

raising the cost of raw materials and prices of exports by its levy. So, if the simple dictum that the provincial budgets must balance is followed to the letter, there can be no doubt whatsoever that prohibition will have to go.

The folly of prohibition is also being brought home from other quarters. So many provinces had to curtail expenditure on education and social services to offset the IOSS in excise revenue. There was a time when public opinion could be worked up against the Government—that this was a foreign government—that our rulers forced us to visit grog shops so that our children could go to school. That relationship, unfortunately, still holds good! And if the choice is presented fairly to the people whether they would rather have some people drink or let all the people sink in the bog of high prices and inflation, it would not be difficult to forecast

the choice. But, then, the issues are never presented that clearly.

This is not to suggest that the only valid argument against prohibition is that of government finance. America tried it and realised the folly of trying to make men in the mass conform to preconceived notions of what was good. It was prohibition which brought in boot-leg liquor, it turned erstwhile teetotallers into habitués of speak-easies which sprang up overnight, like mushrooms, in every lane and bye-lane. What Americans could not get was a good drink. But adulterated liquor was in plentiful supply, notwithstanding the resources of the federal police and the power of the law. Scandinavian countries have more successfully fought the evil of drink by legalising moderation. To work along those lines calls for patient organisation and sustained endeavour. There are no short cuts to success in this or in any other field of social welfare.

Meanwhile, the conference caught a glimpse of the colossal loss in production that the country is undergoing due to closure of certain industrial undertakings and, for the moment at least, chose to ignore it. In a memorandum prepared by the Ministry of Industry and Supply for the perusal of members, it was stated that more than 217 factories had already shut down, throwing about 80,000 workers on the streets. In addition, about 30 textile mills had given notice of closure. Thus about 3 per cent of all the industrial workers in the country, except those employed in the railways, plantations and mines, had been rendered jobless.

Reasons for the closures, it was stated, were break down in machinery, lack of finance, scarcity of raw materials, accumulation of stocks and labour troubles—most of which can be immediately removed by effective planning and energetic action.

But the Conference refused to do anything more than pass a resolution to set up Working Parties and another to fix production targets for 1950. The labour leaders who became a party to these resolutions did not even enter a word of protest on behalf of the (newly) unemployed thousands! On the other hand, the chiefs of INTUC issued a statement appealing to labour "to play the game" and castigating it for "slow-down" tactics.

Does all this mean that labour is on the run? Opinions differ. But it is fairly clear that the labour leaders, by agreeing to participate in the Working Parties which are to report in six months, are really playing for time. The constitution of these bodies means that retrenchment, instead of coming up immediately, would be delayed till they submit their report. But weighted as they are by Government nominees, the Working Parties are likely to be more unfavourably inclined towards the workers than otherwise. It may be that when retrenchments actually come, labour will not surrender without a fight. At the moment, however, its leaders appear to be diffident.

Our Delhi Letter

Labour On The Run?

THE LAST lurking hopes of simple left-wingers who had put faith in the socialistic bearing of the Nehru Government were dashed to the ground last week by Dr. John Matthai's "brilliant" performance at the meeting of the Standing Committee of the Central Advisory Council of Industries. It was a long step from the grandiose declarations in favour of nationalisation which had become the fashion with Government spokesmen shortly after independence. Since then, the official policy had undergone a distinct, though gradual, shift from socialisation to "mixed economy". And though the Prime Minister reiterated last night that the latter was the "only intelligent solution of the Indian problem", it is painfully evident that the balance has been struck at a point most favourable to capitalists. The Finance Minister's "tonic" to the industrialists, for one thing included such sanguinary potions as a promise of less direct taxation, free economy con-

cessions to "evaded" money and de-rationing. Sure enough, the stock exchanges lost no time in rallying.

But perhaps more than Dr. Matthai's lucid summation of what had been stated already, though at different times, by the Deputy Prime Minister and other official spokesmen, the important thing to consider is how the labour leaders took it. Here it must be recognised that the issue could not lend itself to a straight fight between divergent class interests. It was confused by the emphasis which both agreed to lay on greater production.

Differences were, however, evident on the manner of achieving increased output. The industrialists wanted incentives; labour demanded much the same thing—for itself. They were both agreed on rationalisation but while labour wanted retrenchments to be effected in the context of an expanding economy, the industrialists appeared to have the opposite ideas.