

NEWS AND COMMENT



INDIA

Land Reform or Communism?

CHINA has largely abolished poverty while India has not. China's hundreds of millions are simply but decently clothed, housed and fed, while India's Prime Minister Mrs. Gandhi has barely been able to begin to implement her re-election pledge to conquer poverty.

Why this contrast, asks Saville R. Davis, writing from India, in the *Christian Science Monitor*. One Indian answer is that China's progress was accomplished by means of dictatorship. Poverty was abolished by abolishing liberty. India is still a democratic country, and its progress has been slow.

This may be true, but it is not the whole truth. There never has been freedom in China this century. The great mass of the people - the peasants, 95 per cent of the population - were continually at the mercy of feuding war lords, or the autocratic government of Chiang Kai-Shek. It is true that since 1949 there has been no major fighting, compared with the previous half century of warfare, but this has been true of India as well.

Two things distinguish the Communist period of government in mainland China.

- 1) The Chinese leaders are, to all appearances, genuinely devoted to raising the standard of living of the peasant population. Many of the leaders are of peasant origin themselves. They are possibly the only world rulers today who have not used their position to enrich themselves at the expense of the people they rule.
- 2) The private ownership of land, except for a few tiny plots, has been abolished. During the course of the Communist conquest of China many hundreds of land owners were killed by the peasants they had formerly oppressed. The others just had their land taken from them.

Such capitalists as there were in China fled the country before the Communist takeover, most of them to Taiwan and Hong Kong. The Communists therefore started out with a rough equality of wealth in society that is not to be found in India today. When the Chinese peasant works hard he enriches his commune or his community. When the Indian peasant works hard he enriches his landlord or his money lender. That is the difference between Indian and Chinese society, and that is the basic reason for the Chinese success.

Mr. Davis is aware of something of the sort. He writes: "Mrs. Gandhi in particular is aware that she

cannot make headway without breaking the political resistance of the more selfish and corrupt forms of wealth, which China smashed at the outset."

Indian socialists argue that only the hammer and sickle can destroy this kind of wealth, but they miss the point. Having abolished the private ownership of land, and the great disparities in the ownership of wealth, China would have abolished poverty under any kind of (uncorrupt) government. It was not Communism but the end of landlordism that abolished poverty in China, and India could do the same, not by shooting the landlords, but by establishing equal rights to land or to its annual value, and by abolishing all other state-fostered privileges. In the last analysis it is probably either that or Communism. If India is to remain a democracy the choice is clear.

USA

The Big Crunch is coming

AFTER negotiating a shaky truce in Vietnam and achieving a considerable personal triumph, President Nixon must now be more concerned with growing criticism on the home front. The country's recent record of deficit spending has now caught up with him and newly proposed budget cuts have incensed senators, congressmen and local representatives. The States and cities had been presented with a much lauded "revenue sharing plan" in late 1972 under which the Federal Government would generously return at the local level, tax monies raised federally and the "locals" were right in the middle of deciding how to spend the hard-fought-for bonanza when the domestic cuts in federal spending of specifically funded programmes were announced. The air and press is full of blue smoke and allegations of mistrust and trickery. Meanwhile the poor performance of US exports, the distrust of foreigners and the limited effects of the 1972 devaluation have exerted more pressure on the dollar and it has now been marked down a further 10 per cent. Nor is this all. Pent-up union demands resulting from the famous Phase I and Phase II economic clamps on wages, prices and incomes, started in 1971 and held during 1972, have given way to the more elastic Phase III and the big crunch is coming. As noted at the time of implementation, the difficulty with controls is in what happens when they are lifted. Mr. Nixon no doubt feels that he has exchanged one barrel