived in a temporal and earthly form. The early Fathers believed that Christ would reign with his Saints on earth for a thousand years before the final judgment." This, even if true, throws no light whatever on the significance of history. That the Kingdom is to be stationed on earth in the transitional stage between time and eternity before it is finally taken up into heaven in no way makes intelligible the millennia of human history and the much longer labour of evolutionary Nature.

The ideal of a Kingdom of Heaven on earth is not new. It has been the persistent dream of humanity all through the ages and in Christianity there is a fore-shadowing of this divine consummation of our earthly pilgrimage in terms which show that there was a half-consciously felt impulse towards effecting the final reconciliation of Spirit and Matter.

But the Christian ideas on this subject remain half-formed and indefinite and when they try to give a concrete shape to their vague intimations or a divine denouement in history they resort to mythology and at best do not go beyond the conception of a new humanity which is to replace this fallen race of men. And even here, their view that all men will not qualify for inclusion in this regenerated humanity shows a sad lack of appreciation of the spirit of Divine Love in whose arms rest secure, the souls and destinies of all created beings. In the Christian theory the dualism of Spirit and Matter, Eternity and Time, the Kingdom of Heaven and the kingdom of earth, remains unresolved.

In Sri Aurobindo we find for the first time this marvellous and complete synthesis of the extreme terms of existence worked out fully in a vast system of luminous ideas, accompanied by a gigantic personal labour over four decades in the inner, occult worlds, in the heights as well as the depths, for the fulfilment of the secret divine purpose in history and the radical transformation of earth and human nature. The characteristic feature of Sri Aurobindo's philosophy is that the divine kingdom on earth is presented as an evolutionary possibility. In terms, as precise as it is possible for the human mind to grasp, he has shown the nature of the transformation which will bring down and organise here below a wholly new principle of life and make possible the beginnings of a truly divine manifestation on earth.

Sri Aurobindo explains that he found it necessary to pioneer a new path in the realm of the spirit, for the old paths led to the traditional spiritual realisations, Self-realisation, Nirvāṇa or union with God, which have proved ineffectual in the face of recalcitrant Nature and the obscurity and inertia of unregenerated humanity. These realisations have not generated sufficient power to bring about a radical change in the organisation of human society. The secret of this all-victorious power in the field of manifestation lies in his discovery of the Supermind. "To bring the Divine Love and Beauty and *Ānanda* into the world is, indeed, the whole aim and essence of our *yoga*. But it has always seemed to me impossible unless there comes as its support and foundation and guard the Divine Truth, what I call the Supramental—and its Divine Power."

The Supermind is the highest possible mode of manifestation, exceeding all the ranges of mind from the ignorant human mind to the global Overmind, which is still not integral, but subject to the law of Division. The Supermind is the dynamic self-vision of the Infinite, the Supreme viewing itself from the standpoint of indivisible unity. It is the Creatrix of the worlds, an intermediate power between the transcendent *Sacchidānanda* and the multitudinous forms of the manifested Universe. The concept of the Supermind corresponds to that of the Logos, the Father knowing and articulating Himself as the Son. The concept of Logos, however, does not have the significance for the evolutionary manifestation which Sri Aurobindo's concept of the Supermind has.

Man in his present stage of evolution is a mental being (*Manomaya Puruṣa*), and as in essence he is the eternal spirit, he can, if he chooses, leave the field of evolution by detaching himself from his instrumental nature and closing his eyes on the drama of the world. But the mind, life and body are also powers and products of the Infinite. "Our present nature is a derivation from Supernature." Each part of our triple nature contains a hidden truth, which when discovered and developed would change it from an obscure impediment to a pliant and luminous instrument

of the spirit in manifestation. The hidden truths of the mind, life and body are contained in the Supermind and their emergence in the world of time is the next and final stage in the evolutionary ascent. Evolution has so far proceeded on the basis of a vast Inconscience and all the successive evolutes are weighed down and disfigured on account of their dark origin, "burdened and enveloped with the first Nescience proper to the Inconscient." But all evolution presupposes a prior involution. Hence the Inconscient is only apparently opaque and ultimate. Concealed in its depths is the secret Superconscience which is the true origin of the whole evolutionary series. In the final stage of the evolution the consciousness self-veiled in the Inconscient has to be released and when it emerges and acts with its native power it must break the hold of the Inconscience, release the true potentialities of all the preceding evolutes, removing their disfigurement and helping them to find their proper self-expression. Through the transformation of human nature it will bring about a new order and a truth-creation in place of the present world of conflict, darkness, suffering and obscurity, which, if the inmost secret of manifestation were not revealed to us, could justifiably be dismissed as Māyā.

Mind is not the last term of evolution. The next step then is the evolution of the *Vijnāna-maya Puruṣa,* the supramental or gnostic being, forming itself in the world of evolutionary becoming and "unfolding the powers of the gnosis within the terrestrial nature." "In the gnostic change," says Sri Aurobindo, "the evolution crosses a line beyond which there is a supreme and radical reversal of consciousness." This new consciousness, with its power, will descend into human nature and radically transform what has been transcended. The mind, life and body will find their release from obscurity and their culmination in the gnostic change. The rule of the Inconscient will disappear.

"The supramental transformation must carry with it a lifting of mind life and body out of themselves into a greater way of being in which yet their own ways and powers would not be suppressed or abolished, but perfected and fulfilled by the self-exceeding." The crown and culmination of evolution and history can aptly be described as the divine life on earth. "The Supramental is a truth and its advent is in the very nature of things inevitable. . . . I believe the descent of this Truth opening the way to a development of divine consciousness here to be the final sense of the earth evolution."

The supramental transformation of earth and human nature, leading to the organization of a divine life on earth and a new world order is a spiritual adventure combining in it the double movement of ascent and descent, ascent into the transcendent Divine and descent with the Divine and its powers into our earthly member completes the full round of spiritual perfection. "This new relation of the spirit and the body makes possible a free acceptance of the whole of material Nature in place of a rejection; the drawing back from her, the refusal of all identification or acceptance, which is the first normal necessity of the spiritual consciousness for its liberation, is no longer imperative. The descent of the spiritual light and force can invade and take up the body also and there can be a new liberated and sovereign acceptance of material Nature."

Though the divine life in a divinised body is the grand finale of evolutionary existence, it cannot be regarded as itself the terminus of history or the end of the world. While in essence and by going within the self finds its identity with the Supreme and so is lifted above all the uncertainties and vicissitudes of fate into the plenitude of the timeless Reality, in his instrumental nature and in the Time-Eternity, endless progress is the law. For in our dealings with the Infinite, in the very nature of the case, there can be no limit to the process of becoming fuller and fuller of the Divine. The supramental is a new principle of life in whose movement and self-expression all distortion, conflict and obscurity arising from the Nescience and ultimately from the root Inconscience are removed and replaced by a luminous, well-ordered and harmonious evolution in the Knowledge. It is the true divine manifestation, progressing from truth to glorious truth without the disfigurement of error which is an inevitable feature of our progression in the Ignorance, a beautiful and glorious manifestation, with divine vistas ever unfolding themselves. "The delight of the Spirit is ever new, the forms of beauty it takes innumerable, its godhead ever young and the taste of delight, *rasa,* of the Infinite eternal and inexhaustible. The gnostic manifestation of life ... would be a greater and happier constant miracle."

The kernel of the new society will be the race of spiritual gnostic beings who will be the acknowledged kings and legislators of all mankind. Though all mankind may not undergo the gnostic change the new principle of life would exercise a potent and benign influence over the whole society, transforming human

relationships and bringing to birth a new world and a new order in which freedom, harmony and creative living are its invariant features.

In his epic poem, *Savitri,* Sri Aurobindo has described the advent of the Supreme Liberator, conceived as the Divine Mother, who shall marry Heaven to Earth and bring the Divine Light into material Nature.

"A seed shall be sown in Death's tremendous hour ...
Nature shall overleap her mortal step ...
One shall descend and break the iron Law
Change Nature's doom by the lone Spirit's power ...
Beauty shall walk celestial on the earth ...
Delight shall sleep in the cloud-net of her hair ...
The streams of Heaven shall murmur in her laugh
Her lips shall be the honeycombs of God,
Her limbs his golden jars of ecstasy.
Her breasts the rapture-flowers of Paradise."

The Avatār of the Supermind shall
"With the Truth-Light strike earth's massive roots of trance
Wake a dumb self in the inconscient depths
And raise a lost power from its python sleep
That the eyes of the Timeless might look out from Time
And the world manifest the unveiled Divine."