

The Economic Weekly

A Journal of Current Economic and Political Affairs

(Established January 1949)

November 1, 1952

Volume IV No. 44

Eight annas

EDITORIALS

- Bevan's Call to Britain 1121
Kidwai Confounds 1122

WEEKLY NOTES

- Railways and the Plan Wonder
Scheme of Sudan—Ceylon Rub-
ber for Chinese Rice—Wanted:
A Price Formula- Births and
Deaths: Sample Census—Ex-
port Market for British Jets 1124

LETTERS TO THE EDITOR

- Fragmentation of Holdings 1127

OUR DELHI LETTER

- The New Plan 1128

FROM THE LONDON END

- Five Years of Monnet Plan 1129

OFF THE RECORD

- A Danger Signal

SPECIAL ARTICLES

- Size of Agricultural Holdings—
Actual and Optional
—G. D. Agrawal 1133
Revised Cotton Policy 1135

AROUND THE MARKETS

- Steel Merger 1137

COMPANY NOTES

- Sholapur Spinning Mills 1139
General Assurance Society 1139
Balmadies Plantations 1139
Madras Safe Deposit 1139

AT HOME AND ABROAD

- From Govt. to Private Enterprise 1141

CURRENT STATISTICS 1142

Yearly Subscription post free
India and Pakistan Rs 24 /-
Foreign Rs 27/-

The Economic Weekly

Noble Chambers, Parsi Bazar St.,
Fort, Bombay
Phone: 23406

Bevan's Call to Britain

WHETHER Socialism is the golden mean between totalitarianism of the Right and of the Left is a vital matter for debate among students of politics. Many Socialists have for many years quoted approvingly Tania's remark that Socialism is Communism *plus* electricity to propagate to the work- that Socialism alone can wean the world away from Communism. In Europe today, this theory is at a discount. Not only in Europe, but in Britain, in New Zealand and in Australia also the Socialists have lost ground in recent years. Experience in India tells the same tale. Burma is perhaps the only exception. This is significant. For in Burma alone the Socialist Party has a pronounced Marxist bias.

There are reasons why the Socialists are losing influence in many parts of the world. It is a harsh judgment. But history may well come to the conclusion that M Blum, who embodied in himself the quintessence of European Socialism, heralded the decline of Socialism. His intentions were honest. His aim was to unite all the forces of the Left to fight the growth of Fascism in France, as well as in Europe. His efforts were not successful. Then the second world war intervened. Fascism suffered a military defeat. With the defeat of Nazism, it went out of political vogue.

After the end of the war the time was not inopportune for Socialism to stage a glorious con-back. It would be jejune to argue that the immediate post-war development in Western Europe conspired to roll back the tide of Socialism. But Socialism might possibly have had a different post-war record had it not been confronted with General de Gaulle in France, or with the emergence of Christian Democrats in Italy, in Belgium, in Holland and in Western Germany. With tact, with patience and with perseverance, the European Socialists might have emerged victorious. But they were in a hurry. They were unsure of themselves. So they combined with all who pretended to be their friends to fight the dual battle against Communism and Fascism.

That was an error of tactics as well as of political judgment. Throughout Western Europe, the Socialists combined with what they mistook as their fellow-travellers. Socialism lost its Socialist inspiration in the process. There were dissensions in the Socialist parties in Western Europe. Some influential Socialists came to the conclusion that their main duty was to fight Communism, even if that involved coalition with anti-Socialist groups. The experiment at political coalition has failed miserably. Socialism in Western Europe has lost its basic Socialist foundation. It is a divided house. There are too many parties of the Left. An influential group in Italy, for instance, joined the Communists in preference to staying within watered-down Socialism.

Gradually Socialism lost its influence in Europe. Simultaneously, it suffered an eclipse in New Zealand and in Australia, the homes of Socialism within the Commonwealth. Defeat of the Socialists in New

Zealand and in Australia in the last general elections has been explained away as a natural desire of the voter for a change in Government after years of Socialist administration. A similar explanation has been offered for the defeat of the Labour Party in the last general elections in Britain. These are superficial explanations. The downfall of Labour in these countries was due to more deep-rooted causes.

There is nothing strange in the glorious, brief interlude of Socialism in Britain while it was beating a retreat in Western Europe, in New Zealand and in Australia. The policy of the first Attlee Government after the war was based on truly Socialist lines. It was not a policy of compromise. Class struggle was its basis. It was popular. It satisfied the needs and demands of the British people. By the time the Attlee Government sought a fresh mandate, the first phase of Socialism was over in Britain. Labour was returned to power. But the voter was emphatic in his verdict that the Labour Party must decide the way it would be going. The Labour Party did not heed the warning. So it suffered a defeat in the last general elections. This is the broader background of Mr Bevan's determination to re-annunciate the policy of the British Labour Party.

Transport House will celebrate Mr Bevan's submission to the dictates of the Parliamentary Labour Party as visible proof of its financial hold on the Labour Party. Mr Hugh Gaitskeli, a former Labour Chancellor of the Exchequer, will be jubilant that Mr. Bevan's alleged demagogic tactics "to foist 'mob rule' on the Party has not succeeded. In his secluded sobriety, Mr Attlee will be thankful that Mr Bevan is too sincere a Socialist not to prejudice the cause of Socialism in Britain. But Mr Morrison, himself an expert party strategist, should know better. He is too familiar with party tactics not to sense Mr Bevan's dogged determination to convert his minority group to a majority in the Labour Party.

Before, and not after, the Parliamentary Labour Party issued the directive to disband all parties within the Party, Mr Bevan had invited all Labour members to attend and to participate, if they chose, in the discussions of the group. This move was accompanied by a more significant declaration, that he and his associates would seek election to Labour's "Shadow Cabinet". Mr

Bevan knows the rules of the game. He does not deny the Parliamentary Labour Party's claim as the supreme policy-making organ of the Party. Mr Bevan had scored a sensational triumph at Morecombe. There is no doubt that the rank-and-file of the Labour Party supports Bevanism. That was why Mr Bevan and his lieutenants were selected by the Party constituencies as their representatives in the National Executive of the Labour Party.

But it is the Parliamentary Labour Party, and not the party constituencies, which is responsible for the policy of the Party. Mr Bevan and his group ate in a minority in this organisation. Mr Bevan left this body when he resigned from the Labour Cabinet. He now thinks it wiser to re-enter the "Shadow Cabinet" in order to have a chance to guide the Party's policy. He seeks re-election on the ground that his triumph at Morecombe reveals that the Party as a whole wants him to have his voice in enunciating the future policy of Labour. Mr Gaitskeli and his Right-wing group cannot have it both ways. They cannot deny Mr Bevan freedom to organise a "party within the Party", and yet refuse him the opportunity to be a co-architect of the future policy of Labour. Mr Bevan has

wisely decided to fight the Party from within the Party. Even the strictest party disciplinarian can have no valid objection to it on the ground Mr Bevan has chosen to give battle.

World Socialism, as Labour in Britain, is at cross-roads today. It must choose the way it will be going. To argue that Mr Bevan is fighting against Britain's subservience to America in world affairs is to belittle Mr Bevan. To suggest that Mr Bevan is opposed to giving priority to rearmament to the neglect of social services is to tell only half the story. Bevanism means and involves a re-annunciation of the basic policies of the British Labour Party. The British Labour Party has two choices. It can either degenerate into a mere trade-union movement bossed over by trade union leaders who have lost touch with the common worker, with a parliamentary wing dominated by men who lack Socialist inspiration. Or it can blossom forth as a genuinely Socialist Party aiming at introducing Socialism in Britain and in the wider world. Mr Bevan wants the British Labour Party to be the torch-bearer of world Socialism. Sane and thinking persons in many parts of the world will wish him ultimate success.

Kidwai Confounds

THE experts advising the Planning Commission were obviously scandalised by Shri Kidwai's drive for food decontrol. They could not see how the Food Minister's policy was compatible with planning, and very nearly suggested that the Government have to make up their minds about one or the other of the two, viz., planning and decontrol. Shri Kidwai could not, however, be pinned down by them because he argues on the basis of statistics which are mystifying even to those who have long been used to the peculiarities of Indian food statistics. He believes that enough food is available in the country to warrant a change in food policy, and has not much faith in the prognoses of experts.

That the Food Minister fails to appreciate the grim forebodings of the experts is not entirely his fault. The blame is as much the experts', because they have failed to speak in a language which the uninitiated can understand and appreciate. For, in a country which feels it has had had controls much too long, one has

to do more than merely assert that without them, all planning is a farce. It is not helpful to say that the 'marketable surplus' has to be increased in the agricultural sector so that capital formation might be accelerated. People will ask what exactly that means, and how controls—which, they believe, are difficult to administer—come into the picture. The experts in their wisdom might be impatient of explaining the desiderata for development; but it has to be done if their advice is to be heeded.

Basically the question is this. In what way would food decontrol interfere with the direction of resources to those ends which are sought by planning? In a poor country in which the bulk of the people are always at a subsistence level, the immediate impact of new incomes generated by increased development expenditure would, it is argued, be on the demand for food. Such an increase in money demand for food would, in the absence of an adequate supply, raise food prices and hit hard certain sections of the com-