

THE ECONOMIC CRISIS AND THE POLICY OF BRITISH IMPERIALISM IN INDIA.

By VALIA.

I.

The Economic Crisis and the Situation of the Toiling Masses.

THE British imperialists have lately begun to talk a great deal about signs of recovery from the economic crisis being observable in Britain and particularly in India.

The Minister for India, Hoare, speaking in Parliament, declared:

"With regard to the economic situation, he doubted whether it was always realised how great had been the economic crisis through which India had been passing. India was through the worst of the crisis and was in a better position to take advantage of a general recovery than almost any other country in the world." ("Times," March 1st, 1932).

The British imperialists, with Hoare at their head, substantiate their statements by such arguments as that India has "paid out" her debt of 15 million pounds sterling to the British Treasury, that the prices of raw materials have slightly increased, that the value of securities and imports into India have gone up.

The real facts, however, go to show not only that the crisis is further sharpening, but that under the burden of the feudal and imperialist system of exploitation in colonial India, the structural crisis of the entire economy, which is now interweaving with the world crisis, has reduced the country to the lowest depths of destitution and misery. We shall cite a few facts in proof of our thesis.

Foreign Trade.

During the first ten months of 1929-30 the value of the exports amounted to 265 crore rupees,* while the exports for the corresponding period of 1930-31 amounted to 135 crore rupees. Imports for the same period declined from 201 to 105 crore rupees. In some cases the decline was even more striking: the import of cotton goods dropped from 49.7 to 15.9 crore rupees, and the export of jute products, from 62.9 to 20.9 crore rupees.

The figures relating to the foreign trade turnover for the last few months indicate a further decrease. In December, 1931, exports and imports amounted to 24.85 lakh rupees,† compared with 24.13 lakh rupees in January, 1932 (including the export of gold) and 22.61 lakh rupees in February.

Thus the figures of foreign trade confirm that the crisis in India, which is a raw-material exporting country, far from weakening, is displaying a tendency towards further intensification. The fall of the foreign trade has been accompanied by a sharp decline in the domestic trade. A certain indication of this is provided by the deficit of the railways. In 1931, this deficit amounted to seven million pounds sterling, despite the sharp rise of freight rates. During the same year the passenger traffic dropped by 15 per cent.

If we take the amount of freight carried per mile of railway in 1923-24 as 100, then that for 1926-27 is equal to 96.1 and that for 1929-30 to 87.7.

Fall of Prices.

The official statistics of the wholesale price index contain the following figures, the index for 1914 being taken as 100:—

Year	Raw Cotton	Cotton Goods	All Goods
1918 ...	309	298	178
1921 ...	143	280	178
1924 ...	272	229	173
1927 ...	167	159	148
1929 ...	146	160	141
1930 ...	91	139	160
1931 ...	83	123	96

In considering this table it is necessary to remember that British imperialism carried out various manipulations with the quotation of the rupee in order to strengthen the non-equivalent exchange, i.e., to despoil the peasants and workers of the country. Besides, in India the divergency between wholesale and retail prices, or to be more exact, between the wholesale prices and those at which the peasants sell their produce, has reached greater proportions than anywhere else in the world, and the official figures therefore considerably diminish the real extent of the robbery of the peasant masses.

The official table quoted above indicates, firstly, that in 1931 the decline in prices was particularly drastic; secondly, that this price decline greatly exceeds the decline which took place during the crisis of 1920-21, and, thirdly, that the prices of raw materials dropped far more than the prices of manufactured products, including cotton goods, so that the peasantry was particularly affected.

An even more striking picture of the fall of prices and of the ruination of the peasantry is provided by the retail prices. The weekly Journal, "Makhrat," contains the following data: In

* A crore rupee is equal to 750,000 pounds sterling.

† A lakh rupee is equal to 7,500 pounds sterling.

December, 1929, a peasant gave for one rupee, seven seers* of wheat or five and a quarter seers of rice, or 10.25 seers of barley, while in May, 1931, he had to give for one rupee 13 seers of wheat, or 9.3 seers of rice, or 25.05 seers of barley.

The Coalowners' Association report contains the following figures: In 1930 a peasant gave for one rupee five-six seers of rice, in 1931, 16 seers of rice ("Capital," January 7th, 1932). These figures confirm the well-known fact of the unheard-of ruination of the peasantry, who are unable to retain for their own use even a starvation ration, or to maintain their farms which are at the lowest possible state of degradation as it is.

The crisis results in a reduction of the acreage planted with industrial crops. The jute acreage, according to a number of newspapers, has been reduced to half. The reduction of the cotton acreage has been relatively small. In 1930-31, the cotton acreage amounted to 23,014,000 acres compared with 22,350,000 acres in 1931-32 ("Capital," of January 7th, 1932). Some of the industrial crops are being replaced by the ruined peasants by grain crops. "Commerce," of July 26th, states that the total cultivated acreage has been reduced as follows:—

Year	Acreage
1926-27	226,012,867 acres
1927-27	226,172,000 "
1928-29	223,862,000 "

The fluctuations of prices during the recent months in connection with the dropping of the gold standard, the depreciation of the rupee and the speculation caused by the war in the Far East, in consequence of the increase of the demand for cotton, rice, etc., do not affect our general conclusions. The Indian capitalists still cherish the hope for a great war which will benefit them in the same way as did the war of 1914-18.

Industry.

Under the influence of the crisis all industries, with the exception of the cotton industry, have reduced operations. A particularly sharp drop of production has been recorded in the jute industry working on export. The Tata works have also drastically curtailed their output in consequence of the reduction of railway construction operations and the decline of the export of iron, especially to Japan.

The few orders received in connection with the war have not altered the general situation. The slight growth of the cotton industry (and the erection of several new small cotton mills) connected with the boycott of the British goods does not change the general picture of the growing crisis.

The production of cotton goods has developed as follows according to the Manchester Chamber of Commerce:—

Year	Yarn in million pounds	Cotton Fabrics in million yards
1927-28	809	2,357
1928-29	648	1,893
1929-30	833	2,419
1930-31	867	2,561
1931 (April-June)	312	969

The increase for three years was extremely negligible (slightly exceeding the output for 1927-28) compared with the general drop of the import of cotton goods for the same years, as shown by the following figures:—

Import of Cotton Goods.

Year	Million yards
1929	1,910
1930	1,253
1931	742

Thus the cotton industry succeeded only in an insignificant degree in utilising the reduction of the import of cotton goods, and this only due to the boycott movement. The reason is clear: *it consists in the monstrous ruination of the masses and the constant curtailment of the home market.*

To illustrate the above we shall cite the following data from an editorial of the "Bombay Chronicle" of December 23rd, 1931:—

"The per capita consumption of cotton goods decreased from 13.5 yards in 1913 to 12 yards in 1930."

If we take the consumption of the toiling masses alone, it declined, according to the "Bombay Chronicle," from eight yards in 1913 to three yards in 1930. Anyone in the least acquainted with the situation in India knows that these figures, far from being exaggerated, do not even give a full picture of the speedy impoverishment and unprecedented plight of the toiling masses.

The contraction of the home market (and the force of the boycott of the British goods) may be judged to a certain extent by the value of the average import of British goods per head of population. The following is taken from "Capital," of April 7th:—

1924	5 shillings 8 pence
1930	3 "
1931	1 " 10 "

Depreciation of Money and the Drain of Gold.

The British imperialists utilise the money and finance system, as well as the entire State machinery, not only for the purpose of securing a

* A seer is equal to one pound.

monopoly of the exploitation of the Indian masses but also in order to extort by non-economic compulsion an additional share of colonial super-profit. The whole history of the despoliation of the Indian people strikingly confirms this. The latest development, the gold drain, follows the same line. British imperialism, by depreciating the rupee and dropping the gold standard, cut down, at one blow, the wages of the workers by more than 30 per cent., reinforcing, at the same time, its monetary policy by a tremendous increase of taxation. It has forced the toiling masses (including the middle peasants) to throw upon the market their miserable savings in the form of gold and silver trinkets. The price of the rupee dropped from 16 to 11 annas.* The slight rise of prices caused by this, as well as by the war speculation, did not compensate the robbery of the masses resulting from the depreciation of the rupee. In February and March the prices again dropped and they are now below those which prevailed before the abolition of the gold standard.

The ruined toiling masses of the population, fearing death by starvation and anxious to preserve the land, etc., were forced to throw upon the market at reduced prices (compared with the world price) their gold and silver trinkets (in India, where there is no regularly functioning banking and savings bank system and where the semi-feudal system of usury still exists, these trinkets at present represent the only popular form of small savings, "sanctified" in addition by various customs and religious traditions). The colonial peasantry generally sells its agricultural produce at prices far below the world prices. This constitutes a manifestation of the non-equivalent exchange between the colonial and the imperialist countries. It has found its reflection also in the fact that the prices of industrial products declined far less than those of the raw materials produced by the colonial peasantry, who are oppressed by the imperialist and semi-feudal system, vigorously supported by the colonial bourgeoisie.

The selling of gold articles which has become known as "distress gold," is characteristic not only of India, but is being observed also in Indonesia and in a number of other colonial countries. This has been admitted by the Indian bourgeois economists and even by the British imperialists.

The re-sale of this gold brings high profits to the Indian speculators and big usurers and benefits British imperialism as well. The export of gold from India from September 26th, 1931, to February 27th, 1932, amounted to 513 million rupees. By this gold, which is being pumped out of India,

the British imperialists hope to pay their debt of 80 million pounds sterling which they owe to the United States and France. While issuing paper rupees (kept at par artificially by means of direct Governmental pressure), that is, while resorting to the printing press, the Anglo-Indian Government is buying up gold, exporting it to England and exchanging for paper pounds which it then imports to India, paying the "debts" (!) of the Anglo-Indian Government to the Bank of England with them, thus essentially again robbing the Indian people.

In this way the Anglo-Indian Government has paid out 15 million pounds sterling to London, following this up by the impudent statement, made through the mouth of the Minister for India, that this indicates the beginning of a recovery in India.

India.

The Indian imperialists seek to represent the gold drain as a normal phenomenon, consisting of an attempt by the Indian business men, rajahs, etc., to take advantage of the difference in the price of gold. The Indian bourgeoisie are forced to admit that the gold is being obtained at the price of the ruination of the toiling masses, but this does not worry them. The Indian bourgeoisie is concerned not with the interests of the toiling masses, but only with stopping the gold drain from the country and utilising the gold for the creation of a Reserve Bank of India, in the interests of the exploiting classes of India. At a conference of the Federation of Chambers of Commerce ("Hindustan Times") held on March 28th, Mr. Fhali demanded that the Government should collect for the Reserve Bank 100 crore rupees and buy up "distress gold" to the amount of 56 crore rupees at least. The Indian bourgeoisie demands protection of its interests. The position of the National Congress on the gold question furnishes added proof that the bourgeois National Congress is opposed to the people.

The impoverishment of the masses and the gold drain are directly connected with an increase of taxation and indebtedness of the workers, peasants and the city poor. To illustrate the burden of taxation we shall quote the following figures:—

In 1929-30 the taxes from 201 crores of imports amounted to 33 crore rupees.

In 1930-31 the taxes from 105 crores of imports amounted to 21 crore rupees.

Here we see a considerable increase of the custom duties. During the same year of 1931 freight rates were increased by at least 15 per cent., and at the same time the tax on salt, kerosine, etc., was also raised. The lowest gross income from which income tax was collected

* One rupee is equal to 16 annas; one anna is equal to about two cents.

amounted to 2,000 rupees in 1930 and was reduced to 1,000 rupees in 1931, which means that a vast number of clerks, handicraftsmen, etc., were brought under the action of direct taxes. In addition, the old taxes were increased. Not content with this the imperialists are preparing to introduce new indirect taxes upon food and articles of general consumption.

Despite the enormous growth of taxation, the budget deficit of 1931 amounted to 15.5 crore rupees, plus the deficit of the different provinces, etc., etc. The deficit grows, the taxes soar, poverty increases, railway construction work has come to a practical standstill, trade is stagnant, production declines, yet the expenditure on the police, army, prisons and the entire machinery for the enslavement of the Indian people are being increased. *All this testifies to a further contraction of the home market and a further aggravation of the economic crisis in India.*

In this connection it is necessary to note that those Indian Communists who at the end of 1930 predicted the coming of a "boom" were cruelly mistaken. The methodological root of their mistake lay in the fact that instead of taking the economy (and the tendencies of its development) of the country as a whole, and considering its inter-effect upon the world market, they mistook the superficial slight improvement in the cotton industry caused by the boycott of the British goods, for an all-determining factor, failing to distinguish the temporary, superficial phenomena from the deep, basic tendencies of economic and political development.

Impoverishment of the Toiling Masses.

The weekly "Makhrat" notes that out of every 16 annas (16 annas = 1 rupee) of value of his produce, the peasant of the United Provinces has lost 11 annas through the depreciation of the rupee. This constitutes about 2/3. But the Government has granted to him temporary tax exemptions to the amount of two annas seven pice.*

A commission of the United Provinces Government has calculated that the indebtedness of the peasantry in the province has now reached 129 crore rupees.

The report of the local committee of the National Congress points out that while prices have declined 52 per cent., completely ruining the tenant farmers, the Government reduced the tax by 6 per cent. and the landlords provisionally reduced the rent by 7 per cent. Thus, in 1931 the destitute peasantry must pay even higher taxes, rents and interest rates, than in past years. The Minister for India, Hoare, stated in Parlia-

ment on March 1st that owing to the reduction of agricultural prices the indebtedness of many peasants had grown by 70 per cent. Under these conditions the insignificant concessions made by the imperialists could not help the peasantry, arrest the development of the crisis, or stop the further growth of the agrarian movement caused by it.

The spontaneous movement in favour of refusing to pay rent, debts and taxes thus rests upon a solid economic base. Refusals to pay debts have become so frequent that the total sum of usurious capital circulating in the United Provinces has drastically declined. The commission of the United Provinces Government says in its report:—

Capital used for loan purposes now constitutes only between one half and one quarter of the sum accessible for credit before the outbreak of the crisis.

In a number of districts in the country starvation conditions prevail. Many cases are on record of children being sold. Never has the position of the peasantry been so grave as at present. The sale of farms under the hammer for arrears has assumed mass proportions.

The newspaper "Hindi" reports that in a certain district more than 300 peasants deserted their farms owing to inability to pay debts and taxes. Similar reports are published more and more frequently together with reports of forcible eviction for non-payment of debts, taxes and rent. Lately even the lands of the small landlords have begun to be sold for arrears. Reports to this effect are coming in from Bengal, partly from the Madras Presidency and elsewhere.

The situation of the workers is going from bad to worse. There are numerous facts to show that the pressure of the employers and Government upon the miserable living standards of the Indian proletariat is growing all the time. As an illustration we shall quote various reports from bourgeois sources which are far from interested in describing the situation worse than it actually is.

"Capital," of January 7th, reports that the miners' wages in 1931 were cut by 33 per cent. The average wages of a miner were reduced from nine to six annas per day. The wages of the jute mill workers dropped to one rupee ten annas per week (we take this from "Liberty," where a report is given on the wages of the workers of the Ristra jute mill); the wages of the workers in the cotton industry have declined. The official report states that the wages of the workers in the gold mines of Mysore are so miserable that they are unable to spend more than two annas per day on their family, thus being 20-30 per cent.

* 1 anna = 4 pice.

below the minimum spent for the maintenance of criminals in prison. The wages of the rice mill workers in Calcutta were cut in two instalments from eight annas to four annas per day, the working day being 12 hours, etc.

In Bombay alone there are upward of 70,000 unemployed, while the railways have recently discharged more than 50,000 workers. An excess of 120,000 railwaymen are now working on short time, and the same applies to all the jute mills. During 1931, more than 75,000 jute workers were thrown on the street.

In Bombay the short working week in the railway shops means, according to the data of the reformist trade unions, a 40 per cent. reduction in the wages.

The intensification of labour is growing, the textile workers being forced to operate a larger number of spindles and looms per person. The wage cuts and the reduction of employment have affected the coal industry, the Tata iron works, the plantation workers. On January 1st the Government effected a 10 per cent. wage cut among the railwaymen at one blow and began to enforce a 10 per cent. reduction of the salaries paid to all the Government employees, including the postal workers. At the same time the municipal taxes, and services such as electricity, tram fares, railway fares, the excise tax and house rent, are all rising. Thus, the Tata Co. raised the rent in its houses by 50 per cent. The direct and indirect taxes are growing, the food prices display a rising tendency, the depreciation of the rupee has sharply reduced wages, etc., etc.

The unemployed receive no benefits and the workers' indebtedness grows. The short working week is accompanied by a lengthening of the working day. All this on the background of the surviving slave system which we have repeatedly described in the press: a 12-14 hour working day, fines, the payment of wages once per month, dependence upon the jobbers and usurers, total disfranchisement, etc., etc.

The starvation among the masses gives rise to constant epidemics and a high death rate. According to the investigation of the Indian doctors, about one million people die annually from tuberculosis alone and the average length of life in India during the last few years has dropped from 25 to 22 years (Putna, the "Indian Nation," February 15th).

Mr. Brockway, the representative of the Independent Labour Party, the pseudo-labour imperialist party which specialises in duping the working masses, was forced to admit in his book, "The Indian Crisis," that "the average length of life in India declined from 30.75 years in 1881 to 23.5 years at the present time" (page 19). He

is also forced to admit the slavish, plunderous, robber character of British imperialism.

Thus the growing crisis and the increasing exploitation on the part of the imperialists, landlords, usurers and Indian capitalists result in unprecedented destitution and distress among the toiling masses, a steady contraction of the home market, an increase of starvation and mortality, and a growth of the hatred of the awakening working and peasant masses for the existing system of oppression, hunger and slavery.

This gives rise to keen disappointment with the treacherous policy of the National Congress. Ever-growing masses of workers, peasants and city poor are beginning to desert the bourgeois National Congress and take up the revolutionary programme of struggle for their national and social emancipation.

II.

The Policy of British Imperialism.

The tendencies of the development of foreign trade in India during the past years indicate a steady decline of the share of Great Britain. Compared with 1930 England's share in India's foreign trade in 1931 dropped from 39 per cent. to 34 per cent.

An even more striking picture is presented by the import of cotton goods into India. From this point of view it is interesting to study the table drawn up by the Manchester Chamber of Commerce:—

Year	Total yardage in millions	Total value in million pounds sterling
1928	... 1,542	... 30.4
1929	... 1,374	... 26.1
1930	... 778	... 13.7
1931	... 390	... 5.5

Thus the reduction of the imports is enormous, especially if we remember that in 1913 and 1914 India imported from England about three milliard yards of cotton goods. At the same time the share of Japan has been steadily rising; the same report points out that the yardage of cotton goods imported into India from Japan increased from 90 million yards in 1921-22 to 562 million yards in 1929-30, a rise of 600 per cent.

England's control of the Indian market is contested not only by Japan but also by the United States and a number of other countries. Thus is the field of galvanised iron England is being hard pressed by Belgium. The aggravation of the crisis, the competition of the imperialist countries and the general tendency of the positions of British imperialism to weaken led the British bourgeoisie to the scheme to solve the crisis and consolidate:

their positions by strengthening the British Empire, increasing the exploitation of the colonial peoples and of the British working class. This is the road chosen by British imperialism in the attempt to solve the crisis.

The post-war economic development of India, especially during the years 1930-31, reveals that in the field of cotton goods (of the lower and middle grades) the Indian market has been lost to England for good. The British export, which largely consisted of textiles, must now change its character. This altered position British imperialism is attempting to utilise in its negotiations with the Indian bourgeoisie on the question of the conditions to be laid on the basis of an agreement between them. British imperialism—and in this respect the editorial in the magazine, "Capital," of April 7th is highly significant—attempts to frighten the Indian bourgeoisie by the competition of Japanese textiles (which is actually assuming serious proportions), the prospective competition of the U.S.S.R. in the field of wheat, flax, hemp, etc., in the European market, the threat of counter-measures against the Indian bourgeoisie in Britain, her dominions and colonies, and, finally, the importance of its army and navy both for the struggle against the revolution in India and against foreign invasions. "Capital" assures the Indian bourgeoisie that it is in their interests to voluntarily support the British Empire and the system of preferential tariffs, promising to leave them the Indian market for cotton goods of the coarse and middle grades, to assure for the same goods the markets of the other British colonies (in Africa, etc.) which are now threatened by Japanese competition, and to make some other concessions of an economic and "constitutional" character.

British imperialism therefore seeks to introduce a system of preferential tariffs and, with the aid of custom duties and other measures (of an economic and administrative character, such as the gold drain, etc.), preserve the empire market. The same applies to India. Lately a number of preferential tariffs has been introduced in India (on cotton goods, metals, etc.).

The policy of the British imperialists in India consists of consolidating their economic and political power. While fighting the revolutionary mass movement the imperialists, seeking to prevent and defeat the Indian revolution, resort on the one hand to terroristic methods: tens of thousands of workers, peasants and revolutionary youths have been thrown into jails, and punitive expeditions are wreaking havoc all over the country where a state of siege has been proclaimed. Abolishing every semblance of law and order, the imperialists are shooting down thousands of

workers and peasants, making use of every arm including aviation. But on the other hand they are prepared to make some slight economic and political concessions to the Indian bourgeoisie in order to attract them on their side. These concessions (the extent of which is determined by the power of the revolutionary mass movement) in the economic field follow, on the whole, the line of preserving India as an agrarian-raw materials appendage of the mother country, and in the political field, the line of attracting the exploiting classes to a certain measure of participation in the Government while securing the interests and ruling position of British imperialism.

For an estimation of the policy of British imperialism the "Times" editorial of May 3rd is of interest:

"The emergency ordinances, in themselves, settle nothing . . ." says the "Times." "The Imperial Government must give conclusive proof that their word is their bond and that the completion of the work of the Round Table Committees means the practical initiation of constitutional reform . . . the sooner the better, for there is no other permanent solution of the Indian problem."

British imperialism has good reason to worry, for all the facts show that the terror failed to throttle the revolutionary movement which, in the conditions of the growing crisis, is assuming more and more serious dimensions, involving millions of peasants and creating the elements of a revolutionary uprising of the toiling masses. By these concessions British imperialism cannot solve the existing contradictions. On the contrary, they will lead to a further development of the revolutionary struggle by demonstrating once more the counter-revolutionary character of the Indian bourgeoisie.

All the events of the last years of the crisis testify that the contradictions between British imperialism and Indian capital are not becoming mitigated. Even those concessions which the imperialists are making show that British capital is incapable of solving the problems of a national market for the Indian industry. The basic economic contradictions between the interests of the development of the productive forces of India and the interests of British imperialism remain intact. The anti-national character of the Indian bourgeoisie is demonstrated particularly in the fact that by fighting against the Indian revolution it betrays the fundamental interests of the economic and political development of the country.

The Indian bourgeoisie fears a popular revolution and, fighting against it together with the imperialists, is heading towards such an agree-

ment, without, of course, refusing to take advantage of every favourable opportunity in order to cringe for some new concessions and increase its share in the exploitation of the masses.

In the field of economic concessions British imperialism has lately introduced protective tariffs for the paper, sugar, artificial silk, and cotton industries and has rendered considerable aid to the Tata Works.

The assistance to the Indian cotton industry was carried out in such a way as to undermine the competition of Japan and safeguard the interests of Lancashire. For apart from introducing protective tariffs the imperialists have also introduced a duty on imported cotton used for the production of high-grade goods, thus weakening the positions of the Indian bourgeoisie in their struggle against Lancashire.

By these concessions (the introduction of protective tariffs) British imperialism seeks to direct Indian capital into agriculture and those industries which are connected with the immediate treatment of agricultural produce and do not strengthen the contradictions with England, attempting at the same time to consolidate its influence also by extensively interweaving and merging with Indian capital, as has been the case in the jute industry.

The struggle did not end there, however. The Indian bourgeoisie demands further concessions, demands a share of the State budget, insists that a part of the military expenditures must be carried by Britain herself, demands the creation of a reserve bank to assist Indian capital, and participation in the regulation of the financial system of the country, the introduction of protective duties, and opposes the separation of the railway budget from the general State budget (by means of which Britain seeks to strengthen and assure its predominance over the railways).

British imperialism in its negotiations with the Indian bourgeoisie is consistently protecting the interests of its feudal allies, meeting in this with the support of the section of the Indian bourgeoisie which is connected with the landlords and the usurers.

In the Governmental field British imperialism is prepared to allow the bourgeoisie greater participation in the administration, to increase the percentage of voters in the elections to the legislative assemblies, to give the latter greater independence in the health department, etc., even to grant them 15-20 per cent. of the State budget to be disposed of in accordance with their own wishes, though preserving, of course, the veto powers of the Viceroy, etc. At the same time they are proposing a federation scheme which, they hope, will consolidate, with the aid of the princes, landlords,

clergy, and the other reactionary groups, the power of the imperialists and of the feudalists by weaning over the Indian bourgeoisie. In its scheme of a feudal-federal colonial India British imperialism seeks to create such a system as would enable it to preserve and consolidate in the safest possible manner its rule over India, by utilising to the utmost the feudal relics and all the different contradictions (of a national, religious character, etc.). British imperialism, while conducting negotiations, is resorting at the same time to every means of pressure and seeking to sharpen the internal contradictions. One of the most effective methods in this field is the fanning and utilisation of the national antagonisms.

The constitution which imperialism seeks to introduce is aimed not only at strengthening the British yoke but at consolidating all the exploiting classes for the struggle against the Indian people, against the Indian revolution.

The constitution prepared by British imperialism closely resembled the draft constitution worked out by the Indian bourgeoisie itself. The draft prepared by the commission of representatives of all parties, presided over by Nehru, and approved by the National Congress, represents a fundamental document of the Indian bourgeoisie of all shades and currents. This document was promulgated by the bourgeoisie in 1929, and to this day it is still essentially fighting for it.

At the same time British imperialism demands from the Indian bourgeoisie loyalty, support of the British Empire and of the system of preferential tariffs, as well as support of British imperialism in its struggle against the Soviet Union. British imperialism seeks to secure the support of the Indian bourgeoisie in its fight against the other imperialist countries which have advanced the demand for a new partition of the world (the United States, etc.) as was the case in 1914-1918.

III.

The Round Table Conference and the National Congress.

The second session of the Round Table Conference outwardly ended in a rupture with the National Congress, but in reality no such rupture took place: the negotiations are continuing and the struggle for concessions is still in progress. The fundamental cause of the negotiations failing as yet to result in a formal agreement consists in the immense swing of the revolutionary struggle of the peasant and working masses, which, under the conditions of the unrelenting economic crisis and growing destitution has forced Congress to resort to a "left" manoeuvre to forestall a

national uprising and attempt to secure further concessions from the British imperialists.

Statements by different Congress leaders fully confirm this view. Mr. Gandhi, upon returning to India, sent a telegram to Lord Irwin in which he justifies the Congress decision to proclaim a boycott movement, adding (according to the London "Times") :

"Please believe me. I have done everything I could but have failed. Nevertheless, I am not losing hope, with the help of God, to preserve the relationship established during our negotiations in Delhi. I will not betray your trust."

Yes, the liberal conciliationist Gandhi has fully justified the trust of the British imperialists. His rôle of an aide of British imperialism has again been strikingly confirmed.

"As regards helpers (of the British imperialists) of the type of Gandhi, czarism had a whole flock of them in the person of the liberal conciliationists of all kinds" (Stalin, "Political Report of the C.C. to the XVI. Congress of the C.P.S.U.").

Subhas Bose, one of the "left" leaders of the National Congress, in an interview with the "Bombay Chronicle" of December 25, 1931, confirmed this position of the bourgeois National Congress even more clearly :

"The Government have been carrying on their repressive policy in full swing . . . The only means . . . of weaning away the youth from the path of despair is for the Congress immediately to launch a militant campaign. This is why I have advocated a campaign for the boycott of British goods and of British institutions. If by doing so we rouse sufficient enthusiasm all over the province, we shall be able to reply to the challenge of the bureaucracy and to make effective our hitherto ineffective appeal for non-violence." ("Bombay Chronicle," December 25, 1931.)

The sense of the statement of the leader of the "left" national reformists is entirely clear: unless the initiative in the "action" is taken over by them a spontaneous revolutionary outbreak may occur, and the toiling masses, scorning the treacherous theory of non-violence, will start a national revolutionary uprising against the imperialists, landlords, usurers and other parasites and destroy the existing system of national and social oppression.

The peasant masses are drifting towards the left, millions have come into motion; the number of spontaneous revolts is growing; in Burma and Kashmir partişan warfare is under way; in the United Provinces the peasant masses are begin-

ning to refuse on their own initiative to pay debts and rents; in a number of districts the peasantry is beginning to look askance at the National Congress and are cooling off towards it; all this is driving fear into the hearts of the Indian bourgeoisie. The National Congress fears that the anti-imperialist and agrarian streams of the revolutionary movement will be converging more and more and that in certain districts the elements of a national war are already in evidence.

The young Nehru, the "left" leader of the National Congress, noting this tendency and paying lip-service to the no-rent movement in the United Provinces, declares that it is essential to prevent the no-rent campaign from assuming an anti-imperialist character. The "left" national reformists seek by every means not only to reduce the anti-imperialist struggle to nought, but also to keep the peasant movement within the confines of a peaceful campaign of protest, and of cringing for sops in the form of a slight reduction of taxes, rentals, and debts, without encroaching upon the rights of the landlords and the power of the imperialists. The organ of the Congress, "The Age," greeting Nehru and his policy of keeping the peasant movement within the limits of a purely economic campaign, openly wrote :

"Should the no-rent campaign develop into a political struggle and co-ordinate itself with the anti-imperialist movement the results will be disastrous to the Congress."

Congress is conducting similar work of dis-organisation among the working class as well. The powerful development of the labour movement, the growing disappointment of the working masses with the National Congress, force the Indian bourgeoisie to resort to various manoeuvres in order to preserve their influence, isolate the communists, and consolidate their positions in the trade union movement. The revolutionary demonstrations of the toiling masses of Bombay, the battles with the police are described by the "Bombay Chronicle," the Congress organ, as "hooliganism." The Calcutta "Advance" wrote on February 18: "We do not want any labour troubles and strikes on the railways."

The bourgeois National Congress is now seeking to distract the working class from the anti-imperialist struggle and direct it along the path of economy. In this direction the bourgeois agency in the labour movement is conducting vigorous activities, striving to utilise the growing disillusionment of the working masses with the National Congress. As an illustration we will quote a statement by Ruikar, the Chairman of the reformist All-India Trade Union Congress, and member of the National Congress, made at

a meeting of the textile workers Union in Nagpur. We are quoting the "Times of India" of January 15.

"It is understood that at a recent meeting of the Executive of the Nagpur textile Union under the presidentship of Mr. R. S. Ruikar a resolution was carried asking workers not to take part in the Congress movement but to confine their attention to trade union activities . . . In the course of a statement Mr. Ruikar stated . . . that the workers felt that they were let down by the Congress leaders."

The propaganda of economism by the national-reformists facilitates the political agreement between the national reformists (including the Roy-W. N. Joshi-Kandalkar group) and the Joshi-Giri-Bakhala group, erases every semblance of "discord" between the national-reformists, this agency of the Indian bourgeoisie, and the Joshi-Giri group, the agency of British imperialism, in the struggle against the revolutionary proletariat, strikingly exposes the counter-revolutionary character of the Roy group, and testifies that the consolidation of all the counter-revolu-

tionary groupings is making rapid headway. The reaction is gathering all of its forces to crush the revolutionary people. The "left" national reformism covers up its treacherous work by "left" manoeuvres.

Seeing that Gandhism alone will not carry it very far, the bourgeoisie, apart from new "left" manoeuvres designed to strengthen the authority of the National Congress and of its leaders, is seeking to make use of the "left" detachments of national reformism including its most dangerous variety, the Roy group.

The toiling masses are drifting towards the left, while the bourgeoisie, under the cover of "left" manoeuvres, is moving towards the right. The class struggle is sharpening, the differentiation is proceeding at a rapid pace, ever greater sections of the toiling population, under the blows of the crisis and influence of the lessons of the class struggle and emancipation movement, are beginning to adopt the revolutionary methods of struggle, seeking a revolutionary programme and leadership, and breaking the hold counter-revolutionary Gandhism.