INDIA

TODAY AND TOMORROW

R. PALME DUTT

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Revised & Abridged Edition of "India Today"

by

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PREFACE

THIS SHORT study of Indian problems is based on the author's previous *India Today*, which was originally published in 1940, with revised editions in 1947 and 1949.

The present abridged edition has been revised and brought up to date to the beginning of 1955. The main body of the study deals with the record of imperialism and the growth of the national movement up to the end of imperialist rule in 1947; but in addition to some later information and statistical data not previously available inserted in the earlier sections, a new final chapter has been added on the very important developments of the modern period since 1947.

I must express indebtedness to the work of Debiprasad Chatterjee and Dilip Bose in preparing the first draft of the abridged version.

It should be pointed out that this abridged version, which is about half the length of the original; should not be regarded as a replacement of the original *India Today* which alone contains the fuller analysis and evidence. The sources of quotations and other material, where omitted here for reasons of space, will be found in the original *India Today*.

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Chapter I

INDIA AND THE MODERN WORLD

INDIA today has entered into an era of great and far-reaching changes. The character and future development of these changes is still the subject of acute controversy. The outcome will only be settled in the course of the social and political struggles which are already in progress, and which are closely bound up with the new developments all over Asia. The future of India is today one of the big questions of world politics.

The four hundred and fifty millions of the Indian peninsula (organised since 1947 in the two states of the Indian Union and Pakistan) comprise close on one-fifth of the human race. For two centuries they have been subject to foreign rule. Today direct foreign rule has come to an end, even though imperialist exploitation has not yet ended. But that also is approaching its end.

On a world scale the subjection of India has been the largest and most important basis of empire domination in the modern world. For centuries the wealth and resources of this vast territory, and the life and labour of its people, have been the object of Western capitalist penetration, aggression and expansion, and finally of absolute domination and intensive exploitation. The ending of this system will not only open up a new future for one-fifth of the human race. It will also mean a decisive change in the balance of world relations, a further weakening in the world system of imperialism, and a strengthening of the advance of freedom of the peoples throughout the world. The

liberation of India, alongside free China, will open the way for the liberation of all the peoples of Asia and of all the colonial peoples.

All the problems and conflicts of the modern world find their focus in India. Here amid the ruins of an old historic civilisation, which has been submerged and has stagnated under the crushing weight of modern conquerors, the lowest levels of primitive economy, poverty and servitude exist alongside the most advanced forms of finance-capitalist exploitation. Chronic agrarian crisis, famine, debt-slavery, the shackles of caste and of the outcaste, industrial exploitation without limit, contrasts of wealth and poverty more appalling than in any country in the world, social and religious conflict, class conflict, emergent national issues within India—all these problems reflecting in many respects the backwardness and retarded development of a country subjected for centuries to colonial domination, force themselves to the front today and complicate the conditions of the struggle for liberation.

India today is entering into an era of profound economic, social and political revolution. While the long and heroic struggle of the Indian people for national liberation reached such a height by the end of the second world war and immediately after as to compel the ending of direct foreign rule and military occupation, the grip of imperialism on the resources and life of the people of India has not yet been broken. British finance-capital still maintains a powerful hold on the economic resources of India, with the Indian landlords and monopolists as junior partners; while United States finance-capital, which has already wrested from Britain the lion's share of Indian trade, is directing the most active efforts to extend its financial, cultural and political penetration. The general social, economic and administrative structure inherited from imperialism still prevails. The people still writhe in the stranglehold of a colonial economy, with the double exploitation by the local landlords and monopolists and by foreign monopolist interests. Their poverty touches the lowest level on a world scale,

and there is evidence of deterioration. The agrarian crisis continues to develop, and has not been checked by the very limited measures of land reform so far attempted.

Thus all the conditions in India are maturing for basic changes going very far beyond the transitional compromise reached between British imperialism and the Indian upper class in 1947.

The conditions are maturing for the fulfilment of the democratic anti-imperialist revolution, the overthrow of landlordism and feudal survivals, the ending of the rule of the monopolists allied to imperialism, and the wresting of the economic resources of India from the grip of the imperialists. This conquest of the real independence of India by the victory of the popular democratic movement will open the way to gigantic tasks of economic reconstruction, development of industry, agricultural transformation, extension of democracy, and overcoming of the inheritance of past reaction, and social and cultural renovation.

The era of world history in which the Indian people enter on these tasks is one of far-reaching changes in every continent, and especially in Asia. It is the era of the weakening and approaching downfall of imperialism and advance of popular liberation throughout the world. One-third of the human race has already won complete freedom from the bonds of imperialism. In the Soviet Union the first society of completed Socialism, having fulfilled the tasks of national and social liberation since the overthrow of Tsarist imperialism over one-third of a century ago, and having raised the economic and social conditions of the people from the depths of poverty and degradation to the highest levels of economic, social and cultural advance, is now entering on the transition to Communism. In Eastern Europe the People's Democracies are laying the foundation of Socialism. In Asia the victory of the Chinese revolution, and establishment of the Chinese People's Republic, have opened a new era, carrying forward to a new stage the profound world changes opened with the victory of the Russian Socialist revolution. In South East Asia the liberation struggle from imperialism is sweeping forward. The

Middle East is in ferment; and a new political upsurge is sweeping through every part of Africa.

India's future cannot be separated from the gigantic anti-imperialist advance throughout the world. Above all, the example of the victorious Chinese democratic revolution is exercising a profound influence in India. Already the change in the balance of world power relations has brought new orientations in India's foreign policy. New currents have made themselves felt in the internal political situation in India. Old forces are weakening. The new democratic forces, with the Communist Party of India in the forefront, are advancing.

The Indian people, through the profound inner social conflicts and problems which are being brought to the front in the gathering crisis, stand before some of the most basic revolutionary tasks of any section of humanity. The deeper problems of the backwardness of India, of the task to clear away the dirt and filth of ages of subjection, arrested development and conservative social custom, will not reach their solution in the moment of national liberation, but will only reach their full amplitude and the first approach to the conditions for their solution.

By the resolution of these conflicts and problems, as the working masses of India advance to consciousness and to control of their own destiny, by the bringing forward of India from its present economic and cultural backwardness to the level of the most advanced nations, the people of India are marked out to play a foremost role in the future advance to world socialism and the final overcoming of the distinctions between East and West, between advanced and backward nations.

The people of India have already played a great part in world history, not as conquerors but in the sphere of culture, thought, art and industry. The national and social liberation of the Indian people will bring great new wealth to humanity.

Chapter II

THE WEALTH AND POVERTY OF INDIA

TWO FACTS stand out in the present situation in India.

One is the wealth of India — the potential prosperity within the reach of the existing entire population, and of more than the present population.

The other is the poverty of India — the poverty of the overwhelming majority of the people, a poverty beyond the imagination of any accustomed to the conditions of the Western world.

Between these two lies the problem of the existing social and political order of India.

1. THE WEALTH OF INDIA

India is a country of poor people. But it is not a poor country.

Not only are the natural resources of India exceptionally favourable for the highest degree of prosperity through combined agricultural and industrial development, but it is also the case that prior to British rule Indian economic development stood well to the forefront in the world scale.

It is well known that in former ages the wealth of India was considered to be fabulous in the view of inhabitants of other countries. Thus in 1757, Clive considered Murshidabad, the old capital of Bengal, to be "as extensive, populous and rich as the city of London". Such accounts need to be treated with suitable scepticism, since observers of those times looked more to the accumulation of wealth

in the hands of the rich and the powerful than to the distribution of wealth. While allowing for variation and exaggeration in such reports as are available, it is noticeable that travellers in India, like Tavernier, Manouchi, Bernier, in the seventeenth and early eighteenth centuries, frequently reported a general prosperity also in the villages, which contrasts strikingly with conditions today. Beyond controversy is the high industrial development of India, relative to the contemporary world standards, before British rule. The Indian Industrial Commission of 1916-18 opened its report with an acknowledgement of this fact and from the report of Sir Thomas Holland (1908), the Chairman of the Commission and the leading authority on Indian mineral resources, it will be observed that before the British rule iron and steel production had already reached a high degree of development; to this extent the material conditions for the advance to modern industry were present.

No less universally admitted is the fact that the natural resources exist for the highest modern economic development in India. Sir George Watt, Reporter on Economic Products to the Government of India, asserted in 1894 that "few countries in the world can be said to possess so brilliant an agricultural prospect, if judged of purely by intrinsic value and extent of undeveloped resources". Even more striking are the potential resources for industrial development. India possesses abundant supplies of coal, iron, oil, manganese, gold, lead, silver and copper. The American Technical Mission which came to India in 1942 estimated India's bauxite deposits at about 250,000,000 tons, and the coal resources in Bengal and Bihar only at about 60 billion tons, of which 20 billions are considered workable. Especially important are the iron-ore deposits, which amount according to a conservative estimate, to 3,000 million tons, as against 2,254 million tons for Great Britain and 1,374 million tons for Germany, and are only exceeded by the United States with 9,885 million tons and France with 4,369 million tons. It will be noted that "limited funds for establishment and prospecting equipment" have been allowed to prevent the Geological Survey Department from carry-

ing its investigations sufficiently far to make possible the exploitation of these vast potential resources for Indian wealth, which are thus merely recorded on paper as an astronomer might map the stars.

Even more significant are the potentialities of water-power for the electrification of India and the neglect of these potentialities. India stands second only to the United States in water-power resources, yet in 1939 used only 1.3 per cent, compared to 52 per cent in the United States, 72 per cent in Japan, or 88 per cent in France (*World Almanac,* 1939).

On every side of Indian economy the same picture is revealed of limitless potential wealth and actual neglect and failure of development up to the present. The menace of this situation was recognised by the imperialists themselves, even though they had no solution to offer. Sir Alfred Watson, the Editor of the Calcutta *Statesman,* said at a meeting of the Royal Empire Society in 1933: "Though India possessed in abundance all the conditions for a great industrial country, she was today one of the backward nations of the world economically, and was very backward in industry.... We had never tackled seriously the problem of developing India's undoubted capacity for industry.... Unless India could provide in the coming years a wholly unprecedented industrial development based on growth of demand by her vast population, the level of subsistence of the country, which was now appallingly low, would fall below the starvation point."

2. The Poverty of India

It is against this background of the real potential wealth of India and the failure to develop it that the terrible poverty of the Indian population stands out with ominous significance.

Indian statistics, though voluminous in quantity for all the purposes of the functioning of the administrative machine, are extremely poor and deficient in quality when it comes to the question of the condition of the people. There

was till 1951 no authoritative estimate of national income or average income (apart from incidental very conjectural figures, like the Simon Commission estimate of 1930, discussed later); and even the estimate of the National Income Committee, published in 1951, was stated to be only "provisional" and "based on material the reliability of which is not known, or in other cases on calculations involving assumptions the validity of which is uncertain". Similarly there is very great deficiency of adequate comprehensive statistics of wages, hours of work, labour conditions, health or housing.

A series of estimates of average income per head have been made and have been the subject of sharp controversy. The Simon Commission Report in 1930, whose first volume was designed for wide circulation as a general apologia for imperialist rule in India, produced an inflated figure of nearly £8 a year for the average Indian income; and this estimate subsequently received wide currency. Although reporting in 1930, the Simon Commission chose for its basis the years of highly inflated prices immediately after the war, i.e., of 1919-20, 1920-21 and 1921-22, and then chose the highest of these to use this exceptional (the "most optimistic" in its own words) figure as if it were typical of the period as a whole. Even so, this "most optimistic" estimate by the official Simon Commission of the average Indian's income amounted to 5*d.* a day in 1921-22.

To get closer to the real facts, however, it is necessary to make corrections for the factors left out of account. The Government Index of Indian Prices fell from 236 in 1921 to 125 in 1936—a drop of nearly one half. This drop affected most acutely agricultural prices, the main basis of Indian income. Between 1921 and 1936 the index of retail prices of food grains showed a general drop of more than one half. Thus, allowing for this collapse of agricultural prices, the Simon Commission's 5*d.* a day for 1921-22 became for the nineteen-thirties more like two and a half pence a day. This, however, was only an average gross income, not the actual income of the overwhelming majority. From this figure it would be necessary to deduct the heavy home

charges and tribute of imperialism, (i.e. interest on debt, dividends on British capital investments, banking and financial commissions, etc.) drawn out of India without return in the shape of imported goods. This drain was estimated by Shah and Khambata at a little over one tenth of the gross national income. The two and a half pence thus became two and a quarter pence. Next, allowance has to be made for the extreme inequality of income covered in the average. Shah and Khambata showed that 1 per cent of the population gets one-third of the national income, while 60 per cent of the population get 30 per cent of the income. This means that for the 60 per cent or majority of the population any gross figure of the average national income per head must be exactly halved to represent what they actually get.

Thus, applying the statistics of the division of income to the Simon Commission's "most optimistic" estimate, after allowing for the subsequent fall of prices and the drain of home charges and tribute, we reach the conclusion that the average Indian of the majority of the population on the eve of the second world war was getting from one penny to one and a quarter penny a day. This calculation is on the basis of allowing every factor favourable to imperialism and on the basis of imperialism's own estimate. Confirmation of this general conjecture (it cannot be more, owing to the absence of exact statistics) was afforded by two later estimates from official sources, namely, the report of the Indian Central Banking Enquiry Committee (1931) and that of Sir James Grigg (April, 1938), Finance Member of the Government of India.

Nor do more recent estimates show an improvement. On the contrary, they point to further deterioration. Thus the National Income Committee appointed by the Government of India, in its report published in 1951, estimated the income per head for 1948-49 at £19. But the official cost of living index for Bombay, on the basis of 1934 as 100, showed an increase to 320 by 1950, and the rate of increase in other towns was higher. On the basis of such a more than threefold increase in the cost of living since the date of the Simon Commission estimate, this £19 would be equi-

valent to £6 in contrast to the Simon Commission's estimate of £8—thus indicating an actual further decline on the previous low level.

The "Economic Survey of Asia and the Far East", published by the United Nations in 1950, gives the following estimate of India's national income per head, calculated at constant prices of 1938-39 (the estimate refers to the Indian Provinces of British India, excluding the Princes' States):

	National Income million rupees	*Income per head rupees*	*Population million*
1931-32	17,120	83	206
1945-46	18,530	77	242
1946-47	18,295	75	244
1948-49	16,958	70	246

Similarly it is significant that the Five-Year Plan of the Government of India, published in 1951, set the initial aim to *restore* the pre-war standard of living—thus admitting deterioration. Similarly the United Nations Food and Agricultural Organisation Report on Nutrition, published in 1951, in a survey of 34 countries, indicated ten countries with an average level of nutrition of over 3,000 calories per head per day; twenty-two countries with from 2,000 to 3,000; while two countries, India and Indonesia, came at the bottom of the list with below 2,000 calories. The United Nations Statistical Yearbook for 1953 recorded the Indian level at 1,590 calories as the lowest in the world.

These figures are only important to give a preliminary conception of the depth of Indian poverty. What do these mean in living conditions? The leading Indian economists, Shah and Khambata, expressed it as follows (1924): "The average Indian income is just enough either to feed two men in every three of the population, or give them all two in place of every three meals they need, on condition that they all consent to go naked, live out of doors all the year round, have no amusement or recreation, and want nothing else but food, and that the lowest, the coarsest, the least nutritious."

As for the condition of the masses, we have an appalling picture of semi-starvation, over-crowding and no sanitation.

In 1933, Major-General Sir John Megaw, Director of the Indian Medical Service, estimated that 61 per cent of the population were under-nourished. The Royal Commission on Agriculture in India, appointed by the Government (1926) was immediately inundated with evidence from the Government's own officers of the terrible conditions of the peasantry; Colonel Graham told the Commission that "malnutrition is one of the outstanding difficulties in improving agriculture". Lieut.-Colonel M. McHarrison, in charge of the Deficiency Diseases Enquiry at the Pasteur Institute at Coonoor was even more emphatic: "Of all the disabilities from which the masses in India suffer malnutrition is perhaps the chief."

In 1929 the Government appointed a Royal Commission on Labour in India. It found that "in most industrial centres the proportion of families and individuals who are in debt is not less than two-thirds of the whole....in the great majority of cases the amount of debt exceeds three months' wages and is often far in excess of this amount."

In respect of housing, the average working-class family does not even enjoy one room, but more often shares part of a room. The 1931 census showed that in Bombay, one-third of the population were living more than five persons to a room; 256,379 from six to nine persons per room; 8,133 from ten to nineteen persons per room; 15,490 twenty persons and over per room.

The conditions of living have become far worse since 1931 and particularly since the second world war. The Report of the Environmental Hygiene Committee in 1948 pointed out the serious deterioration in living conditions during the previous eight years; it estimated that the urban population in the decade ending 1951 would have increased by 66 per cent, while the increase of houses would not have exceeded 20 per cent.

As for sanitation, the Whitley report found: "Neglect of sanitation is often evidenced by heaps of rotting garbage and pools of sewage, while the absence of latrines enhances the general pollution of air and soil. Houses, many without plinths, windows and adequate ventilation, usually consist

of a single small room, the only opening being a doorway too low to enter without stooping. In order to secure some privacy, old kerosene tins and gunny bags are used to form screens which further restrict the entrance of light and air. In dwellings such as these, human beings are born, sleep and eat, live and die."

The Bombay Labour Office enquiry into working-class budgets in 1932-33 found that in respect of water supply 26 per cent of the tenements had only one tap for eight tenements and less, 44 per cent had one tap for nine to fifteen tenements, and 29 per cent had one tap for sixteen tenements and over. Eighty-five per cent had only one privy for eight tenements or less; 12 per cent had one privy for nine to fifteen tenements, 24 per cent had one privy for sixteen tenements and over. Such reports and accounts can be indefinitely prolonged.

The effects of these conditions on health can be imagined. They were reflected in a recorded death rate 22.4 per thousand in 1937 (16.4 in 1949), compared with 12.4 for England and Wales (11.3 in 1952). The expectation of life for an Indian is less than half that of an inhabitant of England and Wales. They were reflected in a maternal mortality rate of 24.5 per thousand live births compared with 4.1 in England and Wales. They were reflected in an infantile death rate of 163 out of every thousand born within one year for India, during 1943, contrasting with 46 for England and Wales, and reaching to 239 in Calcutta, 248 in Bombay and 227 in Madras.

Deaths in India are mainly ascribed in the official records to "fevers"—a conveniently vague term to cover the effects of semi-starvation, poverty conditions and their consequences in ill health. That three deaths in four in India are due to "diseases of poverty" is the judgement of V. Anstey, the standard economic authority on India, a writer sympathetic to imperialism. G. Emerson, who went to live in an Indian village, found that all attempts at medical aid or other assistance to the villages broke against the basic problem of poverty (1931). Even the conservative imperialist Calcutta correspondent of *The Times* could only record the