

**FROM THE HAIR OF
SHIVA
TO THE HAIR OF THE
PROPHET
... and other essays**

SAUVIK CHAKRAVERTI

**The soft parade has now begun,
Listen to the engines hum,
People out to have some fun,
Cobra on my left,
Leopard on my right!**

JIM MORRISON

The Doors

DEDICATION

To travel and travelers.
And to the fond hope that, someday soon, travel in my
great country will be safe, comfortable and swift.
May *Shubh Laabh* and *Shubh Yatra* go together.
Bon Voyage!

FOREWORD

I am a firm believer in the social utility of enjoyable politico-economic journalism. Economists like Frederic Bastiat and Henry Hazlitt have set alight the minds of millions with the fire of freedom, not by writing dissertations, but by reaching out to lay people through journalism. These include dentists, engineers, architects and various other professionals who really need to know political economy in order to vote correctly, but have never had the opportunity to study it formally; or rather, in school, they have been MISTAUGHT! They are thus easily led astray by economic sophisms that justify protectionism and other damaging forms of state interference in economic life. It is for such people that I have penned this volume and I offer it to the general reading public so that they may not only enjoy the read but also appreciate the importance of Freedom: ***Freedom From The State.***

In this I have attempted to be extremely simple in my arguments – there are no ‘theories’ presented. There are also a series of travelogues which explain reality on the ground as we see it, and contrast East and West. For example: the first travelogue is of Uttaranchal – high mountains, poverty; the second travelogue is of Switzerland – high mountains, prosperity. What can Uttaranchal learn from

Switzerland? I do believe these travelogues provide the answer far better than any Economics textbook.

Rathi Ravi edited the manuscript, and deserves much praise for fixing the tenses. I kept messing up.

There is not much to say about freedom. Its eternal truths have been obscured by the complicated 'theories' of people like Marx and Keynes. I hope readers will appreciate the simplicity with which I present my arguments here. Simplicity will ensure that these ideas become common knowledge. When voters know what policies to vote for we will be well governed and free; and not led astray by ignorant and corrupt demagogues.

Onwards to a free India – and then, a free world.

In liberty,

SAUVIK CHAKRAVERTI
January, 2004.

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1. EVIL!

I sing my song to the wide open spaces,
I sing my heart out to the infinite sea,
I sing my song to the skies and mountains,
I sing my song to the free.
To the free.

THE WHO

You gotta change your evil ways,
And every word that I say is true.

CARLOS SANTANA

There are but two ways by which we human beings can survive in this world (if we exclude beggary): the first is by working hard in the market economy and earning one's livelihood; the second is by stealing, by theft, or plunder - living off other people. My question is simple: Which is good, and which evil? Which should we encourage, and which should we try and stifle?

Obviously my reader will have the answer quite pat. She will indeed wonder how I have begun a volume of ostensibly serious essays with such a stupid question. She will say that the tendency to work and support oneself is good, and should be encouraged; while the tendency to live off others is evil, and should be firmly put down. Now, if this truth is all so self-evident, then how come we have adopted a socialist constitution that does the very opposite? Nehru instituted what Rajaji famously called the 'license-permit-quota raj' which

fettered enterprise in every way possible. Under socialism, for over 50 years now, it is the spirit of enterprise that has been stifled, and a strong, centralised state set up from which loot was distributed amongst the people. "Amongst the people?" my reader will ask. Yes, dear reader, amongst the people, for socialism combines with democracy to spread loot amongst the people. Is not my reader getting something or the other free, or subsidised? Cheap kerosene, cheap power, free water, subsidised food from 'ration shops', college degrees at 15 rupees fees a month - less than the cost of a coffee at Barista's? Of course, the people get cheated in all this plunder, for it is the politico-administrative elite that make off with most of the money.

How does socialism, such a great ideology, a word that stirs the soul of millions, and democracy, that other great God, when put to work on the ground together, end up as such an ugly spectacle of universal plunder? Very simple, really.

Let us examine the twin processes by which socialist democracy works: at the level of socialism, the freedom to earn one's livelihood is suppressed, a strong state established, and a political economy ushered in wherein the State is the fount of all patronage: for all our needs, for all our woes, for every kind of little permission or license, even for land to build a house on, we must go to the State. The elite personnel of the State love all this, and quickly realise that, with the enormous powers of patronage they possess, combined with economic clout - the State at the 'commanding heights of the economy' - they are in a position to cultivate political clientele: from crony industrialists to 'vote banks'.

This is when democracy kicks in: and the political leaders then woo the masses with freebies: Hey! You too share in the loot! I will encourage you to vote for me by promising you something free or subsidised! If you have no land, I will steal land from landlords and give it to you. If you have no house, I will pass laws that will entitle tenants to steal their landlords' property. I will give you cheap cooking fuel, cheap rice, cheap education - and what not.

Of course, these freebies and subsidies are paid for by other people, and in this manner, all the people become used to living off plunder; while at the same time they are unable to make money in the free market because of restrictions imposed by the State. This is the precise condition we Indians are in, and there is only one way out: we must consign socialism to the dustbin of history and usher in a free market. We must see it as an evil ideology that encourages the worst in Man, while stifling the best. We must also see the warts in democracy and realise that, without a free market by which we can earn our keep, an empty vote is meaningless. I cannot open a beer bar in my basement, but I can vote: what good is the vote to me? Tribals in the jungles of central India can vote but they cannot sell their lovely drink – *mahua*. What good is the vote without the free market? Illiberal democracy, we Indians must now see, is a very bad system of government.

The way to destroy evil is to first recognise it. Once it is seen that political largesse is loot, upright citizens must desist from partaking in it. When we tell the State that we want nothing from it except the rule of law, then only will democracy ring true in our country. So, dear citizens, recognise the socialist state as evil incarnate, and stop begging before it. That is the way to get rid of loot.

And, let history note, Jawaharlal Nehru was Evil Incarnate.

861 words

2. *TRUTH!*

“All I want is some truth now,
Just give me some truth now.”

John Lennon

Q: Why must truth be placed on the highest seat?

A: Because if anything else was placed on the highest seat it would be a lie,
and a lie cannot be placed on the highest seat.

DIALOGUES OF GIORDANO

There are many people who believe that, in Economics, there is nothing called ‘truth’. They hold that there are many ‘fads’ in Economics and, just as ‘planning’ was a fad in the 50s, so is the free market a fad today. Who knows, they say, maybe planning will be back in vogue 50 years hence? There are many respectable economists who hold such a view. When I worked for *The Economic Times*, I was shocked to find a senior editor expressing such an opinion.

Those who believe in liberty and the free market need not fear that all they are armed with are empty ‘theories’ that are out of touch with reality. Indeed, it is fundamental that they all realize that what they believe in is based on one basic truth – the fact that all human beings are naturally gifted with the ability to trade. As Adam Smith pointed out, all human beings have ‘a natural propensity to truck, barter and exchange’. The word

‘natural’ implies that it is a gift from God – and I have a funny story about how I first came to observe this ‘natural’ gift.

A ‘NATURAL PROPENSITY’

My friends, Mr and Mrs X, had to go to Hyderabad for a couple of days to attend an official party. I was then a freelance writer, hence free from official duties, and they commandeered my services to look after their kids during the time they would be out. So, on the appointed day, I moved into the X residence, said goodbye to the X’s, and inspected my temporary charges: Master X, aged 5; and Miss X, aged 2.

That afternoon, while I was curled up on the sofa with an Orwell and a beer, the little girl came up to me and said: *Kaka Aya*. I understood it to imply that a certain gentleman named Kaka was at the door, and I asked her to call him in. She looked at me dumbfounded and repeated, *Kaka Aya*, this time with some passion in her voice. I once again asked her to call Kaka in. When she shouted out *Kaka Aya* the third time, exploding with anger and frustration, I realized what she meant and rushed her into the loo and placed her on the throne.

I was back on the sofa when the girl started calling from the loo: *Ho Gaya* (it is done). I didn’t get her drift and shouted back: “Is this anything to announce on All India Radio? Just flush and come out, you silly girl.” But she kept on repeating *Ho Gaya* until the message dawned on me that she was asking me to come and wash her up. I did the needful and was back on the sofa when an extraordinary thing happened.

The little girl who could not perform her ablutions without foreign aid leaned over to her older brother and said: “*Bhai*,

give me some of your chips and I'll give you a sip of my cola.” I was enlightened! I immediately saw what Adam Smith had meant when he said ‘natural propensity’. This is God’s gift to all our young and, if we are to be good parents, we must teach our children that they should treasure this gift and make sure no one interferes with its free use, for it is this that brings wealth to Man. Tigers, lions, elephants – they can kill us, but they possess no wealth. Not even a T-shirt or a pair of shoes. Man alone has wealth and he has it simply because he can trade. And he does not have to learn how to do this; this is an innate ability. This is the truth.

THE EXCHANGE ECONOMY

Now, because of this gift, human beings alone can specialise in the free market exchange economy. Thus, there are butchers, bakers, architects, singers, dancers, actors, sportspersons, dentists, plumbers, electricians and receptionists. This is called *The Division of Labour*. It occurs only among human beings because we alone can exchange things amongst ourselves.

The division of labour is the means to the creation of wealth. All other animals apart from humans are ‘self-sufficient’. Whatever their needs, they have to get these needs satisfied by their own effort. If a tiger is hungry, he must personally go out and hunt. Human beings simply go to a restaurant. There, someone cooks up a meal, someone else serves it to you, and a third person does the washing up. You pay for the meal by working for yet another party, who pays you with money – which is ‘a medium of exchange’. The sheer magic of the exchange economy creates wealth. And there is abundance and prosperity wherever the market economy is allowed to flourish freely.

When we specialise in the exchange economy, each of us produces a marketable surplus. When the surpluses of every human being are added up, we know how much wealth we all have created. A shoe company may employ just 2000 people, but it produces a million shoes a month. Not for its employees – but for the market. All these surpluses make wealth. Our textbooks always speak of ‘landless labourers’ and ‘marginal farmers’. These people are condemned to eternal poverty in village India because they have no marketable surplus. India should urbanise and these people should be encouraged to shift to towns and participate in the greater division of labour possible there: for example, by selling hot *jalebis* on the roadside. Madhu Kishwar once told me that ragpickers in Delhi send money back to their villages! Lord Bauer’s last book is aptly titled *From Subsistence to Exchange*. Think of the millions of landless labourers in Manhattan!

It is also important to note that we Indians are hugely gifted with ‘the natural propensity to truck, barter and exchange’. Whenever I take a foreigner to Janpath, I always teach him two words in Hindi: *Nahi Chahiye* or “I don’t need it.” It is impossible to survive Janpath without these two words because zillions of street hawkers besiege you with their offerings. In London, in a country once known as ‘a nation of shopkeepers’, every corner shop is owned by an Indian today – and they successfully compete with the world’s best supermarkets. There is an Asian rock band in England called Cornershop. One joke goes: Why can’t Indians play soccer? Because every time they get a corner, they put a shop on it! They say a Bania can buy from a Jew and sell to a Scot and still emerge with a profit! Indians are an economically gifted people. We don’t need to be taught how to create wealth. We need free trade.

It is also true that there is poverty and misery wherever the State interferes in the workings of the market. Look at North and South Korea, East and West Germany, USA and USSR – and this truth will hit you in the face: that free markets cause prosperity and State interventions cause poverty.

STATISM & THE TRUTH

In the light of these truths, let us examine the economic prescriptions currently being doled out by the statist, led by the Nobel laureate Amartya Sen. They say the people need ‘education’. That if we the people – and by “we”, the people they mean, of course, the State – do not provide ‘education’ to the Indian masses, they will not prosper from globalisation and get left behind on the wayside. Is this true?

Notice that these statisticians are not saying: “The poor people are all naturally gifted with the ability to trade. Institute free trade and get the State out of the economy.” Instead, they are saying: “India’s problem is that there are simply too many stupid people. The solution lies in getting the ‘smart’ guys to ‘educate’ the stupid guys.” This does not come for free. Taxpayers will have to pay. The statisticians want 6 per cent of GDP to be invested in their ‘education’ bureaucracy. Now, let us examine what is the content of their ‘education’ – at least in Economics.

We have identified an eternal truth: the ‘natural propensity to truck, barter and exchange’ which leads to the division of labour and the consequent creation of wealth. Is this what the Economics textbooks teach our children? No. The Master X referred to in my story is now a strapping lad in Class 11. He

goes to an elite ICSE school. He undertook the study of Economics in Class 9. I inspected his textbook.

Master X is not being taught the truth. Instead, he is being taught a great big lie called *The Theory of the Vicious Circle of Poverty*. This holds that poor people and poor societies are condemned to remain poor without outside help or state intervention. Lord Peter Bauer dismissed the theory of the vicious circle of poverty with a mere 'if the proposition were true, the world would still be in the Old Stone Age'. He added: "Having capital is the result of economic achievement, not its precondition." Reflect on this. How did we come out of the Old Stone Age? How was America built by poor refugees from Catholic Europe? How did Hong Kong and Singapore happen? How many times have you been broke and come out of it?

Lord Bauer writes that he asked an eminent economist why this patently false theory was being taught. The answer he received is interesting: "It helps in the promotion of aid inflows." That is, this is the theory of beggary. It teaches our children to go about the world begging for foreign aid – which is government-to-government, and hence another statist enterprise. Lord Bauer says that foreign aid goes 'from the poor of the developed world to the rich of the underdeveloped'. The ICSE Economics textbook for Class 9 does not teach our children that they are born to be rich. It does not teach them the virtue of self-help. Instead, it paints in their bright young minds a gloomy picture of eternal poverty and it trains them to beg before the rich nations of the world. The ICSE textbook does not teach our children how this nation can itself be rich. It does not contain the basic truth. It is a pack of lies.

So my question is this: Is this ‘education’? Is there any point in allowing our bright young children to fall victim of the rubbish that the state-controlled education system doles out to them? According to the statist, Amartya Sen view, the people are stupid and the State has ‘knowledge’ to impart. But reality says that the State lacks knowledge – its educrats would not get any employment in the free market economy – and the people have a natural gift. They don’t need this rubbish ‘education’.

ABOUT YET ANOTHER LIE BEING TAUGHT

I have, for quite some time, been going into elite schools and doling out lectures on Economics. The Centre for Civil Society has been conducting its “Liberty & Society Seminars” for college students all over the country for the past 10 years, and I have spoken at most of them. I thus have a fairly good idea as to the ‘vision’ of India being implanted into those who have the misfortune of becoming victims of this state-sponsored and state-controlled educational system. For one thing strikes: All our young people in schools and colleges are being taught that the main cause of India’s poverty is population. So, when our youth look upon a bonny, brown baby, they see it as a ‘problem’ that causes poverty. They do not see the baby as naturally gifted with the ability to trade and hence capable of generating wealth for itself and the whole of society if only left free of state intervention. What is the truth?

Cities are rich: that is the truth. Wherever human beings are densely populated, there is greater wealth creation simply because there is greater scope for the division of labour. You can be a Thai chef, run an institute for ear diseases, be a plumber or an electrician, or a waiter or a taxi driver in

crowded Delhi. These possibilities are absent in vacant Jhumritalaiya, where you cannot even be a successful dentist – because there aren't enough teeth! If this was taught to our young – and this is the truth – then they would see an India urgently in need of urban development. But the textbooks only impart in them a vision of 'rural development' – the bread, butter and jam of the politico-bureaucratic spoils system.

TRAVELS IN RURAL INDIA & RURAL GERMANY

Prime Minister Atal Behari Vajpayee has just announced a rural roads programme that promises to connect villages with over 500 inhabitants by 2007. This means that, for 50 years, the IAS has been pursuing this charade of 'rural development' without first connecting every village to the nearest town or city by a motorable road – thereby letting the winds of urban commerce fan over the village. They have deliberately kept village India poor and remote. They also did not encourage automobile ownership. Thus, they created, reinforced and perpetuated the 'rural-urban divide'. How can these villagers create wealth if they are denied access to urban markets? I have been around village India, so let me share with my reader some interesting stories.

Loharkhet is deep in the mountains of the upper Kumaon. I came across the place on a trek to the Pindari Glacier. There were about 200 well-built houses. Half of these were at a lower level close to the footbridge; the rest were on a plateau higher up. There was a PWD bungalow dating back to the 19th century, but no road! I had a room in the bungalow, but I preferred to pitch my tent beside a babbling brook and spend a few days.

The next day, I noticed an ugly yellow building on the hill and asked a local as to what it was. He said it was the government school. There is no road, but the State builds a school! Roman Emperors were better than planners: they built roads and not schools. Imagine if Nero or Caligula had neglected roads and promoted state schooling!

I then saw some children wearing green uniforms and asked whether they were going to that school, and the reply I got was: “No! They go down below to a school run by a *baba* who has migrated here from Bengal. He teaches them English and each of them pays him 50 rupees a month.”

“Why don’t people use the free government school?” I asked. And the man said: “Because no teaching goes on there. The teachers are all busy applying for transfers.”

Next, let me take you to Mangar, in Haryana. My brother-in-law bought some acres of land there to build a farmhouse and he invited me to accompany him on a drive to see the place. We agreed to meet at a landmark on the Gurgaon-Faridabad road at an appointed time. We met and, from then on, I followed his car. We had barely proceeded a few kilometres than I realized that my new car could be in for severe structural damage: the road was so bad. Anyway, we arrived. It was all wide open green spaces. Fresh air. I took a refreshing bath under the tubewell. Then we prepared to make the journey back. Just then, a village woman came up with her 10 year-old son and asked my sister if they could bring a pair of shoes for the lad the next time they came. This was not because of ‘poverty’. There were no roads to Mangar and hence no shops. Or even the chance of doing some shopping.

On the way back my brother-in-law took a short cut. I had kept an eye on the meter. When we passed Indira Gandhi's farmhouse in Mehrauli I was shocked to find that it was just 20 km from Mangar! With roads, everyone would have farmhouses. And Mangar would see real estate development, not this farce called 'rural development'. The villagers would be rich. They would wear Reeboks.

Let it not be forgotten that Chandrashekhar, former prime minister and arch socialist, has been found owning 500 acres of land 40 km from Delhi where he has built his *dacha*. That is, there is lots of vacant land lying around. Roads and car ownership are all that are required to get this land into use.

I can contrast this experience with the seven weeks I spent in Weiskirchen, a village about 40 km from Frankfurt-am-Main. Outside my house were potato fields, beyond which were the 'woods'. My hosts had shifted there because they had just had a child, and they wanted to bring up the child in an open place, with less traffic and with clean air. But they could do so only because of transport connections. Weiskirchen was hooked on to the German transport system. If you drove out a few minutes you were on the autobahn network. Then there was the Frankfurt Ring Road which has no traffic lights at all. Weiskirchen had a train station. And it was also served by the Frankfurt tramway.

So, although it was a 'village', it had 'developed'. There were banks, shops, a supermarket, many stores and quite a few pubs, pizza joints and ice cream parlours. The population of Weiskirchen included many who worked outside the village and the *bauerei* – the farmers – were a minority. There was a huge real estate boom in the area and an industrial estate was

being built (in the private sector). They say ‘every great city sits like a giant spider on its transportation network’. We in India desperately need such cities. It is such cities that will pull village India out of the poverty it is stuck in today.

INDIA’S DISMAL URBAN SCENARIO

India’s cities and towns are collapsing while the state is pursuing, and teaching, the idea of ‘rural development’. Statistics show that the share of urban population in small towns has been steadily declining while large urban centres have been faced with ‘overcrowding’.

Chart: 1: Percentage of Urban population by each size-class of towns¹

Year	% Urban population to total population	Class 1 (100,000 and above)	Class 2 (500,000 to 99,000)	Class 3 (20,000-49,000)	Class 4 (10,000–19,999)	Class 5 (5,000-9,999)	Class 6 (less than 5,000)
		Rising	Stagnant	<i>Falling</i>	<i>Falling</i>	<i>Falling</i>	<i>Falling</i>
1901	10.6	22.9	11.8	16.5	22.1	20.4	6.3
1991	25.8	64.9	10.9	13.3	7.9	2.6	0.3

There are two things to notice: first, that India’s urbanisation has proceeded extremely slowly thanks to 50 years of ‘rural development’. Second, that today most urban people are crowding together in the big towns and cities; the small towns are depopulating. The urban picture was much more balanced in 1901 than it is today. Why is this so?

¹ Source: Appendix 4-4 in Mitra, B. (ed.) *Population: The Ultimate Resource* (New Delhi: Liberty Institute, 2000).

The only reason for this horrible urban picture – where, apart from the big cities the rest are unlivable – is the absence of roads. To get an idea as to what roads do for urban development, let us shift the scene once again to Germany.

While I was in Weiskirchen, a friend who works as an airline steward rang up to say that he'd be flying in and spending the night in Frankfurt and asked if we could visit him at the Mainz Hilton. When we undertook the journey that evening, I was shocked and astounded to find that the town of Mainz was more than 100 km from Frankfurt!

Think about it: We are talking about aircraft crew. Why would airline companies be putting them up in hotels hundreds of kilometres away from the airport? The only reason is roads. Because of the German autobahn system, it takes less than an hour to get from Weiskirchen to Mainz. We had a baby in the backseat and drove in the slow lane – at 120 kmph! So, the airline gets good rates from the Mainz Hilton. Mainz, as a town, sees 'development'. I liked Mainz. I passed a house with a sign outside commemorating the birthplace of Gutenberg, who invented the printing press and revolutionised the then world. It would be difficult to be an author today had Gutenberg not given the world printing technology.

How can we have a Hilton in Panipat or Alwar? Impossible under the present transport system. In Delhi, a new airport hotel has come up on the highway itself, just yards from the airport. This is how cities bloat up while the surrounds fail to develop.

CONNECTIVITY AROUND INDIAN CITIES

I get a chance to travel around India whenever I am invited for delivering talks on Economics by the Centre for Civil Society. One recent trip was to Bangalore. There, CCS had hired conferencing and boarding facilities at Koppa village, exactly 20 km from Bangalore's commercial heart: Brigade Road. But there was no road to Koppa! There was some kind of a road leading out of Bangalore. I passed the Indian Institute of Management. All along the road there are constructions, mostly new – indicating that, like Delhi, Bangalore too is bloating. Then I passed the gates of the Bannerghatta Wildlife Sanctuary – and I thought, when they built this as a zoo, this must have been far away from the city. Today, the city is all over the place. A few kilometres after Bannerghatta, you have to turn off to Koppa, but there is no road and no road sign. Our invited guests had a tough time finding the place.

In Koppa, I spent a blissful few days. The cool weather was wonderful after the Delhi heat. I walked into the village and looked around. There were very few houses and very few people. There were just two shops and I was surprised to find that one stocked my brand of expensive king-size cigarettes. The shops sold shampoos in sachets and various other toiletries and cosmetics – and these did not indicate that the villagers were in dire poverty. Some village women were employed at our seminar venue and I noticed they went about barefoot even while they had splendid flowers in their hair. I asked one how she gets her flowers and she said that she buys them every day! Is this poverty? No shoes but flowers in the hair!

I walked it one day to the main road to get a bus to the city. Passed some farmhouse type bungalows coming up in Koppa. That is, the road hasn't arrived but real estate developers have started knocking at the door. How will Koppa become like Weiskirchen? The bus was horribly crowded and slow. On board were lots of people with big sacks: I presume they were taking their wares to sell in the city. One of the sacks contained little flowers. The bus terminated at a place called, not unsurprisingly, the City Market. It was an awful dirty place. This is why the poor stay poor. They are not plugged in to urban markets.

On another occasion, I took an autorickshaw to the nearest town from Koppa – a place called Jigni. It seemed a fairly large town. In the town market, we were looking for a photographer and we found him above a confectionery shop. A young lass was running the shop selling cakes and pastries to people who had grown up on Mysore *pak*. Looked like they loved her cakes. Her place was packed with customers. I wondered how she had obtained the 'knowledge' of cake-making: perhaps in Bangalore.

But the impression remained that, with a proper highway from Bangalore to Jigni, and with widespread car ownership, Bangalore would decongest and places like Jigni and Koppa would 'develop'. There is nothing whatsoever called 'rural development' without roads. With roads, what will transpire is massive urban development. India will become a land of over 600 Singapores (or Jerusalems, or Dubais). We will have 600 free trading cities with excellent connections into the surrounds resulting in 6000 small towns; we have well-laid out suburbs and the cities and towns will pull village India out of its

present-day misery. And, best of all, there will be no overcrowding. There will be enough space for all.

YET ANOTHER TRUTH

Paul Samuelson said an interesting thing once: “I don’t care who rules a country so long as I can write its Economics textbook.” So the question arises: Who writes India’s Economics textbooks? Why do they justify a State that produces cars but does not invest in roads? After all, if the textbooks taught the right stuff, the State would do the right things. What are roads in classical economic theory?

There is a concept in classical economics called ‘public goods’. This is known to be an area of ‘market failure’. Roads are considered public goods because their services are available free for all. So private spenders in the market will build houses but not invest in a road to connect all the houses. No one householder will invest in the road because other householders will get to use the road free. The standard solution to the public goods problem is state investment. The State should invest in public goods, leaving all else to the free market. Is this what is taught? No.

Instead, the textbooks glorify the public industrial sector: by which the State invests in every manner of ‘private good’, from hotels to steel plants to a car factory. My point is just this: Should the State be allowed to teach the young? As opposed to Amartya Sen’s advice, I would suggest that the ministry for human resource development be seen as an Orwellian nightmare and closed down. Then ‘knowledge’ will be imparted by those who have knowledge to impart. There will be open discussions and keen competition among knowledge

workers. Today, with the State in charge, the rest of us are just being lazy. Principals of schools are administrators and disciplinarians: they are not knowledge workers. And the teachers are usually housewives: also not knowledge workers. The textbooks are written by clients of official bureaus – so there are no real knowledge workers at all in the schools process. This is frightening.

And it is not just Economics. History textbooks are pathetic. Geography does not include anything about urban geography. And as for Mathematics: I met Professor James Tooley, the eminent educationist. He spent a few months in India looking at Mathematics education in our schools. He said that what they in Britain teach in Class 10, we are teaching in Class 7, that too by rote and not by principle. The conclusion is stark: This ‘education’ is just a burden on our children. It is not knowledge that they enjoy partaking in.

TRUTH FROM LITTLE CHILDREN

The schools textbooks also glorify the notion of ‘self-reliance’: this is supposed to be a laudable economic objective for the nation. It must be noted that, because many young people believe in this doctrine there is an outfit called the Swadeshi Jagran Manch which advocates economic isolationism. The SJM has considerable clout with the BJP government and opposes free markets.

I was invited to speak at a function to mark Hiroshima Day in Delhi. The speaker before me was a Congress minister who, after paying lip service to peace, took off on his favourite obsession: self-reliance. He lamented the days when everything Indians used were locally manufactured, and

expressed outrage at the fact that Indians were now using, of all things, imported kitchen knives! He made a passionate appeal for a return to the good old days when Indians would only buy Indian goods.

When it came to my turn to speak, I looked for a quick way to disprove the minister – for they had given me only 10 minutes to make my point. I was personally aghast at what the minister had said because, on my return from Germany, one of the things I brought back with me was a set of excellent Sölingen kitchen knives. I like working in the kitchen, and I like to use the best tools. Why should I not have them? If I were condemned to blunt and rusty Indian kitchenware, would the wealth of Indian society go up?

I called upon the youngest child in the audience. A small boy of about 5 got up. I asked him: “What do you want to be when you grow up?” He said, after much hesitation: “Pilot.” I pointed out to the audience that not even a little child wants to grow up and be self-reliant (or self-sufficient). They all want to specialise and participate in the division of labour. They know that that is the way to get rich: by doing one thing well and getting other things from other people in the free market exchange economy. If that is the logic of little children, why should the State enforce policies that make the entire nation ‘self-sufficient’? Indeed, the Gandhian vision of India is one of ‘self-sufficient village economies’. A whole lotta cock-and-bull!

Some simple examples can be taken from the Indian transportation sector to disprove the notion of self-reliance. I was in Mumbai recently and took an old Premier Padmini taxi (the only kind available) to my destination. The ride was

uncomfortable and the vehicle seemed unsafe. The driver said he hired the car for 300 rupees a day from its owner. When I worked for *The Economic Times*, a colleague sold his Premier car for Rs 5000 only. This means the owner of the car gets 180 per cent return on investment every month! But does this make Mumbai rich? When I reached Bombay Central, the crowd of Premier taxis presented a dismal picture of poverty. If there were no Transport Commissioners making restrictions on vehicle use, and the taxi industry was free, the taxi stand would be full of modern vehicles and we would ride in air-conditioned comfort. Incidentally, my fare was 600 rupees.

Similarly, take Dehra Doon. Its streets are crowded full of ugly diesel Vikrams. They are slow and polluting, and they ruin traffic discipline. Vikrams are made locally in UP by the state-owned Scooters India. Does this make Dehra Doon rich? If we allowed free trade in second-hand cars would not Dehra Doon be filled with Mercedes and Land Rover taxis?

Go around India and see what self-sufficiency really is: cronyism. Calcutta is full of Ambassador taxis made in West Bengal. Does this make Bengal (and the Bengalis) rich? Or does this just make Mr Birla and his political friends rich? Similarly, take Pune, chock-a-block full of locally made auto-rickshaws. Or New Delhi, where everyone who is a private citizen has a modern car, but the State uses Ambassadors. How has this philosophy of self-reliance actually worked on the ground? In reality, it has promoted cronyism alone. And nothing is uglier than a greedy capitalist tying up with the State to use power to force the consumer to buy his goods – by keeping international competition out.

India will be a rich country and its political and business classes will be honest only when there is a completely free market. Power corrupts. Absolute power has corrupted this society. Freedom will bring about morality.

But this requires that truth be taught in schools and colleges, not this load of propaganda favouring and justifying the corrupt and senseless policies of the state.

So, I strongly urge Indians to get the State out of education. The State, as Bastiat said, is not a lamp of learning. The State can perform only 'negative' roles in society: the protection of life and property. It cannot do anything 'positive' – like educating our young. We Indians go to the State for everything – that is our big mistake. Today, well-intentioned people have won their campaign, and there is now a fundamental right to education. All very well. But who will put in the 'knowledge'. We turn to this issue in the next essay.

5301 words

3. *KNOWLEDGE!*

“And knowledge is a deadly thing,
When no one knows the rules.
The fate of all mankind I see,
Is in the hand of fools.”

King Crimson

In The Court of the Crimson King

The newspaper I used to work for, *The Economic Times*, prides itself on its slogan: The Power of Knowledge. So, let us open a copy of this paper and see how much ‘knowledge’ it contains, and where precisely all this knowledge is located.

Journalists alone do not contribute. There are cartoonists and illustrators; there are graphic designers and layout artists. There are photographers. Among the journalists, knowledge is infinitely divided: there are the political page journalists; there is the corporate bureau; and there is the economics bureau. I used to work on the editorials and even our team found its knowledge divided, for all of us were specialised. If a bank went belly up we knew who would write the editorial; if election results were announced we knew who would write the paper’s comment; and if roads policies were announced no prizes for guessing who got the job.

Yet, this is not all. We were supported by a strong team of computer systems personnel. Then there were the catering staff who served us tea regularly and made splendid meals for us.

Then there were people in management who took decisions that run the company, keep accounts and hire and fire staff. Then there is the printing press staff who know all about paper, inks and printing. Looks like a tremendous amount of knowledge goes into making a copy of ET.

But the question I pose is this: Is there a ‘mastermind’? Does the CEO of ET, Mr Arun Arora, possess all the knowledge that goes into making one copy of ET? Does the Executive Editor, Joydeep Bose, possess all the knowledge? Does anyone from the edit team or the bureaus possess all the knowledge? Anyone from the management? There is but one answer – a loud “No!”.

THE FRAGMENTATION OF KNOWLEDGE

So, we arrive at an important principle: *The Division of Labour is accompanied by the Fragmentation of Knowledge*. In a free market, there is no mastermind. Knowledge is infinitely divided just as labour is infinitely divided. And it is not just a complicated product like ET that proves the principle. Take a simple thing like a pencil. It comprises wood, graphite, eraser, paint and lacquer. Again no mastermind. Take the fish I buy from the market: it contains the knowledge of the fisherman, the wholesaler, the transporter and finally the fishmonger who knows how to fillet the fish just right. Again, no mastermind.

Contrast this with centralised state planning, which believes in the centralisation of knowledge: a mastermind. That mastermind is the prime minister of India who concurrently functions as the Chairman of the Planning Commission. All Indian PMs chair the Planning Commission. It is assumed, in their statist, socialist economic theory, that an economy can be

masterminded. India accepted this theory 50 years ago. It must be remembered that Jawaharlal Nehru's friend, Dr. PC Mahalanobis, the 'architect of Indian planning', was a statistician: with his statistics, he thought he could gather all the 'knowledge' necessary to 'plan' public investments.

A simple experiment will prove how free markets work while planning does not. Think of any fruit you want to eat *right now*? Of course, it must be in season, or the experiment will not work. Now, suppose you went to your town's main market, *right now*, would you get that fruit? Of course you would! How? Has anyone planned it? Does the fruit vendor know you? Did he know you were suddenly going to land up demanding that particular fruit and he should stock it for you? Does the orchard owner know of your fondness for that fruit?

Now think of anything that is being 'planned'? Do you want electricity 24 hrs a day? Will you get it? No – because they are 'planning' it! Do you want a ticket on the Rajdhani to Goa *right now*? Will you get it? Of course not. You will have to wait a couple of months – because someone is 'planning' railway expansion. Do you want running water? Or roads. Take anything that is being planned and you won't get it. Take anything that is not being planned, and you get it immediately. This is what Austrian economists call *Spontaneous Order*: you do not need to impose order on the market; it works on its own. If you try to plan you fail because *what cannot be known cannot be planned*.

Today, with state failure writ large all around, and an appalling undersupply of public goods, it is high time we took a close look at the decisions of our resident Mastermind: the Chairman of the Planning Commission who is also the Prime Minister of

India. Are his ideas based on reason? Let us take Atal Behari's much touted 'dream project' of highway development.

THE MASTERMIND AT WORK

When the prime minister made his grand announcement of twin highways from Kashmir to Kanyakumari and from Saurashtra to Silchar, he left analysts stunned. Was it mere alliteration – K to K and S to S – so natural to a poet? One wag wrote: "But sir, you are a Hindutva leader. Why are you putting the Sign of the Cross on India? Would not an "Om" be better?" The chief minister of Manipur lamented that Imphal lay east of Silchar (which is in Assam) and had the PM forgotten Manipur was a part of India? The Chief Minister of Sikkim lamented that his state will not progress until it is linked to the highway project.

Anyway, the 'dream project' was carrying the PM's pride, so the bureaucracy had to accept it. But with some revisions. The project was now going to be a 'Golden Quadrilateral' connecting the five metro cities of Delhi, Calcutta, Madras, Bangalore and Bombay. And this quadrilateral was going to have four extensions (NSEW) which would satisfy the PMs need for an all-India reach. This is the 'mastermind' at work.

Let us at the outset note that this is a miserable plan. The Golden Quadrilateral involves four-laning the existing National Highways network. In reality these are just 'notional' highways. If you drive on them you realise that they function sometimes as rural roads catering to local village traffic, and at other times they are urban roads when they traverse through every major and minor urban settlement on the way. Four-laning these roads simply will not do. Two lanes will be

hogged up by slow farm traffic. India needs separate expressways for automobiles of specified quality. Rural India needs separate rural roads. And urban India needs separate urban roads. What would the market do?

If the State looked after rural and urban roads, as public goods, the market would look after expressways. If private highway developers were allowed to build expressways of specified quality between any two points of their choice and charge tolls from expressway users, what kind of highway network would develop? Let us hazard a guess.

Private developers will be greedy capitalists looking for fat profits. They will thus build roads only where they see traffic. Where is the traffic?

It is observed in all branches of transportation economics that traffic takes the shape of ‘hubs-and-spokes’. That is, cities serve as ‘hubs’ and traffic comes to and goes from these hubs as ‘spokes’. The expressway scenario that will emerge if the market was allowed to freely build expressways would be one of hubs-and-spokes – and this has tremendous implications for urban development. We have identified the vision: 600 free trading cities and 6000 smaller towns. How do we build these cities and towns? It all depends on the transportation backbone. Only a hubs-and-spokes design provides the transport structure to build a nation of 600 cities. Here’s why.

HUBS-AND-SPOKES IN COLONIAL TIMES

Look at British times when all the great cities and countless hill-stations came up. What was the transport design? Hubs-and-spokes. The Simla-Mussoorie belt linked to Delhi; the

Darjeeling-Shillong belt linked to Calcutta and the western and southern hill-stations linked to Bombay, Madras and Bangalore. If we build spokes out of our cities, the cities will decongest, the surrounding towns will develop and we can dream of an India comprising 600 Singapores. For example, let's take Delhi.

If each spoke is 250 km long, and if there are 6 spokes, how will the urban picture around Delhi look? Say, one spoke to Agra, with 6 major towns along the way like Faridabad and Mathura. Another to Jaipur, with another 6 towns like Alwar and Sohna. Another to Dehra Doon with so many towns en route like Meerut, Muzaffarnagar and Khatauli. Another to Chandigarh with Panipat, Karnal and Ambala on the way. And many more. Can you imagine the urban picture if a hubs-and-spokes design for expressways emerged magically out of the market for every major Indian city and town? There would be no urban overcrowding. Everyone would live in a bungalow or a *haveli*. There would be *lebensraum* by conquering our own land.

FATAL CONCEIT

Friedrich Hayek called this socialist claim to be able to mastermind the economy 'fatal conceit'. If we look deep into socialist, statist development economics, we see this conceit write large. There is always that over-riding assumption that the personnel of the state – politicians and bureaucrats – are 'experts', knowledgeable and act selflessly in the public interest. There is a flipside to this assumption too – the notion that the poor people, the masses, are stupid, illiterate, a 'problem' and incapable of taking rational economic decisions. Amartya Sen is saying much the same thing when he says that

the poor need education from the State. He is assuming that poor people lack knowledge and the State possesses it: he is assuming that ‘knowledge’ is centralised in the State.

However, when we take a look at things on the ground, we do not see a knowledge deficit in the people; we see it in the State. If you consider a basic function of the State like traffic regulation on the streets, you will discover – especially if you make international comparisons – that the socialist Indian State does not possess the knowledge to manage traffic well. India Gate is the most unsafe roundabout in the whole world. And if you look at the people, you find that, indeed, they have vast stores of knowledge that are denied entry into the market economy. Let us proceed with a little story of my visit to a tribal heartland in central India: the Palamau National Park in Jharkhand.

TRIBAL & TRADITIONAL KNOWLEDGE

I was deep in the forest, in the ‘core area’ (with special permission, of course). It was late in the night and I was about to retire when I heard drums beating rhythmically. The sound was haunting and I decided to walk out and find where the party was going on. I took a torch, but didn’t need it as there was a brilliant moon. I had walked about half an hour through the jungle when I came upon a clearing with a bonfire. All around were the tribal people. Some were beating drums; most were dancing. When they saw me they welcomed me in and invited me to join in the festivities. I danced for some time. Then they offered me some drinks.

The first drink I was offered was called *handia*, and it was a light, refreshing rice beer. It tasted quite like the Tibetan rice

beer, *chhung*. The second drink I was offered was called *mahua*, and it was made from the nectar of a flower of the same name. They say elephants are very fond of *mahua* flowers, and when it is in season they eat lots of it and sometimes go bananas!

My point is this: Don't these poor tribal people from the remotest jungles of India possess 'knowledge' that can find a place in the market economy? My sister's maid, Vivian, comes from Jharkhand. She made *handia* at home for me one day. And when she returned from a holiday back home, she brought me a bottle of *mahua* – and I relished every drop. Why can't these drinks sell on the streets of our cities of joy? Would *mahua* not be a challenge to Mexican *tequila*?

And it is not just these tribals alone who possess 'knowledge' of this kind. I was in Along, in Arunachal Pradesh, and found that the locals make a fine rice wine called *apong*. Why does this not sell in Delhi? I enjoyed my bamboo mug of *apong* and would love to offer it to guests at home. Why can't we buy it? Why are we forced to drink the obnoxiously named Indian Made Foreign Liquor (IMFL)? Why not Indian Made Indian Liquor?

Why is Goan *feni* not available in Delhi? What about *toddy* or *arrack*? In Sri Lanka they have made *toddy* their 'national drink' and it is sold in cans. They have excellent branded *arracks* jostling for space on shop shelves. We, on the other hand, are keeping ancient, traditional knowledge out of the market, while the statist economists are asking the same repressive State to inject knowledge into the stupid people. This is simply not funny. The Karnataka government recently banned the sale of *toddy* in all but 5 districts. There was a

bumper *toddy* harvest! How many people know how to climb a palm tree and harvest the *toddy* juice? Not many. Indeed, because it is such a specialised job that there is even a caste group called ‘toddy-tapper’. Do you see how real ‘knowledge’ is being kept out of the market?

THE RATIONALITY OF THE POOR

About poor people being unable to take rational economic decisions in the market place, let us visit a real market and see if this is really true. I am a well off journalist. When I go the CR Park No 1 fish market, I buy the best *ilish* and do not flinch at the price. But does my neighbour, who is a pensioner, do the same? No, he does not. Indeed, he checks out both the No 1 and the No 2 markets and studies all prices carefully. When he finally zones in on his buy, he takes the trouble to bargain at length with the fishmonger. Being poorer, he is more ‘rational’ than me. And this is simply because he cannot afford to lose.

Take another example: buying shirts. A millionaire will drive straight to the Arrow shop in South Extension. He will pull out his platinum credit card and say: “Six of your finest cotton shirts in size 42, assorted pastel shades.” The shirts will arrive, he will sign and depart with his purchase.

Now look at a poor office clerk in need of a shirt. He will not even go to the Arrow shop. In fact, he will avoid South Extension altogether. He will go to Sarojini Nagar Market instead. There, he will do two rounds of the market to identify all the shirt shops which have huge “Sale” signs on them. He will then visit each of these shops to see which are ‘genuine sales’ and which are not. When he finally makes his purchase he will attempt to bargain a bit to get a better discount. And he

will carefully examine every inch of the shirt to see that all the buttons are intact and there are no tears in the fabric.

Poor people are rational. They have ‘knowledge’ – of all kinds. It is the State that lacks knowledge; and it is the State that has placed innumerable obstacles in the way of the poor. The State also does not invest in the physical infrastructure which would allow people to generate wealth easily. It invests in factories that compete with the private sector. It does not let the private sector alone while investing only in those areas where private money is not forthcoming: public goods.

A MID-ESSAY APPRAISAL

So far, we have discovered the principle of the fragmentation of knowledge and we have found that the market economy works without any mastermind: that is, in other words, there cannot be a ‘command economy’. We have also found that the Chairman of India’s Planning Commission, the PM, has dreamt up a major highway project that is not based on reason and will not solve India’s transportational problems nor build for India a glittering urban future.² We have seen that tribals in remote areas possess ‘knowledge’ that is denied access to markets: that is, they don’t need ‘education’; they need economic freedom. We have also found that poor people are typically more ‘rational’ in simple day-to-day economic decision-making than better off people. All this calls for a radical re-think of the Amartya Sen prescription. The question that arises comes in two parts: Where do we invest public money? In the education bureaucracy or in roads? And second: Who should have power over education? That is, who is

² At the time of going to press, Manmohan Singh has planned for 3 long years, completely neglecting roads!

needed to certify knowledge and grant recognition to schools, colleges and universities? Let us proceed to examine these questions.

INVESTMENT OPTIONS

The central problem of Economics arises because resources are scarce and there are various alternative investments that can be made with these limited resources. Some people are saying: Invest in education. They say: Make education a fundamental right. This means that some 100,000 crores of rupees will be swallowed up by the education bureaucracy. They will go about building schools, recruiting teachers, offering 'mid-day meals' to poor children and so on. But will any real 'knowledge' really get imparted? That is the key question.

We saw in the case of Loharkhet that the locals preferred paying a *baba* 50 rupees a month per child to learn English! If we let the State take the decision, then politicians would determine what language ALL children would study. Today, we are faced with the ugly spectre of rank bad and cheap propaganda entering textbooks because of so-called 'saffronisation'. It is amazing that the State wants to introduce astrology courses in universities funded by the taxpayer! In the good old days, if someone somewhere wanted to learn something he would find a *guru* of his choice, pay him *gurudakshina*, sit at the Master's feet, serve his Master, and imbibe 'knowledge'. Is the socialist State such a *guru* that all of India's children should go to him for learning? If the State was forced out of education, how would this benefit the real world of knowledge?

FOR A KNOWLEDGE EXPLOSION

At a time when a ‘knowledge economy’ beckons, Indians need not fear that they will lose out if the State is kicked out of education. Indeed, if this is done, India will gain tremendously in amounts of real, usable knowledge. Let us not forget that huge knowledge explosions have occurred in the past – as during the heydays of Islam and in Victorian England. In none of these was the State an active participant in either the acquisition or the dissemination of knowledge.

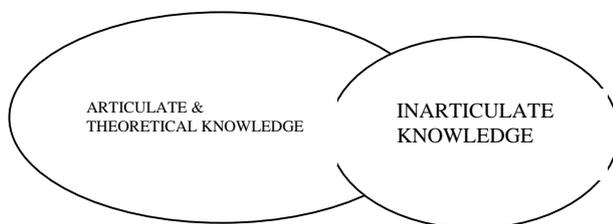
Knowledge is best spread through free trade and free immigration. With free trade, the younglad who strips down my Bullet 500cc motorbike in minutes would be able to do the same to a Harley-Davidson. With modern cars now being seen roaming Indian streets, our skilled and energetic mechanics have gained a lot of real, usable knowledge. Similarly, it is the overseas spread of the Chinese and the Indians that has introduced the world to Chinese and Indian food: and recipe books do contain ‘knowledge’. Seen in this light, Amartya Sen’s prescription is really a recipe for disaster. With State education and a closed economy, there will be no knowledge being exchanged at all. Worse still, none of that knowledge will be of any use in the market economy. We will produce entire tribes of ‘educated’ people who will have no other recourse in life but state employment. Our armies of useless *babus* will grow.

Let it also not be forgotten that ‘schools’ were meant to produce certain types of people. Harrow and Eton were set up to produce men who would run an Empire. Many say Macaulay set up India’s education system to produce *babus*. Today, we are not sure what kind of people we really want

coming out of our elite ICSE and CBSE schools. And it is not really clear that the knowledge imparted in the schools is of any relevance in the real world. These high school degrees are also not internationally recognised, unlike the International Baccalaureate (IB) which many elite schools are now switching to. The schools educational system is a shambles, the State is hell-bent on pushing propaganda into the curriculum, and there are precious few real knowledge workers around.

The other thing to note is that we have to teach the kids to find niches in the market economy. That essential knowledge will have to be imparted. Now, look at the kinds of knowledge required for success in the market economy. What does a good VJ on MTV know? What about Sachin Tendulkar? What about copywriters, graphic designers and all the ‘creative’ types? What about musicians? What about the film and television industry? What about restaurants, hotels, airlines and tourism? What about the performing arts? And fashion models? And entrepreneurs? What kind of schools can produce such people? If at all such schools can be set up, it will require years of experimentation and dedicated effort. The State cannot even attempt such a task. As Parth Shah put it the other day: “If you cannot trust the State with the cultivation of fields, how can you entrust it with the cultivation of minds – a far more delicate task?” Where the State has failed in all that it has touched, I would expect the people to clamour for getting rid of it. Instead, they want to give it yet another task – and the most important task at that: education. Are Indians willing victims of statism? When will we ever learn to stop begging before *mai-baap sarkar*?

If Adam Smith gave us the concept of the division of labour, it was Friedrich Hayek who discovered the principle of the fragmentation of knowledge. Let us recall that Hayek said that much of the knowledge used in the real world is ‘inarticulate’ or ‘tacit’ knowledge: like swimming or riding a bicycle. Hayek also spoke of the ‘knowledge of time, place and circumstance’: and this matters a lot when I go out to buy fish. What Hayek wanted to say is that the State can collect only articulate and theoretical knowledge, and the real world market functions with a lot of knowledge that the State cannot collect simply because this knowledge is uncodifiable. Thus, if young people want to succeed in the real world, they will have to widen their search for knowledge beyond what is codifiable. They will have to learn with their hands too, not only with their minds. That is how you learn how to play good lead guitar and succeed in the market economy.



This diagram shows the limits of the State’s ability to acquire and disseminate knowledge. This is why planning failed. The State could not collect the knowledge for the task. Now see how much more difficult it is for the State to disseminate the knowledge required by the free market economy? If planning failed, State education is bound to fail too.

THE ENTERPRISE OF EDUCATION

Many people argue that if the market was left to provide education, then the poor would be left out. Thus, there must be a role for the State. We have already discussed the complete mess state control has made out of education. But let us also note that the State has placed innumerable hurdles on private enterprise. There is a license-permit *raj* in education as in everything else. To start a school in Delhi you need no less than 36 official permissions! One such is called the 'essentiality certificate' by which the State judges, given the number of schools in the area, whether one more is 'essential'. This is raw power over the free market. This must go, and then the question must be raised whether the market can do the job or not.

I am confident of one thing: that the market will see to the dissemination of real, usable knowledge. I am also quite sure that it will not come for free. But I am confident that, just as with all products, you do get options to suit every purse, so too in education will you get products to suit the budgets of the poor.

I had the privilege of meeting Muhammad Wajid who heads an association of 450 private 'unrecognized' schools in Hyderabad. These schools are all located in slums and provide education to poor children for fees ranging between 25 rupees and 40 rupees a month. They also have a few scholarships for the really poor.

The story I was told was one of State controls as a problem. There are regulations on how much teachers have to be paid, and these schools cannot afford to pay their teachers such high

salaries. (They also manage to get teachers by paying much less!) There are rules on how many playgrounds schools must have and these schools have none. It is these kinds of mindless regulations that have come in the way of private enterprise. If the State exited, and these regulations were done away with – the entire tribe of educrats sacked – then private edupreneurs and educharities would flood the place and disseminate real, usable knowledge. Let it not be forgotten that our global tribe of software professionals was educated entirely by the private unregulated for-profit market.

THE QUESTION OF CERTIFICATION

As I said, I worked for a private company that sold, in a free, competitive market, a financial newspaper that goes by the slogan: The Power of Knowledge. The State does not certify its knowledge. The free market does. If the paper carried stupid editorials for one week, it would be wiped out. Its readership, which is growing every day, and its brand equity, which is also rising continuously, testify to its claim to be in possession of ‘knowledge’.

I studied at the London School of Economics & Political Science, a registered private charity. Most of the world’s best universities are private, though many do receive vast donations from the State. In such a world, knowledge is certified by private enterprise – like the Scholastic Aptitude Test (SAT) for US universities. Indian schools should be free to enlist for whatever internationally recognised certification they choose. When I was in school our high school degree was issued by Cambridge University. There is, as I said, the International Baccalaureate (IB). There must be many more.

I watched Professor James Tooley's presentation on the enterprise of education. He showed clippings from various advertisements of educational firms in South America that run chains of cheap schools which give a workable, usable degree within a short time and fit you up for gainful employment. Only the private sector, with many competing firms offering competitive products, can educate the people meaningfully and arm them with usable, real 'knowledge'.

SEARCHING A 'CALLING'

To conclude, some words of advice to the young, who are searching for knowledge with which to find a niche in the market economy and survive. There is a thesis that the Protestant work ethic led to the rise of modern, western capitalism.³ If so, let us examine a curious trait in this work ethic: the fact that the young were encouraged to find a 'calling'. A calling is best described as a position in the division of labour. It is a niche in the market economy. My advice to our young is to do the same: find a calling. And then search for the knowledge that is relevant to the calling. If you do this, you will become a true professional and your knowledge will always be with you. It will never be useless. You will never retire. When you discover your calling, you will find two things: One, that you really do not need all the hard knowledge you are being force-fed in school. Second, that to obtain knowledge, you have to make your own effort. Acquiring knowledge is hard work. The pupil has to work at it with dogged perseverance. Knowledge is not something that is poured into the mind of some passive recipient who has come to school looking for a free mid-day meal. If you find your true

³ Max Weber put forward this thesis. Murray Rothbard has demolished it by showing how even Catholics were also great wealth producers.

calling, and you yourself persevere to acquire real knowledge, you will succeed in the free world that is emerging. And good luck to you.

4755 words

4. LOVE!

Love is a good thing.
Sheryl Crow

What's love got to do with it?
Tina Turner

Freedom is a word I rarely use,
Without thinking
Of the times
When I've been loved.
Donovan

Without love...
Where would you be now?
The Doobie Brothers

“The problem's all inside your head,”
She said to me.
“The answer's easy, if you take it logically,
“I'd like to help you in your struggle to be free,
“There must be 50 ways to leave a lover.”
Paul Simon

All I wanna say is that,
They really don't care about us.
Michael Jackson

Our critics rail at us because we supposedly advocate a world of naked greed, each human selfishly pursuing his or her own selfish ends, with no room for the finer things of life like love and affection. In this essay I will attempt to answer this charge.

Adam Smith had used the famous ‘butcher, baker, brewer’ example to show that these three gentlemen provided him his lunch – a steak, a loaf of bread, and a glass of ale – not out of benevolence, but because of their ‘self-love’. This is true of anyone’s lunch. My rice, *dal*, vegetables and fish were all paid for by hard cash, and they were all procured from greedy merchants. The farmers and fishermen who supply the merchants in the CR Park No 1 market do not care about me; indeed, they do not even know that I exist. It therefore makes sense to believe, for just a brief moment, that it is greed that drives the market economy.

IS IT REALLY ‘GREED’

We could, of course, look at it another way. That is, in the free market economy, we survive by *servicing our fellow human beings*. The merchants are, of course, greedy; but they temper their greed with abundant prudence. They know that, in the long run, cheats do not prosper and lose customers. They also know that there is keen competition for customers, and that they have to rise above the competition and offer the customer a better service and a better product – and all that at a better price. Would you call this naked greed? Or would you call it survival by serving the needs of society?

Greed is often symbolised by signs of opulence. John Stossel, in his documentary *Greed*, begins by standing in front of the Vanderbilt mansion. Such a huge palace, such a huge dining room, all for one man? Isn't this greed? Stossel asks.

I wouldn't call it greed. It is opulence. And Adam Smith dreamt of a world of 'universal opulence'. We libertarians do not dream of making India just prosperous; we dream of making India obscenely rich. This is nothing to be ashamed of. We were all born to be rich. We are the planet's only economic creatures. We create wealth just as naturally as cats mew and dogs bark. We build cities just as ants build ant-hills. Economics forms a major part of our lives. We think of Economics – something to buy or something to sell – more often than we think about sex. It is noteworthy that in the four 'ends of Man' in Hindu philosophy, Economics precedes sex: *Dharma, Artha, Kama, Moksha*. The fact that despite this dominance of Economics in the lives of the people, Economics education is regarded as a dreadful bore, speaks volumes on the quality of Economics educators today. They are concealing the truth in obscurities, confusing their students, and spreading economic illiteracy. This is fatal for democracy, because those miseducated in Economics will never vote for the right policies. These are the educators who provided intellectual support to Nehru and Indira Gandhi, to planning and PSUs. They are the propaganda personnel of a failed experiment in state socialism.

If we teach Economics right, we would not confuse greed with opulence. Cornelius Vanderbilt built his mansion by providing a better transportational service. If he decides to display his fortune by building a grand house for himself, then this is also not greed, it is magnificence; and magnificence, as Aristotle said, is a virtue. Let us dream of a world where every human being is not only rich, but also magnificent. When we look back at the ruins of ancient civilisations, what remains are the signs of magnificence – usually on the part of the State. Let us build a new civilisation where all the magnificence will be private, and universal. The goal is universal opulence. Adam Smith’s world must come.

AN INQUIRY INTO HUMAN NATURE

Having said that we humans ‘naturally’ create wealth, it is worth considering whether the instinct that drives us can really be called ‘greed’. When tigers or lions naturally hunt down their prey, we do not call it ‘greedy’ or ‘cruel’. We see it as a celebration of nature. Why don’t we see our own wealth creation as ‘natural’ and not ‘greedy’?

The reason that drives Economic Man is the pursuit of gain and the avoidance of loss. Because of this, we create wealth. We all, individually, pursue gains and avoid losses and, in this way, the whole of society prospers. Does our *modus operandi* indicate that greed is the driving motive? Or is it just that our survival instinct is ‘economic’ just as the tiger’s is predatory?

This is an important distinction, because it takes away the stigma of being associated with a word like ‘greed’, which is one of the seven deadly sins. We could, instead, say that human beings naturally create wealth by serving their fellow beings in an exchange economy where everyone pursues gain and avoids loss. This is human nature at work. It is not greed. The shoe-shine boy is not being greedy; he is trying to survive by cleaning up other people’s dirty shoes. The *dhaba* owner is not being greedy; nor is the *chholay-bhature* vendor. This is survival by serving fellow humans in an exchange economy. There is no other way to survive morally. And magnificence and opulence are not manifestations of greed either. But still the question arises: We want a world where people love one another. Will the free market bring us to such a world or will naked greed bring about severe dissensions among mankind?

LOVE AND ECONOMIC RATIONALITY

From a very early age, human beings realise that love is of great importance in their lives, and that it is something to be treasured and nurtured. We all realise that it is love that makes our mothers and fathers care for us, and that it is love that binds brothers and sisters together. Because of this, we value the family as an institution. We belong to families and we build families of our own when we grow up. Love is the core value in every family, and society is composed of nothing but individuals and families. There is a lot of love that keeps society going. Society does not function by strict economic rationality alone; there is a lot of love that makes society work.

The reason why love persists can be explained economically – and I hope this does not sound cynical, for it is not meant to be. This view is that there are but three ways of getting what you want morally: buying it and paying for it; borrowing it on the promise of return; or getting it free, out of someone’s love for you. Theft and beggary are immoral.

Thus, from a very early age, all human beings realise that they get a lot of things, including some of the best things in life, completely free, because people love them. To human society thus, love makes sound economic sense. However, it must also be noted that the notion of the ‘welfare state’ erodes natural human love. When the State helps us in difficult times, we do not need to depend on our families, and family ties break down. Libertarians believe we do not need a welfare state because there is enough love to go around. Indeed, beggary is an industry in India and Pakistan simply because the Hindus and the Muslims both believe they earn spiritual merit by giving alms to the poor. There are no Sikh, Parsi or Jain beggars because they practice charity differently within their families and communities. That is, there is enough love to go around, but some direct the love well, like the Sikhs, and some don’t, like the Hindus. The welfare state, if ever implemented here, will create masses of beggars.

Thus, in a completely free market, without any state welfare, there will be a lot of love keeping society strong. Human sexuality follows human economics, and sexuality

leads to the formation of families. When there is no State, there will always be the family, and since its basis is love, it will build a world of millions of loving families, co-existing harmoniously in a free market exchange economy by specialising in ways that enable each of us to serve our fellow beings in ever better ways.

THE FIRST LESSON AT McDONALD'S

Those who see the free market as a dangerous thing for society fail to note the first lesson that is taught to all those who come to work at McDonald's: DON'T SHOOT THE CUSTOMER. In a free market, you do not survive by using force, by theft, or by cheating. Murder does not get you far. In a free market, brand equity matters, and greedy multinational companies ensure quality in order to maintain brand equity. The common man, the customer, is the ultimate beneficiary, for he gets better and better goods and services at better and better prices.

This benefit for the common man in terms of better products should not be sneered at. After all, there is much more to economic achievement than merely earning money. I earn money by producing words. This does not end my list of economic achievements. Money is a 'medium of exchange'. I must now take this money and exchange it for other things that I need.

As Peter Bauer said, poverty indicates just one thing: the absence of economic achievement. And he added: Economic achievements are made in markets. So, to make my economic achievements, I must take my money and go

to many markets and exchange the money for goods that I need. I get things from the market every day. I spend most of my salary on goods procured from the market. Now, suppose that market stocked only shoddy products, would I be rich? Certainly not! On the other hand, if the market offered the best goods from all over the world, I would make superlative economic achievements and get rich. Under socialism, our markets offered us only shoddy goods. We earned money, yes; but we could not make real economic achievements with that money. We had to buy an Ambassador car because the market was not open. In a completely free market, we will all make huge economic achievements and get rich.

REAL LOVE AND FALSE LOVE

Of course, even after all this, we must come to the realisation that, in a free economy, the people who serve us do so without knowing us personally and caring personally about our welfare. The apple I ate for breakfast did not reach me because some orchard owner in Himachal Pradesh loved me. The orchard owner was specialising in his own little way, producing apples, selling them, and with the money thus obtained, getting his other needs satisfied in the market economy. So, while it is true that families are based on love and affection, it is also true that the market economy is based on what economists call 'rational self-interest'. Is this better than an economy based on love and caring?

The truth is: Self-interest works. Wherever the free market economy is allowed to flourish, you obtain satisfaction from whatever you spend your money on. On the other hand, there are lots of things that we in India get from the State (because the State loves us) – and it is in precisely these areas we find the least satisfaction: state policing; state education; garbage disposal...

The moral of the story: Love works only within the family. (And friends, of course.) Beyond that, rely on rational self-interest. Anyone who says they will do things for you based on love – like politicians and bureaucrats – should be avoided like the plague. The instinct that guides a family cannot be the basis of state action: all human beings must realise that. We cannot expect the State to be like a mother or father and look after the people with the same love and affection. The State is better looked at as Kaa the snake in *Jungle Book*, trying to hypnotise its victim while singing “Trust in me”.

THE REALLY UGLY GREED

The really ugly greed is the greed for power – and it is this that drives India’s politicians and bureaucrats. They do not survive by serving their fellow beings – like the businessmen they despise. They survive by using brute state power over the people; by putting roadblocks on every path to economic achievement. Every single political party, every single politician, every police officer, every bureaucrat exhibits the lust for power. This is an evil force in society. It has corrupted the soul of every institution. It

has led to the economic repression and exploitation of an entire people, now 1000 million strong, for over 50 years. This ugly experiment in state socialism must be terminated with extreme prejudice. Greedy capitalists are far preferable to power-hungry socialists. At least the greedy capitalist has to compete with other greedy businessmen and cannot use force. Those who lust for power want to use state force to interfere in the market so that they can extract bribes. It is they who are ugly, evil parasites. The greedy businessman is a friend offering us a good or a service – with the freedom to say ‘No, thank you.’

My reader, I hope by now, has a clear conception of good and evil, true love and false love, and appreciates that freedom has a moral basis. The battle for freedom from the socialist Indian state is on. Those who join it should be confident that they are on the side of the angels.

2370 words

5. GOD!

To believe in liberty
Is to believe in God
And have faith in His creation — Man.

Frederick Bastiat

Hindus discovered more than just the Zero - of which we are justifiably proud. We discovered Adam Smith's 'invisible hand' - in just two little words: *Shubh Laabh*, or 'profits are auspicious'. These two words are found written on top of the safe in every Hindu trading establishment, and emblazoned on the body of every public goods carrier operated by a Hindu. These two words have great implications for Hindus today. They prove that our civilisation is deeply rooted in commercialism.

The entire free market philosophy which Adam Smith enunciated rests on the socially beneficial effects of individuals pursuing self interest. The individual, on his own, pursues just his own benefit; he seeks nothing for society. Yet, as if by an 'invisible hand' – and Smith here is talking about the hand of God – society benefits. Smith said that he saw very little good emerging out of the activities of those who 'sought to trade for the public benefit'. In his famous 'butcher, baker, brewer' example, he said that these three gentlemen provide him his lunch not out of benevolence, but out of their 'self-love'. It is indeed a great discovery - to see the harmony between self-interest and

collective interest. It is a discovery the Hindus first made. But there is more. Much more.

The ancient Hindus were guided in life by a simple philosophy concerning the four 'ends of Man'. These are *dharma*, *artha*, *kama* and *moksha*. *Dharma* translates roughly into 'morality' or 'worldly duties'. This is not very well spelt out and could not be more complicated than the Ten Commandments. Thus, civilized man pursues morality; he does not wish to lead an immoral life. Statism has wrought immorality into every aspect of our society today. This is not a world the ancient Hindus had in mind. However, the second 'end' of Man is more interesting.

Artha translates into 'material well-being'. The Hindus thus viewed Man as *Homo Economicus*, capable of generating wealth. And they considered wealth-generation an 'end' in itself. That is, they viewed human beings as wealth generating machines – not as the 'population problem'. This is something in Hinduism that is totally at odds with 'development economics', which looks at the Third World poor as hopelessly so, unable to take rational economic decisions in the market place and in need of authoritative resource allocation decisions being taken for them by an 'intellectual moral elite': planners. This assumption regarding the economic faculties of the poor, which Lord Peter Bauer famously called 'the denial of the economic principle' is blasphemous to the Hindu faith. It is, of course, a stupid lie: observe any Third World bazaar and you will see the poorest of the poor scouting around most

energetically for the best deals and bargaining most keenly – while the rich get conned!

Islam is also a religion of the free market. The Prophet Muhammad, peace be upon him, was a trader, as was his wife, Khadija. The Prophet is on record as having said: "He who makes money pleases God." Islam is a morality of honest traders, not soldiers – and this fact is easily proved by the emphasis Islam lays on good manners. Good manners lubricate the wheels of everyday commercial life; they are an aid to trade. Shopkeepers are invariably well-mannered; while bureaucrats are invariably rude. Lucknow, once a flourishing commercial society, was famous for its manners. This is an Islamic injunction: the Prophet said: "No father teaches his son anything better than good manners." Among the sayings of the Prophet there is one recommending a specific act of good manners: "One should always escort one's guest to the door of one's house."

There are three incidents in Islamic history which prove its free market credentials. The first relates to the early life of the Prophet. One day, a Yemeni trader was cheated by some Meccan merchants. He composed a satirical poem commenting on the morals of the Meccans and recited it aloud in the market square. This so enraged the young Muhammad that he became a founding member of a vigilante group, Hilf-ul-Fidul, vowed to protecting both foreigners and locals from cheats. This shows that morality emerged from the market.

Second, when the Prophet and his followers fled Mecca for Medina, they arrived at their new home with very few possessions. The Medinans rushed to share whatever they had with their new brothers – and the Prophet did say "Fraternise in Allah" – but the Meccans would not accept charity and in one voice said: "Show us the way to the market and we will make our way by working." This shows that Islam stands for free immigration and does not believe in welfare statism.

Third, while the Prophet was in Medina, one citizen came to him complaining about the high prices being charged in the market. He believed that the Prophet should intervene and set the unruly prices of the unruly market right. But the Prophet, an illiterate trader, knew better, and said: "There is only one way to determine the just price, and that is by hard bargaining." Every central planner today knows that what went wrong with planning is that the State couldn't get prices right.

However, where both Hinduism and Islam meet is in the area of 'knowledge'. In Hinduism there is no pope; there is no one supreme holy book, and each is free to find his *moksha* through his own guru. Knowledge is free. Similarly, the word 'ilm', meaning 'knowledge', is the most recurring word in the Koran. The Prophet Muhammad, peace be upon him, although an illiterate man, took knowledge very seriously. He said: "The search for knowledge is the sacred duty of every Mussalman. Go in search of knowledge – even to China." Islam dreams of a world where knowledge independently produced by

independent knowledge workers governs society. According to many Islamic scholars who have studied Austrian Economics, this conception of knowledge in Islam is quite Hayekian. Friedrich Hayek spoke of the 'fragmentation of knowledge' in the free market economy and said that 'centralisation of knowledge' was impossible, and hence planning was bound to fail. We could add that both Hinduism and Islam view knowledge in the Hayekian way.

We in India have made a great mistake dividing our country along religious lines and propping up statism in all three parts. Thus both morality and prosperity have eluded our societies. For the future, as we tentatively 'liberalise', we must remind ourselves that both the major religions of the sub-continent believe in one common objective of life: wealth creation through the free market. We must usher in this free market so that all of us can live harmoniously and in prosperity. When Adam Smith's 'invisible hand' rules, we will inherit God's world. Then this huge sub-continent will achieve its true destiny, and our people will hold their heads up high in the comity of nations.

1150 words

6. *FREEDOM!*

“Freedom is my birthright, and I shall have it.”

Bal Gangadhar Tilak

Funnily enough, the political movement that succeeded in throwing out the British in 1947 is called ‘freedom struggle’. The truth is that freedom is something that barely exists in independent India. No matter what you want to do – from opening a bar to changing your money – there are an entire host of regulations and restrictions. Opening a barber’s shop in Delhi requires a license, and that is the reason why most beauty parlours and barbershops in Delhi are illegal. Rickshaw pullers operate under a license *raj* run by the Delhi municipality – and Madhu Kishwar’s film on their plight is a must for all concerned citizens. The same film shows that pavement hawkers are victim of a license *raj* that sees their surpluses being eaten up by the petty officialdom. Thanks to Madhu Kishwar’s heroic efforts, the PMO has issued instructions to the Delhi Lieutenant-Governor saying that this predation on the informal sector must end. If the lesson is carried forth into all Indian cities, then the poor will feel the winds of economic freedom. So far, ‘liberalisation’ has only meant freedom for our pampered industrial classes. Tomorrow, the entire country must live in what Adam Smith called ‘natural liberty’, get the State out of the economy, and let the ‘invisible hand’ of the market guide our collective destiny.

But the question does arise: How free can we get? At one extreme are the libertarians who believe in anarcho-capitalism: absolute and complete freedom: no State at all. Anarcho-capitalists are considered ‘freedom freaks’ – a little loony, perhaps – but let us explore the question: How free can we get?

STATE, MARKET & CHARACTER

The notion of ‘natural liberty’ paints in the mind a rosy picture of Man living in Nature, completely free. He has his natural gift – the ability to trade – and he thereby specialises in the free market exchange economy, co-existing with other similarly specialised people, and building a free civil society. Yet, there are many who believe that such co-operation cannot come about without the State. Thomas Hobbes, for example, in *Leviathan* (1651), saw the state of Nature as a ‘war of each against all’. Without the ‘Mortall God’ of the State to keep us all in awe, we humans would be at each others’ throats: so said Hobbes. Is this really true? Let us carry out a simple thought experiment.

Carry a tray of ripe bananas before a group of monkeys. What will happen? The monkeys will snatch and steal all your bananas: the Hobbesian ‘war of each against all’. Now, carry another tray of ripe bananas and go someplace where there are no monkeys but lots of human beings: Connaught Place, Chandni Chowk, Crawford Market... What will happen?

Well, no one will steal your bananas. If anyone wants one, he will politely ask what you want in exchange. Now, hang around in that market a little longer and observe who the monkeys amongst us are. Then you will see the policeman and

the municipal functionary coming for his *huftha* and grabbing bananas for free. What does this show?

Of course, the first thing this shows is that Thomas Hobbes was very wrong. The market is one of the secular foundations of human morality. Monkeys snatch and steal because they cannot exchange. Human beings prefer exchange to theft because it is a win-win game. Second, this shows that power corrupts.

All this also reveals the character of the State and its personnel. They are predators by nature. They tax us legally; they tax us illegally. We create wealth; they obtain wealth by extorting it from us. They do not perform a single function to general satisfaction. This is a horrible, predatory state.

This little thought experiment also reveals something about the character of the Indian people. First, and this is positive, that they are a deeply moral people. They are not savages. (Were there ever any savages?) This deeply ingrained morality is a resource. It will maintain order under anarcho-capitalism. Second, and this is negative, they are extremely humble before authority figures. Of course, this is changing, with the State rapidly losing legitimacy.

So, even if we abolish the State, and its most visible symbol on the streets, the Indian Police, there will be complete order in the free market economy. There will be absolute freedom to trade, so there will be no smuggling. All currencies will compete, so there will be no inflation or hawala. Prostitution, drugs, gambling, nightclubs, discos, casinos, erotic dance, pornography – all these will be on the market; and there will be no crime. (These are all ‘victimless crimes’ or ‘consensual

crimes’.) People will secure themselves and their properties with private security guards, and they will also arm themselves. The situation on the ground today is that the people have no guns, and police constables go around with automatic weapons. Yet, if the Congress decides to murder Sikhs, the police stand by. Why should everyone not carry a weapon for his own protection? Perhaps some reminiscences from my days as a police officer will help.

MY DAYS IN THE INDIAN POLICE

After formal training at the academy, I was sent off to Pondicherry for practical work. During this period – early 1985 – I served a few weeks as Station House Officer of Grand Bazaar Police Station. The word ‘grand’ is from the French, meaning ‘big’. Grand Bazaar is Pondicherry’s central market. It is also the biggest and most important police station.

There was no crime reported in the area during my entire stint, barring a few cycle thefts. There was complete order. I used to walk around in full uniform and try to look useful by getting shopkeepers to clear the narrow footpaths of their wares, which invariably spilled over and got in the way of pedestrians. Reflecting back, I see that I was only looking after rights to collective property: another basic duty of the State.

I noticed that there were lots of shoe-shine boys who would follow people around and keep pestering them for custom. I rounded them all up and got a special portion of the market for them to sit and ply their trade without annoying shoppers. There was no other work for me in the few weeks I spent as SHO of Grand Bazaar PS.

All in all, I spent about three years in Pondicherry, and there was almost no crime. There were all the classic possibilities of crime, given that booze was cheap and plentiful. But there was perfect order. And it is the people who maintained the order, not the State. The only murder I recall was political in nature, and it was rumoured that some local political bigwig had got his rival bumped off. Again, disorder from political, and not civil, society.

After Pondicherry, I was sent to Along, West Siang District, Arunachal Pradesh as District Superintendent of Police. When I arrived, I was surprised to find that the cops had no powers outside the three principal urban areas: outside, tribal society and tribal customs ruled in complete anarchy. Only if the tribals asked us to investigate a crime could we do so. Otherwise, even murder was outside my jurisdiction as District SP. Again, there is very little crime in Arunachal Pradesh. There are rackets: in timber, in alcohol and so on. But all these are run by political society. Indeed, all the unrest in the North-East is organically linked to the socialist state and its politics in the region. The free market will make the North-East prosperous and peaceful. People will prefer to make their gains in the exchange economy than live by the gun, which is the only way out when the economy is closed. With economic freedom, the North-East will overtake Singapore and Korea within decades. It is an area with tremendous potential, ruined by statism.

In either case, policing should be directly under the control of local bodies. People participate in their own policing. They police themselves. In Switzerland I was told that every citizen is a policeman! To bring about good policing in India we need drastic reform. Margaret Thatcher used to say that the Tories

are a party for law and order. Indeed, law and order should be on top of the reform agenda in India.

I left the police in 1989, and only the other day did some of my batchmates meet up with me. They are all Deputy Inspectors-General of Police now. I smoked a joint in their company and told them that I stood for policing only after complete economic freedom is granted to the people. They did not disagree with me one bit. They welcomed the idea. It must be remembered that the Report of the National Police Commission came out strongly against alcohol prohibition. That means the IPS did contain many good officers. I believe it still does, especially among the younger lot. They should welcome a thorough overhaul of the criminal justice system. Either we have a state or we don't. If we have to have one, let it be small and restricted to basic roles. And let us force it to perform these basic roles well.

HOW FREE CAN WE GET

As a former police officer, I am convinced that Man is essentially a moral creature who deserves to be left free in the market economy. The critical need in the market economy is that all the participants obey one basic rule: they respect property rights. When you stand with a tray of bananas before monkeys, they do not respect the fact that the bananas are your property. But when you do the same thing in Crawford Market, it works because everyone respects property rights. If someone does not, he is thrashed. This fate usually befalls the pickpocket who gets found out. This basic morality is very old: The Ten Commandments include "Thou shalt not steal". They also add: "Thou shall not covet thy neighbour's wife"; and this, obliquely, is also about property rights. Without respect for

another person's property, a man is not a man, but a mere savage. Thankfully, Indians are not such.

The role of the State centres around the protection of several property. The free market mantra is: free trade, sound money and several property. Sound money, as I have argued elsewhere and as another essay in this volume will show, must be left to the market. That leaves just property rights to the State. Now this is basic to the very morality of the Law. If we all possess rights to our own property, and we combine to make The Law, then this law cannot have the power to take anybody's property away. Rent control, nationalisation, land reform... these are all based on notions of what Bastiat called 'legal plunder'. The socialist Constitution of India, which does not recognise property rights as absolute, is an immoral document. The future requires property rights be well enforced. We cannot look after the environment without property rights.

Today, the property rights regime has virtually collapsed. Buying land anywhere is a tortuous and tricky process and the real estate boom that will occur when the free market is ushered in will require property registration as basic infrastructure.

Now, given that we need only one function from the State, what we have to consider is: To what extent can we decentralise this function. If property rights can be enforced at the local level, perhaps we can dispense with both central as well as state level governments. This would be quite consistent with the principle of 'subsidiarity', which says that any good required from the collective should first be sought at the lowest

level, and only if that level is unable to provide it, should higher levels of collectives be called in.⁴

THE PUBLIC ADMINISTRATION OF ANARCHY

The future that lies ahead of India if the socialist state is abolished and complete freedom granted to the people is one of 600 cities and 6000 towns, each practicing self-governance. If higher-order functions are required then these self-governing cities and towns can raise the necessary resources for the purpose. That is, there is no central taxation. Since these self-governing cities and towns will all be free trading, the entire land mass of India will become the world's largest duty-free port. Every Indian will be free to run his own duty-free shop. Cities and towns will have to rely on revenue sources other than customs (or octroi).

This will enable tremendous diversity. The US local government system is not uniform. There are weak mayor-strong council, strong mayor-weak council as well as city manager systems. There is no one correct way of doing anything in either management or public administration. For the latter subject to grow, it is essential that experimentation be allowed, and we all learn from the experiments.

In such a scenario, the Indian cities and towns will all follow their own customs. Thus, you will have towns like Haridwar where it is unthinkable to eat meat or drink alcohol, but it is perfectly acceptable if you sit in the market square and smoke a *chillum* of hashish. In going with this spirit of diversity,

⁴ For an excellent discussion of this concept, see "Freedom, Democracy and Subsidiarity: A liberal standpoint" by Stefan Melnik in *Liberal Times* Vol. IX / Number 2, 2001 published by The Friedrich-Naumann-Stiftung. Website: www.fnf-southasia.org.

every town and city should be able to be free to make its own rules and regulation – of course, the less the better. Thus you will have gambling cities like Las Vegas and you will have sin cities like Bangkok. You may also – but the Good Lord forbid – have cities like Singapore where it is illegal to chew gum and where if you are caught with a joint they hang you. As birds of a feather flock together, so will people tend to live and mix among people of their own type, and this will build a happy and diverse society, with freedom, knowledge and prosperity.

PANCHAYATI RAJ: A HOAX

India does not possess a single functioning municipality other than the NDMC which services the VVIP class. All talk of local government centres around *panchayati raj* – as though villages are in need of government. Village India does not possess police stations. The Indian Police put up their most important stations in busy urban markets – as in the case of Grand Bazaar PS. There are no police stations in sleepy residential districts. There are no police stations in villages at all. In fact, when I was in Loharkhet, I noticed that most people there smoked hashish freely and openly. I also noticed that the village was fairly well populated and there was perfect order despite the fact that there was no police station. I pointed out this curious contradiction to a local and asked how come they could manage without a police force and the reply I got was revealing: “Yes, we had a police station once. But they were bad people and we threw them out.”

It is therefore my contention that, without roads, *panchayati raj* is just clientelism of the most perverted kind. What villages and villagers need most of all are good connections to urban markets where they can make their economic achievements:

they need good roads and cheap automobiles. Instead of allowing them to get rich, the State has deliberately kept the rural people poor. And then, the State politicises the local economy by encouraging party politics in the villages as a means of getting ‘development’ money from the State budget. In such villages, this politics of beggary becomes the biggest money-spinner. It should cease.

Instead, the focus of public administration should be municipal organisation. We need good, clean, cities and towns. Villagers should be encouraged to migrate to urban areas and participate in the greater division of labour possible there. Today, State policies are perverse. Not a single municipality works. There isn’t a single good city or town in the entire country. The State looks upon rural-urban migration as a ‘problem’. It must be noted that, as the nation progresses, the share of agriculture in GDP will always keep on declining. If more and more people are left dependent on agriculture, mass poverty will inevitably befall rural India, for more and more people will be forced to share a pie that is steadily shrinking. Wherever I have travelled in rural India, I have come across men and women asking me to get them jobs in the city. For a prosperous future, India desperately needs to get its urban act together. Forget *panchayati raj* and self-sufficient village republics: go for sound municipal organisation, and free trading cities and towns.

FREEDOM IS UTOPIA

We, the people of India, have often chased Utopian visions offered by political society. In the process, we lost our freedoms while political society armed itself with excessive –

often Draconian – powers, and proceeded to willfully misuse them. We got screwed; Utopia was never realised.

Consider the Nehru-Gandhi Utopia: self-sufficient village republics and the ‘socialistic pattern of society’. The economist VKRV Rao is on record demanding that the Planning Commission be given constitutional powers to bring about this Utopian ‘socialist pattern of society’. Give me power over your life, and I will bring about Utopia – this is what Nehruvians like VKRV Rao were saying.

Similarly, the Hindutva types are offering us another Utopia. They actually call it Ram Rajya. Their leaders will rule us in the same manner as the good king Lord Rama. Give us power; we will rule over you – and tax you. Then just watch us bring about Utopia.

Unlike socialists and communalists, libertarians believe in rugged individualism. As the poet Walt Whitman wrote: One’s self I sing, a simple, separate person. As Margaret Thatcher famously said: There is no such thing called society; there are only individuals and families. To libertarians, the notion of Utopia is also individualistic. That is, there is no one Utopia, thought up by some ‘great leader’ and brought to effect by his functionaries via the State. Rather, there is the ‘natural liberty’ in which we can all find our own, individual Utopias. As Robert Nozick put it:

Utopia will consist of utopias, of many different and divergent communities in which people lead different kinds of lives under different institutions. Some kinds of communities will be more attractive to most than others; communities will wax and wane. People will leave some

*for others or spend their whole lives in one. Utopia is a framework for utopias, a place where people are at liberty to join together voluntarily to pursue and attempt to realize their own vision of the good life in the ideal community but where no one can impose his own utopian vision on others. The utopian society is a society of utopianism.*⁵

With free trading and self-governing cities, every Indian will be able to pursue whatever he/she believes to be ‘happiness’, and thus every Indian will be able to find his or her own Utopia. Nobody’s idea of Utopia will be imposed on anyone else. In the case of the Gandhian Utopia, the State clamped prohibition down on all the people. In freedom, the Gandhians will be free to set up their own alcohol-free cities, towns and neighbourhoods. But chaps like me – and all my friends – will also be free to worship Bacchus. Your freedom ends where my nose begins is a good saying. The Gandhians are free to practice whatever they wish voluntarily among themselves. But they cannot impose their Utopia on me. It’s my life. I am the architect of my own destiny. I am born free. Don’t come in between me and my pursuit of happiness. If we all believe in these basic libertarian ideals, we will all find our own Utopias. That is what freedom promises us.

3276 words

⁵ Nozick, R. (1974) *Anarchy, State and Utopia*

7. DHARMA!

Do right to me baby,
I'll do right to you too,
Why don't you do unto others.
As you'd have them,
Do unto you.
BOB DYLAN

If you wanna be my lover,
You have got to give.
THE SPICE GIRLS

Everyone is crying out for peace,
None is crying out for justice.
There will be no peace...
...till we get equal rights - and justice.
PETER TOSH

How do we lead a moral life? Surely, this must be the greatest philosophical question of all. And surely we as a nation did not address ourselves to this question, or our socialist democracy would not be listed as one of the most corrupt in the world by Transparency International.

Let us apply basic game theory to this question. And do not fear complicated reasoning, dear reader, I shall make it exceedingly simple, and hopefully, fun as well.

At the start, let us consider an individual, James Goodfellow, going around in the world, interacting with other human beings. In these interactions, there are three kinds of 'games' that James Goodfellow can play.

The first is a 'negative sum game' in which both parties lose. We call such games lose-lose games. Let us examine two lose-lose games, one in looking for sex, and the other in looking for profit.

First, sex. James Goodfellow enters a Bombay nightclub and sees Bipasha Basu.⁶ He desires her, and, to prove his point, he grabs her butt. She gives him a slap across his face, the bouncers are called and they throw him out. She starts crying; he starts crying. Lose-Lose.

Next, profit. James Goodfellow sees a man sitting on the sidewalk with bananas. He declares war on the man, draws his knife and attempts to murder him to get at the bananas. The vendor retaliates. Both are seriously injured. The monkeys run off with the bananas. Lose-Lose.

As my reader will realise, negative sum, lose-lose games are not worth playing. Hence very few people play them.

Next, James Goodfellow might choose to play a 'zero sum game': Win-Lose. Here one party gains and the other loses. Let us examine two examples of such win-lose games, again first from sex, and the next from profit.

⁶ This actually happened to Bipasha Basu, according to press reports!

James Goodfellow meets a pretty girl and chats her up with promises of eternal love. She gets pregnant and he runs away to another town. He wins, she loses. Win-Lose.

Now take profit: James Goodfellow sees a man with bananas. He sneaks up on him, steals the bananas and runs away with them. One gained, the other lost. Win-Lose.

Now, the reader will realise that zero sum games like this cannot be played indefinitely. If nothing else, one will acquire the reputation of a cheat and thief, and this will make it difficult to live in society.

Finally we come to the greatest game of all, one that mankind has always been playing - the 'positive sum game': Win-Win.

First sex: James Goodfellow meets girl, asks girl what she is looking for in a man. She tells him that the man must have a job in a multinational company, draw a five-figure salary, they will have four children going to elite public schools, a bungalow, car and servants, and, of course, that he must never look at another girl in his life. James believes he can satisfy these steep conditions, and tells her what he is looking for in a woman. She agrees and they get married. Both parties won: Win-Win.

Of course, my reader will suggest that I am being cynical. Am I not calling marriage 'licensed prostitution'? Far from it. Marriage is more than sex, which is all that prostitution is about. Even love involves 'give-and-take', as the Spice Girls affirm at the beginning of this essay. There is a lovely Hindi song that goes:

*Dil deke dekho, dil deke dekho, dil deke dekho ji,
Yeh dil lenay walay, dil dena seekho ji.*

Translated:

Give your heart and see
Give your heart and see
You who takes hearts away,
Learn to give your heart Ji.

I hope this sums up my sentiment.

And, of course, it must be mentioned that if the girl James Goodfellow approaches for sex is a prostitute who wants just money for a night, and James agrees, the deal must be considered moral as involving give-and-take between consenting adults.

Now profit: James Goodfellow sees a man with bananas. He asks the man what he will want in exchange for the bananas. They strike a bargain. James gives the banana vendor what he wants and departs with the bananas he wanted. Both sides gain: Win-Win.

Now, it is obvious that positive sum games are the only ones worth playing and that is why mankind has always been playing them: marriage⁷ and trade. Thus, Hindus say *shubh laabh* and *shubh vivaah*. These are the foundations of all human morality.

⁷ Or 'relationships' in today's world.

So the answer to what is *dharma* is just this: play positive sum games when looking for either sex or profit: give-and-take. The rest, *artha*, *kama* and *moksha*, will inevitably follow.

Now, it must be realised that politics is always a zero sum game. When politics enters anything, some people gain, while others lose. This is because the State does not create wealth; it only transfers wealth by taking from one class and giving to another. Of course, as we have seen, this game cannot be continued indefinitely as soon the people wisen up. Let us hope that day will dawn soon and we can get politics out of our lives and live with *dharma*, *artha*, *kama* and *moksha* in a free society.

This, in brief, is the ethic of liberty: give-and-take. As we live our solitary lives, we interact with hundreds and hundreds of strangers – and all we owe these people is justice. Nothing else. In give-and-take there is justice. As Ayn Rand said: "Trade is justice". If we are just and moral towards each other, which we will be because these are positive sum games worth playing, society will be rich and moral. *Dharma* will prevail.

1005 words

8. FROM THE HAIR OF SHIVA GANGOTRI!

As I went out one morning,
To breathe the air around Tom Paine.

Bob Dylan

New Delhi, June 1998. Searing heat of the highest Indian summer I've ever experienced. Taking off for the hills. First stop, Dehra Doon – 250 kms away. This is a beautiful valley, the gateway to the Garhwal – famous in the days of the Raj for Mussoorie, then known as the 'Queen of hill stations'. But Garhwal has been important from time immemorial for the pilgrim destinations of Yamunotri, Gangotri, Kedarnath and Badrinath. We are heading for Gangotri – near the source of the Ganga, the sacred river of Indian civilization.

I recall a *National Geographic* article entitled 'From the Hair of Shiva' which I read as a child. It told of a journey from Gangotri to Calcutta in an amphibious jeep. Well, many years later, here we were, in two Marutis, heading for the sacred river that emerged from a divine dreadlock and bequeathed fertility to an entire civilization.

It is early morning. As we approach the edge of town a cop stops us. He is wearing a mufti shirt on his uniform trousers, and he looks quite mean. I am in the second car. I have to follow because I do not know all the turns – and there are no road signs. The cop and my friend ahead are having a long discussion. I am getting a little impatient. Then my friend is emerges from his car and approaches my window. Seems the cop wants some money, because his car has tinted film on its windows – and these have just been banned in Delhi. I give the cop a big piece of my mind and we exit town. Foul taste in the mouth.

HIGHWAY #61, REVISITED

Dylan on the stereo: 'Highway #61, Revisited'. But this potholed anomaly where death lurks at every corner ain't no highway. A proper highway would be reserved for motorised vehicles capable of cruising at a basic minimum speed. It would have lanes painted on it; there would be a lane for breakdowns; there would be high-visibility signs to guide you to your destination and ensure you don't take any wrong turns; it would have exits to take you to towns and villages – they would not crop up on the highway itself.

I first saw a proper highway when I was a student in London. I had hired a car for the day and taken off on the motorway nearest to my house in West Hampstead. I had driven to Oxford, Stratford, Bath and back. Exhilarating. It was the same highway the world watched during the unhappy occasion of Princess Diana's funeral. The cortege went through the city streets for about half an hour before turning on to the highway. There were many bridges across the motorway upon which people stood and showered flowers. These bridges had been built so that the highway could be crossed safely and conveniently at regular intervals. Lanes were clearly marked; signage was excellent; and the other fact to note was that the royal family arrived at that country mansion in some remote English village by train! So they say 'every great city sits like a giant spider on its transportation network'. The capital of India, New Delhi, from which a powerful state governs an ancient civilization, is not such a city. Far from being a nimble spider, it is more like a gigantic blob of jelly that keeps bloating year by year. Every Indian city is likewise. Economists at the Planning Commission don't know the worth of cities.

We are playing Side 2 of 'Highway #61, Revisited' now. The track: 'Desolation Row'. That is what this street should be called. It continues almost forever as a dismal urban thoroughfare. It leaves Delhi and goes through another town, and another and another. At Meerut there is a bypass, but people are building all kinds of things on the bypass. I have been travelling this route regularly. Every time I pass by I see another new construction here. There is now an institute of management; various *dhabas*; a school; a housing colony, a

church and even a village of tanners. All this has been built after the bypass came up. The bypass has become an urban road.

After Meerut, the highway becomes a rural road. Every manner of farm vehicle plies on it. The highway also becomes narrower, from so-called 'four-laned' to 'two-laned'. Of course these lanes are only notional. There is no paint on the highways of India. They are spending our money on more important things – things presumably essential for our 'development'. Highways, rural roads and urban roads are not on that list. They'd rather spend on 'poverty alleviation' and 'employment generation'.

In the 'four-laned' section to Meerut the good thing had been that the slow vehicles (and the hawkers, cyclists and pedestrians) had been keeping to the sides – so motorized vehicles effectively had had the central section free. Things are no longer so simple. I am cruising along merrily when a bus coming from the opposite direction decides to overtake a bullock-cart ahead of him. The bus swerves on to the road directly in front of me, and forces me off the highway! There are too many such experiences on Desolation Row.

Just short of Muzaffarnagar, the only town other than Meerut with a 'bypass', I have this 'Khatauli Revisited' experience. Khatauli is a town that completely and totally assaults the sensitivities of any student of government – for it proves that our rulers are 'irrational' and 'predatory'. Here, the highway – when it is supposed to be the town's main street – completely disintegrates. Khatauli is a town without a main street! They have paved the street now with uneven stones which makes progress difficult, but not long ago main street was just

moonscape. On both sides of the main street are shops where colour TVs, VCRs, washing machines and refrigerators (now frost-free) are being sold to residents. Consumers of the town are paying indirect taxes. The predatory state has not supplied the town with a proper main street – an essential public good. The price of Khatauli sugar is listed in the commodities page in *The Economic Times*. Khatauli produces wealth and bristles with commerce. Obviously it also pays taxes. Yet it does not have a main street.

I have travelled on the other route to Dehra Doon via Panipat and Shamli and I have noticed this phenomenon there too: within every town, the highway simply disintegrates. There are many towns around the capital of India which do not have a main street. We have proof of the predatory state all around the capital.

As we cruise along we come to a major traffic jam, presumably another ghastly accident. We are passing through a small village – that is, a large number of tiny houses lining both sides of the highway. We find a road leading off the highway and, along with many others, take the diversion.

This side street is narrow, rutted and virtually non-existent. It has buildings on either side for barely a hundred yards – and then the open fields begin. The truth is: this is a large country. There is lots of space. The way to use the space efficiently is to build roads. Had there been side roads, our little village need not have cropped up right on the highway. Therefore, when we travel on busy Indian highways, through innumerable crowded towns, what we see is not the ‘population problem’. It is the undersupply of roads causing everyone to congregate

on the only road available. Further, the lack of connectivity between the primary city — in this case Delhi — and its surrounding towns means that Delhi is bloating up while the surrounds are not developing to their full potential. We need spider cities.

After Roorkee, just short of Doon, we enter a forest — and get that refreshing feeling of finally being out of town. The road is full of monkeys. Everyone is feeding the monkeys so they prefer hanging around the highway instead of looking for food in the lush forest. This is risky business for the monkeys — I have often seen those that have been unable to dodge the traffic in time — but it must be easier. Brings to mind something from Bauer. The fact that these monkeys beg does not imply the forest is without resources. Monkeys beg because we, the people, actively encourage them to do so — by feeding them. Bauer pointed this out with regard to the real beggars of our cities: they do not prove the country is poor. Widespread begging does not prove poverty. The fact is that both Hindus and Muslims consider it meritorious to give to beggars. Beggary is thereby encouraged. There are no Sikh or Parsi beggars in India because these communities practice charity in a different way and instil the value of self-help.

FROM DEHRA DOON TO UTTARKASHI

In Dehra Doon the size of the group increases: we proceed the next morning in three Marutis — the third a new ‘Zen’. Another point: all three cars are made by a company in which the state has a 50% stake — which it sticks to most unashamedly. The state has invested in a car factory. It has not invested in roads. Irrational? Predatory? What do we call this manner of state investment?

Mussoorie is just about 30 km from Dehra Doon and the road is generally passable, but it gets crowded as we approach town. It is the height of the season. We are entering at a point called 'Library,' and see the faint outlines of the lovely town that the British built and we Indians destroyed. We note that in both Dehra Doon and Mussoorie the British supplied public goods: Dehra Doon's clocktower and Mussoorie's library are just that. We take the narrow road past the right of the library and head towards Mussoorie's famous picnic spot — Kempty Falls.

It is a narrow road flanked by houses, making progress difficult. This crowded scenario continues for about a kilometre – during which time we pass the National Academy of Administration, the state's pretension to knowledge. Then the town ends and the open countryside begins. Some ten km on and we come to the famous falls. The kids get excited, but we pass by. We have to go all the way to Uttarkashi, and our journey has barely begun. And too many people around the falls. A little beyond, we stop for coffee and sandwiches.

Our group comprises the four of us – friends who began double dating in the early 80s – our three children, and two grandparents with an even older friend. Three well represented generations. One grandparent has lived in these parts since childhood and she recalls the beauty of Kempty in the old days. What has happened to it since then she calls 'uglification'. Need I say more?

The journey to Uttarkashi is magical the rest of the way. For the major part we drive along the blue-green Yamuna, then we turn off east to head for the brown waters of the Ganga. Lunch

is at a little dhaba: *karhi-chawal* and a bonus *rajmah*. Good stuff. By the time lunch is over, the clouds have come in, the wind is high, and rain imminent. All our little cars have loaded carriers atop. Only one has a waterproof cover. I know the rucksacks we are carrying are not waterproof. This unpleasant discovery was made the previous year when we were holidaying in Kumaon, the adjoining district made famous by Jim Corbett. We were deep in the Kumaon, past Bageshwar, when we were caught in tearing rain. The next day we found, to our shock, that our Indian rucksacks were not waterproof, and our clothes were hopelessly damp. Thankfully it was a sunny day, and the compound where we camped soon resembled a *dhobi ghat*. We shrug and visualize another *dhobi ghat* in Uttarkashi — and proceed on our way.

It does rain. A lot. But that makes everything just that much more magical. Till then it has been hot. We are in T-shirts, wearing dark glasses. It is, after all, the height of the Indian summer; hot even in the hills. Suddenly it grows cool and the green of the thickly wooded mountains in the soft grey afternoon light is a sight the eyes drink in thirstily. And there are the jacaranda trees: Till now they have been purple patches we have been driving by, but now they are purple paths we drive on! The rain has brought down the flowers and stretches of the road have become a swirling mass of purple.

OBSERVATIONS IN UTTARKASHI

Uttarkashi is the last petrol pump. Sorry, no unleaded. The two older cars tank up. Town looks dismal. We cross a narrow bridge onto a broken down street whose surface improves as soon as habitation ends: same old story. A kilometre on we are in the Nehru Institute of

Mountaineering, with its wide open spaces, well-laid streets and pretty houses. Proves the point: roads create space. The road up the hill created the space for this institute. This lesson is even more important in the hills. Our hill stations are crowded simply because there are not enough roads around. Mussoorie is not spread out for this reason. Dehra Doon is likewise. As is the capital of India, Delhi. If Delhi was the kind of city that 'sits like a giant spider on its transportation network', the residents of Delhi would have spread out all over the place into the vast open spaces that this huge country has afforded us. Ghaziabad, Modinagar, Muzzafarnagar, Khatauli, Roorkee – the towns between Delhi and Dehra Doon – would all have 'developed'. Similarly, if Dehra Doon itself had a tramway network that linked it to outlying smaller towns (like Herbertpur), the urban development picture would have been different. Mussoorie, too, with better roads all around (and I have often visited the Landaur area) would have spread out instead of being crowded.

Last year I found this very same phenomenon in Nainital: A crowded, dirty town around a beautiful lake — that's what you see. I was surprised to find that Raj Bhavan – the Governor of Uttar Pradesh's palace on top of the hill – has an 18-hole golf course. A road created the space for the palace and its golf course, just as it did for the NIM, Uttarkashi. Excellent roads around Nainital, connecting it to the other lakes in the neighbourhood, would have spread tourism and administration. Unfortunately, the entire burden has fallen on Nainital itself – the primary town of the district. And roads have been undersupplied.

At Uttarkashi, while the rooms are duly being converted into *dhobi ghats*, I take off for the town to pick up some waterproof covers for the luggage. It is still light. I am advised, by a hardware storeowner on the roadside, to park, walk across the river on a footbridge, enter the ‘main’ market, and find a shop called ‘Paramount’. Sure enough I find the famous Paramount. I get three strong, white plastic sheets for Rs. 100/= only! He knows these things are required in that area – so he stocks them. I don't know where I would have found these in Delhi. I look around his shop. He has jackets, rucksacks, sleeping bags and the like. He got these products from the plains – Hardwar, Lucknow and Delhi. Proves the first point of the free marketer: that place of manufacture is irrelevant. As long as anything sells, from anywhere, there is gain. In these hill towns, everything comes from outside – even vegetables. Nothing is locally manufactured. Yet there are economic gains and commerce because of trade. Shopkeepers stock the products they think will sell, and if these are sold they reap a reward for anticipating demand accurately. Paramount had anticipated demand for plastic sheets as also for rucksacks, jackets and sleeping bags. These, however, are all sourced from Indian cities only because we believe in *swadeshi* – import and exchange controls. But both to the trader as well as the customer, place of manufacture is irrelevant to the economic gains from trade. If Paramount had American tents, German sleeping bags and Australian (waterproof) rucksacks, it would have increased his gains as a trader – and my gains as a consumer. By restricting Paramount's sourcing area to Indian cities we have effectively restricted his ability to trade – and hence his ability to generate wealth, create markets for new products and serve his customers. *Swadeshi* is not a trading ideology. It places local manufacturing above trade. In a way *swadeshi* is like socialism – for it believes that the state can

create 'industrialization' (i.e. local manufacturing industry) by restricting trade. This is where Nehru meets Advani!

What about foreign exchange problems if we have free trade? Will the wealth of India not just disappear overseas? Not at all! Money is just a medium of exchange. Real goods matter more than money. If we were to give away our gold and get real goods – like Ferraris – in exchange, what would it matter? Suppose a tiny agrarian village sold its annual harvest in Town A and then, with all its earnings, bought its requirements in Town B – what difference would it make to the local economy? None whatsoever. What difference would it make if our villagers, instead of blowing up their earnings in Calcutta, decided to shop till they drop in Singapore? What it requires is good money freely tradable and of stable value. Free trade cannot transpire without sound money.

I ask Paramount some questions about the market: How many shops? How much business? I emerge from the shop and look around with new eyes. It is a very narrow street – couldn't believe it when a Jeep drove through – with hundreds of little shops on each side. I am told there are 400 such shops in Uttarkashi doing a few crores worth of business every year. The only liquor shop in town rakes in 50,000 rupees every day! I discover that a shop in the main market costs upwards of 1,50,000/-. Elsewhere in the town a little shop comes for about 35,000/-. Sounds like expensive real estate, but only because of an undersupply of roads – the same diagnosis. More roads would have meant more space – and additions to the supply of usable land would naturally lead to a lowering of real estate values.

My son wants a penknife. I find a chap on a cycle polishing knives. I buy a little penknife from him. Then we get talking. Transpires he's from Bijnor. I see the benefits of free immigration. He rents a place here for 500 rupees a month. He earns about 200 rupees a day – as he is, in his own opinion, a ‘technical’ man. I'm astounded.

‘Technical’ is a Person with Knowledge (PK) in the market. Paramount is likewise. He knows what's available, and he knows the needs of the people. He not only knows their needs, he anticipates their needs. He sees a new product and thinks of a customer. He is, as a trader in Uttarkashi, soldiering for the market at the point Lord Bauer calls ‘the development frontier’.

Here is proof of Hayek's theory of knowledge: that ‘planners’ cannot collect the knowledge required to effectively replace the market. Paramount's stock; the shop opposite selling plastic, brass and bronze ware; the shop that sells umbrellas, windcheaters and raincoats; the knife man – all these are operating in the market with very special knowledge of demand conditions, supply situations, and – in the case of ‘technical’ – a scarce skill that is largely ‘uncodifiable’. (The skills of a successful trader are also ‘uncodifiable’.) No planning body can collect all the knowledge these people possess and manage to effectively replace the market. If it were attempted, the people would only be supplied with the goods that planners have rationed out for their consumption. The wide choice would have been absent. There would have been a considerable lowering of local prosperity and economic contentment. Instead of economic freedom there would be slavery.

The market brings into active community service all the diverse bits of knowledge we separately possess. This knowledge may in many cases be 'confidential'. Paramount may never be willing to divulge the address of his sleeping bag supplier in New Delhi. But the bags are there to be bought. Planning, on the other hand and in marked contrast, uses power without adequate knowledge. A frightening thought!

For example: a beer in Delhi on a hot day. It is still summer as I write. I'm just getting out of 'holiday mode'. Beer is a pleasant summer drink. Indeed, quite essential when temperatures cross 40 degrees. Now in Delhi – unlike any other Indian city – the state has a monopoly on the retail trade of alcoholic beverages. Which means, if you want a beer, hit a government shop. This naturally poses many disadvantages to the customer – in this case, yours truly. In the past 15 days I have thrice failed to get beer. Twice there was no beer in stock. The third time they had only one brand of super strong beer, which is something I particularly loathe. But that's not the point either. We were talking about knowledge and the market.

The state, as a monopolist of the retail trade in alcoholic beverages, cannot effectively replace the market if it cannot collect the knowledge required for the task. It seeks to run a retail chain. This requires aggregating demand information for a wide variety of brands of a large number of products. I saw such a system in operation in London with WH Smith, Britain's largest retail chain of newsagents, stationers, book sellers and music sellers. A very complex and advanced electronic information system kept the central warehouse informed about the movement of diverse stocks in all the shops. The warehouse could then supply each shop with its

requirements on a daily basis – beginning with the day's newspapers. The government of Delhi does not have any such system. It therefore can never run its monopoly retail chain properly. WH Smith does have its system, after all, because it is competing with local newsagents. In Delhi, the state is operating a monopoly.

By the same logic, planning cannot work. The information required is simply too awesome to handle. In Hayek's words: *What cannot be known cannot be planned.* Economic decision-making, from investing in steel and power plants to buying a beer on a hot summer day, is best left to disaggregated individuals in the free marketplace. The state and its planners will only undersupply the things we need – like roads, power, phones, railways... and beer. For all these things there is 'effective demand' – which means demand backed by purchasing power. I went looking for beer with money in my wallet. People want to pay for power; they want to pay for phones; they want to pay for railway tickets; they surely want to pay for roads – but nothing is forthcoming because the state has been monopolizing these areas and not allowing the market in.

HARSIL, WHERE EVEN THE STONES ARE HAPPY

From Uttarkashi it is a short hop to Harsil – where we are planning to camp for four days. But the road is a nightmare. It is simply too narrow for comfort. There are several hair-raising moments when we come perilously close to the edge of an abyss and cringe as mammoth buses pass just a hairbreadth from us. One nudge and we'd be history. In the hills the custom is to give way to the vehicle going uphill, but buses don't care for Marutis. They come barrelling downhill and

expect you – and the entire convoy – to scamper for cover. The road has been built by the Border Roads Organisation. I do not see why an ancient place of pilgrimage should still be on the ‘border’. If anything, since masses of Indians desire to go there, it should be having an excellent highway provided just by the market. After all, there are millions of consumers for the road. Gabriel Roth's idea of turning roads into marketable goods deserves serious note in India. The state has definitely failed in this vital area.

Harsil is just 20 km short of Gangotri and we are told a romantic fable about the origin of its name. Harsil is a combination of two Sanskrit words: *harsh*, which means happy. and *sil* – stones. Harsil is ‘Happy Stones’. I like the name of the place. If the stones are happy, the people must be happier still. Last year in the Kumaon we visited another place with a lovely name: a little village called Song.

The story goes that a good king of Harsil prayed to the gods to divert the river Bhagirathi to make it flow through his capital. When the gods agreed and the river took this wide turn at Harsil, the stones in the valley were overjoyed, hence the name. The riverbed is covered with smooth round stones about double the size of a football. I am told that in winter, when the flow of water is much reduced, the river laps gently over the stones and Harsil lives up to its name.

We have some rooms, but we also have three tents – which we pitch beside a brook just 10 metres short of where it merges into the Bhagirathi. A thicket of pines shields the tents from the strong afternoon winds Harsil is known for. The babbling brook and the thundering river provide all the music you need at bedtime. That night, as we sip rum sitting on the sandy

beach outside our tents, the clear night sky reveals how the river has indeed ‘turned’ to go through Harsil. The big dipper, like a giant spoon pouring its shining contents into the rushing waters, shows North to lie across the river. The river flows east to west here. Gangotri should lie north. We drive there the next morning. In two cars this time, for unleaded fuel must be conserved.

Harsil is a valley surrounded by snow covered peaks, two of which – *Harsil ke Singh* or the ‘Horns of Harsil’ – impose themselves upon the horizon like twin Matterhorns. From all these peaks, streams of crystal clear water descend into the valley and merge with the Bhagirathi. We have two streams near the camp. And the small town is criss-crossed with them. Hence there are little footbridges everywhere. Some streams flow right across the main road. One we dubbed ‘natural carwash’ – for it poured over the cars and bathed them clean. There are also a couple of avalanches on the route. Ice in huge sheets has slid down the mountainside bringing trees and mud into the already muddy river. There are workers without gloves or socks clearing the road for us. The women have the most incredible nose rings and I pause to photograph them. Turns out they're from Nepal. Migrant labour. The local people must be well off.

There are some interesting signs on the highway. At Lanka, the toll bridge is at least a thousand feet above the riverbed and you look down into two deep gorges through which the Adiganga and the Bhagirathi flow into one another while rock pigeons (the original ancestors of the common pigeon) fly around. As you cross the bridge there is a big roads department signboard in Hindi saying *Jaldi bhi kya hai pyarey, dekh prakriti ke nazarey*: What's the hurry pal; stop and see the

splendour of nature. We take a picture around this happy sign. But there is another that we cannot fathom at all. Just a few kilometres short of Gangotri a rock sign in English proclaims 'God is Nowhere'. It bears a military insignia. We take another picture seated around this, the ultimate philosopher's stone. This is India! And God is nowhere! The army says so!

FROM THE HAIR OF SHIVA, GANGOTRI

We arrive at Gangotri – God's own town. You know you have reached when you come across a line of vehicles parked on the left. It is a long file so we press on ahead hoping to find a place to park somewhere further up. A cop stops us, pointing to a scooped out hole in the mountainside where you can reverse and make a three-point turn, and orders us back. There's a minister coming, he says, telling us to disappear. Proof of what the late Professor Henry Parris, historian of British bureaucracy, once told me: by constitutional law, British bureaucrats exist to serve ministers – not the people, nor the law. Our bureaucrats, from top to bottom, are likewise. Luckily our cars are small and we find crannies for them.

It is a long walk up to the temple. The street is narrow – too narrow and getting narrower all the time: undersupply of public goods yet again. Both sides are lined with shops selling food, trinkets, souvenirs, groceries, camping requirements and so on. Everywhere there are sadhus sitting with all their mysterious paraphernalia. We approach what looks like the main square. The narrow street is heading towards the temple – you can't see it yet, but it is just around the corner. This is where the real 'bazaar' is. There is a huge rock on the right dotted with scores of energetic small black birds with bright yellow beaks – probably Himalayan thrushes. A pathway is

straggling down to a footbridge across the muddy river. There are numerous boarding and lodging establishments lining the other bank. I see a sadhu coming up from the bridge. I take a wide-angled shot of the scene. As soon as I put the camera down the sadhu approaches me and teasingly scolds me for having taken a picture of his *mahhan sharir* – magnificent body. *Chal; mujhe ek kilo chini kharid de*, he goes on to order: Come, buy me a kilo of sugar!

I peer at this wizened, shrunken old man in dreadlocks, wearing nothing but two pieces of coarse cotton cloth, and think: Why not? The man has style. A provision store is at hand and I ask the shopkeeper to do the needful. The sadhu seems pleased as punch. He gets conversational and informs me that he needs sugar because he makes his own tea. Why not take some tea too? I ask. He is thrilled. I go on towards the temple. The road is becoming extremely narrow, the shops more numerous and closely packed.

It is obvious we are at a place very important to the entire Indian civilization and not just to northern India, through which this river flows. There is a shop selling Marwari food to crowds of people I presume are Marwaris from Rajasthan, an arid desert without any river whatsoever. There are plenty of Gujaratis and one can hear the sounds of South Indian languages being spoken. I meet a gentle sadhu from Kerala who speaks good English. Bengalis, of course, are too numerous to even try and count. Many sadhus are Bengali.

The sunshine is bright and it's difficult standing barefoot on the stone slabs that pave the temple courtyard. I have an enlightening experience soon after. When I retrieve my shoes I forget about the camera bag and leave it behind. When it

suddenly occurs to me some ten minutes later, I rush back to find the little shoe depository overflowing with people. But the bag is exactly where I had left it. Makes me think that ours is indeed a civilization, and a great one at that. Which means that people have, within themselves, absorbed a moral code that evolved over thousands of years. This moral code obviously includes a deep respect for private property. It is shameful that our constitution does not accept this morality. This opinion is reinforced once again in Gangotri – but we'll talk of that later,

When I return to the spot which can be called the main square of Gangotri town – where the path leads down to the bridge and the great big rock dominates – I am met by yet another sadhu with a request to buy him a bar of soap. I agree. I have just purchased a large brass *trishul* – Shiva's trident – from a trinket shop and I presume, with my long hair, I look like a serious Shiva devotee. The sadhus and sadhvins descend upon me. Soap, sugar, tea, matches, a kilo of flour, a pair of rubber slippers... I am transformed into a Santa Claus for the sadhu community. But mark one thing. Not everyone comes. Many just sit back and watch. When everything is over and my wallet much depleted, I return to the rest of the group who are in the teashop next door wondering what on earth has come over me. They greet me with a mock round of applause; I take a bow. We finish our tea and head back towards the cars. Some go for a short trek to a cave nearby which was once inhabited by the Pandavas. I am wondering what to do with myself when yet another sadhu, with an even more imperious voice, touches me on the shoulder and asks: *Ai bhakth! Tu dum*

lagatha hai? Translated: Hey devotee! Do you smoke the holy smoke?

Sure, I say, whereupon he invites me to join his group. We sit there, huddled in a circle, in the main market square of this holy city, and blow a *chillum*. The sadhu gives me a little piece of hashish as *prasad*. I give him some money to help him during the rest of his pilgrimage. The sadhu speaks of the ancient wisdom of the land – *of maya*, the ‘illusion’, which is ruining life in the plains; and how people who come here need to meditate – and not just perform rituals and return. Salvation cannot come from rituals alone, he says.

It is obvious sadhus are philosophically insightful; it is also obvious they are physically hardy. On the road to Gangotri, all the way from Uttarkashi, you come across hundreds of sadhus trekking the route. They are going all the way to Gaumukh. Indeed, most trek the entire ‘char dham’ (or four holy places) tour of Yamunotri, Gangotri, Kedarnath and Badrinath. Sadhus were our earliest botanists, exploring the plant world for herbs that had medicinal purposes. They discovered cannabis. They have been using this for over 4000 years. We were smoking it in the main city square and no one even looked at us or raised an eyebrow. This is India, and our legislators – who are supposed to be ‘representatives of the people’ in this, the world's largest democracy – have made this herb illegal!

Stoned immaculate, I return to the cars, alone. That is when another funny thing happens. I find a loaf of bread on the roof of my car. Just that. A plastic wrapped loaf of fresh bread sitting atop my car. No one from the group is about. Some have gone to the cave; the rest, I later discover, have walked on

ahead to a shaded spot to play Scrabble. I am there, stoned, alone, with a car with a loaf of bread on its roof, wondering where on earth everyone is. And what is this silly loaf of bread doing there anyway?

I find a rock on the mountainside above the car, plant my trishul into the dry ground and sit down. It is a long wait. The loaf remains where it is. You could say there are beggars everywhere – because these sadhus beg. [To live on alms is the holy man's way of life. The Buddha begged too.] Everyone who passes looks at this loaf of bread – because it makes for such a peculiar sight, perched atop an unattended car – no one notices me, but no one touches it. Making you think once again about morality, the market and property rights, and the concept of ‘spontaneous’ or ‘natural order’.

(It later emerges that the bread had been left on the roof by one of our forgetful kids.)

We sit under the stars again that night at Harsil. Babbling brook; rolling river. I smoke the *prasad*. Happily stoned at Happy Stones.

REMEMBERING ‘RAJA’ WILSON

The tiny town of Harsil is on a dirt track off the main Uttarkashi-Gangotri road. The dirt track ends in a small market square, in which seven government vehicles are parked. Presumably their occupants have taken over the government hotel there. Someone comments that the place has the atmosphere of an Alpine town – but lacks the ‘sophistication’. There are shops selling all kinds of things. I even find bottled mineral water from the plains –

here, where every stream bears pure water! Up the track, across another footbridge over another gushing stream, past some apple orchards, and we come to a burnt-out ruin called 'Wilson's Cottage'. Wilson was an Englishman who came to Harsil with the knowledge of growing apples. He spread this knowledge, married locally, proclaimed himself 'Raja of Harsil' and even coined his own currency. On his death the cottage became a forest department bungalow, but it burnt down a few years ago – and nothing has been done to restore it. Wilson's memory is likely to fade away. Was he a good king? Better than today's rulers, whose cars dominate the market square? A question worth examining.

Well, we spend four lovely days in Happy Stones. The kids enjoy swimming and larking about in the big stream. Or they make sandcastles on the wide silver beach of the river. When the winds of Harsil rise every afternoon there's quite a sandstorm. High altitude beaches and sandstorms are quite different from seashores and deserts. The feeling and the sight are impossible for me to put down in suitably poetic prose. We do not carry out the Gaumukh trek as planned – which suits me fine because I have really had enough of sadhus, religion and charity. I spend time reading Hayek's 'The Denationalization of Money: The Argument Refined' and wonder about the quality of the currency Wilson issued.

When we are packing up to leave, we find two black scorpions in one tent. This is the Indian tent. Our two other tents are gifts from loving relatives who have migrated to places where good tents are available. They fold up into little packets; they are easy to put up and take down; and they seal up completely

when you zip them up. We have often found it preferable to sleep in these tents rather than in rooms because insects never get in. How come the scorpions? And thank heavens the children were not in it. We decide *swadeshi* is bull. We need good products and the only way to get them is through free trade. Scorpion-proof tents and waterproof rucksacks we definitely need.

We return to spend a few days in Dehra Doon. We hear about the heat in Delhi – and the power cuts – and dread having to go back. This power shortage business has got to end. Every marketplace in Dehra Doon is humming with private generators. Where we are staying, the voltage is so low that there is no ice for our drinks. In Harsil, the voltage was probably in single digits: candles outshone Edison. Electricity is a private good. It can be competitively sold. There are millions who want to buy it. There may be millions too who want it free. But then, if possible, these people wouldn't pay for anything. They probably don't buy tickets on trains. They are 'free-riders'. Why should they matter so much that policies to supply electricity privately get held up? We need reliable suppliers of quality electricity and we are prepared to pay for that: there is a huge market for generators, inverters, UPS systems etc. to prove our purchasing power. In my own workstation, I have invested considerably in voltage stabilizers and power back-ups. Power must be completely privatized – immediately, totally and thoroughly. The staff unions that oppose the move must be seen as a vested interest – happy to work for unaccountable monopolies.

CONCLUSIONS ON THE STATE OF INDIAN CIVILISATION

Finally running out of leave, we have to hit Highway #61 again. Back home, the questions remain: What can we discern about the state of Indian civilization after this tour? And was Raja Wilson a good king? Let's sit back in the capital of this great land and consider these questions.

The tour confirms the diagnosis made earlier about the state of Indian civilization. The root of the word 'civilization' is *civitas*, which means cities: urban areas. We suffer from choked urbanization because of poor connectivity between towns and around towns – and some bad laws like rent control and urban land ceilings. This diagnosis is reinforced between Uttarkashi and Gangotri – both of which are towns. It is usually said that Indians ignored the hills till the British came – thinking they were meant for the sadhus, oblivious of the many people who lived there. The name of the town Uttarkashi, on the contrary, indicates that its founding fathers dreamed of building a great city in the mountains – one to rival the actual Kashi: Varanasi, as it is better known. Uttarkashi was to be the Varanasi of the north. It is not so only because of poor connections to the cities around it and also the undersupply of public goods – like open space for a big commercial centre within it. There is a photograph of Simla when the British were clearing the space for the mall in Anthony King's *Colonial Urban Development*.⁸ That's the way to do it: massive public works. Our towns display classic symptoms of an irrational undersupply of public goods. Forget democracy; not even a revenue-maximizing king would neglect his towns so. That's why the Mughals built Chandni Chowk opposite Delhi's Red Fort. Gangotri, naturally, suffers from the same problem. The entire town has only one narrow street.

⁸ King, A. (1976) *Colonial Urban Development* (London: Routledge).

In both Gangotri and Uttarkashi, and indeed during the entire trip, it has been obvious that the average Indian has commercial skills and acumen and is able to conduct business – even under adverse conditions like long distances, poor roads and decaying urban infrastructure. Every street is teeming with commerce: too much commerce; too little street. Uttarkashi's main market, Gangotri's bazaar and Harsil's town square where you can get bottled mineral water from the plains – all these testify to the ability of traders in the Indian market to satisfy customer preferences. The smug assumption of planning – that ordinary people are incapable of responding to the price signals of the market and hence need authoritative resource allocation decision-making by an intellectual-moral elite (planners) is emphatically disproved. Indians are highly capable in the market. They need the market today, not the state. Harsil is indeed like an Alpine town. What it lacks is not ‘sophistication’. Alpine villagers are not ‘sophisticated’. What the place lacks is prosperity.

The question whether Wilson was a good king is complicated. He spread knowledge – of apples. This is a good thing to do. And the fact that he issued currency means there was sufficient local commerce to take to that currency. At least he saw that the people had commerce and did not assume them to be incapable of it. That is a sign of a far better king than the ones we have today.

If we compare today's kings of Harsil with Wilson we can make a few judgements. For one, today's kings are spending tax revenues on things the market could supply (private goods like Maruti cars, electricity, hotels and so on). They are not spending tax revenues on the roads (public goods) that the

market cannot provide. This is a grave mistake. In Harsil, as you enter the Tibetan locality (they were forcibly removed here from Nelong and the entire town handed over to the Army: forced immigration) you see a sign on a wall indicating how much the state is spending on local 'employment generation'. This is just clientelism at work: the state and its agencies funding their *chamchas*, the scornful Hindi word for sycophant. I would much rather invest in roads linking Harsil to the towns around and to the plains, but also within Harsil itself for creating a big town square, internal town streets and so on. We need to do the same in Uttarkashi, but that is district headquarters – and what is not happening there will surely not happen here in Harsil.

To conclude, it may be said that Indian civilization has collapsed insofar as civilization means cities. All our urban areas have been destroyed. The focus on 'rural development' that has marked our 'development economics' so long is the culprit. Urban areas generate wealth. Urban areas are civilization. They must be invested in and not just preyed upon by the state's tax collectors.

A new millennium beckons. Will India regain her lost glory? Will India be a land of happy, prosperous people at peace with the rest of the world? It is all a case of vision. Vision based on knowledge. Socialism has wasted 50 years with a false vision and false knowledge. It is time for India to shift the paradigm.

7550 words

9. *SWITZERLAND*

“Edelweiss, Edelweiss,
Bless my homeland forever.”

Alpine traditional

February, 2000. Sunday morning. Phone rings. It is our Resident Editor, Arindam Sengupta, asking me to get my passport ready, pack my bags and attend the Geneva Motor Show.

The next few days are spent in a hectic rush to get all travel documentation ready. I wish foreign travel did not require all these bureaucratic formalities. It is doubtful whether they accomplish any good, but they do complicate matters and impose huge transactions costs on the travelling public. The passport was invented before the credit card. If we possess credit cards, and someone somewhere guarantees our identity and our financial standing, I do believe passports and visas are redundant. They should be done away with. Immigration bureaucrats are the rudest bureaucrats on the planet: their tribe should see extinction.

The next Sunday, a bright sunny day, and our little jet is circling the enormous Lake Geneva. There is some delay and we are required to circle the lake a few times and, from my window seat, I get a good look at the scene below. It is the largest lake in western Europe and I have never seen anything like it before. It makes our Nainital and Ootys look like kiddy pools.

The first impression you get of the place is that it is very thickly populated. All around the lake, even on the slopes, there are houses and more houses. I was later to discover, after getting the map, that these are all many different towns and villages; Geneva being just one of the many urban agglomerations around the lake.

The houses are largely pretty and well laid out but, as we get lower, I spot many unsightly modern apartment buildings, which somehow

look like they were lifted straight out of the Soviet Union. I think the Swiss have experimented a lot with the 'internationalist' style of modern architecture, something I find particularly revolting.

We are a group of four. Three are journalists and the fourth is our host, Mr. Byung-Soh Min, Deputy Managing Director of Daewoo Motors India. The company is sponsoring the trip to show Indian journalists their stall at the Geneva Motor Show so that they can see for themselves, and report, that Daewoo cars being sold in India are actually world class. Journalists call sponsored foreign trips like this 'junkets'. This is my first junket.⁹ I am keen on enjoying it.

At Geneva airport, we journalists decide to first get our press accreditation done before going to our hotel in Lausanne. We leave Mr. Min with our luggage and head for the Palexpo Exhibition Ground which is just a short walk away. After getting over the formalities, we walk back to the airport, pick up Mr. Min and our luggage, and take a taxi to our hotel in Lausanne, 60 kms away, on the other side of the lake.

The motor show has begun. The taxi is not some diesel Ambassador that rattles and fumes. It is a Volvo station wagon that takes our luggage and us towards our destination at speeds well above 120 kmph. I love being on the road in Europe. The roads and the vehicles on them are really what separate us from the developed world. The cars and buses, the trucks and the motorcycles – they are all of top quality: top international brands. In India, unfortunately, we have had too much cronyism in the automobile industry. This has led to the proliferation of poor quality vehicles on our roads: especially heavy vehicles and taxis.

Switzerland is a great place to visit if you want to confirm your faith in free trade. I am attending the Geneva Motor Show, now in its 70th year: the most important motor show in Europe. But the Swiss do not make cars! They have no automobile industry. They make watches, cheese, chocolates and knives. They practice free trade and have therefore specialised in producing what they do best: products that are fully competitive in the global market. They are participating in the

⁹ It was also my last junket.

international division of labour and can therefore freely import all their needs. The motor show is a 2-week affair, the first two days being reserved for the press. During the rest of the time it is the consumer who drives the show: that is why the cars, buses, trucks and bikes on the road are all top labels. I saw a Ferrari whiz by; and many a Porsche. And it was just my first hour on the road!

Lausanne has been built on a hill on the other side of the lake. Our hotel, unfortunately, is not on the lakefront and we take a walkabout to explore the town. At first we walk around the town's main street, near the station, and peep into the shops. As it gets dark, and we get hungry, we head towards the lakefront where, we are told, there are many nice restaurants. On the way a young girl advises us to try the Movenpick. It seems a popular and busy enough place. We have our first meal in Switzerland. I have minestrone followed by a steak washed down with some light Swiss draught beer. The steak is accompanied by a bowl of sliced potatoes in cream and cheese. I am unmindful of my growing bulk, and eat heartily. My friends are also hearty eaters. One orders two main courses and gets the waiter all flustered. Mr. Min also unnerves the waiter by ordering his soup after his entrée – the Korean way.

It is raining lightly when we leave Movenpick. We do not really know our way around, except that the hotel is quite close to the main station. We find a tube station and take the metro. Tickets are bought from the machine. A Texan tourist helps us. He expresses surprise that we are Indian and speak English so well. I remind him of Macaulay. Good chap, Macaulay. He has made many of us international citizens, capable of being understood anywhere in the world. The Koreans could have done with a Macaulay. Their international managers like Mr. Min could do with better English.

The next two days are spent at the motor show. We take the train to Geneva airport – there are smoking compartments – and walk it to the Palexpo. It is all very convenient. Cannot imagine taking a hotel in Panipat and making it to Pragati Maidan every day. The show is itself quite compact, and it is possible to see everything within a day without getting fagged

out. And fags remind me: it is a smoking show. There are ashtrays all over.

Every big player is having its special presentation to the press. These are all staggered and I attend many of them. Starting, of course, with Daewoo. They are launching the Tacuma, a sleek MPV; but their little star is the Matiz, which is doing very well in Europe but trailing behind the Hyundai Santro in India.

I see a great many nice small cars. The cutest is the Smart, from Daimler Chrysler. It comes with twin airbags and is not really a cheap machine. I see many of them on the streets of Switzerland. I also visit the hall in the Palexpo where the big names occur: Porsche, Maserati, Bugatti, Lamborghini, Ferrari and what have you. The funny thing is that when it comes to these cars, there are no sexy models beside them. The cars have more sex appeal than any siren could possess. Ratan Tata is also at the show and is speaking at the Tata stall. He is accompanied by a Miss India. He needs her to sell his cars. Everyone was coming to see Miss India. No one was noticing the Indica. Ratan Tata says that he wants to be 'a small player in the international passenger car industry'. In stark contrast, the Koreans fancy themselves to be big competition. They work extremely hard. Mr. Min is obsessed with the Matiz; and I have never met a person with such a sincere work ethic.

One interesting story about Lausanne. It is such a fantastically beautiful place to be in: mountains, snow, lake. Simply Bholaynath country. I feel rather sad that, in such a beautiful mountain paradise, the only way a guy like me can get high was by drinking alcohol. No chance of getting some of Bholaynath's favourite herb. But then they say that Bhola never deserts his bhakts.

We are just checking in to the hotel. The others are carrying their luggage and going towards the elevators. I am waiting around with the receptionist and offer him a cigarette. He refuses. I ask: Is that because you don't smoke or because you are on duty. He says that he smokes, but not on duty. Now, one thing about these western countries is that, because they have immigration control, they

manage everything with very few people. In an Indian hotel, you would have a doorman, three receptionists, four telephone operators, five bellboys and what have you. Here, there is just this one guy managing everything. The point is there is no one to overhear.

So I pointedly ask the receptionist, Julian, that if he does smoke, does he smoke anything 'interesting'? He looks me squarely in the eye and says that he would have the necessary herbs delivered to my room that evening.

When we return from Movenpick, sure enough he comes with a huge bag containing three types of grass, which he says he grows on his own farm 50 miles from Lausanne. He does not take any money. He says it is a present. I am carrying some copies of *Antidote* with me, and I present him one, saying that it contains strong arguments for the legalisation of marijuana.

Now, that I had Bholay, I was sure of having a great time.

Spent another day at the Palexpo. This time, going through the garage equipment display, the accessories show, and the souvenir stalls. Buy my son a Swiss knife with the auto show emblem, and a Ferrari T-shirt. Buy myself an Alfa Romeo paperweight.

When we exit the Palexpo, Daewoo Switzerland sends a car for us, a lovely Leganza, and we are to take it on a tour of the Alps. First stop, Interlaken.

The next morning we check out but leave all heavy luggage behind. Travelling light, we load the car and head out. For a long time we drive through the various towns around Lake Geneva: Montreaux, Vevey and so on. All these have their own governments. In India, towns do not possess self-government; the higher levels invariably possess all the powers to interfere. Independent towns created the Commons; they are the foundations of freedom, democracy and capitalism.

There is an expressway to Interlaken, but a friendly soul at the hotel advises us to take the country road as the scenery is much more enjoyable. We follow his advice and, once we are beyond Lake

Geneva, we drive on country roads through the Christmas card-like Swiss scenery. The Leganza is an automatic shift and it has no difficulty negotiating the hills. Occasionally, there is light snowfall. We pass many tiny bulldozers working to keep the road clear of snow. The road, although a country road, is superb and, despite the wetness, there is not a single pothole. Just shows that the technology to build good roads that last exists.

At one point we come upon a village where there is a ski lift and big buses stop, unloading masses of skiers. There is snow all around and the skiers line up under the ski lift to be carried up the mountain. On the other side there are skiers skiing downhill. It all looks like great fun and I hope one day I can try it – and not break a leg doing so! Incidentally, because of tourism, this Swiss ‘village’ has shops, restaurants, bars and what not. An entire stretch of land is a market that can be lifted out of any Western city!

After a couple of hours on the country road, we come upon the expressway and suddenly we are heading for Interlaken at speeds upward of 140 kmph – in the mountains with snow all around! As Interlaken approaches I realize that I am extremely fortunate to be able to visit such a beautiful place. The town lies between two huge lakes – hence the name. We check in to the oldest hotel in the town, built in the 1500s, where a plaque outside announces that Lord Byron had also stayed here. The exteriors are old, but inside everything has been somewhat modernized.

Just opposite the hotel is an even older souvenir shop. It looks so old and quaint that, after checking in, we all troop into it. It is run by a couple who have visited India more than once and fondly recollect their memories of Rajasthan and South India. We become chummy very fast, and they offer us special homemade schnapps that is illegal because the alcohol content is too high. Delicious stuff.

In the shop I discover little wooden figurines of Swiss men and women carrying firewood on their heads. This must have been their scene just a few centuries ago. It is worth considering that their country is extremely prosperous today. How? The Swiss have not conquered anyone, so plunder must be ruled out. Their terrain is extremely tough. How come this wealth? Obviously the people

created the wealth through hard work under a certain set of policies. One we have discovered – free trade. The Geneva Motor Show symbolises it. The second is public investments in excellent transport connections, especially roads. Trade and transport go together. With peace, free trade, sound money and excellent transportation, the Swiss have created enormous amounts of wealth for themselves.

I buy a little mask at the shop which the Swiss use to ward off evil. Mountain people, they must be superstitious, like our very own. But their masks work. They have successfully kept evil out of their land. As at the Geneva Motor Show, here too I ask many a Swiss to tell me the name of their President – and no one knows! That means there cannot be a strong central state. The Swiss flag, a little red cross, is surrounded by 26 little flags – of the cantons (or states) that comprise the country. And, even canton governments are not powerful. The Swiss constitution is impossible to change because it requires getting even villages to agree. That means they have kept power to themselves and not allowed any higher levels of government to interfere in their lives: what today is called ‘subsidiarity’. They value their freedom and protect it. That is why they are today, as citizens, free, powerful and prosperous.

Walked around Interlaken the entire day. The sunshine is bright, the air is crisp, and we enjoy walking about this well laid out town with wide-open spaces. The atmosphere is completely laid back. As it grows dark we take to pub hopping, and down a few beers at as many watering holes. By the time we go out for dinner, it seems that everything has closed. We are walking around the back streets when we notice a tiny Korean food shop. Mr. Min gives an excited yelp and we all troop in.

It is a tiny shop with just one table. It is run by Mr. Wong who chats animatedly with Mr. Min in Korean. Mr. Min orders and Mr. Wong gets into the act of preparing the food. Great meal. On a board on the wall, there are a great many visiting card posted. We all post ours as well. I notice that quite a few are from India!

Mr. Wong can speak better English than Mr. Min and he asks us what our plans are. We say that we are to visit Jungfrau by taking the mountain railway. He advises us to go to Schilthorn instead. We buy

the tickets from him and that is how, by fortuitous accident, another adventure begins the next day.

It is early in the morning when we start. We drive out of the city, through snowscape, on excellent wide roads until, after an hour or two, we arrive at a cable car station. There is a huge parking lot here with about 500 cars, and little else. The cable car is enormous, and can carry 40 passengers as well as a full size container below. We take off up the cliff and soon arrive at Birg, a village. I get out on to street and look around. Lots of luxury wooden holiday homes have come up. There is snow all around and children are playing everywhere. I am told that places like Birg are very popular for holiday homes because there is no motor traffic and children can play safely!

We take another cable car out of Birg and reach another village, and another. At both of these villages the same story recurs: they have all seen massive real estate development because of the cable car connection. Proves the point that transportation adds to the supply of usable land. Finally, we can see Schilthorn. It looks like an imposing mountain fortress perched atop a snow covered peak, with snowy slopes all around. The ads say that a James Bond movie has been shot there, and I can see why. We board the cable car for the last leg of the journey.

Schilthorn is a revolving restaurant, perhaps the most spectacular in the whole world. Usually, if you visit one of these you get a birds-eye view of a great city. Here, you sit in warmth and gaze out at the highest peaks of the Swiss Alps. There is a viewing gallery outside in the open. But it is freezing there despite the bright sunshine. And the winds are high. Fresh snow is blown up by the wind and onto the skiers. They are all having a great time hurtling downhill. I am told that the slopes all belong to the farmers who remove fencing in winter so that the skiers can have a free run. But they all collect a share of the fees that skiers pay. This brings us to the final principle of good government: property rights. Switzerland is rich because this basic morality of the law prevails here. With free trade, sound money and several private property, the entire Third World will prosper. Of course, transportation needs have to be addressed as top priority.

On the way down, get to chat up the cable car operator. It is a private company he works for. They have been given the land on top of the snowy peak free, so that by laying the cable car and building the restaurant they inadvertently end up 'developing' the three villages en route. What a great idea, I think. The cable car operator also says that he has a Japanese wife and they are tired of the cold. They plan to sell their expensive property here and move to the sunny Canary Islands. I wish him and his wife well and think that prosperity is indeed a wonderful thing.

Drive back to Lausanne the next morning via the same route, through country roads. Reach in the evening and pick up all our luggage from the hotel. We now have rooms in Geneva proper but, before driving there, we decide to check out the market square of Lausanne. We had checked out the lakeside before, but had not seen the city centre. We decide to walk there and it turns out to be a wonderful experience. The city is built on a hill and the city centre straddles the top. Getting there means taking an uphill climb on a narrow cobblestoned path lined with little shops. Some are selling food, and we stop to eat some excellent croissants.

When we reach the city centre, the sheer beauty of the place strikes us. The wide-open square, with a big, old church in the background, is a place that words cannot describe and even a camera cannot picture without a powerful wide-angle lens. We spend the entire evening walking up and down the various wide streets leading out of the square. We don't buy much, but we walk into a food store where once again I find the benefits of free trade, for the store stocks Japanese plum wine, Indian basmati rice, and Californian almonds. On the streets outside too, all the great labels of the world are on display. You do not have to buy Swiss. The Swiss make excellent watches, but the shops also stock cheap Japanese makes. The hillsides around Lake Geneva are full of vineyards, so they must be making a lot of wine here – but the restaurants sell South African, Californian, French, Italian and German wines. This emphasis on free trade makes the country a great place for tourists: they have the best shops.

Late in the evening, we return to our hotel, pick up the car and drive to Geneva. Superhighway. 140 kmph. In half an hour we are there.

The glittering lakeside – a testimony to the tremendous levels of prosperity here. After checking in, there is the need to get some dinner. Our hotel is just opposite the Daewoo Switzerland office; and it has a Korean restaurant, which Mr. Min is very keen on. But we want to walk about town, so majority rules and we step out to explore the streets of Geneva. Somewhere on the way we take a ride on a tram and get to tour the city at a very low cost. A saxophonist boards the tram and plays for us. I recognize the first tune he plays – Duke Ellington's 'Take the A-Train' – and he is pleased as punch. Give him some money while getting off and wonder that there must be a lot of competition here that such a good saxophonist is making a living playing in trams. If he were to move to India, he would be playing in 5-star hotels.

Pass an Indian restaurant, but home in on a French one and have a truly great meal. Mr. Min eats the French way – soup first – but he is upset that the food is being served to us by an old woman. In Korea, he says, only pretty young girls are allowed to serve food. Must go to Korea sometime, I think.

When we leave the restaurant and begin walking back to the hotel, we see a tall blonde girl, no more than twelve and a short black boy, no more than ten, holding hands and kissing each other affectionately as they parted ways at the bus stand. Truly an international city, this Geneva.

The next day I book a seat on a guided tour of Geneva. I arrive at the bus-stand 5 minutes early, but the bus comes an hour late! While boarding, I sarcastically ask the conductor-guide whether he wants my Indian watch.

He is a short, dapper man and he speaks French, German, Italian and English. We pass Rousseau's statue, drive around the lakeside, see the 'international' areas like WTO headquarters. We see the opera house and the statue of the man who founded the Red Cross. Then we enter the 'old' town, park and start walking around. It is fascinating. You can almost picture yourself back in the days when Julius Caesar conquered Geneva. In the heart of the old town there is a mural showing the city as a *market* town dating back to pre-history. There are some old cannons also displayed there, and my guide is

careful to tell me that the coat of arms on the cannon is that of the city. They treasure the independence of their city and after Napoleon fell a great diplomat secured back their freedom from French rule and there is a statue there of this great man.

Indeed, in Geneva, there are no statues of politicians. The streets are usually named after great city magistrates, and the statues are of philosophers, philanthropists and other such citizens who played an important role in preserving the freedom of the city.

As I step out of the old city, I find myself in the university grounds. I walk around and soon find myself before a group of huge, imposing statues. There are four big ones in the foreground, and various smaller ones behind. My guide says that these are the statues of the great men who had played a major role when Geneva broke away from the Roman Catholic Church. I note that two of these four statues are of foreigners: Calvin and Knox. So Genevans should note that their great city was built not only on free trade, but also on free immigration. They have headquartered the WTO here. They should also set up a WIO to promote free immigration. Most of the Swiss people I meet favour free immigration and are warm towards foreigners. I take taxis on three occasions and am driven once by an Afghan, once by an Italian and the third time by a Pole.

After the guided tour, I walk around the main streets once again. The shops are open now and I walk into the Davidoff shop. It is the biggest tobacco shop I have ever seen. I can't afford any of the cigars but I buy myself Turkish, Indonesian and Egyptian cigarettes and some Dutch cigarillos. I find Indian bidis on sale – at SFr 2.30 a bundle! But note how great free trade is for the consumer, and what a wonderful thing it is for tourism. With free trade, every Indian will be able to set up a great duty-free shop of his own. I once saw a shop like that in London. It was called "Beers of the World" and I often went there to try out ales, stouts and other unusual beers. I always dream of one day opening up such a shop of my own. With free trade, my dreams will come true.

That night we have dinner at a traditional Swiss restaurant where you have to book in advance. It is a great experience. There is a traditional Swiss band in attendance and I have the opportunity to

hear the Alpine horn. Actually, with their masks to scare away evil and their horns, the Swiss are not much different from the Tibetans. With the right policies, the whole world can become rich.

So what are the lessons to learn from Switzerland? At the basic level: free trade, sound money and property rights. At another level: close attention to the 3 T's of prosperity: Trade, Towns and Transport. This nation practices free trade, it is hugely urbanised – there are innumerable towns – and there are excellent transport connections everywhere: road, expressway, train and ropeway. Finally, and most importantly, they have kept power at the local level and have not allowed a strong central state to emerge. That is why the Swiss are proud to say that they don't know the name of their President. Further, this is a diverse country. There is no Swiss language. The people are 70 per cent German speaking, 20 per cent French and 10 per cent Italian. Despite these differences there is a strong Swiss identity and there are no tendencies towards internal conflict. They have, as a nation, stayed away from war, and they promote their ideals through vigorous participation in international fora. The League of Nations was headquartered in Geneva. WTO headquarters are here. Geneva is also home to the International Red Cross.

Some say Switzerland is a 'police state'. Well, if you have a state what role do you give it but law and order? But note the amount of freedom they have. Every hotel gives you a little book when you check in telling you of local delights – including escort services. There are huge casinos everywhere and the one in Interlaken looks magical when it is lit up at night. Marijuana is openly smoked and in Interlaken I went into "The Hemp Shop" where you can buy clothes made out of marijuana fibres, soap and shampoo made out of marijuana oil, seeds for planting, sweets flavoured with marijuana and bongs, chillums and king-size rolling paper. You can also buy stickers advertising your attitude to the marijuana question. Just beyond the hemp shop was another interesting establishment which called itself "The Last Sex Shop Before the Jungfrau". They are a free people. No police state. I drove over 400 km and did not see a single policeman. Ditto when I walked around. My only experience with the police was when I was driving on the expressway into Interlaken and did not know which entry to take. There are SOS phones all along the expressway and I stopped at one and pressed the button. A voice

came from the other end speaking a language I couldn't understand. I kept quiet and the voice tried again in English: How can I help you? I explained my predicament and the voice said they were not tourist guides; that I should take the first exit into the town and then ask for directions. So, they are not a nanny state either.

The only thing jarring about Geneva is a huge hotel called "President Wilson". Why should the Swiss believe in 'world leaders'? These world leaders and the big governments they set up are a complete antithesis to the Swiss way.

I return from Switzerland very pleased with my visit. I have on my wall a Swiss mask to ward off evil. That can be done only by following the Swiss way and keeping power to the local level and trade and banking free and private. That is, we can have governance without strong central states. With that, and free markets, the entire Third World will reach western levels of prosperity within a few decades.

4977 words

10. KASAULI

“When first I came to Louisville... “

Bob Dylan

October, 2001. Have to escape Delhi during the Pujas. So am taking the new Opel Corsa down to Kasauli, the British-built hill-station very close to Simla. When I arrive, 300 km in 7 long hours, I first pay 20 rupees entry tax and then find myself on a narrow road milling with tourists. I park, and begin walking around. Soon I find myself in front of The Grand Hotel Maurice. It is a quaint wooden building and looking at it takes my mind back to the Wild West. You can almost picture Buffalo Bill walking out carrying his rifle.

Just then, I notice a small sign on the wall, which says: Established 1862. So I am right. Then, the automobile had not been invented. But the railway boom was on. There are innumerable books and movies of this period, in both Europe and the American Wild West. Then, people would take a train to their destination and proceed onwards by horse. So this means that, in 1862, in British India, rapid urban development was proceeding aided just by the railway. With a rail connection to Delhi, Simla had been built as a satellite town and used as a summer capital. Around Simla too, many satellite towns had been built: Kasauli, Mashobra, Kufri, Chhota Simla and so on. But all this urban development had occurred without the automobile in mind. When the automobile did arrive – on a big way in India not until the 1920s – its effect was

restricted to the cities, and highway networks dedicated to the automobile were not built.

I pause to reflect on the ‘highway’ I had just driven on. This is ‘four-laned’ to Chandigarh but despite this, it cannot be called an inter-city motorway meant for modern motor vehicles. The left lane is always hogged up by slow rural traffic: tractor-trailors, bullock carts, horse carts and, of course, ugly autorickshaws and three wheeled ‘tempos’. I even saw a guy on a wheelchair pedaling down the highway!

Then, the highway passes through every urban settlement on the way: there are no by-passes. Thus, you actually have to drive through the entire length of Panipat, Karnal and Ambala. The highway is not ‘grade separated’ with well marked exits and entries; instead, there are unmarked crossings every few miles. Driving on this highway is extremely dangerous. I came very close to death once. I also narrowly missed killing a Sardarji who suddenly came on to the highway from the wrong side. It must be a coincidence that the dashboard clock showed the time to be exactly 12 noon!

The solution to the highway problem that the socialist state has thought up must be immediately ditched. Instead of the ‘golden quadrilateral’ of such ‘four-laned’ highways, we must have eight-laned expressways from the market. These expressways will naturally come up with a ‘hub-and-spokes’ design if market forces are let free to tap traffic flows. Then, every major city and town will be treated as a

‘hub’ and various ‘spokes’ will be built around it on which satellite towns can come up. With six spokes around Delhi, each 250 km long, an entire land mass will see huge real estate development, urbanisation, modernisation, and that which planners have been chasing unsuccessfully for so long: ‘development’.

It must be noted that, with urbanisation, many of our real life problems will disappear – both for the middle classes as well as the poor. The middle classes will be able to find affordable plots of land in satellite towns, build comfortable homes for themselves and, with free trade in second-hand cars, they will comfortably commute to work. The poor, similarly, make their modest economic achievements in urban markets as hawkers and vendors. They are a hounded, harassed lot today. With hundreds of towns, there will be hundreds of huge markets which will be open to hawkers without predation from the petty bureaucracy. Trade, Towns and Transport are the 3 Ts of Prosperity.

Walking around the lower mall of Kasuli I come upon the Jain Tea Stall. It is devoid of customers and a small boy who cannot be more than ten is managing the entire show. I think a cup of tea will be nice with some hot *pakor*as, and place the necessary order. While paying, I ask the boy where I could get a *paan*, and he politely asks me for some money so he can himself get the *paan* for me. I think that is a rather nice gesture. However, when he returns with the *paan*, he refuses a tip. His name: Tinku, he says, with a bright smile. I like the lad.

The next day, I am walking around the lower mall again when I think of visiting Tinku. This time, he has assistance in running the stall from a little girl even younger than himself. We chat. Her name turns out to be Deepali, and she is the daughter of the Mr. Jain who owns the stall. Who is Tinku then? I ask. A friend of the family who has come from Delhi to learn the business of running tea and *pakora* stalls. Wow! What about school? I ask. Tinku says that school is a lot of nonsense and he prefers to learn this business so he can himself start a business of his own in Delhi someday soon. Deepali also says she hates school, and that she is fined 5 rupees every time she comes without uniform. I hope Amartya Sen is reading this!

I ask the kids whether there is anything Kasauli is famous for and am told of a particular herb that comes in useful in the treatment of cold, cough and fever. I ask where I can get it and am directed to a store in the lower market. I go there. On the way I pass a group of Bengali tourists all wrapped up in the bright sunshine. I am in just a T-shirt. And, of course, they have the customary little child in a monkey cap!

I buy six packets of this famous herbal mixture at what seemed to be a well established shop of long standing. This is also 'knowledge'. And it is found in the market economy.

Later in the afternoon, I buy a couple of chilled beers from the only liquor shop on the mall and drive to what has been

advertised as a great picnic spot. And indeed it is. It is a little garden with a gazebo looking down at the plains of Punjab. I sit there sipping beer and munching Tinku's pakoras. And I think: India is such a huge country. There are the vast plains without a single settlement in sight, or any highways. Babur must have gazed upon a similar Hindoostan. With highways and consequent urban development, Indians will be able to spread out in the vast space that is India instead of being confined into overcrowded cities.

I had planned on spending four days in Kasauli, but after two days decide to try my luck at getting a room in my favourite holiday home: The Chandra Hotel in Rajpur, north of Dehra Doon. I am told there is a good road between Kasauli and Doon. I have never driven on this route so I look forward to the experience.

From Kasauli it is a very narrow road that takes you to the main highway to Simla. The journey is about 15 km only, and there is the horrible town of Garkhal on the way. There seems to be a marked contrast between the towns the Brits built and the ones our modern rulers are building, with all their heads filled with 'rural development'.

After refuelling, I drive towards Simla for some time, when another horrible town comes up and there is a fork turning off towards Doon. This is straight out of 'central place theory' – an important concept in urban geography that explains how urban agglomerations come up. Urban geography should be widely studied if we want our country

to develop with the 3Ts of Prosperity. Today, most students of geography are unaware of the discipline. I met a MA student of Geography and a few geography schoolteachers (of elite schools) who had not even heard of urban geography.

The road to Doon is good enough, with very little traffic and pleasant views. At a turn in the middle of nowhere, I find a little tea stall and stop for breakfast. I have tea, eggs and toast and buy a whole pile of pickles which are locally made from locally grown produce. I buy a great amla pickle, a far out garlic pickle and one ginger-chilli pickle. Actually, on the main road to Simla, the pickles are very famous and I always stop for some mushroom, chicken and mutton pickles, get some chilled beer and take a much deserved pit stop. Such a place would be a great hit on this road too. I ask the guy whether he plans on selling beer in the future and he says, “Sure – if I get a license.” This license raj must go.

After another hour of driving I come across an establishment that has obtained this license. It is crowded with expensive cars. I buy a couple of expensive beers and proceed. After going through two rather big towns that are a shambles today – Nahan and Paonta Sahib – I cross the Yamuna and enter the Doon valley. There, I park in a sal forest and enjoy my beers. Then I slowly drive into town passing other urban centres which must be developed if Dehra Doon town is to be de-congested: like Herbertpur, just 20 km away. But the road from Herbertpur to Dehra Doon sucks. The ugly, slow Vikrams hog the narrow road.

With a great big highway, Herbertpur will become a satellite town. That is how it came up. But today, the car is upon us and roads must be built to enable the car to allow us to live in open space.

I drive past the Indian Military Academy, the Indian Forestry Research Institute and The Doon School and enter town at the Ghantaghar. Then I turn left and drive on Rajpur Road all the way to Rajpur and beyond, to the Chandra Hotel. I am lucky to get rooms.

I have been visiting this part of Dehra Doon for many years now and have made lots of friends, including the hotel owner and the staff. It has been my dream of buying a plot of land somewhere in the vicinity and settling down to a quiet life away from the hustle and bustle of Delhi. This time too, I make some attempts at locating a plot. What I find every time is that real estate development is not coming up because of a shortage of roads. I visit a Sardarji who has just built his house in Rajpur. It is just 100 metres off the main Old Mussoorie Road, but there is no road. There is lots of land beyond the Sardarji's house, but it cannot be 'developed'.

Another funny thing is that, although Rajpur is the most exclusive part of Dehra Doon, Rajpur village is itself poor. The Old Mussoorie Road takes a left turn at the village and proceeds onwards. If you drive into the village you find that this narrow street is all the road it has, and that too breaks down halfway. Then it meets the Old Mussoorie Road once again beyond Chandra Hotel. But since this

inner road barely exists, there is zero real estate development in the village itself. And whatever plots of usable land exist have become prohibitively expensive.

Near the Chandra Hotel is a thick sal forest. I always make it a point to take a walk in this forest. There is a rough path leading in, at the end of which is a little temple. The return journey, if you take a leisurely stroll, takes about 2-3 hours and is great relaxation. There is something magical about sal forests, especially in the quality of the light. The first time I took a walk in this forest I came across a wild-eyed dervish and requested him to pause for a photograph. I took the shot and asked him his name, and he said: Baba Pagal Nath – The Divine Madman. I laughed out loud hearing his name, and the dervish laughed too, spontaneously, revealing a toothless mouth. I took another shot.

If you take this walk sometime, then halfway down, you will come across a clearing where there is a huge fallen tree. Nearby is a place where the dead are cremated. It is here, in the hollow of the tree, that Baba Pagal Nath lived – a man without possessions. The local people respected him, and many came to him to seek guidance and advice on worldly issues. This time, as I am walking in, I see a group of women returning from the temple. Of course, this is the Puja season, and temple visits are mandatory for the simple faithful folk of the Garhwal. I ask one of the ladies about Baba Pagal Nath, and am told that he died a few months back.

I find a quiet place off the path and stop to sip on my beer and munch on the sandwiches the hotel has packed up for me. I don't feel like walking any further. There are two ant-hills near the stone I am sitting on and I smoke a joint and trip out on the ants. Some crumbs fall off my sandwich and the ants quickly seize upon them. I watch fascinated as a group of ants combine their efforts and drag a huge crumb up a steep stone face and back to the ant-hill. There is a lesson to be learnt here: Human beings build towns and cities just as ants build ant-hills. Now, there is nothing in the ant-hill to sustain the ant. All the colony's needs must be procured from without. Thus ants are always busy scouring around for their needs. When they find them, the task that remains is to transport the same to the colony.

If we understand this principle and see the similarity between human beings as colonists and ants, we will quickly realise that one of the most important reasons why we are poor is because our policy makers have made us the slowest ants on the planet. Getting in and out of our ant-hills is tortuous and dangerous. Amartya Sen and his friends can go on harping endlessly about the need for state funded education; but I will insist that the crying need of the country is transportation. I once read a book – a collection of articles – called *Cities of the Twenty-First Century*. 70 per cent of the articles were on transportation!

As I am lost in my reverie, a man comes out of the forest carrying in his arms a little new-born goat. His herd follows and, trailing behind, is the swollen mother, her placenta dragging after her. She can barely walk, poor

thing. I congratulate the goatherd on the birth of the kid – *Badhai Ho! Aap Baap Ban Gaye!* – and he smiles happily. The mother pauses for breath and the goatherd, some 20 metres ahead of her, encourages her to walk on by placing the new-born kid on the ground. Seeing her child, the mother surges ahead.

Stoned, I take in the lesson: that birth is a good thing. The birth of the little kid is a happy occasion for the goatherd: his wealth has increased. How come then, when human babies are born, our rulers look upon them as a problem? It is obvious, observing the behaviour of the mother goat, that all animals value their children dearly. So do human mothers and fathers. Kidnapping is based on the notion that children are of great value to their parents. Worth thinking about, this big question mark called ‘the population problem’. It is high time we realize that our children are a most treasured resource and that our aged, kleptocratic rulers are the real problem.

It is also worth noting that death is a bad thing; it diminishes us. The death of the baba was a loss to the entire community – and to me, who was a friend. Last year, a little baby girl, Aastha, was born – and billed as India’s billionth citizen. Then, the head of the UN Fund for Population Activities in Delhi said: This is not an occasion to celebrate. What are we supposed to celebrate then? Death? In the western world, you do not win votes, you do not get elected, unless you display a very important skill: the art of kissing babies. Unless you kiss babies with zeal and enthusiasm, western people do not vote you into office.

It is high time that Indians vote into office people who value their children. 2000 people die on the streets of Delhi alone every year – and our rulers think they are solving the ‘population problem’. Parliament passed a unanimous resolution on the 50th anniversary of Independence saying that population was India’s biggest problem. Our representatives think we are a problem! Sanjay Gandhi used strong-arm methods to sterilize innumerable Indians. His widow loves puppies, kittens, mice and horses, and campaigns for animal rights. Isn’t it time we opted for liberty from these rulers who actually wish our children had not been born and couldn’t care less if they died on our unsafe streets?

2927 words

11. DEVPRAYAG

Bum Lehri! Tere Jata Se Ganga Behri!

Traditional salutation to the Lord Shiva upon lighting a cannabis chillum

My favourite uncle died, and his only son and I drove to Devprayag to immerse his ashes in the Ganges. I do not wish to describe the horrible drive, suffice to say that, when I die, I hope my ashes will not be carried thus. Khatauli has rattled my bones enough in this life.

Devprayag is about 100 kilometres north of Haridwar, on the road to Badrinath. It is here that the Bhagirathi and the Alaknanda meet, and thereafter the river is officially called the Ganges. It is a very holy place and the best part is that there are no crowds. Haridwar and Rishikesh are crowded with pilgrims, but Devprayag is quiet, serene and peaceful.

We arrive towards the evening. At the rest house where we stay I make some inquiries about road conditions to Badrinath – and am told a blood-curling tale. Apparently, the road is two laned upto Joshimath only. Thereafter, the last 65 kms to Badrinath is single laned and they have gates at both ends so that they allow one convoy up and, when that arrives, they allow another convoy down. The road between Kalsi and Chakrata is like that, but it's only about 30 kms. But even that is pretty rough. I would hate to drive 65 kms on a bad

mountain road in my nice, new car. The caretaker also advises me not to go in the rainy season as there are landslides galore and the road is often blocked for weeks on end. It is, of course, closed throughout the winter.

But things need not be such. In Switzerland they have expressways in the mountains where I have personally driven at speeds of up to 140 kmph. At Schilthorn there is a ropeway to a revolving restaurant on top of a snowy peak. The cable car carries 40 persons at a time in addition to a full-sized container. Then there are trains. The Chinese have constructed railway lines into Tibet through permafrost. With the right kind of transportational infrastructure, Badrinath can be connected all year round. Today, there is a lot of river rafting going on between Rishikesh and Devprayag. Tomorrow, in winter, people will be skiing down from Badrinath.

Just then, a thought struck: these Rambhakts are all worked up about building a temple to their God. So the Shivabhakts should get worked up about building roads to existing holy temples dedicated to their God. The Shivabhakts should tell the Rambhakts that we do not need another temple: we need roads.

The Shivabhakts should also get worked up about another thing: the prohibition of Lord Shiva's favourite

herb: marijuana. It grows wild on both sides of the road to Haridwar. Just after the Haridwar bypass comes Doiwala cantonment. Here, the rules are different, and mutton, chicken and booze are openly sold. I stop and inquire the price of beer – and am told it is an astronomical 70 rupees a bottle! I ask the shopkeeper whether I can get some charas nearby, for that would be a whole lot cheaper – and he looks shocked. There is a Baba outside the shop who overhears the conversation and advises me to go to Triveni Ghat where I will definitely get what I am looking for.

However, I miss the Triveni Ghat and go on ahead to Rishikesh. There, as luck would have it, we spot some Babas sitting by the road, pulling on a chillum. I get out and join them. Bum Lehri! Tere Jata Se Ganga Behri they say, as I light the chillum. That is: Hail Shiva! The Ganga has come from your dreadlock. These are all Shivabhakts. After a few chillums we drive on, but not before one sadhu presents me with a chillum and some ganja. I am smoking this chillum in the rest house in Devprayag that evening – and the caretaker comments that it is rather strange that this herb should be illegal while alcohol is not. He says no one has ever beaten his wife after a few smokes, nor has anyone died of it. And it is a part of our culture.

The next morning, at about 07:30, we descend the steps to the confluence. Everything has been arranged by the

caretaker. There is a priest ready to receive us. He performs the puja and my cousin takes three dips in the river. Then he immerses the ashes of his father. Thereafter, a barber who is at hand shaves his head and, within half an hour, the ceremonies are all over.

Just next to the confluence there is a little cave – Surya Gupha – where sits the Baba Mast Ram. I go into the cave and make myself a little joint. I have a funny feeling in my heart at the end of the whole thing, for I had come to this very spot 15 years ago with my own father's ashes. My father and my uncle were very close friends. As I smoke the joint, the priest, smelling the stuff, calls out *Har Har Mahadev*. This is Indian culture. If I open a bottle of beer here, they will throw both the beer and me into the river.

Climb up all the way to the car to make the journey back. On the way, stop at a teashop. The entire path is lined with little shops: the market economy. As I sip tea I spot an ugly white building opposite with electoral graffiti all over it. It is the Panchayat Headquarters. Amazing! This is not a village. It is a town – and it could be a city with the right transportation connections to Delhi. It needs a functioning municipality, not a panchayat. I inquire as to what these panchayat politicians have done for the town – and they point to an ugly building in the market that has been 'developed' into a public viewing gallery. I think this prime piece of

real estate should be privatised and the proceeds invested in a drainage system: there are open drains all over Devprayag.

While saying goodbye at the car, the priest mentions that his daughter is soon to be married. I inquire after the groom: Who is he and what does he do for a living? I am told that the boy is a priest in the temple at Badrinath. So I offer the priest the same option: Do we need another temple at Ayodhya or do we need roads to existing temples like Badrinath. The man is quick to see that his future son-in-law will benefit greatly if his temple is well connected to the cities and towns of the plains.

“We don’t need another temple; we need roads,” he says.

As my cousin and I drive back to Delhi in silence, I reflect on the loss of my favourite uncle. If I look back at his father, my grandfather, he left behind one solitary piece of property: 200-B, SP Mukherji Road, Calcutta – 26. He also left behind nine children – and eight are still alive. Each has children, and grand-children. One has great grandchildren. What is worth more? The property that my grandfather left behind? Or all these human beings?

Frankly, we in India seriously need to examine the perverse rationale of those who uphold Malthusianism in an age of biotechnology. Malthus was talking about the working people of England as a problem. Look at them today. They are rich, and their numbers have been controlled by development, modernisation and urbanisation – not by the use of State force. Malthus did not think of the human mind's ability to invent new techniques and technologies. With biotech, there will never be a shortage of food. India already has surplus food stocks upon which armies of rats are feeding. It is time we realise that there is nothing wrong with human sexuality. It gives us two of life's greatest pleasures: orgasms and children.

1353 words

12. LANSDOWNE

My heart is in the highlands,
With the horses and hounds,
Way up in the border country,
Far from the towns...

Bob Dylan

Early July 2002; burning hot in Delhi – and I am no longer encumbered by a regular job. So I do what I had longed to do all the years I was bound to a desk: look at the map; find a place in the hills nearby; and head off. I chose Lansdowne.

The sun had barely risen when I drive off towards Meerut. This is the best time to leave town as the traffic is easy, as is the sun. Meerut is 50 km away, but the journey takes over an hour and a half. The highway is four-laned, but lanes are not marked. The slow lanes are hogged by slow traffic, including rickshaws, so all motorised traffic clings on to the middle of the road, dodging past each other. At Meerut, the map says I have to take the road to Najibabad – but there are no road signs. I pause on the Meerut by-pass and ask for directions. One guy tells me to head on down the by-pass – and that doesn't make sense because I know that

this is the way to Dehra Doon. Another guy tells me to take the road into town and ask for directions at the main crossing. I decide upon the latter guy's advice and drive into Meerut town.

In the process I get to see a lot of Meerut – and what a God almighty mess it is. At the main crossing I am directed by a cop towards the Kotdwara road. As I leave town I see new, posh residential localities built in the outskirts, well laid out.

From now on the road is single-laned. Which means that you have to get two wheels off the road when any vehicle wants to pass in the opposite direction. It also means overtaking with two wheels off the tarmac. This nightmarish journey on a pot-holed apology for a road continues for an unbearably long time. The only good thing is the scenery. Till Meerut, the entire journey is through urban concrete jungles: ugly as hell. Now, 70 km from Delhi, the green fields of rural India are finally around me. I stop by the road, down some coffee and sandwiches, and enjoy the feeling of openness and space in a grove of mango trees. It is lovely to be out of the city.

But this rural idyll is short-lived. I have to pass through two more urban disaster zones: Najibabad and Kotdwara. The former is simply ghastly: muck everywhere – feel sorry for the car. And in all that muck

I see the spanking new construction of a pretty classy hotel! Just after Najibabad is a point where the road simply vanishes, and I have to take the car through a river! Beyond that, all the way up to Kotdwara, the road surface resembles moonscape. It is jolt, jolt, jolt all the way, and at least a year is knocked off the car's life.

Kotdwara is the foothill town of Lansdowne – like Dehra Doon is to Mussoorie. But this is no Doon. It could have been a nice place, for it sits nestled in the low hills. It could be a big market catering to the hill towns beyond – but the market is just the one main street, with most of the old buildings looking in need of serious maintenance. I drive on. At last I am in the hills.

The hill road beyond Kotdwara is of good quality and the scenery is not only pretty, but also quite different from, say, Kalka-Simla, Doon-Mussoorie or from Hardwar up the Ganga. Here the greenery is lush, and mostly jungle. Below the road there is a thin trickle of a river, and here and there, along the riverbank, there are some settlements. Wherever these settlements occur, there are some agricultural fields close to the river – otherwise it is all lush forest. Unlike the other foothills named above, here there is very little human activity.

Somewhere up the road I come to a fork. I am heading on straight up but, for some lucky reason, decide to stop for a cuppa. During the cuppa I discover that had I

headed up the road I would have gone on a wild goose chase: the road to Lansdowne was along the fork to the left. We desperately need road signs in India. They did exist once: In my family album I have an old photograph of an uncle driving his BSA motorcycle in Bihar during British times. He is seated on the bike before a road sign giving the names and directions of various towns in English, with the distance in miles. And this was Bihar!

The road is now narrower, and it seems to be an army road because the road signs all bear a military insignia and almost all the vehicles coming in the opposite direction belong to the army. By now the lush greenery below has given way to pines, and I stop at a point called 'the first view of Lansdowne' to soak in the sweet air. I sit on a soft bed of pine needles, kick some cones around, and peer ahead at what looks like a quaint colonial town: a dozen or so stone houses with red tin roofs.

Upon arrival, it becomes clear that Lansdowne is a military town. The army seems all over the place. I keep pressing ahead and come to the main market square (which is predictably called Gandhi Chowk but has a small statue of Lord Shiva on one side). There are a dozen or so jeeps parked on one side waiting for passengers (mainly for Kotdwara). On the other side are shops, dhabas and one 'hotel' that looks so pathetic that

I drive on hoping for some quiet retreat. Further up I come to the government guesthouse, but I don't like their rooms. I see some signs nailed on to the trees by the road saying "Fairydale Resort: Dine at 'The Pines'" and decide to check the place out, hoping it is not too swanky. It turns out to be my lucky day.

The Fairydale Resort is a largish, old cottage approachable by car. It is situated about 500 metres below the main road, and I have to park in the rear compound. I walk around to the front and find that one half is the residence of a local doctor, and in the rest of the cottage there are a few rooms to let. 'The Pines' turned out to be a tin roofed shack, open on all sides, a short distance away from the main cottage. There are some benches and tables under the roof, and the floor is concrete. At the back is a little brick building, which must be the kitchen. Between the cottage and 'The Pines' is a tall tree whose crown is shocking pink. I look closely at the flowers and find that I have seen these in Delhi – but only as shrubs. Here, it has been nurtured into a tall tree, given pride of place, and on this cool summer afternoon it makes a perfectly ordinary place seem enchanted. I like Fairydale.

I finally settle for a room away from the main cottage. It is in what must have been the original staff quarters, but the place has been done up, the bathroom looks clean, as do the sheets. The tariff is immensely affordable, and I

look forward to a few days of peace, tranquility, privacy and good weather. Outside the room is a small patch of land looking away from the main house – so total privacy. There are a couple of plastic chairs and a plastic table laid out here, and a brightly coloured umbrella has been installed for when the sun is too strong.

I spend a good many wonderful days in Lansdowne. Every morning I wake up early, make myself endless cuppas, and sit outside on one of the plastic chairs taking in the crisp morning air and enjoying the birdlife. Gradually the sun comes out, the nip goes out of the air, and it is T-shirt and shorts all day long. The first task of the morning is to get the newspapers. At around 9, I walk it to Gandhi Chowk. There I find a little food stall where I get a lovely glass of salted lassi flavoured with roasted jeera. It is delicious and I make it my daily habit while in Lansdowne. After the lassi I trek down the narrow path leading off from Gandhi Chowk which is lined with little shops. The guy who stocks newspapers is a fairly good way down the narrow path, and I see maybe a hundred of these little shops every day. I notice at least four are barbershops! About ten are tea and sweetmeat shops. Three or four are jewellers. And the rest sell everything from cloth to household utensils to provisions and even sundries like schoolbags, shoes and what have you. Not a single shop seems to be for the tourist. They are all for the local populace. One thing I

find strange is that there is no booze shop. I make inquiries and find it located at the far bottom of the market, way beyond even the newspaper shop. I cannot get a decent beer for the afternoon: the dude sitting in the shop behind an iron grille sells only ‘superstrong’ beer – and it is sixty rupees a bottle. So no beer at all during all the days I spend in Lansdowne. I am carrying some grass from Delhi and Bholaynath keeps me going. For the evening I have brought along some Old Monk – and this is fortuitous as the little booze shop of Lansdowne also did not stock decent rum, and the prices were in any case ridiculous. I wonder as to what the locals drink. Maybe they get it cheap off the soldiers.

After obtaining a few newspapers – and I really wonder how they arrive here from Delhi – I head back up to the Chowk. There I have a cuppa at a dhaba called ‘Hot-Cold’, frequented by all the jeep drivers and their passengers. After scanning the headlines I spend half an hour checking out the action on the Chowk. The ‘Hot-Cold’ guy tells me that his grandfather had moved up here when the town first came up. His great-grandfather must have been a small farmer in a mountain village stuck in self-sufficiency. Obviously urbanisation has helped them to specialise and participate in the division of labour. We need to keep building more Lansdownes.

Another guy I find interesting is the local baker. He sells fresh bread and pastries and I make it a habit to buy a

fresh loaf every morning. I notice that he has to own a large diesel generator to keep his production line going. It has added to his costs and I find that the jeep guys come in with plastic-wrapped machine-made white bread from the plains which are much cheaper. But I prefer the fresh, home-made variety.

The jeep guys also come in with milk in plastic pouches. The label says that the milk is from some government dairy farm located in a mountain town about 100 km away!

By about 10 am you find that the jeeps have brought in a few villagers who have brought along some produce to sell on the square: some fruits, vegetables and the like. I notice big, fat pumpkins and loads of leafy, green spinach.

Just behind the spot where these itinerants squat and trade, is the cigarette vendor – and I must make a daily visit. Behind the vendor is a shop, which I find particularly interesting because here I get things I would not normally expect to find in such a small hill town. I get Knorr chicken noodle soup, cans of baked beans, cream cracker biscuits and, of course, Amul: The Taste of India cheese and butter.

Opposite this shop is a barber's establishment. One day I go in and get a shave. I also ask him to trim my

sideburns and cut two inches off my ponytail. The barber seems to be a very influential man in these parts. While I am being served, a young man comes in with a problem regarding the title deeds to his property. The barber says he will help out because the local *patwari* is his customer!

On the other side of Gandhi Chowk is a little flat land at a level higher than the Chowk. Here, some recent development has taken place and some concrete shops have come up. I check the area out and find some souvenir shops, a photography shop, a butcher's establishment and a pretty well stocked greengrocer. Outside the butcher's shop are tethered some healthy looking mountain goats. There are also cages of some pretty tired looking chickens that have obviously travelled far and are not feeling too good. One day I buy some mutton and give it to the cook at 'The Pines'. He cooks up a lovely simple dinner of mutton curry and rice. On most days I simply buy some vegetables I like and let the guy cook it the way he knows best. I order some dal and roti to go with it and I must confess every dinner was great. For lunch I'd ask him to prepare soup out of the packet and serve it with spiced baked beans. With the bread, butter and cheese, it adds up to a nice meal.

There is also a 'cyber café' on Gandhi Chowk. It is approached by a narrow, rickety wooden staircase.

There is just one computer. And most of the time the place is closed. But I do manage to check my e-mail a couple of times. The line is surprisingly fast.

By 11, I am trekking it back to Fairydale with my shopping: my economic achievements made in the market. Everyday, I notice an incredible number of children on the way, all in uniform, headed for school. The only school I come across is run by the army. I meet some teachers from the school and they seem to be personable young ladies, locally educated, speaking very good English.

En route, I never forget to observe the lovely flowers that the people of Lansdowne have grown in their gardens. There is one house that has the biggest hydrangeas I have ever seen. I often come across a young man busy at work in the garden. I stop and admire his flowers. He is very pleased.

Back home, I sit out in the sun outside my room, enjoy endless cuppas, go through the papers and smoke a few joints. Lunch comes at 1, after which the sun goes behind the building and it therefore becomes necessary to look for a better place to sit and read. I find a lovely open hillside on the opposite side of the main cottage, away from where the good doctor lives. The surface is covered with pine needles and there are tall pines all around. In front, is a burnt and dilapidated building,

which must have been the original stables of Fairydale. Beyond that, is a gorge through which a slender mountain stream flows. Away in the distance, are some other cottages.

Every afternoon I sit here, adjusting my position occasionally, to ensure that the sun reaches me through the pines. I read Carl Menger's *Principles of Economics* and find that this version of his theory of the origin of money to be the best. I also enjoy Hayek's introduction to the volume, which contains some pages on the life of Menger. What a great mind! Mark Skousen has written a book called *The Making of Modern Economics: The Lives and Ideas of the Great Thinkers* which is somewhat unusual in that the author has recommended a piece of western classical music as an accompaniment to the ideas of each thinker. For Adam Smith it is 'Fanfare for the Common Man'. For Karl Marx it is some dark, evil music. For Menger it is 'The Emperor Waltz'. This is truly well deserved. Menger is the true Emperor of Economics.

I also read an issue of *Manushi* in which there is an article on the rise of the Shiv Sena. It is all too depressing to think that such evil organisations can legally participate in India's 'democracy' but liberals cannot. And it is the Bombay High Court that has been sitting on the case filed by the Indian Liberal Group in 1994. There cannot be any justice without liberal

jurisprudence. Socialist justice will only perpetuate fascist forces like the Shiv Sena.

In the evenings, I go for long strolls. One day I go further up the road, on the direction away from Gandhi Chowk. I find that it just peters out at what must be the last bungalow in town. I find a rough path leading behind the bungalow and take it. I finally end up on a flat piece of land, and find myself gazing into the valley below. There is a narrow, kuttcha road leading away into the distance, where there are a couple of red tin-roofed houses. It is wide open space all around. I pause to enjoy the openness but, as I reach for a smoke, I find that I have forgotten to carry along my lighter. I look around and see a small shack in the distance. It seems to be the only illegal construction in Lansdowne. I make it to the shack and am confronted by a rather aggressive dog. Luckily some people come out of the shack and take a hold of the dog's collar. They look poor and unkempt. I ask for a matchbox and a woman hands me one. She is holding a big hookah in her hand. I would like to know more about these people: Where are they from? What work do they do here? How did they escape the authorities and put up their shack? I notice that there are some water pipes near the shack. They must be tapping into that water source. Electricity they have none. However, I cannot get a conversation going as the dog is looking meaner and meaner every second. I dash off with my light, thanking the woman.

On another day I walk on the road going uphill from Fairydale. I come to an impressive bungalow that turns out to be the official residence of a forest department higher-up! Why does he not live in the forest? Why put him in a town?

Walking on, I come to an open field where there are a group of young boys, happily playing football. My first sight of these boys is hilarious. I am walking towards them, but from a higher level. So all I can see are some guys around one end of the field where there must be a goalpost that they are attacking – but I cannot see the goalpost as it is just at the edge of the cliff below me. It seems the goalkeeper had saved the goal and kicked the ball back into play. From my vantage point what I see is a football flying high into the air going away from me – and, following the ball, the rubber slipper of the goalkeeper!

I often come to watch these boys play. They have a great time everyday. They address each other by the names of famous footballers. One is called Pele, another Maradona and a third Zico. So you often hear shouts like “*Mar dhay Maradona*” and “*Idhar pass kar, Zico*”! Sometimes the ball goes flying off the edge of the field and down the hillside. Then I notice it is always the younger kids who are ordered to scramble down and retrieve the ball. They seem happy and energetic enough

to do the hard work. But just think: a football field in the centre of a hill town! There are no football fields in flat Delhi!

On another day I take to prospecting for property. I find a large bungalow situated just below Fairydale which is up for sale at 25 lakh rupees. It has a large lawn on one side, an outhouse and, with a little bit of re-modelling, it could be an ideal place for a guy like me to live. I find that the only problem in Lansdowne is water. This puts me off. At some points during my walks I notice some water-harvesting going on. I also see a water tanker belonging to the State which must be going around town delivering water at a price. With water markets, private companies could pump water from the river and sell it here. There would be no shortage.

One thing I discover during my walkabouts is that there are very few people I encounter who actually live in all these lovely old bungalows. Most are empty. The few that are not, house army officers.

On the last day I take the car and drive all over town. In the market I had found a map showing the spots of tourism interest around Lansdowne. These have interesting names like 'Tiffin Top' and 'Snow View'. The only way to see all these places at one go is to drive – the guy selling the map tells me.

The tour reveals what must have been a truly wonderful retreat for the Brits. I find a couple of old churches. The town is spaciouly laid out and every bungalow is a good distance away from its neighbours. However, today, everything looks a little dilapidated. They have strict rules about building afresh here. No new buildings are allowed. Perhaps old buildings cannot be overhauled either. In either case, with negligible tourism and low property prices, it might not make economic sense for the bungalow owners to renovate their properties. But with an excellent highway to Delhi, tourism would boom. Many rich Delhiites would like to buy or hire holiday homes here. While the old can be preserved, there is no reason why new towns cannot come up all over these mountains – all as beautiful and as well spread out as Lansdowne. On the last day I come across two middle-aged couples, who have taken up rooms at the main cottage in Fairydale. They are from Delhi and say that they really love this place and come here a few times every year!

Some words on how the evenings went by: and this should be of interest to the Greens.

On my first evening in Lansdowne, I am concluding my stroll, sitting on a hillside overlooking the road, watching the sun slowly set in the west. The house nearby has its entire frontage covered with these shocking pink and bright yellow flowers which blossom

only after sundown. I love these nocturnal blossoms. All is quiet; all is peaceful. There are a few people about, all locals, all heading home. Just then a small group of little mountain cows pass, and their tinkling bells are slowly receding in the distance when the words of Gray's *Elegy* come to me: 'The curfew tolls the knell of parting day / The lowing herd wind slowly over the lea...' I am reciting the poem in my mind and soon come to the line 'and all the air a solemn stillness holds' – and just then an awful cacophony breaks out. It is a bird so small that it takes me days to actually see it. I name it the Shrewbird because every evening it breaks out – not into song, because this is certainly not song – into hideous wailing. The wailing starts at low pitch and gradually ascends the scales, then it descends the scales again – and stops. I heave a sigh of relief and it immediately starts off again, going on and on for over half an hour. These shrewbirds are everywhere. There is one on the tree just outside my room – and not a single evening passes without having to endure the wails and screams of this bird. Noise pollution from the 'environment'?

Then there are the mosquitoes. I have seen large mosquitoes in my life but these are simply humungous. They buzz around my naked legs and I feel squeamish about swatting them because they are so big I think they will cause a major mess – so I rush indoors and change

into thick denim jeans – and spend the entire evening shooing them off.

And then there are the bugs. There is a small light on the wall outside the room and it can only be put on when dinner arrives from ‘The Pines’. If that light is ever left on by mistake, the entire place is overrun by bugs of all shapes and sizes. It is necessary to keep the door to the room tightly shut all evening to prevent the night’s sleep from being ruined by bugs and mosquitoes.

Worth thinking sometimes that Man’s life is a constant struggle against the environment. Living in the jungle cannot be ‘the good life’. If it were, then the local forest officer would be there – and not in a town. In the old days cities were holy: Jerusalem, Varanasi, Bodh Gaya, Mecca... Today, thanks to the Greens, jungles are holy. These Greens must be crazy.

Finally, the day comes to leave the hills and return to Delhi. I decide not to drive back the way I came. The very thought of driving through Najibabad, taking the car through the river and negotiating the long, pot-holed one-laned stretch is revolting. So I decide to take the road to Srinagar¹⁰ via Pauri. Srinagar is a town on the Ganga above Devprayag. I have never seen it. Pauri is an ancient capital of these hills and I have never seen it either.

¹⁰ This is not the Srinagar in Kashmir.

After the habitual salted lassi with jeera I head out. It is a crisp, clear morning. The air is cool. The roads are smooth and wide. Along the way to Pauri I come across many settlements that have cropped up on the road itself. One of these could have been a nice, big, well laid out town as it straddles the crossing of two major roads – but it is a disaster. Pauri is likewise. We have learnt nothing from the Brits about how to build towns in the hills. It takes a long time to get through the one-time capital of this part of the Garhwal and head for Srinagar. There seems to be only one petrol station in Pauri – and it is a few miles out of town!

The road from Pauri to Srinagar is narrow, but there is hardly any traffic. At Srinagar I find a by-pass to Devprayag and take it – so I don't see the town. I stop by at a roadside dhaba and wash down my cheese sandwiches with a cuppa or two. The dhaba-owner takes a liking to me when I sit outside his shop, roll a joint, and peacefully smoke it. He starts talking to me in English! I compliment him on his English and ask him where he learnt it – and he says he is self-taught, and picked up the language when he worked for a few years in Calcutta. Wish the Bengalis would do the same thing!

From Srinagar onwards, I am driving along the mighty Ganga. By now it is a little hot, and I have to switch on the air-conditioner. The road should be of good quality –

because it is the road to Badrinath – but it is not. At various points it has broken down, workmen are clearing debris, and there is dust all around. Heat and dust – but cocooned in the car I am much better off than most people.

Soon I am back in Devprayag. I decide to visit my friend in the Forest Rest House and check up whether I can buy some decent hashish. The guy returns with the sad news that the dealer is out of town. I then decide to check out the ghats and see whether I can get the stuff from one of the babas. My stuff from Delhi has run out.

I descend down the steep road leading past the FRH to the ghats. There is a small parking place built at the end of the road where I park and walk on through the narrow lanes of old Devprayag until I arrive at the ghats. It is bright sunshine, and quite hot, and the ghats are absolutely empty – save for a solitary priest who sees me and invites me to perform a puja at the confluence. I do so, offering some flowers and some rice grains to the river and repeating some ancient mantras. The priest says a few kind words to soothe my soul when I reveal that I had immersed my father's ashes at this very spot. I like the priest and give him a hundred bucks.

Then I look him straight in the eye and say, in Hindi:
“Panditji, main is pavitra sthan mein ek chillum peena

chahtha hoon. Mere paas chillum hai lekin koi maal nahin hai. Aap kuch intazam kar sakthay hain?”

Translated: “Respected priest. I would like to smoke a chillum at this sacred spot. I possess a chillum, but I have nothing to smoke in it. Could you please arrange for some holy smoke?”

The priest immediately waves at the caves above the ghats and shouts, rather imperiously: “Bhoothnath! Oi Bhoothnath!”

Suddenly, there emerges from the caves this tall sadhu with long, black dreadlocks. The priest instructs him to get me some smoke and very soon the man joins us, and hands me a handful of grass. I invite Bhoothnath to share the chillum and he readily agrees; so the two of us sit at the confluence of the Alaknanda and the Bhagirathi, the spot where the rivers Ganga actually starts, and smoke a few chillums.

During this time, a couple descends the steps of the ghats and arrives at the confluence. He looks rich and she looks straight out of a Bollywood movie – in shorts, tank-top, dark glasses, make-up and floaters. They do their bit with the priest and then look at Bhoothnath and me, sitting there peacefully smoking, and cannot quite digest the sight. She asks the priest, loudly, so that we can hear: “Hey priest! What are these sadhus supposed

to do other than smoke? How can you tell whether the man is a fraud?”

The priest looks at her and, pointing to the river, says: “The river is muddy, but it is pure.”

Sitting there, stoned, I think that it has been worth coming here just to hear these words. This is freedom. The river will be muddy – but it will be pure. There are frauds and tricksters in every profession. There are crooked journalists, there are quack doctors, there are wicked economists. If we are all free, we all must be careful as to whom we trust. The good will come through; the bad will be washed away. The river will be muddy – but it will be pure.

At this time of the year, the river is swollen. The snows above must be melting like mad. The Surya Gupha of Baba Mast Ram is totally submerged. I had intended to stay the night in a tent in one of the camps that come up on the riverbank, but no such luck. The river has taken over all the banks and all the camps have vanished. As I drive on, I keep losing heart, and imagine myself staying the night in some hole in crowded Rishikesh. But luck is at hand, and I come across an establishment called, rather poetically, “Glass House on the Ganges”. It occupies a high ground between the road and the river. I drive in and soon find myself an excellent room.

That evening is as magical as magical can get. My room is away from the main house. In front is a well laid out garden that stretches from one end of the property to the other. Just ahead, near the river, there are some wrought-iron chairs and a table laid out. I sit there and enjoy some pure Darjeeling. Then I walk along the path cutting through the garden and come to a spot where there are steps leading down to the river. I take these steps and spend a long time sitting on a rock by the river. It is getting evening and the quality of light is changing with every passing minute. In the changing light, every colour throws up new hues, and the eyes, long accustomed to the ugliness of the city, rejoice at all this beauty. As dusk settles in, the air is filled with hundreds of huge bats. Luckily I am not scared of bats. In fact, I rather enjoy the sight. It is important to note that nature never sleeps. There are the nocturnals. So why no nocturnals amongst us human beings as well? Why must our cities go to sleep by 10 pm – because of Wee Willie Winkie legislation? Why not a 24-hour economy?

Later, nature throws up another surprise. I am sitting on the wrought-iron chair. It is getting dark and, suffering ‘cottonmouth’ after a few chillums of Baba Bhoothnath’s grass, opt for a drink. I come to the main house and place my order and am told that the place is ‘dry’: to appease ‘religious sentiments’. The best thing I can do is head for Raiwala, a cantonment town 40 km

downriver and pick up some booze. Just then I come across a fellow guest at the hotel and smell liquor on his breath. I make friends and he parts with enough to make a couple of shots. I return to my chair in the garden with a little whisky – and chill out on the sight of thousands of fireflies all over the place. I spend a couple of hours in the garden that night, slowly sipping the whisky and freaking out on the sound of the river and the sight of these fireflies sparkling up the night.

The next morning is equally magical as I sit on the rock by the rushing river and watch the mist that has settled on the waters. Gradually the sun comes up, and gradually the mist disappears. The hour or so I spend watching the morning break is one I will never ever forget.

After a great breakfast I head back to Delhi. Heat and dust. I close this essay with just two comments.

First: If you are banning booze in the Glass House (but not in Raiwala) for ‘religious sentiments’ then why are you also banning cannabis? From my story, cannabis, it is obvious, does not offend the religious sentiments of the Hindus.

Second: Like the Glass House, many properties can be developed along the river. This is summer: the height of the tourist season. Why should all the campsites

disappear just because the beaches have all flooded? Why cannot there be campsites, hotels, motels and the like on higher ground? And what about the opposite bank of the river? There is no road, there are no bridges, and there is no real estate development there. All I saw was one solitary house high up on the opposite bank. Smoke from the chimney indicated that it was inhabited. But there was no road to the house, and the people living there must be leading a difficult life.

India is a beautiful country. If only we could occupy this country and not be forced to crowd together in a few lousy cities. Like the Brits did, we need to spread out and build quality settlements linked to the main city. We must learn the right lessons from recent history. Urban development was the greatest success story of British India. It is the greatest, indeed fatal, failure of the socialist Indian state.

6063 words

13. GERMANY

“We operate strictly on German Time: GT!”

Peter Schroder

July 2002. I am invited to participate in a week-long, all-expenses paid seminar on “New Public Management: Lean State, Lean Government” at the Theodor Heuss Akademie in Gummersbach, near Cologne, Germany. The invitation has come from the Friedrich Naumann Stiftung (FNSt), the foundation of the German free market party FDP. The FNSt promotes liberalism in the Third World, and I have for long been associated with their activities in India, and have also contributed to their excellent journal, *Liberal Times*.

I am overjoyed at the prospect. It is burning hot in Delhi, and I love summer in Europe: sunshine up to 10 pm, everyone in T-shirts and shorts, streets overflowing with happy people, barbecues every evening... I make arrangements to extend my stay by a week, which I intend to spend with my relatives in Frankfurt.

With FNSt writing to the Visa Officer at the German Embassy in Delhi, the formalities are completed quite easily. So I decide to fly to Frankfurt immediately, and spend a week vacationing there before the seminar begins. It is too hot to stay in Delhi. And, as luck would have it, I have just quit my regular job at *The Economic Times*, and so am free as a bird.

The Lufthansa flight takes off on time and lands on time. It is about 6 am when we land, and, by design, it is Saturday. My cousin Arpitha is there to pick me up, and soon we are hurtling down the autobahn. After about 20 minutes we take an exit, and within minutes we are home in Jugesheim. This ‘village’, like Weiskirchen, which I described earlier, is a little town because transport connections have enabled people who would have otherwise been forced to crowd together in Frankfurt to spread out. 44, Gartenstrasse is a big, solid, three-storeyed house with a nice garden laid out at the back, a garage, and a cellar full of excellent wine. There are hundreds of such houses in Jugesheim. My room is on the top. The sloping, wooden roof above the low bed gives the room a warm look. And I am lucky: I have my own bathroom.

I have barely washed up when Arpitha’s husband, Andy Schrader, arrives. He is a tennis coach – and

we go back all the way to 1979. We get together with the entire family – which includes Arpitha’s parents, my uncle and aunt – in the sitting room on the first floor and enjoy a hearty German breakfast: breads, cheeses, paté, meats, preserves and what not. Then Andy and I drive off to an Italian café, where we have a couple of *coffee corretos*. Translated: this is the ‘correct coffee’ and it is an espresso into which a large shot of fine Italian brandy is added. I am smoking these thin, long cigars I had bought at Delhi duty-free, and the combination is delightful.

We step out into the cool morning air, a pleasant buzz in the head. Andy has kept the weekend free and tells me of all the ‘events’ he has planned for the week ahead. The first is a party at the house of one of his students that evening. So, that evening, there we are in a neighbouring town, about a hundred people on a large lawn. There are dozens of tables well spread out, all looking pretty with gay tablecloths and little flower vases on top. Instead of chairs they have wooden benches on both sides of the table: very European. There are many deep freezers in one corner, where I help myself to Weisenbeer, the Bavarian wheat beer I am very fond of. At another corner is the buffet. A third corner has a pool for the kids; Raul, my little nephew, goes straight for it as do a whole pile of other kids. But even that does not

cramp the lawn, for there is still enough space for some people to play badminton!

Our hostess is a stately, tall blonde who speaks good English; but she, of course, has to circulate. I sit at a table sipping beer. I get talking with one guy who is a manager with Nestlé. When he hears that I am an economist, he speaks his mind on the German economy. One thing he says is that the Germans possess a great deal of personal freedom but very little economic freedom. He makes out a case for economic freedom. We need such corporate managers in India, I think. I ask him what he has read, and he says Friedrich Hayek. I tell him of Mises and Menger, and he promises to read up on them too.

When we finally leave, after a great meal, I look around and notice that there is a great deal of clearing up to be done. Our hostess runs a Ford dealership in the town and must be fairly wealthy to own this big house with its sprawling lawn and afford tennis lessons from Andy. As I leave, I ask her who would do the clearing up. She gives a surprised laugh and answers that she has to clear up everything all by herself. I tell her that with free immigration she can have plenty of servants. I repeat this when we get into the car to drive home. Arpitha drives because Andy has had a few drinks. She has deliberately abstained

because she is the ‘designated driver’. My brother-in-law in Delhi has a chauffeur: a young lad from Himachal Pradesh. With free immigration Andy and Arpitha could afford a chauffeur for such occasions and their quality of life would improve hugely. With free immigration they would also have help in the house. One day, their landlord wrote to say that the garden was looking rather unkempt – and Andy and I spend a good couple of hours mowing the lawn, trimming the hedges and so on. Back home in Delhi I have Ramchander, my gardener. He comes in for an hour every morning. He used to greet me with a ‘Ram! Ram! Bhaiya’ but I put a ban on that. “These Hindutva types can keep Ram, Ramchander,” I told him. “In this house the greeting is to be Jai Bholay Shankar!” With free immigration, this good man will sell his services in Germany or wherever, and the world would be more prosperous.

And so it is that I spend a pleasant week in Jugesheim. During the day I sit out on the rear verandah, sipping tea and reading some PJ O’Rourkes I have brought along: hilarious and extremely enlightening. I pass one on to Andy – and he loves it too. After lunch, it is the *apfelwein* that this province of Germany, Hesse, is famous for. On many an evening, friends drop in. There is music, wine, beer and smoke. On the last day, many of them

get together and make a packet of smoke to keep me going in Gummersbach.

Some interesting insights into the lives of the family I have been living with: First, Raul, my little nephew, speaks Bengali and German. He has just started school. And they plan to teach him English too. Second: only Arpitha works in Frankfurt – and she uses the train. Andy coaches in a tennis club in a nearby town, and he never has to visit the city. He uses a scooter on sunny days. Arpitha's father, Barney, goes to Frankfurt to shop for Bengali food, and he has a pass on the public transportation system: trains and buses. On weekends, you can take your family along for free. And this facility is often used. I travelled free with Barney one weekend! Barney buys Bengali fish, vegetables and condiments from a Bangladeshi shop. The Bangladeshis in Frankfurt established a *masjid* many years ago. Now, in that *masjid* – because there is nothing in Islam against trade – they have put up a shop. Every day, Bangladesh Biman flies into Frankfurt from Dacca, and the shop is always freshly stocked with *ilish*, *pabda*, *tangra* and even *uchchay*! Prices are atrocious; but the interesting thing is that all the Bengali Hindus from India make a bee-line to this shop in a *masjid*! I love this spectacle of Bengali Hindus and Bengali Muslims co-existing happily in a

free market in Germany. According to the ‘two nation theory’, Bengali Hindus and Bengali Muslims could not co-exist. Bengali Hindus had to be moved out and clubbed together with Punjabi, Malayali, Tamil and Kashmiri Hindus. But notice that the Bengali Muslims have long split from the Punjabi Muslims: there are already ‘three nations’! There should be three thousand! In Barney’s house, I ate fish from Bangladesh with Laila basmati rice from Pakistan. For dessert, we had Pakistani mangoes. Why can’t we eat like this in Delhi?

Finally, the time comes to head for the Gummersbach seminar. I want to get aboard the Intercity Express (ICE) from Frankfurt to Cologne departing 13:42. It is 12:15 and we are just lolling around drinking beer. I ask Arpitha whether we should move, but she says there is plenty of time left! We finally hit the road at about 12:45. By 13:00 we are in Offenbach Marktplatz. Offenbach is the twin city of Frankfurt. At the ticket counter I purchase my tickets. I get a ticket on the underground to Frankfurt Main Station. I get a reserved seat in the smoking section of the 13:42 ICE to Cologne and I also get a ticket on the connecting train from Cologne to Gummersbach – all within minutes.

I take leave of Arpitha, and take the escalator to the underground. Soon, a train arrives and whisks me off to Frankfurt. There, I ascend the escalator and come to the level where the surface trains come and go. The platform number is mentioned on my ticket and signage is excellent – and so, there I am, in my reserved seat in the smoking section, with enough time to spare! That's connectivity.

Precisely on time, the ICE takes off. First slowly, with a stop at Frankfurt Airport. And then, incredible speeds. You cannot tell the speed unless you look out at the cars on the autobahn. It is then that you notice that you are going probably twice as fast as the fastest Mercedes or Porsche in the fast lane!

We arrive in Cologne dot on time. I quickly find the platform from which to board the connecting train to Gummersbach. You have to be very careful on such occasions, because trains come and go every two minutes, and you could easily board a wrong train. I was told this happened to Bibek Debroy once – and he missed the seminar he had gone all the way for!

I am careful to doubly check the sign on the platform before boarding the train. Now, I am on a slow local train – and these are all non-smoking. The train trundles along, stopping briefly at about 10 little

towns on the way. In each of these, there are no proper stations: just a platform and a huge parking lot outside. On many an occasion I see a fellow passenger alight and head straight for his car. After about an hour, the train terminates in Gummersbach. There are Mercedes-Benz taxis waiting. I take one to the Akademie. And a week of hard work and hard play began.

The Theodor Heuss Akademie (THA) is on the top of a hill. At one side of the building is the residential tower. My room is on the 5th floor. It is clean, functional, and practical. On one side is a huge glass window, before which is a desk with a chair. The view shows the town below, and open wooded hills beyond. A very pretty sight. I like my room.

At 6pm we all assemble in the lounge and the Director of the THA welcomes us all with a glass of sparkling wine. We meet the Seminar Director Peter Schroder. There is a great dinner with Latino music. From 9am the next morning, for a whole week, we have hard work ahead of us. The first night is therefore not riotous (unlike the last, which I will describe later).

The first task the next morning is to make regional presentations on the condition of public

administration in our respective areas. There is the Spanish-speaking group comprising Peru, Argentina and Mexico – and they have the services of two excellent translators. There is the African group comprising Tanzania, Ghana, South Africa and Egypt. There is the Middle East with Israel and Jordan. Central Europe has representatives from Croatia, Estonia, Hungary, Romania and Serbia. And there are the rest of us Asians – India, Pakistan, Indonesia and Philippines.

There is one common theme during the presentations: how over-centralisation has caused inefficiency, corruption and unaccountability. It is also obvious that every country ruled by a friend of Nehru has been a disaster: Tanzania was ruled by Nyrere, Nehru's good friend, and it is a disaster; Ghana was ruled by Nehru's friend Nkrumah, and it is a disaster; Yugoslavia was run by Tito, Nehru's friend, and it is a disaster; as is a disaster called Egypt, ruled by another of Nehru's friends, Nasser. From our Asian region, we have an unusual confession: our region has been destroyed by dynastic *woman* politicians! So much for those who believe that good politics needs women's participation!

The next few days are spent extremely enjoyably exploring New Public Management (NPM). This is

all about how bureaucracies can be done away with in public administration, how the private sector can be roped in, and how, thereby, government expenditure (and the fiscal deficit) can be curtailed. Peter Schroder is a hard task master – but, what the hell, I don't mind.

I will briefly digress to inform the reader as to how NPM can improve public administration in India. Take primary education: Today, it is conducted by a bureau and we have a Secretary, several Additional Secretaries, more Joint Secretaries, Under Secretaries, clerks and more clerks, and an entire army of teachers in the State's employ. If we examine the work done by the bureau chief – the Secretary – we see him spending most of his time processing *bureau inputs*: recruitment, discipline, transfers, promotions, construction of school buildings, and awarding tenders for various inputs from blackboards to chalk. He therefore has very little time to spend processing *bureau output*: see to it that some real teaching is actually going on in the schools. This is expensive, wasteful and inefficient. It is now a proven fact that this does not work. What would NPM prescribe?

First: SACK THE BUREAU!

Then get one honest man or woman as the New Public Manager and let this person award ‘vouchers’ to all targeted poor children in need of primary education. The children can take these vouchers to any *private school* of their choice. The principal can get the voucher redeemed from the treasury. This way, there is competition and choice: principals compete for vouchers and the children and their parents have choice. There is no bureau. Costs are much less. Benefits are directly targeted.

Similarly: food aid. Now we have the Food Corporation of India sitting on 60,000 tonnes of food grain, we have Minimum Support Prices and Ration (Fair Price) Shops and so on, but poor people reportedly go hungry while politicians and bureaucrats loot the system. What would NPM prescribe?

First: SACK THE BUREAUS!

Then, issue ‘food stamps’ to targeted poor people. They can go to any shop or even supermarket of their choice and get the food they want. The shops get the stamp redeemed from the treasury. Simple, ain’t it? You can extend these arguments to all areas, from garbage collection to traffic regulation to policing (especially patrolling) to the maintenance and upkeep

of urban roads (sack the PWD!). NPM must be put to work in India on a pilot project basis. I would suggest that the first experiments be made with garbage collection.

One highlight of the week is an excursion to the nearby town of Hagen to actually see an NPM experiment under operation. The break is welcome after three days of class work. Our bus leaves early, going through country roads until we arrive on the autobahn – and take off. At Hagen the Mayor welcomes us with a formal speech which he begins by asserting that ‘travel broadens the mind’. He then leaves us in the safe hands of Horst Bach, who has innovated with NPM in his town.

Horst Bach is a keen proponent of NPM ideas within his party, and when they won the elections and their man became Mayor, he was *punished* with an impossible assignment: turn the Old People’s Home around. It was run by the city; it was losing 2 million Euros a year; and if Horst Bach and his NPM worked, then he should prove it. And Horst Bach did it! Here’s how:

He set up a private company, roped investors in, and bought the old Home. They renovated it and re-equipped it. They could not sack staff as per law, and

so re-deployed them to other revenue raising areas: they started an orphanage, a training school for the care of the elderly, and they even started organizing fairs and festivals on the sprawling lawns of the Home. Local bands were happy to play for free. Now they are making profits, the City of Hagen is saving lots of money, and NPM has arrived in a big way here. There is talk of doing away with the City's public works department: Why does the government need a permanent department for construction, which is an activity that the private sector is already so good at?

From Hagen, the bus takes us to Cologne and we are free for the afternoon. I have an appointment to meet Claus Diem of the German libertarian magazine *Eigentümlichfrei* at Cologne station. I am early and sitting at a table outside a bistro sipping wine and Claus passes by and recognizes me. He is with his editor Andre Lichtschlag. We go to the lounge and they interview me over Kolsch, the local beer. Then Andre departs and Claus and I walk around the city.

First we go through the Cathedral, just outside the station: a grand affair. Just outside, we walk through a street where the original Roman stones are preserved. This city was once part of the Roman Empire, and the Romans were famous for road

building. In Cologne they have preserved this Roman street and it is great to walk on it. Were Roman Emperors nice guys? Were they ‘planning’ the economy? Were they democratically elected? Did they ‘serve the people’? Then how come they built roads while our ‘planners’ did not?

It is drizzling a bit and we walk through markets, markets and more markets. Shops, shops and more shops – and, of course, restaurants, bars, pizzerias and what not. I find a hemp shop and buy a “Free the Weed” button showing a marijuana leaf. The shopkeeper will not tell me where to get a smoke. I have run out of the stuff I was carrying from Jugesheim. But the good thing about cannabis is that it is non-addictive – so you don’t crave for it if you don’t have it, unlike cigarettes.

It begins raining harder and Claus and I duck into a bar and swig down some more Kolsch. Then it is time for me to catch the bus back to Gummersbach and we walk it back to the cathedral-station area, a little wet. End of outing.

On the last evening, there is a formal dinner during which certificates are awarded. The meal is Greek, the music is Greek, and at the end of the excellent meal there is some *ouzo* – the Greek drink flavoured

with anise (*saunf*). Funny thing about *ouzo*: if you mix it with cold water it turns milky! I liked *ouzo* so much I even bought a bottle later to bring back home and share with my buddies.

After the dinner, the Director suggested we all visit the VIP (Very Important Place – the Bar). On the first day they had given us all little plastic chips which we could redeem at the bar for beer or wine (for hard liquor you had to pay!). I had already used up all my chips. But on the last day, there were many with surplus chips and plenty of these chips came my way. During the week, there were only two regulars at the bar: Boris from the Croatian People Party and myself. On the last evening everyone was there, the tables were moved out, the music put on loud, and there was a lot of dancing. One memory I have is of Kwesi Beni from Ghana. At the end of the party, after lots of beer and a great deal of dancing, Kwesi looked at me and, through half-shut eyes, said: “One thing I want for my people – that, after a hard day’s work, they should be able to enjoy a few beers!” We need politicians like that in India!

The next morning the telephone wakes me up. It is reception saying that a van is leaving for Cologne in half an hour, and advising me to get on it. I am ready on time, and soon we are on the way to

Cologne station. One interesting bit of graffiti I see on the Akademie wall while departing is: No Dope, No Hope. I agree. The FDP should steal marijuana away from the Greens.

We arrive at Cologne station at 0930 hrs. My train is at 11.46. When I reach the platform, I see the sign saying that the 0946 ICE to Frankfurt is due. I think: Why not get on to this train? And sure enough, I am able to. The Train Manager charges me 4 Euros for rebooking.

This time, in Jugesheim, there is a big family gathering. My mother lands up from India, my uncle from Sheffield, Andy's father, Horst, from wherever and Arpitha's sister, Srilatha and her husband Jurgen from Stuttgart. The house is full! But I cannot stay long. I fly out the next day for Delhi – for my seminar season with the Centre for Civil Society is about to begin. And I have a train to catch for Lucknow.

3706 words

14. LUCKNOW

The *pehlay aap* days are gone; now it's *pee-chay hutt!*

A citizen's lament

I barely have a day in Delhi before I have to board the morning train to Lucknow. Along with me are Parth and Mana Shah of the Centre for Civil Society. It was in 1998, at the first Liberty & Society Seminar (LSS) Parth had organised for college students, that Mohit Joshi (Mojo) came upon our ideas – and became a keen supporter. After graduating in Economics from Hindu College, Delhi University, Mojo joined the Indian Institute of Management, Lucknow (IIM-L) for an MBA. There, he persuaded the authorities to invite us over for a LSS. That was last year – and it was a huge success. So we have been invited again this year; IIM-L is paying all expenses; and I am told that they have decided to organise one LSS every year for every fresh batch! Wow! We don't expect to convert every student at an LSS, but even if we get one Mojo, it is worth it – in the long run. And everything is about the long run.

The train compartment is brand new, and infinitely better than what the Shatabdi Express is usually all

about – but even then it is not anywhere near the ICE. We have a pleasant enough journey and after about 6-7 hours we arrive in Lucknow. The ICE would have taken 2 hours at most. The station building is an old, grand affair – but it looks pretty ugly today. Outside are all kinds of private transport vehicles – from cycle-rickshaws to auto-rickshaws to broken down diesel Ambassador taxis to what not. We finally settle for a Maruti Omni minivan, and head for IIM-L. The town we drive through seems a mess – a complete and total mess. I would hate to stay a day in this town. Luckily, IIM-L is situated outside city limits. But that too has its downside – as I would soon discover.

Our seminar goes off fairly well. There are lectures – including some prominent guest speakers like Swaminathan Anklesaria Aiyar of *Swaminomics* fame. There are documentaries like John Stossel's *Greed* and *Is America #1*. There is a working group session on New Public Management, which we all enjoy to the hilt. But my story relates mostly to what happened *outside* the classroom.

I was staying in the Executive Guest House. Nice room, air conditioner, telephone, hot water on tap

and all that. On one side is a dining hall where we are served excellent buffets. But there is no bar! There is no bar in the Executive Guest House in a post-graduate school of management! To cut the story down to bare essentials, what this meant is that, for two consecutive days, I had not a drop to drink. (Town is too far away.) I am not used to such events occurring in my life. I have been having a drink or two or three or four every evening for over 20 years. The good news is that I do not have any physical problems during these two days. I survive. I am pleasantly surprised at that. I expected to suffer cramps or sweating or something. But nothing happens – which means I am not yet an official alcoholic. That is reassuring.

On the third evening, a student from the previous year's seminar drops by to see me. He brings a friend along, and the friend also happens to bring along a bottle of IMFL whisky. I don't usually touch the stuff, but this day it tastes like heaven! I tell these students that, in the London School of Economics & Political Science, the students' union runs its own pub – The Three Tuns. And they have undergraduate students too. Here, there are only post-grads – and no bar in the Executive Guest

House! They tell me that, according to the rules, they are not allowed to drink on campus – but this rule is openly flouted and no one cares. This is not the way to bring about a ‘rule of law society’. Law must be respected and obeyed. And bad laws deserve public contempt. They deserve to be openly flouted. I recall that a similar law was in operation at the National Police Academy when I was there, as a trainee in 1984 – and every senior officer knew that this law was openly flouted. I had openly voiced the opinion even then that the mess had a bar – and it should be made operational so that officers can drink like gentlemen.

I ask the students to tell me which part of their course they really enjoy learning. One says that he really enjoyed working on a marketing project selling beer in Lucknow.

After the LSS is over, Parth, Mana, Mojo and I get on board a taxi and head for town. We want to try the culinary delights of Lucknow and have been advised to go to a particularly fine restaurant in the main market. But when we arrive there we are told that they do not have a license to sell beer. So we try a fancy hotel nearby which boasts a good

restaurant. But even here – and this must be a pretty expensive place – the restaurant does not have the license to sell beer. So finally we make it to a 5-star hotel rooftop restaurant, have a simply incredible meal washed down by some incredibly expensive beer. For the record, Mojo does not drink. My students don't have to be like me.

But funny town, this Lucknow, with its IIM where there are no bars and all drinking is in closed rooms. And no beer in the city at all. What is the purpose of this licensing? When will Indians fight to be free? And again the Amartya Sen question: Management students in elite institutions are learning how to market beer, but there is no market because of licensing!

986 words

15. DECCAN

BANGALORE – MANGALORE – PUNE

I'm headin' a travelin' band.
CREEDENCE CLEARWATER REVIVAL

Our seminar season begins with a bang soon after we return from Lucknow. This time, we – Parth, Mana and I – are flying in to Bangalore. We arrive there on the early morning flight. The air is crisp and clean, and the weather cool: a refreshing change from the sultry heat of Delhi.

We have hired the same seminar venue I spoke of earlier: the SEARCH Centre in Koppa village, outside the city. It is exactly two years since our last seminar there – but nothing had changed in Koppa. The road from town looks more crowded and overbuilt and the narrow path leading off it to the village is even more broken down than before. To the left are the handful of half-built bungalows I had seen on my last visit. But they are in the same condition as I had last seen them, so, quite obviously, the poor roads have prevented Koppa's development, the decongestion of Bangalore and the lowering of urban real estate prices. And it is good that I have given up writing columns and taken to public lecturing: my

column “The Destruction of Bangalore” (reprinted in *Antidote2: For Liberal Governance*¹¹) has been ignored by the powers-that-be.

The seminar is to start the next day, and Parth and Mana are busy readying all arrangements. There were 45 students expected from all over South India – and the trickle begins soon after we arrive. I take the opportunity to phone my uncle who has just migrated from Calcutta to Bangalore – and he promises to drop in that afternoon, although I am very far away. But then, he has just bought a second-hand Maruti! He recently retired after a long career in government service, during which the only mode of transportation he had owned was a Jawa motorcycle, on which he took his wife and two sons around the busy streets of Calcutta. Now his sons are big boys, both studying in Bangalore. They have motorcycles of their own. And Papa finally has a car. But motorcycles are not safe in Bangalore. During the last year, both boys were involved in traffic accidents: the older one broke his leg, the younger one his arm. Bangalore is a two-wheeler city despite the fact that it rains a lot. The city’s youth need second-hand car imports to be safe. But does anyone care? 2000 people died on the streets of Delhi last year – mostly pedestrians,

¹¹ Macmillan Inida, 2003

cyclists and motorcyclists. The figure in Bangalore that year, I was told, was 1400!

After a light, tasty South Indian lunch – and the kitchen in the venue is excellent and clean – I decide to take a little nap. I awake with the ringing of a bell signalling that tea has been served. I walk out to the mess building and am sipping a hot cup of tea when I see my uncle, aunt and younger cousin strolling in. We have a noisy get-together. And then my aunt takes out a surprise: a couple of large packets of local *ganja*! I love my aunt.

Upstairs from the mess hall is the seminar room and I show my relatives around it. Then we retire back to my room to talk. The room has two single beds and there is enough space for all of us to relax comfortably. I make some joints and smoke them with my cousin – but uncle complains. He hates marijuana and likes his evening drink. So I take his car keys and my cousin and I drive off to look for supplies. We have to drive down the broken path to the main road, turn right and, after driving about 3 km, we come upon a little booze shop. We buy a bottle of Old Monk rum and, as we step out, an alcoholic beggar comes to me and asks for a peg. I buy him a quarter bottle. Poor chap! And there lies a great truth: you'll never find a single person who has

ruined his life with marijuana, but you will see millions who have destroyed themselves over alcohol. But it is marijuana that is illegal!

My cousin's arm has not recovered fully from the accident, and the bottle of Old Monk slips from his fingers. As the bottle crashes onto the ground he gives out a pained yell and tries to clutch at it – but in the process he only ends up with a nasty gash on his finger. He is bleeding profusely, in need of a stitch or two, and the only place I know where to go is Jigni. So we rush there – a dismal, black hole of a town – and sure enough find a chemist's shop with a little 'hospital' atop. There is a woman doctor there and she attends to my cousin with thorough professionalism. She reveals that the most common diseases in Jigni are water-borne infections. She studied medicine in a local college and was happy with her profession. On one side of the upper floor where she practices is a hall with about ten clean beds in it. There are a couple of sick people lying there. She charges just 50 rupees per bed.

We leave the 'hospital' and realise that we still need rum. This we pick up in Jigni itself, from a rather ugly and shady looking shop. Looks like the draft beer Bangalore's Brigade Road is so famous for is

not available in this nearby town. The locals are all sitting around swigging strong stuff.

When we return we find my uncle and aunt looking worried at our long absence. I think they are pained that their young son has had another mishap. Somehow, after that accident, things have not been the same for the lad.

For the next four days it is LSS all day. We really work our students – from 9 am to 10:30 pm every day. We have lectures, documentaries, panel discussion and working groups. This time we have Swaminathan Aiyar coming in to deliver a guest lecture on what he calls ‘Glocalisation: Globalisation with Localisation’. We also have a senior Karnataka cadre IAS officer, K Jairaj, speaking. And there is my talk on New Public Management. With these inputs, the working group presentations by the students on “Managing a Metro” are highly charged up. The students seem to be very excited about their ideas.

Sunday is the last day of the seminar, I awake early and, leaving my bedroom window open – it is on the first floor and there is an iron grill on it – head for the morning cuppa and a gander at the day’s papers. One thing about this place is that there are hordes of little monkeys around. They hang around the mess hall

attempting to sneak in – but the staff are only too watchful, and shoo them out promptly. After a few cuppas I return to my room. As I open the door I see a monkey reaching in through the grill. In its hand it has my card-holder, which contains my credit card, my ATM card and my Petrocard. Before I can even take a step forward the monkey has disappeared upwards, in the direction of the roof. I rush to the stairs – only to find a grill door barring entry to the roof.

I then go into the garden to search the area under my window. There, I find my cigars all broken up, my rolling tobacco, all unrolled, my cigarette papers, all torn up – but no card holder. I go and inform the management, seek their help and return to my room to get ready for the seminar.

When I am enjoying my South Indian breakfast, the manager comes up to me and hands me a ripped up card-holder. The good thing is that the important cards are all there – intact. The lesson: monkeys steal; humans don't. In Koppa, they have a temple dedicated to the monkey!

I am in the seminar hall, Swaminathan Aiyar is holding forth, and I have an eye open looking for my son, Gaurav, who lives with his mother in Bangalore.

He is supposed to land up, and sure enough I see him traipsing in. I exit the lecture and go downstairs to receive him and his Mamma – and we go to my room where Gaurav takes out his guitar and plays a lot of new music he has learnt.

We then go for lunch. This morning, the lady in-charge of the kitchen has asked me to choose between chicken biryani and mutton biryani for lunch and I have opted for mutton. This is now served up with the excellent South Indian *raita* with onions and green chillies, which I love. Gaurav has 2 helpings but his father has 3!

Soon, the students, with Swaminathan Aiyar, come down to eat. I introduce Gaurav to Swami and tell him that the lad plays very good guitar. Swami gives an approving nod and says that this is also ‘knowledge’, and if he perfects his art, he does not need much more to study. I totally agree. You need **ONE SKILL** to succeed in the market economy. The schools churn out ‘generalists’. They can only join the ranks of the unemployable who will seek government jobs.

And so ends the Bangalore seminar. Now we have to hit Mangalore, 400 km to the east. Our seminar begins there at 9 am the next morning, and the three

of us are to take an overnight ‘sleeper’ bus. It is all quite OK for Parth has Mana to share his berth with, but I have this strange man! Anyway, he turns out to be a fairly decent guy. I ask him whether he would like to smoke some *ganja* and he says he would enjoy a joint. We sit on the berth and roll two of them, and when the bus stops at Hassan we get off and have a decent smoke – after which we sleep like logs. Only that, at some time in the night, it gets unbearably cold for me. I notice my fellow traveller is snug in a warm blanket and ask him to share it with me. He readily agrees, and the rest of the journey continues comfortably.

We arrive in Mangalore a little before dawn. The first impression is that the roads of the city are all broken down. We are dropped off on a narrow street where every shop seems to belong to some private bus service or the other. I notice some offering rides in Volvo buses. South India seems to be doing much better than North India, where I am yet to see Volvo buses, although Volvo has been manufacturing in India for quite a few years now.

Within minutes our students, Shushant and Arun, arrive in the latter’s Maruti van and we are taken to a hotel that their college has organised for us. Shushant and Arun both had attended the Chennai LSS the

previous year and then done their internship with us this summer. Like Mojo, they have spread the new ideas they had received in their college, and hence we are there for a one day seminar entitled “Economics in One Lesson”.

The hotel is quite a grand affair, owned apparently by a Bombay film star. My room is well appointed, air-conditioned, with a huge television and a very spacious bathroom. I wash and change and am downstairs in the lobby by 8 am to look for breakfast. We must be out by 8:30.

Reception directs me to the hotel restaurant. I have a plate of steaming hot iddlis followed by a tomato utthapam washed down with freshly brewed coffee and the entire bill comes to 21 rupees! I decide I love this town.

Over 200 students of both law as well as management, with their faculty, attend the seminar. It is a great success. The college serves up a grand vegetarian lunch and I am surprised to find Mangalore cuisine unlike anything I have eaten before. It is simply superb. Teatime is a little strange because they don't drink tea; they drink a malt drink, which I cannot stomach. Someone gets a coffee for

me. I also find that if you ask for a glass of water you get warm water! Mangalore has a culture all its own!

In the evening Parth, Mana and some of our students get together and drive to a beach resort. It is always wonderful to be on a beach. We spend a few hours there and then are taken to a restaurant famous for its fish. As a Bengali I consider myself a connoisseur of fish – but hat's off to the Mangaloreans. Shushant knows his food and he places the orders. We have over 10 courses of fish, all different varieties. Each is excellent. And the entire bill is 900 rupees! I make a mental note to check out real estate values here. I hate Delhi, and it is too expensive. Maybe I can settle down in a place like Mangalore and survive easily on whatever my columns earn.

The next morning we have to get on board the 9 am train to Pune. I walk into reception with my luggage at 0730, but the restaurant has not yet opened. I am advised to walk to a nearby joint, which I find easily. It is on a broad street lined with old, colonial style buildings. On one side are a group of girls in uniforms waiting for their school bus. I find the restaurant. It is a large, clean establishment. I have a plate of iddlis and order 2 upmas to be packed for Parth and Mana – and the entire bill is 15 rupees!

The drive to the station is shocking – for want of a better word. There is no road to the railway station in this town! We park in a mess of a yard. The train is standing there. And soon we are off.

The journey to Pune is enchanting. The terrain is hilly and there are vast stretches through lush green forests. One of the first stations the train stops is Udipi. The station is just an open platform in lush greenery. There seems to be no town nearby where these great Udipi cooks hail from. A young girl boards our compartment. She is from Kanpur and both she and her sister are studying in Manipal – a town famous for private, for-profit higher education. Udipi is the closest station for Manipal.

The journey continues through lush green hills and forests. At many places there are thundering waterfalls. I spend most of the day by the open doorway. I like slow trains too. I smoke joints one after the other and make friends with an army type, whose health collapsed after a stint at Siachen and so had been retired to a desk job in Pune. He speaks of how he had bought a small piece of land outside the city and settled down, the hassles he had getting the paperwork done, and so on. I give him a copy of *Free Your Mind*.

We are joined by a Gujarati businessman, a timber trader from Kerala, a young man, very jumpy and excitable. He goes on and on about how honest a businessman he is. Then the train stops at a station and we all disembark to stroll about on the platform. It is an open platform – just the sky overhead, and wild breezes are blowing. I stand apart from my companions and light a cigarette. Just then a burly unfriendly cop comes to me and orders me to put it out. I fire the cop upside down, telling him to look for thieves and murderers and not interfere with people like me. I notice that the Gujarati businessman tosses his cigarette aside and darts aboard the train. The cop looks me up and down and gives in without a fight.

Funny thing happens later. The train stops at some station. It is after dinner and the three of us have stepped out. The Gujarati businessman lights a cigarette and then looks conspiratorially at me, and whispers: “If any cop comes, you take him on.” I tell him: “I fought for my freedom. Now you fight for yours.” I think he gets the message, and in future will add some spunk to his self-proclaimed honesty.

When we arrive in Pune, dawn is yet to break. We take a taxi to our seminar venue in Kothrud, on the outskirts of town. It is a sprawling place – approached through a narrow, pot-holed twisted track

from the main road! The first day is free, and we decide to pay a visit to Sharad Joshi, founder of the Shetkari Sanghatana, a free market farmers' organisation. He lives in Ambethan, 40 km from Pune – but the drive takes 2 hours!

The road is the highway to Nashik – and it takes over an hour to go through the town itself. At various points en route, as anywhere in North India, entire towns have erupted on the highway, which also serves the purpose of Main Street. There is flourishing commerce on both sides of the road. Progress is excruciatingly slow. Will the Golden Quadrilateral yield a decent Pune-Nashik highway? No chance.

At Chakan, which is another horrible urban disaster right on the highway, we take a turn to Ambethan and get on a lower grade road – which is almost non-existent. At Ambethan, 10 km up the non-existent road, we take a kuttcha road to Sharad Joshi's house. When we arrive there and look around, we see wide-open expanse. For miles and miles around there are open green fields – just grass, not even farms. There is one solitary cottage nearby, but apart from that there is no sign of human habitation. Proof that this is a large country. With roads, Pune would decongest, Sharad Joshi would have neighbours, and Ambethan

would 'develop'. What do we need? Roads or education? And do we need the Golden Quadrilateral? Or do we need roads treating every city and town as a 'hub' and developing 'spokes' from it?

The next four days are busy from morn till late night. Sharad Joshi delivers a guest lecture on liberal politics. Naushad Forbes of the Pune engineering firm Forbes Campbell delivers a talk on how he sees globalisation as a good thing in which only the best will survive. I really enjoy the talk. This is the kind of businessmen we need. The students love Naushad and he is mobbed after the lecture.

After the LSS, we have a one-day Law & Economics seminar scheduled at the Pune ILS Law College. This is also because of the Mojo effect: two students at our Bombay LSS last year, Praveen and Avantika, had prevailed upon their authorities to invite us there. It is a great success. The Head of Department, a sprightly old lady, attends throughout. At the conclusion, she presents us all platinum medallions with the college crest: a wonderful gesture. The college had just celebrated its platinum jubilee.

However, the Pune adventure does not end with that, for another Mojo effect transpires. A Calcutta LSS

graduate, Kaushik Das, who was studying at Symbiosis HRD College, heard we were in town, and got his authorities to invite us in. We spend an extra day at Symbiosis thereby missing our train, but Symbiosis flies us back to Delhi – after ensuring that we will feature on the compulsory intellectual menu put before every batch.

And so, ends a great tour.

3247 words

16. EUROPE

LONDON – FRANKFURT – AMSTERDAM – TRIER – STUTTGART

Test the West
Ad for West cigarettes

The West is the Best!
Jim Morrison

There's a feeling I get,
When I look to the West,
And my spirit is crying for leaving.

Led Zeppelin

LONDON

I had warned Andy in July that I might return in October if I got the Frederic Bastiat Award for Journalism Promoting Liberty. Poor chap: he did not take the threat seriously. In August I found that I am one of the short-listed six. In September I found that I am a joint winner (why does the word 'joint' always follow me around?). They send me \$1400 towards airfare and sundry expenses. This time the visas are hell. The British High Commission insists on a

personal interview. The Germans want Andy to fax them an official sponsorship!

I fly British Airways into Heathrow. It is early morning. Mile long queue at immigration. Get talking with some Americans who had spent a month in Goa (for the same money as 3 days in Paris!). They too find immigration formalities a great obstacle. Finally land up before a smiling official with a smart beard. He wants to know why I am in London. I tell him that I am there to receive an award. He asks: “For what?” I reply: “For promoting liberty – which means no visas and passports.” He looks pleased and says: “Oh! Free movement of people? I totally agree!” Then why do this dumb job, pal, I think. Or are you like a Nazi soldier – just obeying orders?

At the luggage point I am surprised to meet my old friend Rakesh Wadhwa. We decide to cab it into town – and what a slow affair it is even at this time of the morning. It takes over an hour to get to my hotel in Trafalgar Square and it costs over 50 pounds!

The Thistle in Trafalgar is on a road that is under repair. In fact, there is a lot of road reconstruction going on all over Trafalgar. Taxi drivers are fuming. It is a bright sunny morning and I step out in my

shorts to find an Internet café where I can check my mail. I have never accessed the Net at such high speed. But the cost is also very high: A two-page printout cost me one and a half pounds!

But then, London is fabulously expensive. A packet of cigarettes costs £4.50. In Germany it is 3 euros: half the price. I get my blazer, shirt and trousers ironed – for £20! It cost less in India to tailor them!

After a light lunch with Rakesh – some beer, a lovely potato and cheese soup, traditional fish and chips with mushy peas and garlic spinach, I return to my hotel to take a short nap. In the evening I get ready for the grand event. I light a thin, long cigar – a Clint Eastwood type – and step out of the hotel. I walk around Nelson's column and onto Northumberland Avenue. There, right opposite Great Scotland Yard, I find the Royal Commonwealth Club.

Gradually, the room gets filled. Wine flows, and excellent canapés are passed around. At precisely 8 pm, we are asked to sit down at our marked places. I am in Table # 1, next to the Nobel laureate James Buchanan. He leans across, shakes my hand and says: "Hi! I'm Jim Buchanan. I really liked your articles." I can feel my head swelling. Seated behind me is Margaret Thatcher. She gives the prizes away. I make

a short speech, which is very well received.¹² I can see Lady Thatcher listening to every word with rapt attention. Later, she tells me: “You boys must organize yourselves into a political party and campaign.” I say: “Even if we invited *you* to lead our party, it would be illegal.” She says: “This is *tyranny!*” with great emphasis on the last word.

Then, when I present her with a copy of my tribute to Lord Peter Bauer (whom she greatly admired), Lady Thatcher says ‘maybe we libertarians are not preaching our gospel as the Left is doing’. I reply: “In India the Left is preaching no gospel at all. The country has gone into the hands of Fascists.” She looks shocked and surprised and says, “Fascists? In India? How *terrible!*” Maybe she doesn’t pay attention to news on India. Our country is not on her map. She has never heard of the Hindutva agenda of the BJP.

It is undoubtedly the greatest day in my entire life. As it draws to a close Parth, Mana, Rakesh and I troop into the Sherlock Holmes pub next door for a drink. But they are closed! I complain loudly about the stupid rules, and while we are exiting, a young lad busy with a broom outside the pub comes across to me and says: “Sir. I agree with you. You must say

¹² For text of the speech visit www.ccsindia.org.

what you said to our manager.” Obviously, even he would be better off if pubs stayed open longer.

We return to the Commonwealth Club and hit the bar upstairs. It boasts a fine cellar of whisky and Rakesh is happy to pay and watch us drink – because he gets a headache with alcohol, poor chap. But he smokes a great many of my cigars. We finally part ways at Nelson’s column. The three of them speed off in a taxi. I walk back to my hotel. The pub attached to the hotel is open and I troop in. I am sitting back enjoying an Irish stout called Murphy’s when I spot what looks like a guy rolling a joint. He is outside in an alleyway, and his back is towards me, but from the movement of his hands it seems obvious to me that indeed he is rolling a spliff. I dart out of the pub and tap him on the shoulder. I ask for a toke, but he offers to sell some. So I buy a handful for £10. My day is made. Bholay Shankar in London!

The next morning I have kippers for breakfast (superb!) and rush to a one-day seminar organised by the International Policy Network on “How to run a think-tank”. It is a short taxi ride away, and I find the building empty. I decide to venture out to look for a coffee. I walk a few blocks and come to a market that is just beginning to stir itself open. I notice that the only shops open are run by Indians – showing that

immigrants work the hardest. In the café, the girl greets me with a “Namaste”. She is Mexican, a student in London, planning to return home after her studies. I say “Adios amigo” while paying and she says “Dhanyavaad”. I love internationalism.

As I walk back to the seminar venue, I notice that all the solid, old, London dwellings lining both sides of the road have hundreds of chimneys atop – but there is no smoke as the people have switched from coal to cleaner and cheaper fuels. I remember a point Julian Simon once made: That in the early 20th Century, Kew Gardens, which lies a good distance from the city, received many more hours of sunshine than London; they receive the same amount of sunshine today. I think that, when these houses were built, this street must have been full of horse-dung. It is clean today. Things are getting better all the time – and the ‘gloom and doom’ prophecies of the environmentalists should be ditched in favour of optimism.

After the seminar I take a walk to the Institute of Economic Affairs close by to view an exhibition of Friedrich Hayek memorabilia. He was instrumental in setting up the IEA. I see many pipes and snuff boxes. There is a lot of interesting stuff on sale but all far too expensive. I buy an Adam Smith pin, a George

Stigler (Nobel prize 1982) T-shirt which says: “Every industry or occupation that has enough political power to utilize the state will seek to control entry” and a copy of Lord Bauer’s last book *From Subsistence to Exchange* (with a foreword by Amartya Sen) – and like a good Indian I bargain for and obtain a fat discount.

I return to my hotel after saying my goodbyes and spend a quiet evening. The next morning I take the tube to Heathrow. On the way to the Leicester Square station, I look for cigarettes and the only shop open is run by an industrious Bangladeshi. We exchange pleasantries in Bengali and it feels good. I would not achieve the same degree of affinity with a Gujarati or Punjabi Hindu that I manage so easily with a Bengali Muslim!

Nothing’s changed with London Underground since I was a student in 1989. Except the fares! Then, in 1989, the Tube was the greatest thing I had ever seen. Now, after seeing underground services in many other cities, I find London’s badly in need of renovation.

FRANKFURT

The British Airways flight to Frankfurt, the second busiest airport in Europe, is punctual. On the flight I

make friends with a German from Siemens Corp. who is flying with his Singaporean wife and their lovely little baby girl. He lives in Karlsruhe, and when I tell him I will be staying in the Rodgau area he tells me to look out for a great local rock band: *The Rodgau Monotones*. I ask around about the band but they are not performing now. And everybody is pleased to know that I know about their local heroes. That's the best thing about the Frankfurt area: there are so many satellite towns that Frankfurt city is actually one of the smallest cities in Germany!

And the difference between England and Germany shows up from the airport itself. Heathrow is overcrowded and old. Frankfurt is sparkling and vast. Heathrow treats smokers badly: in Frankfurt, as soon as you walk in, there are open designated spaces for smoking. Then there is immigration: in Heathrow there are huge queues. Here, it takes seconds. And, of course, there is the autobahn: it is a slow ride from Heathrow into town. Here, you just take off. My friend Klaus had kindly volunteered to receive me at the airport. He brought along his wife Timmy, an accomplished horsewoman, and their little son. We head straight for Andy's tennis club, but it has rained, the courts are flooded, and Andy is nowhere to be seen. Klaus and I smoke a joint to celebrate meeting again on a flooded tennis court. Then we head home

to Jugesheim and sure enough the lion is in his lair. The party begins straightaway.

And so I spend a few relaxed days in Jugesheim. One interesting piece of news is regarding Barney. He had been diagnosed, in a routine health check, as suffering from a blocked heart artery and advised angioplasty. When he was wheeled in for the operation the doctors screened his heart and found, to their utter shock and disbelief, that his heart had responded on its own to the challenge and new arteries had formed around the blockage! The first question the doctor asked him was whether he was a wine drinker – to which Barney confessed, a trifle apologetically, that he had been indulging in a few glasses of red wine every evening for over 40 years. The doctors congratulated him, saying that is what had saved him. He was wheeled out of surgery and sent home.

One day, Andy decided that I *must* visit Amsterdam. Arpitha buys us tickets on the late night train: they are cheap. Taking the car is not a good idea as every time they have done so in the past, junkies have stolen the stereo. I am told that they don't use sophisticated car-thief techniques: they just smash the window! When it is time to depart from Hanau station (another satellite town!) Arpitha hugs me

and says: “Look after your nuts! Amsterdam is a place where fools do not survive.” I like places like that. Wish the whole world was built in such an image.

AMSTERDAM

From Hanau we take a slow train. Andy carries some bottles of beer, a bottle of excellent Chilean red wine and some buns with ham and cheese in them. We go through these slowly, as we have to stay awake to change trains at Duisburg at 2 am. The smoking compartment we are in is empty so we even manage to blow some spliffs.

Duisburg is a bore. Everything is closed except a Turkish doner kebab joint – again an example of immigrants working harder – and we share a huge kebab. In Germany, I notice that railway stations have no overbridges. Instead, there are underground passages that take you to your platform. All along these passages there are innumerable large shops. With all the action underground there is another advantage – it isn’t cold.

We hang around in Duisburg till early morning. One funny thing is that the paid toilet in the station opens only at 6 am. Wonder where some desperate paying passenger goes to in the middle of the night?

It is dawn as we chug out of Duisburg and head into Holland. The landscape is flat: small, fenced farms with lots of cows. Very unlike the rolling countryside of Germany with its small towns dotting a land of hills and woods. But then, this is the Netherlands or 'lowerlands'.

One interesting thing is that, at the border, no one comes to check our passports, and I guess no one would believe we are carrying smoke *into* Holland!

When we step out of Amsterdam Central the city is just beginning to stir awake. The sky is clear and the light is crisp. We are lucky with the weather as it stays clear all through our visit. But there is a biting cold wind, and I am glad I possess a good jacket.

We walk straight ahead onto a broad street. On one side are shops, shops and more shops – and bars, restaurants and even one casino. On the other side is a large, imposing government building flying the Dutch flag at half mast: a member of the royal family has just passed away.

Then, we see a sign advertising hotel rooms. The small shop has just opened, and we walk in. I just

about approach the small desk at the back of the shop when the man behind it gets up and bursts into song:

*Tere man ki Ganga
Aur mere man ki Jamuna ka
Bol Radha bol
Sangam hoga ki nahin?*

Of course I join in the sing song while Andy looks around mystified. Turns out that this dude's father used to take him to see Raj Kapoor movies when he was a boy! What an international city!

We get our room in a hotel nearby after the dude makes a phone call. We pay the cashier 60 euros, take our receipt and head for our hotel. The dude shakes hands warmly, wishes us a happy stay in Amsterdam, advises us to beware of pickpockets and makes sure we don't miss the red light district! I ask: "At what time do the hash cafés open?" He says they open at 9 am and then, looking at Andy, he asks: "Is your friend Chinese?" I reply: "Yes. Together we represent three-fourths of the Third World." Andy looks relieved as he does not want it known that he is German, for the Dutch are not very fond of Germans. He is lucky that the genes of the little Tahitian

woman his great grandfather married have come down to him.

It is not yet checkout time in our hotel, which is a few buildings down the road, just after the Sex Museum. So we are told to return after a couple of hours. I step into an alleyway and roll a small joint and smoke it. Then we stroll around the back street – which is also a market but yet to open – until we find a small café that is open to business. We step in and have a hearty breakfast. I have chicken liver on Dutch bread and I must confess that the portion was too generous for me.

Our room at the hotel is *tiny*. Even the door won't open fully: it hits the bed at 30 degrees and we have to squeeze in. Won't recommend in to anyone with a large butt. We quickly go through the shave-shower routine and step out into the crisp Amsterdam sunshine with its biting wind. The shops are all open now and I find the T-shirts at the souvenir shops fascinating.

One said: Amsterdam – Marijuana capital of the free world. I like that. An interesting postcard I see shows an erect penis with the painted lips of a woman next to it, and said: Greetings from the Red Light District of Amsterdam! I like this city where Shiva would

have loved to live, what with good smoke and *lingam* worship. However, as soon as I step out of the souvenir shop I find an Indian restaurant called "Gandhi's" with a bust of our good, old Mahatma. Dunno what this dude is doing in Amsterdam! Must be run by the Indian Secret Service!

I go looking for a hash café – and don't have to look too far, for it is just there in the alleyway. I step in and find the morning smokers already there. There is a Jamaican girl in attendance and I ask her for a readymade joint of skunk and a cup of coffee. Skunk is genetically modified to get the highest THC content. I had smoked it once many years ago with Andy in Frankfurt, and I longed to try it again. The menu, of course, offered wide choice – from Moroccan to Afghani. Manali was the most expensive!

The joint is truly Emperor size. The coffee finished while I am barely halfway through the joint, I ask if it is OK to carry the smoke out, and am told it is OK, just don't step into any shop or disturb anyone. It is good to know the etiquette in a new town.

And so we spend the entire day walking around sunny and windy Amsterdam. The first big square near the hotel is the Dam, on one side of which

stands the majestic mayoral building. There, in the square, which must have been the main market in the old days, there are various people painted up in metallic paint who stand absolutely still like statues. They make the Dam look quite enchanted.

We walk on, past the Dam, past the canals, past the boats, through all the streets lined with shops, and through all the flea markets looking for bargains. One would think that T-shirts in the flea market would have been much cheaper than at the souvenir shop outside my hotel – but they are not! I find out the reason at the hawker's place where we lunch on sausages, bread and fries. These hawking spots come with a huge waiting list. And tenure is neither permanent nor can it be inherited. Amsterdam's hawkers must be very insecure, like our very own, but the fact that these flea markets attract more shoppers than regular markets means that profits are good. I finally find bargain price T-shirts not in the flea market but in a regular shop that is tucked away in a side street and so needs low prices to attract custom. The hawkers can afford to charge more for the same stuff. The T-shirt I buy? Well, on top is inscribed "Holy Shit", below which is a picture of a very stoned looking long haired bearded guy with smoke coming out of his nostrils. Below that is written: JESUS WAS A HIPPIE – AMSTERDAM.

I also buy another T-shirt for my son, which says "Hard times don't last: Strong people do". Since he is being taught the Theory of the Vicious Circle of Poverty in school, he needs this message.

We must have walked over 20 km around Amsterdam that day. One good thing is that nothing is far. If you want a beer, a bar is always near at hand. If you want a smoke, there is always a café around the corner. And street food is great all around. The only bad things are the cyclists. Many say Amsterdam is the cycle capital of the world, and that the thing to do there is cycle. Well, neither Andy nor I like to cycle – unless it is downhill all along! We prefer to walk but have to watch out for the cyclists because they come careering around corners and one has to be careful. I saw one crash into an old lady, whose shopping was spilt all over the street. One good joke about cycles I heard: When the Germans occupied Holland, they commandeered all modes of transportation and thus seized all the cycles. So now, when a Dutchman gets a German visitor, he says: “Don’t forget to bring back my grandfather’s bicycle!” Lucky for Andy – passing off as a Chinaman.

Late in the afternoon we return to our hotel to take a short nap. I awake first, go down for a cuppa, and step out onto the street to look for cigarettes. Pass by the Sex Museum and decide to give it a look – but am not too impressed. I am sure we could easily put up a better show in India with all the erotica we have. This is largely dirty pictures followed by extremely dirty pictures. Funny thing is that the museum is full. People are all gazing at the impossible things shown in the pictures and freaking out! Ooooh! Look at that!! Ha! Ha! Or expressions to that effect in various languages, including, of course, Japanese.

When Andy comes down, we have dinner first in the hotel restaurant. I have a Weiner schnitzel which is excellent. We then step out to enjoy the nightlife, and do just what we have done all day long: walk around. The streets and shops are all lit up. People, people and more people milling around – and no ‘population problem’. We do what we have done all day long: step in and out of bars and cafés. At one bar, we sit out at a table on the sidewalk, when I notice that the date on the lovely house opposite says 1542! This narrow street, with cars parked on both sides, must have been stinking of horse-shit in those days, I think. Then, a very sophisticated beggar comes up to me and asks me, ever so politely, whether I would part with my change. I do not encourage him.

At one of the cafés I get talking with the guy in charge and he tells me a horrible tale of how the ‘marijuana capital of the free world’ is really not free. Seems they cannot stock more than 500 gms at a time. “So, do you fly every day to Kabul?” I ask. What a load of stupid rules. Does anyone care if I buy a million cases of beer? Why restrict cannabis stock to 500 gms? Such senseless rules are bound to create an inspector-*raj* and consequent corruption. Maybe that is intended in the first place: Everything changes, but everything remains the same! Let us build a real marijuana capital of the free world in India.

Somehow, in all this, we miss seeing the red light district. It is about 10 pm when we find ourselves back on our home street. But it is too early to go to bed. We find a ‘late night bar’ near the hotel and decide to check it out. The idea is that, when we leave the bar sloshed, home will not be too far away. So we get onto the bar-stools and order beer.

Did I say we missed out the red light district? Well, it seems the red light district followed us here, for suddenly there appears by my side the lovely Samara: half-Egyptian, half-Dutch, with looks like Shakira. She has this burly black guy with her, but she ignores

him almost all the time and, perching herself on the stool next to me, begins chatting me up animatedly. I take some swipes at the socialists who ruined Egypt – but she did not seem to want to discuss such lofty affairs. I turn away and ask the barman if I can smoke a joint there and he says it is OK. So I make a joint and Andy and I smoke it while sipping beer.

Samara gets into the act once again, offering me chips from a bag. I decline – no junk food I say – and she seems upset. She has taken off her long coat by now, and she is perhaps hoping I'd get excited looking at her lovely body in the tight short dress she is wearing. Well, the body is great, but I am not born a sucker. She then ventures to ask for one of my cigars and she smokes it expressing great enjoyment. Andy and I kept minding our own business, drinking and smoking spliffs, joking occasionally with the smart barman. It is then that Samara decides to do a Lewinsky – she takes one of my cigars, puts it in her mouth and makes some lewd gestures indicating blow-job time. When I still do not respond she decides to give up on me. But she isn't upset or anything. Both she and the tough dude with her apologize to me for having taken my time. They wish me a happy evening and a pleasant night. The dude shakes my hand and Samara gives me a peck on the

cheek. I think, as I light up: Well, a woman is a woman; but a good spliff is a *smoke*!

That's the good thing about the market: no one uses force. PJ O'Rourke has written a book on the US Congress called *Parliament of Whores*. This is an insult to whores who, like Samara, do not use force. Governments fuck you by force, whether you want it or not, whether you like it or not. PJ should re-title his book *Parliament of Rapists*.

Well, we must have spent more than four hours in the bar, running up a 100 euro bill. We have many beers and many Jenevers (Dutch schnapps) to go with them. Whenever smoke runs out I dash across to the café opposite and get replenishments. We find more woman friends after Samara leaves, one a rather sweet pathologist. The rest I don't remember. As an Amsterdam T-shirt says: Amsterwhere? Amsterwhat? Amsterwho?

The next morning, we have to check out. By the time we are able to do so the hotel breakfast buffet has closed – we are naturally too late – and so we make it to the same café where we had breakfasted the day before. The lady is happy to see us again. I avoid the chicken liver this time and settle for roast beef sandwiches which, with the excellent coffee, are

absolutely perfect. Then the same routine. Pick up a readymade joint and stroll down the sunlit, windy streets. But this time we do more than just get high: we see two great museums thoroughly.

The first museum we stroll into is the Rembrandt Museum. We obtain lockers to deposit our jackets and rucksacks and troop in. A sign on the wall said that Rembrandt had bought this house for 1300 guilders and had been allowed to pay in instalments. Wow! Housing finance in ancient capitalism. How did it work? I think. The answer was not hard to find. The same sign said that Rembrandt was a successful painter when he bought the house and was confident of being able to repay the loan – but he spent a lot of his money foolishly on classical antiques, and so defaulted on his payments. The city's Debt Commissioner was called in. He auctioned off all of Rembrandt's possessions, paid back the loan – and the painter moved to a smaller house. If the law on indebtedness did not exist, there would be no housing loans. So if we want the housing finance industry in India to take off, we need such law. It is basic enforcement of contract – a duty of the state, but which the socialist Indian state has abdicated.

The beds are most interesting. The one in which the maid slept was a wooden box with doors in front

which could be locked from within. Must have been necessary in the cold those days. Rembrandt's own bed is similar, but larger and a lot more ornate.

One painting which struck me shows a young lad seated on a chair talking to a group of people gathered around him. The sign on the wall said that once upon a time, a good king had found out that his chief judge was corrupt. He then ordered that the man be flayed alive and his skin placed on his chair, and his son be made to sit on that chair and deliver honest justice. I look carefully at the painting again after reading this, and indeed the young lad is sitting on a chair, which looks like it is covered with human skin. Sends a chill crawling down your spine when you think of judicial corruption here in India.

The room where Rembrandt painted is also interesting. It is a very big room, open on one side to the sun. A sign on the wall says that peat was constantly burning in the room to keep the painter's fingers supple in the cold weather. But have they conserved peat? Did they practice 'sustainable development' and conserve peat for future generations?

The next museum we see is the Amsterdam History Museum. In the first section they say how the city

was built on a peat bog. They dug out the peat and built canals. The dug up soil was placed on the peat and only then could houses be built. That is, the Dutch had a severe ‘population problem’. There were too many people in the Netherlands and not enough land to live on. They had to actually ‘make’ land. Julian Simon once quoted David Hume as having said that ‘multitudes of people, pressing needs, and freedom – this is what enabled the Dutch to prosper’. They were far richer than the Brits when David Hume wrote these words.

The museum then proceeds to show how a ‘mighty city’ was built, and how it was granted recognition by the Bishop of Utrecht and allowed to levy taxes – the first of which was on beer, then imported entirely from Hamburg. Poor beer drinkers – always are the first to bear the brunt of taxation.

The next section showed how the city then proceeded to conquer the seas, with a mighty seafaring fleet. I recently read that there were 1700 Dutch trading posts on the Indian coastline when the Brits first came to India. One interesting painting shows a whaling fleet: they must have used whale oil as fuel then. But they did not conserve whales for future generations. The scarcity of whales led to a rise in the price of whale oil which prompted the search for

alternatives. What saved the whales was Rockefeller and the Standard Oil Company – not Greenpeace!

On display are the shoes and the clothes the Dutch used: thin leather moccasins in the old days, then wooden ones later. Did they preserve these industries?

One painting I am sure I will always remember is of an alderman and his family. Two of the children are dressed in white – they had died young, poor things. Two other children hold cracked eggs in their hands, representing their lost siblings. They do not have good shoes, or jackets with zippers, or antibiotics, or central heating. They were dying like flies. Don't people realise things are getting better all the time? The world is becoming a better place every day. The past was terrible.

Another interesting display is a rack on which criminal's backs were broken. This rack was used on Jacko, a notorious burglar. He was caught by the city's own police, tried before the Mayor and sentenced to death for his crimes. His back was broken on the rack, then he was beheaded. I do believe not many burglars came to Amsterdam for years after that. They would go to Utrecht, to Rotterdam, to Hamburg and Cologne – but not

Amsterdam. How come the city is famous for car stereo thieves today?

After visiting these two museums, my belief in anarcho-capitalism was strengthened. One lasting impression is a huge painting of a ball thrown by the Mayor of Amsterdam for the Lord Mayor of London. It is as resplendent as any royal do. That is the future. No states. Just resplendent, grand mayors.

After this, we need lunch. Andy and I decide on steaks – and sure enough, as if by magic, a steakhouse is nearby. We have a great meal, after which we walk along the streets and canals until it is time to board the evening train back to Frankfurt. Our last stop is a small Irish pub where we drink some Guinness and chat up the bar girl – an exchange student from Ireland called Susan. She has a sign on the wall behind her – an Irish toast – which goes: A long life – and a merry one; a quick death – and an easy one; a pretty girl – and an honest one; and a cold beer – and another one! So Andy and I go for another one!

Reflecting on Amsterdam: it is like this – a free society is not a perfect society. “The river is muddy, but it is pure.” There are whores and pimps, addicts and gamblers, con men and pickpockets, gays and

lesbians. But it is free. And it is the only Utopia possible because everyone can make his or her own Utopia and live it. There is remarkable order – apart from the cyclists. The only cops I saw in two days, after walking over 40 kms, were a man and a woman calmly riding down the central road on two huge horses.

This time our train does not drop us off at Duisburg. It takes us straight to Frankfurt airport. We spend an hour in the airport pub till it is time to catch the train to Hanau, and hey ho: back home by dawn.

TRIER

After winning the Frederic Bastiat prize I was possessed with a burning desire to go to the house where Karl Marx was born in Trier and take a photograph outside it with my right hand stuck in the air with the middle finger extended. Bastiat and Marx were contemporaries. The world went Marx's way and Bastiat's name was all but forgotten. Today, 150 years later, it is Bastiat who is being remembered and Marxists are an endangered species. Everything is about the long run!

I get the chance to go to Trier when Arpitha's sister Srilatha, who lives in Stuttgart with her husband Jurgen, invite me over for a couple of days. Since

they are working – it is midweek – they want me to train in, in the evening, after work. I decide to take the train in the morning, and spend the day in Trier, so as to arrive in Stuttgart on time.

Arpitha drops me to Hanau again. I buy my entire ticket – Hanau-Mannheim-Trier-Mannheim-Stuttgart – at one shot. This time, the ICE to Mannheim is 15 minutes late, but I still manage to board the connecting train to Trier. It is a slow regional train, and the scenery is extremely beautiful – rolling hills with forests atop, the river Mosel, the picture postcard German towns that keep cropping up en route. From Trier station I take the Bus #3 and the driver tells me where to get off to see the famous man's house on, of course, Karl Marx Strasse. I arrive at the house and decide to photograph the scene, but unfortunately I do not possess a wide-angle lens: someone else should shoot the place, maybe for a TV documentary. The house itself is a solid old mansion, proving that the Marx's were rich people, not working class. It is tucked away a little behind the main square – which must have been an important market in the old days. Even today, it is a major commercial area. The corner building is the local office of Allianz: the big insurance company. Beyond Marx's house (#10) is a bistro called Maxim's, opposite which is a hotel. Just before

Marx's house, #9 has a Greek doner takeaway. Closer to the main square, the corner building is a major supermarket. I take various shots of the place. Finally, I get a passer-by to click me, standing outside #10 with my right hand raised, middle finger extended. That done, I rush back to the other side of the road where I can see a #3 bus approaching. I board it and head back to the station.

Just then, there is a massive clap of thunder followed by an immediate downpour. Perhaps the gods were moved by Bastiat's vengeance on Marx!

At the station there is no sign of socialism. The drink shop stocks liquors, beers and wines from all over the world. Opposite, the tobacconist has on display cigars from Guatemala, Brazil and Turkey. There are ads for local wine and beer – but they are not forced on anyone. There is free trade and choice. Trier has not gone the Marxist way. This is no East German town. It is a part of prosperous, capitalist West Germany. This is what has saved the town.

The train back to Mannheim is on time. But at the other end the ICE is again late by 20 minutes this time! I take the opportunity to grab a bite, and in the underground passageway I find an outlet of the fish fast food company Nordsee and have a Bismarck

sandwich (with pickled herrings): delicious. In the ICE I sit in the restaurant on board and enjoy a beer after a long day. The Mannheim-Stuttgart journey takes just half an hour. The speed, a little screen says, is close to 340 kmph! Make friends with a German engineer who is a jazz drummer in his spare time and a fan of Trilok Gurtu!

STUTTGART and ESSLINGEN

Srilatha is at the station to receive me, but our train is late so we miss the connecting underground train to Esslingen. We take a taxi instead. It is a Mercedes that speeds through the city and takes us to our destination in speed and comfort. We have a simple soup with traditional local dumplings – delicious. Then Jurgen arrives and, after watching the soccer news, we all crash out.

The next morning begins with a hearty German breakfast: bread, cheeses, meats and paté. Jurgen has to work, but Srli has taken leave and the two of us take the local train to see the Mercedes-Benz museum. The station is named after Daimler, and outside the station is a company bus that takes you to the museum.

The Mercedes-Benz Museum is a treat that I will heartily recommend to all – and especially those like

me who love cars. The first thing you see when you enter is a giant poster of the Statue of Liberty which says that it is this that inspired Daimler to get going on his first product – a wooden-wheeled motorcycle, in 1885. The motorcycle is on display as exhibit #1. The museum is organised so that visitors get themselves a little instrument that serves as a guide. You choose your language, punch in the exhibit number and place it to your ear where a friendly voice tells you all about that exhibit. There are more than 40 exhibits arranged over four floors and it takes a good two hours to see everything and hear all the explanations: but it is well worth it.

A few observations: notice how inequalities are good for society. Once, only the rich could buy Benz. Now, they are taxis. This is because the rich create the market for a product when it is new and expensive and untried: like the first car, the first computer or the first mobile phone. Then, over time, there is a market and mass production and everyone, including the poor, are better off. More people have cars today because there were rich people in the old days, who bought the first offerings.

Second: this museum proves that traders matter for manufacturers – because an interesting exhibit is the first Mercedes. It was a dealer – a trader – who

bought up the entire production of this car, paid in advance, and insisted it be called Mercedes after his daughter. Lovely car, the first Mercedes. There is a picture of this pretty girl next to it, and also one of this trader, who was a Count.

Third: with liberty and competition, it is amazing how much human energy is spent on making things better. The entire museum is a story of relentless improvement. Every passing year had brought forth a better Benz. The first pneumatic tyre, the first turning indicator, the first direct fuel injection – the list is endless. The room for improvement, I am sure this company believes, is the biggest room in the house.

After the Mercedes-Benz Museum Srili and I head to the other icon of Stuttgart engineering: the Porsche Museum. From the station itself, it is obvious that the entire area belongs to Porsche. The museum itself is a small affair. There is a wonderful portrait of Professor Ferdinand Porsche with a story of his life. There is another of his son Freddie Porsche. There are some great cars on display. I like the photo on the wall of James Dean waving from his car.

After that Srili takes me on a tour of the main city centre of Stuttgart. A grand affair, with spacious squares and imposing buildings. There is a huge

serpentine lake with a vast garden going through the city centre and we stroll through it, looking at people feeding ducks. We lunch at a famous café, which is done up in Germany's ornate best: a little more and it would have been overkill. I have a lovely tomato and anchovy on bread. I love the fish in Europe.

Later, we go back to Esslingen where Srili lives. It is much older than Stuttgart so the people here call Stuttgart a satellite town of Esslingen! This old town is a beauty. We walk along markets lined by old buildings in immaculate shape: protected, no doubt, by property rights. We stand outside the Mayor's office building, an ornate, grand affair, and watch as the clock strikes 4 and various things happen on top of the building as clockwork figures dance and a metal eagle (symbolising the local state) even flaps its wings. We walk along canals, through a water-operated mill, past the oldest winery in Germany – we walk all over the place until, finally, we come to Jurgen's office. He is readying up to close.

Dinner that night is a quiet affair in a little restaurant in a nearby town. The restaurant is famous for its traditional fare. And this region is extremely proud of its kitchen. I enjoy a meal comprising a simple potato soup, steak with grilled onions and the special noodles of the area – all washed down with the

‘young wine’ of the region. I must mention that, all around Esslingen and Stuttgart, the mountains are covered with vineyards. Srili’s apartment door is adjacent to a vineyard! The region’s wines are famous, and the young wine is cloudy, as yet unready, but tasty and with very little alcohol. I later get my alcohol by having a few shots of the local answer to Italian grappa. The region borders Italy and there is lot these people have in common with the Italians in terms of food and drink.

The next morning we have another grand breakfast and then the three of us head out in Jurgen’s BMW for a castle outside town where the Hohenzollern rulers lived. After about an hour of driving through picturesque countryside dotted with innumerable little towns we finally arrive at a valley. At one end is a huge hill, atop which is the castle. We drive uphill to a point where all cars are required to park. Thereafter, one can take the bus up to the castle but we choose to walk – and that is a mistake because we are all woefully out of breath when we arrive at the castle gates. Beyond the gates, is a winding tunnel after which is a small, open courtyard at the centre of which is a large cannon. We tour the castle with a German-speaking guide so I don’t get much except that their history was full of battles, battles and more battles. The castle is full of weapons.

And then the thought strikes, this is the difference between the state and the market: the market produces the Mayor of Esslingen who lives in his city amongst the people and conducts their common affairs honestly. The state lives atop the hill, guarded closely, aloof from the people, full of weaponry. Which kind of political authority do we want in the future?

After the tour we lunch in the restaurant inside the castle – I have a large soup full of the local noodles – head down to the car and drive off to another place where they have excavated some Roman ruins. This is a visit well worth it, because Srili possesses a master's in Roman and Greek archaeology and she explains everything to me quite well. What has been excavated is a Roman villa, and it has been faithfully rebuilt. Everything is there as it was in those days, including the herb garden for the kitchen. So this is how noodles and wine came to this part of Germany, I think. But I do believe, in those days, an Indian haveli would be grander.

After the Roman ruins we make it back to town. ICE to Hanau. Departure on time; arrival 15 minutes late.

FRANKFURT

On the last Saturday before my flight back, Michael Kastner, the Bob Dylan of Germany, rings up and asks if we can meet in a café called the Hauptwache in Frankfurt city. It is near a tube station of the same name. Barney offers to accompany me and we head off: I get a free ride on Barney's weekend pass. We take the bus to Offenbach East and the tube thereafter. When I am getting out of the station, Kastner comes up to me and says hello. Barney has some work in the Bangladeshi masjid (buying Bengali fish and vegetables) and he heads off. Kastner and I proceed to the café.

After a light breakfast, during which we are joined by Matthias Heitmann of *Novo* magazine, Kastner and I go on a walkabout. I confess to enjoy markets and this delights Kastner and he proceeds to take me through all the big markets and shopping centres of central Frankfurt. What strikes most are two buildings I see: one, the Hauptwache building, which is the ancient police station of the city when it was a *Freireichstadt*: a 'free city'. The other building I find memorable is the Mayor's office, which is on an ancient market square surrounded by many other ancient buildings. It has three flags on it: the flag of the city; the flag of Germany and the flag of the

European Union. The important thing to notice is that the city is still flying its own flag.

Also note that, in these two trips to Jugesheim, this is my first visit to Frankfurt proper. It is simply unnecessary. The satellite towns make it possible for most people to manage for months on end without going to the main city. Andy and I have taken many outings to get provisions, stock up on wine and beer and buy presents for folks back home. At no time did we have to go to Frankfurt (or even Offenbach). Everything has been possible near Jugesheim itself. There is so much cheap land outside the city centre that the biggest supermarkets are actually located in the periphery. One fact that might surprise: We used to buy Italian Prosecco at 1.89 euros a bottle retail, taxes paid. A packet of cigarettes costs 3 euros. If we could get good wine at these prices in India, who would drink hard liquor?

On Sunday evening I take the last BA flight out of Frankfurt airport (“This is another city: 60,000 people work here,” Andy says as he drops me there). I have to spend the night in Heathrow and am not too excited at the prospect. It turns out to be a boring night for everything closes down at 10 pm. Unlike Frankfurt airport, where the pubs stay open 24 hours, Heathrow is dead as a dodo. I just crash out across

four seats in the smoking section of Terminal 1. At about 7 am I take the bus to Terminal 4 where, by then, all is open. Do some shopping: chocolates and cheese.

In India, I have been told I have a date with the Young Liberals, who want me to talk to them on the importance of private property. I am looking forward to this as I fly back to India after an eventful 3 weeks in Europe.

8266 words

17. MAHARASHTRA

MUMBAI-LONAVALA-PUNE-NASHIK

Where is the love to be found,
In this concrete jungle?

BOB MARLEY

MUMBAI-LONAVALA

Subodh Kumar of the Friedrich Naumann Foundation and I board an evening flight to Mumbai from Delhi, to arrive late on a cool November evening. The airport is the pits, the Fiat taxi that takes us to our hotel is uncomfortable and unsafe, and the journey into the city is quite definitely the worst road journey I have ever undertaken in my life. It takes well over an hour.

After a wash and a change, we meet at the hotel lobby and decide to venture into the city in search of food and drink. The nearest restaurant to the hotel boasts a fine seafood menu, but serves no beer. We walk around for half an hour and, finding nothing, take a taxi to a café called Leopold's in Colaba. I have some rums, followed by chili beef fry with rice; Subodh is a teetotaler and vegetarian and I thus have no interest to note down and report on what he ate and drank.

As I step out of Leopold's I run into a guy leaning on a lamp-post with the sartorial elegance of a Mumbai hood, rolling a spliff. I ask him to get me some grass and he leaves me his spliff to smoke and quickly returns with some packets of grass. I give him some money and Subodh and I taxi it back to the hotel. The next morning we are to leave early.

The entire group meets in the centre of town where there is a bus waiting. Mumbai is yet to awake – I can't get a cuppa – but from what I can see, this is a rent control devastated scenario. Unlike the well preserved old houses in Europe, the old houses of Mumbai, which must be worth fortunes, are a shambles. With rents frozen, landlords cannot afford the upkeep of the buildings. The municipality also loses as its property taxes are based on rent yields. As we drive through early morning Mumbai, the masses of shanties affirm the fact that rent control is the biggest enemy of our urban habitat: the only cause of slums.

Somewhere as we leave town one of the guys disembarks and brings back a whole pile of *vada-paus*. They are out of this world and both Subodh and I enjoy them immensely. They make a great breakfast. In fact, during the seminar in Lonavala, Subodh orders *vada-paus* again as a snack during one of the numerous tea breaks. So I get to enjoy this lovely local food twice. And how local is it anyway: where did the

Maharashtrians learn how to bake *pau* – if not from some white men who had come here to trade?

We take the new Mumbai-Pune expressway – and it is way below autobahn standards. As we drive along the hilly Western Ghats what is obvious is that there are miles and miles of open space. In Germany you would not have seen open spaces like that: the people would spread out, there would be real estate development – and there would be *lebensraum*.

We spend four days in Lonavala. I am scheduled for only two days but stay back on popular demand. This means that the stash I had bought in Mumbai runs out. Looking into my waist-pouch for leftovers I am happy to stumble across a packet of skunk, which is probably from that night at the late night bar in Amsterdam. After the Mumbai grass, the skunk tastes and feels like heaven. But think how many airport customs it has been through: Frankfurt, Heathrow, Delhi (twice) and Mumbai! Wow! Next time I should bring back a lot more!

But even the skunk runs out and I have to venture into town to look for replenishments. I walk into the market of Lonavala for the first time and am shocked to see it. It is a mess. The road is potholed, the buildings are

decrepit and dirty and the railway station is all filth. At one end of the market is a large building with the Indian flag atop. It is the headquarters of the Lonavala Municipality. Within its compound is the municipal school. Should these bozos who cannot run their own town be allowed to teach little children?

Anyway, I get my grass – with the help of an intrepid auto-rickshaw *wallah*. He says he normally earns 300 rupees per day. He also says that, in the rainy season, the market street floods up! I have always heard about Lonavala as a beautiful place. It must have been so once upon a time. Today, it is a dirty, horrible hole in the wall. There isn't a bar or café in the entire market in this tourist town!

On the return journey to the airport, Subodh and I get a lift with Iris Madeira of the Association of Youth for a Better India. She is travelling in a Premier NE118 (what the Soviets called the Lada) and the taxi groans and moans all along. One surprising thing is that, on the expressway, there is a chap on the roadside fixing tyres and filling air. This would be illegal in the rest of the world, as it means vehicles stop right on the expressway. They should build real estate along the expressways by constructing exits and entries to them – for the mechanics, the *dhabas* and the motels. Real estate development must be organically linked to road development.

PUNE-NASHIK

A couple of weeks later I am back again in Maharashtra, this time for seminars with the Symbiosis Institute for Management and HRD. Parth and Mana come along, and we are representing the Centre for Civil Society. Symbiosis HRD has two campuses, one each in Pune and Nashik, and we are to go and hold two-day seminars at both of them.

In Pune the most memorable event is an encounter with a filmmaker at the hotel bar late in the night. We are the only people in the bar, and get talking, so I invite him to join me at my table. When he is coming over, I realise that the poor chap can hardly walk. Apparently, he had borrowed his daughter's scooter one day and gone out for a loaf. He had stopped at a red light when a car hit him from behind. Such accidents must be routine in urban India: Bajaj Auto country. Once, one of my former colleagues at *The Economic Times* suffered a head injury in an auto-rickshaw when it hit an unmarked speedbreaker. The orthopaedic he went to expressed surprise because normal auto-rickshaw injuries are those of the spine!

The Pune institute where our seminar is held is somewhat out of town, a new development billed as a software park. The trouble is, the road from the city to the software park has not been invested in. So it is

difficult making it there, but once we are there, we luxuriate in wide-open spaces with broad, well-paved streets. There are impressive buildings bearing the names of software giants all around. Opposite us is the Mercedes-Benz training school (their assembly plant is in Pune). Looking out of the windows on the fourth floor all I can see are wide-open spaces, some sugarcane fields and rolling hills without a single settlement. We need roads (or even tramways) to spread out over the vast space that is India.

After two days in Pune, during which the schedule is a burning 0900 hrs to 2230 hrs, we wake up late the third day to drive to Nashik, some 250 km away. We take a Toyota Qualis and the Director of Symbiosis HRD, Professor Pillai, accompanies us. The drive out of Pune is excruciatingly slow. It takes over an hour to get out of town. And even after that, every few km or so an ugly town erupts on the highway and makes progress difficult. But this is not the 'population problem'. It is a roads problem. What we see is commerce on the street: too much commerce, too little street.

After about 75 km out of town, we pass through the most excellent natural scenery, with hills, lakes and forests. There are so many places I see on that route where I would have liked to buy some land and settle down. But we can never inhabit these beautiful parts of our own country unless we have roads. Interesting thing

is that there is no agriculture at all: this is just ‘natural’ land.

For lunch, Professor Pillai recommends Sangamner. It arrives at about 2 pm. I am expecting a nice, small town full of eateries – but this place is the boondocks. The highway restaurant is great. Fantastic Mangalorean fish curry. But no beer to wash it down: dry day!

Nashik turns out to be the boondocks as well. The institute is in a new extension of town, and the road between the institute and our hotel is the main street of this extension – and it is the pits. One thing about Nashik: watch out for the speedbreakers. They have huge ones every few yards.

At Nashik too, one day turns out ‘dry’. At Sangamner it is dry on account of local elections, I am told. So, on election day, the only people from whom you can get your tippie are the politicians! In Nashik it is dry on account of ‘religious sentiments’. Well this is a ‘holy city’, which is hosting the next Kumbh Mela; but we are in an extension of the city, where there are many bars – all losing business. Surely the extension should be able to make its own rules? We need to instill the principle of ‘subsidiarity’ into our public administration. Too many ‘higher-ups’ are imposing their will on us.

After two hectic days, we awake very early on the third morning to drive to Mumbai, from where our flights are scheduled to depart in the afternoon. The road back to Mumbai is two-laned and, when it passes through ghat sections, progress is close to zero kmph because of the hundreds of trucks groaning along. All along are open fields of 'natural' land: no agriculture. And all around is scenery so beautiful that this could easily compare with the Grand Canyon. I can picture myself riding past one of these streams in a scene reminiscent of the Marlboro ad.

And then, Mumbai comes. Overcrowded. Concrete jungle. Happy to fly out – but is Delhi any better?

1753 words

18. A TALE OF THREE CITIES

JAIPUR – BHUBANESHWAR - BANGALORE

Save our city! Right Now!

JIM MORRISON

JAIPUR

Jaipur is the capital of Rajasthan, a hot tourist destination just 250 kms west of Delhi. Rajasthan is a land famous for its *raj*as – its kings – and legends abound of their valour and chivalry. However, the land is also famous for its traders. Many leading Indian business houses trace their roots to Rajasthan. In history, Rajasthan was known to be prosperous: the kings were rich, as were the merchants. Today, it is considered poor; ‘rural development’ has been underway for over 50 years, and this not has yielded much; not surprisingly, because the place is a dry desert.

I have two interesting experiences in Jaipur. First, I am taken to enjoy a glimpse of ‘village Rajasthan’ – a place called Chowki Dhaani, a privately built theme park just 10 kms from the city.

As I walk around the place, which is milling with people, I am treated to this ‘village vision’ Rajasthanis are seeking to hoist on their guests. The first thing I notice is that the place is packed with performing artistes. I watch a magician sitting on a mat on the bare earth performing astonishing vanishing tricks. I watch dancing girls who can balance over a dozen pots on their heads. I watch all

this and I think: These specialised occupations can not have come up in a village utopia. These must be traditional travelling bands of performers moving from one fortified city to another. They will not survive a day performing in villages.

Second: the place is packed with 'rural crafts' from jewelry to footwear to mirror-work and embroidery. And again the thought strikes: these village crafts must be dependent on urban markets. It is futile for the Rajasthanis to pursue 'rural development' while their cities and towns disintegrate. Jaipur, the capital, seems quite a mess. One day, there is a short, sharp shower – perhaps the only rainy day in the year. And everything flooded up! If the capital is such, the other towns must be much worse.

I am also treated to a memorable experience on Indian politics. While I am in Jaipur, prime minister Atal Behari Vajpayee drops in to address a rally. His programme is between, say, 10 am and 4 pm, and, shortly after 4, I drive out to a meeting. I have been warned that the road will be closed till then, because of the PM's visit. As I drive around, the city presents a deserted, desolate look. It is not as if the prime minister of a democratic country has dropped by; it is as if Chinghiz Khan has marched in. Finally, when I reach the venue of my meeting, which is quite close to the rally grounds, I see the crowd that is dispersing after the rally. They all march into hundreds of buses lined up for them – and head for their 'villages'. What kind of perverse politics is this, where citizens of the city do not participate in it?

Rajasthanis must think afresh: what would a good King do in the old days? Would he build great villages? Or would he build a mighty city, put up a great big market in it, and tax free traders? Maharaja Jai Singh built Jaipur, didn't he?

BHUBANESHWAR

Orissa is considered to be one of the poorest parts of India. I am in the capital, Bhubaneswar, one of the 3 'new' cities to have come up after Independence: the others being Gandhinagar and Chandigarh. Interesting that all three are government headquarter cities. They are not market towns.

Bhubaneswar is definitely a government city: the biggest building is the state secretariat. But this story is not about the city; it is about the charade called 'rural development'.

One day, I am invited to see the work being done by a local heavyweight NGO. I am taken to their main office in Bhubaneswar – an impressive building – where on the 3rd floor, in an air-conditioned conference hall, I am shown a film on a big screen about the NGO's activities in rural and tribal 'development'.

I am then driven to a village where they have built a 'cyclone shelter'. We drive for about 15 minutes on the broad highway between Cuttack and Bhubaneswar. Cuttack is the ancient city; Bhubaneswar the new upstart, just 25 kms away. Shortly before reaching Cuttack we turn off the highway and on to a B-grade road, and the ride gets bumpy and uncomfortable. We pass through quite a few towns for whom this road, pot-

holed as it is, is the main thoroughfare as well as market place. After about an hour of this bumping around we turn off onto a narrow earthen track and drive some 5 kms before we arrive at the 'village'. I see the 'cyclone shelter': it is an ugly, yellow, two-storied building.

It is getting dusk. I am tired. I escape from a meeting with the village women who have been organising a self-help group to extend micro-credit, and walk into the village square. I see some men sitting around on a platform under a banyan tree and join them.

The air is sweet and fresh. There is a big pond behind us. In the distance temple bells are ringing. As I sit there a *chillum* is lit, and when it reaches me, I heartily help myself to a toke. The men all laugh and we become friends. I offer to buy the ganja for a *chillum* and one chap turns out to be the 'dealer' and sells me a number of *pudias*. We spend an hour or so smoking and talking – and here is what I find:

- The 'village' has 1600 people. So, say 800 are men, of whom 400 are between the ages of 20-60. Of these, I am told, 200 smoke ganja. It is not illegal here, but trading requires a license – which costs 85,000/= rupees. The village has 4 illegal 'dealers': they all pay *huftha*. One kilo of ganja is consumed in the village every day, worth 3000 rupees. Are they poor?
- The 'village' is 25 kms from Cuttack. I ask my friends what would happen to the price of their land if there were a highway to Cuttack and they recognise instantly that the prices of their properties will shoot up; property developers will move in; richer people

of crowded Cuttack will move out; from the 10 odd shops in the village today, there will be 100 shops; and instead of 'self-help groups' and 'micro-credit', multinational banks will open ATMs here. Indeed, there will be so much concrete that a 'cyclone shelter' will be unnecessary. Hong Kong is hit by typhoons every few months – and citizens and tourists are advised to relax and wait it out in hotel bars!

- My friend who is cleaning the ganja and making the chillums turns out to be an itinerant trader: every morning he takes a rickshaw trolley and heads out to the main road market town where he buys building material: roofing sheets, steel bars, plastic and aluminum fittings etc. He then spends the entire day cycling from village to village selling them. He is not a farmer. And the people are spending a lot of their own money on building materials. Do they need an NGO 'cyclone shelter' or do they need a highway to Cuttack?

BANGALORE

Arrive in Bangalore on an early morning flight carrying two huge *ileesh* (frozen) in my hand baggage (that's another story). My uncle, who has the *bangaal's* soft corner for *ileesh* is naturally overjoyed to meet me. We drive to his new house. We take the Sarjapur Road and just a few kms *before* the WIPRO office we turn onto a village road – which is not a road at all. After a km and a half of bumping around, finally we are in Lake Shore Homes, a private residential locality with its own

boundary wall, gates, clubhouse, tennis courts, internal roads and drainage, internal street lighting and water, and security. We are just 5 kms from posh Koramangla, but unconnected.

Aunt is complaining about household help: seems like a rich dude has moved in. He has bought two adjacent plots, and uses one as a garden. So he has recruited gardeners – and my aunt has lost hers. Ditto with the guy who washes the car every day: the new guy has 3 cars, and now my uncle and his two sons have to get down to washing their car themselves during the weekend. Seems like the maid is moving out too. My aunt is complaining; but I see that the arrival of this rich man is good for the village.

Take a ride down the Sarjapur Road to see the WIPRO office. This road is in the news because Azim Premji, who owns WIPRO, has made big noises about it. The government has promised to 4-lane it by December; but it is mid-September, and nothing is happening. Every morning's newspaper has something to say about the Sarjapur Road: sometimes the authorities are asking WIPRO to chip in (as if they don't pay taxes); sometimes they are promising to do it on their own. As far as I can see, it is all hot air. Years will pass; nothing will happen. India is a world leader in Information Technology because of firms like WIPRO, but the state does not build a road to their office!

Went past the WIPRO office and drove on towards Sarjapur. Came to what looked like a fairly big town. Got off at the main square and walked around the main

market. Saw innumerable old women selling things and running shops: an unusual sight. The town looks fairly large – I guess a population of at least 10,000: don't these people need a road to the city? While I am here at least 10 buses pass by, dropping and picking up passengers. The authorities are now talking about a road to the WIPRO office – not to this town, not to Sarjapur. What is Indian socialism and planning? Answer: You have to make a big noise to get anything. And then, only the big succeed. The small get left behind.

One day, the *Times of India* reported a "Citizen's Forum" that they had arranged to enable residents of an area in Bangalore to air their grievances with civic authorities. The funny thing is that only bureaucrats were there to talk to the people. Not a single politician showed up: not a single corporator. Nor the Mayor. This in Indian politics. It is all about villages – but the villages are not connected to the cities. And in the cities, everything is run by bureaucrats – there is no civic politics.

1787 words

19. AMRITSAR

The national bird of Punjab is tandoori chicken.

Popular joke

To most Indians, Punjab is a land of farmers. This is despite the fact that Sikhs are a hugely successful migrant community and can be found in cities all over India – and, indeed, the world – engaged in specialised occupations in the urban market economy: taxi and truck drivers, carpenters, motor mechanics... all the way up to lawyers, chartered accountants and doctors. So what is the future of Punjab? More and more farmers, or a shift from agriculture? One interesting statistic: there are more prisoners in America than farmers!

It is on an early December morning that I board the Swarn Shatabdi Express for Amritsar. 450 km takes 6 hours! This ‘fast’ train takes one hour to reach Panipat! Ibrahim Lodi would have reached faster way back in 1526, when he heard that Babur was upon him!

Witness glimpses of Punjab’s urban potential on the way: Ambala, Ludhiana, Jullunder... all looking quite pathetic. The world is full of excellent, beautiful towns and cities. There is no reason why ours should be such a

mess. We urgently need to shift the focus from *panchayati raj*¹³ to sound municipal organisation.

One thing good about the train: the omelettes are out of this world. I ask for another, and the waiter is happy to oblige.

As the train chugs into Amritsar, whatever I can see of the city seems bleak and woebegone. It seems impossible that, in such a disaster zone, there can be a temple made of gold. A temple of gold should symbolise prosperity. The city of the golden temple should be rich – and look rich. Amritsar does not look rich at all – and this impression persists throughout the visit.

There are three of us here to spend a night and two days. The other two are Srili and Juergen, down in India to get a break from the European winter. Juergen studied Indian politics during the time of Sikh extremism, and is keen to see Amritsar of the Operation Bluestar fame.

At the station gate, we recruit two rickshaw wallahs: Omi and Chhindi. They take us to our hotel double quick, defying all traffic rules and actually elbowing out motorized vehicles. It seems that, in Amritsar, the rickshaw is king. And Omi and Chhindi are the kings of their profession.

¹³ Or village self-government: a much touted Gandhian idea that has been pursued for 50 years, less than half-heartedly, and has hence yielded precious little other than the complete party politicisation of rural life.

After a quick wash, we venture out for lunch. Our friends Omi and Chhindi are ready and waiting. I ask them to take us to the best *chholay-bhaturay* joint in town – and they seem to love the challenge. They take us to a roadside stall: what we, in North India, call a *rehri*. There is a big crowd around it, so it seems to be a hugely popular joint. Indeed it is, and we are taken to an open verandah nearby where there are chairs and tables laid out, and food comes served from the *rehri*. There, we have the most excellent stuffed *kulchas* with a very special *chholay* in which there is spinach as well as cottage cheese. Delicious.

After lunch I decide to check out the Bholaynath of Amritsar and ask Omi to help. In India, I do believe rickshaw wallahs are the ones who know everything worth knowing about what sells where in their city. Omi soon returns with a little packet of black *charas*. It is about 3 pm by then and he advises us to go and see the Wagah border outpost as the flag-lowering ceremony every evening, with Indian and Pakistani soldiers facing each other off, is a big attraction. He arranges for a car, and we head towards the international border down a typically *desi* highway. En route I roll a smoke, but on lighting it I realise that the stuff is bad. Throw out the joint.

The distance from Amritsar to Wagah is about 40 km. Lahore lies a little beyond, but is out of bounds for us. Delhi still has a Lahori Gate from Mughal times, but the road shuts down at Wagah.

Upon arrival at Wagah, what one first sees are the closed gates. On one side of the gate is the Border Security Force camp, complete with hidden bunkers with guns peeping out. On the opposite side are stalls offering snacks, tea and coffee, cold drinks and the like to tourists. There are three or four such stalls with dozens of plastic chairs laid out around plastic tables. The last establishment, closest to the gate, cannot be called a stall: it is a big, gray building called “Niagra Falls” and has the US and Canadian flags on it. Within this are a beer bar, a restaurant and various video games facilities.

The driver knows the routine and heads for the parking lot, which is an open, bumpy field behind the food stalls. We disembark and are immediately besieged by stall-owners seeking our custom. One boy is rather nice and beseeches us to just sit down and be comfortable – and he won’t mind even if we order nothing! I get talking to the guy and ask whether I can get anything interesting to smoke while I wait. He smiles knowingly and takes me to a guy making popcorn on the street. They tell me to take a seat and that a readymade joint will be delivered shortly.

We sit down at the stall and order refreshments. In time the joint arrives. The popcorn man refuses my kingsize filter cigarettes and rolls the joint in a Cavender plain. There must be some reason why this cigarette is the one most preferred for rolling joints all over North India.

The gate is supposed to open at 4: 45 – but it does not. While we mill around with the large crowd gathered there, a BSF minibus arrives and drives in with an entire crowd of civilians: VIP culture. Only thereafter does the gate open: not the main gate, but a side gate, and we all have to crush through it.

The next 100 yards are unforgettable. On both sides of the road there are buildings belonging to customs and immigration – but empty. In front of these building are saplings planted there by senior customs officials, and there are little signs in front of each sapling to inform visitors of the name and designation of this nature loving obstacle to trade. Then there is a barbed wire fence that stretches interminably in both directions. What's going on? Who's paying for all this? And what for? I see a bird flying overhead. "Shoot it down!" I tell the border guard, "It's a Pakistani bird." He doesn't seem too amused.

We pass a little Shiva temple – good old Bholaynath is always there – and then are made to take a detour. We

walk behind the visitors' gallery through a prepared path that takes us face to face with the Pakistani Rangers. On their side there is a similar path too, down which Pakistani civilians are taking a stroll. There are some great photo opportunities and the soldiers on both sides eagerly soak in all the attention. Just along the barbed wire are paddy fields. What are we fighting over? Paddy fields?

At the end of the pathway we come to the main gate. On the left are the galleries for Indian visitors. Across the gates are the galleries for Pakistani visitors. Some are waving Pakistani flags. I raise my right arm and wave away. I am happy to report that many Pakistanis returned my friendly wave.

As I turn to look for a place to sit, I notice that one entire gallery has the sign "VIPs Only". We steer clear of these obnoxious types and hang around with the *hoi polloi*. Some are waving Indian flags, but the sight of these 'patriots' on both sides of these closed gates waving their flags at each other is depressing. Surely patriotism is more than this?

But not here, where it sinks to even lower depths – for suddenly the BSF sound system blares up and Manoj Kumar type Bollywood patriotic music rents the air. The sound is too loud, and is deliberately designed to drown out the music from the other side. This audio war

continues for an interminably long time, during which some sections of the crowd on both sides engage in slogan shouting. On our side, some college kids led by a fat, bald oaf start shouting “Bharat Mata Ki Jai” and other such stuff, coaxing the people to join in. Very few do so. I simply can’t hear what the Pakis are shouting. But it all seems pretty ugly. Seated on the top rung next to me is a simple Rajasthani villager with a brilliant ruby-studded ear-ring. I whisper aside to him that all these ‘patriots’ on both sides should be sent to Kargil. He laughs and says that closed borders are bad for Rajasthan too.

Then things get worse still. From across the gates, comes the sonorous voice of a Muslim priest reading the *namaaz*. But even that is unbearable to the BSF and they launch another Hindi kitsch patriotic song. This gets the morons in the crowd all excited and they start some more slogan shouting. I really feel like just getting up and walking off, but wait to see the flag-lowering drill. When all is over, and all the flags are down, I think that this is what we need permanently: that both nations lower their flags and leave the people free to trade. As we walk back to the car I hear some corporate types in suits commenting that this ceremony can easily be privatised and be converted into a money spinner. Checkpoint Charlie had none of this, say Juergen and Srilatha, who were living in Berlin when the Wall came down.

Back in our hotel, I venture out to buy a little rum. I get a half bottle for 130 rupees (the same costs 70 rupees in Delhi). I inquire about the system in Punjab and am told that they auction retail licenses. One guy bought all the licenses for Amritsar district and he dictates prices here. Which kleptocrat conceived of this policy?

As I return to my hotel I run into Chhindi and Omi, who have been waiting for us to return from Wagah so they can take us out to dinner. We decide to go all out on chicken that night and ask Chhindi and Omi to take us to the best chicken joint in Amritsar. They are ready for the challenge and drive us around for about half an hour. During this period we pass through Queen's Road, which looks like a fantastic shopping street all lit up at night; and through the Company Bagh garden area, which is all dark and serene. Finally we arrive at Beera's Chicken. We order some beer to go with the meal and so are led into a room at the back of the restaurant – obviously he has licensing problems with serving beer. These laws are stupid.

We have a huge meal. For starters, fish tikkas and roast chicken – mountains of them, and I am shocked when we wipe out every morsel. Then a main course of, of course, butter chicken and dal makhani with butter naan – and once again we wipe every dish clean. Punjab is good for the appetite.

When we get back onto the rickshaws I realise that Omi had had a drop or two or three to drink. And indeed he has, for at one crossing he takes the wrong fork and our two rickshaws separate. The road I am now on passes through the Company Bagh. Omi tells me how this garden has been built by Maharaja Ranjit Singh and how the Queen's Road shopping street has been built by the Brits. This part of town seems well laid out. The road has a divider and Omi cannot turn his rickshaw around and correct his mistake until quite some time. After turning around, as we drive along the dark road, he suddenly breaks into song. He lustily sings a song dedicated to the Ganga and I notice that he is possessed of a very good singing voice. Then he swivels around on his driver's seat and tells me that he has re-written this song as a dedication to Lord Shiva and I, as a smoker of Bholaynath's favourite weed, should hear it. I ask him to let it roll and he does: he lets go the handlebars, turn around on his seat, and waving his arms about begins singing this lovely song in praise of Shiva which he himself has written. All this time the rickshaw keeps rolling along, with no hands on the handlebars. By the time we reach the well-lit corner of Queen's Road, the song is over; Omi has turned around and grabbed the handlebars and we see Chhindi waiting there with Srili and Juergen.

But what a ride! It reminds me of a painting owned by a friend that I have always loved called “The Joy Ride”. It shows a rickshaw disappearing into the sunset, the passenger waving his arms about enjoying the breeze. Whenever I see that painting, I will always be reminded of my ride with Omi, the rickshaw king of Amritsar.

At the hotel Omi and Chhindi ask about our plans for the next day. We decide to meet at 9 am, and head for banana *lassis* followed by a visit to the famous golden temple. After that, Jalianwala Bagh where General Michael O’Dwyer shot down hundreds of Indians in 1919. We are told that the two are quite close to each other.

Sharp at 9 the next morning, the three of us get out of our hotel and find Chhindi there with another rickshaw wallah. Apparently, Omi had failed to surface – no doubt after the great time he had had the night before. We drive through narrow gullies this time, all very ugly and dirty, till we arrive at a Sikh halwai who is sitting there cross-legged in his small shop resplendent in a saffron turban. There is a big dish with fresh yoghurt on one side, and a man adding a mixture of nuts to hot gajar ka halwa. There are very few sweetmeats. Chhindi gives the man a whole lot of bananas and soon we are served the most delicious banana lassis I have ever had, in huge glasses made of stainless steel. By the way, Chhindi speaks excellent English and a smattering of

German. He says he is a Catholic. There is a small minority of Christian Punjabis. They are a persecuted lot in Pakistan. But here our chap seems to be managing fine.

One glass of lassi is enough for breakfast, and we prepare to head for the temple. Just then Omi arrives. I castigate him upon his tardiness. Seems he has never heard of German time. He speaks a few words to the man who has replaced him; the man disappears with his rickshaw, and I have my friend Omi to take me around the rest of the day. We head for the Golden Temple, through more and more narrow gullies. Finally, we are there.

At first I cannot believe this is the Golden Temple. I am facing a low white wall upon which is a high wrought iron railing. All around outside are shops, shops and more shops. To enter the compound we have to go through a gate that is open, with a few unarmed security personnel manning it. They are not from the government. They belong to the temple's own staff. Their only concern is that we should cover our heads. I put on my Rastafarian beret and they approve. Srili wraps a shawl around her head and Juergen puts on a baseball cap. We are waved in and directed towards the shoe depository where we are asked to also deposit our socks.

This outer courtyard of the golden temple is a shopping complex. There are all kinds of shops in it selling souvenirs, books on Sikhism and even local delicacies. There is also an ATM! Looks like the Sikhs have nothing against the market economy. I buy some of the *papad* and *varrian* Amritsar is famous for.

We enter the inner courtyard by going through a high gate. We first have to wash our feet in a marble step through which *warm* water flows. Then there are steps leading *down* to the courtyard. Our guide tells us that this is the only temple in the world where you enter descending; everywhere else they expect you to climb to come to God's level; among the Sikhs, God is your friendly father, and you do not have to climb up to be with him. He is there to receive you.

It is at this point, as you are about to descend the steps leading to the inner courtyard, that you get your first glimpse of the golden Harmandir Sahib, where the Sikh holy book, the Granth Sahib, is kept. It is an awesome sight. Surrounded on all sides by a broad lake, the golden temple is seated in the middle, a little bridge leading up to it. We walk around the courtyard and are struck by the cleanliness and order. The marble courtyard is spotless, and there is a carpeted path all around. At every corner there are volunteers offering you clean water to drink. The langar, where everyone can eat, feeds 100,000 people every day! As we leave

the golden Harmandir Sahib, we are offered halwa. It is delicious – and Juergen asks for more. The Sikh manning the counter is overjoyed, and gives him more.

We then pass the Akal Takth: the highest temporal seat of the Sikhs. It had been bombed down in Operation Bluestar; then the government re-built it: but the Sikhs would have none of it; they tore the government building down and built this one with their own money. I like their spirit.

Before leaving, we pay a visit to the museum of Sikh history located in the temple complex. It seems that their story is one of relentless battles and oppression. A gory past, but a proud one. Punjab faced the brunt of all invasions. It would undoubtedly produce a martial race. The last room of the museum is full of the portraits of recent Sikh martyrs. I notice that the assassins of Indira Gandhi have pride of place in this gallery. After their names, the word 'Ji' has been added, denoting respect. My guide tells me 6,000 dead bodies were strewn around this courtyard after Operation Bluestar.

As we emerge from the temple I long for a cigarette, but Omi drags me into an alley some distance away as to smoke even outside the temple would be disrespectful. After the cigarette, I return to the rickshaw only to be besieged by a couple of beggars. I shoo them off, telling them that there is free food inside the temple, that there

are no Sikh beggars in the entire world, and that it is more disrespectful to beg outside the Golden Temple than to smoke here! A Sikh youth selling Golden Temple bandanas agrees with me. He says we have beggars only because the government needs them!

We then visit the Jalianwala Bagh, a short distance away. I expect an impressive memorial, but this is a shoddy affair. There is an elaborate martyr's memorial with but a handful of portraits – and anyway there is a power cut. The garden is unkempt. The fountains and other such embellishments do not work. There is an eternal flame with a sign saying “Donated by Indianoil”. There is a loo, which I visit, apparently built by an MP out of his MPLADS money, but it stinks to high heavens. Just shows the difference between what people do on their own – like the Golden Temple – and what the government does – like the Jalianwala Bagh martyrs memorial.

After this we decide to have lunch. We ask our guides to take us to the best *dhaba* in town where we can get *sarson ki saag* with *makki di roti*. The pair drive us to Bharawan di Dhaba, and we have some great food. Like a true Bengali I also have a little rice – with *rajmah*, which is something we Bengalis know nothing of. For dessert we have *firni*, and it is very well made. I am happy to eat this Muslim sweetmeat in a Punjabi *dhaba*.

There is still some time to kill, as our train departs at 5 pm, and I ask Omi whether it will be possible to pull a chillum of good local ganja after the great meal. He nods sagely and suggests we go to the Durgiana Temple. The three of us are not keen to see a Hindu temple in Amritsar but he insists, saying that it is also made of gold. Two golden temples in one city? We decide to check it out.

It is a good idea, for this temple is well worth a visit. Behind elaborate gates there is a mess of a courtyard where we park. Then we walk through a short and extremely narrow alley lined on both sides by the market economy (there is even a shop selling treatment for sexual diseases!). Finally, we arrive at the main gates of the Durgiana Mandir. Even here, we cannot see the beauty that lies ahead. We leave our shoes and socks at the depository where I notice a sign regarding donations to the temple langar. A langar in a Hindu temple? I think. Maybe we have learnt something from the Sikhs. Maybe that is why there are no beggars outside this Hindu temple!

We walk in through the second gate and are struck by its similarity with the Harmandir Sahib. The Durgiana Mandir is also seated in the middle of a lake, and it too possesses a golden dome. Perhaps this is a case of keeping up with the Joneses. Or maybe this is two communities learning from each other.

As we leave the temple and recover our footwear, Omi appears out of nowhere with a small *chillum*, a *safi* and a handful of *ganja*. He says he obtained these from some ‘sadhu mahatma’. When we reach the courtyard where the rickshaws are parked I ask whether it is OK to smoke the chillum here as I notice that there are quite a few babas around. But Omi cautions against it, pointing to a police station located *within* the temple’s outer wall!

Anyway, I make my chillum, Omi wets the safi at the temple fountain, and we drive off. As we exit the temple I ask Omi for a light and he gives it to me. Thereafter, we drive through the broad street, with me blowing the chillum seated atop the rickshaw. Another joy ride!

On the train ride back the food is again fantastic. We need fast trains – with slow food!

Reflecting on the trip: I no longer see Punjab as a nation of farmers. There are millions of Punjabis specialised in the urban market economy, all doing a rather fine job. There are a great many towns and cities in Punjab – but these are all a mess. In Amritsar I saw two municipal buildings. One was outside the Bharawan da Dhaba, where there were a lot of red flags being waved and a strike was in progress. The other was a shopping centre with underground parking built by the municipality, but

lying empty. Why should the municipality speculate in real estate? It is these municipal organisations that have to be straightened out if Punjab's urban potential is to be realised.

Amritsar, as a city, from what I could see of it, is just market, market, and more market. Shops, shops and more shops. The ancient streets and alleys are all unkempt, and the buildings decrepit, no doubt because of rent control. There is a great deal of street food going on. There also seems to be an entire host of local food specialties being sold – *papad*, *varrian*, *murabbas*, sauces and juices, *desi ghee* . There are hundreds of shops selling woolen blankets and shawls. Our hotel was owned by a rice merchant, and the hotel sold specially packed basmati rice to its customers.

In Amritsar it is obvious that the major faiths of the city believe in the market economy. The outer courtyard of the Harmandir Sahib is a market. And the words “Shubh Laabh” inscribed on an image of the Lord Ganesh are seen just outside the Durgiana Mandir. Not too far away is the city of Lahore, whose people are mainly Muslim, who too believe in the free market. The Prophet Muhammad, peace be upon him, was a free trader. Of course the past is full of barbarism. Not just with the Mughals, not just with the Partition, not just with the Brits at Jalianwala Bagh but also with the Congress and Operation Bluestar. The future requires that all three

communities live in peace and harmony in the free market economy.

Open up the borders! On my next visit to the Punjab, I want to go to Lahore.

4197 words

20.

GUJARAT

Politics and morality make a deadly, dangerous cocktail – and this is the only cocktail available legally in Gujarat.

CHRISTOPHER LINGLE

January, 2003, and Parth, Mana and I board the Rajdhani Express for Ahmedabad, the capital of Gujarat. There has been a major Mojo effect, and we have been invited to hold 4 days of seminars at three top colleges. Delhi is freezing cold, and I look forward to more pleasant climes. But I am apprehensive, for the state has just suffered communal violence

and has yet re-elected Narendra Modi with his hardline Hindutva; and prohibition is in force.

After an indifferent dinner I crash out – only to awaken in the middle of the night to an eerie stillness. The train is stationary – and remains so for an inordinately long time. I decide to go out and check – and am told that we have just had a miraculous escape. There was a crack in the rails and only the alertness of the driver saved us from derailment. We are near Mount Abu, and help should be along shortly, I am told. I thank my lucky stars and return to my berth thinking what an unsafe country India is.

We finally chug in to Ahmedabad 3 hours late. It is pleasantly warm and I shed a few layers of clothing. A coolie enters the compartment and we hire him. He is a Muslim, proudly wearing the symbols of his faith – the beard and the white, embroidered cotton skullcap. Since we have a lot of luggage, we ask him to get another coolie to help, but he refuses. His first task is to ensure that no other coolie will touch our baggage. His monopoly assured, he

gets the luggage, one by one, off the compartment and on to the platform. There he tells us to wait while he fetches a trolley.

My first impression is that this place must be rich – because there are so few coolies. In any other Indian city, the station would be swarming with them. In the train I had noticed the settlements which crop up before Ahmedabad – and they all looked much better than in other parts of India. Gujarat is a rich Indian state.

The coolie comes with his trolley, loads it and we follow him to the end of the platform where there is a lift. The lift door is open – but there is no lift there! The coolie pokes his head into the shaft and hollers out – and soon the ‘voice-activated’ lift appears. It takes us with our luggage to the level of the overbridge. We walk to the other end of the bridge where there is a similar lift to take us to ground level. I have never seen such an arrangement in any other Indian station.

We are now besieged by auto rickshaw wallahs, most of them Muslim, with beards and skullcaps like our coolie. But we decide to opt for a taxi – a

diesel Ambassador that deserves to be in the junk heap. Our first port of call is the Anklesaria Hospital where I have been put up. Parth and Mana head off to Parth's uncle's place, where they will be staying.

I enter the Anklesaria Hospital and it seems they have been expecting me. I am escorted to a lift and taken to the second floor, where the Anklesarias live. I step out of the lift and into their drawing room! The first person I meet is Behram. He is sitting on an exercise cycle, sweating it out. In front of him is a television set. He greets me warmly. We exchange pleasantries for a while when suddenly Christopher Lingle emerges out of nowhere. Turns out we are sharing a room on the first floor. We are both excited about living in a maternity hospital!

I hurry through a cold shower and, refreshed, go upstairs for lunch. This is my first time as a guest in a Parsee household. I am determined to enjoy it as their cuisine is reputed to be something special. Lunch is fantastic. A cauliflower curry cooked without spices, accompanied by a spicy fish curry. At lunch I meet Persis, Behram's wife: a slim,

dignified lady who hates empty plates. If she sees your plate empty she will fill it up – and both Cris and I enjoy the attention. The younger Anklesarias also join us: Ava, their daughter, who has taken to the family profession and is now a medical doctor; and Sarosh, their son, who has just completed higher studies in architecture. Sarosh had attended one of our seminars and liked the ideas we discussed. It is he who has organised a 2-day seminar for us in his college of architecture.

At lunch it becomes clear that the Anklesaria clan loves to laugh. Cris and I look forward to a great time with them. During the meal, I complain bitterly about prohibition, saying that a cold beer would hit the spot. This is music to Persis' ears as she hates prohibition and enjoys beer. Behram, on the other hand, is a Gandhi fan who, according to Ava, is quiet and sober only *after* a few drinks. My anti-prohibition talk earns me a reprimand: Behram accuses me of 'ingratiating myself with my hostess'. Good fun and bonhomie all around.

After lunch Sarosh takes Cris and me to the place where Parth and Mana are staying. It is quite far away and I see a bit of the city. The Vijayanagar

Housing Estate, however, is difficult to locate, as there are no road signs. When we finally find the place it looks bizarre: hundreds of tiny two-storied blocks close to each other. So close, in fact, that our car cannot enter the locality. We park outside on the main road and begin hunting for the address when we hear Parth's shout. He is on the roof of one of the buildings, surrounded by loads of people, flying a kite!

Today is Uttarayan, the Gujarati kite flying festival. Every rooftop is crowded with people flying kites: the old, the young and those in between. I see quite a few old ladies handling their kites deftly. Parth has grown up in these parts and flies his kite with a rare aggression, attacking 'enemy' kites and cutting their strings. As an enemy kite's string gets cut, and it floats away, the entire clan on the roof lets out a loud victory whoop. Cris and I are also invited to participate, but we do a poor job indeed. Cris' kite flies for about a minute and then comes crashing down into the ground. I manage to fly my kite for a little longer, but enemy kites attack me and cut my string. As my kite floats away I hear a victory whoop from a neighbouring rooftop. I can see

where the competitive spirit of the Gujaratis comes from.

Fun and games done, we proceed to a Barista café in town where we are scheduled to meet some students and finalise our seminar plans. There I meet Renu Pokhrana and Shreekant Iyengar, both of whom had attended the Pune LSS and have now invited us to hold full day seminars in their colleges – St. Xavier’s and LD Arts respectively. Some student coordinators from Sarosh’s architecture college are also there. Over coffee and cake, plans are finalised.

After the students leave, I suggest returning to the hospital as I have developed a nasty thirst and there is some rum in my rucksack. Everybody votes ‘Aye’. On the way back we stop at a market where there are hundreds of food stalls. We are looking for soft drinks but decide to go for fresh orange juice instead. Cris scouts around and comes back with a cob of boiled yellow corn, spiced up with a tangy masala. I am told that this is ‘American corn’ and it has become hugely popular in Gujarat. An added advantage is that it is

available throughout the year. Wonder what the swadeshiwallahs have to say about Yankee corn?

I enjoy the lively atmosphere of this informal market and comment that access to such markets is all the poor need. As if on cue, Sarosh proceeds to tell me a grisly tale. Apparently, there used to be a famous informal food market in Ahmedabad called Law Garden. Hundreds of informal food vendors would congregate there every evening and peddle their wares right through the night. It was a great hit with the local populace, and it was all the nightlife the city possessed. One day, the authorities demolished the whole thing. It does not exist anymore. Criminal charges should be framed against the officials and politicians responsible for this ghastly deed. These Hindutva types want to build temples – and they go about destroying markets!

Back at the hospital, an informal party gets underway. Behram, Persis and Ava all join us. My rum isn't enough for all and Persis graciously brings out some bottles to add to the festivities. Turns out that they are all bought in Bombay by her and sneaked into Gujarat in her hand baggage.

Behram says that he strongly disapproves of his wife's activities and adds that, if she were ever caught, he would disown her. I ingratiate myself with my hostess even further and say that, as a former police officer, I would be happy to assist in any such eventuality. Some of my batchmates are senior officers of the Gujarat Police. They are sure to recall that I was the President of the Big Boozers Club at the police academy. I declare my hostess a hero of our times. Anyone who smuggles alcohol into Gujarat should be given a medal, I say. Behram, a law abiding, law respecting man, can't believe that a whole bunch of anarchists have descended onto his home and brainwashed his wife!

The next morning Cris and I take a walk to the Hotel Cama nearby, where we are told that a foreigner with a passport can legally buy some booze. The Hotel Cama turns out to be a pretty grand affair. Reception directs us to the basement where we find the booze shop. There are no customers. There is an attendant manning the counter and, seated at a desk before him, on our side of the counter, is another dude. Cris' passport is inspected and he is told to submit a photocopy.

He goes back to reception to get the photocopy made while I remain to inspect prices. A bottle of beer costs over 60 rupees here (30 in Delhi) and a bottle of rum comes for a steep 430 rupees (150 in Delhi). I am told that, even for foreigners with valid passports there is a strict quota. An individual is allowed only 1 unit of alcohol a week, and the one unit is either 10 bottles of beer or one bottle of hard liquor – not both.

Cris returns with his photocopy and is made to sit at the desk with the dude (who turns out to be a government official) and fill up innumerable forms. It takes more than half an hour to complete formalities and depart with 10 bottles of beer. It makes no sense when the shop attendant opens a case of beer and takes out two bottles before handing it over. Whoever made this arbitrary limit had no idea that a case contains 12 bottles.

As I am leaving, I deliver a parting shot: I categorically say that I strongly disapprove of prohibition and have no respect for any government that passes such laws. The attendant is apologetic and the government dude is shamefaced. They say that all this is because of

Mahatma Gandhi and that only if the people raised voices against prohibition, would it go. I tell them that the Gandhians should be told to enforce prohibition within the Sabarmati Ashram – and not outside it. They have no business enforcing their Utopia on others.

Back at the hospital, celebrations begin. Persis takes out enormous glass mugs. I drink my beer from one of them, but she prefers a little glass. Something like Munich meeting Dusseldorf.¹⁴ Lunch is another great meal, and with good beer to wash it down, I get that satisfied feeling: Nothing left to desire.

After lunch, Sarosh volunteers to show us around the city. Bang next to the hospital we pass the Sidi Sayid Mosque, the first mosque ever to be built in the city, famous for its screens of perforated marble: Sidi Sayid ki Jaali. This screen makes the logo of the Indian Institute of Management, Ahmedabad; and is as much a symbol of the city as the Qutb Minar is of Delhi. However, the mosque itself is right in the middle of a roundabout. Traffic

¹⁴ In Munich, Bavarians quaff beer in mighty mugs. In Dusseldorf, they sip it from little glasses. Franz Joseph Strauss, a famous Bavarian politician was once asked, on television, what he thought of Dusseldorfers. His reply: What can you say about people who drink beer in thimbles!

is milling all around it. The symbol of the city does not seem to have been given the pride of place it deserves.

Next we stop and walk around Rani Roopmati's mosque. It is small and exquisite, with intricate carvings adorning it. I am carrying a copy of Professor G W Forrest's *Cities of India*, written in the 1890s. There is a chapter on Ahmedabad which begins: "To the traveller, Ahmedabad, the capital of Gujarat, will always be a city of interest as containing some of the most perfect and the most characteristic forms which Saracenic architecture assumed in India." After seeing these two unique mosques, I appreciate Professor Forrest's point.

Sarosh then takes us to a fabulous Jain temple. I stress the word 'fabulous'. This temple is incredibly beautiful, with intricate carvings adorning every inch of stone. I am told that this temple was contributed to the city by a wealthy local merchant family: the Huttheesings. Sarosh shows us how the temple was designed to harvest water – even in the old days. There are copper pipes which take the water from the roof to an underground tank that is as big as the temple itself.

We peer into the inky blackness of the tank and are amazed. Sarosh says that the water in the tank has been repeatedly tested and always found to be extremely pure. The Huttheesinghs must have been incredibly wealthy to spend their money like this. But Ahmedabad has always been famous for its wealth. Professor Forrest tells us that this ancient trading city, which was then called Anahelavada, recovered within a couple of years after Mahmud of Ghazni ransacked it. He says: “Ghazni’s invasion was just a passing inroad. After he left, Gujarat enjoyed many years of peace and prosperity and the splendour of its capital increased.... Marvellous stories are told of its markets, its palaces, its schools, and its gardens, where, amidst sweet-scented trees, the learned studied and taught...” Come to think of it, this city was hit by a pretty nasty earthquake last year – but has recovered. India is not poor because we were looted throughout history. She is poor today because the socialists (and the fascists and the communists) are looting her today!

I pause to reflect on Narendra Modi’s hardline Hindutva. I am in his capital. I am staying with Parsees, visiting Muslim and Jain shrines. I just

passed a church which boasted a statue of Jesus atop, with his arms outstretched – as in Rio. What is Hindutva?

I show Sarosh a palace from Professor Forrest's book and request him to take us there. I am curious to see what the place looks like now. The good professor talks of walking through the narrow streets, 'thick with ancient houses, none so poor as not to have a doorway or a window or a wooden pillar carved finely.' After going through the narrow inner city streets he comes to the Teen Darwaza or Triple Gateway, which the royal founder built. It leads to the Maidan Shah or Royal Square, which was the biggest and most fabulous market in the city. Professor Forrest quotes J. Albert de Mandelso, who visited the city in 1638 and was a guest of the English President. Mandelso described the great market place thus: "At least 1600 feet long and half as many broad, and beset all about with rows of palm trees and date trees, intermixed with citron trees and orange trees, which is not only very pleasant to the sight, by the delightful prospect it affords, but also makes the walking among them more convenient, by reason of the coolness."

Today, everything here looks ugly. The broad square has vanished. There is the broad street, but it is lined with little shops. There are some fleeting signs of ancient glory because, here and there, you do see intricately carved windows or doorways: but in general most properties look fit to be condemned and pulled down. Sarosh finds a cranny to park and takes us to the Juma Masjid or Friday Mosque, the biggest in the city. It is right in the middle of the market, with commerce all around. As we enter we marvel at the tremendous feeling of space, for the skies are open above us. Allah is above!

In the centre of the mosque is a small pool of water lined with marble where the faithful are performing their ritual ablutions. On the parapets all around the mosque are young Muslim boys flying kites. Looks like the two communities have much in common.

Sarosh then takes us on a walkabout through the narrow inner streets of the market. We come across the famous Manek Chowk, now the city's big central market – but it looks a mess. We walk

on further, looking for a cuppa, and what I see defies all logic. First, we pass a police station which is just a large tent. Next to it is a whole pile of garbage. If that garbage is cleared, 10 more hawkers can be accommodated. Just behind the garbage is an extraordinarily beautiful building, well maintained. This building could have been home in any western city, for it is entirely western in design: 19th century western. Must have been built by some foreign merchants way back then. Today, it is the head office of the city's stockbrokers.

Other than this, there isn't a single decent building in all the streets we traverse. The handful of modern, big buildings scattered here and there – all quite ugly – belong, without exception, to state-owned banks.

Finally we find a tea stall. Above it, is a giant painting of a local 'holy man' called Jalaram. There are quite a few establishments in this market dedicated to this local saint. There is more to Hinduism than Hindutva.

Sarosh orders three ‘half-cups’ of tea. I find this rather strange and ask him why we cannot enjoy a full cuppa. He laughs and reveals that if you order a full cup you get tea in both the cup as well as the saucer! Our tea finally arrives in three cups that are not much bigger than thimbles. The saucers, thanks to Sarosh, are dry.

A couple of Hindu mendicants are also sipping tea. One of them looks at me, sizes me up, and alerts his companion. Both then look at me and one makes a gesture with his cupped palm indicating a chillum. I ask if they have any smoke to share; but they say that they have none and request me to share my stuff with them. I politely decline. Gujarat is dry anyway. I have carried a little smoke for myself. If Hindu religious mendicants want to smoke hash they should fight for cannabis legalisation. After all, Hindutva is ruling the land, isn't it?

We walk back to the car, past Manek Chowk and past that enormous heap of garbage. Here, the shops are all tiny. Some are not even 5 metres across. What a neglected spot – the city's main market! What else can be expected from this

socialist state that actually goes around demolishing spontaneous markets like the one at Law Garden I have heard so much about?

Dinner is a quiet affair in a Hyderabadi restaurant which Behram had recommended. Tables and chairs are laid out on the narrow footpath and we eat on the street just like one would do in Paris. Just that there is no wine here to enjoy with the lovely biryani. Interestingly, the waiter turns out to be a Bengali migrant!

Back at the hospital we bump into Ava who takes Cris and me to the roof to see the night sky. It is all lit up with hundreds of kites carrying lamps. This is the grand finale of Uttarayan – and we enjoy the sight of lamps floating about in the sky. In passing, Ava mentions an interesting fact: the highest incidence of liver cirrhosis in Gujarat is among policemen!

Ava takes us to see the room in which she studies. Books, books and more books – everywhere. Hippocratic oath on the wall. It never ceases to amaze me how hard young people strive; how much they work. I too have burnt a lot of midnight

oil. Hard work always pays off, I tell Ava. I promise to mail her a copy of Samuel Smiles' *Self-Help*. It will inspire her to persevere.

I am sure she will persevere because she then tells us about her Grandmother, whom we have yet to meet, whom she admires greatly. The youngest of seven children born to a station master in British India, she chose medicine because it was then the only profession where a woman could earn as much as a man. She had worked hard, married late, and risen to become a famous professor of gynaecology. It was she who had built this hospital.

Later we do meet Grandmamma. And see where Ava gets her looks from. She comes to the dining table aided by a walker, but refuses help to get into her chair. She sits straight and displays a remarkably healthy appetite. Cris is seated next to her, his long, blonde hair flowing loose. Grandmamma turns to him and asks, "Are you a Jew?" Turns out she has a soft corner for Jews. Cris replies, "No Ma'am, but some of my best friends are." Perhaps she doesn't hear too well for a few minutes later she turns to Behram on the

other side and asks again, pointing to Cris, “Is he a Jew?” Good to know that, in these Hindutva times, there is a home – and a hospital – in Narendra Modi country where Jews are welcome.

The next four days pass in seminars. It is hard work, from dawn to dusk. But the work is immensely satisfying. I do believe we set at least a hundred minds on fire in those four days. We interact with teachers and principals – and they all appreciate our efforts and encourage us. Students comment that normally they don’t spend more than 2 hours continuously in class: for the first time in their entire lives they have spent a whole day in class – and enjoyed it. These words are reward enough. They make everything worthwhile.

Finally, it is time to leave Ahmedabad for Baroda. As soon as our seminar at the college of architecture concludes, we are all bundled into a jeep. The journey is just 140 km, but I am told it takes over 3 hours. It is a horrible, unsafe drive. The road is two-laned and our driver’s motto is “Bash on regardless”. He overtakes repeatedly in the face of oncoming traffic and our hearts are constantly in our mouths. Twice we are stopped

and have to fork out tolls! What for? What do we pay taxes for? Who are these bandits collecting tolls on this non-highway?

Finally we arrive at Parth's father's house in Baroda. It is past 10 pm. There are three rooms on the first floor and we quickly occupy them. After quick showers we eat a hasty dinner downstairs and immediately proceed to a wedding in the family. This is the night before the big event. I see how Gujaratis party. At one end of a large lawn is a stage on which there is a band, complete with a western drum set, electric guitars and keyboards. There are two crooners: one, a thin lad; the other, a large woman. They are belting out popular Bollywood numbers, including Dum Maro Dum. Below the stage, hundreds of young people are dancing enthusiastically. Everyone is dressed in their best, and the girls are collectively wearing a few kilos of gold. Cris comments that this sort of spontaneous enjoyment is rare in the west, where no one would dance without at least a few drinks. Parth says that if prohibition were to be lifted, alcohol would be served on such occasions. We are sipping tea. At midnight!

I am introduced to the grandfather of the bride. He is over 80, tall, and ramrod straight. He has one glass eye, and looks at me straight with the other. He shakes my hand firmly. I have heard tell that he is partial to a couple of decent shots every evening. He understands my predicament in a dry state and generously sends over a bottle of rum. I sleep well that night.

The next morning I awake and come downstairs to the kitchen where I find Parth's father busy preparing a huge pot of tea. As I drink it, I inquire as to what all has gone into the cup and am told it contains ginger, cardamom, mint, *tulsi* and, in addition, a special tea masala. It is delicious. Just proves that there is no one 'correct' way of doing anything.

Later we have a lovely Gujarati breakfast of *khandvi* with a hot and sweet chutney. I really enjoy it. We then move out for lunch with our friends Ambrish and Trupthi, both sincere, committed libertarians, who work in Gujarat for an NGO. We go back a long way.

Driving through Baroda is a nightmare. There are motorcycles and scooters everywhere and one has to be extremely cautious when driving a car. Our hosts live in a flat on the 6th floor of a new housing development that looks quite up-market. But there is no electricity and we have to take the stairs.

After a fabulous lunch we proceed to the Maharaja Sayaji University where we have a session with the Faculty of Arts. We pass the Maharaja's palace with its large grounds, as well as a beautiful public garden named after him. The University itself is very splendidly built, and the buildings are an exquisite blend of Hindu and Saracenic architecture. The central building is covered by an enormous dome which I am later told is second only to the Gol Gumbuz of Bijapur. Is our socialist democracy better than the autocratic maharajas of the past? Cris never tires of saying that democracy without liberal economics makes for a poor system of governance. Parth is an alumnus of this university and he says that, in a museum in Bali, he found coins struck by the Maharaja of Baroda. So his money was good, trade was free, and public investments were made in public goods like the beautiful garden and the broad streets. Learning

was encouraged. Where has socialist democracy landed us?

It is this that forms the subject of our presentations before the Faculty of Arts. We each make 20-minute presentations on “The Libertarian Agenda in Globalising India”. Everyone, bar none, is shocked by our views. The presentations are followed by a lively question and answer session. The next day we have a full day seminar with the students. Many members of the faculty promise to attend – and they do.

We return to Parth’s father’s home through the overcrowded streets of Baroda. After a quick change we rush off to the wedding. Today is the big day and Cris wants to witness the ceremony. It starts shortly after 6 pm and Cris is struck by the fact that the assembled gathering is paying scant attention to the ceremonies. The priest is droning on, and the guests are talking among themselves. I tell Cris this is the usual case in Hindu weddings where the priests use Sanskrit – which no one understands. This is equally true of Bengali weddings.

The ceremonies over, we proceed to the large lawn outside where an elaborate banquet has been laid out. The first course, surprisingly, is Manchurian vegetable soup! Rather well made, too.

The next day is seminar day – and hard work from dawn to dusk. Our message is well received by the students. Many faculty members attend the entire daylong session. One of them, a guy who was our most vocal opponent the previous day, buys my books and asks me to sign them for him. I do so. Then he actually apologises for his rudeness the previous day. I am touched and give the guy a big hug.

Seminar over, we return to base, shower and pack. Our train to Delhi leaves at 10:45 pm. We have enough time for a good dinner; and Parth takes us to a special place where every dish is made from the special ‘American corn’ that has taken Gujarat by storm. Great meal. But then the bad news comes: upon arrival at Baroda station – a ghastly mess – we are informed that our train, the August Kranti Rajdhani from Bombay, is 4 hours late. We have to return home, snatch a few hours sleep and

return to the station at the unearthly hour of 02:30. Finally, we are off. Bye bye prohibition.

Funny thing happens just as we approach Delhi. Our train stops and remains stationary for a long time. Then a rumour spreads that there has been a derailment further up and the tracks are blocked. The rumour is soon confirmed by the railway official on board. So our delayed train is delayed even further.

The economics of time is very simple to understand: if you keep 60 people waiting for 1 minute, you have wasted 1 man hour. Now try and calculate the enormous number of man hours lost in India because of inefficient transportation systems.

5044 words

21.

VARANASI

Travelling free,
Working for the music.
Life's a gamble,
Working for the music.

MARLA GLEN

At the Centre for Civil Society, we follow a punishing schedule. Upon return from Gujarat, I get barely a couple of days to recuperate when we are marched off again: this time to the holy city of Varanasi. More of the Mojo effect: many students from Varanasi attended our LSS at Lucknow, and now they have arranged for us to present our views in their colleges – to students and faculty. Interestingly, all our seminars are to be at women's colleges!

Parth is staying back this time, so Cris and I have to handle the whole show. Mana comes along as the Chief Whip. We also have with us our young research assistant, Naveen. We are booked on the Neelanchal Express which leaves New Delhi railway station at 0630 hrs. As is only to be expected in India, our train makes it to Varanasi over 2 hours late. The entire day is wasted. When we arrive, it is past 10 pm. A teacher from Vasanta College is there to receive us. We are informed that we have missed dinner at the college guesthouse where we are to be staying.

Varanasi assaults the sensibilities from the station itself. We must make our way out stepping carefully past innumerable people sleeping all over the place. Outside the station a group of over 50 Japanese tourists walks by. We look for a taxi – and, of course, it is an ugly, noisy diesel Ambassador. First stop: dinner. Our guide, the teacher, recommends a hotel nearby, and we proceed there.

The restaurant in the hotel is quite full: the place must be popular. I ask for a rum and water to relieve the nasty dryness in the back of my throat – and am told it is a ‘dry day’. Why? I ask. Republic Day, I am told. This has got to be the best ever. We cannot have a drink legally on the day we gave ourselves a

Constitution! All the great glorious words my Civics teacher taught me in school – like ‘republic’ and ‘democracy’ – suddenly seem hollow and devoid of meaning. This is tyranny.

Fortunately, the people of Varanasi are ‘flexible’ and business comes first. I am offered rum and cola: the camouflage necessary to keep party poopers at bay. I hate rum with cola – and suffer two of them. Dinner itself is nothing to write home about. After the Hyderabadi biryani in Ahmedabad, this biryani in Varanasi turns out to be a soggy, tasteless affair.

Cris suddenly decides to take a room in the hotel and duck out of the guesthouse. The train journey has been too much for him. The rest of us head off, down a road that is crowded with truck traffic: turns out to be the Grand Trunk Road built by Sher Shah Suri. It passes right through Varanasi. Wonder why the city does not have a proper ring road? In the old days it seems it did. Professor Forrest also visited Varanasi in the 1890s. He writes: “Benares is bounded by a road which, though fifty miles in circuit, is never distant from the city more than five kos (1 and a ½ miles); hence its name Panch-kos Road. All who die within this boundary, be they Brahman or low caste, Muslim or Christian, be they liars, thieves or murderers, are sure of admittance to Shiva’s heaven.

To tread the Panch-kos Road is one of the great ambitions of a Hindu's life.”

We drive on. There seem to be trucks everywhere. And the road surface sucks. Finally we arrive at the guesthouse of the Krishnamurti Foundation. The room seems extremely basic. Cris is lucky to have opted for the hotel.

The next morning, tea is served at 0630 hrs. I am informed that smoking is not allowed on campus, and shoes are not allowed in the building. I carry my cuppa outside the gates and enjoy a cigarette with it. In fact, I enjoy two or three cuppas in this manner. In the process I get to see some early morning street-life. The road beyond the guesthouse has barriers to prevent cars from using it. Literally hundreds of women come walking in from beyond the barriers, each carrying on her head a basket of fresh vegetables: cauliflowers, spinach, radish... I presume they must be heading for a market nearby. I wonder what rural paradise lies beyond the barriers on the road. I vow to find out soon.

After breakfast I also check out the campus. It is situated bang on the Ganga, and as I walk on the path which Krishnamurti himself used to take, I realise what a truly beautiful city Varanasi must have been.

The morning sun is reflected in the still waters of the river. The air is cool and clean. The river itself has receded far below the level of the ghats, for this is winter and the snows are no longer melting. The silted, fertile riverbanks are entirely used up for growing vegetables. Observations reveal that the river rises by at least 50 feet in the monsoon.

The seminar starts late – about 1030 hrs – because all the girls have to arrive by college bus. I get talking to some of them and they say that travelling around Varanasi is excruciatingly slow. One girl says she lives just 15 km away, but the journey takes over an hour. She predicts that in a few years the city will come to a standstill!

I am lucky to meet the art teacher. He is busy in a small studio just behind the hall where the seminar is being held. And he smokes in his studio. He appreciates my needs as a smoker and invites me to smoke in his space. He confesses that the authorities are aware of his habit; and that he had told them, 18 years ago, that they must choose between an art teacher who is good at his job and a non-smoker who does not know his art from his elbow. The authorities chose right.

We meet the principal and enjoy a cup of coffee with her. She presents all of us with books by Krishnamurti. We too gift her some of our books. Turns out that the Vasanta College for Women was set up in the 1920s by Annie Besant. Today, it is affiliated to the Benares Hindu University (degrees are awarded by BHU); and the University Grants Commission funds all academic salaries. I wonder how any college can give up so much of its autonomy. In the old days, this must have been a grand place. Today, it looks broke. All the buildings look like they need a coat of paint. I am informed that, beyond the barriers, this institution owns another 300 acres of land, where they are carrying out 'rural development', dairy farming, and forestry. I now have some idea as to what to expect beyond the barriers on the road. I get my chance to check it out the next morning.

The next day, to my surprise, turns out to be an 'off-day': no seminar. Mana and Naveen split after breakfast to finalise arrangements at the three other venues where we are to make our presentations. I take the opportunity to stroll out beyond the barriers. To my surprise, I find that the road extends just another 100 odd yards. There are two shops there; one sells tea. There is also a bamboo barrier placed across the dirt track. It is operated by a man seated

cross-legged on a charpai in the second shop. I order a cup of tea and take in the place. It looks like a place worth checking out.

While the tea is getting brewed, I get to work rolling a small joint. As I burn some black stuff a friend got me from Almora, I find that I have attracted a few interested spectators. I light the reefer, sip my tea, and slowly engage the locals in conversation. First, to get on a level and connect, I discuss cannabis. I offer some of my black stuff and ask if there is any local green stuff worth buying. A very stoned-looking guy called Shivdas makes a chillum with my black stuff and we all smoke it. The chaiwallah asks me for a hundred bucks and dispatches a young lad to get me some local grass. We all move to the second shop and sit down there. Another chillum is smoked. I do believe that I am now sitting with some important people of the area.

I am. These dudes have secured a contract to collect tolls from all those who use the wooden footbridge that lies ahead. The rates: one rupee per pedestrian; two rupees if you are pushing a bicycle along; three rupees for motorcycles and scooters as well as pushcarts. While I sit, quite a lot of money is collected. The guy manning the barrier, who also collects the toll, is the only guy talking. He blathers

on endlessly about UP politics, about which I must confess I know precious little. I sit quietly, listening with half attention, while chillum after chillum is passed around. Suddenly, the other guy, who seems to be the boss man, comes into his own. He tells the talking dude to shut up – we have heard enough of your views; let us now hear this outsider. Maybe the outsider has something new to say. I seize the opportunity.

I say, quite simply, that I would like to see for myself the villages in which they live, and what goes on there. One cannot comment on a new place without first seeing conditions on the ground. They warm up to the idea, and soon the boss man, Shivdass and I are walking towards the wooden bridge.

But we cannot cross. On the other side, a man is trying to get his buffalo across. The buffalo is simply too chicken to step on to the narrow, rickety bridge. The man tries every trick in the book – and this goes on for well over half an hour – but the beast has a mind of its own. While waiting, I get a lot of interesting information from my companions.

First – and this comes as a shock – that the bridge costs just 35,000 rupees, and the villagers pooled in the money. Then, the district officer, who sits in the

city, auctioned off the toll rights. These villagers pooled in to buy the rights because they want to control access to their village. They paid 1,50,000 rupees for the toll rights. I calculate that, for a bridge worth just 35,000 rupees, the poor villagers must be coughing up more than 3,00,000 rupees every year in tolls. Makes no economic sense.

I am also told that this is a historically significant site. The giant stone temple behind me is the first one to be built in Varanasi. The city gets its name from two rivers that bound it: the Varuna and the Assi. Both are tributaries of the Ganga. Varanasi is the city that lies between the Varuna and the Assi. The river across which the rickety bridge has been laid is the Varuna. It looks black and dirty. Boss man says that, some years ago, the city authorities diverted a sewer line onto the Varuna somewhere further up and, since then, the river has been fouled up. This has hit them economically as, once every year, there is held a ritual bath at the confluence of the Varuna and the Ganga. This used to attract millions once; but, since the fouling up of the Varuna, very few people come today.

I am also told that, in the monsoon, when the water level rises significantly, the bridge goes under, and the people have to use boats to get across. I see the

boats. They look out of the 10th century BC. I am told that the boat fare is the same as the toll; but things get difficult because of the mud and the slush. I am also told that each boat costs 35,000 rupees: the same as the cost of the bridge! Couldn't be a very easy life for these people, I think, if just getting to the city is such an ordeal. I am eager to press on.

So I shout out to the buffalo owner to grab a hold of his beast and step aside and let us cross. We are tired of waiting. He does the needful and we get across. The bridge is just a few feet above the water. To get to it we must carefully walk down a steep *kuttcha* slope. Once on the other side, we have to climb another similar slope. Then we are on the level and there is a *pucca* path.

The path first traverses through all the vast properties owned by the Krishnamurti Foundation. The yellow bungalows look dilapidated. The gardens are unkempt. Sign on one gate says that the occupant is a veterinary doctor. Must be attached to their dairy farm: part of 'rural development'.

About a kilometre further up, we pass a half-built building. I am told that this was to be a village school, but the Foundation did not allow it to be built on what was their land. Across the abandoned school-

house are acres and acres of open green fields. All these open acres belong to the Foundation, I am told. I check out the fields. They are growing tomatoes.

We can now see the village. A long, long row of impossibly small houses at the absolute edge of the Foundation's abundant property. We pass a primary health care centre run by the Foundation for the villagers. Then I am in the village. It is called Saraimohana, Shivdass tells me.

I pause and look around. There does not seem to be stark poverty. There are hundreds of houses lining both sides of a narrow road. The road, I am told, came from the government. It does not lead to the city; it leads away from the city! I am told that 8 km up that road is the Buddhist holy city of Sarnath. I am also told that I will get no transportation to take me there – not even a rickshaw – and that the only option I have is to walk.

The houses seem small, but well built. One is even three-storied; but most are just one floor. There are many shops catering to the needs of the local community which numbers 20,000, according to the boss man.

We arrive at a T-junction, and take the right fork. More and more houses on both sides. Women sitting around working on rolling silk yarn. One is making a fishing net. There are many healthy goats tethered, with abundant feed placed before them. I pass three small shrines: the first, a small Shivalingam; the second, a statue of Guru Ravidass; the third, of Babasaheb Ambedkar. I must be among Dalits: Mayawati's constituency. She is now the chief minister of this state, and has just made news by spending a huge amount of taxpayer money on a party to celebrate her birthday.¹⁵

As I walk on, I find that almost every house is a weaving establishment. In every ground floor I pass, on both sides of the narrow path, sits a weaver with his elaborate equipment. While he works, the radio blares out Bollywood tunes. Boss man then tells me a very interesting fact: they all belong to the *malla* caste – traditional boatmen – but for a long time now they have taken to weaving, and have earned a great reputation for their work. Indira Gandhi came here and was presented a sari woven by them. “How come she heard of this place?” I ask. Because of Pupul Jayakar, I am told, who hailed from this area. Pupul Jayakar brought Indira Gandhi here, they tell me. “Then how come you didn't ask Mrs. Gandhi for a

¹⁵ At the time of going to press, Mayawati has once again become chief minister of UP.

bridge across the Varuna and a road to your village?” I ask. We did, they say, and the proposal was being passed, but Pupul Jayakar shot it down, saying it would destroy the serenity of the village if car horns started blaring all over! I couldn’t believe it.

We walk on down the path till where the houses end. We are now at an open square. There is one solitary teashop there and we sit down for a cuppa. Shivdass takes some of my stuff and makes a chillum. I take in the place: at a lower ground further up is a small school building. Shivdass says that this is where the school came up after the Foundation shot down the earlier site. He says the school was built by the government and is financed by the State. I tell them of the dangers of relying on the State for knowledge.

I am invited to walk further on, past the school. We are now on a kuttcha path. On one side are open fields; on the other side is a barren waste which ends at the river. All this floods up in the monsoon, I am told.

After about 15 minutes we come to a copse of trees and I am invited to enter. The place looks cool and serene and, upon entering, I discover that there is a little temple there. As I look around, we see a sadhu approach us. He is old and gaunt, and his face is

extremely peaceful. He has long dreadlocks tied in a bun at the top of his head. My companions touch his feet and seek his blessings. He proceeds to show me around his ashram. He is very pleased that someone from Delhi has come visiting. He invites me to attend *kirtan* that evening.

When we return to the open square, boss man invites me to meet some of the important residents of the village. The first man I am taken to is running a little shop. He is introduced to me as a former employee of the state fisheries department who has recently retired and thus returned home. He says he worked for the central government and has been posted all over India – from Calcutta to Bombay. I ask him how he manages to stock his little shop and he says that he has to use the rickety bridge. I inquire whether the house owners of Saraimohana had any legal property rights – and he says that they don't, and this is a big problem because they cannot raise loans from banks. I am fuming: this is the worst possible example of bad government.

In passing, I ask the man if he could lead the villagers and run a local government. He says that elections here are fought by candidates whose prospects rest on how much free alcohol they can distribute. He says

that he will not stand a chance without resorting to similar tactics.

We move on. I am taken to a house with a fairly large courtyard: unusual here, where plot sizes are miniscule. The courtyard is shaded with tall trees. I am told it is the house of the most educated man in the village, who once served as a school principal. However, he is apparently enjoying a siesta.

Just opposite the former principal's door is a house which has a prominent nameplate on it in Hindi which declares that the resident holds a master's degree in History. I am invited therein and meet two of the former principal's sons. The older one works as an education officer in a nearby district. His younger brother, the guy with the MA in History, is unemployed. We chat for a while.

I talk of the need for transport connections to the city and property rights. The future of the village depends on these, I tell him. He agrees wholeheartedly. We then get talking on 'liberalisation, privatisation and globalisation' and he expresses negative feelings about these processes. He is especially het up over the hikes in cooking gas prices. I take the opportunity to prove to him how wrong he is. I ask Shivdass what fuel he uses in his house – and he says firewood,

bought mainly from the Foundation. The Foundation does a fair bit of ‘forestry’ and deadwood is regularly harvested and sold to the villagers. It is their only source of fuel as they do not keep cattle and hence have no dung cakes. Inquiries reveal that Shivdass and innumerable others like him pay much more for fuel today than city dwellers who use gas do. My host sees how subsidies never go to the really poor people; the middle classes and the rich hog them. I invite him to explore Economics further and promise to send him a copy of my book *Free Your Mind*.

We now proceed back to the rickety bridge. It is about 12:30, and I must be back if I am not to miss lunch. Shivdass tells me that we are now passing through a village of *chamars* – the leatherworkers’ caste. We are no longer in Saraimohana. I ask why the place doesn’t smell of leather and I am told that they no longer work with leather: the entire village has shifted to hawking vegetables on the streets of Varanasi! I am also told that absolute peace and harmony prevails between the *mallas* and the *chamars*. I am told that these two villages have never required a police station. I think: this is real anarchy – no road, no property rights, no police. And the State has put up a school; and do-gooders are giving them healthcare! What nonsense!

After lunch, I enjoy a short siesta. At about tea time the gang returns with Cris, and we decide to enjoy a boat ride. However, it is getting dark and we opt for a short chukker. We float around on the still waters of the Ganga for about an hour. To see all the 80 ghats and return would have taken 3 hours – and no one wanted to be on the river in the dark. However, this short ride is quite enjoyable. From the water, the stone temple on the banks of the Varuna River looks impressive. It is now obvious that the state has invested in elaborate stone steps leading from the temple to the riverbank. Between this state-sponsored ghat and the rest of Varanasi is Rajghat, which is private property belonging to the Foundation. I am sure it must be the cleanest ghat in Varanasi.

The boatman warms up to us because he is wearing a Reebok cap and, sitting in his ancient boat, he makes such a perfect picture of ‘globalisation’ that Mana clicks many shots of him. Later, he smells the smoke from my reefer and pulls out a big chillum. I offer him some of the local grass and he prepares the gun, and we smoke it on the river. Cris comments that marijuana smoking in the US expresses rebellion, and is conducted in exclusive, closed societies because everyone is scared of getting in trouble. He is surprised that, here in India, ordinary boatmen smoke

the stuff. I remind him that he is in Varanasi, the city of Lord Shiva.

Back on *terra firma*, the boatman requests me to part with a little *prasad*. This word is traditionally used for food that has been blessed by the gods. However, this man is referring only to *ganja*, Shiva's favourite herb. I appreciate his choice of words and generously present him a share of my stock.

The next day is hard work. A taxi is called at 8 am and it takes us to the Vasanta Kanya Mahavidyalaya, run by the Theosophical Society. The journey through the city is tiresome. Tons of garbage line the streets and the road surface is exactly equal to conditions described in Khatauli. Only, this is like a thousand Khataulis in one city. The college is on a narrow street. It is an old building and must have been pretty once. However, decay has set in.

I am the opening batsman and, during my talk, I am surprised to find a policeman, in full uniform, in attendance. Turns out that one of the teachers is married to a senior police officer. As soon as my talk is over, Mana whisks me off to the Benares Hindu University where I have to make the same presentation at the Mahila Mahavidyalaya there. I am surprised to find myself being taken to my

destination in a police jeep! What's up, Mana? I ask. She says that the jeep is courtesy the lady teacher! Reminds me of something someone told me when I was a police officer: If you are a DI-G, your wife is the D-G!

It takes quite a while for the jeep to make it to BHU. Traffic is a complete mess. I am not surprised when, despite the driver's best efforts, our police jeep rams into a cycle and sends the rider sprawling. Our driver apologises most profusely – and the matter is amicably sorted out. Peaceful city: Varanasi. In Calcutta, a mob would have torched the jeep and beaten the driver to pulp. In Delhi, the choicest of Punjabi abuses would have rent the air. In Varanasi, both the driver and the cyclist address each other with the honorific *aap!* This is a civilised place.

The seminar at BHU is held in a hall with portraits of great Congressmen adorning the wall: Mahatma Gandhi, wearing a fob watch on his dhoti; Jawaharlal Nehru holding a copy of the *Discovery of India*, and so on. As I enter, a young girl touches my feet! I jump aside. I do not like some of our customs at all. I do not approve of youth prostrating itself before the aged.

Later, I sit in the principal's room and enjoy a cup of coffee. She has large portraits of Madan Mohan Malaviya and Annie Besant on her wall. She says that Malviya personally collected the money to build this university. I hear what a well laid out campus BHU possesses. Well, there must have been some reason why cities were spreading out then, and land was available in plenty. And there must be some reason why the same city is overcrowded today. As we drive out of the BHU gates, we are thick in the middle of the mess that Varanasi is today.

That evening, as we are returning, Cris notices a big church, and comments that the huge Cross atop it is embarrassing to him, as it is in a Hindu holy city. I point out that this shows how Hindus don't object to other faiths. I point out how there are many little mosques to be spotted in Varanasi, and that the nearby town of Sarnath had Buddhists long before Islam was born. Even after Islam had come in, Kabir preached from Varanasi. Cris talks about how the holy city of Jerusalem has shrines sacred to Jews, Christians as well as Muslims. If a city is truly holy, every citizen should be free to worship as he pleases. Varanasi has always been such a city.

It is now our last night at the guest house of the Krishnamurti Foundation. During dinner I get talking

with some of the foreign guests there about my experiences in the ‘rural’ areas beyond the Varuna. I speak of how I would advise the Foundation to not just sit on its property, but to develop its properties and keep expanding. I mention that, if a bridge was built, the ‘rural’ properties of the Foundation could be developed and sold as real estate – benefiting the villagers – and how, with the proceeds, the Foundation could buy up thousands of more acres beyond – there are more than 50 villages beyond Saraimohana – and, there, ‘rural development’ could be attempted. An Irish dude who is a firm believer in the welfare state (as he has been on the dole most of his life) asks me as to whether expansion is a good idea? I tell him that there is an alternative to expansion – and that is stagnation!

We depart with our baggage at 8 am the next morning. This time, we have a full day seminar in a private sector women’s college: the Sunbeam Academy, and they have sent a van to fetch us. I have a good feeling about this one because the previous day’s *Times of India* carried a largish piece on our forthcoming seminar at Sunbeam. Whoever runs this place is media savvy, I’m certain.

The Sunbeam Women’s College is located a little beyond BHU and we have to pass through the same

god almighty mess all over again. Tens of thousands of blistering, blue Khataulis. When we arrive, we face a reception committee: *tilaks* are applied to our foreheads – and Cris looks quite handsome with his – ceremonial lamps are lit, photographs are taken, an assembled gathering of local press reporters introduced. I am once again the opening batsman. After my presentation is over I step out for a cigarette and am hijacked and taken for a tour of the campus by Deepak Madhok, the young edupreneur who set up Sunbeam. I quite like the place. It looks like it is expanding, not stagnating. Deepak confesses that he spends his entire time building buildings! This chap is sure as hell expanding!

I am escorted to a wide-open courtyard where ‘assembly’ is in progress. I guess there is a school also being run on the premises. On stage, a song is being sung about communal harmony: *Malik sab ka ek hai, alag, alag hain naam*. I am asked to say a few words. I tell the kids that they are a resource. The government is the real problem. They have been born with the ability to trade: give me some chips and I’ll give you some Hajmola. They are thus born to be rich! The country is poor only because the government has restricted the free use of the people’s natural ability to trade. Then the assembly is called to attention and the national anthem is played.

I am then shown around the library, where there are many students buried in their books. I am shown around two computer labs. Then I am taken to Deepak's plush office. A visitor drops in to discuss an ad that Sunbeam is to release in the local papers to recruit new teachers. I am shown a sample of the ad. I am happy to note that the ad clearly spells out that fluency in English is essential for the job. In all the other colleges I have visited in Varanasi, I was told that many of the girls have trouble with the English language. This is only because politicians interfered in education and forced Hindi upon the people.

After the seminar, we are driven to the Madhok residence for dinner. This edupreneur has made it! The house is a symbol of prosperity. As we gather together with his elegant wife, Bharti, and their two young sons, Deepak shows pictures of his pride and joy: a farmhouse they have built outside Varanasi. It looks straight out of the American South. Quite like Scarlett O'Hara's Tara. I am told that there are over half a dozen Sunbeam establishments in Varanasi: and one of the schools is fully air-conditioned! I also meet their dog: a huge St. Bernard!

Later, after a little refreshment at their quaint bar, Deepak takes out a guitar and we play a few songs.

Deepak reflects on the need to ‘beat the system’. I gently remind him that there are innumerable entrepreneurs who have beaten the system – but failed to alter it in the least. The system is designed so that the resourceful can beat it. It extracts a price for the purpose. Dhirubhai Ambani is a good example of a man who beat the system all ends up. But did the system change? If we want India to progress, we must not just beat the system: we must destroy it!

Finally, we are on our way to Mughalsarai station. It is just 15 km from Varanasi, and the journey takes over an hour. The road is narrow and both sides are crowded with new constructions: the city is expanding along every road it can find. I am told that not many people live in Mughalsarai: it is important only for its station and its market. With proper connections, it could be a satellite town.

I am tired as hell. It is past 11 pm. Our train is extremely late, and not expected before 3 am. I crash out on a bench on the platform. At about 2 am, I am awakened by Cris’ shouts. I open my eyes and see a huge black bull towering above me. It thrusts its nose into one of our plastic bags looking for food. I get up pronto and deliver the beast a hefty kick on the butt. It does not even flinch. After some more kicks, and a lot of hollering, we get rid of the animal.

Our train is expected at 4 am, I am now told. Our only hope is to board the Calcutta Rajdhani, which should be along shortly. Our coolie gets into the act with Mana and Naveen and, after some palm grease has been offered, and accepted (the system is designed to be beaten by the resourceful) we get berths on the Rajdhani – and are off.

Back in Delhi, I wonder about the priorities of Indian politics. In UP, chief minister Mayawati is unleashing war on the thakurs who traditionally owned land. In Delhi, they are asking the Supreme Court of India to hand over the ‘disputed’ land at Ayodhya to the Hindu organisations which want to build a temple at the spot where the Lord Rama was supposedly born. Advani is throwing out illegal Bangladeshi immigrants. Half the front page is about India’s problems with Pakistan.

In the meantime, our entire civilisation lies in ruins. Nero, true to form, is playing his fiddle.

5719 words

22. TO THE HAIR OF THE PROPHET SRINAGAR

*You got mud on your face,
You big disgrace,
Somebody better put you back
Into your place
We will, we will, rock you.*

QUEEN

The first impression of Srinagar as one steps out of airport arrivals is that there are too many men in uniform with too many guns. Driving out, one comes across hordes and hordes of armoured police jeeps. There are checkpoints every few yards and I see metal spikes laid out for the tyres of anyone who tries to escape. Something very wrong with this place, I think, determined to find out what.

For all of us, Parth, Mana and I, it is our first visit to Srinagar. We have been invited there to deliver two one-day seminars on free market economics to college students. It is late June, 2003, Delhi is burning, and we look forward to spending a few days in natural air-conditioning. It is about 1 in the afternoon when we arrive, and Srinagar is hotter than we expect.

"We have forty days of hot weather every year and you are smack in the middle of it," said Arjimand Hussain Talib, Kashmir's leading economic columnist, who has arranged the seminars and has come to pick us up in his little white Maruti, accompanied by his friend Riaz. Both have studied engineering in Bangalore together, and are now running a local group called HIMAYAT: Himalayan Mission for Advocacy, Youth Awareness and Training.

We spend a great deal of time contemplating whether the Maruti will suffice. Finally, seeing the large bag containing our publications, we decide that an Ambassador taxi would be better. We load one after Arji does the customary haggling, and head towards our houseboat on the Nageen Lake. Riaz follows in the Maruti.

From the air, the valley had looked truly beautiful, much prettier than Switzerland. The land was a lush green, here and there were copses of tall trees, and the place seemed far less populated than the area around Lake Geneva. But now, on the ground, everything looks ugly. The roads are horrible, the large houses with sloping tin roofs, quite like German houses, are all unplastered and unpainted. Not a single painted roof do I see. As we pass through

narrow streets lined with little shops, everything looks poor. And, of course, the ugliest sight of all are the guns: soldiers everywhere with automatic weapons, and even fortified bunkers smack in the middle of intersections. The bunkers have INDIA IS GREAT emblazoned on them; they fly the Indian tricolour; but the sight that presents itself is of an army of occupation. "This was once a liberated area," says Arji, "and the Indian Army could not enter here." Guess some politician in Delhi gave the army the order to shoot rather than broker a peace deal.

Suddenly, the car stops. "Out of fuel," says the driver, a large, friendly man, looking both embarrassed as well as apologetic. We step out. Luckily Riaz is behind. He takes the driver with his jerry can and turns back towards a petrol pump. We stand under the shade of a tree. I smoke a cigarette and look around. The road is passing through a huge open field. I see two football goalposts, but no game going on. There are very few people around. "This is the Idgah ground, where Id prayers are held," said Arji. Then, pointing to an area right at the far end of the field he said, "And that is the martyrs' graveyard." Even from the distance I can make out that thousands of brave people have died, fighting for freedom in Kashmir. We have come to talk on "Freedom, Peace and Prosperity". I feel confident that this is a city

where the philosophy of freedom is bound to be taken most seriously.

Thirty minutes and two cigarettes later, our heroes arrive back with the fuel. We drive on through hopelessly narrow, twisted streets, all very heavily potholed, until we suddenly come to a dead end, where we get off. We walk down a grassy slope and cross an open field and then I see the houseboats. They are much larger than I had conceived them to be. As I board, I notice that the water around the houseboat is covered with lotus leaves. Here and there I see yellow lotuses in full bloom.

I step into the houseboat and see the galley ahead of me. It looks clean and compact. To the left is a narrow passage along which are three large bedrooms with well-appointed en suite bathrooms. To the right is a spacious dining room with a round table at the centre. Beyond the dining room is the enormous living room. Exquisite carpets are laid out amidst intricately carved walnut wood furniture. The place is fit for a king. But the best is yet to come, for beyond the living room is an open deck, with a carved wooden canopy atop. There are lots of cushions and bolsters laid out and we sit there and are entranced by the serene waters of the Nageen Lake. A cool breeze blows. All around are tall mountains. The other side

of the lake looks miles away, and it too is lined with houseboats. In the far distance is a beautiful looking large house with a red sloping roof that looks straight out of Europe. Other than that there isn't a building to be seen.

"Dal Lake is too crowded. I thought you would prefer the quiet here at Nageen," says Arji, who had fixed the houseboat. The three of us warmly congratulate him on his excellent choice. There is only one hitch: when I ask for a beer I am told there is none. No gin or vodka either. I didn't know the state was under prohibition. How can that co-exist with tourism? I wonder.

The centre of the foredeck has wooden steps leading down to the water. Suddenly a canoe draws up with two men aboard. They greet us warmly in perfect English and ask whether we would be interested in buying some carpets. We invite them aboard and they are such skilled traders that they tempt us into make some purchases. It has been barely 20 minutes since we boarded the houseboat and the market economy is already upon us!

"Do you see that peak there? It is the tallest around the Valley and it is called Mahadev," says Arji pointing to a lingam-shaped massif. Upon hearing

Shiva's name I think that surely this area will be able to provide me with some excellent smoke. I ask the carpetwallah's boatman whether I could obtain charas and he says he would send word to the fruit man, who is a smoker himself.

After Arji and Riaz leave, promising to return in the evening, the three of us lunch on grilled chicken. During the meal we get acquainted with the houseboat staff: Maqbool, a tall man with a hearty laugh who speaks good English; and Manzoor, his deputy, who is quiet, speaks Hindi with us, and seems very happy with himself, for he is always grinning. They are both dressed in Kashmiri salwar-kurta, sporting beards, and have their traditional embroidered skullcaps atop. Indeed, when we met the houseboat owner, Saboor, I am surprised to see that he too is not dressed differently, though Arji has told me that he is the fourth richest man in Kashmir. A remarkable sense of equality here, I think.

Saboor speaks of how he is seeing tourists for the first time in 13 years, and how he has spent a fortune maintaining his boats during the period. His main business is silk carpets, and he runs a shop selling these at the Maurya Sheraton in Delhi. When Bill Clinton had come to India he stayed at the Maurya and bought carpets at Saboor's shop. We are shown

the photographs and press clippings by a proud Saboor. Good trader, I think, if he can attract the custom of the world's most powerful man.

We loll around the houseboat drinking oodles of *kahwa* in tiny gold-rimmed cups. *Kahwa* is Kashmiri green tea with saffron. Delicious stuff. The air is cool. The sun is setting behind us – the houseboat is east facing – and we drink in the beauty of nature: the green of the mountains, the stillness of the waters, the birds, the little dragonflies, the lotuses, the cool breeze. As if out of the woodwork, Arji and Riaz return and invite us out for a drive to see the sights.

Good thing Mana is skinny, I think, as the three of us squeeze into the back of the Maruti. The little car traverses the narrow potholed streets and Riaz, who is driving, seems to be perpetually getting lost, for we have Arji shouting in Kashmiri. The car stops, reverses, and proceeds along a different lane. Finally, we arrive at the Dal Lake and I feel glad that we are staying where we are, because this is far too crowded for me. We take the road along the lake and enjoy the sights as more and more of the enormous lake comes into view. We keep driving on till we came to a lonely spot and there, we stop and step out. We are now on the eastern bank of the lake, and the sunset lies straight ahead. It is a breathtaking sight.

Suddenly two armoured jeeps pass by and stop a little beyond us. An army officer in mufti steps out with his wife and family. They stroll around while half a dozen soldiers with automatic weapons stand on guard. It is a sight that ruins our happiness, and we ask Arji to take us somewhere more peaceful. "How about one of your famous gardens?" I ask. Arji takes us to Nishat Bagh, built by the Emperor Jehangir, just a short drive away on the lakefront.

I guess spring might have been a better time to visit Nishat Bagh, but, with state ownership and management, the park seems in bad shape. However, the tall chinars are magnificent. I am also fascinated by a local tree which Arji says they call *wakhun*, which looks straight out of a tropical rain forest with its thick leaves and enormous white flowers. The sun is still setting as we walk in a garden lined on all sides with chinars. We see a tea stall in the distance and think a cuppa would suit us fine. But the place is state-owned, and we are refused service.

As we begin the long walk back to the entrance we pass a large group of politicians accompanied by armed security guards. Guns everywhere. Outside, we see their fleet of white Ambassadors with red lights on their noses. Many armoured vehicles. More

guns. All the vehicles are parked wrongly. Guess they own the road. Sign on one car said that these dudes are the parliamentary committee on public enterprise. Guess this is what we journalists call a junket – but this one is at the taxpayer's expense. Find a teashop by the lake and get excellent service: hot tea and *garma garam* samosas!

Then, instead of returning the way we had come, Arji takes us for a full circumambulation of the lake. But what a road! That too on the lakefront, where there should be prime property. The road is the worst road in the world. We pass the Kashmir University, the Hazratbal Mosque, where a hair of the Prophet is kept, and finally come to the Nageen Club (used exclusively by the army). A narrow lane takes us to the lakefront, and there Arji and Riaz take us to a *shikara* which would take us back to our houseboat, on the other side of the lake. We say our thank yous and goodbyes and board the *shikara*. These are gondola-like flat-bottomed boats which are used here. It takes about 10 minutes to cross the lake and costs us the princely sum of 50 rupees. What a lovely way to commute.

No sooner do we arrive that the fruit man's canoe draws up. I make my purchase and immediately smoke it. It is like back in my college days – or in

Amsterdam – the stuff is so pure. I buy two tolas (20 gms) for 1000 rupees – and I prefer not to bargain. I now have all I need.

After a dinner of more chicken, we relax on the foredeck discussing details of our seminar the next day. But we make a small error. We drink a lot of tea during the discussions and that gives us a lousy sleep.

By 05:30 the next morning, I am up and about, and so is Parth. Tea is served only an hour later. As I sit out on the foredeck sipping tea, canoe after canoe draw up with things for sale. One guy comes up with a canoe full of flowers. I don't need any but he manages to sell me lily bulbs and cornflower seeds for my garden back home! While paying I order a bouquet for the breakfast table and he makes up a huge one, with orange lilies in the centre and all kinds of colourful flowers around for just 50 rupees!

At 08:30 we breakfast on eggs and toast and then cross the lake in a *shikara* to arrive at the Nageen Club. Here, Ejaz, whom we hadn't met before, is there in his Maruti to take us to the seminar venue - the Government Women's College. He too had studied with Arji and Riaz in Bangalore, and he now runs a Fiat dealership in Srinagar. He sold 4 cars the last month. Business is slow here.

The steel gates to the women's college are closed tight. Armed guards are about. After some words in Kashmiri the gates open and we drive in and park. We are taken to the room of the principal and served excellent *kahwa*, this time with some crushed almonds in it.

Soon the finance minister of Kashmir arrives, and the ceremonies begin. We are escorted to a large auditorium. There are about 200 students, all in white salwar-kameez, and the entire faculty. The finance minister, Muzaffar Hussain Baig, inaugurates the seminar with a speech that strongly criticises bureaucratic functioning. Later, I tell him that we need such FMs in Delhi! By the way, I learn from the FM that 90 per cent of his budget comes from the central government!

After the FM departs, our sessions begin. I manage to convince the audience that population – our children – are the most valuable asset ever; that urban areas maximise wealth generation by giving maximum room for the division of labour; that India should aim to be a nation of 600 free trading cities and 600 such towns; that a 'hub-and-spoke highway design is essential for that purpose; and that free trade is in the

best interest of the people of Srinagar as they have all the requisite skills to succeed in a globalising world.

My 90-minute interactive session is followed by half an hour of questions, during which I find the students to be most intelligent. We offer a 45-minute lunch break before Parth's session on the 'tragedy of the commons' but the students opt for 30 minutes! College here is from 1030 to 1600 hrs because students have to commute long distances. Thus, they did not want to waste time. When the students are keen, the teachers have an easy time – and Parth's session is a big success. Normally, wildlife farming does not appeal to students because they have been fed on Green bullshit for so long; but here the idea is an instant hit because the local economy has been badly hurt by the ban on shahtoosh shawls which are made from the wool of a mountain antelope – the *chiru*. Parth's suggestion that all avenues should be explored for commercially breeding the *chiru* is a huge hit.

Seminar over, we drive back into town. Parth and Mana get off at Lal Chowk, the main shopping area. I prefer to be dropped off at Nageen Club because I am feeling like a cool shower. I laze around on the foredeck thereafter till late, when Parth and Mana return with an amazing story to tell. It seems they had

taken a gala *shikara* ride around the Dal and had come across a floating market with hundreds of boats selling everything from meat to long distance phone calls. Looks like I missed something, but then the college did say that they want us to come every year, some of the students did say that they want to join our freedom movement, and I do believe I will return.

The next day is Friday, the Muslim holiday, and we are free. It is also Parth and Mana's second wedding anniversary. I am, as usual, the first to wake up. Manzoor gets me some tea on the front deck and I loll around, smoking and sipping tea. Back home, this is the time when the newspapers come, so I ask Manzoor if he could get me a copy of *Greater Kashmir*, the local paper Arji writes for. He takes a while to get the paper, during which time I enjoy myself observing the diversity of the wares that the merchants on canoes have to offer. I buy a bouquet of flowers for Parth and Mana from the same flower-seller of the previous day, and this time he puts it in a blue earthenware pot which he fills with lakewater. One merchant I really like is Ghulam, who sells leather goods like jackets, bags and wallets. Ghulam sports a gray beard, dresses like Saboor, and travels in a private *shikara* with his own boatman. He speaks perfect English and is extremely polite. I ask him to return when the rest of the party is up and he

promises to do so. Another guy who attracts my custom is a tailor who draws up in his canoe. I have always wanted a woolen *pheran*, the Kashmiri outfit. The tailor, Hanif, shows me samples of tweed, I make my selection, he measures me out, and promises to be back that evening itself with my *pheran*. The price: a princely 1200 rupees!

When the newspaper arrives, I realise that our visit has coincided with that of the president of India. He and Musharraf hog the limelight, but our little seminar has also found mention.

Parth and Mana arrive at the foredeck soon after, and the first thing they receive is the bouquet of flowers. Then, canoe after canoe arrives selling all kinds of ware, from local candy and cakes and biscuits to saffron. Mana pays custom to a jeweller and buys some exquisite silver stuff. I buy a pair of earrings for a pretty little girl I know. Then Ghulam arrives with his leatherware and Mana buys a whole pile of stuff. I go through Ghulam's offerings and tell him he does not have what I am looking for. I carry a cardholder and a wallet, and am looking for something that could carry cash, cards and coins and fit in my pocket as well. He promises to return with something for me.

After a hearty breakfast of toast and eggs, Parth and Mana take off for Gulmarg. I have a bout of sciatica and decide to stay back and enjoy a relaxed day on the houseboat – and not be a *kabab mein haddi*. They take a *shikara* across to the Nageen Club, where they can hire a taxi. I shower, have a decent smoke, and sit back on the foredeck with a copy of Fareed Zakaria's *The Future of Freedom*, which we had picked up at Delhi airport. I also come across the file containing the feedback of the students at the seminar. I go through these for a couple of hours during which time, quite magically, not a single canoe disturbs me.

The feedback indicates that all has gone well and both the students as well as the faculty have not only appreciated the seminar but have also grasped the key points. About 25 girls write that they would like to start a *private* organisation to further these ideas.

Fareed Zakaria has written an important book. I hope it gets the attention it deserves. I particularly like the point that, in the US, citizens report satisfaction from three government agencies which have one thing in common: they are insulated from democracy – the Army, the Federal Reserve and the Supreme Court. They are most dissatisfied with the most democratic of institutions – the US Congress. Democracy needs to be curtailed is Zakaria's central thesis. Power

should be delegated to autonomous institutions that are knowledge-based. Quite like the Islamic conception of *ilm* (or 'knowledge') governing society. Islam is Hayekian in its conception of knowledge. Zakaria's book reminds me of something Cris Lingle once said: democracy faces diminishing returns. Use too much of it – give the democratic state too large a role in society – and you lose. Democracy should be sparingly used and civil society should play the major role.

After a lunch of excellent lamb chops I spend an hour or so on the foredeck, smoking and drinking *kahwa*. During this time Saboor drops by and keeps me company. As we exchange ideas I get a chance to probe Saboor's ideological inclinations. A widely travelled man, at first he seemed to admire the discipline in Saudi Arabia. But when I point out that such autocratic rule is a horrible idea for our country, he agrees. Then he lets out his pet peeve: that all the boats who come to us selling things charge all kinds of prices from all kinds of people – which means tourists routinely get cheated – and the government should do something about it. I tell Saboor that the Prophet Muhammad, peace be upon him, was once faced with the same issue. At the mention of the Prophet's name I can see fear come over Saboor's face. But that fear dissolves into happy laughter when

I quickly add that the Prophet had concluded there is only one way to determine the just price – and that is by hard bargaining. We don't need the government to interfere in prices, I tell Saboor, and everyone should be advised to bargain hard. That anarchy of the market is what the Prophet loved. Saboor walks away in deep thought. I perch myself on the huge bolsters and take a long nap on the foredeck, and the sweet breezes of the Nageen Lake are better than any airconditioning.

Parth and Mana return at about dusk. They had had a great time and even got to walk on snow. The 60 km drive to Gulmarg took them 90 minutes each way and cost 900 rupees. There they took a ride in a cable car and thereafter they a pony ride to Khilanmarg. They say their butts are aching after that. In Switzerland, 60 km would take less than an hour; and you have cable cars that take 40 passengers as well as a full container below. Here the cable car is state-owned and carries only four passengers. There are pressing reasons to get democracy out of the supply of roads and cable cars.

Dinner comprises of some excellent *yakhni*, a local yoghurt curry, with boneless lamb. And by lamb I mean lamb, not goat. They eat only sheep meat here, and they do not eat beef at all. Kashmir imports 1200

crore rupees worth of sheep every year from the rest of India. Sheep rearing is impossible here because the mountain pastures are all occupied by the Indian Army. I enjoy the lamb and tell Manzoor to cancel chicken and serve lamb at all meals hereafter. Chicken, like democracy, faces diminishing returns.

After dinner we have some *kahwa* – and it does not ruin one's sleep. I have a good night's rest. Use the quilt, but keep the fan on: that is what the weather is like. Wake up very early and enjoy the twittering of birds. Come out to the foredeck and watch their antics. The sun is about to emerge from behind the Mahadev peak and everything is calm and serene.

After breakfast we receive a phone call telling us not to cross the lake as the president of India is using that road and it would be closed to everyone else. We are told to wait and that we would be picked up from the houseboat itself. Arji and Riaz soon appear and we go through the potholed narrow streets again, Riaz as usual getting lost at every consecutive turn. Finally we arrive at Amar Singh College. It is a grand building dating back to the early 20th century. Riaz says that many Hindi films have been shot here – like “Bobby”.

Our seminar goes off very well. During the chat I have with the principal, a historian, it emerges that one of the best students in his college had recently gone 'missing'. The surface calm I see in Srinagar must be very misleading, I think.

We are now completely free. There are no evening flights out of Srinagar so we are flying out on Sunday afternoon. Arji and Riaz take us to see the Shankaracharya Temple atop a hill. At the base we are thoroughly checked by the army. En route we stop at a few places and get a good view of the city spread out below. It is mostly lake with the Jhelum river flowing through. Mountains all around. But everything looks poor. The only painted roofs I see are of army barracks. The tallest building is the Hazratbal Mosque, where a hair of the Prophet is kept, with its narrow, rather unusual, dome. Somehow, with the tall Mahadev peak in the background, Srinagar, from that height, presents itself as a peaceful picture of religious co-existence.

One interesting house I see is this massive red-roofed European-style villa sitting in splendid isolation in acres and acres of green. It is the finance minister's residence, I am told. Also, the same building was once a notorious interrogation centre. A youth

standing nearby says that he had been incarcerated there for two months in the bad old days.

We do not take the trek up to the temple. There are too many soldiers about. We simply turn the car around and head downhill. Arji and Riaz drop us off at a taxi stand as they have to attend their respective offices. We find the taxi too expensive and opt to squeeze into an auto rickshaw instead. First stop: the Chasmeshahi Gardens. I want to drink the therapeutic waters of the Chasmeshahi hoping to cure my sciatica, but no luck: thanks to the presidential visit, the gardens are closed. We therefore go to the Intercontinental and drink some chilled beer. It is great to have a drink after four days. It also proves therapeutic: my sciatica pain suddenly goes away!

At the hotel I find out why I could not get booze all these days: there is no legal prohibition, just that all private shops have closed as there have been no tourists for 13 years. Kashmiris don't drink alcohol. Arji says they consider it to be more taboo than adultery! I'd rather avoid adultery. I believe in property. But alcohol is not against my religion: I worship at the altar of Bacchus.

Back at the houseboat, Hanif the tailor arrives with my *pheran*. I put it on and really like it. I look

forward to wearing it this winter. Ghulam is also there with a black leather thingummy that combines a spacious coin pouch, a wallet and a cardholder - all for 325 rupees. I don't bargain as I am so happy to get exactly what I was looking for. Goes to show: In the market economy, we serve our fellow man. We don't loot him; we don't cheat him; we prosper by serving the needs of our customers.

That night is our last and the cook, who is on the adjacent houseboat, and whom we never met, serves us a special meal of lamb, *karamsaag* (a local leafy green) and Kashmiri *aloo dum*. Fantastic.

The next morning I am lucky to get treated to a rare glimpse of nature. I awake early as usual and am out on the foredeck. Soon the sun rises from behind the Mahadev peak and the light is too bright, shining straight into my face. Luckily some clouds intervene and cover up the sun, and all is cool and gray again. Gradually, everything gets grayer and grayer until suddenly it looks like a storm is imminent. A strong north wind starts blowing and it grows rather cold. The placid lake now has white-crested waves. I had brought a woolen poncho along and for the first time get to use it. But soon even the poncho is not enough and I have to retreat to the living room and give up the foredeck. The houseboat rocks with the strong

wind, the sky is dark and ominous, and the air is biting cold.

Manzoor appears with some tea and the newspaper. He shuts all the windows in the living room and I sit there for about an hour sipping tea and reading the Sunday edition of *Greater Kashmir*. By the time I have finished, the storm is over. The sun is out. And the waters are calm and placid.

We have made it to the news again, along with the president of India. But whereas our news is about how we ignited the minds of hundreds of college students and their faculty, the president of India's news is about how he went to a women's college, spoke for 30 minutes on truth, love and beauty, how India should become a developed country, and how children are ambassadors of peace. He stayed on to answer only 3 questions. 18 questions had been 'screened' by the college authorities, but the president of India dodged even these.

Parth and Mana surface late. I tell them of the wonder of nature they had missed. We breakfast heartily on eggs and parathas for our flight is at 3 and we would be missing lunch. Soon Arji arrives. We check out (Saboor gave us a special 'NGO discount') and walk towards the car. Saboor takes the opportunity to show

us his house. It is on the banks of the lake just a short distance from the houseboat: an elegant European-style villa set in a spacious, well-maintained garden. In his office Saboor shows us his pride and joy: an antique Persian carpet he had bought for \$50,000, but which was now worth much more. I wonder if I will ever have that much money to walk on.

As we leave the house, Saboor points out a quotation from the Holy Q'uran which is framed upon the wall. It says that the honest trader will join the Prophet in paradise. I remark that Islam is a morality of traders, not soldiers. Both Saboor and Arji agree.

En route to the airport Arji takes us to his home. There are no internal roads in his locality.

They stop you before you reach the airport, frisk you, and X-ray all your baggage. Then you proceed on the airport road, named after Indira Gandhi. Armed guards everywhere.

But I have hope. Arji, HIMAYAT, *Greater Kashmir*, the college principals, the faculty and the students represent hope for civil society. We have now established a relationship. And we will take it further.

5278 words

23. CAR!

Take it easy,
Take it easy,
Don't let the sound of your own wheels
Drive you crazy.
THE EAGLES

I love my car. I dream, like Henry Ford did, of a world where everyone owns a car. In the developed west, this dream has already been realised. Here in India, cars are still out of the reach of most people – thanks to the swadeshiwallahs, who insist that local manufacture is the route to prosperity. Thus, there is a Ministry of Industry that implements something they call “Automobile Policy”. In this essay, I shall argue that the best automobile policy is none at all; and that the Ministry of Industry should be abolished. But first, some snippets from history.

Milton Friedman came to India in the mid-50s and made a remarkable observation: that an old Buick sold in Bombay for the equivalent of \$1000 (\$1400 at black market exchange rates); and, that he had himself sold the same model of the same car in the

US for just \$29!¹⁶ Friedman therefore concluded that the best way for Indians to get cars would be to import them second-hand. Making new cars in India would be uneconomical because the production runs would be small and costs would be high. When India persisted with the Ambassador, Friedman commented that it was strange that India considered herself too poor to import second-hand cars from abroad, but not too poor to force every poor Indian to buy expensive, brand new cars made in India!

When I was in college, very few people in India owned cars. The Indian-made cars that roamed the streets were hopelessly obsolete. The diplomats of Delhi were the only ones who owned what could be called ‘real’ cars; and it was perhaps only for this reason that they commanded so much respect those days. I remember a fellow student in college (1974) whose father was a diplomat and returned to India with an Opel Rekord. We used to zip on Ring Road – and it was the first time in my life that I encountered a car cigarette lighter, and discovered hazard lights.

¹⁶ Shah PJ (eds.) *Friedman in India* (Centre for Civil Society, New Delhi, 2001).

In 1984, when the Maruti entered the market, and my father bought one, the little car was a delight. There were many ‘firsts’ with the Maruti: the first car with hazard lights, the first car to use coolant, and the first car with a factory-fitted air-conditioner. It was with the Maruti that car audio boomed. Maruti soon captured the market; but not before the market had itself expanded enormously. In remote Assam, my uncle bought a Maruti. I went on a trip to the Kangra valley in 1992 in my Maruti and found a service station in the high mountain town of Baijnath – and its owner said that he had trained in a dealer’s workshop in Delhi. That is, the Maruti brought with it an accessories and ancillaries boom; it also brought a knowledge explosion. In Delhi now, any roadside mechanic can take a Maruti apart – just as they could do to an Ambassador in the old days. Modern automobile technology has become common knowledge.

So just think what would have happened if Milton Friedman’s advice had been followed in the 1950s. Think of the knowledge levels that would have informed our energetic mechanics. Think of how there would never have been the ugly three-

wheeled auto-rickshaw; and how the taxis in our cities of joy would have been world class. Think of how we would never have a huge two-wheeler industry – just as China must have had a huge cycle industry in Mao’s times – and we would never see entire families going about perched precariously on a scooter. Somehow it seems extremely perverse that the Supreme Court has ordered us to wear seatbelts while driving – and the bloody cops fine you if you don’t – but these judges never think of the little babies that mothers carry about with them on scooters.

I spent seven weeks in Germany and met many down-and-outers – and all owned cars. There was Detmar, who was unemployed and performed jugglery feats in the Offenbach market and earned some coins every day – and he had a little second-hand Toyota. There was Stuffi, who worked part-time at the Wündertutte pub. He lived in an abandoned caravan. But even he had a beat up van in which he took his kids for holidays to Spain and Portugal. Most of the people I met owned second-hand cars. One man came to me and offered me an old Mercedes for free. He said that it would cost too much for him to get the car’s roadworthiness

certificate, and even junking costs money, so it would be best if I took it away to India. I could not accept because the authorities here would slap huge import duties on me. I heard he finally gave the car to an East European. They, and the Turks, are doing big business in second-hand goods.

Although the automobile industry in India has been 'liberalised', the entire effort is still to force every Indian into buying brand new cars made in India by multinational car companies. Second-hand and even new car imports are prevented by impossibly high import duties. Quite obviously, these duties have not been imposed with the idea of earning revenue. When the duties are so high that imports are negligible, the state does not earn any revenue. Revenue earnings would hit the roof if the duties were low and a huge amount of trade occurred. Then why have these tariffs been imposed? Only to protect domestic manufacturers. In this case, multinational car companies owned by foreigners will gain at the expense of poor Indians who are denied access to cheap, modern wheels.

How will these MNCs behave? If we apply the rationale of profit-maximisation, which is the

objective of every private firm, then the MNCs will indulge in what economists call 'tariff jumping'. They will locate production units in India so as to themselves avail of the protection offered by high tariff walls. What are the examples of such behaviour?

Remember the Maruti 1000? It was underpowered and gave way to the 1300cc Esteem. But Suzuki does not sell the Esteem as a three-box car in Europe. There they sell it as a hatchback called the Suzuki Swift. With completely free trade in used and new vehicles, the consumer will get far more choice, the market will be fair, and the politicians will not be able to sell favours to MNCs.

The car I now have gives me great joy. I was always a car enthusiast. The car to me is what computers are to today's kids. I used to buy foreign car magazines second-hand and cut them up and make albums of the great cars of the world. In Delhi, I could identify the make of any diplomatic car from a good distance. I learnt to drive fairly young, and driving is still one of my greatest pleasures. After the Maruti, I drove an Esteem for a while and now have this Corsa. It is

such a great improvement. When I am in my car I always feel that I am in a little cocoon, air-conditioned if it is hot, heated if it is cold, lovely music on an excellent stereo, completely insulated from the world outside. I love the feeling.

My car gets me around places and it does so in safety, comfort and style. I find that, as a human being, I must travel often: to the market, to the bank, to visit friends, and to work. If I were a tree I would grow roots and gather all the sustenance I need from the ground below me. As a human being I cannot do that. The Lord has not given me roots – but two legs instead, to travel around and find the means to survive. Man started off walking and maybe running. After a great deal of progress, which began with the invention of the wheel, we finally have cars: great cars. Thanks to the socialist Indian state and its ‘automobile policy’, most Indians are not as fortunate as me and do not own cars. In the cities and the towns, the roads are chock-a-block full of the ridiculous creations of socialism: the auto-rickshaw, the slow, ugly Vikrams, the three-wheeled Tempos and so on. Rural people are often found travelling on the ‘highways’ seated in trailers drawn by tractors.

Horse carts and bullock carts abound. Cycle rickshaws can be seen on 'highways'. If you drive out of Delhi you invariably encounter a strange creature the villagers call Jugaar: it is an automobile the villagers themselves manufacture using an old diesel engine. That is, we are the only country in the world where automobiles are manufactured by the informal sector!

The most pathetic sight, of course, is that of the personnel of the state riding around in Ambassador cars with red lights on their noses. Where the people ride Arabian stallions – Opels, Hondas, Fords, Hyundais, Skodas, Toyotas and even Mercedes-Benzes are manufactured in India – the King rides a donkey! The King cannot afford anything better. The King is broke.

Makes me think of the erstwhile Nawab of Hyderabad. Legend has it that he was once turfed out of the Rolls-Royce showroom in London and, as revenge, ordered a few Rolls-Royces and employed them to carry his garbage! He just ruled a principality. And he was rich. Amazingly rich. His jewels were recently showcased in Delhi.

These socialists rule the whole vast subcontinent and are broke!

Just visit Raisina Hill sometime. It is where Lutyen's grandeur stands out. In front of you is the Rashtrapati Bhavan, once the Viceregal Palace. On both sides are the imposing North and South Blocks which house all the important ministries of the state. The place is designed to strike awe in the populace. But the Ambassador takes all the awe away today. When we gaze upon Raisina Hill today we are struck by the sight of thousands of white Ambassador cars with red lights on their noses. Reminds me of the Beatles song: The fool on the Hill. No awe at all.

Since 1984, when Maruti first came in, the growth of the car market has proved the Theory of the Vicious Circle of Poverty to be all wrong. If poverty was inescapable, then how could Indians start owning cars in such a big way. If you see the DDA localities of Delhi built before 1984, they are all equipped with 'scooter garages'. Middle class Indians who could afford to buy apartments from the state (fully paid up in advance, without any housing finance) were not expected to ever be able

to afford cars. These same localities are now overflowing with cars and there is nowhere to park. The streets of Delhi – and all other cities and towns – are unable to cope with the automobile explosion.

To face up to the future, India needs to do three things: first, get in second-hand cars so the people can move into the modern world, get wheels, improve their productivity, earn more and thereby enrich themselves and their country. The domestic auto industry – both Indians and MNCs – can go to hell. India does not need an auto industry; Indians need cheap cars – fast. Second: we need to build roads on a grand scale, on a war footing. And third: We need scientific traffic management. If we do not do these fast, we will be left behind in the globalising world.

1936 words

24. CASTE!

Tinker, tailor, soldier, sailor,
Rich man, poor man, beggarman, thief.

NURSERY RHYME

The permanent solution to caste discrimination lies in ditching the false vision of a ‘socialistic pattern of society’ that Jawaharlal Nehru gave the nation at a point of time when it had just freed itself from colonial rule. The socialistic vision was one of equality: a world of uniformly trimmed hedges with Nehru, his planners, and his State doing the trimming. The tall trees were to be cut down to size and the short grasses were to be ‘uplifted’ through strong state action that included reservations at various levels.

60 years on, this vision lies in tatters. The poor remain poor, the rich get richer, and caste has been hopelessly politicised. A little joke was told about the UP elections: That Lord Krishna and his friend Sudama were watching an election rally. Krishna asked Sudama whether he would vote for him if he stood as a candidate. Sudama said: How can I, a Brahmin, vote for you, a Yadav?

The free market offers an alternative vision of society. This is based on freedom, not equality. It is held as a profound truth that free people are not equal; and further, that equal

people cannot be free. The socialists led by Nehru took our freedoms away and sold us a false vision of equality. It is time to dump their false vision (which has actually created a VVIP culture) and embrace the philosophy of freedom. There will thus be a world of tall trees and short grasses – and all the creepers, bushes and vines that Nature will support. That is the Adam Smith vision: Man living in Natural Liberty, creating wealth through the division of labour, guided by the ‘invisible hand’ of the market. How will Natural Liberty address the problem of caste?

First, through prosperity. After all, the vision is also one of Universal Opulence. Under capitalism, everyone will be much better off. Consider this: In Frankfurt, I made good friends with a man who earned his living performing jugglery feats at the local market square. He had his own car! I rented a room in a house in London when I lived there as a student. Every week an English maid would come and clean up the whole house, vacuum every room and clean out all the loos. She came in her own car! My Frankfurt friend Stuffi worked as a part-time barman in a pub and made extra money giving massage. He lived in an abandoned caravan. But he owned a dilapidated van in which he would go off to Spain and Portugal for holidays with his sons. This is the first thing: Everyone will be much better off under capitalism. With free trade in second hand cars, every Indian will own decent wheels. The bullock-carts of rural India will give way to modernity. The autorickshaws of our cities will be history. Prosperity will be visible on the streets, and everyone will benefit. No longer will we see the Hamara Bajaj vision of a man, his

wife and their two little children going about courting death on a scooter.

Second, there will be massive urbanisation and this will be accompanied by massive rural-urban migration. The caste factor is a rural phenomenon in the main. In the cities, caste is immaterial. Those who suffer caste discrimination in the villages will be better off migrating to a city and becoming caste anonymous.

Further, at the level of sub-jatis, the lower castes are strongly marked by the division of labour. There is the *dhobi* caste, the *mochi* caste, the toddy tapper caste and the *dom* who handles cremations. This shows, of course, that ancient India must have been hugely urbanised because an India composed of self-sufficient villages would not have given people the opportunity to specialise in so many different ways. This therefore shows that the best thing that can be done for these depressed castes is to promote urbanisation and upgrade their specialisations to levels prevailing in the western world. With free trade, our *dhobis* will become laundromat operators. The *doms* will become undertakers, and so on. That is the approach society will follow if Natural Liberty prevails.

Caste has become a major factor in Indian politics because the socialist state has always looked for clientelistic legitimacy: that is, co-opting some representative hangers-on to its bandwagon. It would make some lower castes into IAS officers, it would make others into doctors and engineers, and it was proud of the fact that the last

President of India, K R Narayanan, was a Dalit. They are all the clients of the State. They benefit from statism while the majority of their brethren suffer. Dalit leaders have a choice: the State or the Market. The State offers tokenism and clientelism. The Market offers Universal Opulence, and a Civilisation with over 600 free trading cities and 6000 free trading towns in which one can find a specialised niche in the division of labour. Thereafter, it depoliticises caste and allows the sufferers of discrimination the chance escape rural oppression.

The important difference between State action to help the depressed castes and Natural Liberty is that, under State action, very few members of the depressed castes will benefit; whereas, under conditions of Natural Liberty, the entire lower caste community stand to gain. The socialist planner, it must not be forgotten, has deliberately kept the people poor: he has manufactured permanent poverty. He has done this by cutting off rural India from urban India, and thereafter discouraging rural-urban migration. Under their regime, both reservations as well as Panchayati Raj were exercises in clientelism. This is the manner in which they have politicised caste – instead of getting rid of the concept forever.

I, for one, am an urban Indian who never encounters the phenomenon of caste in the world around him. In urban India, no one asks anyone what his/her caste is. In commerce, it must be noted that the costs of discrimination fall directly on the discriminator. If a shopkeeper decides not to serve Dalits, he suffers. That is why, in a free market

urban economy, the horror stories of caste discrimination that we hear from rural India do not occur. Thomas Sowell's famous book on affirmative action around the world, *Preferential Policies: An International Perspective*, begins by noting that tramcar companies in the US South did not discriminate between black and white customers, as it would cost them money, but racist politicians passed the segregation laws. His study also reveals that such State action, without exception, has led to the fragmentation of society and even to bloody conflicts and civil war – as, for example, in neighbouring Sri Lanka.

It should be seen by all Dalit leaders today that the State is actually an enemy of the poor. It keeps them poor and desperate, so that their only opportunity to escape the clutches of entrenched poverty is through State help. This should now be deemed immoral. No one should accept this help. Rather, they should seek freedom, so that they can make economic achievements on their own, owing nothing to no one.

Of course, there will always be inequalities. But in a market economy, with urbanisation, many Dalits can find their fortune as sportspersons and entertainers – just as the US blacks did. In India, apart from cricket, there is very little money in any other sport. With legal betting, perhaps the money will become available. Similarly, there is no nightlife industry in India, and talented performers and artistes have precious few outlets like clubs where they can play and secure themselves a dedicated fan following. With freedom, there will be opportunities for all. Those who

work the hardest and make the most out of these opportunities will reap handsome rewards. They will be respected as self-made humans. Is that not infinitely better than reservations, after which no one really loses his caste tag?

1318 words

25. PRUDENCE!

The lunatic is on the grass...
Got to keep the loonies on the path.
PINK FLOYD

Man is, generally speaking, an extremely prudent creature. If you placed a wide variety of mind-altering substances on a table – hashish, magic mushrooms, cocaine, heroin, ecstasy, barbiturates and amphetamines – I'd bet that not many people would try them. How many people refuse a third drink?

Man shows prudence in two aspects: looking after his health and looking after his money. Of course, these can also be carried too far as, for example, by the 'health freak' or the miser – but in general it can be said that the human race is prudent. People are careful about what they ingest and imbibe, and people are careful about how they spend their money.

It does not follow that extreme prudence is a good way of life. Thomas Hobbes, in *Leviathan*, talks about how people obtain power in the world around them. He says that 'liberality with riches' is the way by which power and influence are gathered, not miserly behaviour. Samuel Smiles, in *Self-Help*, says that 'a penny-pinching soul never came to tuppence'. Just accumulating money, and always remaining as sober as a judge, may not be the best way of life. An occasional splurge in the market cures depression: a friend calls it 'retail therapy'. Similarly, an occasional

high may be good for the soul and even for the mind. Aldous Huxley wrote *The Doors of Perception* (from which Jim Morrison took the name of his band) to show that mind-altering substances can help us see ‘reality’ from different perspectives. All over the world, there are people hooked on to some mental ‘buzz’ or the other. In most parts of the world it is cannabis. Then there is tobacco. Lots of people cannot start the day without either tea or coffee. In parts of Africa and Arabia people chew *khet* leaves; and in South America the tradition is to chew coca leaves all day. In North-East India people chew fermented betel nuts called *tambul* – many of my aunts and uncles are hooked on to the stuff. And alcohol is traditional in many societies: wine, beer, whisky, schnapps... all these are very old ‘knowledge’. In our own country tribals all over central India distil (not brew) *mahua* from a jungle flower of the same name. In North-East India I found an extremely good rice wine called *apong*. The Tibetans have their *chhung*. Japs have *sake*. The Mexicans have *tequila*.

It would seem that a vast majority of people have, for centuries, or even millennia, been getting high. Does this mean Man is irrational? Or has Man displayed prudence in choosing how to get high and these modes of getting high have been passed on from generation to generation as Man found that these were pleasures that did not cause harm if used with caution? I would argue that Man has shown prudence. The prudent one is not only the one who is always sober; the prudent one is also he who can handle his drink.

The same applies to gambling. It is not good for society if no one takes risks. In the old literature of ‘development economics’, backward societies like India were considered ‘risk averse’ and therefore poor. It would seem that in a nation considered such, the state would make efforts to encourage people to take risks – but here the state banned gambling! There isn’t a single casino in the whole of India.

Of course, Indians are not risk averse. Diwali is the festival in honour of the Goddess Lakshmi, the goddess of wealth. On that day, businessmen throughout North India gamble like mad, because they know that she showers her blessings on those who take successful risks with their money. Indians gamble on various things – from betting on cricket with illegal bookies, to satta, to matka to teer in the North-East. All these are illegal. And the ‘development economics’ literature calls us ‘risk averse’!

In England, there are betting shops in every street corner where the Englishman takes his ‘sporting chance’. Royalty attends Ascot. I have a funny story about the betting instinct in England which relates to my uncle who has lived there a long time. Once, when I was in London, my uncle came visiting me from Sheffield. We met at the Victoria Coach Station and immediately trooped into the nearest pub. We ordered beer and roast beef sandwiches but before we could consume them my uncle suddenly disappeared. He surfaced some twenty minutes later and handed me a twenty pound note, saying, “Order replenishments.” Before the next round was over my uncle disappeared once again – only to be back some time later, with another twenty pound

note for me. After this had happened a few times, I could not take it any longer and asked my uncle what he was up to. He said: “There is a betting shop next door. I am going there and playing on the horses, winning, and giving you, my favourite nephew, a good time.” I have always advised my family to scrape together a mutual fund and give it to my uncle to gamble with. Given the state of the stock market, this could be a great money-spinner. Why should gambling be restricted only to the stock market or the electoral sweepstakes?

Now, the point I am getting to is this: In Economics we assume that all human beings are ‘rational’. Given the fact that even the most prudent of human beings enjoy the effects of mind-altering substances, and given the fact that they gamble, is this assumption valid? Is Man the prudent, rational, calculating creature economists assume him to be or is he slave to passions and addictions, incapable of taking sound decisions?

I raise this question in a particular context. Various economists are now coming up with sophisticated arguments – indeed, even experiments – to show that Man is irrational. Whenever such arguments are heard, they add grist to the mill of the statists, who believe that the strong state is required to keep irrational Man on the straight and narrow. There are two points to be made against such ideas.

The first comes from political science. Rational or irrational, Man is assumed to be capable of governing himself in democratic theory, and is therefore empowered

to elect his representative – not his ruler, his representative. When elections are held, the democrat always says, “Never question the wisdom of the voter.” After he has won the elections, the democrat cannot suddenly believe that the voter is stupid. The voter must be free to rule himself.

The second comes from economics. The most prudence is required, in a free market society, from private bankers. Prudent private bankers, as Hayek says, are the ‘overseers’ of the market economy. In their case, they will remain maximally prudent only if it is ensured that they have nothing to fall back upon. If they have a ‘lender of the last resort’ they will always be exposed to the ‘moral hazard’ and take excessive risk. Thus, in this case, it is seen that the state, with its perverse policies, actually makes those who should be the most careful take extra risk. In effect, the state is banning risk taking among the people its professors have deemed risk averse; and, simultaneously, it is promoting bad banking and endangering the health of the entire economy. Without state action on both fronts, with complete freedom, bankers would be prudent, and people would take prudent risks.

On alcohol, tobacco and sex, the memoirs of Luis Bunuel (1900-1983) make a particularly useful read. They illustrate what I mean by ‘rational’ pleasure-seeking. It is through sheer luck – or should it be called serendipity – that I came across this extract, in a book called *Journeys: An Anthology* edited by Robyn Davidson (Picador India: 2002). Luis Bunuel lived to the age of 83 and wrote these words towards the end of his life.

I can't count the number of hours I've spent in bars, the perfect places for the meditation and contemplation indispensable to life. Sitting in bars is an old habit that's become more pronounced through the years.... I've spent long quiet hours daydreaming, nodding at the waiter, sometimes talking to myself, watching the startling sequences of images that pass through the mind's eye. Today I'm as old as the century and rarely go out at all; but all alone, during the sacrosanct cocktail hour, in the small room where my bottles are kept, I still amuse myself remembering the bars I've loved.

For the next couple of pages, Bunuel takes the reader through many great bars, all over the world: New York, Paris, Mexico, Madrid and so on. Then, he goes on to say:

Talking about bars leads me inevitably to the subject of drinks...

The next two pages describe Bunuel's favourite drinks, from red wine to French aperitifs which he regrets are going out of fashion (to the detriment of civilization itself!) to the dry martini. Bunuel also offers his own recipe for the dry martini, and it sounds drier than the Sahara. He goes on to describe how he has benefited from alcohol and bars: how a great idea in a great bar after two dry martinis saved his film and so on. Bunuel then states his position on alcohol very plainly and unapologetically:

I should take this moment to assure you that I am not an alcoholic. Of course, I've occasionally managed to drink myself into oblivion, but most of the time it's a kind of ritual for me, one that produces a high rather like that induced by a mild drug, a high that helps me live and work. If you were to ask me if I'd ever had the bad luck to miss my daily cocktail, I'd have to say that I doubt it: where certain things are concerned, I plan ahead.

And then Bunuel moves on to tobacco:

To continue this panegyric on earthly delights, let me just say that it's impossible to drink without smoking. I began smoking when I was sixteen and have never stopped.... I am particularly fond of Spanish and French cigarettes (Gitanes and Celtiques especially) because of their black tobacco.

If alcohol is queen, then tobacco is her consort. It's a fond companion for all occasions, a loyal friend through fair weather and foul.... What lovelier sight is there than that double row of white cigarettes, lined up like soldiers on parade and wrapped in silver paper? If I were blindfolded and a lighted cigarette placed between my lips, I'd refuse to smoke it. I love to touch the pack in my pocket, open it, savour the feel of the cigarette between my fingers, the paper on my lips, the taste of tobacco on my tongue. I love to watch the flame spurt up, love to watch it come closer and closer, filling me with its warmth.

Sometime later, Bunuel even offers his reader some important advice: “Don’t drink and don’t smoke. It’s bad for your health.” Then, he moves on to sex:

It goes without saying that alcohol and tobacco are excellent accompaniments to lovemaking – the alcohol first, and then the cigarettes.

Bunuel then talks about how his Spanish Catholic upbringing had stifled his sexuality, how he was disgusted when he first saw men and women kissing openly in Paris, and even living together outside marriage. He then says ‘much of this has changed, of course, over the years.’ And then he makes a startling confession:

Lately, my own sexual desire has waned, and finally disappeared, even in dreams. And I’m delighted; it’s as if I’ve finally been relieved of a tyrannical burden. If the Devil were to offer me a resurgence of what is commonly called virility, I’d decline. ‘Just keep my liver and lungs in good working order,’ I’d reply, ‘so I can go on drinking and smoking!’

What I really like is Bunuel’s honesty. He also shows how ‘rationally’ a free man pursues pleasure and thereby enjoys his life to the fullest. He did not become an alcoholic, he enjoyed his black tobacco to the end, and he came to the realization that sex is no big deal. His memoirs should be handed out to all those meddling do-gooders who believe Man will fall prey to vice unless prevented by the Law and

the State. And to all those women who nag their men over the evening drink.

To conclude, as Bastiat put it, ‘to believe in liberty is to believe in God – and have faith in his creation – Man.’ That Man, creature of God, should be granted his natural liberty. He will be prudent in the most part – even when pursuing risk, even when pursuing a ‘high’. He deserves to be free – especially from those who, being from the government, think they are in a better position to use force (which is all that government has) to take decisions for the imperfect Man. It must be remembered that, in a democracy, our governors come from our very society – and hence cannot be deemed superior to the populace.

Man is moral. He does not steal: he indulges in ‘give and take’ thanks to his ‘natural propensity to truck, barter and exchange’. He should be free to do so. Man is also prudent, and avoids excessive risk. He is the most superior of all God’s creatures; the most evolved form of life on this planet. It is amazing that he is not free. It is even more amazing that many argue that he should not be free. But they love power, not people. The love of freedom is the love of people; the love of power is the love of oneself.

2438 words

26. USTAD!

I am a simple man,
And I play a simple tune...

STEPHEN STILLS

I first met Ustad through a common friend, a ‘smoking partner’ of my youth. His acquaintance with Ustad went back many years, and they were very close. The occasion was the arrival of a ‘consignment’ from the hills – in this case, the Kumaon, which is where Ustad hails from. The three of us trooped it to Katwaria Sarai, a ‘village’ within Delhi and met Mohun, an old man who regularly came back and forth to sell charas. We all bought whatever we could afford. Thereafter, we became good friends, and Ustad would often drop in.

He is a small, diminutive man, with a soft voice – a very gentle sort of human being. He serves a government department as a Class IV worker in a technical capacity: he looks after a central air-conditioning plant; and they have given him a ‘quarter’ to live in. It has just one room, and he lives there with his family, which includes his wife, his two sons, and his daughter. Whenever I would visit his house, everyone would vacate the room and go to the balcony outside. I therefore rarely visit him at his house anymore, so as to not cause inconvenience to his family, and he visits me once in a while. He likes to visit me because he says that, in my house, there is *ekanth*: solitude.

The first thing I learnt about Ustad is that he was a treasure trove of unusual recipes. Whenever we got together for a drink in the evenings, Ustad would arrive with a little bag of fruits and vegetables and a small packet of what he called ‘chutney’. He would cut an assortment of fruits and vegetables into tiny pieces – radish, carrot, guavas, bananas, oranges and cucumber – and then load the mixture with his chutney which was made of Kumaoni garlic, green chillies and salt. The chutney was dry and powdery and would refuse to spread evenly over the salad, so he would douse the mixture liberally with fresh lime juice and, hey presto, a great spicy salad that went down well with the booze and was also, in his opinion, good for the health. The chutney and the salad soon became a habit. But I still have to rely on Ustad for supplies of chutney, because it never comes out the same in my house.

Over the years that I have known him, I have found Ustad to be a towering example of honest, simple living. He is a Brahmin and proud of it. His daily life includes the early morning bath with cold water (even in winter), followed by the lighting of incense and the ringing of bells before his little altar tucked away up high in one corner of his room. Thereafter, he makes a chillum and quietly smokes it. After a breakfast of simple rotis he cycles it to his office, returning for lunch and a short nap. Then comes the evening ‘duty’, after which he is free.

He has some regular engagements outside his work. Once a week he cycles it to the wholesale market in Mehrauli to buy his vegetables. He is a prudent man and spends wisely.

Once a week he also cycles it to Kotla mandi to buy provisions. Then there is the weekly meeting of his thrift society, and another of his Kumaoni society. On Kumaoni society day he usually returns home very drunk. He says that his wife feels happier when he comes to my place, because then he returns in better condition. I asked Ustad what made the Kumaoni parties so riotous and he answered that there they drink too fast: *pahari speed mein peethay hain*, he said. I once had the occasion to sit with one of Ustad's Kumaoni friends and crack a bottle of rum. The way the man drank is as follows: He took a small glass and poured a huge great shot of rum into it. Then he topped it up with a little water. Then he took the glass and downed it in one gulp. As I watched with horror and shock, I saw that the man, after the great swallow, had an agonised grimace on his face. I politely inquired: "Are you enjoying your drink?" He replied: "Of course." But I doubt it. I have watched Europeans savour their wine. That is when a drink is enjoyed. With trade restrictions these socialists have created a nation of hard drinkers who do not even know how to enjoy a drink.

But then, of course, drink is probably new to them. The Kumaonis seem more at home with cannabis. Come Holi or Shivratri, Ustad would urge us to hold a *bhanga* party. We would drive out of town to NOIDA and buy *bhanga* legally from a government theka. Then Ustad and I would procure all the necessary ingredients which included raisins, poppy seeds, clove, pepper, and various kinds of nuts. Purchases made, he would carry everything home and for a couple of days labour over the necessary preparations, which

included first cleaning the bhang, boiling and draining it, and then pasting it on the kitchen stone with all the other ingredients to make a big, firm ball. On the appointed morning he would arrive with the *bhang ka gola*. In my kitchen we would add the ball to a big *dekchi* of cold milk, ladle in sugar, mix it all up – and then go for it. I am sure that, if *bhang ki thandai* was legally available, these people would not drink hard liquor so much. And they would also make money selling the drink – because this is ‘knowledge’ they traditionally possess.

Come winter, and Ustad would conjure up paya soup, made from goat trotters. The soup is delicious and I, for one, love it. After a couple of bowls of paya, the entire body is warm on even the coldest Delhi January night. Another recipe of his which I really enjoy is the way he cooks goat’s blood. It comes to you served like paté, but tastes much better. A third unusual recipe is what they call *seeree*, and this is a goat’s head soup which I really like, but recommend only to the adventurous. I noticed that he and his family rarely eat meat as we do. They eat paya, prepare goat’s blood paté, and eat goat’s head soup. Ustad says these are easier to digest than meat. And by the way, they buy these things at a premium. Ordinary meat is cheaper.

I have always wanted to visit his village in the mountains, but somehow have never come around to doing it. But I know so much about the place that I think I can write about it. The village itself is half an hour’s walk from the main road where the bus drops you off after a gruelling ten hour drive from Delhi. The distance is about 400 kms. There are

very few people left in the village now, and all the young men are in the cities and towns of the plains, trying to make a living. Left back are the old people, some wives and children, and some unmarried daughters to look after their old grandparents. Ustad himself kept his daughter at home for many years to look after his old folks – of whom more later. Recently she got married, and now the old people are all alone again.

When Ustad goes home he enjoys drinking the fresh milk from his own cow. He enjoys smoking good charas presented to him by his loving aunts who themselves rub it out of the leaves. He hates drinking there as the stuff available is what he calls *thurd qualty*: nasty grogs in plastic pouches. If they drink rum, it is off the retired soldiers. In the market, rum is too expensive. Beer is out of the question. Thomas Hobbes would have called such a life ‘nasty, brutish and poore’. It is. But Ustad is no brute. He is a civilised, clean, polite man. And luckily, their lives are not as short as Hobbes would have expected them to be.

Today, Ustad is 56 years old. He has just been blessed with a grandchild, who is his pride and joy. He can never stop talking about the kid. His father is 86, and going strong.¹⁷ His mother is 81, and doing well.

I once asked Ustad how he began smoking hash and he said that he stole a piece from his father’s coat pocket and never looked back after that. “Your father smokes?” I asked. And he said, “Of course. He smokes a big chillum with half a

¹⁷ At the time of going to press, I must report the sad news that the old man is no more.

tola of charas in it by himself every evening. And he has been doing so for as long as I can remember.”

I asked Ustad to invite me over to his place whenever his father comes visiting as I would like to share a smoke with the old man. And one day his father did land up in Delhi – for an eye check-up. I dropped by in the evening and we all smoked a couple of great big chillums. I will never forget the sight of the old man sitting cross-legged on the bed smoking the chillum with his newly born great grandson on his lap, blowing the smoke all over the little baby! So much for those who talk of the evils of passive smoking.

However, recently Ustad came over to tell me an even stranger tale about his father. It seems that his mother took ill and stopped eating her food. When this continued for a few days, and it seemed that the old lady would go, Ustad’s father decided to take desperate measures. They were, after all, stuck in a village on the mountains with no road, and hence no medical aid was possible. They were also too old, and she was too weak, to trek it to the main road. So the old man took out his chillum, filled it with charas, and asked his wife to smoke it with him. She did so, her appetite returned, and she continues to be well. Ustad says that now, every evening, his father and his mother sit and share a chillum together!

1720 words

27. STREET!

As I walk down the street,
Seems every one I meet,
They give me a friendly hello.

I guess I'm just
A lucky so-and-so.

LOUIS ARMSTRONG

From January 1998 to June 2002 I worked as an editorial writer for *The Economic Times*, and our office was in the Times of India building on Bahadur Shah Zafar Marg – Delhi's Fleet Street. I used to arrive at about 1130 hrs every morning, and return home by about 1430 hrs after having submitted a 400 word editorial. I considered myself a worker in a word factory: my job was to churn out 400 words that made sense to the editorial page editor. As luck would have it, my contributions were always accepted, usually toned down a little (which was unfortunate) and generally appreciated by the reading public. I started on a 3-month probation, received a 3-year contract, and was also fortunate to have my contract renewed. But this story is not about my boring office. It is about the fascinating street outside.

From the very beginning I used to park on Kotla Road and take the underground pedestrian subway to work. The first person with whom I came into contact was an old woman, bent over double, who used to ask for money in the name of a Baba who lived in a shack on the footpath. It seemed that the Baba was sick and she wanted money to buy his medicines. I regularly parted with big bucks: sometimes a fifty; often a hundred. This continued for a few months, during which time I never saw the Baba even once.

One morning, as I was getting out of my car, I saw the Baba. He was sitting cross-legged on a charpai outside the shack, under a tall tree, rolling a joint! As usual the old woman came to greet me. But it seemed the Baba was well now, for she did not ask for money. However, I took the opportunity to tell her that I wished to smoke a chillum with the Baba sometime.

The next morning, she was waiting for me. Seeing my car she came towards it at a rush, her bent body exerting itself to its utmost. I got out and reached for my wallet, but she waved the money aside and said, “Baba is waiting for you,” pointing to the shack.

I entered the shack. It was dark inside but I could see the Baba sitting there, a chillum in his outstretched right hand. He greeted me with a salutation to Shiva, said that he had been eagerly waiting for this moment, and, handing me the chillum, offered me a light. We smoked a chillum together on many a morning thereafter, and I must say that my work improved!

This bit of chillum smoking made me a hit with the parking guys. For them, I was a hero. Thereafter, as I walked the 200 yards to the subway, I was always greeted affectionately by all the parking attendants. On the odd occasion when work would keep me late in office, they would stake out my car and, as soon as I arrived, offer me a readymade joint.

There was also a lot of commerce on this stretch of Kotla Road. Near where I parked was a food stall. I never ate there, but on a hot summer’s afternoon I often drank a salted lassi. The guy did a great job. There were also a few cigarette vendors – and I often thought someone should theorise on how

they space themselves apart. They are always a reasonable distance away from each other. One day a new cigarette shop cropped up quite close to where I parked. It was run by the Baba's sister – but the parking boy told me that it was he who had made the investment, and hired the woman to mind the shop while he attended to the cars, which must have been more lucrative. He urged me to take my custom to his shop. I did so, and found that the old woman did not know how to count out the change properly. She returned me extra money. I gave the extra change back to her, but did not let the parking boy know that he had hired a complete incompetent.

Between the lassiwallah and the subway, on the right side of the road, there are a number of vendors. There is a nice chap who is always there with his rehri of fresh oranges and a juicer. A tall glass of fresh juice costs 20 rupees and, in the afternoon, there are many who flock to him. Then there are the vendors who squat on the ground, selling seasonal fruit. In the season, I always picked up jamun from one of these guys.

When you arrive at the crossing of Kotla Road and Bahadur Shah Zafar Marg there is a lot more commerce. On the right is a concrete platform on which sits a guy with a whole lot of papayas. He cuts up papayas, sprinkles chaat masala on them and adds a dash of lime: delicious. A little plate made out of dried leaves filled to the brim with papaya costs 15 rupees and the guy sells hundreds every day.

Behind him is the chholay-bhaturay wallah with his huge brass dekchi full of boiled chholay. He makes a paste of the chholay on a leaf plate, adds masalas, onions, tomatoes, chillies and lime, and offers them with two hot bhatura breads for just five rupees. Many people come to him and just order the chhola.

They eat it with their own homemade rotis. This guy is usually sold out by 3 pm.

On the opposite side of the road is a very interesting establishment that sells masala soda. A sign says that the stall has been there since the early 60s. For about 12 rupees you get a tall glass of soda with the juice of a large lemon into which his proprietary masala has been generously added. The masala is a secret recipe – and it is delicious. The establishment is owned by a short fat man who always greets me with a great big hello. He just sits by the side and lets a hireling handle all the work. All these years, it has been the same hireling, so he must be a good employer. On one side of the soda stall he had put up a phone booth, but the authorities broke it down. They also broke down his soda stall dated 1962! Of course, he is back. But no phone booth this time.

As you cross the underground subway you find it contains two very large rooms, one on each side. These two rooms comprise the Media Café run by Delhi Tourism. I have tried their fare once. It was terrible. No one I know goes there. The place is usually empty. It sells South Indian food and those who know their South Indian food prefer to go to the Udipi Café across the street. It is more expensive, but the flavours are authentic, and the place is usually crowded.

Once you cross the subway you come to where the real action is. There is a paan and cigarette wallah who sells all kinds of prepared betelnut mixtures in plastic packets. I take a paan from him sometimes. Next to him is a guy who sells posters on the street. Thereafter there are regular stalls which sell cold drinks, fruit and vegetable juices and snacks like the bread

pakora which is North India's answer to vada pau. This is on the stretch between *The Times of India* and *The Pioneer*.

On the stretch between *The Times of India* and *The Indian Express*, street food simply explodes. There is even a guy selling hot gulab jamuns. One particularly interesting guy is the chap opposite the Express who sell mango panha in summer. I was told that many Express editorials are conceptualised here, often with his active participation. When I first paid the man custom, he took one look at me and said that I was with ET!

Something very unusual also happens outside the Express building every Shivratri: the staff union puts up a stall on the street and generously doles out *bhang ki thandai* to all passers-by. When I heard about this, I too landed up for a dose.

One day Professor Christopher Lingle came my office in ET. It was about lunchtime and I asked Cris if he would like a bite. He said 'Yes' and we came out of the building and headed for the Udipi Café. Just then I offered Cris an alternative: Would he like to try our street-food? He seemed overjoyed at the prospect and we crossed the subway and had some chholay-bhaturay, some papaya salad, and a couple of masala sodas. He loved it. The entire meal for two cost about 60 rupees.

About a week later I met Cris again at a seminar organised by the Rajiv Gandhi Foundation. After the seminar was over Cris asked me if I was heading for office. I replied in the affirmative and Cris asked if he could come along, as he was keen to try out the street food again. I laughed and took him along.

As we walked down Kotla Road, we were greeted with an eerie emptiness. Every vendor, every stall, every single bit of street commerce had vanished. The only people left were the parking lot attendants and the beggars. Oh yes! They are regulars too.

I asked around and was told that the municipal authorities accompanied by the police had shunted everyone out.

Professor Christopher Lingle then made a very important statement, which every right minded Indian should reflect upon. He said: “These are the real heroes of Indian capitalism. In any other country, if you stopped people from earning an honest living like this, they would have turned to crime.”

1659 words

28. *INSPIRATION!*

On the first part of the journey,
I was looking for the light,
There were plants and birds and rocks and things,
There was sand and hills and rain.

AMERICA

During my travels in Germany, one of the good people who befriended me was Stuffi, who called himself a ‘shaman’. He said that he was fed up with religion, he longed for an inner spirituality, and he believed that the first people to seek spiritual light were shamans.

I found him to be a man who lived according to his beliefs – and so I liked him. He had completely given up the material life. He had left his wife and sons, and he lived in an abandoned caravan and harvested rainwater. He owned a beat up van and, to earn money, he occasionally worked as a barman in an Offenbach pub. He called himself a ‘German sadhu’: he had been to India often and loved our obsession with the spiritual.

One thing about Stuffi: he was well known, and well-liked. Wherever we went, from the Frankfurt ‘open market’ to the late night bars, people would come to him to say hello. Then, Stuffi came to India – and stayed in my flat with me.

One day, during the course of a conversation, Stuffi told me that all was OK with me spiritually – all I needed was some ‘inspiration’. I asked him how to get ‘inspiration’ and he

told me to lie in the sun, and ask some friendly spirit to inspire me. It was all too freaked out, and I must confess that I forgot all about it.

Until early 1997, when I went to Dehra Doon and stayed in the estate of one of my friends. It was winter, but winter days in Doon are delightfully bright and sunny. And I love to sit out in the winter sun in T-shirt and shorts and read a good book.

One day, the house was empty. Everyone had driven out somewhere and I had ducked out. I took a chair into the garden and sat down in the sun. I looked down and noticed that the skin on my legs was cracked and dry. I decided to use the opportunity of solitude to oil myself and sit bare-bodied in the sun. I oiled myself liberally and, in just the briefest of briefs, sat down in a wicker chair by the guava tree that is the central feature of the garden. Sounds a bit strange – guava tree in the centre of the garden – but that’s the way it is, and I love this spot.

As I was sunning myself, Stuffi’s words came to mind and I thought, for a lark, let’s call upon a friendly spirit to inspire me. I was thinking of all the dead people I knew whose spirits I could summon when suddenly I thought of the man who originally owned this estate that I was in. He was the king of a small principality in British India and was the vice-captain of the first Indian cricket team to tour England. He had died young. His widow, the queen, still lived here and she was over 100 years old: a graceful, beautiful, delicate and dignified old lady who spoke perfect

English. Whatever I had heard of the man, he seemed a heroic figure to me, for it seemed he had just given up his kingdom to the government of India, socialism and democracy, taken his wife and two daughters and toured the country in a caravan called Topsy, and thereafter busied himself learning farming and building gyrocopters. For some reason, I thought of him as an Anti-King: a king who did not want to rule. I called upon his spirit to inspire me.

Just then, I looked at the ground beneath my feet – and was inspired. The ground was covered by rough grass – the blades stuck out in all directions, On each of these blades I saw a largish ant. Each ant was carrying something in its mouth – something that looked like a bit of straw. The ants were friendly, and did not bite. Everywhere I looked around my feet, there were these ants with bits of straw in their mouths. Then, for a long time, I tried to guess where these ants were going – and I simply couldn't figure it out. Because of the unevenness of the grass, the ants seemed to be going all over the place. It was impossible to figure out where each had come from and where each was headed.

Watching this, I arrived at a great realisation: that the King should not even try to figure out what his subjects are doing all day, and how they earn their money. Just as I could not figure out where each ant was coming from and where each was headed, the King could also not 'plan' the activities in the bazaar. Millions would come to the bazaar with their produce to sell, and they would depart with what they buy. No one can 'plan' this. The 'knowledge' was impossible to collect.

I let the ants be, and they roamed around. Each did his own thing, went his own way. That is what the King should do: Just sit there and protect the people from external aggression – and leave them free to pursue their own ends.

I returned from the trip and wrote “Anti-politics: The way out”¹⁸.

I have often returned to that garden. Funnily enough, I have never seen those ants again!

918 words

¹⁸ *The Economic Times*, Guest Column, January 25, 1997.

29. *MONEY!*

Your lovin' gives me a thrill,
But your lovin' don't pay my bills.
So give me money,
That's what I want.

THE BEATLES

Most economists do not understand how free money works. Somehow, their minds are trained to look at the world from a central banker's perspective. As one quipped when I said private money was the only sound money – “Then everyone will be able to issue IOUs. How will that work?” Let me show you how.

HB Soumya is a bright girl who has just graduated in Economics from Delhi University with a first division and joined up for a master's at the Delhi School of Economics. Last year, she was an intern at the Centre for Civil Society and I heard tell that she was extremely hard working.

As is my custom, I invite all the interns to my flat for dinner once a year. So, this time, Soumya also attended. There, I casually mentioned to her that I had a small research project in mind, and was looking for someone to do it. She e-mailed me a few days later, volunteering to do the work. I gave her all the research material, the necessary instructions, and offered to pay her 3000 rupees for her efforts.

A few months later, Soumya called to say that the job was done. When I went to collect the completed project I said that something was amiss with my finances and asked whether she would accept IOUs worth 3000 rupees from me instead. She sounded surprised, but agreed.

I promptly wrote out 6 IOUs of 500 rupees each and handed them over to her. When she accepted them I gave her the first lesson in monetary economics: “When you accept someone’s note, you extend credit to that person. Always remember that.” When we accept RBI notes we extend credit to the State. Soumya was extending credit to me by accepting my note. I asked if she thought I was creditworthy – and she laughed!

About a month later, Soumya called to say that she had offered by IOU at a cinema hall but was refused. She thought it all rather funny, and me rather peculiar, I guess. I told her that even RBI Governor Jalan’s notes are not accepted everywhere in the world. If she had given my IOU to someone who knew and trusted me, it would definitely have worked as money. She hesitantly agreed.

A full three months later, I called Soumya and said that I was ready to redeem my IOUs. What would she like me to redeem them in? I offered her gold or silver – or Governor Jalan’s irredeemable notes. She chose silver. As I said, she’s a smart girl!

I phoned a jeweller I know and ordered 6 silver coins worth 500 rupees each. They were to have SAUVIK BANK, FIVE HUNDRED RUPEES and 2002 embossed on them. When the coins arrived, the jeweller inquired as to what my purpose was. I explained that I was a teacher trying to explain to my student

how private money works. He said that, in the market, plastic coins do circulate and are redeemed in paper.

I drove over to Soumya's house to hand her the coins. She handed over my IOUs and I tore them to shreds. This, I explained to her, was the destruction of credit. She had created credit by accepting my note. Now, I was repaying, and destroying the credit. She got the point.

Next, I explained to her that, with private money, the mode of account and the mode of redemption are separate. The rupee retains its notional value, but the hard money underlying it could be gold, silver, platinum, or even tobacco. I could have redeemed my notes in packets of India Kings. Any commodity acceptable to the noteholder becomes hard money when money is free.

The central reason why private money will work better than fiat money is because people will choose which notes to accept. They will accept notes only of creditworthy individuals and institutions. Beyond my immediate circle, my IOUs will not be accepted. But if ITC Ltd. issues notes redeemable in packets of cigarettes, they are sure to be accepted.

Such a world will be free from inflation because no one will keep money which is depreciating in value constantly – like Governor Jalan's rupee. In such a world, pink papers will be widely read and, just as many follow share values today, masses will follow money values and adeptly switch between currencies. It is currency competition and choice that will rid the world of the scourge of inflation.

Today, many continue to believe in a falling rupee as being advantageous to exporters. This, of course, is a refrain I have been hearing from my student days, but exports are yet to take off. The greatest utility of a falling rupee is to those who stash their money overseas. I have some £200 in a London bank, left over from my student days. Then, in 1990, the pound was worth less than thirty rupees and my £200 was worth less than 6000 rupees. Today, the pound is worth 75 rupees and my £200 is worth 15,000 rupees. Those who run the economy are switching currencies when it suits them. That is why there is *hawala*. Only they are benefiting from a constantly depreciating fiat currency. The rest of us are losing – because it is the value of our savings in rupees that is going down in terms of other, more stable currencies. Suppose I have saved a few lakhs to send my son abroad for higher studies. When the rupee depreciates, my savings are eroded, and have become insufficient to cover the costs of my son's education.

It is in every person's interest to keep as much power as possible to himself and hand over very little to the State. The greatest economic power is that of being able to issue currency monopolistically. This power cannot be given to the State without open currency competition: that is, full convertibility. When fiat currencies from all over the world are competing, there is no reason to keep private money out. There is already e-gold: an internet-based private gold currency. Let these multiply.

The important point to note is that, if we are all free to issue notes, then we are all theoretically able to get as much credit as we can from the market. Those who are very creditworthy will be able to issue masses of notes; those who are not so creditworthy will be able to issue less. But as long as people

are free to accept or reject notes, sound money will prevail. Money was not invented by governments: no King suddenly decided to issue coins. Money was already in use when some kings decided to standardise coinage. Since then, the state has played such havoc with the monetary system that it simply cannot be entrusted with the task anymore.

This will also be of great benefit to our fledgling democracy. Democrats cease to represent taxpayers when they can produce money out of a hat. Then, they represent those who live off printed money. That is the Indian situation today. Free money is the one thing that will destroy all the patron-client relationships that India's socialist democracy is all about. Let's hope that day comes soon.

1222 words

30. BRAND NEW DELHI!

“We built this city
On rock-and-roll...”

STARSHIP

New Delhi has become a horrible place to live in. And it is a relatively new, ‘planned’ city. The crucial area where the authorities failed to plan is transportation. In the poky, dingy middle-class localities built by the state’s Delhi Development Authority, each flat-owner has been allotted a ‘scooter garage’. Today, these very localities are overflowing with cars – a disproof of the vicious circle of poverty – and there is nowhere to park. The city has become the automobile capital of India, with more private cars than all the other metros combined, but the roads too are meant for an earlier era, when very few owned cars – a situation our planners expected to continue. In socialist theory, the critical utility of planning is that it enables you to think ahead. It is precisely here that our city planners have failed: they have been overwhelmed by the rise of the automobile, something they simply did not foresee. Thus, driving around Delhi is a slow, crowded and often dangerous business. And driving out of the city for pleasure is also impossible, for the city has not been connected to the surrounds. Since it is the State that is responsible for this mess, it should be punished. I therefore propose a very drastic punishment for the State: that it be kicked out of the city.

FOR A CENTRAL BUSINESS DISTRICT

Today, the critical need of the city is a good Central Business District (CBD). All good cities need such a place, and all possess it. New Delhi had its own too: the Mughals built Chandni Chowk and the British built Connaught Place. The socialists built Nehru Place – a disaster. Every market area in Delhi is a mess today. Since economic achievements are made in markets, the future market economy that is dawning on India makes it essential that cities make physical space for markets. If the state is evicted from Delhi, this space will immediately be created.

Rajpath can become the central shopping and nightlife district, where all that goes on today is *babudom* and ice-cream. The name can be retained, and it will gain new significance when the people realise that the *raj* is of the market and not the State. This broad street is lined on both sides by imposing buildings that house the various ministries of the State. These buildings can all be privatised, and supermarkets, restaurants, bars, discos, cabarets, cafés and nightclubs can erupt on the urban scene. There will be a huge nightlife industry. Street hawkers will also benefit. There will be all-night street food festivals, as in Singapore. We need a 24-hour economy. Cities built on rock-and-roll don't sleep!

There will be an added advantage in kicking the State out of Delhi: they will have to take with them the representatives of other states that recognise them. That is, their friends, the diplomatic community, will also have to

split with them to wherever they go. This will give us Shantipath, and this splendid street should be made into the city's central office district, stretching all the way to the airport. In this case too, the old street name should be retained, and it will signify that India seeks world peace through peaceful trade and not statist diplomacy. Let Shantipath house tall, impressive office buildings of every MNC; and let every state exit. That is the route to world peace: free trade and free immigration. Not diplomacy and the passport-visa regime.

THE GRAND CASINO

In between Rajpath and Shantipath is Raisina Hill, which houses the Rashtrapati Bhavan – the Presidential Palace – and North and South Blocks, which house the most important ministries like Finance, Home, External Affairs and Defence. If you ever visit Delhi, do drive up Raisina Hill from Vijay Chowk. You will be awestruck by the sheer grandeur of Lutyens. States have always used architectural grandeur to keep the people in awe, and Lutyens did this job splendidly for the British Raj. But today, after 60 years of socialism, the state cannot command the same awe. Today, if you drive up to Raisina Hill and you are a private Delhiwallah, you will definitely do so in a modern car. But when you arrive on top you will find an ocean of white Ambassador cars with red lights on their noses and “Keep Distance / Power Break” (sic) written on the back. The ugliness of the Birla car takes everything away from Lutyens' grandeur. You are left with a funny feeling that

this is a city where the citizens ride Arabian stallions but the King moves around on a donkey!

The most amazing thing about the situation is that the last incumbent of Rashtrapati Bhavan was an alumnus of the London School of Economics. He was a favourite pupil of Harold Laski, the Fabian socialist. It is time the LSE took responsibility for having brought ruin to much of the world, including India. Of course, the LSE pursued open intellectual inquiry, and Hayek, Popper and Bauer were at the LSE too. It is this school of thought that needs to take over India, and the Laski-ites thrown out.

I therefore propose that Raisina Hill be privatised and converted into the biggest and most magnificent casino in the whole world, half of whose profits go to the city. With such a steady stream of revenue, the city authorities will not require any other form of taxation. The conversion of the Presidential Palace into a Grand Casino will signify that the people of India do not wish to live in a world where the only gambling allowed is at the political sweepstakes. Besides, gambling is the spirit of capitalism. Hindu businessmen gamble religiously in the run up to Diwali, to seek the blessings of Lakshmi, the Goddess of Wealth. Wealth comes to those who take successful risks with their money, they know. For too long have development economists looked upon the Indian people as averse to risk-taking and hence unsuitable for free enterprise. Let this myth be demolished.

I have visited the casinos in Kathmandu, Nepal, and am informed that most of the customers are Indian. I have also heard that, in many of the world's biggest casinos, they have special tables where Indians play *teen-patti* (three card poker). *Satta, matka, teer* – there are many forms of popular gambling in India: all illegal. The newspapers report odds at sporting events like cricket matches – but everything is illegal. For economic prosperity under capitalism, gambling needs to be encouraged not banned. Everything in life is a gamble – from what course of study we pursue after school, to whom we marry. In natural liberty, people will take risks – and many will lose. But they will learn to be more skilled and more careful in the future. It is crazy to think of a society where the State ensures no one will lose – by ensuring that risk-taking is banned.

As a joke goes: Sunta Singh and Bunta Singh were watching a marathon. Asked Sunta: Why are all these people running? Said Bunta: Because the winner will get a big prize. Queried Sunta: Then why are the other people running?

The truth is: There will always be losers. But that is what competition is all about.

FURTHER CONQUESTS

Many sundry building will become free if we evict the state from Delhi. For example, Teen Murti House, where Nehru lived, and which is now a museum dedicated to his

memory, can be converted into a grand nightclub, famous internationally for erotic dance – a formidable challenge to the Moulin Rouge of Paris. Do note that all this will have a tremendous impact on tourism, and visitors to Delhi will come in planeloads. The entire urban economy will boom.

Similarly, there is Yojana Bhavan, which houses the Planning Commission. This building should be converted into a supermarket, and the Al Fayeds should be asked to run it, making it the Harrod's of the East. I would, however, not name the shop Harrod's; I would call it Hayek's, signifying that the 'fatal conceit' of socialism has finally taken its toll, and the eternal truths that this great philosopher of freedom stood for and unearthed have conquered the land and given us an economic system based on freedom: a 'constitution of liberty'.

Vast stretches of central Delhi house the elected and appointed personnel of the state. From the bungalows of Lutyens' Delhi to the poky flats in RK Puram to the ugly houses in central areas like Bapa Nagar – these are all prime property, and these should no longer be occupied or owned by the dysfunctional, corrupt state. They should all be sold off, and the private sector left free to redevelop these properties. Today, Delhi presents a perverted picture of land use. The centre of the city is bungalows and, 30 kms outside, in Gurgaon, high rise apartments are coming up!

If the state is evicted from the capital, all its properties privatised, and the real estate industry set free to redevelop

the area as per the dictates of the market, it is quite likely that the city centre will see palatial high rise apartment blocks coming up, and bungalows will come up on the periphery.

RE-INVESTMENT

Of course, all this privatisation will yield vast resources for the city's coffers. All this should be re-invested in the city's transportational infrastructure. Let Brand New Delhi be a city that 'sits like a giant spider on its transportational network', and let expressways, railways and tramways lead out of it into the surrounds so that prosperity spreads far and wide and the 'rural' hinterland gets to feel the powerful winds of a throbbing urban economic engine. It is this transportational infrastructure alone that can save the city. Without it, it will continue to bloat and overcrowding will always plague it.

Note that the Supreme Court of India has decreed that trucks cannot pass through the city. How can a truck coming from Bombay and going to Chandigarh avoid passing through Delhi when the city has no by-pass. There is a Ring Road; there is also an Outer Ring Road; but these are pathetic apologies – and they are both well within city limits today. My house is 100 yards from Outer Ring Road. The Supreme Court order will only increase corruption. If the city wants to disallow outside traffic, it should secede from India. Alternatively, the city fathers should realise that no city is self-sufficient and all its needs are procured from without. Thus, a transportational network is essential. In

Mughal Delhi we see a Kashmiri Gate, a Lahori Gate and an Ajmeri Gate: these were all roads leading out, so that commerce could transpire. Judges of the Supreme Court need to seriously re-think. Judges are supposed to be ‘learned’.

LOCAL SELF-GOVERNMENT

Since nothing from the state works for the people of Delhi, every private residential area is run by a ‘residents’ welfare association’ (RWA) today. They collect subscriptions from residents and look after security and garbage, among other things. Delhi is thus divided into innumerable ‘gated localities’ like little ‘mini walled cities’ and it is these RWAs that really represent civil society and its self-helping character. These RWAs should be used as the building blocks of a viable organisation to run the city and transparently deploy the money received from the privatisation of state property.

RELOCATING THE STATE

The State can be asked to relocate itself where land is cheap. After all, it is broke. Broke institutions look silly perched atop the ‘commanding heights’. Lutyens’ grandeur is not for it.

A good place to send the state would be Jhoomritilaiya where *dhotis* are always in fashion and cows look pretty on the street.

On the other hand, we could send them to Kargil where land is really cheap. We have fought a bitter war over this piece of barren territory, and it would be a fitting tribute to the bravery of our jawans if the State occupied these hard-fought acres. From Kargil, they could continue to be obsessed with Pakistan and go gung-ho on militarism, while the rest of India remains peaceful and prosperous.

Then there is the Siachen Glacier, over which India and Pakistan have been fighting a round-the-year, round-the-clock high altitude war for over a decade, costing huge amounts of money and innumerable precious lives. I have travelled in the region – albeit at lower heights. In February, at Chushul, the temperature was -40C in the sunshine! This is totally uninhabitable land. This is no real estate. This territory has no value whatsoever. It is a frozen wasteland. Those who value it so highly that they spend our money and shed our blood for it should occupy it. Then, they will realise that it can get pretty cold at the ‘commanding heights’.

2131 words

31. SECURITY!

He is the Universal Soldier,
And he really is to blame,
His orders come from far away no more.
They come from you and me,
And brothers can't you see,
This is not the way to put an end to war.

DONOVAN

The Economist asked a question of its readers once: How much freedom should we trade for our security? I found it an interesting thought, and I pen my musings below:

As a resident Indian citizen, living in a region which Western travel advisories call 'unsafe', I offer a one-word answer to this extremely pertinent question: None. In this region, the citizenry cannot rely on their states to keep them safe. Indeed, we cannot depend on the state for anything at all. The state possesses no functional legitimacy: it does not satisfactorily perform a single function expected of it. All legitimacy is clientelistic: the crony businessmen, the state-owned enterprise sector, the state-owned banking sector, the bureaucracy, the armed forces, and even the judiciary are vested interests in an ugly spoils system. It is therefore necessary to think of the various purposes which the state was set up to serve, and to consider absolute freedom as the better means of attaining these objectives.

First, the *productive* function of the state. The state aspired to the 'commanding heights of the economy' and has invested oodles of public money in a wide variety of businesses and

factories, largely loss-making. However, for what is ostensibly a ‘planned economy’, these investment decisions do not make sense. There are no roads in India and the state makes cars, scooters and cycles! The state owns hotels, but there are no roads to the hills around Delhi so that tourism can happen. Sher Shah Suri, an Afghan who conquered India with the sword, built the Grand Trunk Road – so he could tax trade. The Emperor Akbar took 5000 workmen with him and built a road over the Khyber Pass smooth enough to take wheeled vehicles. India’s planners have not shown the rationality of any average ‘stationary bandit’. There is thus no case in India for a productive function of the state: the entire public purse should be reinvested in public goods, principally roads. With good roads and with free trade in used cars, urban India will decongest, rural India will see real estate development, and the productivity of every Indian will go up.

This brings us to the *welfare* functions of the state: the socialist state is apparently dedicated to the cause of ‘helping the poor’. Billions of rupees are spent on ‘poverty alleviation’, ‘employment generation’ and on a wide array of subsidies. Indeed, the entire world seems to believe that this welfare function of the state is indispensable in the Third World, where most of the world’s poor reside. But, have we observed poverty closely? In 1961, Peter Bauer made the penetrating observation that widespread beggary on the streets of India and Pakistan is not a proof of poverty; but rather, the result of the fact that the predominant communities in both these countries, Hindus and Muslims respectively, believe they earn spiritual merit by giving alms to the poor. In these very countries, there are no Sikh, Jain or Parsee beggars. Thus, beggary here is an industry that is living proof of the misdirected generosity of civil society. State welfare will only multiply beggars.

How can we meaningfully help the poor? First, by re-thinking charity and discouraging begging. Next, by giving complete economic freedom to all. Today, the informal sector of street hawkers and vendors suffers extortion and harassment at the hands of the petty bureaucracy: the cutting edge personnel of the predatory state. And economic freedom simply does not exist. In Delhi, the capital of socialist India, where I live, the retail trade in beer is a state monopoly. Beer bars are so strictly licensed that they are few and expensive. If there was freedom, many poor people would gain, from waiters to delivery boys to vendors of snack food. Thus, there is no case here for a welfare function of the state. State policies are actually keeping people poor. With economic freedom, social disapproval of beggary and well-directed charity, the poor, huddled masses of India and Pakistan will prosper like never before. America is 350 million people in 250 cities. Here we can be a civilisation of a billion and a half in 600 free trading (and self-governing) cities. In 10 years we'll be the richest people on Earth.

Finally, we come to the *protective* functions of the state. Here, both states are nuclear powers and their dedication to the cause of protecting their citizens should be assumed. The new president of India is a member of the defense-scientific establishment: a nuclear bomb and missile expert. In Pakistan, the generals have taken over the country. However, the capital city of Delhi does not possess a single properly functioning zebra crossing. 2000 people die every year on the unsafe streets of Delhi alone. *The Times of India* recently carried a series of articles exposing corruption in the traffic police. The state responded by changing their uniforms!

The protective function of the state is not only carried out by the military; it is also carried out by the police. Here, police forces are extremely rotten. Where the traffic cops are corrupt, what can be expected of the rest. The police is also hopelessly politicised and, from the 1984 anti-Sikh pogrom in Delhi to the recent carnage in Gujarat, have taken sides. We don't need the police to feel safe in India; we need the freedom to bear arms.

The protective function of the state is also carried out by the law and the courts system. Here, socialist law displays a complete disregard for private property and is therefore based on what Frederic Bastiat called 'legal plunder': nationalisation, rent control, land redistribution etc. The property registration regime in India has almost come to a total collapse, and buying land outside the city is a tortuous and tricky process. Property disputes are the most important cause of violent crime in rural India. We are therefore being ruled by rulers who do not know how to make law, and who therefore cannot build a rule of law society. Without good policing, without good law, and without quick legal remedies to disputes, a rule of law society cannot come about. Here, the state stands in the way of making it all happen out of natural, moral and humane law: property rights. Further, its laws negate contracts rather than enforcing them: for example, labour laws do not recognise free contracts, and rent laws do likewise. To make matters worse, remedies in torts are unavailable. Thus, you cannot sue for damages caused by neglect. Private several property, contracts and torts – these make for a rule of law society. Here, the law and the state are viewed as means of socialistic redistribution for the 'transformation of society'. There is no morality in the law. There is no jurisprudence. And if that were not bad enough, court delays are staggering: it has been estimated that, if the courts stopped taking new cases, the existing backlog would

take 324 years to clear! However, the socialist judges are unfazed.

There is no sense in having military might where roads are horribly unsafe, where the police are corrupt and politicised, and where the law is immoral and the courts are ignorant. Today, the Indian people need to fight for freedom from the socialist state. We are ranked 122 in the World Economic Freedom Index, 2001: 'mostly unfree' is the category in which we are placed, bare notches above the 'economically repressed'. The fight for freedom is a big fight. When freedom is wrested, it will be after a long and hard battle. None of that freedom should be sacrificed at the altar of security.

None of our tax money should be sacrificed for security either. After Bofors and Tehelka, it is abundantly clear to the nation that defense procurement is full of sleaze. The nuclear establishments of both India and Pakistan should be decommissioned. The military should be demobilised. The region should dissolve into some 600 free trading and self-governing cities. With free immigration between cities, municipalities will compete for tax paying citizens. Good cities which levy low taxes will succeed; bad cities which impose huge taxes will decline. In these cities, collective security will make people safe. Delhi is already full of 'gated localities' with private guards. We will organise ourselves, in freedom, for our security. We will not depend on the state for it.

For the rest of the world, especially the rich, developed West, there are a few lessons here: Do not go about propping up states in the Third World. They are all predatory states. Do not send aid or international aid agencies. They are enemies of the poor and friends of the state. They promote dependence.

Instead, support the idea of economic freedom. Endorse the ethic of self-help. And on the security front: abandon immigration as well as foreign policy. Keep your own house in order and do not go about making ‘state interventions’ in distant parts of the globe. Let people choose whom to pay taxes to and which currency to make transactions in. Man is a migratory animal. He seeks greener pastures. He will go to rule of law societies and prosper there. Liberty and the rule of law will soon become universal values. Then there will be true security, when being a soldier will no longer be a career option – worldwide. We can surely envision such a world someday soon. After all, there are no *samurai* in Japan any more!

1683 words

32. *DEMOCRACY!*

One's self I sing, a simple separate person,
Yet utter the word Democratic, the word En-Masse.

WALT WHITMAN

... but the room just filled up with mosquitoes,
they heard that my body was free.

LEONARD COHEN

I have for long been a sceptic when it comes to Democracy. I have yet to cast my vote. In India, it is usual to find anyone and everyone proud of the fact that India is democratic – indeed, the world's largest democracy. My antipathy for democracy stems from the fact that my family hails from East Bengal. I live in Delhi's East Pakistan Displaced People's Colony. I believe that my family, and millions like us, both Hindu and Muslim, were 'displaced' in 1947 for one reason alone: democracy, with its majoritarian ethic.

In this essay I will not argue that democracy should be dispensed with. Democracy, as Winston Churchill said, is the worst form of government – except for all the others! In this essay I will seek to discuss the dangers of relying too much on democracy and politics for the fulfillment of social objectives. I will argue that if we rely more and more on free markets rather than upon the State, we will limit democracy and politics to the bare essentials, effectively de-politicising our lives and our nation. This de-politicisation, I will argue, is in the best interest of all citizens. This will also be very good for democracy itself. It will take the spoils out of politics.

There are but two broad methods by which we can obtain our needs. One is through the free market which operates via the price mechanism. The other is through the State, and, for getting what we need through the State, we must resort to democratic politics and pay taxes (not prices). Let us understand the pros and cons of these two methods of fulfilling our needs.

The most important advantage of using the free market is that trade is a ‘positive sum game’. When two people trade, *both sides gain*. When you were buying this book, you said “Thank you” to the shopkeeper when he handed it over to you. The shopkeeper also thanked you when you handed him the money. The fact that both sides thank each other proves that trade is a *positive sum game*: both sides gain.

In stark contrast, politics is always a ‘zero sum game’: one side wins, the other side loses. This is basically because the State does not create wealth; it only taxes and spends. Thus, politics can only *transfer* resources from one group to another. Politics, therefore, invariably creates and sustains ‘them Vs us’ scenarios. The more we rely on politics and democracy to obtain our needs, the more fractured society will get.

The market wins over democracy on several other scores as well. First, in the market, there is *unanimity*. Every participant, in each and every transaction conducted in the free market, agrees to the trade. This is because, in the free market, no one can use force. Every transaction is

voluntarily entered into. Every participant in every deal has agreed to the deal – or there would be no deal.

Let us contrast the total unanimity of the market with democracy, which is, shorn of all the romance of ancient Greece, is just a voting rule. Depending on the exact voting rule used, democracy can at best yield majority support, not total unanimity. However, in practice, it must be noted that most democracies usually fail to deliver even majority satisfaction. In India, if there is 60 per cent voter turnout, and three parties roughly share the vote, the party with a little over 33 per cent of the vote (which translates to 20 per cent of the electorate) will win.

In the market, competition is a *continuous* process. If you don't enjoy your coffee at Barista's you are free to immediately take your business away to another café. There is no escape from competition in the free market. However, in politics, competition is only *periodic*. Once a bunch of jokers get into office, competition can only be mounted after a considerable amount of time, usually five years. So, for this period of five years, these jokers face no threat to their existence, and we the voting public have no choice.

A very big advantage of free markets is that we are free to choose at each and every occasion, for each and every thing. Thus, I can buy toothpaste from Colgate, toothbrush from Oral-B, floss from Johnson & Johnson, shampoo from Proctor & Gamble, toilet soap from Lever, shaving gel from Gillette and an aftershave lotion from Hugo Boss –

and equip my bathroom. Each product is from a different company. In stark contrast, in democratic politics, all we get is a *package deal*. If we like the BJP's disinvestment policy, we must also accept its education minister and its Hindutva. If we decide, instead, to vote Congress say, because we like its 'secular' values, we must also get its 'socialism'. We cannot take secularism from the Congress, disinvestment from the BJP, combine these with personal choices such as free trade or peaceful, open borders. In democratic politics, there are usually just a few important parties. Each of these parties offers the voter a package. The voter cannot pick and choose among the elements of the different packages offered. He must take an entire package, even though he may not want, or may even strongly dislike, some of the elements of the composite package deal he has voted for. Thus, no matter what, democratic politics cannot ever satisfy our wants and needs as well as free markets.

While democratic politics suffers from these very serious flaws, there is the added fact that democracy must depend totally on the 'wisdom of the voter'. There are certain reasons why this voter will not exercise his vote with 'due diligence'. Remember, information has costs. To follow politics and politicians, to keep abreast with policy debate, to read each and every manifesto – all this costs time, effort and money. This is expected of the voter. But does the average voter do all this? Does the average voter spend more time reading about Bollywood, VJs, DJs, fashion designers, sports – than about Advani, Sonia, Mulayam and Mayawati? Why so? The answer lies in the *incentive*

structure. For the voter, the costs of voting in a thoroughly informed manner is high; but the benefits from voting well are uncertain. This is unlike spending decisions taken in the free market: before buying a stereo system, consumers will carefully check out each and every brand – and then make a well informed choice because, in this case, the benefits from a right choice are direct and immediate; and the consumer knows that he will suffer if he makes a wrong choice. The same person who is ‘rational’ in the market will be ‘rationally ignorant’ in democracy.

All of us choose to be ‘rationally ignorant’ about lots of things. For example, I could choose to understand mechanics and be able to repair my car. However, I have chosen to be ‘rationally ignorant’ because I have weighed the costs and benefits and decided that it was worth my while to depend on the mechanic’s knowledge. It would cost me more to know mechanics. Most parents are ‘rationally ignorant’ about what the schools teach their children: they assume that the teachers, principals and boards possess the necessary knowledge. Similarly, in democratic politics, most voters will be ‘rationally ignorant’ and many will also be ‘rationally absent’: they will not even vote because they know that their single vote can scarcely make a difference to the outcome of the election. I am a good example of such a voter: I never read the political page; I have never written a political editorial in the 5 years I spent at *The Economic Times*; and I have never voted.

Relying on markets also means less dependence on bureaucracy. When bureaucratic departments supply us goods such as roads and services such as garbage removal and education, there is a huge amount of wastage and very little customer satisfaction. A good definition of 'government waste' I heard from a Mayor in Germany is: if the city spends any money that does not yield corresponding satisfaction to the citizen, then that money spent is 'government waste'. By that definition, all the money spent by the socialist Indian state's bureaucracies is 'government waste'. If we relied on markets for these goods and services, we would not have to spend tax money on these parasitic bureaucracies.

Democratic politics offers us lots of things: good roads, good healthcare, good education and so on. But, for delivering us all these things, democracy has to rely on bureaucracy which, in India, is not just a colossal failure; it is a disgrace. Relying on markets offers us a way out of bureaucratic failure. The New Public Management is the way forward. Another great benefit that will ensue is that the fiscal deficit can be immediately tackled. Bureaucrats maximise budgets just as consumers maximise utility and businessmen maximise profits. When we chose bureaucrats over businessmen, we unleashed total plunder on the national treasury. We unleashed vast armies of bureaucrats whose salaries alone have bankrupted almost all state governments. With New Public Management, we could sack the lot, and rely increasingly on competing private businessmen to provide us our needs at an affordable cost. Bureaucracies are extremely high cost. In education, state

financed schools spend more than double per child per year when compared to private schools; and their pass percentages are just half!

The message, then, is to understand that democracy, like everything else, obey's Carl Menger's Law and faces 'diminishing returns'. The more you rely upon democracy, the less it delivers. Overusing democracy allows the poison of politics to permeate every aspect of life. If we rely on democracy to provide us textbooks, we get Murlī Manohar Joshi and the rest of his RSS tribe poisoning knowledge with politics. If we want knowledge to be free, we must get democracy out of it. The more space we turn over to the market, the less will politics influence outcomes. This is one important reason to opt for water markets. If we rely on democracy for water, inter-state river disputes will plague us, crores will be spent on a national water grid, and still we will forever face water shortages. With markets and property rights, water will be abundant and an important area of life will be de-politicised.

When practicing democracy in the future, we must also keep in mind an important principle: *subsidiarity*. Everything we desire from democracy must be entrusted to the lowest level of government: the city or town. Only those tasks which this level of government cannot manage should be entrusted to higher levels of government. Thus, the highest level of government will have just one or two tasks – like national defense and foreign policy. Lower level governments are also more likely to be closer to the needs of the citizenry, and remain transparent and

accountable. Our ‘strong central state’ democracy is a complete antithesis to notions of ‘subsidiarity’. We must invert the pyramid.

So, dear reader. Do make it a matter of instinct when it comes to public policy choices: instinctively tend to rely more on markets and less on democracy and bureaucracy. Then, we will have to pay less taxes; we will be able to keep more of our income and spend it ourselves; the goods and services we collectively consume will be of good quality; and the nasty mendacity of politics will not poison every aspect of life. We will be free from the clutches of democracy, and be able to appreciate it, warts and all, for the limited objectives it can accomplish.

A parting shot: I hope my reader understands that democracy without free markets is a horrible system of government. Where would you rather live? In India, with the vote and without the market. Or in Hong Kong: with the free market and without democracy? I think most people would opt for Hong Kong. Without the market, we are poor. With the market, we can create wealth for ourselves and enjoy our lives. What is better: an empty vote in a socialist democracy or the freedom to make money in a free market? So, let us appreciate what our ‘treasured democracy’ really is. Democracy without liberalism is a horrible form of government. We need a new freedom movement to usher in a Second Republic.

2111 words

33. *SOCIALISM!*

Whenever I get to feel this way,
I think about the bad old days,
We used to know.

JETHRO TULL

I sometimes forget how old I am. I am only reminded of my age when I lecture to college students and find that they are all 80s-born! They know nothing of Indira Gandhi's Emergency or her socialism. To them, it is hard to imagine a world in which there was no Levi's or Nike or Macdonald's. Some even swallow swadeshi propaganda and think this limited 'liberalisation' is a bad thing – and that 'self-sufficiency' is a worthwhile national objective. It is for such people that this essay has been penned. Our youth should have a clear idea of the horrors that socialism unleashed upon the people.

I pursued a bachelor's degree in economics from Delhi University between 1974 and 1977. Indira Gandhi declared her famous Emergency during this period. The peurile politics of the time never interested me. What I can comment meaningfully about is what being a consumer during the heydays of Indian socialism really meant.

Take music: How did I get music those days? There are people today who bemoan the advent of MTV – but consider life in the autarkic days of Indira Gandhi's

socialism. Our college gang comprised a member whose father occupied a senior position in the technical wing of All India Radio; thus, Dad got to go abroad at least once a year to buy equipment. Whenever he did so, his son, our friend, would give him a list of albums to bring back – and the loving Dad lovingly complied. When the music arrived, some lucky ones would be invited in to listen. Fortunately, by then, the cassette tape had been invented – and our friend would be besieged with requests to tape the new arrivals. With so many requests, our friend could afford to play favourites – and I clearly remember how hordes of guys (and girls!) would vie with each other to be especially ‘nice’ to our pal. Access to music also meant entry into the ‘cool’ crowd: and, there, our friend had enviable clout – which we swadeshiwallahs never had.

Those who oppose globalisation hate the entry of foreign brands into the country. They fear the end of Indian culture. They speak of ‘consumerism’. So let us take the example of jeans: How did we get ourselves a pair of jeans in the bad old days? In the closed economy, a couple of desi companies selling jeans had emerged. The biggest of them was Jean Junction, run by a cool dude who went by the name Zeke Gamut. The trouble with JJ jeans was not in their styling – the trouble lay with the blue denim itself. It was not true indigo blue, and it probably was not true denim either. When JJ jeans faded, they didn’t look cool: they looked old and dirty. You could take your custom to Jean Age next door, but things didn’t improve much: in fact, they got worse!

Now, for those desperate to wear genuine denim jeans, there was an alternative: go to Mohun Singh Market. There were hordes of Sardarjis there who ran flourishing businesses selling second-hand Wrangler's and Levi's. They would buy them off the hippies, wash and repair them, and re-sell them to us desis at a huge profit. By the way, these second-hand jeans didn't come for less than 500 rupees (which, those days, was a LOT of money: a packet of India Kings came for 5 rupees). I for one, could never afford a second-hand pair of Levi's. I was doomed to the uncoolness of JJ.

Some insights on life those days are also revealed when we examine what we asked relatives visiting from abroad to bring for us. Arpitha, Srili and their parents came by once every year, since Barney worked for an airline and got free passage. What did we ask them to get for us? My father, for example, always asked for shaving blades! He was possessed of a rough beard and Indian blades didn't work for him. My mother would ask for simple things like a hairdryer or a small mixie: these were unavailable then. She would ask for shampoos and creams: Oil of Ulay was treated as liquid gold. I remember that, those days, every passenger alighting from a trip to the Gulf would come back with a 'two-in-one': cassette player with radio. When the video revolution arrived, dealers would engage students, pay them the fare to the Gulf, and fund the purchase of a VCR. This would be brought back to India, duties paid, and resold at a hefty profit to the extremely rich. Was this a good world?

Everything was tough those days. If you wanted to be a photographer, you couldn't: because cameras were difficult to get. If you wanted to become a musician, and set up a rock band, getting the equipment and the instruments would be a nightmare. Everything would cost much more than it did in the west.

Indira Gandhi had also taken over the banking system, and these nationalised banks only lent according to 'priorities' set by the central banker. Thus, there were no consumer loans. You couldn't get loans to buy a bike or a car or a television or an air-conditioner. There was no such thing called a 'housing loan' from the banking system. I recall that, those days, if you wanted to buy a flat in Delhi from the monopoly Delhi Development Authority, the procedure was as follows: first, deposit some money and hope your name crops up in the 'lottery'. If you are lucky, they give you a schedule during which you have to deposit the entire cost of the flat *in advance*. Then you got your horrible flat. This was known as the 'self-financed scheme'.

The job scene was therefore extremely horrible. If you had 'contacts' you could get a job in one of the few big private companies like the Tatas, Hindustan Lever or ITC. For the rest, the only alternative was state employment: they owned the banks, they ran insurance, power, telecom, radio, steel plants, airlines, railways, hotels and what not. They ran everything. Finally, there were the 'covenanted' positions in the civil services. In the end, if you didn't find any hope of survival in the tiny market economy that existed then,

you had no choice but to opt for state employment – and completely waste your life.

So, my dear young friends, see the past as a dreadful horror movie; and see the future – free markets – as the best thing that could ever happen. See that your survival, and the survival of your progeny, lies in the prosperity and freedom – freedom from the State – that free markets will bring. Fight for that freedom. Always oppose those who speak of a return to autarky. Push the tempo!

1145 WORDS

34. ORWELL!

Yon Cassius hath that lean and hungry look. Such men are dangerous.
WILLIAM SHAKESPEARE

Throughout my adult life, George Orwell has remained an enigma and a curious fascination. I have always believed that his stint in the Imperial Police in Burma (recounted in *Burmese Days*) made him realize what a horrible thing the State is, and inspired him to write such masterpieces against statism as *1984* and *Animal Farm*. But one question forever remained: How could such a man who could see the State so clearly as evil, ever be a socialist? I finally found the answer during an accidental read of an extract from Orwell's *Homage to Catalonia*. Orwell had gone there to fight in the civil war. He describes the battlefield, how the Anarchists and the Fascists and the Socialists were shooting and bombing each other. He describes his own pitiable condition: hunger, thirst, heat, cold, dirt and filth, lice, bad footwear and clothes, and so on. He then says that he has no regrets, for the experience was richly rewarding to him in one special way: it made him even more convinced about socialism. These are his own words, with my emphases:

The workers' militias, based on the trade unions and each composed of people of approximately the same political opinions, had the effect of canalizing into one place all the most revolutionary sentiment in the country. I had dropped more or less by chance into the only community of any size in Western Europe where political consciousness and *disbelief in capitalism* were more

normal than their opposites. Up here in Aragon one was among tens of thousands of people, mainly though not entirely of working class origin, all living at the same level and mingling on terms of equality. In theory it was perfect equality, and even in practice it was not far from it. There is a sense in which it would be true to say that one was experiencing a foretaste of Socialism, by which I mean that the prevailing mental atmosphere was that of Socialism. Many of the normal motives of *civilized* life – snobbishness, money-grubbing, fear of the boss etc. – had simply ceased to exist. The ordinary class division of society had disappeared to an extent that is almost unthinkable in the *money-tainted* air of England; *there was no one there except the peasants and ourselves*, and no one owned anyone else as his master.... However much one cursed at the time, one realized afterwards that one had been in contact with something *strange* and valuable. One had been in a community where hope was more normal than apathy or cynicism, where the word ‘comrade’ stood for comradeship and not, as in some countries, for humbug. ***One had breathed the air of equality.*** I am well aware that it is now the fashion to deny that Socialism has anything to do with equality. In every country in the world a huge tribe of *party hacks and sleek little professors* are busy ‘proving’ that Socialism means no more than a planned state-capitalism with the *grab motive* left intact. But fortunately there also exists a vision of Socialism quite different from this. The thing that attracts ordinary men to Socialism and makes them willing to risk their skins for it, the ‘mystique’ of socialism, is the idea of equality; to the vast majority of people, Socialism means a classless society, or it means nothing at all. And it was here that those few months in

the militia were valuable to me. For the Spanish militias, *while they lasted*, were a sort of microcosm of a classless society. In that community *where no one was on the make, where there was a shortage of everything* but no privilege and no boot-licking, one got, perhaps, a crude foretaste of what the opening stages of Socialism might be like. And, after all, instead of disillusioning me, it deeply attracted me. The effect was no make my desire to see Socialism established much more actual than it had ever been before.

As the italicized portions show, Orwell found his egalitarian Utopia among tens of thousands of people, all peasants, who shared a ‘disbelief in capitalism’ (because they had nothing to sell and nothing to buy anything with either), ‘where no one was on the make and there was a shortage of everything’, where the ‘normal motives of civilized life’ were absent, and hence there was this mystical air of Equality that so attracted him. Here Orwell found genuine, true ‘comradeship’. However, he uses the word ‘strange’ to describe the situation. Why did he use this word? It must have been the most apt.

Orwell also shows complete ignorance of the moral basis of market exchange, when he refers to the ‘grab motive’. In market exchange, there is ‘give-and-take’: the only ones who grab are the thieves (who get roundly thrashed) and the cops (who will one day surely get thrashed as well).

Orwell uses the word ‘mystique’ to describe the goal of Equality so cherished by the socialists. And he refers to his ideological adversaries as ‘party hacks and sleek little professors’. As someone once told me: “They are wrong but romantic; we are right but repulsive.” There is something

seriously wrong with our packaging. Socialists have all these romantic heroes like Che Guevara. Our 'party hacks and sleek little professors' have nothing romantic about them. And therein lies the tragedy, for surely the air of freedom can be made to look far more romantic than this romp with tens of thousands of 'equal' peasants.

However, it must be said that chasing romantic utopias has proven to be extremely harmful for every society that did so. Reason is cold, reasoning through is hard work, and it involves reading fat tomes by 'sleek little professors'. But reason is essential. Reason prevents societies from diving headlong into disaster. Orwell's 'air of equality' is what Jawaharlal Nehru's 'socialistic pattern of society' was all about. The deal was: Give me your freedom, and I will give you Equality. It was a bad deal, to put it mildly. We Indians only got a VVIP culture: no equality at all. We lost our freedoms in a fruitless quest.

It is also strange that an OFFICER of THE IMPERIAL POLICE, should enjoy 'equality' with peasants, and not 'know' that he was, in many ways, 'superior'. As an officer, you are trained to command: to be 'superior'. Whenever I travel in rural India, I always feel infinitely 'superior' to the peasantry. That does not mean I look down upon them; just that they look up at me!

Finally, Orwell seems to be one of those Brits with what Lord Bauer called 'class on the brain'. He simply hates England and its 'money-tainted air', and all the various classes in society that naturally ensue. He actually hates prosperity and civilization, since it stinks of money. He revels in a poverty of equals. He desires to establish Socialism and put an end to all economic and social differences in one fell swoop. The goal:

we are all equally peasants; precisely what Hayek, a ‘sleek little professor’, called ‘the road to serfdom’. In reality, Britain, with its much maligned ‘class society’ has always been a haven for hard-working and talented members of the working classes, enabling hordes of them to rise to giddy heights. In the 1840s, Samuel Smiles’ classic *Self-Help* recounted hundreds of such instances. In modern-day Britain, Lord Bauer’s essay “Class on the Brain” is a similar demonstration of the fact that the ‘class society’ of Britain is a socialist myth, and that tens of thousands of perfectly ordinary people have climbed to the top aided by nothing more than character, perseverance and ability.

Therefore, another lesson to learn is that we libertarians must ensure that citizens see the benefits of inequality. We must convince them that the socialists malign something that is not only natural, but also beneficial. For example: Whenever a new product emerges, it is expensive – like the first car, computer or mobile phone. Only the rich can afford it then. It is the custom of the rich that enables these first producers of that good to find markets, improve upon their offerings, expand production scales and bring prices down – so that ultimately everyone can afford that product. The rich help society.

Orwell is the perfect example of the misguided intellectuals of the 1940s who championed socialist projects at home and abroad, armed not with reason, but with romance and ‘mystique’. Together, they destroyed half the world. Bad ideas also have consequences.

1429 words

35. *PUSHER!*

But the pusher is a monster,
And he don't care,
If you live or if you die.
God damn, I say!
God damn the pusher!
STEPPENWOLF

Unlike Steppenwolf, I do not damn the pusher. He is my true friend. He gets me my smoke. He is a hero – because he defies the law, and takes untold risks, to get me what I want. Who is he?

One guy I remember is Swami, a Madrassi who lived in a slum near Jungpura. The entire slum was peopled by Madrassis. To get there, you had to cross a railway line on foot. The entire place stank to high heavens. Once across, Swami's little hut was easy to find. It was the first corner hut. Across it was a shack where country liquor was openly sold. Adjacent was a temple dedicated to some South Indian gods and goddesses.

Swami sold hash. And pretty good hash at that. I met a lot of people who swore by him, and he was doing good business. My clearest memory is of sitting in Swami's hut checking out a smoke when a hand was thrust into our space. The curtain was drawn aside and, revealed in the sunlight, there stood a sadhu in saffron. Swami cursed under his breath and handed over a small piece of hash. The

hand was retracted. But, before the curtain was drawn again, another hand was thrust in – this one bearing a 20 rupee note. I looked up and saw another sadhu there, in saffron – but this guy was blind. He and his companion made a pair, as the other guy could see. That guy was happy with his freebie. This guy, who was blind, wanted to pay. When Swami took the note, the sadhu said: *Acchha maal dena* – give me good stuff. I learnt a lot that afternoon. Most aid agencies are like the guy who goes around with the blind guy and begs in his name.

However, my association with Swami did not last too long. A few months later I was told that he had committed suicide. When the State makes life so difficult, I guess you cannot blame people for thinking that Death offers relief.

It was not long after that I came across Jaggu Baba. I met him through a government staff car driver called Giri who came up to share a smoke with me at a roadside dhaba. He offered me some fine grass and I asked him where he scored it. It is he who directed me to Jaggu Baba. He is thin, with a shock of white hair and a flowing white beard. One leg is lame, so he has to carry a stick to move around. When I first came across Jaggu Baba he shared a shack in a slum with Giri, and the shack was built right on top of a stinking drain. But within a year, Jaggu Baba had improved his circumstances beyond belief. It was not long before he had his own shack within the slum, where he had a little black & white television set. Those days, the cops were after him and access was sometimes denied: but very soon Jaggu Baba emerged triumphant. He shifted to the primary

health care centre in the slum, and he now had a ceiling fan as well as an en suite bathroom. The tea shop was his 'contact man' – and business began booming. Today, the entire slum has been demolished. I do not know where Jaggu Baba operates. Interestingly, the Primary Health Centre still stands amidst the wreckage of the properties of those it was intended for!

Nowadays, I favour a slum of Bangladeshis. There are a whole pile of dealers there, and the competition gives me, the customer, something of value called 'choice'. Fatima Bibi sells green kalis from Cooch Behar; Jamal sells Bihari ganja; and Kudrus sells some incredible stuff in kalis over a foot long! There are so many of them there now, and they have so many customers, that an ancillary industry has started: there is a shop that sells chillums and tea. You can sit there, buy a chillum, and order a tea. The shopowner's wife makes the tea while the stall-boy makes a small gitti and wets a clean safi. You sit there in peace and comfort and enjoy your smoke and your tea.

Of course, unlike Amsterdam, all this is illegal here. And I have often watched the police at work in this slum. The fact is that they do not disturb the peace or the business: they simply 'collect' and leave. One night, I was rolling a reefer at the tea shop when a cop in full uniform passed by. Fatima Bibi hollered out to him and pointed to me as her *gaonwala* (they revel in the knowledge that my roots lie in Khulna). The copper turned and took me in, sitting there rolling a joint. I invited him to join me for a cuppa. But I think he chickened out and scrambled. On another

occasion, an entire posse of cops landed up while I was enjoying a chillum. They looked at me, decided not to make trouble, and trooped into the slum to meet the big dealers.

Recently, I was approaching Kudrus when Fatima called out to me. When I reached her shop, she requested me to take a seat as she had something important to tell me. She handled the only other customer there and, after shooing him away, told me that the cops had taken off with her little 12-year old son. “How come?” I asked. “Are you all not paying them off?”

She told me that it was not the local cops who had hauled the kid away; it was the Narcotics Bureau!

Throw out this legislation.¹⁹

968 words

¹⁹ At the time of going to press, this slum has also been razed to the ground, and I have no idea as to what has become of these people – for I have spent the last few years out of Delhi.

37. A RULE OF LAW SOCIETY!

The law perverted! And the police powers of the state perverted along with it! The law, I say, is not only turned from its proper purpose but is made to follow a totally contrary purpose! The law is becoming the weapon of every kind of greed! Instead of checking crime, the law itself is guilty of the very crimes it is supposed to punish!

If this is true, it is a serious matter and moral duty requires of me to call the attention of my fellow citizens to it.

FRÉDÉRIC BASTIAT

The Law

As a former Deputy Commissioner of Police, let me begin by asserting that a ‘rule of law society’ is not very difficult to achieve. It certainly does not require, as many morons believe, a military dictatorship. London, Frankfurt, Amsterdam... there is order in these cities not because of the police, but because of the people.

All that societal order requires is good law – which all the people understand, and which all the people respect and follow, knowing well that it is in their interest to do so. Of course, judges and lawyers should be extremely well versed in these principles, and uphold them in their judgements and arguments. What are these principles?

PRIVATE SEVERAL PROPERTY

We are born with faculties which we exercise on the resources of the Earth to produce Property. The first nomad

who cleared the forest and settled down in agriculture created Property. The chef who produces a meal at a restaurant produces Property – and we cannot consume the meal legally without paying something in exchange: the price. Private several property is basic to the morality of the market – indeed, it is basic to all human morality. Property existed *before* formal law was made; indeed, formal law was made *because* there was property.

When delivering the Ten Commandments, the Prophet Moses thundered “Thou shalt not steal”. Without an understanding and respect for what’s ‘mine’ and what’s ‘not mine’ no trade can take place. The market cannot work if it is legal or moral to steal. If too many thieves come to the bazaar, the shopkeepers have no option but to take their business elsewhere.

The notion of private several property goes even deeper into human morality than market exchange: it goes into the very way we breed; it goes into the most important of human institutions – the family. A woman puts *sindoor* on her head to indicate to all that she *belongs* to someone, and is not ‘free’. A man wears a wedding band for the same reason. And all the people respect this: otherwise human society would break down. It is not breaking down not because some dictator is imposing the Law, but because everybody understands, respects and follows these basic rules of a rule of law society. The Prophet Moses also thundered “Thou shalt not covet another man’s wife.” In the Ramayana, the villain Ravana is reviled because he has violated this most sacred of principles: he has run off with

another man's wife. Hinduism, Islam, Christianity... indeed, all faiths, respect private several property.

Socialists do not. The Constitution of India is the longest written Constitution in the world – which means we Indians must have desired justice. But this enormously long Constitution does not guarantee private property rights! Thus, Indira Gandhi could nationalise private banks, she could nationalise the coal mines, Air India... what have you. The law allowed it. The law did not say that the airline belonged to JRD Tata and the State has to protect Property, not take it away.

Socialist law is 'legal plunder' – to use Bastiat's immortal words. And it is not just nationalisation. There is legislation on issues such as 'land redistribution': which means that the Law will steal land from those who have it and give it to those who don't. There are rent control laws by which tenants can take over the landlord's property. These immoral laws promote crime. There are private armies in Bihar because the law is perverse. There are underground dons involved in tenancy disputes because of the law. Slumlords happen because the law does not approve of landlords and landladies. Indeed, priceless urban properties are destroyed because landlords can no longer afford their upkeep.

Private several property is vital if the environment is to be looked after and natural resources managed such that there is always abundance. Chickens, goats, pigs and cattle survive because they are private several property: someone

owns them. Endangered species would survive too if we could farm them. The wilderness can also be privatised and protected as the personal property of those who value wilderness.

On the management of natural resources, consider the curious fact that there is no shortage of petrol or diesel in the world, although the Earth possesses very little oil. And there is a shortage of water despite the fact that the Earth is made seven parts of water! This is because the State owns all the water; while in the case of oil there is a market working and underground oil fields are private several property: you can own an underground oil field. When the state owns all the water, there are bound to be shortages. As Milton Friedman famously remarked, “If you give the Sahara Desert to the government, there will be a shortage of sand in 5 years!”

Picture the town of Dehra Doon, which lies between the Ganga and the Yamuna – north India’s mightiest rivers. There is a water shortage in Dehra Doon. To find out why not visit Dakpathar, 40 km from Dehra Doon on the banks of the Yamuna. Here the state is damming river water and despatching it free to Punjab farmers who use it to grow rice (which requires 21 waterings). The town of Dakpathar is a ghost town amidst beautiful landscape because the irrigation department, which owns the town, is broke, and is making no profits from the water. In the case of the Narmada Dam, everyone says the tribals must be compensated for their land which was inundated; no one says they should be compensated for the river water, over

which they must possess shared property rights because they have been living next to the river for millennia. If property rights were established over river water, the Narmada and the Cauvery issues could be settled without politics. And with justice. Now, the Law is being employed to force the issue, and this backfires as, for example, when the Karnataka chief minister refused to comply by the Supreme Court's directives. With property rights applied uniformly as a principle, the law is easy to enforce. Everyone follows the law. And there is abundance of all resources.

Some consider intellectual property rights like patents to be essential. I do not believe in temporary monopolies granted by the state. If without them, all innovation would cease, we wouldn't be flooded with recipe books! Or with new fashions. Those who are asking for patents are simply saying: I have a great idea that can make money only if the State grants me a temporary monopoly. Why doesn't every fashion designer or recipe book author say the same thing?

What is required is copyright protection – not patents. And for drug companies: if we apply torts (see below) they would not need to go through expensive regulatory bottlenecks like the US Food and Drug Authority (FDA). Without the FDA, new drugs would be cheaper to deliver to the market and, in case there are errors and consumers are harmed, tort laws can yield suitable compensation.

Even when enforcing copyright protection, judges should be careful to see whether there is *mens rea* and genuine

fraud. For example, someone who sells a Rolex for 300 rupees is not trying to pass it off as a genuine article: he is selling it as a 'duplicate' that is cheap and not covered by any guarantee. The consumer should be free to buy this 'duplicate'. And if Rolex watches can be copied for so little, the company better wake up and improve its product. Think: if we want to really enforce copyright protection blindly, we would probably have to bomb Ulhasnagar. I have never been there but am told that the entire town specialises in making duplicates. We would also have the police searching all our houses for music CDs we have 'burned' from our friends.

We form collectives like the state for one reason only: to protect ourselves and our properties better. We do not have the power to take other's properties away. So, when we get together to make the Law, this law too cannot have the power to take anyone's property away. The basic purpose of Law is the protection of property. Since the socialist Constitution of India does not recognise property rights, Indians must press for a Second Republic, for this socialist constitution is an immoral document.

Liberal jurisprudence, based on private several property, can also solve some pressing problems that the Hindutva brigade has thrust upon us. If they have their way, Parliament will soon pass a law banning cow slaughter – and I will be denied my steak. A liberal Supreme Court would tear up any such law on the grounds that cows are private property and the State cannot interfere. Everyone

must be free to do what he wants with his own cow: free to either worship it or eat it.²⁰

Similarly, the ‘disputed site’ at Ayodhya. To ‘de-politicise’ matters, the issue was referred to the Supreme Court. What did this socialist court do? They asked the Archaeological Survey of India to dig up the disputed site and discover what lay underneath. Is this the application of our principle? If a temple to the Goddess Piripiri of the Bhotcharge tribe is discovered under my house, can a latter-day Bhotcharge lay claim to my property? Certainly not! If liberal jurisprudence is applied to Ayodhya the solution is clear and simple: there is no clear title to the site; there are various claimants, each possessed of little legitimacy; therefore the site must be auctioned. We could auction it off in little lots – one auction every year – and in this way keep religious fanatics out of politics, busy collecting money all their lives.

Socialist jurisprudence is not justice. Socialists reject the natural law of property and believe that the purpose of the law (and the State) is to redistribute property. Theirs is a Robin Hood ideology – but it is time we stopped looking at their ‘legal plunder’ (what they call ‘redistributive justice’) as romantic.

²⁰ A Rugby joke goes: A farmer was trying hard to bed his milkmaid, but she was always refusing his advances. So, to ‘turn her on’, he took her to watch his prize bull ‘servicing’ a cow. While the bull was busy, he turned to the girl and said, “I’d love be doing what that bull is doing.” “Then why don’t you? she replied, “it’s your cow!”

CONTRACTS

The second feature of Law is that it must enforce contracts that are freely entered into by the people. That is, all the people are free, and, as free people, they will naturally enter into contracts with each other – say, a labour contract, a rental contract, a contract to repay a loan or a contract to use a telephone or electricity service. The Law must enforce these contracts when anyone violates them. The Law cannot dictate the terms of the contract.

But that is precisely what socialist law does. For example, I freely enter into a labour contract with a migrant worker – but the labour inspector will put me in jail and the labour laws will declare the contract invalid if I do not pay ‘minimum wages’. The socialist law will declare the contract voluntarily entered into by two free people null and void – because legislators want to dictate terms. They should not have this power. This is not the purpose of the Law.

Consider the damage done by minimum wages: the minimum wage is bound to be higher than the market clearing wage – or what’s the point. Now, as any simple demand and supply diagram will tell you, if you set a price by force which is higher than the market clearing price, less of the good will be demanded. Thus, in this case, less labour will be demanded. Further, when laying off workers, firms will retain their best people, and lay off the weakest workers – like the trainee or the apprentice. Firms might also be able to use prejudice when laying off workers –

firing the Blacks or the Muslims or the lower castes. Firms will also have the incentive to use more machines, as they will become relatively cheaper. The purpose of minimum wages is to benefit the weakest worker, he who cannot legitimately earn that wage; the effect of minimum wages is to hurt the weakest workers. The apprentice or the trainee gets thrown out, or employed illegally, without any employee protection whatsoever. This is a classic case of the Law of Unintended Consequences: Nothing Causes More Harm Than Good Intentions!

Similarly with rent control law: free contracts between landlords and tenants are declared null and void if they are not on the side of the tenant. This takes away the incentive for landlords to build property and let them out to poor people who, of course, cannot afford to buy property. These poor people now have no choice but to go to the politically sponsored slumlord. The law was intended to benefit tenants; yet it hurts poor tenants most.

A third example of the non-enforcement of contracts concerns bankruptcy law. As we saw in the case of Rembrandt's house in Amsterdam, it was bankruptcy law – the enforcement of a contract between a creditor and a debtor – that allowed the housing finance market to flourish. In India, till recently they did not care if people defaulted on their loans. The legislators did not care because they were running the banks as public property and were willfully allowing their friends to loot these banks. Thus, in India, there is still not a vibrant market for mortgage finance. This cannot happen so long as the debtor

can walk off with the financier's money. People will not lend for housing as long as the loan contract is not enforced by the Law.

A fourth example of non-enforcement of contracts concerns the Indian rupee, on which the governor of the central bank 'promises to pay the bearer a sum of X rupees'. When the governor cannot convert his note into money – be it gold, dollars or yen – it is the central banker who should be in prison: a debtor's prison. The Foreign Exchange Regulation Act (FERA) is immoral legislation.

TORTS

If you go to McDonald's at a time when the floor is being cleaned, you will always find a sign saying: Caution! Wet Floor. This is a standard practice in McDonald's worldwide. However, if you go into any Indian restaurant when the floor is being cleaned, you will not find this sign. Why is this so?

This is because there is tort law in America. If you slip and fall and break your leg in a McDonald's in America (and the floor is wet), you will get very rich very soon if the sign had not been there. You will not even have to find a lawyer: the lawyer will find you and take up the case free so long as he gets a share in the spoils.

Tort laws are a pillar of a rule of law society. It is always possible that people will be negligent. The right thing in such circumstances is to apply tort law and compensate the

victim. In torts, the case is decided ‘on the preponderance of evidence’. In criminal law it is decided ‘beyond any reasonable doubt’. Thus, criminal cases are difficult to decide while tort cases are relatively simpler. This also makes sound economic sense, as David Friedman has pointed out: society faces a net loss when someone is imprisoned or executed, so these cases should be decided very carefully; society does not lose in tort cases as there is a simple transfer of resources, and so these cases should be decided fast. Torts are based on a higher jurisprudence: that of ‘restitution’: the negligent one restores the damage caused to the victim. Criminal law is based on the doctrine of ‘retribution’: that you suffer for your sins. The doctrine of retribution is an older and less sophisticated jurisprudence. Further, criminal law is more concerned with ‘crimes against the state’ – with ‘public prosecutors’ and ‘public police’ and ‘public jails’; on the other hand, tort law recognizes the fact that crimes are always against individuals, and these individuals must be compensated by those who have committed these crimes.

Once, a colleague lost a lighter of mine, which he had borrowed. I offered him either retribution or restitution – either we cut off an arm or he restores to me a new lighter. He willingly chose restitution, and I now have a replacement lighter.

The advantages of having tort laws are various. Consider, say, the Gujarat earthquake. Many badly constructed buildings fell down. The newspapers reported of corruption among builders and their collusion with the authorities in

charge of passing buildings. The urban development minister proposed registration of builders in Delhi and stronger building bye-laws. Will these work? Of course not!

Now think of what tort laws can do. If there were tort laws, then the builder of the building that falls down would have to pay up. He would anticipate this and look for insurance. Then, the private insurance company would check the building and insure it only if it was well constructed.

In this way, Manhattan skylines could erupt in our cities. Today we do not have these Manhattan skylines not because our architects and builders are incompetent – but because the authorities do not allow tall buildings to be built. With freedom, governed by tort laws, they would be free to express themselves, and build. And the consumer would be safer too.

Consider other cases too – like the dropsy case in which adulterated mustard oil was sold, or the Uphaar cinema fire case in which many lives were lost, or even the Bhopal gas tragedy. In all these cases criminal law was applied, the police called in – and nothing happened.²¹ If tort laws were used, victims of negligence would get immediate compensation. Sellers, i.e, the *retailers*, of spurious medicines would have to pay up.

²¹ At the time of printing, some monetary compensation has been ordered in the Uphaar fire tragedy. Interestingly, the cinema owners as well as the civic authorities have to all pay up. But this was a criminal case.

Someone asked me once: “Why don’t the socialists like torts? After all, unlike property rights, this has nothing to do with ideology.” There are two possible reasons.

The first is that the state would get sued to the bone and wants to evade responsibility for the negligence of its minions. I take my girlfriend out for a drive. We hit an unmarked speedbreaker and she goes flying out of the window. I have lost a girlfriend. I should be compensated. But I will not be – because the state wants to evade responsibility.

The second reason is more macabre: they prefer using criminal law because they can effect a squeeze on the negligent person. Once they drag the police in, the perpetrator of the tort will pay up – to the politicians and the police. The victims will get nothing. They think this is justice. It is not. It is corruption pure and simple.

With these simple laws, and complete freedom, there will be a rule of law society. The police will only look after crimes like murder, theft and rape, and the people will be free to live their lives doing whatever they deem fit. Such a society will be rich and moral – and free. Justice will prevail.

Such a society will also be beautiful. One thing strikes about our cities: they are ugly. Old buildings are not looked after because of rent control. New buildings are not built because of building restrictions. This ugliness is entirely the creature of socialist ‘urban planning’. Indian cities were

beautiful once. We were free to build freely, and landlords once had power over their properties. With socialism, and socialist construction (like DDA flats) ugliness has pervaded our lives.

All Indians have a sense of beauty. All the people I know take special efforts to decorate their homes. My friend Nitin Donde has even made a film to show that street hawkers and vendors have a well-developed aesthetic sense: the manner in which they display their wares shows an understanding of colour!

This planet is a beautiful place. Whatever we construct here must add to the beauty, not take away.

These basic principles of a rule of law society do not need a very powerful ruler to enforce. In England, they *evolved* out of 'common law': basic simple law whose principles were applicable to all cases. The people respected the laws and the courts and the judges and followed the law. In India, our courts use force a bit too much: they forced CNG on the people of Delhi. They forced Haryana to close down mines. They did not consider either property rights or torts. They can use force like this because they have the all-powerful state to back them.

Can justice be handled outside the state? I do believe it can. Law is an enterprise. But there are some problems when it comes to the final stage of enforcement. David Friedman and some others are inquiring into these issues.

I personally believe in private courts. In Gandhi's memoirs as a lawyer in South Africa, he says that he always preferred arbitration outside the court, and when he did this, he felt he was performing social service. Most cases do not need to go to court.

I also had the pleasure of briefly interacting with Professor Robert Cooter, author of the famous textbook on Law & Economics. He told me of California's 'Rent-a-judge' companies. Two parties facing a legal dispute can go to one of these companies. These companies have many retired judges on their rolls. When any case comes up, the parties, with or without their lawyers, come before the private judge in a hired motel room. The private judge hears the arguments and delivers his judgement. He must make sure his judgement is acceptable to both parties or he would not get repeat business. He must also make such judgements because he cannot use force to push through his orders.

State judges have no such incentives. They come from the breed of lawyers and so have the perverse incentive to prolong cases and see to it that they go to higher courts of appeal – so their lawyer friends can milk the client. They also can use force, so they do not need to be just to both parties.

Of course, in India we have a brief history of private justice – in the courts of the East India Company cities. Judges like Sir Elijah Impey in Calcutta were far better than anything the socialist state with its 'committed judiciary' can put up.

In a rule of law society everyone will instinctively follow the basic rules of the game. Law, like Economics, is about incentives. With the right law, people have the incentive to follow the rules. With the wrong laws, they willfully disobey, because the incentives are all wrong. This perverts society – and no amount of policing can cure it.

All students of Economics abroad study the interaction between Law and Economics today – and vice versa. There are a few Law professors in every Economics department, and there are a few Economics professors in every Law department. In India now, the Delhi School of Economics has Professor TCA Anant, who takes a course on Law & Economics. I have not heard of any law college in India, which possesses an Economics faculty. Obviously, the first battle must be over how these two important subjects are taught.

3601 words

38. CONSTITUTION!²²

I tip my hat to the new constitution...
We don't get fooled again!
THE WHO

Notions of just law are based on moral, ethical considerations that apply to all peoples over all time. Thus, according to the Stoic view expounded by Cicero in *De republica*:

True law is right reason, consonant with nature, diffused among all men, constant eternal.... It needs no interpreter or expounder but itself, nor will there be one law in Rome and another in Athens, one in the present and another in time to come, but one law and that eternal and immutable shall embrace all peoples and for all time and there shall be as it were one common master and ruler, the god of all, the author and judge and proposer of this law.

We in India were lucky to inherit the common law system from England. There, law was never made. To quote Bracton, a thirteenth century English judge:

While they use leges and a written law in almost all lands, in England alone there has been used within its boundaries an unwritten law and custom. In England, legal right is based on unwritten law which usage has approved... For the English hold many things by customary law which they do not hold by lex.²³

²² Inputs to this essay from Priyanka Chauhan are gratefully acknowledged.

²³ Quoted in Hogue, A. R. (1966) *Origins of the Common Law* (Liberty Fund).

Law, in this very English sense, is not made; it is *found*: it is found by observing what the people do and making sure that they are free to do so under a set of objective rules. The common law is often called ‘judge made law’, but it must always be noted that judges were constrained by the traditions and customs, and the rights and liberties customarily enjoyed by the English people. This gives us some idea as to how ‘free’ the English people always were: for positive law could never override natural law.

Now, it must be noted that all natural law begins with the right to property. The first property we possess is our body, and the first natural law was devised to protect us from those who would cause us physical injury. Then, with free possession of our bodies, we, as Locke put it, “combine our labour” with the resources of the Earth to produce physical property – and all natural law doctrines assert that the first purpose of law is to ensure that we are not unjustly deprived of our properties.²⁴

English common law was all about settling disputes related to property and contracts in the complicated feudal society of medieval England. Land may or may not be freehold – and the common law had to note these vital differences; and since there were also differences between the rights of the ‘freeborn’ and the serfs, various feudal duties and obligations had to be enforced and disputes settled. We must see the common law as intricately woven with society itself. As Professor Hogue puts it:

²⁴ The right to property began in the Indian constitution as a fundamental right, but was relegated to the status of a mere legal right by the 42nd amendment.

*Englishmen in the Middle Ages accepted, as they do now, the need for rules governing such recurring relations as those between buyer and seller, landlord and tenant, guardian and ward, creditor and debtor. Rules of common law touch a farmer's property rights in a crop of wheat planted in a rented field or the right to use a public roadway. Nor is the common law a stranger in the marketplace; the fishmonger as well as the banker may invoke its protection. The bond, then, between law and society is close and intimate; the history of the common law is matter-of-fact and rests ultimately on the relationships of people who have taken their differences before a court for settlement.*²⁵

Thus, the common law was by and for the people, it left them free, it did not impose positive law upon them, and it settled disputes promptly.

Now, having understood this, we may proceed to the subject of constitutionalism, which also has English origins, with King John placing his seal on the Magna Carta, "The First Statute of the Realm", in 1215. Professor Hogue describes King John as an 'irresponsible absolutist'. The barons of the realm revolted, marched to London (where the citizens welcomed them), and King John had simply no choice but to meet them and accept their charter. Thus, we see the purpose of a constitution: to place the King under the Law. After signing the Magna Carta, King John (and his successors) could no longer be 'irresponsible absolutists': on the contrary, they found themselves bound by the Law. Professor Hogue says: "From the beginning the Charter was an expression of the law which

²⁵ Ibid.

the king and his judges and other officials were *not permitted to ignore.*”²⁶

Certain provisions of the Magna Carta are worth recounting:

- The barons retained the right to execute the terms of the Charter; a committee of twenty-five barons was to lead the entire realm into action against the king if he failed to keep his promises: thus, *they had the right to revolt against an unjust ruler.*
- Chapter 12 of the Charter declares: “No scutage or aid shall be imposed in our kingdom except by the common council of the kingdom” – which today is the rallying cry of democracy: “No taxation without representation”.
- Chapter 39 of the original Charter states: “No free man shall be taken or imprisoned or dispossessed or outlawed or banished, or in any way destroyed, nor will we go upon him, nor send upon him, except by the legal judgment of his peers or by the law of the land.” This is a powerful endorsement of what today we call ‘the rule of law’ or ‘due process’.

This, very English, very liberal, constitutionalism spread to America. The original American constitution had just 7 articles. It started off guaranteeing the rights of the people to ‘life, liberty and the pursuit of happiness’ (though ‘life, liberty and *property*’ was the rallying cry). Wherever this English constitutionalism has gone, with the common law, rulers have been placed under the Law, people have been secure in their

²⁶ Ibid. (Italics added.)

lives, liberties and properties, both society and economy have flourished, and Man has been free. So, what happened to us here in India?

The Constitution of India, as it stands today, after almost a hundred amendments in 50 years, is totally antithetical to English constitutionalism, to common law precepts; indeed, it is antithetical to natural law itself. Forget liberalism: the preamble says India is a ‘socialist’ country. This has been interpreted to mean that the right to property is not absolute. Liberal parties are legally barred from contesting elections! What freedom can there be under such a constitution? Instead of limiting the powers and functions of the ruler, this constitution gives the State a role in everything – and all this under arbitrary precepts. If the State arbitrarily decides to nationalize airlines, your airline is gone; if it arbitrarily decides to nationalize banks, your banks are gone; if it arbitrarily decides to nationalize coal mines, your mines are gone. If the State arbitrarily decides you own too much land, it can legally take your ‘surplus’ land away. All this in the name of ‘socialism’!

Further, the customary rights, liberties and privileges of the people are not respected. Tribal societies, for example, are not allowed to brew their traditional drinks. Cannabis, which has been in use in India for millennia – the Lord Shiva himself was partial to the herb – is illegal here! Contrast this again with the Magna Carta, according to which every freeborn Englishman had the right to brew his own ale.

Many ill-informed, foolish commentators defend the Indian constitution on the grounds that it is ‘democratic’. I do not accept this line of argument, for I hold democracy without free

markets to be meaningless: illiberal democracy is the worst form of government ever devised. Hong Kong flourished without democracy simply because of limited government. And look at what democracy did to East Germany – and India! I have never supported Aung San Suu Kyi because she only talks about democracy; I would fly to her side if she also added ‘free markets’.²⁷

Ever since I first studied Civics in school, I have been told that the Constitution of India is ‘federal in nature but unitary in spirit’. Many call it ‘quasi-federal’. We could just as well call it ‘quasi-unitary’. The fact is that this Constitution establishes a strong, centralized state – something essential for the social engineering to be attempted by the socialist central planner. Such a strong, centralized state lording over the lives of such a dazzlingly diverse 1000 million-strong population is so far removed from any notions of democracy as black is from white, or sweet from bitter, or lies from truth. Thus, this is not a constitution of liberty at all; it is a constitution of slavery. It gives full freedom to the central ruler to do as his whims dictate; and under it the citizenry are deprived of almost every freedom that nature has given them. Thus, there is nothing in India of what we call free, ‘civic’ politics. There are no Mayors with adequate powers to run their cities. Everything is decided from above. And yes, while mayors are not constitutionally protected, India’s worthless, predatory bureaucrats are!²⁸

²⁷ For a detailed discussion on how free markets are infinitely superior to democracy, see my article “New Freedom Movement: How Markets Will Win Hands Down” in *The Times of India*, August 2003, available on the website www.ccsindia.org.

²⁸ Our so-called federal constitution allows the parliament to change the name, size or boundary of any state, create mergers or carve-outs, without even consulting the legislative assemblies of the states affected. And what's worse, the creation and destruction of federal units is not even regarded as a constitutional amendment and can be passed like an ordinary law, with a simple majority! So as a citizen, I could be declared to be the resident of a new state tomorrow without my consent and even without the agreement of my local government!!

So this is not liberal, constitutional democracy at all: for one, there is no economic freedom – no free market; and second, instead of ‘subsidiarity’ we have total centralization.

Democracy, after all, wishes to diffuse power, not concentrate it.

We don’t have to dig too deep to find the illiberality in the Constitution: in the Preamble itself, we are granted “liberty of thought, expression, belief, faith and worship” – and that’s all! Whatever happened to economic freedom? Instead of economic freedom, the Preamble mentions that we are to get “social, economic and political justice”. Social and economic justice translates to a lot of socialist engineering, and strong state action to correct perceived injustices. These inevitably lead to the hyper-politicisation of society – they make politics instead of economics the most important determinant of social outcomes – and they usually involve the negation of private property. To one who believes in natural law, this is not justice at all. It is, in fact, gross injustice.

India is doomed so long as this Constitution continues to govern our lives. With such a basic law, the individual is completely powerless. He has no liberties; instead, he actually has “constitutional duties”! And the State has no restrictions at all – it has complete liberty to trample on the rights, privileges and prerogatives of the entire citizenry. Of course, Indians should know this: for every Republic Day (the anniversary of the day on which this Constitution was enacted) is officially a “dry day”! When Indians sit sober on this day next year, they should mull over the nature of this socialist Constitution: for this Constitution never gave us constitutionally guaranteed

liberties and freedoms; all it did was entrench the vast, predatory machinery of the State.²⁹

India's fledgling liberal movement must reject this Constitution. No liberal should agree to swear by it. This means that no liberal should agree to hold any office under this law. Instead, like the barons of England, India's liberals must campaign within civil society so that ultimately we place before our rulers our own Magna Carta and force them to sign it. From that moment on, we will have liberal constitutionalism. Such campaigning should not be too difficult and should yield results fairly soon. I have spoken at law schools and found both students and faculty highly receptive of 'rule of law' concepts. India is awash with law schools. In none of these is Law & Economics taught. Thus the mess. If a beginning is made by exposing students and teachers of both law as well as economics to the close inter-relationship between these vital subjects, I am confident that we will have the critical mass necessary to call our "irresponsible absolutists" to the 4th Battle of Panipat. Of course, it will be an elite gathering; not a "mass movement". But I do believe in elite movements. They always work. The barons of England were elite!

To many of my liberal readers, it will seem that my agenda is simply too "radical". But that, in essence, is what natural law is all about. According to Murray Rothbard, in his brilliant defence of natural law and natural rights, natural law enables us to hold positive law up to the harsh light of critical

²⁹ Even the few "fundamental rights" that are provided to us are meaningless, since they are not only qualified, but revocable in emergencies that can be declared arbitrarily by the State! What's so "fundamental" about a right that can be taken away at will? Also, many Supreme Court judgements have said that the fundamental rights must be seen in light of the 'directive principles of state policy' and that the latter do *not* have a subordinate position, despite being non-justiciable!

judgement. Thus, such an approach, based on reason, based on ethics, is bound to be totally against the status-quo.³⁰

Rothbard cites the great Catholic libertarian historian Lord Acton in defence of his radical position. For Lord Acton, “politics was a science, the application of the principles of morality”. In his immortal words:

*It was manifest that all persons who had learned that political science is an affair of conscience rather than of might and expediency, must regard their adversaries as men without principle.*³¹

Rothbard says:

*Acton saw clearly that any set of objective moral principles rooted in the nature of man must inevitably come into conflict with custom and with positive law. To Acton, such an irrepressible conflict was an essential attribute of classical liberalism: “Liberalism wishes for what ought to be, irrespective of what is.”*³²

Rothbard proceeds to quote Himmelfarb on Acton:

*The past was allowed no authority except as it happened to conform to morality. To take seriously this Liberal theory of history, to give precedence to “what ought to be” over “what is” was, he (i.e. Acton) admitted, virtually to install a “revolution in permanence”.*³³

³⁰ Rothbard, Murray, N. *The Ethics of Liberty* (New York University Press: 1998 reprint).

³¹ Acton, *Essays* as cited in Rothbard *Ibid.*

³² *Ibid.* p. 18.

³³ Himmelfarb Gertrude *Lord Acton: A Study in Conscience and Politics* as cited in Rothbard *Ibid.*

I call upon India's fledgling liberal movement to wish for what ought to be, and totally oppose what is. We must arm ourselves with natural law and natural rights, based on reason and morality. With this weaponry, we must demolish the positive law the State has imposed upon us. A revolution must be installed in permanence.

Ultimately, there is no escaping the fact that our adversaries – the socialists, the communists and now the neo-fascists – are 'men without principle'. For them, the Constitution is their safeguard. That is, this Constitution protects them, not us. Indeed, it actually discriminates against liberals. We would be foolish if we did not call for a Second Republic.

We must also be opposed to the continued existence of the socialist judiciary and their corrupt, monopolistic courts system where disputes are only prolonged. No justice can ever be expected of this judiciary. Again, it is a question of what 'ought to be' over 'what is'. If we are to imagine a free society based on natural law where natural rights are protected, we should be able to also imagine competing private courts – and in the days of the East India Company, the courts were private, and they worked. Sir Elijah Impey was a great EIC judge. These socialist judges are, like their political masters, 'men without principle'. We very rarely see justice done in their judgements. Instead, we constantly see the courts exceeding their jurisdiction, interfering endlessly in every matter that does not concern justice – and seeking legitimacy and praise for such 'judicial activism' – while the common man before the common court receives no redress at all. Law is an enterprise: all judges start off as lawyers – who are really entrepreneurs. Seen in this light, it is easy to imagine a world of private dispute settlement. Criminal law and contract

enforcement will require the use of force – but there again, if the principle of ‘subsidiarity’ is applied, strong central state force will not be required. Further, and most importantly, in a free society there will be very little real ‘crime’ as prostitution, drugs, alcohol, gambling etc will be legitimate businesses. In such societies, people are encouraged to produce; whereas in controlled societies they are encouraged to plunder. I spent two days in Amsterdam, walking over 40 km all over the city. There, trade is free, casinos are seen everywhere, hashish is openly sold, there is a bar every 10 yards, and there is a legal red light district. In the two days I spent in Amsterdam I saw only two policemen: they were mounted on tall horses, riding ceremonially down the main street. The police do not maintain order in Amsterdam; the people do – because of the free market.

To conclude, justice is a very subtle and a very English value. The framers of the existing Constitution of India had all studied law in England. They should have been possessed of this value. History will judge that they were not. What they did, completely opposed to all notions of English constitutional liberty, is to use the Constitution to hijack the strong colonial state for themselves, their partymen, their cronies, and their officialdom. (This Constitution of India is almost entirely based on the Government of India Act of 1935.) With this Constitution they entrenched themselves, obtained legal sanctions for their powers and positions, and proceeded to unleash their own horrors on the people: horrors far worse and far more ‘exploitative’ than anything the colonial British had ever done.

We liberals have a long way to go. Let us proceed firm in the conviction that we will not tolerate the status-quo. Every

aspect of the State established by this socialist Constitution must go: the political offices, the bureaucracy, the judiciary, et al. If we proceed firm in our resolve, convinced of our moral precepts and our principles, I am confident that we will surely overcome some day.

2935 words of text

3224 words including footnotes

39. AYODHYA!³⁴

Ishwar Allah Tero Naam Sabko Sammati De Bhagawan **Prayer**

The judiciary is blocking India's liberals. The Bombay High Court has been sitting on a public interest litigation filed by the Indian Liberal Group for over 5 years: ILG is appealing against the section in the Representation of Peoples Act restricting electoral competition to socialist parties. So let us attack socialist jurisprudence, for we have the longest constitution in the world but there is little justice. Obviously there is something wrong with socialist law.

“An economist commenting on law – what cheek!” the legal community will cry. I must inform them that great economists have all written on law. Adam Smith's *Lectures on Jurisprudence* are a classic. Frederic Bastiat's slim volume *The Law* has been published in India by Liberty Institute. I have contributed the foreword, and guarantee that anyone who reads the book will be convinced that the Constitution of India is an immoral document. Friedrich Hayek wrote *The Constitution of Liberty* – a book Margaret Thatcher swore by; and there is Murray Rothbard's *The Ethics of Liberty*, which is my Bible.

Let us begin by understanding the origin and purpose of law. It is because of property that law was necessary. That is, it is not because of law that property exists; it is because of property that there is law. The common law evolved to sort out disputes related to the natural right to property. Liberal judges take this as their guiding principle – so let us apply it to important issues before our socialist judiciary and see what results we get.

Take, for instance, what a liberal judiciary would do if Parliament passed law banning cow slaughter: it would simply tear up the law on the grounds that cows are private property. Each man must be free to do what he wants

³⁴ This essay first appeared in *The Times of India*.

with his own cow and the State cannot interfere. Did any legal luminary speak this language?

Now, apparently our rulers want to ‘de-politicise’ Ayodhya and the issue is before the courts. What did the courts do? They asked the Archaeological Survey of India to dig up the disputed site and discover what lay underneath. Is this the application of our principle? If a temple to the Goddess Piripiri of the Bhotcharge tribe is discovered under my house, can a latter-day Bhotcharge lay claim to my property? Certainly not! If liberal jurisprudence is applied to Ayodhya the solution is clear and simple: there is no clear title to the site; there are various claimants, each possessed of little legitimacy; therefore the site must be auctioned. We could auction it off in little lots – one auction every year – and in this way keep religious fanatics out of politics, busy collecting money all their lives.

Socialist jurisprudence is not justice. Socialists reject the natural law of property and believe that the purpose of the law (and the State) is to redistribute property. Theirs is a Robin Hood ideology – but it is time we stopped looking at their ‘legal plunder’ (what they call ‘redistributive justice’) as romantic. Rent control, for example, is the only cause of slums. They have destroyed the market for cheap rentals. They do not like landlords – so they created slumlords. And they did not settle disputes – the first purpose of law. Rather, they prolonged disputes. My uncle Aparesh spent 20 years of his youth battling a rent control case.

A long term solution is to promote the teaching of Law & Economics. The Delhi School of Economics now has Professor TCA Anant teaching Law, but we have precious few economists in law schools all over the country. This must be tackled.

As far as the short term is concerned, there is no solution. We the citizens of India must face up squarely to the fact that the socialist state which we placed on the ‘commanding heights’ is reporting symptoms of multi-organ failure. This is entirely because socialists apply completely wrong principles to government. Behind this multi-organ failure lies a far deeper knowledge failure. I can personally testify that sheer nonsense is taught at the IAS Academy in Mussoorie. I went through my son’s ICSE Economics textbook and advised him to drop out of school. I find it amazing that Amartya Sen is recommending mid-day meals in state schools: it is a prescription to feed bellies while poisoning minds.

If in the short term we wake up to the fact that we are faced with a powerful, centralized, nuclearised state that is reporting multi-organ failure, then the medium term solution would be to challenge what is being taught in Economics, Political Science (or Civics), Public Administration and Law. If the courts are blocking our progress, let us respond by including liberal jurisprudence in law schools. Let us have the political value of freedom included in Civics textbooks. Let us teach students of Economics how wealth is created, so they value freedom and understand markets. Let us make a bonfire out of Indian Economics textbooks – a bonfire of the socialist central planner’s vanities. The liberal only appeals to reason, and it is to reason that we must appeal, even if denied entry into the electoral fray. In this way, liberalism will gain ground and someday soon we will have the critical mass necessary to re-invent every aspect of our government, including the law and the judiciary.

A note of hope: we go through life, getting all our needs from the market, usually without recourse to either civil or criminal law. So we don’t need courts that badly. Second, we have a proud history of private courts – in the cities run by the East India Company. Sir Elijah Impey was a great EIC judge. With sound jurisprudence, simple law, and a short constitution, we can have freedom as well as justice.

950 words

40. *PRIVATISATION!*³⁵

Who will make the road?
Not I, said the State.
I will make cars that are safe for you to drive.
Careful of that pothole...
Oops! You still alive?
VARUNA MOHITE

India's socialist judiciary, even after a decade of 'liberalisation', remains inextricably wedded to the notion that publicly held property is in the public interest: the collectivist ideal. This indeed must be their rationale for blocking privatization in the oil sector and referring the matter to parliament: the custodian of collective property in socialist thinking. Such a judgement shows that our judiciary is in urgent need of mental liberalization, and it is towards this end that this essay has been penned.

To understand the pitfalls of the notion that collectively held property actually exists, my reader should take a walk around Lutyens' Delhi. All the bungalows there are 'public property': they belong to the state. But does this mean that they belong to us, the people? Certainly not! If anyone of us were to try and enter one of these compounds, even if just to admire the flowers in the opulent garden (maintained at public cost), we would be turfed out pronto. From this, we arrive at a theorem: there is no such thing called 'public property'. Whatever goes under that name is actually very much private property, in the hands of someone or a group that claims to represent the public. That person or group has obtained a lien on that

³⁵ This essay first appeared in *The Times of India*.

property, and exploits that so-called public property for private gain. Thus, in the case of the bungalows of Lutyens' Delhi, various functionaries of the state have obtained liens on these public properties at rates far below market prices. They exploit these public properties for private gain.

Having understood this, let us extend this theorem to the public sector enterprises our socialist rulers have invested in: Are all of them 'public property' by virtue of the fact that they belong to the collective – the state? Of course not! Indeed, we can analyse them in much the same way as we saw the bungalows of Lutyens' Delhi: certain individuals or groups have obtained private control over these public properties and are exploiting this private control for private gain.

In the case of the state-owned enterprise sector, we can even develop a 'public choice' model of the political economy based on our theorem, as follows: all these firms are the properties of various ministries. Whoever gets appointed minister then 'rents' these firms out to individuals or groups for private exploitation. Hence, totally at odds with the opinion of our learned judiciary, liberal jurisprudence will hold that publicly held property is a socialist myth. A truly liberal constitution would debar the state from holding property.

What should be done with the vast properties of the socialist Indian state? Before we arrive at that decision, let us first inquire as to how these property titles were obtained in the first place. This is necessary because the title may have been criminally acquired. For example: If we see A snatching at B's wristwatch, this does not necessarily mean A is a thief, for B may have stolen A's wristwatch in the first place and A is simply trying to regain his just property. According to liberal

jurisprudence, only just property titles are valid: there is always an ethical dimension to liberal law.

So let us consider how the socialist state acquired these titles. It owns all these bungalows, all over the country, where its functionaries reside for free. It owns all these enterprises which it leases out to its cronies. It operates a land monopoly in most cities, including the capital. It owns all the forests, all the rivers, all the mountains, all the oil under the ground, all the minerals: it practically owns the entire country! For the rest of us, property titles are extremely insecure. We really own nothing! Tribals get booted out of their traditional homelands, which are leased out to forest officials and contractors for private gain. In Karnataka the state government is passing law to take over temples: God is being nationalized!

At this point, let us pause to reflect on the fact that there can be some truly public properties which every citizen and even every foreigner is free to use: like a public thoroughfare or a public park. Liberal economists call these ‘public goods’ and call for public investments in public goods alone. This is because businessmen will not invest in goods which everyone can use for free. In India, although this is a “planned economy”, the state has not invested in these truly public goods at all. Instead of investing in roads, it invested in an automobile factory. It owns Scooters India. It owns oil companies. Hotels, Steel plants. Airlines. Should liberal jurisprudence hold these property titles to be valid?

Absolutely not! These are all criminally acquired titles. The taxpayer’s interests have not been represented in this “planned” socialist democracy. Instead of investing in public goods, they have invested in private goods: in publicly owned

entities that can be rented out to cronies. This is “planned” theft! All these properties should be seized and auctioned off. Those responsible for this diversion of public money should be prosecuted. The charge: criminal misappropriation of public money.

From the preceding discussion, I hope my reader will also see that if the disputed site at Ayodhya is handed over to a Hindu group, then this temple will not belong to all Hindus. It will be the private property of that group of Hindus alone. Thus, I reiterate the opinion I had earlier expressed: the disputed site at Ayodhya should be auctioned. And, with this de-politicisation of the saffron agenda, let us also bury the notion of collective property. We put an end to both fascism as well as socialism. Onwards to a Second Republic!

943 words