The Indian Loan Bill

HOUSE OF COMMONS-29TH MARCH-5TH APRIL 1922

On 29th March 1922 the House (sitting in committee) devoted an hour to the Indian Loan Bill. The Under-Secy of State moved a resolution to authorise the Sec. of State to raise sums not exceeding £ 50 millions for the service of the Govt of India (for Railway development) on the securities of the revenues of India Lord Winterton explained that that was no new step A number of similar acts had been passed previously, the last being in 1919, the proceeds from which would not have sufficed until now except that the War delayed the carrying out of capital expenditure on railways and irrigation. measure was thus largely a matter of routine and was in no way conrected with the Indian budget Explaining that under the original Government of India Act money could only be raised in the United Kingdom to an extent authorised by the House of Commons, Lord Winterton declared that the previous, unexpended borrowing powers had fallen below seven millions. resolution increased the power to 50 although there was no question of borrowing the whole amount immediately. India's present financial difficulties were the result of world-wide causes in no way peculiar to India Both the Government of India and the India Office were fully alive to the importance of restoring the budget's equilibrium.

The hon Mr. Alexander Shaw said that before the money was voted the House ought to be informed whether a determined effort was being made to put Indian railways on an economic basis. He also suggested that the House was entitled to know what provisions the Government of India was making to deal with the financial position.

Lord Winterton in reply said the whole sum probably would not be raised for four or five years and would not necessarily be raised here. He deprecated Mr. Jack Jones' contention that the railways of India were mainly used for strategic purposes and he declared that Indian railways had been responsible for saving the lives of thousands of people through the devoted efforts of Indian and British civil servants Lord Winterton admitted that the purchase of materials in England was a very important question but he was unable to give a pledge in this connexion in view of the Indian Legislative Assembly's resolution. Lord Winterton added that with improved world trade he hoped that the existing taxation

would yield a greater amount than at present. He thus hoped that it would be unnecessary to impose further taxation as a result of the raising of these loans.

On the report stage of the Indian loan resolution in Commons, Mr. A. M. Samuel said he thought the money might be raised in a better way than proposed and suggested that Indian finances were now being handled in the most unsatisfactory manner.

Colonel Ward was anxious for the money to be spent in Britain and not Germany He was not a free trader to such an ideotic extent, he added, as to say that English investors should lend money to another part of the Empire for the purpose of destroying British trade and employment.

Earl Winterton replying dissipated the idea that the 50 million loan would be immediately put on the Market. On the contrary the Indian Government might not come to any immediate intention to use any part of the present renewal and its borowing powers might suffice for seven years. As regards the purchases of material the Indian Government was bound to give attention to the resolution passed by the Indian Legislative Assembly in September last regarding buying in the cheapest market. He would be a bold man who would say that the resolution could be absolutely ignored. There was no reason whatever to suppose that a very large portion of the material would not be purchased in Britain as heretofore.

The resolution was adopted by the House and the Bill embodying the terms was read for the first time.

On April 4th, on the motion for the second reading of the Indian Loan Bill, Earl Winterton took, pains to impress upon the members that there was a likelihood of the bulk of the money being spont in Britain as heretofore He quoted figures showing that the railway expenditure of India for 1921 22 comprised eleven million sterling under British contracts and only 157,000 sterling foreign. Earl Winterton categorically stated that the introduction of the Bill was in no way related to the Indian Government's budget deficit. It had been drafted weeks before the Budget discussion occurred. He emphasised the fact that fifty million sterling contemplated under the Bill was intended purely as capital expenditure and had no connection whatever with the Budget deficit and he pointed out that the amount only represented one half of the sum which the Indian Government would require in connection with the railway programme, and as hitherto a considerable amount of the balance would be raised in India. Earl Winterton quoted the Acworth Committee's Report as approved by the Legisla. tive Assembly in support of raising the loan.

Next day, in the Committee stage on the Indian Loan Bill, Lieutenant Wilfrid Sugden protested against the Government of India's having preferential treatment in the London Money Market on the ground that it would raise the price of money at the time when British industry particularly needed cheap money. He declared that some Indian firms made profits six times the amount of the share capital in the last two years. Indians themselves were well able to finance the loans more than they had promised to do. Indian railway freights should be raised and railways should be made to pay.

Earl Winterton emphasised the fact that the Government of India were not asking for preferential treatment. He pointed out that the Government of India were compelled by a long established rule, which might be abolished, to do what no other borrowing authority had to do, namely, to get permission before they could borrow in England. What Lieut. Sugden seemed to have in mind was the purchase of materials in Great Britain. It was a very difficult and delicate subject. He was anxious, on the one hand, to satisfy the legitimate public opinion, and, on the other hand, to consider the interests of the Government of India at one of the most critical times in its history, and what was even more important to consider the interest and very clearly expressed wishes of the people of India.

Earl Winterton went on to say that no body suggested that South Africa or other Dominion borrowers in England should be obliged to purchase material in England He emphasised the fact that to convey the impression that the members had put pressure on the Secretary of State for India to insist on the Government of India's purchasing all their requirements in England would be most harmful and would defeat the object of promoting the good Indo-British commercial feeling. It would play into the hands of the Extremists, who would say that we were making India a close preserve for the British trade, and it would stultify the efforts of those in India who were doing their utmost to support the general and trade position of Britishers here. The figures of Indian purchases in England did not indicate that British workmen were having much difficulty in competing with foreign rivals. He had not the slightest doubt that much of the money raised would be spent in England. If the House wished to bring about the purchases of an increasing amount of Indian railway material there, it would be far better to leave it to the ordinary operation of the contract system established by the Government of India, which had resulted in the purchases of an enormous proportion of British compared with foreign goods.

Among the strong criticisms made in the course of the debate, one came from Mr. G. Terrell who was shocked at the idea that the High Commissioner should be instructed to buy stores for India in the cheapest market. The view expressed by him and other members was that if the Government of India went for authority to Britain to raise a loan in England, it would only be fair to impose the condition that the money raised in that country should be spent there alone, and not in Germany or any other country where the collapsed exchange enabled foreign producers to undercut British prices. Colonel Ward was one of the foremost in urging that the consequences of this would be fo destroy. British trade in India and to enlarge the area of unemployment in Britain.

On the other hand Mesers Jack Jones and N. Maclean took the labour view of the matter and wanted to know for what purpose precisely the money was wanted. Is the money wanted to repeat in India what has already been done in Ireland? asked Mr. Jones. If these millions were really required, he believed that the people of India, given the opportunity, would be able to raise it for all essential railway facilities. In this connection he delivered the truth of which the House of Commons takes little note, namely, that the Government of India is not the government of the peoble of India. He bade the House remember that it was a government imposed upon the people without their consent, the majority having practically no voice in or control of what they were forced to main-He called attention to the great poverty of the Indian persant. who was taxed, he said, to a greater extent than any person in the world in comparison to his means. These were the people who, for the most part, would have to find the interest and make up the deficiency Why not give the people of India power to raise their own money? said Mr Jones. Lord Winterton interposed the remark that this was what the resolution before the House would do. Jones denied it. It would merely give the power to a comparatively small section to inflict further financial burdens upon India resterated the right of linds to control its own destinies and the right of its people to express themselves according to the principles of democracy.

Mr. A M. Samuel, Sir J. D. Roes, Sir T. Bennett and Mr. J. J. Lawson (a Labour Member) opposed the imposition of stipulations regarding the purchase of goods in England. Sir T. Bennett urged that care should be taken lest color should be given to the charge that England was exploiting India and lest they collided with the Legislative Assembly of India.

The Bill was finally passed by the House. On April 12th the Lords passed the Bill without discussion and then Royal assent was given to the East India Loans Act.

The Resignation of Mr. Montagu HOUSE OF COMMONS

9TH MARCH 1922.

Mr. Aubrey Herbert asked whether the Imperial or Indian Government had approved of the publication of the latter's despatch specifying modifications to the Treaty of Sevres.

Ms: Chamberlain (the Leader of the House) said that a telegram from Delhi was published by the Indian Government with the sentation of Mr. Montagu and that no other Minister had been consulted. He abstained from commenting on the matter of the telegram. though the terms exceeded even the demands of the warmest friends of the Turks. The publication of such a pronouncement, without the consultation or consent of the Cabinet, raised a different question. and this was all the more important because it was on the eve of the Conference in Paris when there seemed to be a prospect of laying that basis of peace between the Turks and the Greeks. Government was unable to reconcile the publication of the telegram on the sole responsibility of the Cabinet Minister with the duty which all Governments of the Empire owed each other on matters of Imperial concern. Mr. Chamberlain declared that such independent declarations destroyed the unity of policy which was vital in foreign affairs, and gravely imperilled the success of impending negotiations. Mr. Montagu had tendered his resignation. (Loud and prolonged Unionist cheers, followed by a wild exhibition of indecent hilarity, crice, cat-calls, etc by the Die hards) His Majesty had approved of its acceptance, but when the Foreign Secretary proceeded to Paris to discuss the Eastern settlement with the Foreign ministers of France and Italy, it would be his object to arrive at a solution equitable to all parties. He would give due weight to the opinion of Indian Muhammadans as expressed by the Government of India, but he would not be able to hold himself down to accept any solution submitted by that Government,

After Mr. Chamberlain had announced Mr. Montagu's resignation, Colonel Wedgwood asked whether Mr. Montagu had resigned before or after the publication of the document from the Government of India.

138 THE RESIGNATION OF MR, MENSAGU [II. OF COME Mr. Chamberlain said that Mr. Montage had tendered his resignation to-day.

The Govt of India Telegraphic Despatch

"After consulting and receiving the general concurrence of the Government of Madras, Bombay, the United Provinces, the Punjah, Bihar, and Orissa, the Central Provinces and Assam including their Ministers and the Frontier administrations, the Government of India despatched the following telegram regarding the revision of the Treaty of Serves to His Majesty's Secretary of State for India on the 28th February last —

"On the eve of the Greco-Turkish Conference we feel it our imperative duty to lay once more before His Majesty's Government the intensity of the feeling in India regarding the necessity for a revision of the Treaty of Serves. We are fully alive to the complexity of the problem and the conflict of the interests that have to be considered. But India's services in the Great War, and more especially in Mesopotamia and Palestine, where success was largely achieved by her army with its complement of Moslem soldiers, the vastness of her Moslem population, the intense stirring of religious feeling over the Turkish question among it, the large degree of support the Indian Moslem cause is receiving from India at large—all these entitle her to claim the utmost consideration of her aspirations and their fulfilment in so far as they are just, equitable and reasonable.

"We are conscious that it may be impossible to satisfy India's expectations in their entirety, but we urge upon His Majesty's Government three points which, due provisions having been made for safe-guarding the neutrality of the Straits and the security of the non Turkish populations, we urge as of the first importance, first, evacuation of Constantinople; second, the Sultan's suzerainty over the Holy Places, third, restoration of Ottoman Thrace including the sacred Moslem city of Adrianople and the unreserved restoration of Smyrna,

"We earnestly trust that His Majesty's Government will give these sepirations all possible weight, for their fulfilment is of the greatest importance to India."]

- Mr. T. P. O'Connor asked whether an early opportunity would be given for the discussion of the despatch and the policy of the Government in the Near East.
- Mr. Chamberlain said:—Of course, if it is the general wish of the House to discuss the policy of the Government, I must endeavour to find an opportunity, but I would earnestly press upon the House that the discussion of policy or action to be taken by British representatives at the Paris Conference, before that Conference takes place, cannot serve the public interest. Successful conduct of negotiatious is impossible if the Government are to be asked before entering the Conference to state exactly what is to be the outcome.
- Mr. Asquith said, "Is the House to understand that this very important document was published and communicated to the press on the sole authority of Mr. Montagu? Mr. Asquith went on to say: We have on paper to day a motion for discussion on the Middle East supplementary estimates, and I suggest that the opinion of the House on that matter may be very largely affected by this pronouncement and action of the Government upon it. It would affect vitally, if it were adopted in any sense by the Government, the whole future of that part of the world, and shall we not be rather embarrassed in the discussion if we don't know Government's attitude?
- Mr. Chamberlain said Mr. Asquith is correct in interpreting my answer which was explicit. The document was published by Mr. Montagu on his sole responsibility without consultation with any other Cabinet Minister. I don't think that if the House wished discussion on the Middle East and as Mr. Churchill is prepared to make a general statement that it would be prejudiced in any way by this very regrettable incident. I have stated the attitude of His Majesty's Government towards the Conference in Paris, and I deprecate pressing the Government for more explanatory statement of their policy in anticipation of the Conference. A good deal of mischief was done at the previous conference by debates in other places with the object of pledging Ministers to particular solutions before they met the representatives of other nations.
- Mr. Greeton asked whether, as the question regarding the Government of India was involved in the Supplementary Estimates, a day would be given for the discussion of the Indian side of that matter if it were generally desired.

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Mr. Chamberlain replied I cannot accept Mr. Greeton's promises. The Government of India is entitled, indeed, it is almost bound to put its views before His Majesty's Government, and it is quite entitled to ask that their views should be published. But the question of publication should have been reserved for the Cabinet's decision. The responsibility had been taken by Mr. Montagu who authorised publication.

Major General Seely pointed out the statement appeared in the press as a Reuter's telegram. How is it sent as a Reuter telegram, he asked, and yet Mr. Montagu is the only man to blame.

Mr. Chamberlain stated that the Government of India had asked that they might publish the telegram, and Mr. Montagu had authorised them to publish it in India. It had been published in India and telegraphed to this country.

Question of Publication in India

Replying to a question by Mr. Asquith, MR CHAMBERLAIN, said that the telegram was published in India before it reached Mr. Montagu, or it had been circulated. Presumably, it was published in India yesterday, but he did not actually know. He only assumed that, after seeing the telegram in the papers that morning, publication in India was authorised by Mr. Montagu and had led to his resignation.

- Mr. G. Murray asked what form the publication had taken. Was it a proclamation to the press?
 - Mr. Chamberlain replied that he did not know.
- Mr. Aukrey Herbert emphasised the fact that he did not wish to embarrass the Government or Mr Chamberlain in their views of a serious position, but he asked whether Mr. Chamberlain was aware that men, like Mr Herbert, knew that this disaster was coming for the last two years, but the Government had denied all knowledge, while others had known exactly what the Government was going to do (Here the speaker intervenes.)

Mr Herbert asked if a day would be given for discussion of the question next week. Mr. Chamberlain was unable to promise that He said that he gathered that Mr Herbert wanted to discuss the policy of British representatives in Paris which he had already deprecated.

The Montagu-Llyod George Correspondence.

The following correspondence passed between Mr. Montagu and Mr. Llyod George:

INDIA OFFICE, WHITEHALL. 9TH MARCH, 1922

Dear Prime Minister,—After our conversation this morning I feel it to be my duty to ask you to convey with my humble duty to his Majesty my resignation of the high office which I hold and to ask him to be graciously pleased to accept the same.

When I received last week the Government of India's telegram containing the views of the Government of India on the Turkish Peace, I circulated it to the Cabinet. It was only after I received an urgent telegram on Saturday, repeating the request for permission to publish and asking for an immediate reply, that I felt it my duty to accept the responsibility of sanctioning publication

It is irrelevant to explain that I did not at that time expect an early meeting of the Cabinet, and that, indeed, what I read of the general political situation led me to think that no immediate Cabinet was likely to be held.

It is irrelevant for those reasons, that I did not see in the communication from the Government of India much, if anything, which had not been said by them and on their behalf again and again ever since the Peace Conference. India had been given separate representation at the Peace Conference, and having been a party to the original Treaty of Sevres, I did not conceive it possible that there should be any question that they would not be allowed to state their views upon a question which so vitally affected the peace of India, nor did I think that it was possible or right to prevent them informing the people whom they governed of the views that they felt it their duty to put forward on their behalf.

The Government of India would be the first to acknowledge that it is the duty of His Majesty's Government to take many wider aspect into consideration, and that peace cannot be achieved if the Indian point of view only is considered. Their object was, however, to ensure that the Indian point of view, among others, was given the fullest possible consideration, and that Indians who were so

142 THE RESIGNATION OF MR. MONTAGU [H. OF COMS. gravely concerned about the future in the East, should know that their views were being put forward by those who had been granted the right to speak on their behalf.

I have been fully seized of the grave difficulties which have resulted from the Treaty of Sevres in India, and I felt it to be my duty to do everything in my power to support the Government of India and the Provincial Governments When, therefore, I was assured that the Government of India regarded the matter as one of great urgency and when I considered their request in this, as in all its aspects, with the recollection of the many decisions of every class of subject which the Government has found it inevitable to take without discussion in the Cabinet, I felt and feel that I was justified in the action that I took.

I believe that there is much to be gained and little to lose by publicity in these matter, and that that was the reason why the representatives of India had been given up till now the fullest freedom in expressing their opinions.

I need hardly say how deeply I regret leaving the Government and separating from the many colleagues to whose generous co-operation I owe so much. I have not the least doubt that, despite the difficulties and the dangers, the policy which, under your leadership, I was authorised to carry out in India will win through to success.

Yours sincerely Edwin Montagu.

P.S.—I trust you will send this letter to the Press with a copy of my telegram of Monday which I sent in amplification of the short sanctioning telegram of Saturday. I annex a copy.

The Prime Minister's Reply.

10 DOWNING STREET, WHITEHALL, S. W. I.

My dear Montagu,

I have received your letter. I can only say that I much regret the circumstances which have made it necessary for you to tender, and for me to advice His Majesty to accept, your resignation.

That you were actuated in the course you pursued solely by a sense of public duty I do not for a moment doubt; nevertheless, the fact remains that, without being urged by any pressing necessity

and without consulting either the Cabinet, or the Foreign Secretary or myself, or any one of my colleagues, you caused to be published a telegram from the Vicercy raising the questions whose importance extends far beyond the frontiers of India or the responsibilities of your office. Such action is totally incompatible with the collective responsibility of the Cabinet to the Sovereign and to Parliament, and I cannot doubt that on reflection you will share my view that, after what has occurred, we cannot usefully co-operate in the same Cabinet.

I must add, as you raise the point in your letter, that the right of the Government of India to state its views on the Eastern question is not and has never been in dispute. So far from resenting the expression of Muhammedan opinion the British Government has afforded the Indian Muhammedans every possible opportunity of urging their views. Not only was India fully represented in the British Empire Delegation at the Peace Conference, but a special delegation of Indian Muhammedans was then enabled, at our request, to lay their views before the Council of Four.

Neither at that time, nor at any time since, has the Government of India or Indian Muhammedan opinion in general been denied the fullest opportunity of stating their case for the consideration of the Cabinet.

The publication, with your sanction, of an official manifesto by the Government of India raises quite different considerations. If the Governments of the Empire were all to claim the liberty of publishing individual declarations on matters which vitally affect the relations of the whole Empire with Foreign Powers, the unity of our foreign policy would be broken at once, and the very existence of the Empire jeopardised. The constitutional impropriety of the precedent which your action, if unrepudiated, would have set in this respect must surely be apparent to you as a matter quite unconnected with the right of the Government of India to urge its views on any particular question, or the particular merits of the Government's case.

The moment chosen for your action is moreover indenfensible from the standpoint, which must govern our action, of broad imperial interest. A conference on the Near East is about to take place. The questions that will be there discussed are of the utmost delicacy. The weight of responsibility which the Foreign Secretary will have to carry will, in any case, be most serious, and your action has added considerably to the difficulties of a task which was already difficult enough.

The public consequences of this course of action must inevitably be serious. Its effect upon our colleagues is, I need not say, painful in the extreme, but I am confident that everybody and not least you yourself, will feel that however painful, circumstances have made your resignation inevitable.

Ever sincerely, D. Lloyd George

P.S.—I should add that the publication of the telegram from yourself to the Viceroy, which you suggest, would obviously aggravate the bad effects of the manifesto already published and the Government therefore cannot consent to such a course.

Mr. Montagu's Cambridge Speech

11TH MARCH 1922

Mr. Montagu, M P addressing a meeting of his constituents at the Cambridge Liberal Club on Saturday, the 11th March, afternoon, defended his action in publishing the telegram from the Government of India which led to his resignation of the office of Secretary of State for India. This speech was the subject of an exciting controversy both in Parliament and outside. A large number of Indian students were among the audience. Mr Montagu said.

The orthodox beginning of my speech to you should be "Ladies and Gentlemen," but I like to begin by saying that I address you as my friends, men and women, who have stood by me and by whose confidence I have done the work I have done ever since 1906 I have come here to day for the first time for many years as a free man to ask you what you think about it all, and to tell you what I think about it all. I believe, as I have only so recently told you. that the highest interests of the State demand that we Liberals should work on a common platform, and should invite the co-operation of all the forces in the State who are willing to work together consistently for the common good by sinking or postponing matters of difference, and work together to rescue this country and this Empire from the difficulties which now confront us. But I am going to devote myself to day to the matter which is uppermost in your mind, and I am going to explain to you, dispassionately, and I hope calmly, the circumstances which have led to my resignation as a member of His Majesty's Government. And I want to say one word to the members of the Cambridgeshire Liberal Association who adopted me as their candidate at the last election. I want you, if you will, to consider what I am about to say, and I want to assure you that if as a result of what I am going to say, you wish it, my resignation is in your hands. (Cries of "No.")

Co-Operation with two Viceroys

Do not come to a conclusion until I have told you about it. Now, what is the fact? I have resigned the Secretaryship of State for India and delivered the Seals of that high office to His Majesty the King, whose devotion to the interests of his Indian subjects has been the inspiration of my work for the last four years and a half. (Cheers.) Why have I done that? Well, first let me say—because I have summoned you here as being entitled to know what is in my mind—I cannot tell you the regret with which I have left

that office, the colleagues in it who have worked with me and the colleagues in India who have worked with me. I cast my mind back to my relations of intimate co-operation with the two Viceroys—Lord Chelmsford and Lord Reading. I have had a lifelong and paramount interest in the well-being of the "Indian Empire" and belief in the Indian people. I am convinced that the policy I have been authorised to adopt is not only the right policy, but the only policy for the development of India, and I have a conviction to day that it will succeed, and that it must succeed, and I deplore that I can no longer be officially associated with it.

Now I come to the reasons. The official reason, which is published in the newspapers as the direct cause of my resignation. is that I have been guilty of publishing to the world a telegram from the Government of India without consultation with my colleagues, and that, therefore, I have outraged that glorious principle of British Government which has been treasured by successive Governments, and never more than by this Government. the doctrine of collective Cabinet responsibility I cannot below smiling. (Laughter and cheers.) First of all, I do not think I have outraged it What did I do? I received a telegram from the Government of India expressing their views on a very important subject, and in it there was a request to be allowed to publish their Immediately, as soon as I could get the necessary copies on Friday week last, I circulated that telegram to the members of His Majesty's Government. They had it in their possession on Friday evening. I never thought, and I do not think still, for reasons which I will explain to you later, that the question of its publication, so far as I was concerned, was a matter for discussion in the Cabinet. Each man who holds his high office is entitled to the discharge at his own risk of this responsibility to decide what he shall bring before his colleagues, and what he shall not. I do not think, for reasons I will explain, that it was a matter for consultation with the Cabinet. There may have been colleagues who differed from me.

A Cabinet Meeting

But what happened? On Monday last there was unexpectedly a meeting of the Cabinet. It is true that, through a most regretable illness, the Prime Minister was not present, but there was a meeting of the Cabinet. Every member in that meeting ought to have had the telegram from the Government of India asking for the publication of that telegram in his pocket over the week-end No member of the Cabinet seemed to wish to discuss the question and the only member of the Cabinet who referred to it to me that day

was that member who is most directly interested, Lord Curzon, the Secretary of State for Foreign Affairs, during the sitting of the Cabinet—though in private conversation I told Lord Curzon I had on Saturday authorized the publication of that telegram. If he had wanted to, he could have resumed his seat in the Cabinet, which was still in session. He could have urged his colleagues to object to publication. I should have had something to say on the other side and if the decision had gone against me. It is an irony to reflect that there was ample time to send a telegram reversing my orders and stopping the publication of the telegram.

But what did Lord Curzon do? He maintained silence in the Cabinet, and contented himself that evening with writing to me one of those plaintive, hectoring, bullying, complaining letters which are so familiar to his colleagues and to his friends which ended with the request, what?—not to discuss the matter in the Cabinet, but, in future, not takelow publication of such documents without consultation with him. That was all I say, therefore, that the Cabinet had ample opportunity to control the matter if they had wished. I did not raise it at the Cabinet, because I did not think there was any necessity to consult them, and I do not think so now.

After all, ladies and gentlemen, let us face this fact. Read that telegram from the Government of India. There is nothing in it which has not been expressed over and over again on their behalf by their spokesmen, by me, by His Highness the Aga Khan, and even really by implication by the Prime Minister himself when he was defending in the House of Commons the retention of Constantinople by the Turks [He read then to the House the Prime Minister's Speech made in January, 1918, that Thrace, Constantinople, and Asia Minor should be left to the Turks, and he prescribed it as a pledge to the Indian Muhammadans, and, therefore, the latter had put forward on behalf of India really everything that the Government of India put forward now.]

The "Wizard's " Cupboard

But, however that may be, an accusation of a breach of the dectrine of Cabinet responsibility from the Prime Minister, of all men in the world, is a laughable accusation. It is grotesque. What are the circumstances? The head of our Government, at the present moment, is a Prime Minister of great, if eccentric, genius, whose contributions to the well-being of his country, and of the world have been so well advertised as to require no stress from me, whose achievements are so well known, but who ha demanded the price which "t is within the power of every genius to demand—and

that price has been the total, complete, absolute disappearance of the doctrine of Cabinet responsibility ever since he formed his Government. (Cheers) The wizard, as he is, from the cupboard in which he has locked this doctrine, brings it out conveniently and makes me the victim of this new creed. I am sure that if the country will welcome this manifestation that the Prime Minister is going to return to the doctrine of Cabinet responsibility. I have not been sacrificed in vain.

Let me give you a few examples. I have sat on the same bench with the Prime Minister and heard him criticise across the floor of the House actions taken by Mr Asquith's Government, complaining bitterly of things said and things done by Mr Asquith's Government—a Government of which he was a member, whose actions he was responsible for under the doctrine of Cabinet responsibility. It was only the other day that Lord Birkenhead—to whom I wish to pause to pay a tribute, I cannot over-emphasise my admiration for his brilliant ability or my gratitude for loyal friendship during all the years I have been privileged to be his colleague—only the other day Lord Birkenhead in a public speech attacked, and attacked bitterly, the foreign policy of Lord Grey of Fallodon. The Prime Minister and Mr. Churchill, on the doctrine of Cabinet responsibility, were being attacked by Lord Birkenhead when he attacked Lord Grey

I come to other matters Have you ever heard of the Milner Report about the future Government of Egypt ?- a report on the merits of which I am saying nothing, a report which dealt with the vital question whether Egypt was or was not to remain part of the British Empire—published without the authority of the Cabinet? Was Lord Milner asked to resign? He remained in the Government for months afterwards, and by his remaining there prejudiced and. I think, decided the fact that the Cabinet became responsible, for the principle, at any rate, of the report which he had presented Have you heard of the Amery Memorandum on the Geddes Committee Report? Where was the doctune of Cabinet responsibility there? The memorandum had never been seen by the Cabinet, and I notice with interest that Colonel Amery-for whom I have the highest regard—is one of the men mentioned in the newspapers as my own successor The other night my friend and colleague, the Secretary of State for the Colonies, Mr. Winston Churchill, attended a dinner of the Kenya Club and made a pronouncement which had a most terrible effect in India, on the future of that Colony, and on the Indians in that Colony, without any reference to the Cabinet, who had never discussed the matter at all. Where was the doctrine of Cabinet responsibility?

Cabinst Responsibility a Pretext

I need not go into this matter any further. I would ask those who have been my colleagues in this Government to search their hearts and realise the numerous occasions upon which they prayed for the doctrine of Cabinet responsibility—the vital decisions of peace, the vital decisions connected with Ireland. Why, it is a commonplace of the political history of Europe-the confusion between No. 10. Downing Street and the Foreign Office about foreign affairs. Cabinet responsibility! Why, ladies and gentlemen, the thing is a joke. It is a pretext. We have been governed by a great genius-a dictator, who has called together from time to time conferences of Ministers, men who had access to him day and night, leaving out those who, like myself, found it sometimes impossible to get to him for days together. He has come to epoch-making decisions, and over and over again it is notorious that members of the Cabinet had no knowledge of such decisions, and if such knowledge came to them, it came at a time when they could make no effective use of their knowledge.

I came across the other day a description of a King of this country which I few is applicable to the Prime Minister, genius though he is "I fear," said Sir Gilbert Elliot "there is in this Prince the feature of his father, that he loves closets within Cabinets and cupboards within closets, that he will have secret advisers besides his ostensible ones and still more invisible ones behind his secret advisers—that he will be grateful to none of them and a most uncomfortable master to those Ministers who would really serve him" That is the price which we have paid for the great services of the great genius who presides over the State.

No. Cabinet responsibility is not the cause. What then is the cause? The fact that, with or without consulting my colleagues, I consented to the publication of this telegram? Well, I did. Why should it not be published? The Government of India were parties to the Treaty of Sevres It was signed on their behalf. Had it produced peace the Government of India would have loyally accepted it, but when it showed -as I knew it always would show that it could not produce peace, they pleaded for its revision, and as a party to the first Treaty they had every right to express their views-having been given separate representation on the Peace Conference—as to what they thought best in the interests of the country and, on behalf of those for whom they spoke, ought to be the guiding factors in the new peace. In international affairs, India, as a reward for its services in the war, was given Dominion status. Would the Government of Canada, would the Government of South Africa, would the Government of Australia have sat silent

when peace—so-called peace—was destroying the internal peace of a country they were governing? It seems to me that they had every right to express their views.

Middle East Policy

Let me round you that the foreign policy pursued by His Majesty's Government in the Middle East has caused the gravest position in India. Over and over and over again the Government of India has made representations on the subject, mainly based on the fact that the Prime Minister's pledge to the people of India had been broken by the Treaty of Sevres. I say I am no believer in the doctrine of secret diplomacy. (Cheers.) I think it is better that the world should know what is going on (Cheers) I think that the Muslims in India were entitled to know of the efforts being made on their behalf by their Government. I think the British public were entitled to know what the Government of India thought of this important question. But I did not agree to the publication of the first telegram. I was considering the matter. It was only when I received, on the Saturday, another telegram urging an immediate answer in the interests of India that I said to myself. "Here is the Viceroy coping with a difficult situation. After all, he is no child in public affairs. Lord Reading, a member once of a British Cabinet, His Majesty's Ambassador once in Washington, a man who has had in his own keeping the vital interests, not merely of millions of the British taxpayers' money but the vital interests of the good relations between ourselves and the United States of America, a man who has successfully, to the admiration of the whole world, discharged these functions, a man with a full knowledge of what he was doing, asks me not once but twice, to assent to the publication of his views." I know the difficulties in India, and I say it was my duty to support the Viceroy. (Cheers.)

Now it is said that the publication of this telegram has committed the Home Government in the conference which is about to take place. Why publish it on the eve of a conference? Well, even the harshest of my cutics will agree that it would be no use publishing it after the conference (Laughter.) But I wonder why it is that His Majesty's Government have refused to publish the telegram in which I gave sanction to the publication of this document. If they had, it would have been de... 'rated to the world that I recognised that His Majesty's Government had got to take wider facts into consideration than the interests of I that these views could only be put forward for consideration, although I venture to think, when you reflect that Turkey was beaten in the main by Indian soldiers, that India is entitled to a

predominant voice in the consideration of such questions. (Cheers.) It would also have been seen that I told the Government of India that one of their terms—the religious suzerainty of the Caliph over the Holy Places—was not a matter in which, in my opinion, the Allies could interfere, but was a religious matter between the King of the Hedjaz and the King of Mesopotamia and the Sultan at Constantinople, and that the Prime Minister had agreed and had assured the Indian Muhammadans that there would be nothing in the Treaty to prevent such an agreement.

Lord Curzon's Foreign Policy.

It is in the power of the Government to keep secret such an official document, but I cannot understand why it was not published. I am sorry if the needs of India have embarrassed the foreign policy How little he knows the disastrous effects that of Lord Curzon. have been produced in India by the foreign policy—the missed opportunities, the bungled undertakings I have tried my best. I have hoped and hoped for an amelioration in the position. I have waited patiently, feeling that, in the long run, things would come right, and that the inherent justice of India's cause would be I have been on the verge of resignation on this quesrecognised tion again and again and hesitated because I did not wish to say to the Muhammadans of India that solemn pledges made to them were irretrievably lost. I say to them now-after this has been done -do not think for one moment that the anger of the British Government with me means that there will be any disregard of There is still hope, and I beg of them to exercise their views patience. (Cheers)

No, the publication was not the real reason for my resignation. What is the reason? Well, I have been pleading, arguing, cajoling, urging against the Prime Minister's policy in the East ever since the Peace Conference. I have never been able to understand from what motive his pro-Greek policy was dictated. Pro Greek it is called. I do not believe that it is in the interests of the Greeks. I do not know in whose interests it is. I am certain it is calamitous to the British Empire. Well, I suppose one day we shall understand the motive (a Voice. "Never"), but I want to seek the real cause for the fact that I stand before you to day a free man, asking for your continued support

I seek an explanation in the political situation of the day. You know what has been going on. (A Voice "Intrigue.") You know how dangerously near collapse the Government was. I am a believer in Coalition as I have defined it. I owe much, too much, to Progressive Conservatives and loyal Conservatives in this cons-

tituency and all over England to wish to part with their co-operation; but as I said at the beginning of my speech that co-operation must be consistent. Believe me, you make the principle of Coalition ridiculous if you try to apply it by standing first on one leg and then on the other; by making up for and paying the price of every Liberal measure by doing something for the Conservatives the next day. (Cries of "It is a Tory Government") At the present moment the Liberal members of His Majesty's Government are long suffering and they are patient. They see their colleagues disappearing one by one. But the Conservative wing of the Coalition has had a lot to swallow in the Irish policy—the greatest thing this Government has done and the thing that will redound longest to the credit of our Prime Minister.

It has been a very serious step for some Conservatives to take. I am not referring to them; I am referring to that wing of the Conservative Party which is known as the "Die hard" Party. I want, if I may, to appeal to that wing of the Conservative Party. and the appeal, I hope, will be effective. I should like to make an appeal to that part of the Conservative Party on behalf of that great genius, the Prime Minister The other day, at the luncheon in the City to Sir Arthur Balfour, another great Conservative who has contributed to this Government one of its epoch making successes. Lord Birkenhead assured us he would never wish to part with the "Die-hard" section of the Unionist Party. Well, that is the section which is most restive. That is the section which has been worried most by the Irish settlement That is the section which does not like me. (Laughter) The Prime Minister gave them an appetiser of what was coming when, on the occasion of the last Indian debate in the House of Commons, getting up to defend me. a member of his Government, the exponent of a policy which, on the doctrine of collective responsibility, he was responsible for, he paid compliments to the men who had attacked me, but said not one word in defence of me (A voice .- "It is like him, a backhander !) They must have been familiar, recently, with concealing expressions of opinion given by him privately to members of their Party at the dinner table even in the precincts of the House of Commons. There he stands—the greatest strategist in the history of the world-ecenting the air, waiting for the pursuit, and throwing to the wolves the most convenient cargo. (Laughter and cheers.)

An Appeal to the " Die-Hards."

I want to make this appeal to the Die-hard Party on behalf

less charges and accusations. They have shown, as I think, in Indian affairs, as in all other matters, a complete lack of political sagacity and political vision which is characteristic of them. They represent the desperate demand of foolish but honest people to grystallize against the march of time every anachronism in the world. They have unwittingly instigated riot and revolution by their lack of sympathy with humanity and progress. They have advocated interference with the Government of India from White-They have been supported by Lieutenant-Governors who have left India, by other disgruntled persons connected with India. by luxurious ex-Governors of inconspicuous and inglorious careers. They have fomented unrest in the Indian Service by baseless rumours and lack of support. They have invented speeches by me belittling the Indian Service, they have snatched partial quotations from my writings, and obviously and grotesquely distorted their meaning. They have asserted that the Government of India was prevented from maintaining order from Home. My successor in the India Office will find ample evidence of the support given by me and my Council with whom I have worked for the common purpose to give support, help, and suggestions in the maintenance of law and order in India-support, help, and suggestions made to the Service in India. He will find nothing to the contrary sense.

I believe that this Die-hard Party, honest and sincere as they are, is the most dangerous element in the political life of this country. I believe they represent the smallest part of the people of this country, but I appeal to them still. All their efforts as regards myself, all their follies, all the strenuous efforts they have made to get me removed, have resulted in a series of the most ignominious defeats in the lobbies of the House of Commons, but now this is why I make the appeal. The great genius who presides over our destinies has done for them what they could not do for themselves, and has presented them, to appease them and get the support for which Lord Birkenhead pleaded, with what they have so long desired, my head upon a charger. I ask the Die-hard Party in this country to give to the Prime Minister that earnest support which for the moment he has so well deserved from their hands.

I think I have shown you that the doctrine of collective responsibility will not do; I think I have shown you that the publication of the Government of India's despatch was justified. I think I have shown you another and more obvious explanation.

The Highest Destiny of India

I want to say through you one word, and one word only, to those whom my words may influence in India. I would say to them that whatever a particular Goyt, may do, the British people, I am

convinced, are sympathetic above everything with the people of India, and at the hands of the British people India will win to its appointed destiny, to the only destiny I think it is possible to contemplate if India is to succeed at all—freedom within the British Empire. There is no obstacle, in my opinion, if the appeal is made to the British people—there is no obstacle to the achievement of the goal which has been promised them except disloyalty and Non-co operation. I beg of the Indians to remember that race hatred will only delay the day, and their only chance—and a good chance—is in the confidence that will be begotten between the great people of this country and the great people of India by common action and common co-operation.

To the British people I would say. "Do not, above all things, allow your Government in your name to vacillate in their Indian policy". I do not believe it is in danger. Even the Die-hards admit that promises must be kept. They will be satisfied with my disappearance. It was their day on Thursday, and everything was done to make it a success. Mr. Chamberlain, in announcing the decision, did it in such a way as to avoid any expression of regret in order that the House might enjoy the uninterrupted vociferations of the Die-hard Party without any counter cheers or dangers of that kind to spoil the day. But the policy I believe to be safe. Rouse yourselves before it is too late to avoid what I believe will mean the destruction of the British Empire.

Britishers to keep their Pledge '

You can adopt an education policy and advertise it to the world and then cry "Hold." * You can urge a Minister to build houses and then throw him over because he has built them. * But you cannot build up an Indian policy one day and vacillate with it the next. The British people have a right to demand, and will demand, loyalty and the preservation of order. If they get these, I implore them not to be dismayed by temporary difficulties, but to pursue the path to which we have been pledged and to let no Government betray us into breaking these pledges. The only way to concentrate the attention of the people in India on Indian affairs is to give them the right and chance to earn the control of affairs in their own hands

The cultural Conquest of India.

Above all, remember the great work which has been done by our countrymen in India Remember that, perhaps, one of the greatest achievements is the dissemination through that country of

^{*} Reference is to Mr Fisher, Education Minister & Dr Addison, Minister of Public Works, both of whom were at first pitchforked by the Prime Minister and then sacrificed. The Prime Minister's career has been marked by big promises to secure votes and little performances. He has broken pl dge after pledge but never ceased from indulging in high talk.

British ideals and the worship of British institutions. Our text books are in the schools, our books are read in the universities; the teachers are English. It has been slow progress for lack of funds, but it has been Western education which for the last 150 years we have been spreading in India. Do not turn round to the Indians now and say, "We have lost faith in our democratic institutions. All our teachings was a mistake and we are now going to deprive you of what we have taught you to work for and what will be the fulfilment and logical goal of all British endeavour in India."

That is all I have to say. I do not believe that my disappearance means any alteration in Indian policy. I do believe that it has nothing to do with the doctrine of collective responsibility. I do believe that it was in the main an effort to preserve this Government from the fate which must attend it if one of its wings crumbles. Whether those methods will be successful, it is not for me to say. Whether this Government will adjust its own initial differences is not for me to say; whether it will be easy to create a national party without leaving out a single Die-hard and with as few Liberal Ministers in it as possible, it is not for me to say, but that does not mean for one moment that an honest co operation between Liberals and Conservatives is not one of the things we ought to strive for in the difficult times in which we live.

I have spoken to you with all the sincerity that I can command I have told you all that is in my mind. I am a free man. Having made this explanation to you, I propose to do what no man in office can ever do—get a holiday, and I propose after that to take my sear in the House as a Liberal believing in honest co-operation with the part of the Conservative party which has demonstrated its willingueste co operate. I shall support this Government or any other Government when I think it right. But I want you to take counsel with yourselves; I want you to consider this matter among yourselves. I appeal to you last as a supporter and a member of this Government My views have not changed. I have pursued consistent policy that a pursued that consistent policy patiently, and with only, in latter days, a partial support from those who were equally responsible with me for that policy.

My share in public affairs has only been possible by the support which I have had for so many years from my constituents in Cam bridgeshire from all parties. My seat in the House of Commons is at the disposal of Cambridgeshire, and must ask for an expression, as I can hope and pray, of your confidence and for your opinion in order that I may be entitled to contribute in the future, as I have striven to contribute in the past, my small share to the well-being of our country and of our Empire, (Loud cheers.)

HOUSE OF COMMONS

13TH MARCH 1922

Mr Chamberlain, asked by Sir J. D Rees whother, in view of the unfortunate effect upon Muhammadans in India of the resignation of the Secretary of State following immediately upon publication of the Government of India's pronouncement. some signal and decisive repudiation of any want of sympathy with the Indian Moslems on the part of his Majesty's Government could be devised and might be expected, said:-!f my friend will look at the letter by which the Prime Minister accepted the resignation of the late Secretary of State for India, he will see that the resignation had nothing to do with the merits of the policy advocated by the Government of India, but only with the publication, on the sole responsibility of Mr. Montagu, without consultation with the Prime Minister, the Foreign Secretary, or the Cabinet, of a telegram raising a question whose importance, to use the Prime Minister's words "extended far beyond the frontiers of India, or the responsibilities of the Office of Secretary for india." As recalled by the Prime Minister in the same letter, the views of the Government of India and of Indian Muhammadans have been laid fully before his Majesty's Government and the Peace Conference and have received the most careful and sympathetic consideration of His Majosty's Government. Our object has been, and 18. to secure a just and honorable peace between the belligerents.

Colonel Wedgwood — (Newcastle under-Lyme, Lab.) later asked the Leader of the House whether he had anything to say as to the charges made by the right hon, gentleman, the member for Cambridge (Mr. Montagu).

Mr Chamberlain.—Notice of this question was sent to my room at the House and only reached me a short while ago May I take this opportunity of appealing to the House to send private notice questions to Downing-street? If they will do so, it will put me in a better position to deal with them. The speech which my right hon friend, the late Secretary of State, made at Cambridge on Saturday night covered such wide ground that I can hardly deal with it fully, if it were desirable that I should deal with it at all, in answer to a question. But there is some information which, I think, I ought to give the House at once May I first of all deal with a minor matter which concerns myself? In the course of his speech, my right hon friend said —"Mr Chamberlain, in announcing the decision, did it in such a way as to avoid any expression of regret in order that the House might enjoy the uninterrupted

vociferation of the Die-hard Party without any counter-cheers or dangers of that kind to spoil the day." (Cheers.) Nobody would gather from that statement of my right hon, friend that before making the answer, I had submitted the terms in which I had drawn the answer to my right hon. friend and he had made no objection to them. (Cheers) The hon, and gallant gentleman (Colonel Wedgwood) apparently thinks that is an observation of no importance. He was in the House, and other hon, members were in the House, and they will judge whether I sought-indeed, those who know me will know that if by any words of mine I could have avoided it I would have avoided such a demonstration as that. (Cheers.) I pass from that which is, after all, a very small matter, but one which I cannot have wholly unnoticed-I pass from that to what is a graver matter, the statements made with regard to my noble friend, the Secretary of State for Foreign Affairs. My noble friend is laid up in bed in the country, but he has telephoned that he shall, under any circumstances, come up to London to-morrow in order to be in his place at the first sitting of the House of Lords to make a statement in regard to what has been said respecting himself. (Cheers) I will at once, however, tell the House what I know about the sequence of events I have ascertained that the first telegram from the Government of India—the one which was subsequently published—was received in the India Office on Wednesday March 1st, at 8 A M The instructions of my right hon, friend, the Secretary of State, to circulate it appear to have been given on March 3rd (Filday) two days later. At any rate, the Paper circulated to the Cabinet, which has a heading "Circulated," this paper and that minute are dated March 3, two days after the receipt of the telegram in the India Office The actual circulation took place at 2-30 P.M., on Saturday—that is to say, the papers were placed in the Cabinet boxes that were sent out from the Cabinet Secretariate at 2-30 PM, on Saturday, the 4th.

On the same day a second telegram was received from the Government of India by the India Office asking permission for the immediate publication of their first telegram. My right hon, friend, the late Secretary of State for India, was, I believe, in the country when that telegram was received, and it was forwarded to him there. He authorised and directed the India Office to send a telegram in his name authorising the publication on that same day (Saturday). That was a private telegram in consequence of his absence in the country. He stated he would telegraph officially and fully on Monday. There was a Cabinet meeting on Monday, and before the business began my noble friend, the Secretary of State for Foreign affairs, called my attention to the

telegram from the Government of India and represented that it would be contrary to the public interest to have it published. I said I entirely agreed with him that such a telegram could not possibly be published at the present time. In the course of the Cabinet or at the close of the Cabinet, I am not quite certain, he spoke to the late Secretary of State for India, and he at once said, "I have already authorised it , I authorised it on Saturday." The late Secretary of State for India gave no hint to my noble friend that there was still time to stop publication of the telegram. Had he done so, of course, my noble friend would have consulted me, and we should, if necessary, have consulted the cabinet or acted on our own responsibility, and at once have sent a telegram stopping publication. I imagine the late Secretary of State for India did not suggest that there was still time to stop publication because he The Indian Government had asked himself did not believe it leave to publish immediately He had given that authorisation on Saturday, and it was only afterwards, for reasons into which I do not go, that the Government of India delayed publication. I have only one further thing to say. My right hon, friend, the late Secretary of State for India, in his speech at Cambridge took the very unusual course of referring to a private letter sent to him by Lord Curzon—such a private letter as Ministers often send to one another. My noble friend wrote the letter as one Cabinet Minister to an ther, and did not even keep a copy of it himself. I think it is regrettable that the right hon gentleman, the member for Cambridge, should have referred to a private communication of that kind. (Cheers.)

COLONEL WEDGWOOD —Is it not a fact that the noble lord the Foreign Secretary in writing to the ex Secretary of State for India did not protest against the lack of Cabinet solidarity in publication, but asked that in future any such despatch should not be published without Cabinet authority, and would the right hon, gentleman therefore get permission from the noble lord to have that letter published so that we can see exactly what attitude was taken towards this shocking breach of tradition before it was found advisable to get rid of the Secretary of State for India.

Mr. CHAMBERLAIN.—The hon, and gallant member is entitled to ask a question, but he is not entitled to make insinuations of that kind when using the forms of the House professedly to seek information. (Cheers) (Colonel Wedgwood — What was the insinuation?) The hon, and gallant gentleman insinuates that the reasons publicly given for the resignation of the late Secretary of State for India were a mere pretext. The sugges-

tion is absolutely unfounded. (Cheers.) I have told the House already that not only have I not seen the letter written by my noble friend to the Secretary of State but that it was such a private letter from colleague to colleague that he himself did not keep a copy of it. I cannot say anything as to the publication of the letter. My noble friend will no doubt deal with it in the House of Lords tomorrow. But I do say there is indeed an end to Cabinet responsibility if one Cabinet Minister* is to allude publicly to a private letter received from another Cabinet Minister and is by so doing to force publication.

CAPTAIN WEDGWOOD BENN (Leith- I.)—May I ask whether the Government have any objection to the full publication of this letter? Does the latter request the late Secretary of State not to bring these matters before the Cabinet, but to consult the Foreign Secretary on the matters? (This was the crux of the whole matter in question)

Mr. CHAMBERLAIN.—I have said I have not seen the letter. I have no doubt my noble friend will say whatever he thinks necessary on the subject in the House of Lords to morrow.

COLONEL WEDGWOOD—The right hon, gentleman suggested that I made an insinuation. May I ask how he reconciles the action taken towards the late Secretary of State for India and the action taken in exactly similar circumstances towards the speech of the Secretary of State for the Colonies (Mr. Churchill on Kenya Indians see before) in connection with a similar subject?

Mr. CHAMBERLAIN —The hon. and gallant gentleman having made an unfounded allegation now tries to cover his action by an argument. I state that his allegation is unfounded. (Cheers.)

THE SPEAKER —I have received a notice from the hon. member for the Scotland Division of Liverpool (Mr. T. P. O'Connor) that he wishes to ask leave to move the adjournment of the House. I do not know whether what had occurred just now may alter his view, but I think I ought to point out that his motion ought not to raise questions of Government policy, and only this immediate matter of incorrect attitude between individual Ministers.

MR. T. P. O'CONNOR —The Leader of the House has made an appeal to me not to put this motion in a letter which was sent to me only this morning, and I am very much impressed by his suggestion, especially at a critical moment like this for my right hon. friend.

^{*} This is clearly a prevarication, Mr. Montagu made the statement after his resignation.

I feel that I ought to ask the opinion of the House upon my motion if it be in order, as I understand it is, because I think it is necessary we should have a frank discussion on an incident so remarkable; and, secondly, to put ourselves right with peoples of India and of Eastern Europe and for that reason I hope my right hon. friend will make no opposition.

MR. CHAMBERLAIN.—May I say that my appeal to the hon. gentleman not to make his motion was based on two grounds? One was that we are pressed for time in our financial business. The other and the more important ground was that I thought it contrary to the public interest that we should have a discussion upon policy to be followed in the Near East in anticipation of the Paris Conference. That I understand, would not be in any way in order, and accordingly that falls to the ground. I shall not raise any objection if the hon, member wishes to discuss this matter. I confess I should have expected my right hon, friend the member for Cambridge to be in his place after the speech he made at Cambridge.

MR. T. P. O'CONNOR.—May I say that I sont my right hon. friend (Mr. Montagu) a letter saying that I was going to make this motion?

Mr. CHAMBERLAIN.—It is desirable, when we do discuss his speech, that he should be in the House.

THE SPEAKER—I must again point out to the hon, gentleman (Mr. T. P. O'Connor) that his proposed motion does not raise, and it would not be in order to raise the question of policy in the Near East. It raises only some alleged incorrect action on the part of the Minister without the consent of the Cabinet, and to that the debate must be confined. (Hear, hear)

After further discussion it was settled that Mr O'Connor would move for an adjournment of the House to discuse the matter on Wednesday next, 1 c, the 15th March '22 after Lord Curzon had made his statement in the Lords next day

14. MAR. '22] LORD CURZON'S STATEMENT

HOUSE OF LORDS

14TH. MARCH 1922

The following is Lord Curzon's Statement in the Lords:-

The Marquess of Curzon, Secretary of State for Foreign Affaire said .- My Lords, I am sorry to have to ask your Lordships' attention for a few moments to a personal matter arising from the reference to myself contained in a speech made by a late colleague of mine, Mr. Montagu, on Saturday last. I had thought, my Lords, that a Foreign Secretary who is about to proceed to Paris for the discussions on the Eastern question was the chief sufferer by the astonishing act of the late Secretary of State for India, in as much as the authorisation by him of the publication of the manifesto of the Government of India could not but gravely affect the position of the British representatives in the forthcoming Conference. But I learnt, greatly to my surprise, from Mr. Montagu's speech, that I am deemed in some way to have connived at this miury to the public interest in my charge, and this amazing proposition Mr. Montagu endeavours to establish by a public reference to private correspondence with me and to private conversation in the Cabinet Chamber, which I cannot help thinking must be without parallel in the history of Cabinet procedure. (Hear, hear.) I am compelled, therefore, to state the facts.

In common with my colleagues, I received on Saturday afternoon. March 4, from the Cabinet Office, a copy of the telegram from the Government of India, in which they sought permission to publish their manifesto about the terms of peace with Turkey. Knowing that there was to be a Cabinet meeting at the beginning of the next week, and not deeming it possible that Mr. Montagu could conceive of publication without reference to his colleagues. I regarded it as certain that the question would be brought up at the meeting on Monday. On that day before the proceedings began I mentioned the Viceroy's telegram to Mr. Chamberlain, who presided in the absence of the Prime Minister and expressed to him the view that, when the permission of the Cabinet to publication was sought, it must be unhesitatingly refused. In this he concurred. A little later, in the course of private conversation of a few seconds only with Mr. Montagu, I said, "Of course you will not authorise publication without reference to the Cabinet." To this he replied, "I have already done so, on Saturday last." I was so dumbfounded at the avowal that the Secretary of State had already given his sanction, as has since transpired, before the telegram from the Government of India could even have been seen by many of his colleagues, that I closed the conversation and returned to my seat. Had Mr. Montagu given the slightest bint that there was still time to cancel or to postpone the order which he had sent to India by telegram two days before, or had I regarded such a suspension as possible, I should at once have brought the matter before the Cabinet, but I assumed that publication had already, under Mr. Montagu's authority, taken place in India, all the more so as the Government of India pressed for immediate sanction to publish. I presumed therefore—and in the circumstances no other presumption was possible—that it was too late for me to intervene. Furthermore, the responsibility for the step was not mine It was for the Secretary of State for India to explain and to justify his own action, already taken, to the Cabinet He was the Secretary for India, not I. Whether he then or afterwards proceeded to do so or not, I do not know, for, being ill at the time, and having only risen from bed to attend the Cabinet for certain Foreign Office matters. I left the room as soon as those had been disposed of.

The Private Letter

Feeling however, profoundly disturbed and dismayed at the action which Mr Montagu had just revealed to me, I wrote to him a private letter the same afternoon, deploring the action that he had taken and protesting against the repetition of any similar occurrence. Of so intimate a character was this letter, written by one colleague to another, that I did not even take a copy of its contents. I regarded it as no less confidential than scores of similar letters which Mr. Montagu had addressed to me while we had served together, sometimes at the late of two or three a week, the character of which I will not follow his example by attempting in public to describe.

I awaited the reply to this letter throughout Tuesday and Wednesday, before deciding what further steps, if any, it might be desirable for me to take. Neither then, nor since, did Mr. Montagu favour me with any answer. Instead of this, the late Secretary of State, reversing the ordinary procedure by which the Minister who has resigned makes his explanation in Parliament, where his statements can be checked or answered (cheers), went to his constituents, addressed a political club of his own supporters, publicly referred to and travestied both my private conversation with him and my private letter, vihiled the colleague whose advice in relation to Indian matters and Indian, foreign, and frontier affairs he had not ceased to solicit and receive in unstinted measure in most weeks in recent years, and endeavoured to shift some portion of the responsibility for his lamentable indiscretion on to my shoulders.

My Lords. I have this morning received from Mr. Montagu a copy of my letter, and I hold it in my hand. It was marked by me private." My Lords, it seems to me intolerable, as I believe it to be an unprecedented thing, that an ex-Cabinet Minister should, by quoting and distorting in public a private letter written to him under the seal of confidence by a colleague, compel its publication to the world (Cheers). Such a proceeding appears to me neither consistent with the confidence which should prevail between Ministers, nor with the honor of public life. But Mr. Montagu has left me with no alternative, and I will now read the letter to your Lordships. But first let me ask your Lordships to recall Mr. Montagu's description of it. This is what he said at Cambridge -"But what did Lord Curzon do? He maintained silence in the Cabinet and contented himself that evening with writing me one of those plaintive, bectoring, bullying, complaining letters which are so familiar to his colleagues and to his friends, which ended with the request, what?-not to discuss the matter in the Cabinet, but in future not to allow publication of such documents without consultation with him. That was all." I will now read the actual terms of the letter .

Private March 6, 1922

"DEAR MONTAGU,—I much deplore that you should have thought right without consulting the Cabinet to authorise the publication of that telegram, even as amended. Had I, when Viceroy, ventured to make a public pronouncement in India about the foreign policy of the Government in Europe, I should certainly have been recalled. As it was I was once rebuked for making a casual reference in a speech.

I consulted Chamberlain this morning in the absence of the Prime Minister, and found that he entirely shared my views. But it was too late. That I should be asked to go into the conference in Paris while a subordinate branch of the British Government 6,000 miles away dictates to the British Government what line it thinks I ought to pursue in Thrace, seems to me quite intolerable, but the part that India has sought to play or been allowed to play in this series of events passes my comprehension. Moreover, it is of very dangerous import, for if the Government of India, because it rules over a large body of Muslims, is entitled to express and publish its view about what we do in Smyrna or Thrace, why not in Egypt, Sucan, Palestine, Arabia and the Malay Peninsula or any other part of the Muslim world? Is Indian opinion always to be a final court of Muslim appeal?

I hope this may be the last of these unfortunate pronouncements, but if any other is ever contemplated, I trust at least that you will give me an opportunity of expressing my opinion in Cabinet before the sanction is given.

Yours ever, Curzon."

Your Lordships can form your own opinion as to the tone of the letter I have read. (Cheers). But you will observe that instead of requesting, as alleged by Mr. Montagu at Cambridge, that he should in future discuss such matters with me without bringing them to the Cabinet, I said, on the contrary, precisely the reverse I urged that it was before the Cabinet. I should be given an opportunity of expressing my opinion before any action of this sort was ever again taken by the Secretary of State for India. Such, my lords, are the facts of the case, upon which it is open to anyone who hears or reads my words to pass his own judgment. They leave me still quite unable to determine whether the private or the public conduct of the late Secretary of State for India has been the more inexplicable and surprising, and in using those adjectives I am astonished at my own moderation. (Laughter and cheers.)

Lord Crewe's Views.

The Marquess of Crewe said he desired to express the sympathy which he was sure their Lordships all felt with the Foreign Secretary in the circumstances in which he had come to the House noble Marquess had been scriously ill, and they all watched with sympathy the difficulty and emotion with which he made the statement he had thought it was his duty to come down and present to their Lordships at the earliest possible moment. On the actual circumstances of this most unhappy event he did not wish to say much. He had been a colleague both of the noble Marquess and of Mr. Montagu, and he had no desire to engage in any personal criticisms of the action of either The noble Marquess had stated his case with the utmost fairness, and he felt bound to say that so far as the original cause of his indignation was concerned he would receive the universal sympathy of the House. (Hear, hear) Mr. Montagu had rendered, at any rate in the opinion of many of them, great services to India in the past, and he could not mention his action on that occasion without paying that tribute to him. But it was he believed, the universal opinion of their Lordships, and as it appeared to everybody outside, that in having sanctioned the publication of this particular telegram--the manifesto as the noble Marquess described it -of the Gov rument of India, expressing the views they were known to hold but which they were not entitle to give formally to the world, Mr Montagu committed a breach of the ordinary proprieties of Cabinet Government to which, like the noble Marquess, he (Lord Crewe) could recall no precedent.

He did not desire to enter into the circumstances of the correspondence that ensued. He would only say this, that the letter of the noble marquess, as read by him, did not appear to deserve the particular epithets applied to it by Mr Montagu. (Cheers.) If he had to criticise the letter, he would have said it was rather more formal in tone than was perhaps customary between men who were in the habit of sitting round the same table several days a week and perpetually working together. That was the opposite kind of criticism to that which the recipient had levelled at it. He had no desire to say anything more on the personal question, but be could not belp observing that action of this kind on the part of a Minister, surprising as it might be, was less surprising than it would have been from a member of a Government in which the old tradition of collective responsibility had been more uniformly respected They could not help recalling other cases in which his Majesty's Ministers seemed to have arrogated to themselves the right to make speeches, either on the platform or sometimes even in Parliament, conveying views distinct from and even opposed to those which were understood to be entertained by the Government as a whole. (Hear, hear.) If this particular Minister had gone too far, as they all thought he had, in the assertion of this independence, he (Lord Crewe) was afraid he had been encouraged to do it by the manner in which No. 10, Downing street had conducted the system of Cabinet Government. What really mattered, after all, was what was going to be the offect upon India, and what was going to be the effect upon Earc. That was not the moment to discuss what the possible effect on either might be. The most that anybody could do was to review the whole of this cur-ode as soberly as possible, and trust that when it came to the discussions regarding Greece and Turkey it would not be allowed to enter into the ques-He hoped that the episode would be completely blotted out of the mind of the Conference which was to take place in Paris. There was this much to be said, that the particular opinions of the Indian Government went far beyond the merits of the case, and, that being so, he trusted that this most unfortunate publication would not in the event interfere with the smooth progress of the Conference. (Cheers.)

HOUSE OF COMMONS

15TH MARCH 1922

At 8-15, Mr T. P. O'Connor (Liverpool, Scotland, Nat.) moved the adjournment of the House in order to call attention to what he described as the serious lack of co ordination of His Majesty's Ministers which had brought about the resignation of Mr. Montagu as Secretary of State for India. He said the position in India was sufficiently serious to impose great restraint on every man with any sense of responsibility. He was not going to make a personal attack on Mr. Montagu, nor did he propose to make any suggestion of disagreeing with the general policy of his right hon, friend in India. As a matter of fact, he was in entire sympathy with that policy, as were most of his friends object of the motion was to bing out the want of co ordination between the late Indian Secretary and different members of the Government. As he understood it, the reason for Mr. Montagu's disappearance from the Indian Secretaryship was that he was regarded by the Prime Minister and his former colleagues as having made a deadly assault on the principle of collective responssibility of the Cabinet. He demanded from the Government a clear statement that they would not carry obedience to what were supposed to be Muslim opinions to the extent of abandoning the principle of the protection of the people of the East from massacre. (Cheers.) Mr. Griffiths (Pontypool, Lab.) seconded the motion.

Mr. Montagu's Speech in Defence

Mr. Montagu (Cambindgeshire, C.L.), who rose in the shadow of the back bench beneath the gallery on the Ministerial side, came down to the banch in front in response to calls from members. He said.—

I do not propose to take part in the debate on the interesting topic which Mr O'Connor has raised, but I will deal with some of the very grave personal charges that have been made against me. My right hon, friend the Leader of the House says that I have complained of the statement made to the House announcing my resignation, and that I had no right to do so because he told me of its terms beforehand. It is true that he consulted me as to the terms and that I took no exception to them. Did he expect that I should say, 'I have served with you four and half years. I have been on close and intirate relations with you and your colleagues. You might be kind enough, generous enough, to put in one word of regret at the severance of this colleagueship."? Would it have been of say

use to me if he had put it in at my suggestion? I took note of the effect of what he proposed to say, and I left his room with the hope that he might say something, but, of course, I did not expect that he should tell me of the personal side of his remarks. I left his room after what was, of course, a painful conversation, with memorable, unforgettable recollections of his personal kindness, sympathy, and consideration. That attitude I shall always remember, but I shall find it equally difficult to forget the scene in this House (Labour cheers) when that was all he could tell the House about our parting.

My right hon, friend gave to the House a time-table of the events in connection with the publication of the despatch. I make him a present of his time table. He will find on inquiry at the India Office that I gave instructions verbally the very moment I saw the telegram of the Government of India that it must be at once circulated to the Cabinet. I take it from him that delays occurred between my verbal instructions and the actual duplication of the telegram and its submission to the Cabinet, so that it was not till Saturday that he received the telegram. I do not think that alters my argument at Cambridge. It is true that before the Cabinet on Monday every single one of my colleagues had had, or ought to have had, that telegram in his possession for at least 48 hours—Saturday till Monday

Lord Curzon's Impudent letter

I come to the most serious charge, that I committed a grave impropriety by referring to private letters and private conversations. Does not the right hon, gentleman understand that that is really my charge against the Government? They say that I had committed a constitutional outrage which unfitted me to continue as their colleague, that I had allowed this telegram to be published without consultation with them. How do the Leader of the House and the Secretary of State for Foreign Affairs deal with the matter? They deal with it entirely and absolutely by private conversation. That is what I complain of. This telegram was received by the Cabinet on Saturday.

It was known by the Leader of the House and by the Secretary of State for Foreign Affairs that I had authorised the publication on Monday, Tuesday, and Wednesday. I was seeing my colleagues every day. Not one of them ever said to me that I had committed a grave constitutional outrage. The only action that was taken was the private letter written to me by Lord Curzon. Let me ask my right hon, friend this. Supposing I had gone to the public and said: "I committed this constitutional outrage, and the Govern-

ment and no member of the Government said saything." They would have said: "What a misrepresentation of the fact. Did not Lord Curzon write and tell you?" I had no choice. Do look at it form my position. I have committed a grave constitutional outrage. not discovered, apparently, by His Majesty's Government until Thursday, when the Prime Minister returned to active business. During the whole of that time the only action taken by the Government is this letter. I have never been given an opportunity by those who believe so convincedly in the doctrine of joint Cabinet action of confronting my colleagues-(Labor cheers) of arguing my case with my colleagues. (Labor cheers.) I saw the Prime Minister on Thursday, and it was made plain to me that I could no longer remain a member of His Majesty's Government. Do have some thought of my position. You tell me I have committed a constitut tional outrage and the only action you take until you see the effect in the newspapers and what the Press tell you is a private letter, and then you tell me I must not allude further to that private letter.

Resignation a Pretext

I say I was justified and could not avoid proving-May I say this? I believe and I cannot cure my mind of the belief that this reason for my resignation was a pretext. (Labor cheers.) I was there to prove that your action between that Monday and that Thursday was evidence that it was a pretext Unless I took Lord Carzon's private letter and referred to it I could not make out my case. and I say with great emphasis to the Leader of the House that the fault hes in the methods of the Government which dealt with what they say to-day is so grave a matter by no other method than by private letter and by private conversation. (Cheors.) I have said, and I say again, that in my view, rightly or wrongly, the publication of this telegram was not a matter that I need bring before the Cabinet. Rightly or wrongly, it is obvious from Lord Curzon's letter that ha took a different view. I shall never be able to understand this. and I beg the House to see if they cannot get to-day some answer. Take the ordinary meeting of any Board of Directors or any trade union or any private business in the world on any well conducted The Secretary of State for Foreign Affairs, the man primarily concerned in all this matter, knows I have committed a grave constitutional outrage, and he goes back to the Cabinet, which is at the moment sitting, and instead of saying one word about the grave constitutional outrage that I have committed, sits silent there in the Cabinet and contents himself with writing me a private letter that same evening. What is the exclanation of that? Could I raise it in the Cabinet? I do not think it was a Cabinet

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matter. He (Curzon) does. There is another Cabinet on Wednesday. By that time Lord Curzon and the Leader of the House had ample opportunity of acquainting their colleagues of the outrage that I have sommitted. No reference is made to it at that Cabinet. What is the reason why what is alleged to-day to be so grave a constitutional outrage is never mentioned by those people who are most affected by that outrage? (Labor cheers.)

Before passing from that I would add that I agree with the Leader of the House that Lord Curzon could not have known on Monday—and I did not know—that action taken at that Cabinet would be in time to stop publication of the telegram—But I do say that, supposing that a Cabinet discussion had taken place and the Cabinet had decided that it was a grave constitutional outrage to publish this telegram, if a telegram had been sent to India immediately after that Cabinet saying "Clear the line, His Majesty's Government take strong objection to the publication of this telegram. If it is not too late, stop it," I believe—and I said so on Saturday—it is an irony to reflect that there was a chance that the telegram would have come in time, and there was more than a chance that publication would have been stopped.

The Charge of Misrepresentation

There is a more serious charge made against me than that I referred to this private correspondence. It is said that I misrepresented it I hope that even my sternest critics will acquit me, however low an opinion they take of my character, of having intentionally committed the folly of misrepresenting such a document. I am profoundly sorry that for one moment there should have been any misunderstanding on that matter. It never occurred to me that there could have been, until I saw the newspapers on Monday. Let me tell the House exactly how this very curious mistake arose. It is said that I stated that Lord Curzon in his letter had asked me not to bring this matter before the Cabinet. I made no such statement, and nobody who heard me would imagine I did so me ask the House to consider an expanded version of what I said. The point I was making to my audience was that, on monday when Lord Curzon knew of this grave constitutional outrage, he did not think-something happened between Monday and Thursday which made him think-that I had done something which would not permit my continuation in office, because at the end of his letter was, "Don't do it again," which showed clearly that he thought I was going to remain and would have the opportunity of doing it again. That struck me as the lamest possible ending to a letter coming from a man who thought that I had been guilty of an unpardonable constitutional outrage. Lord Curzon suded his letter with a request to do-what? Not to hand my resignation to the Prime Minister, not to recognise that it was impossible that I should continue in office with him, not to come with him to the Prime Minister and discuss the matter, but merely and only a request not to do it again. Therefore the House will see, if you look at it from the point of view of the expanded version, that I said that Lord Curzon ended his letter-I was not quoting; I did not quote because I did not want the letter to be published -with a request-what? Not to bring it to the Cabinet, but not to do it again, or not to do it without consulting him. It was a clumsy. loose rhetorical expression, but if you will look at the verbatim reports of The Times and the Daily Telegraph, I submit that the interposition of the word "what" after "request" with a note of interrogation after it, showed that what I was saying was that Lord Curzon ended with a request-What? Not to bring it to the Cabinet, but to do something else. (Hear, hear) Think of the grammar. Supposing that I had said that Lord Curzon made two requests-(1) not to bring the matter to the Cabinet; and (2) not to do it again The proper conjunction would be "and" but the word which I used was "but."

I say that what happened between Monday and Thursday was a pretext. I do not want to make any use in this debate of Lord Curzon's letter I did not want it published. I think it was a very foolish letter. But what the House must remember, and what Lord Curzon forgot, is that for the purpose of this matter and for no other purpose the Government of India cannot be correctly described as a subordinate branch of His Majesty's Administration. India is a member of the League of Nations, the Treaty of Sevres was signed on behalf of India independently as well as on behalf of Great Britain and the Dominions, and I think it is the greatest folly to suggest that India, which has been given Dominion status for this purpose and was a party to the original Treaty, should not be allowed to express its opinion as to the modification of the Treaty. If it is allowed to express its opinion, what is the use of husbing it up? It is no use making that opinion after the Conference. The only time is before the Conference, and I think, as Lord Reading thinks, that the people in India and the people in Great Britain were entitled to know what are the views put forward on behalf of the people of India by the Government of India. It is not true to say that they were dictating to this country or to the Government of this country what the terms of the Treaty should be. What they did seek to do was to have their views given the fullest weight and authority and the fullest consideration. Of course, they would be the first to recognise that their views have to be harmonised

with other and wider views. But India is entitled to a predominant share in the settlement with Turkey because no other country is so interested or has so great a part in it. I do not believe that it will hamper the British Government; I believe it will help it. I believe that if His Majesty's Government had found it possible to publish my telegram in answer, they would have seen that I myself recognised that it was impossible for the Allies to fulfil all the terms.

Cabinet Responsibility

I am conscious of the right of the Leader of the House to say, as he said last Friday, that if my views of the Government were what I expressed them to be, why did I not resign long ago. I did not raise the doctrine of breaches of Cabinet responsibility of which this Government has been guilty as a charge against them. That was not my intention. I was proud to be a member of this Government. I rejoiced in its achievements, and I am proud to have taken some part in them. What I object to is that this Government, which has flouted above all other Governments the doctrine of Cabinet responsibility, should have used that as an excuse for asking for my resignation. (Liberal and Labor cheers.) Therefore I have no cause on the grounds of Cabinet responsibility or its absence to resign from the Government.

My second reason for not resigning before was this. I fundamentally differed from my colleagues—that is notorious—on their policy in the Near East, but my colleagues had treated me very considerately. I had been given one of the most difficult positions a man could ever fill, the position as head of one of the Departments of his Majesty's Government and head of the Indian Peace Delega-I believe I have used with moderation and with a recognition of the difficulties the right to freedom of expression on affairs in the Middle East so far as they affected India. My position would have been intolerable without it, and, moreover, rightly or wrongly, whenover I was at the point of resignation on this subject, I thought that the resignation on this issue of any Secretary of State for India would have meant that he despaired of getting these peace terms in conformity with our pledges, and would have had a disastrous effect on Muhammadans in India. I cordially agree with my right hon. friend, and I wish to emphasise his remarks that my resignation at this moment does not mean the rejection of the right to consideration of the terms put forward on behalf of the Moslem people.

The third reason why I have never thought it necessary to resign until now was that until quite recently I had every right to think that I had the loyalty and the confidence, not of some of my late colleagues, but of all of them. And, lastly, I loved my work! The fascination of Indian problems has obsessed me all my

The Princes and the Native States with their individual life. history and characteristics, the people of India awakening, striving, often for ill-defined ideals, so varied in their developments, in their races, in their history, in their views, the glorious conception—as I thought it was, and as I still think it is -of a British Commonwealth of Nations bound together by its very freedom and the mutual respect of all its partners, acknowledging no differences of race and creed, of constitution or institution, owing allegience, unswerving and devoted, to one King and one King-Emperor; the grave dangers of being rushed on the one hand to chaos and on the other of being frightened to reaction, a record unparalleled in the history of the world for unselfishness and personal sacrifice of the British effort in India. I wanted, I longed for nothing better than so long as I could to devote myself to these all-absorbing problems, and not to leave undone or half done at the most critical moment the work in which I gloried. (Cheers) I have parted this week from colleagues in the India Office and in India with whom I. worked for a term of years with uninterrupted accord, and I have laid down the proudest title that in my belief an Englishman can hold—the title of Secretary of State for India which means the right in particular to serve the King, this Parliament, and India, and this is the unhappiest moment of my life. (Cheers)

- Mr J H. Thomas (Derby, Lab) said that he did not believe that the explanation of Mr Montagu afforded sufficient justification for quoting from a private letter (Hear, hear.) No graver injury could be done to public life or to any public man than that a private letter written under the circumstances in which private letters were written should be quoted in public.
- Mr. Montagu—I quite understand the point of view, and I presume that the Right Hon. gentleman would say the same if I said that I did not quote, but that I referred. The point is this, if I may say so allow much easier it would have been for me if I could have quoted it. The whole controversy, so far as the letter is concerned, has arisen because I could not, because it was a private letter. The whole of my case is that this is not the way in which the Government ought to transact its business.
- Mr. J. H. Thomas said his answer was that there was the opportunity for the Right Hon. Gentleman to have come to the House and there stated the whole position (Cheers) At the same time, it was only fair to ask what excuse there was for Lord Curzon not bringing the matter immediately before the Cabinet when he had been told that this telegram had been made public. (Hear, hear.)

Mr Chamberlain said he had never been called upon to take part in a discussion so infinitely painful. On the part of it which dealt with the reference by his Right Hon. friend, Mr. Montagu, to the private letter sent to him by Lord Carzon and the explanation which he had given, he desired to say the least that he could say. His right Hon friend referred to a private letter without the consent of the writer, baving, as he had told them, no desire that the letter should be made public. There were obvious reasons why a letter so written from one colleague to another should not be made public. It was not written for publication, and he did not know exactly what the consequences of the publication might be (Hear, hear) But Mr Montagu must realise that he could not challenge the honor of a colleague by reference to a private letter from him and by so doing, call for and enforce the publication of that letter (Cheers). Referring to Mr Montagu's conversation with Lord Curren, he asked Did his right hon friend hint to Lord Curzon that there was any possibility of stopping that telegram authorising publication' No Why, asked Mr Montagu, did not Lord Curzon at once announce to the Cabinet what had been done? Would it have been a satisfaction to Mr. Montagu or a congenial task to Lord Curzon? The mischief was done Responsibility for the action rested in other hands, and Lord Curzon left it there.

The Prime Minister first knew of the publication when he read at in the London morning papers on Thursday He sent for Mr. Montagu, and immediately after that interview the Prime Minister He had never seen him so perturbed or disturbed came to see him about any public incident. The Prime Minister regarded the action of Mr Montagu as a grave national misfortune-(hear, hear,)-and also as wanting in that loyalty from one member of the Cabinet to another which was essential to the smooth working of Cabinet Government. (Hear, hear) No tradition of public life justified a Minister in publishing a telegram of such importance without first communicating it to any other Minister who was immediately concerned in the matter, and also submitting it to the Prime Minister, if not to the Cabinet itself. (Hear, hear.) Another lapse on the part of Mr. Montagu was that while he circulated the telegram he never circulated his reply to it, nor the telegram from the Government of India pressing for immediate publication. responsibility for the whole unfortunate business rested not upon the Cabinet, but upor Mr. Montagu who did not let them know of the action he had taken. (Hear, hear) It was for the Prime Minister and no other person to act, and the Prime Minister did act the very moment he became aware of what had been done. It was

the universal opinion that the Prime Minister was right in accepting the resignation which Mr. Montagu tendered, (Hear, hear.) His right hon, friend could not absolve himself from his responsibility in the matter by trying to charge Lord Curzon with failing in his duty. (Hear, hear.) It had been said that Mr Montagu was sacrificed to the Die-hards clamour—(hear, hear)—and to the subservience of the Prime Minister and his colleagues to the Press. (Hear, hear.) That was not so. His right hon, friend resigned on the question of constitutional propriety and Cabinet responsibility. (Cheers.) If he had thought that by introducing other words into the statement he made in the House he could do anything to mitigate the pain of Mr. Montagu's position, or give consolation to him, he hoped the right hon, gentleman would believe that would have been done. One knew how profoundly he was interested in India. earnestly he had striven, and how deeply painful it was to him to sever his connection with that work while it was still unfinished. His right hon, friend was not the only Minister who had to resign. He was not the only Secretary of State who had found it was not compatible with his duty to remain in office. He (Mr. Chamberlain) sympathised with him, and he deeply deplored the right hon, gentleman's misconception of his duty to the Cabinet and the effect of bis action in public affairs which rendered his severance with the India Office mevitable (Hear, hear.)

Mr. Asquith (Paisley, L) said that he regarded the procedure adopted by the late Secretary of State for India as incompatible with the elementary rules of Cabinet Government time he expressed his sincere regret that a career which had been associated with so much fruitful work in the interests of India and the Empire had for the moment been checked (Hear, hear) Those who sat on the front Government bench had suddenly discovered and solemnly proclaimed to the world that there was such a thing as Cabinet responsibility (Hear, hear.) That was most remarkable. (Laughter.) This affair was not an isolated incident, but a climax. The whole thing demonstrated the moral and political impossibility of attempting to govern by a Coalition which had no common comenting principle or policy. The moral he drew was this : that they should get back once for all to the old straight way when people were divided by real differences founded upon conviction and principle.

Mr. T. P. O'Connor then withdrew his motion for the adjournment,

MR. MONTAGU'S THATFORD SPEECH

17TH MARCH 1922

Subsequently Mr Montagu in presiding over a political and party meeting at Thatford in support of Sir Richard Winfrey, M. P. for Southwest, Norfolk, delivered a long speech lasting over an hour, in the course of which he said

I do not propose to pursue any personal matter, because on that I have on more than one occasion said my say. I do not propose, for instance, to weary you with my views about Lord Curzon (laughter), except to this, that his letter to me show anew, what I have always felt, that he will insist upon looking at Indian problems and the Indian Empire with the light behind him. He sees over that great land his portentous shadow, and he remembers as the high water mark, in his opinion, in its history the great days when he was Viceroy—days from which he wished that it had never chapped!

This attitude on his part accounts for the fact that I have not, I am afraid, appreciated as much as he would wish what he would call, I suppose, "unstinted advice and assistance," and what I should describe, if I were so minded, by a more accurate and rather different term. (Laughter)

As for the Prime Minister, I again propose carefully to avoid any personal issue. Last week, when I was addressing my own constituents, I sought to make an appeal to that section of the Conservative Party known as the Die-hard section. To my regret, if not to my surprise, the appeal that I made does not appear to have been very successful. They had the exquisite satisfaction of receiving my head on a charger, but they hardly paused in their pursuit of the Prime Minister sufficiently long to devour the corpse!

The meal was followed in rapid succession, first, by that remarkable meeting of the Conservative Party in the House of Commons, which did not result, at any rate, in coming to an enthurisatio vote of confidence in the Prime Minister. Secondly, we read that two great and distinguished Conservative statesmen—men whose

^{*} This refers to a meeting of 200 Unionist members of the House for the purpose of expressing confidence in their leaders and re-iterating pledges of support to the Coalition Govt. The discussion was a long and exciting one, and although it was expected that it would end in a triumph for Mr. Lloyd George, it was found that the Tory members did not want the Prime Minister unautmously but only on their own terms which were not easy. In the end no vote of confidence was passed, no resolution moved, and the conference ended in a melec.

patriotic achievements would have made everybody hope for success-have neither of them seen their way to accept one of the

highest offices in the country.

We have seen them refusing the office on the grounds, it is alleged, with what truth I do not know, that they doubt the permanency of the Ministry. We should remember and admire the tremendous and almost unparalleled achievement of the Prime Minister for the benefit of this country and this Empire, and the world must sympathise with him in his well merited holiday at Criccieth, where he is bound to recognise that all the expedients which he is using to help him in maintaining the Government (which, I believe, is almost indispensable to the well being of this country) are leading to what looks like a dangerous degree of humiliation and difficulty.

Mr. Montagu further said that there was hardly a matter of supreme importance to this country which really divided parties. And if they asked any ordinary citizen what were the supreme needs of the people of this country at the moment, he would reply first, peace, secondly, better trade, and thirdly, lower taxation (Cheers)

The great word peace really covered the other two

Lancashire's Losses in Eastern Markets

Probably the most difficult position of the world to day, so far as peace was concerned, was the position between Greece and Turkey, which not only disturbed the whole of the East, but had a vital effect upon the export trade of our country. There was no doubt that Lancashire was suffering to day largely, if not mainly, because of the effect upon its exports of cotton goods to the East as a consequence of the foreign policy which we had been pursuing.

He said it last week—and he would say it again—he could not understand, and it had never been explained why it was that we alone of the Allies had been pursuing in the main what was called wrongly a pro-Greek policy. He said "wrongly," because he could not understand that it was of any use to the Greeks. It was

certainly of no use to the British Empire.

We are at the last stage of the endeavour to get peace in the East, said Mr. Montagu Lord Curzon was going to Paris next week, and it was because I authorised the publication of the views of the Government of India on this matter that I am addressing you no longer as Secretary for India, but merely as the owner and inhabitant of Beccles Hall, Norfolk. I have long ago dismissed as quite ridiculous the doctrine of Cabinet Responsibility as preached by my colleagues. I have given some instances, but I have been debarred from giving other striking instances which have involved this country

in beavy expenditure, because the instances which I gave were notriously done without a decision of the Cabinet, whereas the instances I should like to give are not known to the public as coming within that category yet.

Returning to the subject of the Vicercy's telegram, Mr. Montagu quoted from a speech of Sir William Vincent, the Home Member of the Government of Indis, or February 21st 1921, in which he (Sir William) quoted from a speech by Lord Chelmsford, the then Vicercy, who said, 'Shortly after the Armistice I wrote to the Secretary of State that feeling in India was most disturbed over the question of the Turkish peace terms, particularly with regard to the fiely Places and the future of Constantinople. In the same month my Government again cabled to the Secretary of State urging upon him the importance of another settlement of the Turkish peace terms, considering the effect upon the Muhammadan opinion in India."

"At that date it will be seen that the Government of India," said Mr. Montagu, "were doing what Lord Curzon would call dictaing to the Home Government." Mr. Montagu referred to a speech, of which he read considerable extracts, by the Prime Minister in the House of Commons on the 22nd February, 1920, in which he recalled the solemn National pledge given to the Muhammadans of India during the War in January, 1918. That pledge was:

"Nor are we fighting to destroy Austro Hungary or to deprive Turkey of its capital or of the rich and renowned lands of Asia Minor and Thrace which are predominantly Turkish in race."

"But", said Mr Montagu, "in view of the so called pro-Greek policy of the Prime-Minister—his own peculiar and special policy adopted ever since the Greeks were invited to Smyrna, he (Mr. Montagu) did not remember on what Cabinet decision we were in danger unless it was remedied at the coming Conference of breaking irreparably our word to the Indian subjects who played so prominent a part in the defeat of Turkey"

"For heaven's sake," said Mr. Montagu, "let the British people know the facts and don't let them go hoodwinked and blindfolded under the leadership of the Prime-Minister" Mr. Montagu added that the publication of the view of the Indian Govt. could do no harm but could only do good, and said. "I am afraid I am unrepentant."

"If you want peace in India," said Mr. Montagu, 'and good trade in India, you must have peace in the Near East. If you are to have peace in the Near East, there is one absolute essential, that you must keep your promises, and my hopes are high that in the coming weeks peace will be assured there, and that it will have repercussions throughout the world."

India in the House of Commons

HOUSE OF COMMONS-271H MARCH 1922

In the House of Commons on March 27th, in the course of the debate on the Consolidated Fund (No. 2) Bill, during which was discussed the whole of the British policy at home and abroad, Col. Wedgwood spoke as follows on the subject of India.—

As one who, fortunately, has throughout taken the right line and has now been proved right-I have always said in this House that it was essential that Constantinople should be restored to Turkey and that Smyrna should be part of the Turkish Dominions. ever since the Debate began two and a half year ago-I should naturally like to point out to the Government that, although they have finally, as I believe, in these Paris terms, come down on the right side of the fence, yet their hesitation which has been due very largely to their being incorrectly informed during the last two and a half years, has done more than anything clee in foreign affairs to shake the credit of the British Empire, not only in the Middle East but in the whole of the Far East as well It is very Ismentable that only now, under a particular form of practice which I for one am very sorry to see, has the Foreign Office finally adopted the just solution of the Middle East question It nitist not be thought that I and my friends have been advocating the resolution of Constantinople to Turkey, or the restoration to Turkey of that part of Thrace and that part of Asia Minor which is occupied by the Ottoman Turks-it must not be supposed that we have been asking for that as the hon, and gallant member for Melton (Sir C. Yate,) has always asked for it, because it would soothe down the Moslems of India. Our object throughout in urging the settlement which I hope has now been arrived at has been that it is an emmently just settlement, and that our prestige and reputation depends, as an hon. Member has said already, not upon our Army. not upon our Air Force, but upon our traditional sense of justice even to the under-dog. If we had only done this two years ago. how much better would our reputation have been, how much better would our traditions be for the future.

I want to-day to say a word or two about the pressure that has been brought to bear from ludia to secure this solution at which the Noble Lord has arrived, and to which this country is, I hope, now committed. I have said that we on this side always wanted that solution, because we believe it to be the right solution.

think it is very unfortunate that we have given the impression now to the whole world that we have only taken up the position of justice to Turkey in deference to the pressure brought to bear by Moslems of India. It is an example of feebleness which ought not to have been given. As a matter of fact—and I think that this ought to be said here in this House-people who have studied the question in India know perfectly well that you will not be able to soothe down Moslem opinion in India by giving way to the demands of the Khilafat agitation as regards the settlement of the Turkish question. The Khilafat agitation used the Turkish question, but it was not because of the Moslem unrest in India The Moslem unrest in India will continue. They will find some other excuse, and they will merely despise the British "Raj" who has given way to thom so obviously on the Turkish question—who has given way to pressure instead of accepting the just solution. We should not have conveyed this impression to the Moslems of India certain that the founders of the Moslem agitation will not be · molified by your settlement of the Turkish question Their attitude towards England remains now what it was before the Paris Con-It is one of insistent hostility and you cannot soothe down that hostility by accepting the telegram from the Viceroy or the theories of the bureaucracy in India. For the last three years every Anglo-Indian official in India has been begging this Government to accept the Moslem demands—the Khilafat demands -on the Turkish question. They have hoped that thereby they would be able to placate the Muslems. Let me assure the House that they will not thereby be able to placeto them. The Moslems of India are committed to symething far more tremendous than the settlement of a country which shares their fate, but in which otherwise they have no direct interest. They are out for their 'Swarai' They are out, I am afrail in the case of the Moslems, with very frank hostility to this country, to get rid of the English control over India I do not think you have improved the situation by giving way to the pressure, accepting as gospel what has been stated in the Viceroy's despatch and advocated by Sir W. Vincent and others of the perma ent officials in Irdia.

The Chance of Authority

The fact of the matter is that India is becoming day by day a more dangerous problem for this I mpire, and while I am very glad to see the Noble Lord of posite in charge of Indian questions. I do not pretend that the charge which has been made in the conduct of the India Office has made things any the essier in India or has thrown any more hopefulness into my attitude towards the Indian

difficulty. I am afraid those of us who love India, and justice for India, and the development of real democracy in India, must say that the late Secretary of State was of all the Members of this House far and away the best fitted to hold that post, and that the substitution for him of the Noble Lord in the other place, who knows nothing of India and whose past has been reactionary in this House-I do not know what it has been in the other House-is not likely to bode good for India or for the tradition and reputation of this country. We have put our hands to the plough in India. Montagu Chelmsford Reforms are not a step which can be withdrawn. We have got to go on on those lines. You are pledged by the August Declaration of 1917, honourably pledged to set India on the road to Freedom and to work for Dominion Home Rule in India, not at once, but by stages. That has been our declaration. Our honour is bound up in it I see the "Times" pointing out that the Montagu-Chelmsford Reforms show signs of breaking down in practice, that the attitude of the Indian Legislature towards the Budget, towards the question of raising additional money for the Army in India, is an intransigeant attitude taken up through hostility to the British Rule, and must make it more difficult to pursue the Montagu Chelmsford reforms and may lead us to reconsider the whole question of those reforms That alone is lamentable. It will be used on platform after platform, as an illustration of what they are always throwing in our teeth, namely, British bad faith. They will say-" Here you see again. There was a promise of the British Government and now a suggestion has already been made in unofficial quarters that the step should be reviewed, and the policy should be revised." That is not all. It is a matter of enormous pity that the very day that the Secretary of State, who loved ludia, resigned, there was notified in India the arrest of Mahatma Gandhi. Anybody who has closely studied the Indian question recently will know that the Government in India, Lord Reading's Government, was playing a very difficult game with extreme skill. For month after month they were urged by irresponsibles in this country to deal with the non co operation movement by force, to imprison the agitators, and to close down the agitation. Of course, you cannot close down an agitation by imprisonment. Lord Reading and his administration were dealing with the agitation on proper lines,

Character of Indian Agitation

The House should understand that the sgitation in India is not an agitation solely against Western rule, but that it is an agitation against Western civilisation, and not merely against Western rule. Gaudhi's agitation, if carried to its logical conclusion, means

the abolition of Calcutts, Bombay and Madras. It means the abolition of civilisation and the return to Toletoyan institutions of the Middle ages. As that agitation proceeded, people in India who possessed a stake in the country became alarmed. As the agitation developed in one case by means of the Moplah rebellion, where the Moslem murdered the Hindu, and in the next case by the massacre of the police in the United Provinces, more and more of the moderates said : "It is all right to be anti-English, but this is a bit thick" They became naturally reconciled to the Government as the excesses of the Non co-operation movement went on, and then, just as things were moying admirably, the disaster came. The Vicerov was forced-1 will not say how he was forced-to do exactly what Gandhi was playing for, and imprisoned Gandhi. There is no lack of peole in India who are prepared to go to gaol. You can fill every gaol in India five times over, voluntarily That is what Gandhi didi n South Africa. He filled the gaols in South Africa in order to break the Transvaal Government, but in South Africa the Indians were in a minority, and they did not succeed altogether. At any rate, they only succeeded partially. In India the Indians are in the majority, and if you once get it into the heads of people in India that the most patriotic thing that they can perform for their country is to go to gaol, you will fill all the gaols.

Failure of Impression

That is what is proceeding in India. The agitators have now been arrested, but the agitation goes on. There is no end to the repression, just as there is no end to the agitation. You have locked up Gandhi and given him six years' imprisonment. friend Lajpat Rai and every one of my friends in India are in goal. It is, unfortunately, becoming almost the right thing for an Indian That is a horrible thing instead of, as there was a chance three monts ago, working through the Montagu-Chelmsford reforms, and gradually getting the Indian people in favour of those reforms, and getting them out of the Non co operation movement, into Co operation and friendship with this country. The future there is black, and one does not know what is to be done. I urge upon the Under-Secretary of State that he should take every possible measure to alleviate the lot of the political leaders who are in prison. It is all very well to imagine that an Indian prison is like an English prison. It is not. An Indian prison is more nearly an approach to hell than any prison in this country. Anybody who has read the reports of 'he Andaman and other Indian gaols will not consider that going to prison for conscience sake in India is to be compared with going to prison for conscience sake in this country. I do hope that the Michael Collinses of India are not being treated as felons, but are being treated as gentlemen. It may be necessary to put them in prison—I do not say anything about that—but let there be no indignity; let there be no unnecessary hardship. Let there be a deliberate distinction drawn for the first time in India between the political offenders and the ordinary common or garden felon. At present there is no distinction in regard to food, and there is no distinction in regard to quarters.

The attitude of the administration towards the political offender is almost, one might think, one of vengeance. That will not It will not do for this country and it will not do for our future relations with India. We have got to the imprisonment stage. These people have gone to prison, they have filled the gaols but the agitation goes on The next step has already been advocated from the benches below the gangway, and that is to muzzle the Press. The Press Act is to be repealed You are now having an agitation to prevent the repeal of the Press Act The Press is becoming daily more important in India. Its circulation is going up, and, what is far more important, the Press is being read in the agricultural villages and is being used for agitation purposes among the cultivators and among the uneducated people in India as never before. Every stroke of policy which led you to lock up the agita tors must drive you mevitably to proscribe the Press is well, and when you have proscribed the Press and when you have proscribed meetings, there comes the next stage far more damnable than anything that has been gone through in the past, and that is, the stage of secret organisation and assassination You will get to that just as you have got to the other stages.

Potential Danger for Empire

What is the future of the British Empire to be if we are going through all these stages? It will be worse than the light terror, because when you get a race war it is much worse than war between two white races. When you get to that the end is the same. You may hold on for a few years, but the end is the same contemptible surrender to force what you would not surrender to justice. That is what I want to avoid. The Noble Lord the Under-Secretary of State for India is a Tory, but I think he agrees with me on nearly every subject of foreign and colonial affairs. I do put it to him that he might attempt to use all his influence with his Noble Friend the Secretary of State to get something done that shall not be mere repression. Something can be done, and I am quite certain that what ought to be done is to give the pledge of a time limit

for the granting of the next step in the reform scheme. The next scheme in the reform scheme is complete autonomy for the provinces and control over finance in the Legislative Assembly. They have control over finance in the Legislative Assembly now, not by law, but by practice. The best thing that can be done now is to insist on fresh elections both for the Legislature and for the Council

Failure of Council Boycott

I believe that, if fresh elections were beld now, the nonco-operation movement, so far as the Councils were concerned, would break down. You have now already in the Councils, and in the Legislatures, the beginning of a regular opposition. For the first time Indians are beginning to realise that acting through the Councils does not mean going into the Government, that it does not mean taking part in the governing muchine, and that there is just as honourable service to be rendered in the opposition as in the position of a Right Hon. Secretary or Minister. If fresh elections could be held now, it would not be a repetition of 1920. You would get these people returned to the Councils, and taking part in those Councils as an opposition, and as part of a democratic machine. Our fight now is to grant direct democracy to India, and not to save for ever British administration in India. It is not good either giving any pledge for the future or having new elections now, unless at the same time the non-co-operators dropped their ron-co operation What I would do would be, though Gandhi is in prison, to approach bim, now that the Khilafat business is out of the way, with a view to putting an end to non-co operation, provided that he would be satisfied with a pledge as to when the next step will be taken to give complete Dominion Home Rule, coupled with an immediate opportunity of taking some part in the administration by having fresh elections to the Councils, and to the Assembly Though it is a risk, though unfortunately things may be so far embittered that there is no chance of any settlement by agreement, that is the best chance we have got of avoiding that Irish terror, which is the alternative, as I see it, to an amicable settlement of this problem.

Two Future Essentials

Two things are necessary if we look forward to a British Commonwealth in the future, of which a free India shall form a part. First of all complete self-government, complete Dominion Home Rule. Second, for unfortunately Dominion Home Rule is not enough, that all citizens of the British Empire whether they be European or Indian, shall have equal rights throughout the British Commonwealth, because they will not stop inside the

British Empire, if Indians are not treated as equals in the Empire. That is the obvious test that every patriotic Indian would apply, "Is it worth while being in the British Commonwealth? If we go into Kenya and are not treated as equals, then 'as agon as we get Dominion Home Rule we will take the next step and declare an Indian Republic." The only chance of keeping them in is to show that there is no colour bar, and that there are advantages in being a British citizen just as in the old Roman Empire there were advantages in being a Roman citizen. That can be done still, but is being blocked at present. The whole future of the British Empire is being endangered at present by the ridiculous prepossessions of a small band of settlers in Kenya. I know that the Under Secretary of State for India likes those settlers I know them myself and I like them, but you cannot have all these risks, you cannot have the prospect of ruling for the British Empire weighed in the balance' against the prejudices of a handful of settlers It is not good enough.

Kenya Question

Kenya is under our rule. It is a Crown Colony. The Legislature has a minority of elected members, and a majority of nominated members, so that the Colonial Office, which means this House, can still dictate the policy of the administration of Kenya. We pass the laws and unfortunately we have got to force through the equality of citizenship in Kenya which was recognised by the Conference of Premiers last year as being the Magna Charta of our Commonwealth, and is only being resisted at present by the Colonial Office and by the local administration in Kenya. If the Noble Lord is going to play the game for the Indians he must put up against the Colonial Office as good a fight as the Right Hou'ble Member for Cambridgeshire (Mr. Montagu) put up. It had become before he resigned a duel between the Right Hon'ble Gentleman and the Colonial Secretary, a duel in which the whole future of this this Empire was at stake. This is a small point, but it is typical of the struggle that has got to be settled one way or another. The late Secretary of State for India was not going to accept defeat. His attitude in the last resort was that this question of Kenva must be decided by the Cabinet and that he could not submit to defeat from the Colonial Office without the Cabinet deciding the matter. If he had been out-voted in the Cabinet, undoubtedly he would have resigned, and I hope that the present Secretary of State and the Noble Lord will fight the same good fight. It does not much matter whether they are consistent with their past. What do matter far more are the traditions of our E-spire and the future of the amicable relations between India and England.

Earl Winterton

In winding up the debate, Earl Winterton, the Under Secretary of State for India, made the following reply to the points raised in the debate:—

May I point out that both my noble friend the Secretary of State in another place and I in this House represent not merely a great department but the Government of India which as a result of the powers willingly, I think, accorded by the Parliament of this country, in performing the most important of any functions have admittedly been passing through a period of stress and strain as great as that which any Government in any country has ever faced. My Hon, and gallant Friend the Member for Newcastle under Tyne (Colonel Wedgwood) whom I thank for his particular references to myself, made a reference which I rather regret, to my noble Friend the Secretary of State for India. said that the India Office was now in an important position; and be then went on to speak of possible reactionary tendencies. I think it is most desirable that at the very outset of my speech I should clearly assure the House, which I have the greatest pleasure in doing-though I think it is hardly necessary-that the appointment of my Noble Friend the Secretary of State does not involve any change in the policy of the Government and that, as hefore, the Government and the Secretary of State will carry out in the spirit and the letter the policy laid down in the Government of India Act, 1919. Speaking for myself-not merely because I represent the Secretary of State in this House-I would call the attention of the House to the fact that I spoke and voted in favour of the Act of 1919 at every one of its stages through this House. and, so far as a private member could be, was identified with its policy by voice and vote.

"Cannot give a pledge to agitators"

A very interesting speech was made by the hon, and gallant Member as to the position of the Government in India, a speech with which in many parts I am not in great disagreement. He spoke of the arrest of Mr. Gandhi and other prominent people in India whom the Indian Government have thought it right to arrest, and he made a lengthy and theoretical statement on the duty of the Indian or any other Government when dealing with agitation. I think this matter may be best summed up by saying that the Government of India like every other Government at the present time and in the past, were obliged, in the exercise of their ordinary duties of authority and obligation both to India and to this country, to carry out the arrest of certain people. Every Government bas

primary duties which it is bound to perform, and while it is regrettable that in carrying out these duties there is sometimes involved the arrest of people whom one would wish in happier circumstances had co operated with the Government, rather than otherwise, it is the duty of any Government which feels it ought to take certain steps to take them. My hon, and gallant friend said he hoped that I would be able to say something as to the action of the Government in this and other matters. I can assure him that any Secretary of State standing at this box would say exactly what I am about to say, and that is that everyone connected with the Goversment of India, either in India itself or at the India Office in this country, is anxious, as I have already said, to see the spirit and the letter of the Act of 1919 carried out by mutual good-will on both sides and as little as possible of what my hon, and gallant Friend opposite called repression He then went on to say that in his opinion the best way of dealing with these matters, as I understood bim-and I listened very carefully-was that we should buy off the opposition to the Government of India by giving a pledge that if certain people would abstain from opposition, we would immediately advance another step on the road to self-government. I. of course, could give no such pledge without consultation with the Secretary of State, but I cannot avoid saying that the suggestion was the least useful that could be made in the circumstances, that selfgovernment of any country could be carried out by giving a pledge to agitation of that kind.

Colonel Wedgewood. In order to bring the agitation to an end. Earl Winterton: That is exactly the same thing "buy off the agitation." I recognize fully that my Hon. and gallant Friend is as anxious as any Member in the House to see the best done both for the interests of India and of the whole Empire But I cannot think that the plan suggested is either a peaceful one or that any Government could possibly adopt it and continue to receive the support of a large section of opinion in this country.

Indians in Kenya

My Hon. and gallant Friend made reference to what is admittedly the very difficult question of the position of the native Indians in Kenya. I shall, of course, represent his views to the Scenetary of State, but I can assure him that this question is engaging—and necessarily must engage—close attention—I do not think either the interests of India or of the Kenya Colony would be served by my making any statement on this matter at this stage. Quite obvicusly, it is a question which from the point of view of India, and of this country, and of the Indians in Colomes overseas other than Kenya, is most acutely felt, and which I hope sooner or later—I do

not myself say it is outside the bounds of possibility—sooner of later there may be an agreed solution. I speak unofficially. But looking at the question from several points of view, and from my own knowledge, there must be at some time or other an agreed solution. In order to arrive at that, certainly it is very necessary at this stage that matters should be conducted carefully, and nothing done to interfere with the attempt to arrive at a solution.

Discontented India

Before I turn to the speech of two Hon. Members representing Laucashire constituencies about cotton duties. I should just like to make one reference to the speech of the Noble Lord the Member for South Nottingham (Lord H Cavendish Bentinck.) I was sorry to hear some of it, and I make mention of this because it will get coupled in the Indian papers and go out as the views of members of this House. The Noble Lord, speaking with all the authority which appertains to a Member of this House, said that all the elements in India make for a discontented people and very few for a contented people I can only say that I am very sorry that an Englishman with the advantages of an education and general knowledge possessed by the Noble Lord should have so described the work of thousands of his fellow countrymen, and so signally failed to realise that t'e work of the civil servant is not only a monument of national unselfishness, but a monument of national efficiency.

Lord H Cavendish Bentinck. Did I ever say it was not? I said that there were many elements of discontent in India and .. any causes for discontent.

Earl Winterton The Noble Lord said that there were all the elements which made for discontent and few for contentment. Speaking as he does, with the authority of a Member of this House, and with the position he fills, I say that his statement is not one which should be allowed to go without contradiction.

Cotton Dutres.

I now turn to the speech made by the Hon. Men. for Royton (Mr. Sugdan). Those who have spoken in this Debate for Lancashire have put this case for the abolition of the cotion duty vib great moderation and force, although I must say I do not agree with all their arguments. The Hon. Member for Royton began his speech by regretting that there had been in the past accusations of selfishness in the matter against Lancashire Members, and they had been told that all they cared for was the interests of Lancashire All I wish to say is that such an accusation has never been made by me, and, so far as I know, I do not think they have been made by

the late Secretary for India, or by my Noble Friend in another I know that the late Secretary for India had anot made any such accusations, because I read recently the reply which he made to the deputation of which my Hon, and gallant Friend was a Member about a year ago. Then my Hon, friend went on to use an argument which I might describe as a sub argument, because it was not his main contention, and pointed out that India was able to obtain money in this country more cheapty than many of the English counties or boroughs. That is quite true, but he should have explained that that money is subscribed by public loan in this country, and if the people here subscribed so readily to those loans I think that is a tribute to the financial soundness of India. It is not a very sound argument to say that because India is able to raise money more cheaply here than some English boroughs or counties. that that involves an obligation on India to make certain alterations in her tariffs. I think the Hon, and gallant Member is stretching his example on financial soundness a long way in order to apply to his argument. I am sorry that the Hon. Member for Rossendale, (Mr. Waddington) is not present, because, I observe that he has been addressing some arguments to his constituents, on the subject of these duties, and he said very little about the duties themselves. Instead of that, I observed suggestions as to how the poor, illiterate. ignorant natives of India might be led into better paths.

Mr. Sugden I pleaded that they should be educated to give us that Imperial preference which I believe they will in regard to tax.

Earl Winterton. Surely my description was accurate that they should be led into better paths. I notice that the Hon. Member opposite was somewhat restless whin this reference was made in relation to a cause which he has always so valuantly championed in this House, but I would remind the House of the argument that was used by the Hon. Member for Rossendale the other day. Addressing his constituents, he said that the Government had power they possessed under the rules arising out of Section 33 which refers to transferred subjects, and not to central subjects at all.

Lancashire and Indian Fiscal . mission.

Let me now come back to the speech of the Hon. Member for Royton opposite. His accusation is that the Government of India ought to have raised this money by other means than by suggesting an increase in the cotton duties I can answer that point very shortly. In the first place he said that their taxation is protective. It is perfectly true, and we do not deny the fact that the taxation proposed is protective but I wish to point out that it has not been

settled yet, and there is a fiscal Commission sitting at the present time inquiring into this subject.

Mr. Sugdan: Is it not a fact that we have no representation on that fiscal inquiry, and is it not also a fact that the two practical Lancashire men, who could have been sent over, will not get any representation, and there will only be Indian representation?

Earl Winterton :- That is most emphatically not the case, but there is no more resson why the particular interest of this country should have representation in regard to this matter than there would be for India to have representation on a Royal Commission appointed to deal with factories in Lancashire. Of course, Lancashire interest have every representation on that Commission. This is a very important matter, and if my Hon and gallant Friend can point out to me that there has been any difficulty put in the way of the representatives of the Manchester cotton industry stating their case-if he can show me that anything has been done to prevent their giving evidence before that Commission -- I will represent the matter to my Noble Friend who, I am sure, will at once telegraph to India, and have it put right. I must say my information is altogether different from that of my hon. Friend. Every opportunity, I am told, was offered to the two representatives to give their evidence and I understand they have decided not to do so.

Mr. Sugden. I and my co-secretary of the Lancashire Committee made representation to the then Secretary of State for India asking for facilities io. a deputation of employers and employed to go out to India to give evidence before the Commission. We were not granted those facilities; neither did we get any definite suggestion as to how we could present our case. We had a direct indication, however, that no official facilities would be offered in respect of that deputation

Earl Winterton: My in mation is that an opportunity was given—and it was stated in black and white—to the great cotton industry of Lancashire to give evidence before that Commission, but for some reason with which I am not acquainted it has not been taken advantage of. For my part, I will discuss the matter with the Security of State. I am sure he will do all in his power to see that facilities are given. But this is a Commission set up by the Government of India. It must be realised that it is an Indian Commission, and not a Commission set up by the Government of this country, and it has to consider the matter specially from the Indian point of view.

No Other Source to Tap

I now come to deal with the question whether or not we could have raised our revenue by other means than those adopted by the

Government of India in its recent Budget. No source of revenue in India has been unexplored during the last few years. The only possible main sources are first the land revenues and onlym, and as to the latter, obviously we could not add to the duties. As to salt the Government of India did propose to increase the salt revenue, but it was rejected by the Legislature. The salt Tax in Kastern countries probably hits bardest the poorest people in those countries, and the taxation of salt is a form of taxation we ought to be careful not to increase too greatly. Then there is the Income Tax and the Super-Tax. It was pointed out that these taxes are not so high in India as in this country, but can any one suggest, baving in mind the varied circumstances of the two countries that the Incometax and Super tax in India should be on the same level as in this country? Then the Post and Telegraph Taxes have been considerably increased, and are as high already as we think they should be. The same may be said with regard to the railways, while as to the contributions by the Provincial Governments to the Central Government, they are fixed by Statute

There remains that great source of taxation, Customs and The point is that there was a general increase proposed to operate on all goods sent from this country and it must be borne in mind that the manufactures of other goods might just as strongly object to these duties as the cotton manufactures. We have to look at the great cotton industry from the point of view that it is one of our main props of taxation and livelihood tures in other industries have to consider their own position, and their interests are as important to them as are the interests of the ladustry to the cotton manufacturers. It is unfair to alk as if this was an increase only on cotton goods It is a general increase. Now I must ask the House to give me every facility for dealing with a delice e constitutional point, and not to request me to say more than I am go g to say as to the relationship between the Government of India and the Secretary of State and the Government in this country in the matter of taxation I cannot do better than quote the Report of the Joint Committee which eat on the Government of India Bill under the chairmanship of Lord My Hon, and gillant Friend does not, I think, agree with the Report of that Committee, but other ple do and the Report shows the great attention which was given by the members of the Committee to the problem The Committee says:

"Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is diotated from Whitehall in the interests of the trade of Great Britain. That such a belief exists at the numerit there can be no

doubt. That there ought to be no room for it in the future is equally clear. India's position in the Imperial Conference opened the door to negotiations between India and the rest of the Empire, but negotiation without power to legislate is likely to remain ineffective. A satisfactory solution of the question can only be guaranteed by the grant of liberty to the Government of India to devise its own tariff arrangements which seem best fitted to India's needs as an integral portion of the British Empire. It cannot be guaranteed by statute without limiting the power of veto which rests in the Crown; and neither of these limitations finds a place in any of the Statutes in the British Empire. It can only therefore be assured by acknowledgment of a Convention."

These are the concluding words to which I wish to draw the

special attention of the Hon'ble Members .

"In the opinion of the Committee, therefore, the Secretary of State should, as far as possible, avoid interference on this subject when the Government of India and its legislators are in agreement, and they think that this intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party."

Obviously these fiscal arrangements mean general Imperial Preference They have no reference to a particular fiscal view which is held in this country I think that these conclusions are conclusions which may well be studied by every Member of this House, and I am sure the House will forgive me if I, not from any lack of desire, do not give any further information, depecially as the matter of the relationship between the Government of India and the Secretary of State and the Government in this country in these matters of financial control will come up again on some future occasion. I should like to say, with regard to the whole question of the Indian Cotton Duties, that, while the two Hon'ble Gentlemen who have dealt with this subject to night have done so in a most moderate fashion, and neither I nor any one connected with the Government of India has anything to complain of on that matter, the question has not always been so dealt with in this House or in the country, and there is no one who knows anything about India who does not agree that this is one of the most dangerous and difficult questions which can arise in the relationship of India with this country. While I assure the House on my own behalf and I think the Secretary of State would like me to give this assurance, that we will do everything in our power to endeavour to meet the views of Lancashire, I must point out that the Hon'ble Momber (Mr. Sugden) was himself treading on dangerous ground-

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If he and those with whom he is associated say some of the things—I do not think they will say them, although I did not like his reference to the poor, ignorant and illiterate people of India—if they say some of the things which have been said by their predecessors, they will do more than anything else to put back the cotton trade and injure the cause of the policy embodied in the Act of 1919. It think that the vast majority of this House would regard it as a great misfortune that any such injury should be done. I would further point out that this subject has been one of bitter controversy for 50 years. The Secretary of State, the India Office, and the Government of India realise, as I hope the Hou'ble Member for his part will realise, the stress and strain of the present period in India, and I hope we shall not be pressed to make, at untimaly moments, further statements on this most difficult and intricate subject.

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[Regarding the views of the two Lancashire Members referred to above, see the Lancashire Deputation to the Sec of State given in the following pages.]

The Lancashire Deputation To The Secretary of State

LONDON-29TH MARCH 1922

After the installation of Lord Peel, a tory Peer, in the India office, in place of Mr Montagu, the Lancashire MP's taking advantage of the change of policy met to press their views upon the new Sec of State once more

Accordingly on March 29th 1922 a deputation of Lancashire M P's and others interested in the cotton trade waited on Earl Winterton, the Under-Secretary of State, at the India Office to make representations concerning the differentiation in taxation now enforced in India against foreign piece-goods. Earl Winterton received the deputation in the absence of Lord Peel

Sir John Radles, in introducing the deputation said :-

Generally speaking, I think you will find that our attitude is one of a desire to help your Department and not to put difficulties in your way We realise the importance of the new arrangements in India. We do not expect you to go back on what has been done, we cannot expect that you will declare that the policy of your predecessor is to be reversed. We are not looking for that kind of thing, but we do think that it is within the province of your Department, in view of all the circumstances of the case and the great importance to the industrial community which represented here to day to hold somewhat of a balance between conflicting interests If, for instance, the Bombay cotton manufacturer puts undue pressure on the Government of India we look to you to rectify that undue pressure, and to see that there shall be a balance held as between Lancashire-If you like to call it so,or between the United Kingdom and this great Empire which may be affected or deflected in its policies by the particular interests in India as distinguished from the interests of the whole Empire

The Constitutional Position

Mr. Waddington said -

We represent all sections of opinion in Lancashire. The membership of this Committee is extended to the whole of the Lancashire members, whatever views they may hold on particular questions, and while we have never expressed, as a Committee,

any views on the subject of Imperial Preference, nor have we expressed any views on the subject of Free Trade, what we are united upon is the necessity, as far as practicable, of absolute free trade between this country and India. Upon that we are all united, whatever our fiscal theories may otherwise be. Sometimes it is put up against us by other members of the House of Commons that Lancasbire acts rather selfishly in connection with cotton questions, but there is a double reason for that. One reason is because of the immense importance of the Lancashire trade, and the second reason is that probably within twenty miles of Manchester there are more people who have personal experience and knowledge of India and Indian affairs than all the rest of the United Kingdom put together, and having that close personal contact with India from commerce, from the erection of machinery and from the selling of goods there, it makes a closer relationship between that part of the United Kingdom and India than with any other part. So that we are naturally more interested than other people in whatever affects India Now Mr Montagu's policy under the Government of India Act, we consider, has exceeded really the terms of the Act and has thereby created a false position among certain people in the House of Commons and in the country, and an equally false position in India I refer more particularly to the question of fiscal policy Under the Act there is no sugges tion of granting fiscal autonomy. It seems to have been settled upon the Report of the Joint Committee which considered the Government of India Bill, and we suggest that the opinion of that Joint Committee is really contrary to the picamble of the Act and to the general intention of the Act itself. You spoke in the House of Commons on Monday night, and I was interested to notice that in giving a quotation from the Report of the Joint Committee you gave the whole of the paragraph with the exception of one sentence You quoted the Report of the Joint Committee down to the word "convention", and then you went on to say - "These are the concluding words to which I wish to draw the special attention of hon members." It was instructive to me to see what the words were that you had omitted, and they were these ; "Whatever be the right fiscal policy for India, for the needs of her consumers as well as for her manufacturers, it is quite clear that she should have the same liberty to consider her interests as Great Britain, Australia, New Zealand, Canada and South Africa" I am not sure whether those words were omitted intentionally.

Lord Winterton · Oh no

Mr. Waddington · I was hoping they were, because we

have always held that to be one of the weak spots in that Committee's Report. The very fact that a Committee should suggest that the Government of India Act was conferring upon India the came powers as had been granted to the other self-governing Dominions was to suggest something which was totally contrary to fact, and made the Report of the Committee, so far as that particular paragraph is concerned, quite useless, and quite hopeless from an administrative point of view. What is actually the position in India and in the other self governing Dominions? Under the Government of India Act the Budget has to be introduced by the Governor General The Legislative Assembly, or the Legislative Council, have no voice in introducing the Budget They have simply to vote certain proposals, and the Governor-General can veto those proposals which they either carry or do not carry. Now what is the position in the other self governing Dominions which this Select Committee say are equivalent to India? In all the other self-governing Dominions we have the The candidates go to the country, they put party system. forward their policy and one or other of the parties is elected They form the Government, they administer, and they legislate. But in India those who are elected have no powers either of administration or legislation otherwise than on the sufferance they receive from the Governor-C meral. We say that to suggest that the minciple of self government guaranteed to India is equal to self-government guaranteed to the other self-governing Dominions is really playing with terms. With regard to the question of whether we have gratted fiscal autonomy and self government to India, I should like to quote from Mr. Montagu's abridged version of the Montagu Chelm ford proposals which was issued by the India Office in 1918. This is what he says on Page "The development of legislative bodies in India has led to occasional attempts to impugn the supremacy of Parliament, but on various occasions when the question was raised by individual members of the Government of India or local Governments, or by the Government of India as a whole, the Home Government asserted their rights both of legislative and administrative control in uncompromising terms." That is what the position before the reforms. These are the proposals after the reforms Mr. Montagu says:—"It is not part of the writers' plan"—that is of Lord Chelmsford and himself-"to make the official Governments in India less amenable to Parliament than hitherto." Then he goes on to say. "On large matters of policy there can, of course, be no such delegation" We suggest that fiscal policy is a very large matter of policy and that it involves so many interests, both

for the welfare of India and of the rest of the Empire, that there cannot and ought not to be, with the limited self-government which has been extended to India, any real fiscal autonomy in India. The preamble of the Act has been referred to, we know that it 15 to take India by measured steps on the road to self government. With regard to the rules which were made under Section 33, as you know, there are two sets of rules. The first set, if they are made, deal with the central subjects and the next set deal with the transferred subjects. Now, under the transferred subjects certain rules have been made and whilst those subjects have been deliberately transferred to the Governments in India yet we have by those rules established the right of Parliament to interfere when matters involving any dispute between this country or any other part of the Empire and India are at stake If we have made those rules in connection with the transferred subjects giving the positive right of this Government to interfere, how much more power have we to interfere in the central subjects about which we have not made the rules? In order to show the importance that Parliament attached to these two sets of rules and how it intended to keep its grip over contral subjects whilst it parted with some of its responsibilities over the transferred subjects. I should like to say that the first set of rules over central subjects have to be presented in draft to the House of Commons. They have not to be issued as Orders and laid on the table in the usual way but they have to be presented in draft. The other set of rules for the transferred subjects can be made and they are only presented as a matter of form in the House of Commons, so that the House of Commons when it passed this measure did really intend to maintain a strict hold upon those central subjects which concern the Central Goveinment and this country

The question also of what was intended, whether we did give self-government to India, can be dealt with by a short extract from the King Emperor's Proclamation after the Act had been passed. In the Proclamation the King declared. "The control of her domestic concerns is a burden which India may legitimately aspite to take upon her own shoulders. The burden is too heavy to be borne in full until time and experience have brought the necessary strength, but opportunity will now be given for experience to grow and for responsibility to increase with the capacity for its fulfilment". Now I suggest Lord Winterton, that that declaration of the King Emperor means that we did not give self government to India, fiscal autonomy and the severance of the right of this country to take any part in her affairs. We did not, and never intended to give that. And we have gone wrong as a Parliament

by yielding too much of our judgment to the judgment of the Select Committee. Now with a change in office we hope there may be a reconsideration of these problems and we hope that we may get back to the actual terms of the Act, to the actual intentions of Parliament relying upon the Act of Parliament and disabusing our minds of the opinion of the joint Select Committee Now Indians themselves do not consider that they have fiscal autonomy. here a quotation by a very prominent Indian, Sir Vithaldas Thackersey, an important and active member of the Legislative Assembly. Sir Vithaldas Thackersey in the course of his examination by the members of the Fiscal Commission " declared that at present India enjoyed fiscal autonomy only on sufferance and asked that they should have complete self-government in this direction meaning thereby that the Indian Legislatures should have the final word on all fiscal questions including Imperial preference." Another member Rao Saheb Sahasrabudhe who is a member of the Advisory Board of Industries, said "He was humbly of opinion, with due respect to the higher authorities, that fiscal freedom should be granted to India to commemorate H R H the Prince of Wales' visit"

We have been told that the whole of India considered that she had not got this right to fiscal autonomy and fiscal freedom. has been impressed upon us that we had no right to interfere, that we were reopardising the position of the freedom of India and this country, and the good relationship between them if we interfered. But here we have evidence within the last six weeks of two important ludians holding public positions who declare that they have not got fiscal autonomy in India and who are asking that fiscal freedom should be granted. The electorate of India Las been referred to so frequently—the small electorate and the small proportion who vote-that I will not labour that point at the moment. but I would like to refer for a moment to a point in the East India (Progress and Condition) 1920 Report. On page 66 a description is given of the electorate of India and the manner in which that electorate had to record their votes at the last election. This is what is said in that report, which is an official report, issued by the Ingenious machinery was devised for Government of India. enabling illiterate voters to record their votes. In the case of Bombay, for example, it was decided to adopt the coloured box or symbol system There was a separate box at each polling station to which was allotted the colour of the symbol given to a particular candidate. Where the number of candidates was five or fewer, the boxes were coloured white, black, yellow, red and green. Where the number of candidates was greater than 5, to each was assigned a symbol such as a horse, cart or sword, or some other

universally recognisable article, for it was found that country voters could not be trusted to recognise with certainty more than the five colours above mentioned".

Now the point I would make here is that where you have an electorate limited to only 900,000, and where you have electors of a class who have to vote according to a symbol such as a horse, a cart, or a sword, it is quite out of the question to suggest that self-government exists in such a part of the Empire as you have in the rest of the self governing Dominions.

While we disagree with the theory that we have granted absolute self-government to India, we have no desire to assert that the Montagu-Chelmsford Reforms should be scrapped All we desire is that they should be carried out in a way which would be best for this country and for India They should be carried out in a spirit of co-operation. We believe that it is necessary for India to co-operate with this country We believe that the best advantages will be obtained by using this country's wide experience, its capital, its skilled labour and its facilities for the development and the improvement of India It is rather on those lines that we would like to go-by India recognising that she is not so independent, and by our recognising that we have ceased to hold the dictatorial and autocratic policy of previous years when the Government was entirely in the hands of the Secretary of State We do now want to go with them and to follow them on the road to self-government. to act with them and to build them up, because by building them up we shall be building ourselves up at may be selfish or otherwise, but if we can give a benefit there is no reason why we should not also obtain some part of the benefit for ourselves.

'So far as the policy of the development of India by those protective duties being necessary is concerned, I suggest that India is so developed now that, even assuming that she had the power to protect herself, she does not need protection, and those assumptions are borne out by fact. If you take out the figures from the "Statistical Abstract of British India" for 1920 you will find that there were in 1909 74,757 looms in India. In 1918, without any protection in India, with the countervaling duty which was equal to the import duty, the looms in India had increased from 74,000 to 1,08,000 an increase of 48 per cent. India was able to extend her domestic industry so for as her capital and her labour was available, and no country could protect itself to any possible extent beyond those two things. It is suggested by witnesses before the Fiscal Commission that protection is not necessary. Mr. Mehta, Director of Industries, Cawnpore, in giving evidence before the Fiscal Com-

mission sometime in December said that he considered that cotton mills in India had arrived at a stage of full development and did not require protection.

Then, as one of the dangers of this system of protection being given to India, we should recognise the possibility that the Provincial Legislature will, from their diversity of interest with Bombay in course of time come to demand protection against Bombay and the splitting up of India into fiscal autonomous areas within India itself. We have that suggested by Mr. Calvert, the Registrar of Co-operative Societies in the Punjab, who, in giving evidence before the Fiscal Commission, said. "It seems to him what might be advantageous to Bengal and Bombay might be detrimental to the Punjab If the Punjab was ever to have cloth mills it would be more important for it to secure protection against Bombay than against Lancashire"

Surely it cannot be to the interests of India that it should be possible that an agitation should arise in India to secure that extra walls are to be set up within India? If you are going to have protection for the province of Bombay you may equally have the Punjab and the other provinces asking that they shall be protected against Bombay in order that they may cultivate their own areas. We must not lose sight of the fact that when we speak of these Legislative Councils in India we are dealing not with small bodies of one million or two million men, but we are dealing with bodies that have the rule and the control over twenty million and thirty million of people, and as they get educated and more alive to the responsibilities of their position they will begin to ask for these powers which are now being controlled largely by the influence of the Bombay people.

Now I want to say a word about the methods of the Indian people so far as cotton goods are concerned. It was declared by Mr. Wadia who is a well known Indian cotton manufacturer, and who is also well known for his views on currency, when he spoke here in this very room, I imagine, at a Deputation when Lord Morley was Secretary of State for India in July 1910: "The Indian consumer, as a rule, lays aside a certain amount of money for clothing during the year and whatever the price, he can only buy the amount of cotton cloth to the extent of the sum laid aside for the purpose." We are suggesting that to make cotton cloth dearer by the imposition of this duty is to make it extremely difficult for the masses of Indian people to purchase the necessary amount of cotton cloth which they require The conditions of life which operated then are, I understand, still operative, and a certain

amount of money is still allotted to the purchase of clothing. Now what happens under present conditions? This same gentleman in giving evidence before the Fiscal Commission, of February 24, made this statement: "The witness contended that millions in India were to day in a state of semi starvation and semi nudity due to the economic and currency policy of the Government. He did not think that the raising of the import and excise duties on cloth would make the position of poor people much worse." I am sure that we cannot sympathise with an attitude of that sort; we cannot agree with a policy which is going to affect millions of people in a state of semi nudity and semi starvation through the imposition of these duties.

Practical Suggestions

Now what practical suggestions can we make to you? It has been suggested that if the duty of 11 per cent, on customs was reduced to 6 per cent, and the excise duty was increased from three and half per cent to 6 per cent, you would then get as much revenue as you are getting from the 11 per cent, and from the three and half per cent. You would by that means reduce the price of cotton goods in India by 5 per cent, enabling more goods to be produced both in this country and in India, producing greater employment in both countries, and the masses of the people being Also, it is a fair criticism that the able to have more clothing Government of India are not administering India in the best interests of the people, judged solely by its Budgets. I look at the particulars as given by Mr. Montagu on last year's Budget, and 1 notice the revenue from intoxicants. I desire to say in this connection that I am not using these figures as any teetotal argument. because the Lancashire members are not all tectotallers. I assure you that I am not a tectotaller myself. I just mention it because whatever may be our views on temperance or otherwise, we do like to have some relationship between the articles on which taxes are imposed. Now in India the imposition of taxation on intoxicants amounted to 27,000,000 rupees On cotton manufactures, that is, imported cotton goods only, not including excise, the taxation was 59,500,000 rupees, I think there is reasonable room for suggesting to the Government of India that they have a means, by looking at the duties upon wines, spirits and beer, of obtaining revenue which would at least be as easily paid as in the other case, and if they reduce it in the case of cotton goods they would certainly make it easier for those cotton goods to be bought by the masses of the people.

I only desire to say in conclusion that what we Lancashire people wish is that there should be close co operation between this Government and India, that this country should by all means in its power assist India by helping in its irrigation works and by the extension of railways, that we should assist her to increase her material wealth, and by the increase which we can bring about in that way we shall certainly do more to contribute to the welfare of India and the welfare of Lancashire than by means of these tariffs which cause so much loss to both countries.

Mr. T. Shaw (M. P. for Preston) said .- It is not my intention to make a long speech. The organised cotton workers in Lancashire at any rate have no doubt at all about their standpoint on this question. Conference after conference and congress after congress has occupied itself with the question and some of us have an experience of it dating back 30 or 35 years I do not think the Government will try to shelter itself behind the Act of the ex-Secretary of State for India because the imposition of these duties took place prior to that Act being passed. Over and over again Lancashire, both so far as the employers and employed were concerned, approached various Indian secretaries when proposals for these taxes were being made and on every occasion, after hearing the statement of the case, the Indian Secretary admitted that the tax without a countervailing excise was wrong in principle. We were faced by Mr. Chamberlain when he was Secretary of State with a fast accomple. although there was a distinct understanding that on this question, at any rate, Laucashire should be heard before final decisions were taken It is useless for the Government to try to shelter itself behind the passing of the Act by Mr. Montage. I draw attention to these facts because when I said that there was no doubt about the position of the organised workers in Lancashira we formed that opinion not on the Act of Mr. Montagu at all but on what had gone before. The action of to-day is what would have been the action of yesterday if we had not been powerful enough in argument to convince Indian Secretaries that the thing was wrong. We are told that this tax is necessitated by Indian public opinion. Our reply is that we do not believe a word of it. We believe that the vast mass of the people in India under normal circumstances require their cotton goods as cheaply as they can get them. They are probably the poorest civilised people in the world needing the cheapest of goods, and we do not believe that the vast majority of Indian people demand these taxes in the way they are imposed. That is a plain statement of fact as we see it. We do not believe the argument that the vast majority of the Indian people have any interest at all in a protective duty against Lanesshire cotton goods because we believe in normal times they. want their goods as cheaply as possible.

We say what reason was there for imposing a protective duty ? Was it because India needed a protective duty to build up her industry? Why, at the very time we were confronted with the fait accompli-I am speaking from memory-I think the average profits of Indian cotton firms were 90 per cent. So that it cannot be argued that India needs this protection because without it she cannot make her industry pay That I think has been proved to be wrong over and over again The India Office is in possession of sufficient figures on that point without it being necessary for me to attempt to use any at all. Now, what the Lancashire workers say is this plainly and simply. "We do not want say preference over India, all we want is equality If 10 per cent is put on our goods then we claim that 10 per cent should be put on the goods produced in India" We claim that Indian industry in cotton is profitable enough without having an added protective duty. We also claim-and the figures are in the possession of the India Office—that the method of imposing the tax is such as to impose a very considerable burden on a finished piece of Lancashire cloth that enters India, and it is very much open to doubt as to whether the protective duty in actual fact. does not amount to much more than the difference in the per I want again to emphasise the fact that so far us the Lancashire workers are concerned they ask for no preference for anybody. All they ask for is fair play and to be placed on the same basis as everybody else, Indian manufacturers included.

We ask ourselves, what has Lancashire done to have become the Cinderella of the trades? All through the war without a complaint, without a murmur, we suffered we were the only big trade in the country which did suffer. We did make representations, but we never murmured and we never complained, although our industry was stopped to a very considerable extent all through the war. We did not ask for protection for the workers in our trades. The large standard trades sent every man of military age who was fit into the Army without a murmur or a complaint We bore the burden of our unemployment during the war and arranged in the trade itself to carry that burden, not asking the Government to intervene to any material extent at As a matter of fact we not only suffered during the war without complaint, we not only gave all the men in our principal industry to the Army and Navy without complaint, but we managed the unemployment without asking the State to put a big staff at our disposal. We were and are now the Cinderella of the trades, and when we come slong to the India Office when these