CABINET 16 (33).

Meeting of the Cabinet to be held in the Prime Minister's Room, House of Commons, on Friday, March 10th, 1933, at 11.0 a.m.

AGENDA.

INDIAN CONSTITUTIONAL REFORMS.

(Reference Cabinet 16 (33), Conclusion 3.)

Memorandum by the Secretary of State for India, covering draft of White Paper. (C.P. 49(33) - already circulated).

Memorandum by the Secretary of State for India on the draft White Paper, and the proceedings thereon of the Cabinet Committee on India. (C.P. 49.A.(33) - to be circulated).

Note by the Secretary of State for India, covering a telegram from the Government of India regarding the probable reception of the White Paper in India. (C.P. 59(33) - already circulated).

(Signed) M.P.A. HANKEY.

Secretary to the Cabinet.

2, Whitehall Gardens, S.W.I.,
March 9th, 1933.
CONCLUSIONS of a Meeting of the Cabinet held in the Prime Minister's Room, House of Commons, S.W.1, on FRIDAY, March 10th, 1933, at 11.0 a.m.

PRESENT:

The Right Hon. Stanley Baldwin, M.P., Lord President of the Council. (In the Chair).

The Right Hon. Neville Chamberlain, M.P., Chancellor of the Exchequer.

The Right Hon. The Viscount Sankey, G.B.E., Lord Chancellor.

The Right Hon. Sir Samuel Hoare, Bt., G.B.E., C.M.G., M.P., Secretary of State for India.


The Right Hon. Sir Henry Betterton, Bt., G.B.E., M.P., Minister of Labour.

The Right Hon. Sir John Gilmour, Bt., D.S.O., M.P., Secretary of State for Home Affairs.

The Right Hon. The Viscount Hailsham, Secretary of State for War.


The Most Hon. The Marquess of Londonderry, K.G., M.V.O., Secretary of State for Air.

The Right Hon. Walter Runciman, M.P., President of the Board of Trade.

The Right Hon. Lord Irwin, K.G., G.C.S.I., G.C.I.E., President of the Board of Education.


The Cabinet had before them the following Memoranda by the Secretary of State for India on the subject of Indian Constitutional Reforms:

C.P.-49 (33), circulating for the approval of his colleagues the draft of the White Paper which the Government had undertaken to present to Parliament, with a view to its examination by a Joint Select Committee, containing their proposals for Indian Constitutional Reform:

C.P.-49A (33), calling attention to certain points in the above proposals and suggesting alterations following a detailed examination by the Cabinet Committee on India:

C.P.-59 (33), circulating for the information of his colleagues a telegram from the Government of India giving an appreciation of the probable reception of the White Paper in India.

THE SECRETARY OF STATE FOR INDIA said that he would give the Cabinet a picture of what the Cabinet Committee had been trying to do during the last few weeks. He emphasised that the White Paper was not a Bill, but rather a Terms of Reference to the proposed Joint Select Committee. Necessarily, therefore, there were a certain number of ragged ends, and there were possibilities of alteration by the Select Committee, if found necessary. The production of these proposals was a remarkable achievement, and had been one of the most difficult tasks ever attempted in the way of Constitutional development. The difficulties had been enormous, owing to the complexity of the problem. He would not like to say that it was a ready-made scheme, and he thought that if the task had been approached with a clean sheet a different and better plan might have been produced. That, however, had not been the case, owing to the commitments of various Governments in the past. He did think, however, that, given these commitments and
all the surrounding difficulties, it would be very
difficult for anyone to produce a better scheme.

He then turned to some of the difficulties. The
first of these was the fact that we were breaking up
a unitary Government. We were bringing into existence
a Federation composed of very incongruous units,
including the Native States and the Provinces.
Unlike other Federations in the British Empire, we
were not building up from existing elements. Another
factor in the complexity of the task was the necessity
for providing safeguards for the tremendous British
interests in India today. That, perhaps, was the
main cause of complication. Yet another difficulty
was that the comments of the Government of India had
to be sought on every point that arose, and here the
matter was complicated by the differences that existed
within both the Government of India and in the Provinces.
Those considerations would indicate some of the
difficulties that had had to be faced.

The Secretary of State admitted that the scheme
would be open to attacks from two points of view:
first, from the Indians, who would say that the
Constitution was tied up too much by the safeguards,
and, second, by critics here, who would maintain that
the safeguards were inadequate, while other critics
would say that the whole scheme was too complicated
to work. However, he could not see how a better
scheme could be produced.

The plan covered the whole field, namely, the
Central Government and the Provinces. Even if they
could not come into operation quite simultaneously
in point of time, nevertheless the more he thought
the matter over the more he realised that these two
aspects were interdependent and could not be/
Coming to details, the Secretary of State said that the scheme was conditional on an All-India Federation, on which all the proposals depended. It would not come into operation unless a sufficient number of the important Indian States acceded. He was constantly being pressed to say that if the Princes did not come in we should give the same kind of Constitution to British India alone. He had refused this and made it clear that the bringing into effect of the Constitution depended upon the conditions being made effective, that is to say, not less than half the seats available to the States being filled, and not less than half the population of the States represented. That was rather a more rigid stipulation than appeared at first sight, since some of the States were governed by minors, who would not be able to accede.

Another safeguard was that the scheme would only come into operation after a Proclamation, which would become effective only after a Resolution by both Houses of Parliament.

At the head of the Government would be the Governor-General, who would have great powers. He would be the Constitutional Head of the Government for the field in which Ministers were responsible, and in regard to the reserved departments. The Governor-General would have duties laid down for him in relation to the reserved departments.
would have complete control of the reserved Departments, namely, Foreign Affairs and Defence. There would be no divided control of the Army, and the responsibility of the Governor-General in this matter remained intact. Apart from the reserved Departments there was a wide field within which the Governor-General would have special responsibilities, in which he was entitled to intervene at his discretion in order to safeguard certain vital interests: for example, in finance, and in the matter of commercial discrimination, which were two of the most difficult subjects. In both these fields the proposals had been accepted by the Chancellor of the Exchequer and by the President of the Board of Trade, subject to any remarks which they might like to make. For carrying out his duties the Governor-General had power to issue Ordinances for as long as he liked, and he also had the power of making Governor-General’s Acts — powers which he did not possess today. He could also control the conduct of Parliamentary business so as to aid him in his task. The Governor-General would have the right, when he so desired, to preside at the Cabinet and to get access to any Papers he required. He could add charges to the Budget.

Referring to the Governor-General’s powers vis-à-vis the Federal Ministers, the Secretary of State recalled that, though there was much talk of responsibility at the centre, in fact the responsibility of Ministers in India would differ considerably from the collective responsibilities of the Cabinet here. There would be two kinds of Ministers.
Again, one-third would come from the States, and it was to the States rather than to the Legislature that these States would look for maintaining their interests.

In addition, the Governor-General would have to see that minorities were represented by a Minister, and anyone who represented them would look to him for and it was to this Minister that the minorities would look for maintenance of their interests. There would be two or three Ministers, namely, those concerned in the reserved Departments, who, though normally sitting with the responsible Ministers, would not themselves be responsible to the Federal Legislature, but, through the Governor-General, to the Secretary of State and Ministers in London.
The Federal Legislature would consist of two Chambers with equal powers. If they came into collision provision was made for a joint session. It was not a plan he particularly liked, but he could not see a better in the circumstances. In connection with the giving of equal powers to the two Chambers it must be remembered that the position was not the same in India as it was here. One reason was that the Indian States expected to be in a stronger position in the Second Chamber where their representation was higher, so that this Chamber would have a special responsibility. That was why the Princes had pressed for equal powers to both Chambers. He himself did not see any particular reason for making one Chamber stronger than the other. He thought there was no great risk of a Congress majority. The States would have thirty per cent representation in the lower and forty per cent in the upper House. The Moslems would have about thirty per cent in each. That would make it difficult for Congress to get a majority at the Centre. In addition to that it had to be remembered that the Hindu vote would be split to some extent. Short of a landslide to the left both in British India and the States it would seem impossible for Congress to get a majority in the Legislature. He thought, therefore, that adequate safeguards had been provided against Congress getting the upper hand, a point which had been very much stressed by the critics to the scheme. This might happen in some of the Provinces but not at the Centre.

Turning to the Franchise, the Secretary of State recalled there had been tremendous attacks on the Government scheme owing to the extension of the franchise. The critics had confused the proposals for the Provinces with those for the Centre. The big increase in the franchise had only been
in the Provinces. In the Centre, though considerable, it would be nothing like so great and not at all what the critics alleged. Most reluctantly he had been driven to avoid indirect election to the Centre. He had found that indirect election had no friends in India, whether among officials or Hindus or, especially, Moslems, who thought that they would be beaten by the cleverer Hindus in the event of indirect election. No doubt this subject also would be raised in the Select Committee. He thought it a mistake to suggest that the extension of the franchise was to our disadvantage. It brought into the franchise members of the agricultural community, labourers, depressed classes, all of whom were hostile to the domination of the caste Hindus. There had been special criticism of the extension of the franchise to women voters. He had been anxious to get a substantial number of women included as he thought they were a stabilising element from our point of view. The Government of India, however, and all the Provinces advised that the extension of the franchise to women would not work. They said that it would involve too great a load on the machine, particularly if it were desired to include the wives of voters. This would involve too much enquiry within families to be accepted. Consequently, it had been found necessary to amend the recommendations of the Lothian Committee in this respect and the franchise would only be extended to wives on application. That again was a point that would no doubt be discussed by the Joint Select Committee.

Turning to the powers of the Federal Legislature, the Secretary of State said that these were set out at length in the clauses and in Appendix VI. He emphasised the great changes involved as compared with the present situation in India. At the present time the powers of the
Federal Legislature pervaded every field of Indian life. It was a unitary system which could do anything anywhere. In devising the present scheme the range of action of the Federal Government and of the Federal Legislature had deliberately been limited to a restricted field. More powers had been given to the Provinces. He thought this was an advantage from our point of view as we substituted for a Federal Government that could do harm everywhere whose sphere was strictly limited.

There was, of course, a need for a Tribunal to decide Federal questions and this need was met by the provision of a Federal Court. At the last session of the Round Table Conference the view had eventually prevailed, after much discussion, that the British Government should appoint the Judges, not so much because the Indians liked us, but because they were so suspicious of one another. Finally, there was a clause providing that in the event of a breakdown of the Government the Governor-General could take full powers and revert to the present position. Such powers had been shown to be useful by what had occurred in recent times in Germany.

Referring to the Provinces, the Secretary of State drew attention to the fact that the list included Burma and two new Provinces, namely Sind and Orissa and did not by name exclude Aden. So far as Burma was concerned, it had been included not because it was thought that Burma would not separate, but simply because the Burmans would not make up their mind. For the moment, therefore, it was thought better to let the question simmer and to leave Burma within the scheme. He thought, however, that almost inevitably the Burmans would decide to leave the scheme in which event no adjustments would have to be made. The reference to Burma at the end of the Introduction was to be moved to a less...
prominent position. Referring to Sind and Orissa, the Secretary of State was satisfied that it was necessary to create these new Provinces. The Moslems regarded the creation of a Province of Sind as a test case. It was true that this would be a 'deficiency' Province, but that would be the case of Bombay if Sind were left within that Province. Orissa was inhabited by people of a different race and would also have to be a separate Province.

Aden, the Cabinet would recall, was to be separated from India by a recent decision. The question of how it should be dealt with in the White Paper was only a matter of tactics. There had been an undertaking that before Aden was separated from India there should be a discussion in the Assembly and this had not yet taken place. Consequently, it was not proposed to say more than that the question of Aden was under consideration. There was not the smallest intention of going back on the decision of the Cabinet.

The position of Governors of Provinces was similar in the scheme to that of the Governor-General; that is to say, they were being given very extended powers that they did not now possess; e.g. for making Ordinances and Governor's Acts.

Reverting to the question of law and order, it had been decided after much discussion that these should be Provincial and not Central Government subjects. The latter had been desired by the Hindus, but was strongly objected to by the Moslems. He himself had supported the latter so that law and order had become a Provincial subject. From this decision two difficult questions emerged; one was that it assumed the transfer of law and order to Ministers. He had nothing to add in this respect to the
considered recommendation of the Simon Commission which was to the effect that it would not be possible to have Provincial autonomy without giving the Province responsibility for law and order. To do otherwise would be a contradiction in terms and no Provincial Government would do its work without this responsibility. The case of the Moslems also had been kept carefully in mind. They especially desired Provincial autonomy and no Moslem leader would agree—e.g., in the Punjab where it was expected the Moslems would run the Government very well—to carry on without responsibility for law and order.
Bengal was the hardest case since there was a possibility there of a Congress majority. In that Province about half the legislature would be composed of Moslems, thirty-six per cent. of Hindus and the Europeans with ten per cent. would hold the balance of power. Consequently there was perhaps a risk of a Congress majority, but this would not be a risk. In Bengal there was a special risk of victimisation of the police and that Ministers might make their influence felt on the police in such a way as to destroy its morale.

Secondly, there was the question of the C.I.D., which was the intelligence organisation of the police service and, more particularly, what was to be done with the secret dossiers and their custody. No question had been found more troublesome than that. At first the idea had been to keep the C.I.D. outside the scheme and to place them under the Defence Department, so that it would be a reserved subject. The trouble was that intelligence entered essentially into the work of the maintenance of law and order in the Provinces. Both Sir John Anderson, the Governor of Bengal, and Sir Herbert Emerson, the former Home Member and now the Governor of the Punjab, held that the C.I.D. organisation could not be divorced from the provincial administration. Consequently, it had been found necessary to fall back on an alternative and to give to the Governor-General and to the Governors powers and responsibility to watch the internal administration of the police and to see that no abuses took place. Powers would also be included enabling them to withhold information at discretion, even from a particular Minister. This arrangement was not being set forth in detail in the scheme because it had not been discussed at any recent Round Table Conference, but the Secretary of State was quite agreed that it should be inserted and that the powers would have to be
covered in the clauses setting out the special instructions to the Governor-General and the Governors. The necessary words will be added as an additional sub-paragraph to paragraph 47 of the Introduction, and would be as follows:—

"All the matters dealt with in this paragraph have been discussed and reported on by the Round Table Conference at its Third Session. Apprehension was expressed by some members at the first Round Table Conference that great danger to the peace and tranquility of a Province might develop if the internal administration and discipline of the police were not secured, but this matter was not discussed at the Third Round Table Conference in relation to the special responsibilities of the Governor. His Majesty's Government proposes to deal with it by inserting in the Instrument of Instructions to the Governor a direction that he should bear in mind the close connection between his special responsibility for peace and tranquility and the internal administration and discipline of the police, the force upon which he would depend, in the last resort, for the discharge of the special responsibility."

Franchise was dealt with in full in the Appendix to the White Paper, but it was not a matter by which the Government intended to stand or fall. He would watch with interest the development of this question on the Select Committee.

With regard to Second Chambers, these were provided for in only three Provinces. In most Provinces, there were not a sufficient number of well-qualified representatives available for more than one Chamber. There would, however, be two Chambers in Bengal, Bénar, and the United Provinces, and in those cases provision was made for a joint session in case of difference. The powers of the two Chambers, however, were not equal, as they were in the case of the Central Government. The problem in the Provinces, however, was rather different.
The question of the relations of the centre and of the units was always a difficult one in any federation and their respective fields had been set out in some detail, namely, a federal field, a provincial field, a concurrent field and a residual field. They had started from bitter and at first apparently insurmountable disputes between the Moslems, who wished to keep everything in the Provinces, and the Hindus, who wanted all powers at the centre. Eventually it had been agreed that the last word should be with the Governor-General. That was an advantage from our point of view as it enabled the Governor-General to regulate the distribution of business between the Centre and the Provinces in disputed points.
The question of Federal and Provincial Finance presented another difficulty. There had been much discussion with the Government of India, who had pressed for a more rigid scheme: for example, the imposition of an obligatory Federal Income Tax on the States. This had been felt at home to be too rigid and calculated to stir up trouble. Consequently, the financial provisions were rather more general and subject to possible future adjustment. Provision had been made, however, to ensure the payment of Imperial obligations and Services, including Defence and Pensions. In order to make it as watertight as possible, provision had been made for the final word to be spoken by an Order-in-Council, which would lie on the Table of both Houses of Parliament.

Another difficulty was the question of the Future of the Services. This was one of the key questions.

(The Secretary of State for Dominion Affairs entered at this point.)

He wished to distinguish the case of India from that of Ireland. In the latter the safeguards had broken down because there was no one to carry them out. In India, under this scheme the Governor-General would have full powers in this respect. The Governor-General and the Governors must have a cadre of white Officials to carry out their own powers. For this reason provision had been made for rights similar to those that now existed, which would provide that the Secretary of State's Services and other Indian Services were safeguarded. Details were set out in the White Paper. Provision was also being made that certain posts should be limited to these Services and should not be changed without the authority of the Governor-General and Secretary of...
This was an absolutely essential safeguard; otherwise there would be no security and it would not be possible to recruit the Services. After a period of five years, during which no alteration could be made, it was proposed to have a Statutory Inquiry, but to keep the power of making any change here in London. Parliament would have complete authority to decide whether the recruiting of the Services should continue as at present or not. Some Provinces had wanted to leave these powers with the Federal Government and Legislature or Provincial Governments, but he himself had set his face against this.

Summing up, the Secretary of State admitted that the scheme was complicated and liable to attack, but in existing conditions he did not believe that a better one could be devised. He asked to place on record in the Cabinet Minutes how much he was indebted to the work of the Officials of the India Office and of our high Officials, such as Sir Claud Schuster and Sir Maurice Gwyer. For eight months the Officials had been working continuously on this subject, and it was due to them that so complete a picture was now available. Much simpler Constitutions than this had taken years to complete. It was a remarkable feat, therefore, to have worked out this complicated Constitution in so short a period. He thought it had been wise to push on quickly in this way. The appearance of vacillation and long delay in the past had caused our bona fides to be doubted. During the last 18 months a definite line of conduct had been adopted and the matter had been pushed on at full speed. He was inclined to agree with the Government of India that after a
preliminary splutter a good many people in India would come down in favour of the scheme, but of course it was impossible to make an accurate forecast. He could not judge how the scheme would be accepted here, but, given the commitments of the past, he thought it had been unavoidable to go on in this manner.

THE LORD CHANCELLOR congratulated the Secretary of State, and as an Englishman thanked him for all he had done. He thought the best piece of work that had been done in recent times. Anyone could produce some kind of a Constitution in a week or two, but the circumstances of this Constitution were unprecedented. This was a plan that he thought would work, and would in fact be worked — not perhaps by all the parties at once, but eventually. From the first we could count on the Europeans and the Moslems and some of the Hindu Liberals to work the scheme, and eventually, he thought, all would come in to help. A good many different plans had been considered. This scheme had less risk than other plans, for the reason that it pursued a middle course. If it had gone too far one way, chaos in India must have resulted: if too far the other way, nothing would have been accomplished. This middle scheme, in his view, was the least that we could do to honour our pledges. He thought it would settle India for the lifetime of the youngest member of the Cabinet. If action were not taken now, extreme danger would result both to India and to this country, and in a few years' time we should be placed in appalling difficulties. The present scheme hung together well, and had better be put forward in its present form.
He hoped that members of the Select Committee would not only consider any proposals that were made but would also think of their effect on other parts of the scheme.

The Lord Chancellor withdrew at this point, as he had to sit at the Judicial Committee of the Privy Council on an important Canadian Appeal.)

THE CHANCELLOR OF THE EXCHEQUER said he was particularly concerned with the financial aspect of the scheme and its repercussions on financial conditions here. He did not pretend that the scheme, even with the safeguards, did not increase the risks to the British Exchequer. After much consideration, however, he was satisfied that no-one could produce any scheme without risks in this respect. It was a choice of risks, and he was prepared to accept the present scheme as presenting the least risks. He recalled that the Secretary of State for India had stated in C.P.-49A that he proposed to give his colleagues his recommendations on certain points orally. He hoped, therefore, that the Secretary of State would give the Cabinet the substance of certain amendments that had been agreed to to strengthen the safeguards.

THE SECRETARY OF STATE FOR INDIA said that it had been his intention to bring out these points orally. The object of the financial safeguards had been to bring out certain points included in the Report drawn up by a Committee of the Third Round Table Conference.

THE CHANCELLOR OF THE EXCHEQUER recalled that at an earlier stage of this question he had expressed apprehensions lest we might convey to India a different impression to that which we had obtained ourselves from the Report. He did not think that our view
of the safeguards had been made quite sufficiently clear in the original draft. The amended phrase of a situation arising in which financial, economic or political conditions were, particularly to the possibility of a situation arising such as to render it impossible for the new Federal Government to revive business in the circumstances in which circumstances were such as to render impossible the starting of a Reserve Bank, which might delay the bringing into operation of the Federal Constitution. It was very essential that there should be no misunderstanding on this point, and consequently the following amendment had been agreed as a new paragraph to Paragraph 32, on page 9:

"If a situation should arise in which, all other requirements for the inauguration of the Federation having been satisfied, it had so far proved impossible successfully to start the Reserve Bank or if financial, economic or political conditions were such as to render it impracticable to start the new Federal and Provincial Governments on a stable basis, it would inevitably be necessary to reconsider the position and determine in the light of the then circumstances what course should be pursued. If, unfortunately, such reconsideration became necessary, His Majesty's Government are pledged to call into conference representatives of Indian opinion."

Other amendments to the financial provisions had been agreed to, mainly with the same object in view, to avoid any possible misunderstanding.

THE PRESIDENT OF THE BOARD OF TRADE said he was satisfied with the safeguards from a commercial point of view, but he attached importance to the last sub-paragraph of Paragraph 123 of the proposals, as follows:

"Provision will be made on the same lines for equal treatment on a reciprocal basis of ships registered respectively in British India and the United Kingdom."

THE SECRETARY OF STATE FOR INDIA said that even without this paragraph he had intended to cover
merchant shipping, and thought it had been covered. For political reasons he would have preferred not to include the sub-paragraph quoted above, since it was likely to cause political difficulties in India. He appreciated, however, the difficulties of the President of the Board of Trade, and agreed to its inclusion.

THE PRESIDENT OF THE BOARD OF TRADE said he had been advised that it was essential to include this provision as a separate stipulation, as in the case of all Commercial Treaties.

THE SECRETARY OF STATE FOR THE COLONIES called attention to the last sub-paragraph of Paragraph 122 of the proposals:

"A Federal or Provincial law, however, which might otherwise be void on the ground of its discriminatory character, will be valid if previously declared by the Governor-General or a Governor, as the case may be, in his discretion, to be necessary in the interests of the peace and tranquility of India or any part thereof."

THE SECRETARY OF STATE FOR INDIA explained that this was not a commercial but a police measure, required in the event of a communal trouble in a particular city, to which it would then be applied.

The Government of India attached importance to it.
PARAGRAPH 125. THE SECRETARY OF STATE FOR INDIA said that the arrangements for preventing discrimination applied not only to trade and shipping, but also to professions such as lawyers and doctors. Some difficulty had been raised in regard to doctors. There was some hope, however, of overcoming these difficulties as legislation was now under consideration in the Legislative Assembly which might lead to an agreement being reached. He proposed to insert a note to this effect in the White Paper.

THE SECRETARY OF STATE FOR THE COLONIES then drew attention to the possibility that only fifty per cent of the seats available to the Indian States would be filled in which case the calculations as to the balance of parties and the risk of control of the two Houses by Congress might be upset.

THE SECRETARY OF STATE FOR INDIA agreed that this might happen. The Government of India anticipated, however, that if fifty per cent of the States came in, the others could not stay out for long. The Princes were likely to use their position to drive a hard bargain on a number of outstanding questions and it was necessary that the coming into force of the scheme should not be entirely in their hands.

In regard to a suggestion that the expenses of government in India would be increased by these proposals, the Secretary of State thought that the increase would not be very serious, the Assembly being larger would be a little more costly. Ministers' salaries would be fixed in the Act, though they might be raised later.

On the question of the right of appeal to the Privy Council, the SECRETARY OF STATE FOR INDIA said that the policy was to try and restrict appeals. At present Indians wished to appeal on a great number of cases.
particularly in the case of capital sentences, though the appeals had at present to be ignored. The present provisions might possibly be altered by the Select Committee.

THE MINISTER OF HEALTH asked questions as to the practical working of the financial safeguards and the powers of the Governor-General for compelling the adoption of his own proposals for balancing the Budget. He pointed out the Financial Adviser had no executive powers. The task of the Governor-General would be very difficult unless he had the same knowledge as the Minister and there appeared to be considerable possibilities of friction unless the Financial Adviser and the Finance Minister agreed.

THE SECRETARY OF STATE FOR INDIA said that the alternative was to have a rival Finance Minister under the Governor-General. Although the Financial Adviser had no executive powers, the Governor-General would be in a position to give directions that he was to see all necessary papers. The Governor-General would often preside at meetings of his Cabinet and could insist on all information being given to the Financial Adviser.

THE PRESIDENT OF THE BOARD OF EDUCATION pointed out that the Financial Adviser would be in a position to give advice to the Governor-General if the Budget appeared insecure. At any point he could advise the Governor-General to inform the Finance Minister that he might have to interfere. He did not think there should be any special difficulty.

THE SECRETARY OF STATE FOR INDIA did not think that the independence of the Finance Minister would be atrophied as long as an effort was made to work the system reasonably. The Governor-General would see the Financial Adviser had access to all the documents he required. The Governor-General also had a special responsibility for seeing that the charges were made; for example, he could, if necessary, seize the Customs.
THE PRESIDENT OF THE BOARD OF EDUCATION, reverting to the question of appeals to the Privy Council, suggested that it would be possible for the Secretary of State for India to insert a footnote, stating that it was considered desirable to restrict appeals to the Privy Council, and that the point might be considered in the Committee stage.

THE SECRETARY OF STATE FOR INDIA agreed to consider the suggestion, but asked for full liberty in the matter as it would be necessary to consult the Government of India.

THE PRESIDENT OF THE BOARD OF EDUCATION, referring to a suggestion that the task of the Viceroy would involve responsibility and work beyond human capacity, thought this was not the case. At present the Viceroy was responsible to Parliament for everything in India. In future he would be responsible for certain things only and otherwise would be advised by responsible Ministers.

THE SECRETARY OF STATE FOR WAR recalled that he had been a member of the Cabinet Committee. From the first he had had misgivings as to our Indian policy and he felt it would not be right for him to allow his colleagues to assume that he was satisfied. He could say that, if we were to go forward on a policy of responsibility with safeguards, he was satisfied he could not suggest a better scheme. He agreed that the work of the Civil Servants had been wonderful. He violently rejected the suggestion, however, that this was the minimum that was required to satisfy our pledges. The present Government had given no pledge except that they would do their best to give India what she wanted. The Conservative Ministers had got the wording of the declaration altered so as to ensure that the pledge did not go beyond this point. He thought, therefore, that they could wipe off the slate any pledges except that the Government would do their best. The first question on which he felt doubts was as to whether the
safeguards were effective. That was the point on which the present House of Commons would fasten. His doubts were, first, as to whether there existed a superman who could fulfil the responsibilities of the Governor-General. In this constitution, the Governor-General would in some matters be a constitutional ruler and in others an autocrat, but subject to the Secretary of State, and he had to be constantly watching to see if his authority was being infringed by anything done. If the person could be found to discharge these functions, he could only do so provided he had at his disposal a proper machine. That was the reason for the precautions in regard to the Public Service. Were the Cabinet satisfied that the Civil Service would prove effective in providing him with eyes and ears? He himself felt the gravest doubt on the point. Even today, the number of white officials in India was appreciably smaller than in the past. In the future it might be almost impossible to obtain white men of the right calibre. Even to-day, there were vast tracts of India where there was only one white man in an oasis surrounded by numbers of Indians. It was true that the Indian Civil Servant had the right to appeal to the Governor-General. It was not likely he would be suffering so much in the matter of pay as in promotion and appointments. No viceroy could judge of such matters at a vast distance. All the patronage would be with Indian Ministers and it was doubtful if the Governor-General would ever be able to use his powers. This was even more true of the Governors. In time there might even be Indian Governors and he doubted of their moral responsibility for protecting white officials. His next difficulty was in regard to the responsibility for law and order. He understood that the Secretary of State for India
hoped in most cases there would not be a Congress majority, but what if this did happen? There would be Communist Ministers in charge of the police. He did not believe the best authorities in India believed that a proper supply of information could be obtained in such circumstances, and the whole system of law and order might very easily break down. The fourth point was that if half the Indian States did not enter into this scheme, the position would be very difficult. There would be tremendous pressure to go on with it in spite of their abstention. He thought, therefore, that the safeguards were likely to break down. India would be run more and more by Indians who were very clever, but not good administrators and often corrupt, as their own religion compelled them to look after their own relations. Justice would be sold, the poor oppressed, and there would be a break-down in the services. In the result there might be a Moslem Empire, or a series of Communist outbreaks and eventually a situation deteriorating into that now existing in China where War Lords exercised a precarious control over vast regions. He agreed that it was very difficult to find a practical alternative. He himself had always thought that the right course was to endow the Governor-General with great powers and to provide him with an Assembly and Ministers, but without constitutional power to make him take their advice. As every member of the Cabinet had to make up his mind before March 17th (when the proposals were to be published) as to whether they could take responsibility for them, he had felt it only right to make his position clear. The belief of the Secretary of State for India that the scheme could be made to work was the strongest argument in his own case.
THE SECRETARY OF STATE FOR INDIA expressed gratitude to the Secretary of State for War for the help he had given on the Cabinet Committee, the more so as he had never concealed his doubts as to the wisdom of the policy. He himself did not claim to be confident or optimistic and shared many of the doubts of the Secretary of State for War, but every alternative policy appeared to lead to a situation of great danger in which everyone in India would be against us. For the last eighteen months we had been faced with much trouble in India and had taken more drastic action than ever before. Latterly, however, we had had considerable support and many doubters, especially among the Princes, had come down on our side. Any alternative plan which did not provide responsibility for anyone would put the Moslems against us, as they were determined to have provincial autonomy. He thought the basic principles in maintaining our position in India were to keep in with the Moslems. That was the case today more than at any time since the War. To say that provincial autonomy would not be granted would put the Moslems against us. So far as the Civil Servants concerned, he pointed out that the present position was far from satisfactory. They were in jeopardy even now. So far as the position of the Governor-General was concerned, he was content to leave it to what the President of the Board of Education had said. The Governor-General was to have whatever staff he needed for his work and the money for that staff was not to be voted. So far as the Services were concerned, even today three out of four officials were working under Indians. He could not tell whether recruiting would continue or not, but he was reassured by the fact that three of the most efficient officials in India had lately sent their sons into the Indian Civil
Service. So far as patronage was concerned, power was retained under this scheme with the Governor-General and the Governors to prevent serious victimisation. There was so much mutual suspicion between Moslems and Hindus that perhaps there would not be discrimination against white officials as many feared.
Referring to the police, he agreed that Sir Charles Teggart had been disquieted by the arrangements made. Sir Charles feared that if Indian Ministers had responsibility, the sources of information would dry up.

Sir Herbert Emerson and Sir John Anderson both thought the system by which the Governors could withhold papers would work. If a terrorist Government came into power, they would refuse to have it and take over the Government themselves. He admitted, however, that he shared many of the Secretary of State for War's anxieties.

The Lord President of the Council said he hoped the Secretary of State for War would realise that everything he said had some echo in the hearts of all the Cabinet. As a Conservative his fundamental creed was the preservation of the Empire and some curious things had been done in relation to the white parts of the Empire by such Imperialists as the late Lord Balfour and Mr. Amery. The present proposals for India might save India to the Empire, but if they were not introduced we should certainly lose it. The situation was full of dangers and difficulties, but these were greater if action were not taken.

The Secretary of State for Air shared generally the view of the Secretary of State for War. He made some enquiries as to the position of Aden on which the Secretary of State for India reassured him as explained above.

The Cabinet agreed:

To approve the issue of the White Paper attached to C.P. 49 (33) subject to amendments made by the Cabinet Committee and to those mentioned above and subject to any small drafting alterations which the Secretary of State for India might deem necessary.

(Note: In view of the absence of the Prime Minister and the importance of the subject, the Secretary was instructed to make a full summary of the discussion for purposes of record.)
2. The Lord President of the Council warned the Cabinet that he was expecting to receive a message from the Prime Minister on the subject of the Far East Arms Embargo, and it might be necessary for him to summon a Meeting of the Cabinet on the morning of Monday next, March 13th, with a view to withdrawing the embargo.

The Chancellor of the Exchequer reminded the Cabinet that at previous discussions on this subject they had been led to believe that our position was different from that of other countries. He had more than once been assured of this. The President of the Board of Trade had then informed him that the French Government had the same powers as the British but did not exercise them. He had wondered if this only meant that they could, if they wished, put on an embargo. The Foreign Office, however, had made enquiries through the Paris Embassy and had obtained full information, from which it appeared that the French Government were in exactly the same position as the British and that the export of arms had to be licensed.

The Cabinet took note that it might be necessary to hold an emergency Meeting on the morning of Monday, March 13, 1933.

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