Notes of the Month

Whither India?

THIS issue goes to press before the Whitsun Conference of the Labour Party. It would accordingly be premature to comment at this stage on the crisis of Labour Party policy and development which has shown itself in an initial form in the expulsion of one M.P. and the threat of expulsion against twenty-one others for the crime of greeting fellow socialists in the fight against capitalism. The infection of the witch hunt spreads fast. What begins as excommunication of the Communists soon becomes excommunication of European Social Democrats who support working class unity and then turns into excommunication of the left wing of the Labour Party. For the moment the Twenty One, while maintaining their opinions, have kissed the rod and promised not to repeat the heinous offence of recognising fellow socialists without a certificate of permission from the allies of Toryism. The Scarborough Conference, with its filleted representation from the trade unions, will no doubt be intended to register the triumph of the Tory alliance as a triumph of “unity”, and to ignore the warning signal of falling individual membership alongside rising Communist membership. But the issues will not be so easily stilled; nor will the gag that may be applied to M.P.s be so easily applied to the militant working class. Every new development of the situation makes the choice before the labour movement more sharp and inescapable. The fight will go forward.

India and the World

The “cold war” which is being waged by General Marshall and President Truman, with the aid of Mr. Bevin and other satellites, against the left, is not only being waged in Europe. It is also being waged in Asia, as in Africa and Latin America. In the Middle East, amid a trail of blood and oil, the murderous provoked conflicts in Palestine and inter-imperialist haggling over its future, to defeat the United Nations solution and prevent the freedom of its peoples; the arming and subsidising of the puppet Princes and chieftains of the Arab League; the domination of the American Mission in Iran, and the rising of the Iraqi people to throw out the Anglo-Iraq Treaty and expel in flight beyond the frontiers the quisling Premier who signed it: all testify to the struggle between freedom and domination that goes forward. In Japan General MacArthur, the rejected even of the American Republicans, works to build up and equip the industrial and military base for renewed aggression under the same old “Co-Prosperity” leadership against the advance of democracy in Asia. The Vietnam Republic and Indonesian Republic continue their unbroken struggle against the barbarous warfare and treacherous double-dealing of French and Anglo-Dutch imperialism. Korea presses
forward to freedom in face of the American stranglehold. In China, the heart and centre, the leader and vanguard of the national and colonial liberation struggle against imperialism for over one-third of a century, the victorious advancing Democratic Armies under the leadership of Chinese Communism are routing the satellite corrupt American-based regime of Chiang Kai Shek, despite all the flood of American arms, planes, dollars and occupation forces, and are preparing the final end of foreign intervention and imperialism in China and the final triumph of Chinese national freedom and democracy. But in all this great alignment, in all this mighty freedom struggle which is surging through the countries of Asia, where stands India—India that represents one-third of the population of Asia and nearly one-fifth of the population of the world?

Which Way India?

Where stands India? Is India ranged in the camp of the struggle for freedom or in the camp of the oppressors? Will India follow the path of Free China, to stand shoulder to shoulder with Free China as the bulwark of freedom in Asia? Or will India follow the doomed path of Chiang Kai Shek's China, of General MacArthur's Japan, of General Marshall's Turkey, to be the pawn, the strategic base, the foreign investor's happy hunting ground, the arsenal of the Anglo-American War Bloc, the gendarme of imperialism in South East Asia? That is the choice that stands before the Indian nation today. The fateful significance and the inescapable urgency of that choice has been emphasised by recent events and ominous warning signals, and not least by the offensive which has now been let loose by the present ruling authorities against the Indian working class movement and the left. The answer to this question will depend on the outcome of the inner political struggle which is now developing within India. This answer will be of no small import, not only for the future of Asia, but for the future of the world.

Illusion and Reality

Since that day of India's heralded "liberation" under the patronage and guardianship of Lord Mountbatten less than one year ago, in August, 1947, what has been the path of development? To the outside world only two pictures have been vouchsafed of India through the zealous reporting of the press. One has been the glowing picture of India "liberated" through the magnanimous generosity and unprecedented renunciation of British imperialism, resulting in a new-born India, "a free and equal member of the British Commonwealth of Nations", miraculously reconciled to the old oppressors. The other has been the lurid picture of India torn with communal strife and murderous massacre, collapsing in a welter of blood and chaos, the inevitable outcome of the ending of the beneficent British rule and demonstration of unfitness of Indians to govern themselves. But across these highly decorated pictures of modern India there has
suddenly broken through during the past few weeks news of a very different kind which has revealed a very different picture. The last days of April and the first days of May have seen a sweeping offensive against the Indian Communist, trade union and peasant movement on a scale unequalled in the history of the Indian working class and unequalled in any country of the British Empire since the war. The veil has been torn aside. The new class realities are laid bare.

A Major Offensive

Why has the new Indian Government under the leadership of Jawaharlal Nehru launched this large-scale police offensive (co-ordinated through the executive machinery of the various Provincial Congress Ministries and publicly approved and justified by the Central Government) against the left wing in India, against the leadership, headquarters offices and press of the Communist, trade union, peasant and student organisations? There is no room for illusions as to the scale of the offensive. In the notorious Meerut Trial twenty years ago, which aroused the universal indignation of the labour and democratic movement in Britain, reaching finally to official protests of the Trades Union Congress and National Council of Labour, thirty-two leaders of the young Indian working-class movement were arrested (some of the best known of the Meerut prisoners, like Dange and Mazaffar Ahmad, are again arrested today). In the present round-up the number of arrests is reported to exceed one thousand, with warrants out for many more, including nearly all the principal leaders of the All India Trade Union Congress and of the Communist Party. Then the trade union movement was still in its infancy, and the Communist movement only existed in its first immature form of Workers’ and Peasants’ Parties. Today the A.I.T.U.C. has a firmly organised membership of three-quarters of a million, and plays a prominent part in the World Federation of Trade Unions; while the Communist Party, at its important Congress just held at the beginning of March, was able to announce a registered membership of ninety thousand—the largest Communist Party in the British Empire. In West Bengal, the main region of strength, including Calcutta, the Communist Party has been officially banned by the Congress Ministry, and its daily newspaper suppressed; while in other regions conditions of semi-illegality have been imposed. There has been no such overwhelming offensive in the half century of history of the Indian working-class movement. What is taking place is no minor episode in a remote country; it is an attack of the Anglo-American Bloc on a major front of the world working-class movement.

Why the Offensive?

Amazement and bewilderment has been widely expressed in Britain and elsewhere that such an offensive against the working-class should herald the dawn of the supposed “free India”, or should have been launched under the auspices of a Ministry headed by Nehru,
whose former record in the left anti-fascist movement and expressions of devotion to socialism are remembered. Not only an official representative of the General Council like Tewson, when the issue was brought up at the Rome meeting of the World Federation of Trade Unions Executive by the Ceylon delegate, Wickremasinghe, acting as substitute for the imprisoned Dange, could seek to take refuge in the plea that it was "unreasonable that Britain should be attacked for events in India when she had left it". The bewilderment extends to genuine elements on the left. Only three years ago Nehru and the Congress leaders were in jail, and the Congress was illegal. Now, liberated by the mass movement in India, as well as with the assistance of mass protest through the labour movement in Britain, they proceed to utilise the same machinery, taken over lock, stock and barrel from imperialism, the same police and ordinances, against the working-class movement on the left.

Smuts and Collins

Memories are short; or some guidance could have been obtained from the numerous examples of analogous experiences, especially in relation to bourgeois national movements, as in the case of General Smuts and Botha in South Africa, or Michael Collins in Ireland, how swiftly the former national rebel, having once entered into a compromise treaty with imperialism, is carried forward by the logic of his position to civil war against his former fellow fighters; just as Collins, within a few months of fighting the British in arms, was turning his arms, no longer against the British, but against his former Republican comrades. But these questionings on all sides, this shocked perplexity before the new events in India, reveal how little the true character of the new political set-up devised and manipulated by Lord Mountbatten has been understood. Imperialist propaganda has woven its web of lies and deceit across the face of India, so that, while the common man in India knows only too well in his life and person how little has changed in the weight of his oppression, world democratic opinion, dependent on fragmentary reports filtered through official monopolist news channels, is startled and caught unawares by the new character of the fight that is plainly developing.

Behind the Veil

In successive issues of this journal we have traced the character of the new settlement in India. In August, 1946, we defined the type of settlement which it was the aim of the Cabinet Mission to prepare, and which reached fruition in the Mountbatten Plan a year later:

The aim to promote a settlement in India on the basis of an alliance with the upper class leaders, and with strong reactionary weightage to the Princes, represents an attempt, not only to stabilise the situation in India, hold down the rising mass forces and protect British interests, but also to maintain India as a strategic base to make India an ally of British imperialism in its general world policy.
In July, 1947, we quoted the characterisation of Lemin with regard to the Mountbatten Plan:

From declarations proclaiming the transfer of power to Indians it is a far cry to true independence for India . . . British ruling circles mean to maintain their economic, political and military positions in India, whatever her future constitutional structure may be. Among other things they bank on the economic ties established between the British and the Indian bourgeoisie . . .

Irrespective of the constitutional changes in India, what really matters is the actual economic, political and military positions that British capital succeeds in maintaining in that country. This will decide whether the long-standing question of independence for India will be settled as it was in the Philippines, or whether India will become a really independent democratic country.

The peculiar character of the Mountbatten Plan was the use of the method of partition to divide and weaken the Indian bourgeoisie and upper class elements, even while making alliance with them in the form of two rival States, and thus to open the floodgates to the murderous currents of communal reaction in the hope of disrupting and wrecking the democratic mass movement. The Mountbatten Plan was followed, as predicted, by hideous communal carnage. Only as these waves have begun to subside, has the new class structure and its political reflection, with the Indian bourgeoisie as the weak junior partner of Anglo-American imperialism, begun to reveal itself in its full force.

Retreat from Nationalisation

Let us examine first the economic side. The tie-up of Indian big business with British and American monopolies, which was already developing in the final stages of the war and provided the basis for the compromise negotiations with the Cabinet Mission and eventual settlement with imperialism, has been carried very much further since the settlement. Already in July, 1947, we noted the assured tone of the I.C.I. Information Bulletin's special confidential report on the "Political Outlook" in India:

There is every reason to believe that the discrimination against foreign businesses which was once feared will not materialise . . . Nationalisation of industries will not go much further than the Government setting up factories at State expense in all those cases where the ordinary chances of supply and demand do not forecast a probable profit on an adequate scale . . . On the whole, business interests with substantial resources are justified in not taking too short a view and in being cautiously optimistic.

This confidence has proved justified by the event. The Congress programme had provided for nationalisation of all key resources and industries and extensive State control. Such large-scale nationalisation is essential, not only for progressive reconstruction, but for eliminating the dominant hold of foreign capital in Indian industry. This programme has now been placed in cold storage. In deference to big business demands, decontrol of the prices of food grains and cloth has been rushed through, with consequent soaring of prices and
the cost of living—leading in turn to widespread economic struggles of the workers for higher wages, which have been denounced in the familiar formula as a "political conspiracy against democracy".

"Share Values are Bound to go Up"

On February 17 of this year Nehru declared to parliament:

There will not be any sudden change in the economic structure. As far as possible, there will be no nationalisation of existing industries.

Reuter's Trade Service Financial Section reported on April 1 from New Delhi:

Large-scale nationalisation of existing industries is ruled out in the Government of India's industrial and economic policy for the next ten years.

On April 6 the Government's Resolution on Industrial Policy, substantiating these predictions, was published. The Explanatory Memorandum published with the Resolution is of especial interest. The Memorandum declares:

The apprehension recently felt in Indian markets that the Government might experiment in nationalisation over a wide field of industries, thereby jeopardising their efficiency and credit, has been completely allayed. The expected result of the announcement of the policy will be the restoration to their former level of the prices of Government securities.

It is expected in knowledgeable quarters that the way is now clear for the Government to float big loans for the purpose of reconstruction now that confidence has returned.

The Memorandum continues to give assurances to allay fears of any possible limitation or control of profits:

Markets were touchy about the possibility of the Government stepping in to regulate and limit profits in private enterprise. The policy as announced contains no hint of this, and share values are bound to go up. Private enterprise therefore receives encouragement.

"Private enterprise ... encouragement"—the very language is calculated to touch the heart of the American investor and remove any fears of possible socialistic notions in the minds of Congress Ministers.

"Full Freedom for Foreign Capital"

No wonder that the notorious M. R. Masani, publicity officer of the multi-millionaire Tata combine and patron theorist of the Congress "Socialists" (now reorganised as a "Socialist Party", minus the former Congress label, on the model of European Right Wing Social Democracy to fight Communism), hailed this bold declaration of policy against nationalisation and against limitation of profits as

an advance towards democratic socialism ... a categorical rejection of totalitarian Communism ... it aspired to equality of opportunity, and avoided monopoly, public or private

while Professor Ranga called it "a definite triumph of Gandhian Socialism". It is worth noting that the present leadership of this peculiar "Socialist Party", who enjoy such close connections with Indian Big Business, appear to have further distinguished themselves
by applauding this Congress-Big Business offensive against the Indian trade unionism and Communism, and demanding its intensification. The real significance of this triumph of "democratic socialism" against "totalitarian Communism" was powerfully underlined when the same official Memorandum accompanying the Government's Resolution on industrial policy proceeds to set out the aim in its final clause:

The Resolution contemplates full freedom for foreign capital and enterprise in Indian industry while at the same time assuring that it should be regulated in the national interest. This part of the Resolution reveals the Indian Government's recognition of the need for foreign aid both in management and technical training and investment, and of the wisdom of welcoming foreign capital and skill to supplement Indian enterprise.

The programme is tolerably clear. This was in April. The political counterpart, expressed in the anti-Red drive, followed in a matter of days.

**Dollar Penetration**

The increasing penetration of American capital in India has been conspicuous in the recent period. The official organ of the British Export Trade Research Organisation, the *Betro Review*, reports in its issue for November, 1947:

> The determination of American capital to enter the Indian market is becoming more and more obvious.

There has been a considerable influx of American technical experts into India. . . . Parallel to the Indo-British combines for manufacture in India, the Americans are also participating in joint Indo-American industrial production. . . . Americans seem to be associated with all the major development projects in the Indian Dominion.

The American Ambassador to India, Dr. H. F. Grady, was the Head of the American Technical Mission to India during the war, which had the task "to investigate the industrial resources of India and recommend ways and means by which the Government of the United States could assist in augmenting India's war production" (its Report was declared confidential and never published). His activity has been intense, not only in promoting American economic penetration, but in open political intervention in public speeches attacking Indian Communism. On March 23 this year, in an address to the Indian Council of World Affairs in New Delhi, he proposed a Marshall Plan for Asia with the participation of India:

> Your Marshall Plan, or if you will, your Nehru Plan, might provide for an equally effective programme of mutual aid on a regional basis. There are definite opportunities for trade expansion within the Asian and Far Eastern region.

**Surrender to the Princes**

No less significant for the political set-up corresponding to this economic line is the surrender which has taken place to the Princes. The traditional outlook of Indian nationalism has always denounced the Princes as reactionary puppets maintained by imperialism, and has called for the establishment of the single sovereign democratic
Republic of India. In the new structure, the Princes’ States, which cut across all cultural-national groupings of the people, are not only being maintained under a façade of sham reforms, but are even being consolidated into about twenty-five major units of provincial dimensions.

Mr. V. P. Menon, Secretary of the States Ministry, who is mainly responsible for the rapid change in the political map of India, said that there was no intention to “exterminate” the Princes; in fact, if one of them died childless the title would not be allowed to lapse . . . The indications of this decision are far-reaching, as it may create a social structure the antithesis of the republic visualised by social thinkers here. (The Times, 29.3.48).

Thus the Princes are not only to be accepted as a temporary concession; they are to be maintained in perpetuity. The costs of this policy, and of failure to lead the people’s struggle against the Princes, are seen in Kashmir and Hyderabad.

**Military Control**

British soldiers have left India. But all the key strategic controlling positions, alike in the Indian Army and in the Pakistan Army, are still held by British officers, of whom it is reported that there are some three hundred in the Indian Dominion and some five hundred in Pakistan. Recently the decision previously reached to appoint an Indian Commander in Chief has been suspended:

> After careful consideration the Government has decided that it would be in the best interests of India and the Army to retain the services of General F. R. R. Bucher as Commander-in-Chief for some time longer. This supersedes an earlier statement by the Defence Minister when he said that by April this year it would be possible to appoint an Indian Commander-in-Chief." (The Times, 9.4.48).

Military and naval training, staffing and equipment is closely linked up with Britain, and the operation of air bases with the R.A.F.

**“God Save the King”**

Recently an illuminating light on the new political relations was afforded by a small item of news which appeared in The Times on April 2:

> “For the first time since the transfer of power ‘God Save the King’ will be played before a large public gathering when the first performance of a military tattoo finishes here tonight. This return of pre-Independence Day formalities was decided upon by Pandit Nehru, the Indian Prime Minister, who stated recently that as long as India remained a member of the Commonwealth ‘God Save the King’ would be played on all formal and military occasions and that the Indian National Anthem would be played afterwards.”

If Mr. Attlee were to announce that in future on all ceremonial occasions in Britain the “Star Spangled Banner” will be played in front of the British National Anthem, this would represent a considerably less remarkable shock to British national feeling, already well accustomed to taking second place before the Almighty Dollar, than the above announcement from the former leader of Indian national anti-imperialist revolt ordaining to the startled Indian people the
priority of the hymn of the once hated "satanic" Empire in front of their own national anthem. The Order of Precedence ("the Indian National Anthem . . . afterwards") expresses in a symbolic nutshell the new political set-up in India.

Towards the Democratic Front

But on the same day, April 2, something else happened in India. It was on April 2 that the main All-India raids were carried out on an extensive scale to round up and arrest the leaders of the Indian fight for freedom who had not capitulated, the Indian working-class leaders. With this offensive it was revealed to world opinion that the Indian fight for freedom had entered on a new phase. As the political representatives of the bourgeoisie, fearful of the rising mass revolt, move over to compromise with imperialism, with the reactionary feudal forces in India and with the Anglo-American Bloc, the Indian working-class steps forward to take over the leadership of the battle, and to rally the popular masses and the democratic movement in India in the struggle for national liberation, for the ending of imperialist economic, political and military domination, and for radical social reconstruction. The aim of the Democratic Front, proclaimed by the Indian Communists in their Congress in the beginning of March, corresponds to the new stage of the Indian fight for freedom.

For Democracy and Peace

This fight links up with the advance of the popular democratic fight in all the countries of hitherto subject Asia, with the independence battle of Vietnam and the Indonesian Republic, with the growing strength of the popular movement in Burma (facing the same assault of reaction and repression from the unstable Thakin Nu Government which stands revealed as the agent of the big imperialist monopolies in Burma), with the guerilla fighters of Southern China and the victorious march forward of Liberated China. In India, the oldest base of deeply rooted imperialist domination, the building of the Democratic Front has to go forward against heavy obstacles of the inheritance from the past and fomented divisions. But the deepening crisis compels political awakening; and the ferocity of the repression is a tribute to the extending strength of mass revolt, especially in the countryside under the burden of landlordism, and to the growing influence of Communist leadership. The popular struggle in India is a vital sector of the world front for democracy and peace against the war aims of the Anglo-American Bloc, which strives not only to strengthen imperialist economic domination and exploitation in India, but also to make India a strategic base and arsenal for war. In vain the Indian Government Ministers endeavour to profess their policy of "neutrality" between the two camps in the world today; their professions of "independence" only thinly cover their growing dependence and subordination, economic, political and military, to the Anglo-American Bloc, whose policy is typically expressed in the present anti-communist offensive. For this reason every support that can be given...
from Britain and other countries to the Indian working-class in their present ordeal (and especially from Britain, which still holds so dominant a position in practice in relation to India) is not only an elementary duty of working-class solidarity, but also an indispensable contribution to the common fight of the peoples for the victory of democracy and peace.

May 15, 1948.

R. P. D.

STRINGS OR CHAINS? — THE MARSHALL PLAN

By D. N. PRITT, K.C., M.P.

Much has been written and spoken about the Marshall Plan, but there is little definite information about it. There is, instead, a flood of reports from Washington and elsewhere that this, that and the other concession has been or will be demanded; and the Government in the recent Foreign Affairs debate (House of Commons, 4th and 5th May, 1948) unfortunately showed a reluctance to answer questions. A number of perfectly reasonable demands for specific information which could and should properly have been given, made in the two main critical speeches, were flippantly dismissed without an answer by Mr. Mayhew on the ground that they were just the product of the Moscow radio. (In truth, they were based almost exclusively on British and American official or press sources). It is so much easier to call a man names than to defend your policy.

It is thus useful to examine the most reliable piece of documentary evidence, namely the “Foreign Assistance Act of 1948”, passed by Congress and approved by President Truman on the 3rd April, and to see both what it prescribes and what it passes over.

It betrays, naturally enough, various conflicting tendencies, and it is easy to see from various parts of it, including the title, that it had to be presented to ruling circles in the U.S.A. as emphatically designed to serve American interest almost to the exclusion of any others. True, it is called the “Foreign Assistance Act”; but the politicians who describe it as the greatest act of generosity in human history will feel that the draftsman of its title missed an opportunity to mention its altruism. It is in fact called:

“An Act to promote world peace and the general welfare, national interest, and foreign policy of the United States through economic, financial, and other measures necessary to the maintenance of conditions abroad in which free institutions may survive and consistent with the maintenance of the strength and stability of the United States.”

So, what is its declared purpose? We may perhaps pass over “the promotion of world peace”, which is of course claimed as the