

**Indian
Libertarian**

Vol. V No. 8

15 June 1957

Incorporating the 'Free Economic Review'

INDEPENDENT JOURNAL OF ECONOMIC AND PUBLIC AFFAIRS

WE STAND FOR FREE ECONOMY
AND LIBERAL DEMOCRACY



IN THIS ISSUE

NEHRU, THE HIGH PONTIFF
OF PSEUDO-SAINTS IN KHADI

Problem Before India—
Liberty vs Economic Freedom

*Communism—Not An Ideology
But A Conspiracy*

Make English the Lingua Franca of India

Unless specified publication of matter does not necessarily mean editorial endorsement

Price 15 Naye Paise

The Indian Libertarian

Independent Journal of Economic and Public Affairs

Edited by

MISS KUSUM LOTWALA

Published on the 1st and 15th of Each month

Single Copy 15 Naye Paise Annual Rs. 3.50

CONTENTS OF THIS ISSUE

EDITORIAL	3
Nehru, the High Pontiff of Pseudo-Saints in Khadi By J. K. Dhairyawan ..	5
The Problem before India — Liberty vs Freedom By Jacques	7
The Making of Modern India By A. Ranganathan ..	8
Communism—Not an Ideology but A Conspiracy By Sumant Bankeshwar ..	11
Co-operation in Agriculture By Miss P. Pillai ..	12
Supplement of the Research Dept. of the R. L. Foundation ..	A-D
Revolutionising Indian Life By Dr. K. N. Kini ..	14
The Mind of the Nation	15
Indian News Parade	16
World News	17
BOOK REVIEWS	17

ADVERTISEMENT RATES

Full Page Rs. 100 Half Page Rs. 50
Quarter Page Rs. 25 One-eighth Page .. Rs. 15
One full column of a page Rs. 50

COVER PAGE

BACK COVER Rs. 150
SECOND COVER Rs. 125
THIRD COVER Rs. 125

* Articles from readers and contributors are accepted. Articles meant for publication should be typewritten and on one side of the paper only.

* Publication of articles does not mean editorial endorsement, since the Journal is also a Free Forum.

* Rejected articles will be returned to the writers if accompanied with stamped addressed envelope.

Write to the Manager for sample copy

**Arya Bhuvan,
Sandhurst Road, Bombay 4.**

Join

THE LIBERTARIAN SOCIAL INSTITUTE

For

**Enlightened Views on Politics, Economics and
Sociology.**

A Certificate Course in Social Sciences will be started under the auspices of the Institute from May 1, 1957. Classes will be held twice a week in the evening in the premises of the Institute and conducted by eminent lecturers. Books may be borrowed from the well-equipped Library of the Institute. Examinations for awarding certificates will be held at the end of the whole Course.

For details apply to:

**The Director,
LIBERTARIAN SOCIAL INSTITUTE,
Arya Bhuvan,
Sandhurst Road,
BOMBAY 4.**

THE RADICAL HUMANIST

WEEKLY PERIODICAL DEVOTED TO
FREEDOM, TRUTH AND CO-OPERATION

Founder: M. N. Roy Editors: Ellen Roy,
S. N. Ray.

Each issue contains critical commentaries on current affairs, analysis of social trends, essays in economic and political theory, literary and cultural criticisms from persons of scholarship, distinction and taste.

Also contains every week unpublished writings
of M. N. ROY

Annual Subscription

**Inland Rs. 10 Pakistan Rs. 12
Overseas 30sh; \$5.00**

*For subscription, agency terms and other particulars,
write to:*

The Manager,

**THE RADICAL HUMANIST
15, Bankim Chatterjee St.,
CALCUTTA—12**

Editorial

GRIM HUMOUR OF PAK PROTEST

BOTH Indians and Pakistanis have one thing in common, and that is a lack of the sense of humour in politics. They might have it in other walks of life, but in the political sphere, they get into situations in which they seem to be unconscious of the tragic irony or grim humour, apparent to the onlooker. An excellent illustration has occurred recently in Calcutta. Officials of the Pakistani High Commission in India have protested to India against the hardship caused to Pakistani workers being dismissed in the dockyards and ships of Calcutta by Indian employers. Presumably, the employers have done so as a measure of economy forced on them by economic stringency. The humour lies in the answer made post-haste by India that there was no intention to cause hardship to Pakistanis, and that they have been treated on the same plane as Indian workers. Indian officialdom forgets completely the grim and continuing expulsion of Hindus (Pakistanis in theory) from East Pakistan at the cost of property (perforce left behind), and often at the cost of dishonour and humiliation and untold suffering inflicted on them by their Pakistani fellow citizens and Islamic Government. Indian officialdom coolly and unpatriotically accepts, by implication, the obligation of India to provide for the employment of Pakistanis in India who have come without invitation, and at their own risk. And they forget to point the relevant moral that Pakistan has injured the interests of half a million Hindus in East Pakistan since the day of independence. Persistent appeasement of Pakistan has led to such demands on her part appearing natural to Indians (as also Indian responsibility for undivided India even after Partition!).

Another instance of this irony is found in the recent statement of Mr. Suhrawardy, Prime Minister of Pakistan, that he doubted whether India would fulfil her promise (extracted from her through the mediation of the World Bank) to pay Rs. 50 crores for enabling her to build irrigation canals in West Punjab from the Kashmir rivers, in lieu of the water lost to her from the Punjab rivers whose waters will be progressively impounded by India for her own canals. The humour lies in the bland assumption that India should pay building canals in Pakistan as a recompense for using waters in her own territory! India's fair suggestion that the two countries might, in equity, share the waters of the rivers, in proportion to the watershed area in their respective territories, has not been accepted by Pakistan. She has persuaded the World Bank mediators to persuade India to pay Rs. 50 crores to her for building canals from Kashmir rivers. The World Bank officials have obliged Pakistan. They are naturally influenced by American foreign policy in this matter.

Explanation Needed

This is an instance of national interests perverting

the sense of fair play, even of leading democratic nations like America. The surprising thing is that India has agreed to the unconscionable impost. But Pakistan is still dissatisfied! So the mediation between the two countries is to go on for another six months. Why India should have agreed to such an extension of futile talks is a mystery which demands an explanation from our External Affairs Minister. It is hoped that Members of Parliament will elicit information on this, as on other matters from the Union Government when Parliament meets in July while adverting to this seeming intransigence of India in the matter of the canal dispute, Mr. Suhrawardy also delivered himself of the truculent statement that Pakistan would "fight" if India refused to pay Rs. 50 crores! This should occasion Gargantuan laughter loud and inextinguishable (to use Homer's words) in rightly constituted minds undebauched by the fatal tendency to appeasement. For consider the amounts that Pakistan already owes to India such as the Rs. 200 crores by way of the public debt of undivided India, for which she was responsible at Partition, not a pie of which has been paid so far. There are also other sums due from Pakistan to India which also Indian authorities are incapable of obtaining from her difficult neighbour.

India has been Remiss

And yet Pakistani officials have the face and effrontery to demand further sums from India, on fancy grounds, without support in law or humanity. Of course, it is not Pakistan's intention and policy to present the truth. It has been her unwavering policy to blacken India, in the international forum, irrespective of truth or principle. It may be that in the long run such corruption of truth and principle on the part of responsible representatives of a nation will redound to its discredit, and even demoralisation. But this law of social psychology does not absolve the representatives of the injured country (India) to exert themselves to the best of their ability to correct such false propaganda. And in this, as has been admitted by the External Affairs Minister himself in Parliament, India has been remiss. He should be made to realise by elected members of Parliament and independent publicists that such remissness can no longer be allowed to continue. Indian officials eat the salt of the nation and they must be true to it. It is not a matter of individual morality or individual self-sacrifice or personal fad or fancied notions of saintliness. Official representatives have no business to sacrifice the interests of the nation in obedience to their own notions of individual morality.

Mr. Suhrawardy had declared, in his tour in Japan, that Pakistan had no intentions of attacking India, and that she hoped to settle all her outstanding differences with India by peaceful means. It is only India that has not been amenable to such pacific methods,

according to him! Of course, this was in response to the desires of his Japanese hosts, who do not wish to see a war between Asian Powers at the present time.

Suhrawardy In True Colours

But back in his native environment, the chameleon changed its colours, and the redoubted strategist of the Great Calcutta killing gave free play to his natural instincts, and declared to an American correspondent, that Pakistan would "fight" India over the canal dispute!

As for Pakistan's undertaking not to use American military supplies for a war of aggression against anyone, every tyro in world history and power politics should know that aggression is a matter of definition. For example, Russia and Chinese diplomats and publicists have always maintained that the North Koreans (and later Chinese) were not guilty of aggression at all, when they invaded South Korea, in full force armed with tanks and aeroplane fighters and machine guns!

Pak Is Ready For Aggression

When surprised by the UN Commissioners, Pakistanis explained the presence of their regular troops in Kashmir by pleading that they had to go into Indian territory to forestall Indian invasion! So aggression is not aggression, if it carries the pious legend, that it is anticipatory of enemy aggression! This is typical Pakistani logic. So today Mr. Suhrawardy told his American interlocutor that the refusal of India to pay Rs. 50 crores for building canals would be "aggression in a worse sense than actually invading Pakistan." Here is how Pakistani plotters hope to convince world opinion that it was Indian "aggression" that had provoked their attack on India, if and when, they attack her. So the situation in Pakistan is—arms are ready, campaign strategy and tactics are ready, the mind of the people has been prepared long ago for *jihad* against India (holy war for religion), the army is eager, the officer corps are straining at the leash to have a go at their ancient enemy—India! And now it is clear that propaganda to camouflage aggression is also ready! What then delays the so-long-planned attack? Probably assurance from their (American) benefactors that they would look the other way! They might give the word, after the failure of the Jarring Mission is officially recorded in the UNO proceedings. American public opinion is in no mood to restrain Pakistan in case she attacks India, in spite of the official assurances of President Eisenhower. The regard that Eisenhower has for our Prime Minister and Minister for External Affairs was revealed, as in a flash, the very day that Nehru returned from his official *pour parlars* with the American President, when the Eisenhower Doctrine of Military and Economic Aid was announced in total disregard of Nehru's disapproval of such American Aid to Asian countries. Eisenhower did not accept our claim for hegemony (in diplomacy at least) over Asian States.

Is India Ready to Meet the Menace

Is India militarily prepared for such an unpleasant

eventuality? Till recent months, even the possibility of such aggression on the part of Pakistan was pooh poohed, and those, who expressed concern about it, were stigmatised as "communalists, traitors and what not" in the vocabulary of Congress ideology. But when it came to defending the onerous burdens, imposed by the Central Budget today, the authorities were quick, in taking shelter behind military requirements, to account for Rs. 50 crores of the new impost! India's military requirements, in view of Pakistani aggressive intentions and preparations, indicate vaster sums than this paltry Rs. 50 crores. Self-defence and survival should, in all sane administrations, take precedence of economic plans. Economic betterment can wait but defence cannot wait.

In this light, the confession of the Prime Minister (through perhaps inadvertent) that the Government had been reducing military expenditure for years, and that now they had to respect the opinion of military chiefs and increase it is shocking, and revealing at the same. So the disturbing rumours we had heard of such risks going on were true. So the Government has been indulging in "brinkmanship" in military peril all these years! If the country is militarily unprepared, and cannot make up for lost time in the event of Pakistani attack, *who is responsible* for any setback in the country's fortunes, any disaster or defeat that the country might suffer? Is it not *those in authority*, who have ignored all warnings and set their own fads and sentimentalities against the solid judgement of patriotic opponents who, also have not shown a capacity for demagoguery equal to Congress leaders? And what is meant by *such responsibility*, after the milk is spilt and the mischief is done? The present leaders in power are indubitably responsible, not only for Partition but also for the uprooting, murder and rape of millions of innocent people on both the sides of the border. Pakistanis might have the consolation of having won a State of their own to set against the agony of their displaced brothers in faith. But Indians have no such consolation, and will have no remedy, if the disaster of war should darken their doors. And how have Indian leaders paid for their share in the disaster of the Partition and riots? How have they showed their sense of *responsibility*? It is needless to suggest any answer.

Mr. V. K. Krishna Menon as Defence Minister

The fears of many that the appointment of Mr. V. K. Krishna Menon as Defence Minister forbodes trouble for India are receiving support by his recent utterances. Answering a questioner in America, Mr. Menon is reported to have said that *the Indian public are averse to purchasing arms from America* since she had supplied free Arms Aid to Pakistan! So this is our policy of non-involvement? What section of the Indian public had informed Mr. Menon that India does not wish to buy arms from America? On the contrary this is not Indian public opinion but such opinion as *shaped and interpreted* and (mis) led by Mr. Menon! India should have *no reasonable objection* to buy arms from America, especially since it would enable her to acquire the same *kind of arms* as were given to Pakistan, the probable aggressor.

Nehru, the High Pontiff of Pseudo-Saints In Khaddar

By J. K. Dhairyawan

.....

PRIME Minister Nehru has some time the happy and the pleasant knack of seeing himself in the mirror as the others see him. It was this mood of introspection that drew from him, at the recent AICC meeting, the remark that he was the Mahamahant of the Congress, and pointing to other members of the Congress High Command, he said: "You too, are the other Mahants who want to stick to your gadies and not allow young blood to come into the Congress." No description of the decrepit old and tired members of the so-called High Command could have been more apt than the one that Mr. Nehru has made. Many critics and commentators of the Congress and the Congress Government have referred to the Prime Minister and the members of the High Command as either the "Grand Moghul," the "Autocrat" or the "Caesars" etc, but it must be admitted that no description correctly paints the present set-up, that goes by the name of the High Command, than as the Mahants of the Congress Muth—the priests of the Congress cult of pseudo-saints in khaddar, who have monopolised the seats of power and refuse to abdicate. They have, so to say, formed the new cult based on the pattern of the ancient Indian orders of saints and the sadhus in charge of religious temples.

Background of the A.I.C.C. Meeting

And who can deny that Mr. Nehru was not much further than truth when he, in a mood of self-introspection, characterised himself and his colleagues of the Congress High Command as so many Mahants and mahamahants, sticking to their posts like so many leeches? If there was any truth in that remark, the background to the recent AICC meeting provided all that was needed to complete the picture. The AICC meeting began in the Constitutional Club, in an atmosphere of a mock religious gathering with a bevy of girls and women spinning the charkhas, with the members of the High Command taking their hands at the spinning wheels—a symbolic ritual of the good or bad days of Gandhi, but completely out of tune with the present times and the political character of the AICC meeting. But this Gandhian ritual has to be religiously followed, though, of course, the present Congress Government and the Congress have completely overthrown all the principles and ideas for which the Mahatma stood all his life. Gandhi stood for decentralisation as against the present trends of the Congress Government of centralisation and nationalisation. Gandhi stood for austerity and simplicity, the Congressmen in power stand for pomp, show and extravagance. But then this lip-sympathy to Gandhi pays the Congress rich dividends by way of the blind and obedient following of the 80 per cent of ignorant and illiterate voters at the General

Elections. And so the Mahants and Mahamahants of the Congress Muth keep up this show of their allegiance to Gandhi. This is hypocrisy number one.

Hypocrisy Number Two

Again when Mahamahant Nehru of the Congress has all along been shouting from the housetops about *ahimsa* and peace and co-existence, where was the need of the photos of Rani of Jhansi and Bahadur Shah, two of the leaders of the 1857 War of Indian Independence, being hung in the hall of the Constitution Club where the AICC meeting was going on? If anything, the official publication by the GOI on 1857 calls, in so many words, that the leaders of the 1857 revolt were actuated by personal motives and NOT BY PATRIOTIC IMPULSES. If that is the opinion of these mahants and mahamahants of the Congress Muth it was nothing short of hypocrisy to have honoured the photos of these leaders. But then the Congress knows that the people, as a whole, have always looked upon these leaders as some of the noblest patriotic sons and daughters of India, and this concession to popular sentiment was another sign of the present Congress leadership to swim with the popular tide and nothing more. That the Congress leadership have not the slightest regard or respect for the heroes of the 1857 revolt is further furnished by a small but significant news agency message from New Delhi, dated the 10th May. Says the message: "Two thousand prisoners will be freed in Lucknow where 300 British and a handful of "Loyal" Indians made military history in 1857 by holding out against overwhelming odds for more than 80 days."

If such messages of the devotion of duty of "loyal" Indians towards their "masters", the British, could be relayed from India that is Free Bharat, it shows what patriotism and sense of national pride have the present Government of India, headed by Mahant Nehru.

Throwing Dust In People's Eyes

Throughout the last 35 years it has become the practice of the Gandhian Congress to throw the dust in the eyes of the gullible public, cash on their ignorant enthusiasm and carry on the government and the public life of the country, as if they were the zamindary of either Mahant Nehru or of the Congress High Command. Otherwise these non-violent, yarn-spinning and cowardly lot of Congressmen and the heroes of the 1857 War of Independence have no common bond of sympathy or affinity. But seeing that the public have the greatest admiration for them, these Mahamahants of the Congress Muth adorned

and graced the meeting with the photos of the Rani of Jhansi, Bahadur Shah, Tatia Topye and other heroes. It is a case of naked hypocrisy and double talk and double-dealing.

Having made the confession that he was the Mahamahant of the Congress Muth and that other members of the High Command were fellow-mahants with him, does Mr. Nehru propose to reform this state of affairs? Not in the least. These are occasional moments of sanity when truth comes out from the lips of Mr. Nehru. But from the way the Congress Government and the affairs of the nation are conducted there is not the slightest hope that either Mr. Nehru or the Congress High Command intend to set the house in order. Quite in keeping with the description of the Congressmen as the mahants, they are pleased and eminently satisfied with the fruits of power and pomp that the last ten years have brought to them. If it were not so how else was there the exhibition of complacency, self-satisfaction and mutual adulation of each other at the AICC meeting?

Self-Contradictions

To any one who has watched the last General Elections, it is clear as daylight that the Congress has been severely mauled in many parts of the country. In Bombay State, both in Maharashtra and in parts of Gujerat, the Congress received some of the severest jolts in her life. In Kerala the Congress lost to the Communist. Yet the Nehru-nominated Congress President Dhebarbhai, in the course of his address, painted a rosy picture of the state of affairs in the Congress. Quite the opposite of what Dhebarbhai had said was stated by Mahant Nehru. But these contradictions in the assessment of the Congress did not seem to trouble the mahants and mahamahants of the Congress muth. They were happy, rolling on the floor, in any conceivable postures, chewing the cud of self-satisfaction and mutual adulation.

Of course, mainly as a result of the efforts of Mr. Nehru, there was an animated discussion in the AICC meeting over the question of "revitalising" and "rejuvenating" the Congress organisation. But that was all sound and fury and nothing more. On one hand these mahants and mahamahants praised themselves and stated that the majority of the country was behind the Congress—the fact that the Congress has been returned on a minority vote does not matter to them. And if the majority of the country was behind the Congress where then was the need or necessity of revitalising or rejuvenating the organisation? The fact of the matter is that since the Congress has neither political, economic nor social programme which can appeal to the intelligent young men and women in the country, except the meaningless rituals of spinning, saying Ram dham and spectacular display of village "uplift" work, new recruits are not attracted by the Congress. In the circumstances, the young men and women naturally do not care to join the Congress and the "new" blood that the Congress draws is from the opportunists, career-hunting section of the people. That the Congress is dying, if not already dead, is clear to Mahant Nehru. *Après moi le deluge* seems to be Mahant Nehru's motto. And when the deluge

does come, it will not only wash away all the debris of the Congress organisation but also root out a number of young and virile elements in the public life of the country. But Mahants and Mahamahants, like the monarchs of the feudal days, do not care two hoots for what happens after they are dead and gone. Their enjoyments, their wants, their gratifications of their ambitions are things that matter.

Power Has Gone Into The Head

That there is neither consistency nor logic in what he says and what he does has been amply demonstrated a number of times. A number of times Mahant Nehru had threatened to leave the post of Prime Minister, retire into private life or dedicate himself to revitalising the Congress. But all these threats have evaporated into the thin air. Nothing has come out of his so-called decisions. There was a time, specially when the air was thick with the news, of destalinisation and the debunking of the personality cult. Mahant Nehru, caught in currents of the times, also denounced the cult of personality at a number of public functions. But the matter rested there. Nothing was done either to carry out in practice the debunking of personality cult. Nehru-ji-ki-jai shouts are as dear to his ears as the shouts of "Heil Hitler" were to the Nazi dictator. If deification of persons were alien to his nature, Mahant Nehru would not indulge himself, as he does, in the glorification of the Mahatma, and many of his stupid fads and fancies. But the fact that he does it with an eye to popular following, goes without saying. Verily Mahant Nehru is a bundle of contradictions and confusions. The one clear characteristic that shines out clear, from a medley of diverse ideologies and ideas, is the desire to stay put and continue in office AT ALL COST. Power corrupts, and absolute power corrupts absolutely. That is the plain truth of the Indian situation. Ten years of absolute power has gone into the heads of the Congressmen and they mean to stick to their seats of power till they are removed by the ballot-box.

Quite recently Mahant Nehru had started the demand for the elimination of pomp and show on the part of the State Ministers and the Governors of the provinces. This demand was also voiced in Parliament, specially by Acharya Kripalini, who rightly demanded that the posts of the Governors should be scraped, that the Raj Bhuvans and the Rastrapati palace should be done away with, that the State drive of the President in a carriage drawn by six horses, should be dispensed with as some of the first steps towards the elimination of pomp and show from public life. But paradoxically enough it was Mahant Nehru, who stoutly defended all this display of show and pomp in Parliament. Not only that Mahant Nehru refused point blank any reduction, either in the pomp and show of these useless displays indulged in by the Ministers of the States or the Governors, but that does not prevent Mahant Nehru from occasionally, haranguing the people on the need of austerity and simplicity. Yes, simplicity and austerity for the common man, but for the Congressmen in power, air-conditioned bungalows and pressurized
(Continued on page 10)

Problem Before India -- Liberty Versus Economic Security

By Jacques

WE are all socialists now. It is being desired that this unanimity should be preserved at all costs—even at the cost of not stating precisely what we are thus agreed on. Any attempt at definition may have the unwelcome effect of dispelling the comfortable fog in which our minds have found such repose.

"Why should we tie ourselves to any pattern of socialism, that it should be like this or that?" asked the Prime Minister in a speech made at Cuttack during his election campaign. "We have made the basic things quite clear."

Arguing in a Circle

The basic facts of the society that the Prime Minister wants are these: "that every individual gets an equal opportunity to go forward; that the gap between the high and the low should go; and the wealth produced should be properly distributed." These are unexceptionable objectives, on which otherwise divergent people like the Gandhians and the Communists, for example, are agreed. And if these were *all* the basic facts of the social order we long for, what are we really quarrelling about?

True, there is a group to whom the new dispensation should clearly not be welcome. They are the present possessors of privilege; it is the gap between them and the unprivileged that is sought to be removed. If these are the only people against whom we have to battle, why are we fighting amongst ourselves instead of fighting against the real adversaries? Maybe, is the class war an outmoded idea, particularly when the privileged ones are themselves so willing to subsidise and join the ruling party that promises to end privilege. But, even granting that the privileged classes are pining to be relieved of privilege, should we not be somewhat clearer in our minds than is indicated by our good intentions?

High objectives in themselves do not guarantee achievement nor the correctness of methods. A social order based on the common ownership of the means of production is bound to be very different in character from another based on distributive ownership of property. And let us not forget that the vision of the Marxist millenium co-exists in the Communist mind with such satanic concepts as brain-washing and murderous political purges. What Bernard Shaw said in disparagement of the democracy should really be said by way of warning about certain brands of the socialistic pattern. Shaw invited his readers to think of democracy as a large balloon filled with hot air and sent up into the sky for all the simpletons to gape at, while the smart one went round and picked their pockets. How true this would be of some types of socialism! The effort to reduce our conception of the social order into very nearly a slogan that may not be too closely examined, must therefore be resisted.

The Prime Minister warned us against the dangers

of adherence to "socialism of a set doctrinaire type." These dangers, according to him, have been proved by recent happenings in Poland and Hungary. "We all know what happened in Hungary and Poland, two Communist countries. Many difficulties were faced by the people there because socialism was sought to be brought about in a blind manner. The result was that the economy of those countries developed in such a manner as to give rise to food shortages and the like." What does this verbiage add up to? If the pursuit of socialism "in a blind manner" leads to slaughter such as Hungary saw in October and November last year, should we not make sure that our own socialistic pattern does not contain such blind elements? If there is a socialistic economy which gives rise to food shortages, should we not avoid that brand of economy?

Not by Bread Alone

But frankly, these explanations do not explain what happened in Poland and Hungary. The Prime Minister's mind seems to shy away from the real meaning of recent happenings in satellite countries. Ten years ago, that meaning would have found a ready echo in his mind; the meaning is: the love of freedom and the revolt against tyranny. The rigidity that he is warning us against is inherent in any economy that is divorced from the idea of freedom. But latterly, one fears he has been chary of bringing in the idea of freedom into any discussion of the economic as well as the international order. This timidity may be an offshoot of the excessive cordiality with which tyrants of various hues have been made welcome in our land. It may even have deeper derivations.

For it is not unreasonable to fear that the Prime Minister subscribes to the latter-day heresy preached, among others, by the late Prof. Laski who, distressed by the poverty he saw all around, and in despair, declared that "without economic security, liberty is not worth having." Put the dictum in reverse, and inquire if the theorist would agree that "without liberty, economic security is not worth having." If he hesitates, the conclusion should be that, to him, economic security is the greater good, and, if we must choose between freedom and economic security, we shall be wise to choose the latter. The American Negro's choice was different. He was economically secure in his bondage. Freedom landed him in economic insecurity. The modern man is being advised to surrender his freedom if need be, so that he may be economically secure.

Nehru's False Assumptions

The mischief is in suggesting (a) that in this imperfect world, we cannot ordinarily have both freedom and economic security; (b) that freedom is less important than economic security; and (c) that there

The Making Of Modern India

By A. Ranganathan

IN order to understand the nature of the various forces generated by the British impact on Indian Society resulting in that cultural awakening which we call the "Indian Renaissance," it is necessary to view the background of the movement in its historical setting. The beginning of the Nineteenth Century witnessed the gradual rise of British power in India. This new British empire had risen on the ruins of the old Mughal empire. The vanishing old order had left in its wake, chaos and uncertainty in every sphere of Indian life. Hindu society was in a state of decay; the glorious heritage of the past had degenerated into empty formalism and some of the grand concepts of the ancient Indian seers had given place to a medley of rites. Indian Muslims, the erstwhile rulers of India, had also lost their traditional moorings. There was confusion every where—old values were challenged and beliefs in the time-honoured forms of faith and custom were shaken, but a new humanity had not emerged. And into this old bottle of our social and national life was poured the new wine of European humanism. There was an immediate ferment which issued forth in a renaissance of the Indian spirit. The leader of this movement was Raja Ram Mohan Roy, the father of Modern India. Miss Collett, an English biographer of the Raja wrote:

"Ram Mohan stands in history as the living bridge over which India marches from her unmeasured past to her incalculable future. He was the arch which spanned the gulf that yawned between ancient caste and modern humanity, between despotism and democracy, between immobile custom and a conservative progress, between a bewildering polytheism and a pure, if vague Theism. He was the mediator of his people, harmonizing in his own person, often by

means of his own solitary sufferings, the conflicting tendencies of immemorial tradition and of inevitable enlightenment."

Father of Indian Renaissance

Born in a Brahmin family, Ram Mohan spent his childhood in a typical Hindu home. Later he learnt Persian, the Court language of those days, and studied English which opened to him the entire landscape of Western liberal thought. The Raja was particularly impressed by the ideas of the encyclopaedists and the radical ideas of the Utilitarians. Ram Mohan saw the need for change and effected the transition from a mediaeval set-up into that of a modern society. He began his career, by rebelling against Brahminical orthodoxy and founded the Brahmo Samaj, which influenced succeeding generations of thinkers like Maharishi Tagore and Keshab Sen. Raja Ram Mohan Roy is also remembered for having initiated several secular movements. He stressed the need for reform in Hindu Law, advised the British government to introduce tenancy reforms, and protested against the unjust restrictions on the press (sometimes he is known as the author of the *Indian Arcopagatica*). The Raja believed in democracy—rejoiced when the English Reform Bill of 1832 was passed and sympathised with the Italians who were persecuted by the Austrian imperialists. He had absorbed the spirit of Western civilization with its emphasis on individual freedom and human rights. It would not be an exaggeration to say that he had summed up in himself the development of the "Indian Renaissance" in all its phases.

Three Dynamic Personalities

It is well to remember that long before India developed a spirit of nationalism, three important developments had taken place—Renaissance of Hinduism, Islamic Renaissance and Macaulay's penal code. Dayananda Saraswati, who was not satisfied with the electricism of Ram Mohan, established the Arya Samaj with the sole purpose of building a new order based on reformed and militant Hinduism. Shortly after Dayananda established his "Arya Samaj," another great Indian figure, Swami Vivekananda came and left his imprint on the Cultural life of the country. The age of Swami Vivekananda represented the great spring-tide of Vedanta in Modern India. He took America by storm in 1893 when he delivered his famous speeches at the World Parliament of Religions in Chicago. The Swami had struck a note of Unity, which revealed the Catholicity of the Indian mind. He rediscovered the spirit of the Upanishads, deriving fresh inspiration and a new impulse from the era of Western humanism dawning upon reascent India. Vivekananda started a movement known as the Rama-krishna movement which has taken roots in America.

(Continued from page 7)

is a prospect of achieving economic security if we abandon all this nonsense about freedom. These assumptions are false.

We are being assured at every turn that India's economic goals will be sought within the framework of democracy. As a test of the value of these protestations, one may examine certain recent pronouncements on co-operative farming, which is currently one of the busier bees in our political bonnet. "Co-operative farming," said the Prime Minister, "is the determined and definite goal accepted by India." When did we really determine and define such a goal? Our experts are not agreed. Experience elsewhere is not particularly reassuring. All this does not prevent our leaders from taking the name of Indian democracy in vain.

Those who seek security at the cost of freedom may end by having neither security nor freedom.

It is fortunate that authors like Aldous Huxley, Gerald Heard and Christopher Isherwood have been attracted by this movement.

The Indian Muslims who did not take to the Western system of education in the beginning were finding themselves gradually eclipsed by the Hindus in every walk of life. At this stage the British Government was definitely hostile to the Islamic viewpoint. Soon there occurred a change of outlook as reflected by the policy of the Government, thanks to the efforts of Sir William Hunter and Sir Syed Ahmed. Sir Syed established the M.A.O. College which developed into the well-known Aligarh University.

Transformed Structure of Indian Society

As remarked earlier, the earliest pioneer in social Reform (Hindu Society) was Ram Mohan Roy. He persuaded the government of Lord Bentinck to abolish the evil custom of *Sati*. Vidyasagar's encouragement of widow remarriage and Sarada's abolition of child marriage are two other revolutionary measures which transformed the basis of Hindu society. But it was Macaulay's Penal code which transformed the entire basis of Indian society, since it established the legal principle of equality for the first time in the history of our country. It is needless to state that according to 'Hindu principles' the severity of the punishment meted out to a criminal, depended on his caste. Again, an unbeliever's testimony would never be accepted by the custodians of Islamic Law. Macaulay's Code, therefore is a landmark in the evolution of Modern Indian democracy.

Foundation Of Nationalist Movement

Perhaps Macaulay's greatest service to India was his famous minute on Education. In his characteristic way he made the rash assertion that "a single shelf of a good European library was worth the whole native literature of India and native Arabia." But it is this very minute which was responsible for the establishment of the Madras, Bombay and Calcutta Universities, another great landmark in the evolution of modern Indian democracy. It is generally believed that the great rebellion of 1857 constituted the starting-point of the Indian nationalist movement. This hypothesis cannot be justified in the light of subsequent facts. The 1857 rebellion (erroneously termed as the Sepoy mutiny) cannot be compared with the great nationalist movement led by Gokhale, Tilak, Gandhi and Nehru. Most of the instigators of the 1857 rebellion fought for personal aggrandisement and their methods were predatory; the leaders of the nationalist movement fought for the freedom of the Country and used organized methods of political defiance. The rebellion hastened the end of an age of feudalism; the nationalist movement unveiled new vistas of democracy. The rebellion ended in a fiasco; the Gandhian movement blazed a trail of glory. It is certainly true that the Rani of Jhansi emerged as the one heroic figure of the 1857 rebellion. The struggle waged by this Indian Joan of Arc will always be remembered with admiration. The 1857 rebellion did not give rise to the birth of Indian nationalism, but the year 1857 saw the establishment of Universities, the training ground of future Indian nationalists in the real sense of the term.

English, which was adopted as the medium of instruction in the Universities, was soon to become the language of Indian nationalism. The study of English literature considered by many Indians as "the literature of freedom" crystallized the Indian concepts of freedom and justice. Burke's speeches on India are full of the deepest accents of liberty and democracy and have inspired generations of Indian students. The Indian National Congress, founded by A. O. Hume, a retired British administrator, drew its support from the educated classes of India. The earlier school of thought was led by Gokhale, who envisaged the future of India as a dominion within the British Commonwealth of Nations. It is easy, too easy to sneer at him for his "limited" outlook. If however, it is realized that the twin aims of the Congress in those days were to increase the Indian element in the legislatures, the significance of Gokhale's political philosophy can be grasped. Later, India underwent a rapid process of transformation, due to Tilak. He transformed the love of liberty from a tepid emotion into that of a flaming passion for Swaraj. To Gokhale liberty was a static concept, a constitutional problem. To Tilak liberty was a dynamic force, an international problem on which depended world peace. The political platform was a salon for Gokhale; the political stage was a battle ground for Tilak. Gokhale established a great Parliamentary tradition in India and could discuss problems of Indian finance with a Gladstonian thoroughness. Tilak stirred the masses by his inspiring message, "Swaraj is my birthright."

Barring a few exceptions, the Indian nationalists drew upon the weapons of Western liberalism. The political activities of Annie Beasant highlighted the impact of Irish nationalism on the Indian political scene. The Russo-Japanese war was an important event in Asian history. "The Japanese victory" wrote Jawaharlal Nehru "was the pick-me-up of Asia." The American war of Independence has also influenced the course of the Indian revolution. Gandhi's salt campaign has been compared with the Boston Tea-Party. The Gandhian era also saw the rise of a new movement known as the Muslim League. Some Muslims, led by Maulana Azad, joined the Congress, but many others ("began to drift in a Separatist direction for which Iqbal's poetic and philosophic approach had prepared them"), (Nehru) paving the way to Pakistan.
(To be continued)

FROM A LIBERTARIAN'S LIBRARY

THERE has never been nor will there ever be a time when all men are equal in their capacities and conditions here on earth. The nature of the individual as well as the nature and continuity of human society, demands these unfailing differences. Without the wide diversification of talents, taste, abilities, and ambitions that now and always exist among men, Society could neither feed nor clothe itself. It is consequently a wise provision of Providence that causes the perpetuation of endless variety in the desires and capabilities of human beings. Sparked with personal liberty and the natural personal incentive to own property and advance economically, this conglomeration of inequality synchronizes into a great engine for the sustenance and progress of mankind.

(Continued from page 6)

planes for travel. That is the philosophy of the "socialist" Mahant Nehru.

This Picture and That

Again when a Congressman from U. P., Shri Benarasidas moved for the reduction in emoluments of the State and Union Ministers at the AICC meeting, Mahant Nehru stoutly defended the present level of the scale of payments, saying that they are hardly sufficient to maintain themselves and the members of their families. As for himself, he stated that he did not know what he was getting as his monthly salary, but after paying for his establishments, both at New Delhi and at Allahabad, he had hardly any thing left with him. He was able to manage his expenses because he had his royalties from books! The sum and substance of his defence of himself and as well as other Ministers was that the nation should be grateful that it has the good fortune for getting an internationally famed Prime Minister virtually for the price of a song. That may be Mahant Nehru's own appreciation and his own estimate of what the Prime Minister Nehru costs the nation.

In this connection it is worthwhile to refer to the figures published some time ago by Dr. Ram Manohar Lohia. He seems to have taken some pains to arrive at the figure. According to him, it costs Rs. 55,000 per day to maintain Prime Minister Nehru! That works at roughly over Rs. 16 lakhs a month. Even taking the figures of Dr. Lohia to be exaggerated, they cannot be so far away from Rs. 55,000. Even if they are halved, it takes several lakhs to maintain the Prime Minister and his establishment not to speak of the continuous travelling all over the world, year in and year out.

Hypocrisy in a Nutshell

Of course, the resolution of Shri Benarasidas was defeated—32 for and 38 against him. That is how Mahant Nehru is practising austerity and simplicity for himself and the State Ministers. This habit of double-talk and double-think on the part of Mr. Nehru has been thoroughly exposed in the columns of the "Times of India" the other day by none other than his own brother-in-law, Mr. Raja Hutheesingh. Says Mr. Hutheesingh in the course of a letter to the editor:—

"Gandhiji used to say that practice is better than all the precepts put together. We have today an exhibition from the recent meeting of the AICC that precepts are better than practice, indeed for the Mahants of the sect. We are told that the Congress is doomed unless new blood, discipline, service and faith strengthen it. But is there room for new blood when the only criterion for recognition by the organisation is flattery? Search the ranks—from Ministers, Chief Ministers, ambassadors, secretaries, personal assistants,

downwards. How many served the organisation, and through it, the people before they were imposed upon the suffering country?

"Is there room for discipline when hunger for power and position dominate the Mahants of the Congress, whose followers now include MORE THAN 22 scions of the Princely order, innumerable landlords and capitalists? It can tax the rich, starve the poor, but its Pooh-Bahs must not be touched."

This in a nutshell is the actual state of affairs in the Congress organisation. And Mahant Nehru knows too well that all his talk of austerity and simplicity is for the consummation of the ignorant masses. There is neither honesty nor truth in his appeals for the elimination of pomp and show from the administrative set-up.

This attitude of Mahant Nehru may baffle the unwary or the ignorant but it does not surprise those who can read between the lines of what he says and how he acts. That he has no need of Gandhism, with its stress on simplicity and decentralisation is very clear to all who have read his Autobiography. In fact the book is a subtle denunciation of Gandhism. But Mahant Nehru dare not say so openly for fear of losing his hold on the ignorant masses. Mahant Nehru is no democrat though occasionally he gives utterances to statements that appear liberal and democratic. He is by inclinations and training a communist at heart. And he makes no bones about it. He has said it so many times that if democratic methods fail to achieve the goals of Planning "some other methods" would have to be found. And he has found them and is subtly but surely taking the country to the communist ways and methods. He has again and again stated that democracy and free enterprise could not go together.

To take the nation on the communist path he has the habit of oversimplifying many of the complex internal and international problems. According to his logic unless the Plan goes through India cannot hope to catch up in the race of progress and industrialisation. And if the Plan is halted, the masses would be in revolt and chaos would follow. But he refuses to see that the masses, who have waited all these years, for progress can afford to wait, but the rapid and forced marches to industrialisation would bring in all the miseries and trials and tribulations through which the Russian people had to go, and YET remain poor in consumer goods and the common decencies of life. That his communist methods and ideas are uprooting not only the social and economic fabric of the nation but are going to heap on a legacy of tear, toil and sweat for the generations yet unborn. The present Mahants and the Mahamahants of the Congress would have gone away from the scene of their vandalism but the poor succeeding Indian generations would have to pay the cruel price of the experiments of Mahant Nehru. That is the national tragedy. India may have produced genuine Saints and Sadhus in the past who had enriched the national heritage but it is given to Mahant Nehru in modern times to have beguiled a whole nation to take to the path that leads to national suicide.

Supplement Of The Research Department Of The R. L. Foundation

Edited by B. S. Sanyal

MONEY

By K. D. Valicha

FORMING as it does the very life-blood of industry, money has always occupied a prominence in economics very much its own. It has elicited from economists of all calibres profound and studious treatises. It has occasioned from some adhortations towards a monetary reform.

Money is usually defined by the way it functions. Thus any medium so devised as to overcome the difficulties and cumbrances of a system of pure barter is money. This is the main and primary function of money and all other functions attached to it are secondary and derivatives of the first.

Money therefore has the power of being money because it has exchange-value or because it is exchangeable for other commodities. It represents a certain value—a value which is realizable only in exchange.

Money is of various kinds. *Ludwig von Mises* has classified money into commodity money, credit money and fiat money. But we may, with *Hugo Bilgram*, differentiate between two broad allocations: standard vs. Credit money and Legal vs. Tolerated money.

Standard coin is that money which is made of the adopted denominator of value. It combines the unit of value with the denominator of value. Credit money, on the other hand, is all forms of subsidiary money and credit money proper.

The distinction between legal and tolerated money rests upon the disparity between money that is declared legal by law and money that functions as such without any legal declaration. Money that functions as money only on the strength of legal backing is known as fiat money or token coin. It is of importance to note here, as von Mises has pointed out that no amount of legal backing can render a commodity into money unless the trader and the industrialist accept it as such.

Value of Money

Money has both a subjective and objective value. The subjective use-value and the objective exchange-value of money always coincide since the individual values money only in terms of the goods or commodities for which he can exchange it. Money has no utility other than that arising from the possibility of obtaining other economic goods in exchange for it. Unlike other goods, the subjective value of money depends upon its objective exchange-value.

There is a distinction worthy of note that von Mises has made between the objective exchange-value and the price of money. "By 'the objective exchange-value' we are... to understand the possibility of

obtaining a certain quantity of other economic goods in exchange for a given quantity of money; and by 'the price of money' this actual quantity of other goods." (Von Mises, *Theory of Money & Credit*).

A point that dare not be confused when considering money is that the value of money is not determined by law. If that were so, then the notion of the exchange-value of money would be meaningless. Value is not an intangible quantity in the economic world. It is something very concrete like a cow or a pound of butter. The error arises from squaring fiat money or token coin with money proper. Token money, though it may act as the medium of exchange, is not money since it only represents a certain quantity of wealth. It is a right to demand a fixed value. "Money does not consist of the mere token, but of all the rights that the token conveys." (Hugo Bilgram, *A Study of the Money Question*).

Thus an increase in fiat money or token money is no increase in wealth. The history of money has proved that an increase in fiat money results in business stagnation and depreciation. Nothing is solved by increasing the coupons for bread without also increasing the supply of bread.

Deprived of its exchange-value, money can no longer mediate exchanges. The value of money is therefore different from the value of commodities. While the value of commodities is a result of their utility, the utility of money is its exchange-value. For example, when a commodity falls in value, the range of its use is widened. Whereas when money depreciates, its utility is reduced by such depreciation. When a commodity rises in value, its range of available usefulness will be contracted while a rise in the value of money is attended by an increased utility.

$$Mv=Pt$$

We now come to a crucial problem in money, one that has rankled the minds of various economists. The functioning of a smooth economy calls for consideration of the total quantity of money at a time. With the advent of the industrial age it is but natural that the quantity of money required to facilitate all exchange should be greater than what was necessary before.

Orthodox thought in economics will usually set itself against such inclinations. The classicist will urge that the existing quantity of exchange medium will transact commerce as effectively as twice its amount. The classicist more often has the Quantity theory of money in mind by which he seeks to establish a necessary relation between the value of money,

on the one hand, and the changes in the demand and supply of it, on the other.

Henry Meulen, in a classic illustration, has demolished such objections. In the case of A, B and C, "C requires A's goods, but neither C nor B have produced goods desired by A, who alone possesses exchange medium. The latter accordingly purchases elsewhere or retains the exchange medium until he has found other producers with desirable objects of purchase; meanwhile A, B and C's goods remain unsold and deteriorate. Orthodox economists will here record over-production." (*Henry Meulen, Free Banking*). From this, Meulen goes on to argue about the necessity of credit to which we shall come presently.

The total quantity of money must be adequate enough to permit all that is produced to be freely exchanged. If the supply is inadequate to facilitate all exchange the result is a stagnation of trade known in orthodox circles as over-production.

The question arises, how to determine the amount of money required by our industrial system. *Jeffrey Mark* thus tried to make credit available universally. But the main barrier which stands in the way of a good system of credit issue, namely the condition of mortgage, still persists in his scheme.

Gesele, on the other hand, tried to do away with one of the functions of money—money as a store of value—by making it perishable. He contends that such a rendering of money (demurrage i.e. expiry-dated money) would bring it to a par with other commodities and would discourage hoarding. The total quantity of money, he argues, would thus be thrown into commerce. The argument does not carry conviction for it is more than a little doubtful that the difficulties will yet remain. And it is more than likely that demurrage money may not have the desired effect on the people. For even then the banks can manipulate credit by advising or withdrawing it and also the Government can exercise control over the printing and issue of currency.

Before we pass on further, it will be illuminating if we consider the work of Prof. J. D. Unwin (*Our Economic Problems*). From the stand-point of the present survey, a study of Unwin will be interesting.

J. D. Unwin is a promiscuous economist and not a pure theoretician. Thus he has brought non-economic facts and processes into the realm of pure economic conduct. This is not to say that all non-economic facts are entirely irrelevant to the study of economic man. As Prof. Schumpeter has pointed out, social facts, for example, constitute only 'data' for economic theory. This is, of course, no objection to Unwin; for Unwin does not pretend to any economic treatise either. He is obviously an applied theoretician.

It is interesting that the concept of economic activity may yet retain its ambiguity. How much of human activity thus is legitimately economic activity? Or, rather, what facts are economic and what non-economic? Those classes of activity are economic which are directed towards the sole purpose of satisfying human wants. Wants and purposes leave their definable stamp on and act as major determinants in the mode and form of production. The purpose of every economic analysis is to relate each fact of economic activity to another till a fact is reached which

can be shown to be clearly non-economic and thus not within the field of economic study.

The whole process of economic activity may be split up into two phases: commodity-production and commodity-exchange. Unwin is concerned only with the latter phase of economic activity. His solution is a new method of commodity-exchange.

Rejecting as unsuitable the present method of commodity-exchange which is in turn dependent upon the manner of currency issue, Unwin outlines a new principle of currency. The function of money is to state, measure and compare the exchange-value of commodities. Every commodity to be exchanged has its exchange-value stated in terms of money, or purchasing power. Purchasing power thus ought to be equivalent to the exchange-value of commodities—not exceeding nor falling short (thus ensuring a stable economy). Unwin carries this argument further and states that when a commodity is no longer in use or has exhausted its utility, the money which expresses its exchange-value should also similarly cease to act as its equivalent in value. Since the commodity is no longer in use, the purchasing power which measures its exchange-value should, as a necessary result, cease to exist. If this is not done, a superfluous amount of currency is created which only serves to exercise a control over the means of production and no longer acts up to its function. This is an excellent principle and worthy of all consideration.

Obviously enough, such a principle under the present economic structure is not quite feasible. It is nearly impossible, with the present state of things, to keep track of all the commodities that are in the process of exchange. In any case, the purpose for which Unwin has formulated his principle will be defeated if the principle is applied to the present economy. His purpose is to provide free credit to all producers and it goes without saying that this is a noble enough cause.

As a result, Unwin has broached a scheme for ushering in an entirely new economic system of commodity-exchange. There will be, according to him, currency issuing offices which may be called banks for the sake of simplicity. The banks will issue credit on the basis of trust. There will be a panel of executives under a manager who will interrogate the applicant and decide whether he can be trusted or not. The applicant will state the type of production he is going to initiate and if they find him trust-worthy and capable, they will issue the desired credit. Now suppose the applicant has in mind to buy a certain piece of machinery. The estimate life of the machine may be fixed at twenty years. He will then repay his loan by instalments spread over the estimated life of the machine. As soon as the loan is fully repaid, the machine will be destroyed and replaced by a new one. This will be necessary because if the machine is not destroyed, there will be an excess of commodities over and above the equivalent of its exchange-value which is money.

Hopousia

To some extent and at first sight, the system gives the appearance of being rather sound, though by no means simple or free from indentations. But Unwin

has meticulously avoided thinking of how such an elaborate system of economy is to be introduced; and as to what part, for instance, the politicians will play in it. Possibly this has not occurred to him or, as seems more likely, he has left it to future generations to look into.

Unwin's system interferes with the concept of property. The concept of property has significance in the fact that any man, when he feels like, is able to dispose of or acquire a piece of property. The adoption of Unwin's solution will necessitate a rejection of this concept. But is the concept of property incompatible with economic progress and welfare? Unwin has maintained a silence over all these issues. He has limited himself with offering a solution he has not bothered to see whether it offsets human values in other fields. The acquisitive instinct is an important element in so far as it exercises a compelling influence over existing society and that Unwin should have left it untouched is strange resilience on the part of a reformer.

Perhaps Unwin's solution can best be understood as a part solution which, strictly speaking, is no solution at all. The safest practical pointer in relation to the existing pattern of economic processes may be found in a bifurcation of currency. If thus we divide the currency into 'credit currency' and 'general currency', we may, not with convenience though, find a solution to the crying need of the hour i.e. cheap credit. But whether bifurcation of money is possible in the present context of things and whether it will not in turn lead to economic clashes are points which will have to be mooted out. Even then, however, the principle that the amount of purchasing power be equivalent to the exchange-value of the units of commodity will be made short work of. This principle thus lends itself to no compromise.

Thus it has to be appreciated that Unwin's *rem acu tetigit* does not solve our problem. While there is no way of ascertaining the quantity of money required at a time, one point clearly bears out. That the capacity to produce and the actual goods produced can ultimately decide the amount of money required to transact all commerce. This is the soundest and economically feasible criterion which could be the basis of a better system of credit issue. Modern economic development makes essential an elastic monetary system and it is a welcome sign that many economists have become hep to the potentialities of such a step.

Credit Issue

We may turn our attention now to credit.

Credit, as Hugo Bilgram defines it, is the antithesis of debt. Credit is the promise to pay at a future date a certain sum of money. Bilgram illustrates credit as a temporary separation of ownership and possession as in the case of a landlord who owns a building but gives the possession of it to his tenant for fixed period of time.

But it is Macleod who gives by far the clearest definition of credit. "The true Limits of Credit may be seen from the etymology of the word. Because all Credit is a *Promise to pay something in future*. And

that 'something', whatever it may be, is the Value of the promise. That *something* need not be money. It may be something else. The practice of interest, or usury, was in force before the invention of money. It may be a promise to do anything. As an example of this we may take a postage stamp, which is a promise by the State to carry a letter. And this service is the value of the stamp. Now everyone knows that a postage stamp is a valuable thing. It passes currently as small change. People take postage stamps as equivalent to pence because they often wish to send letters by post. "Postage stamps are Credit." (Macleod, Elements of Banking).

Thus, with Macleod, we may define credit as that which brings into commerce the present worth of a future profit.

Any sound scheme for credit issue must necessarily correspond to this definition of credit. Though they may urge otherwise, the present banking policy is based on an inverted version of this definition.

Credit today is issued on mortgage. That is, credit is issued on the basis of wealth already produced rather than on wealth to be produced in the future. This inversion of the basis of credit issue is responsible for the towering evil that has come into existence, the monopoly over money.

It will be objected that credit involves trust and it is only with a mind to minimising risk that mortgage has become necessary in a transaction of credit. But the point in question is that the real criterion of credit issue is capacity to produce and not wealth already produced. Existing wealth must not deter wealth to be produced in future.

Yet adequate security is necessary. But this condition could be complied with in other ways. It must not be permitted to occupy a prominence which it certainly is not due. Credit is not a condition of deferred sale. We may call here the concept of insurance. To cover risk, the business producer sets up with the loan could be mortgaged with the bank. This would continue to be so as long as he has not paid up the full amount of his loan. Interest could also be fixed on actuarial statistics of business successes and failures. It is granted that the scheme is vague and undeveloped but it nevertheless constitutes a pointer in the right direction.

An analysis of the present imbalance of the economic structure must take into account the evils promoted by the closed and insalubrious method of credit issue in vogue today. It is this that offers the greatest resistance to the advent of a form of commodity-exchange that could do away with the kinks in the current mode and to the ushering in of a genuinely free economy. It cannot be gainsaid that what we need most of all is a scientific monetary reform and an elastic credit system which will permit each and every bona fide producer to draw freely upon the means of production. Freedom is a necessary condition for human prosperity.

It is indeed curious to consider men make the Gods that they themselves Worship.

—Carlyle

TWIN FALLACIES

By B. S. Sanyal

THERE are two main fallacies prevailing among the leading social thinkers in India to-day, irrespective of whether they are for or against governmental planning.

1. The peoples of South-East Asia want economic progress, whether with or without freedom and progress in other sectors of cultural life. And they are so impatient about it that if they do not get it within the course of a few years, there will be a revolution.

Our contention is that the urge for higher standard of life, or to be exact, for more material goods, has always been there. What is doubted by us is whether it has actually created a revolutionary situation. That the educated minority more consciously desire it and hence demand a universal fulfilment of the urge does not mean that the people (quite often called the masses) are really impatient. They are not. We ought to remember that most politicians talk in terms of the desire of the masses in order to realise their own ulterior motives and that most politicians come from the class of the educated minority.

I do not mean that we should not find out ways and means for universal prosperity: I mean that there is no emergency or critical situation, that there need be no hurry about it.

And then, there are ways and ways of doing things. The belief that private ownership of the means of production is the source of evil is a wrong belief. Hence the prescription that nobody is to own the means of production is a wrong prescription. That everybody ought to be in a position to own the means of production is the right prescription. This does not mean that everybody would be an owner. Take another case: to do justice to the uneducated, we cannot say that nobody is to be educated; we can only say that conditions for everybody's becoming educated are to be created: this does not mean that everybody will be educated.

Nothing Wrong With Private Ownership

The duty of the state is to do justice. There is nothing wrong with private ownership. The wrong lies with monopoly in land and in money. These are to be broken. The government may try to do this. The government may, for instance, make cheap credit available to *bona fide* producers. In short, to ensure justice and prosperity, it is not only not necessary but positively self-stultifying to do away with the various forms of economic freedom—the right of self-employment, the right to divide one's income between consumption and saving and between saving and investment, the right to choose an occupation, the freedom to enter into contracts of all kinds along with the right to protection by law, etc.

2. The sense of emergency about economic progress is caused by a false assumption about communism. This takes us to the second fallacy. *The fal-*

lacy is that the only way to meet the communists is by developing a better social and economic order.

W. H. Chamberlin has exposed the fallacy of this assumption in the following words: "Here are two false assumptions. First, the preposterous suggestion that communism offers people under its rule better conditions than they enjoy in non-communist countries. Emigration proves the contrary. In the frantic rush of refugees from European countries and regions under communist rule, in the escapees from communist north Korea, in the large number of Chinese communist and north Korean POW's who refused to go home, in the victims of the Viet-minh terror in Vietnam, one sees the same pattern. Second, that communism can be opposed by merely improving the social order, is dangerous nonsense. Any social order, no matter how ideal, without adequate defenses would fall before the communists' calculated policies of armed aggression." (TEN TRAPS FOR THE UNWARY).

A Double Loss

Our contention, therefore, is that the sense of emergency about the communist challenge can find a realistic practical expression only in an adequate military defence. It is only when we have this that we may think of economic prosperity with freedom. And even then, economic prosperity of the people cannot be a gift from the bureaucrats and politicians. *Governmental planning not only destroys freedom, but also fails to deliver prosperity.*

The only way to checkmate communist expansion in South-East Asia is to ally with U.S.A. militarily and help her in continuing the Chinese civil war. All of us know that the communists justify the occupation of China by Mao with Russian aid. The arms and ammunitions of about fifty Japanese divisions which surrendered to the Russians in Manchuria were all handed over to Mao, and Mao captured China and imposed communism on the people. The communists justify this conquest and imposition by arguing that in a civil war, there is nothing wrong in taking aid from foreign powers. We may accept the argument as valid from the standpoint of gregational morality and give moral and material support to U.S.A. in helping Nationalist China to continue the civil war and bring it back on to the Chinese mainland and extend it to Tibet. Let the civil war be localised on the soil of China. No foreign troops need take part in it until and unless Russian volunteers join the fray.

Once we are thus secure against further communist expansion, we may look to our economic prosperity. Here the task of the government is not to usurp all capital accumulation and throw it into the bottomless pit of a grandiose plan and thus do away with the people's sector miscalled the private sector. The task of the government is to help the people in developing the people's economy.

Communism--Not an Ideology but a Conspiracy*

By Sumant S. Bankeshwar

THE C. P. I. has echoed only what Lenin and Stalin have said about the means to be adopted to bring about proletarian revolution in a semi-colonial country. Lenin and Stalin have said in their writings that in semi-colonial countries, the only way of bringing proletarian revolution is through armed struggle and not peaceful means.

India is still considered as a semi-colonial country by both the C. P. I. and the Kremlin and that is why the "Tactical Line" document advocates the policy of armed insurrection to overthrow the present government.

Can a party of Lenin and Stalin which wants to overthrow our constitutionally elected government through armed insurrections contest the elections under our Constitution?

Legal and Constitutional activities of the C. P. I. whether among the peasants or in the trade union field or in parliament are only a facade behind which they work for fomenting unrest and for building up organisation for armed insurrection. The "Tactical Line" document has clearly given the communists a hint of armed struggle, partisan warfare, maintenance of underground units in the factories and the strengthening of the existing illegal apparatus.

Communist Attitude towards Parliament

The basic attitude of the communists towards the parliament and parliamentarianism is described in the statutes of the Communist International in the following words: "Communism repudiates the possibilities of winning over the parliaments. Its aim is to destroy parliamentarianism. Therefore, it is only possible to speak of utilising the bourgeoisie state organs with the object of destroying them. It says further: "Where there is no revolutionary upsurge, the communists should follow the tactics of retreat, such as parliamentarianism, and boycotting the elections or parliaments is permissible chiefly when there is a possibility of an immediate transition to an armed fight for power."

After the collapse of insurrectionary line of Rana-dive, the C. P. I. at last realised that there was no revolutionary upsurge in India and hence has now decided to follow the "tactics of retreat" which means legal and constitutional means and parliamentarianism.

Can a party which openly and shamelessly says that its sole object in entering parliament is to destroy it contest elections under our Constitution?

Statute No. 12 of the Comintern says that the communists can have no confidence in the bourgeoisie laws and that they should create everywhere a parallel illegal apparatus which should be of assistance to the party to do its duty towards revolution. In countries where the power is in the hands of the bourgeoisie or

social democrats, the communist party must learn to combine systematically legal and illegal work but all legal work must be carried on under the practical work of the illegal group.

Blow up the Parliament

Thesis No. 4 of subsection No. 11 of the Communist International reads: "The bourgeoisie parliament constitutes the most important apparatus of the state machinery of the bourgeoisie which cannot be taken over by the proletariat any more than the bourgeoisie order in general. The task of the proletariat consists in blowing up the whole machinery of the bourgeoisie, in destroying it and all the parliamentary institutions with it whether they be Republican or Constitutional monarchy".

Can a party which wants to create everywhere illegal apparatus to overthrow the established state, combining systematically legal and illegal work, and which wants to blow up the whole machinery of the bourgeoisie and destroy all parliamentary institutions with it contest the elections under our Constitution?

The Communist International further says: "Each Communist representative in parliament must remember that he is not a legislator but an agitator of the party, detailed into the enemy's camp in order to carry out the orders of the party there. He is answerable not to the wide mass of his constituency but to his own communist party—legal or illegal.

If a communist member of the parliament does not consider himself to be answerable to the people of his constituency, should not the latter have a right to recall such a member?

A Conspiracy Not An Ideology

Communism is not an ideology but a criminal conspiracy in the fullest sense of the term directed by Russia through the communist parties (which Stalin called as his shock-brigades) to conquer the world. The communist parties in non-communist countries are created, maintained and financed by Russia for advancing her conspiracy for spying, sabotage, infiltration, and softening non-communist countries in anticipation of eventual conquest by Russia. Russia has maintained in every non-communist country her bases in the form of communist party, the sole aim of which is to overthrow violently the bourgeoisie government established by law. The C. P. I. is not a political party but an army of professional propagandists, saboteurs, spies and paid-agencies, and a spokesman of Russian nationalism maintained by Russia as a part of its strategy for world conquest. The sole aim of all communist parties in non-communist countries is to further and protect the interests of Russia which is supposed to be the fatherland of all communists and it is these interests which determine the policies of all

* This is the second part of the article, the first part having appeared in our issue of June 1.

communist parties. That is why the C. P. I. slandered our freedom fighters, spied upon them and collaborated with the British imperialists who were at that time the allies of Russia against Hitler. Anything—lying, bad faith, crimes, treason, murder etc., that seems to promote the interests of Russia becomes ipso-facto morally right for all communists.

During the freedom struggle in 1942, the Indian communists fought on the side of British imperialists who were at that time the allies of Russia and against our freedom fighters on whom they spied and got them arrested wherever possible. According to Mr. Batlivala, a former member of the central committee of the C. P. I., a definite alliance existed between the politbureau of the C. P. I. and the Home Department of the Government of India and Mr. P. C. Joshi, the then General-Secretary of the C. P. I. had placed at the disposal of the Government of India the services of his partymen, and he had himself seen the confidential correspondence during the years 1942 to 1944 between Mr. P. C. Joshi and Sir Reginald Maxwell, Home Member of the British Government of India which if published could conclusively prove that such an alliance existed between the politbureau of the C. P. I. and Home Department of the Government

of India. Mr. Batlivala said that in spite of his repeated call for the publication of this correspondence which had been kept secret even from the members of the central committee, Mr. P. C. Joshi refused to do so and detailed only certain members of the party (without the knowledge of the central committee or the rank and file of the party) to be in touch with the Army intelligence department and supplied the C. I. D. chiefs with such information as they would require against nationalist workers who were fighting for national freedom against the British imperialists in 1942 movement and against persons who had come to India on behalf of the Azad Hind Government of Netaji Subhash Chandra Bose. The most serious charge made by Mr. Batlivala in his letter to a columnist in the Bombay Chronicle weekly published in its issue of 17th March, 1946 was that Mr. Joshi had, as the General Secretary of the party, written a letter in which he offered "Unconditional help" to the Government of India and the Army G. H. Q. to fight the 1942 underground workers of the Azad Hind Fouj of Subhash Bose even to the point of getting them arrested and were described by Mr. Joshi in his letter as "traitors".

(To be continued)

Co-operation In Agriculture

Miss P. Pillai

IT is said that whenever a single definite object is made the supreme end of the State, be it to the advantage of a class, the safety or power of the community, the greatest happiness of the greatest number or the support of any speculative idea, the State becomes inevitably absolute. This is no less true of co-operation as of any other idea. The danger of the co-operative ideal being used as an absolute weapon looms ahead, so that it becomes the duty of every one of us to make clear what co-operation means.

In this context it is relevant to examine the definition of co-operation, and see how far co-operation in recent years has strayed away from its underlying principle. 'Co-operation is a form of economic Democracy, a form of organisation in which persons voluntarily associate together on a basis of equality for the promotion of economic interests. Those who come together have a common economic aim which they cannot achieve by individual isolated action because of the weakness of a large majority of them. This element of individual weakness is overcome by the pooling of the resources, by making self help effective through mutual aid and by strengthening the bonds of moral solidarity between them.' A co-operative philosophy of society it has been observed must rest on free universal association, democratically governed, conditioned by equality and personal liberty. In our zest to have co-operation in all spheres of life it may be that this underlying principle of co-operation may be forgotten, its letter and spirit violat-

ed. 'Let us not in the ardour of the pursuit lose sight of the goal for which we strive; lest co-operation intended as a boon turn out to be a curse to the very people whom it is meant to benefit.'

Such seems to be the case when the Second Five Year Plan says 'while co-operation is the principle of organisation; the agency which provides direction and leadership in the village is the Panchayat.' Few co-operators will agree with this view, as it is the co-operative leaders who provide leadership for the economic development of the village. How can co-operation bring about and fulfil its obligation towards all the families in the village communities, develop land and other resources, and undertake all social services in the community in the common interest of the village as a whole if the leadership is to come from another institution namely the Panchayat?

Co-operation Must be Voluntary

Further co-operation loses its meaning when an element of compulsion is used for its achievement. It never will come to pass that all the people will be organised into co-operative societies, and all business will be done co-operatively and it is not desirable that it should. The political state embraces all of the citizens by compulsion; co-operation is voluntary; let an individual say that he will be a citizen of the State no longer; he will find that if he gives up his citizenship in one State, another will get him. It will compel him to be its citizen against his will. A co-operative on the other hand would be free, every member retain-

ing his individuality. 'The Soviet methods of collectivisation in pursuit of scientific large scale methods of production deprives the peasant of his free status, of his property and leaves him a member of the proletariat with nothing but his labour to sell to State farms under the terms determined by the Managers'. The System introduced in Soviet Russia after a terrible war between the Government and the Peasants does not seem to have succeeded either from the standpoint of production or from that of the well being and contentment of the peasants. Lenin had to go slow with this experiment. A decade after the Revolution, Stalin had to admonish enthusiasts of collectivisation in his famous article 'Dizzy with Success.' In fact the N.E.P., the great resistance by the Russian peasants and gradualness are not matters to be lightly set aside.

In China, Mao-Tse-tung mobilized the peasants of the North in areas dominated by his revolutionary forces with the seductive slogan of 'land to the tiller'. And in the first years of the New Government, the programme of liquidation of the big landlords, was carried out with unparalleled cruelty and thoroughness, the lands being distributed to the landless in the village.

From 1953, the new landowners have been herded into co-operatives, with the avowed object of grouping into collectives after the Russian Pattern. The Report on China by Thapar bears eloquent testimony to the ruthless methods employed in China. 'Agricultural co-operatives have multiplied at incredible speed because the Communist Party propaganda apart, most of the farmers had no real choice in the matter. These, left, each with less than an acre of land, after the Redistribution programme, and those who stood out of co-operatives, had no free market in which to sell the produce, and no private property from which to get credit and supplies.

Pauperization of Peasantry

Pauperization of the peasantry, the award of less than an acre to each farmer means nothing else, than their forced conversion into wage labour. It is the pattern of collectivisation in China as in Russia. This is not and cannot be the Indian aim. Co-operation here must be the result of free choice, and must grow spontaneously when a measure of equality is brought about in the holdings of land not at the level of less than an acre, but at a level, which will offer the means of decent livelihood for each family.

It is clear therefore that the slogan of land to the tiller in China had been used as a destructive weapon of Revolutionary War. If co-operation then means an experiment like that of U.S.S.R. and China, it would be farcical to describe it as co-operation. Democracy, the underlying philosophy of the co-operator is thereby wrecked. Co-operation is not concerned with the fatuous notion that the meek shall inherit the earth, but it is concerned that the poor shall not be discriminated against in favour of the rich. It does not stand for a fanciful theory that demands a dictatorship of the proletariat, but it does aim to eliminate the dictatorship of any class, and give every man an equal chance without favours.

Co-operation furnishes an example of the evolutionary and slow process. By applying certain methods in a small way, a small co-operative society is built. By expanding into more and more fields, the social structure is changed gradually into a bigger co-operative structure. These permanent changes are brought about not by talking, writing, sabotage or Revolution. Judged in this light Thapar's recommendation of organising co-operative farms in India on the experimental scale of 10,000 a year appears not only ridiculous, but also gives the impression that he is suggesting State farms on a mass scale.

Going The Communist Way

This uneasiness is aggravated when the Planning Commission says, 'The aim would be to enlarge the co-operative sector, until the management of the entire land in the village becomes the co-operative responsibility of the community.' This stinks of the Marxist element. In our anxiety to end rural exploitation, there is the danger of creating a highly institutional and managerial society. With the problem of land redistribution, and land hunger on the one hand, and that of the growing influence of the State, the country is faced with a crisis of being enmeshed in the webs of Communism.

In this context, the story of agricultural progress in Modern Denmark is an impressive refutation of Marxist extremes. 'Denmark leads the world in the percentage of co-operators in its population. The Danish co-operative union embraces 1804 societies with 340,000 members. Denmark has become a farmers co-operative commonwealth without the sacrifice of individual liberty.

The lot of the small holder in Denmark at the turn of the century was not very different from the average agriculturist in India today. With a holding of about two acres and with no capital resources for development, the small holder had to work on bigger farm to supplement his incomes.

Denmark's Example

The State took a leading part in improving the status of the small holders in Denmark. They have taken to the co-operative way as much as bigger farmers; social democracy with no class barriers is so real that the sons and daughters of the farmers sometimes live with neighbouring farming families and work for them with no sense of demeaning themselves thereby. In 1899 the Government established a loan fund of two million kroners annually at 3% interest and 1% annual instalment. The Act provided that when the loan had been paid off, the holding becomes a free holding which cannot be sub-divided. The conditions attached to the loans ensured that only those capable of making good by experience and aptitude were to receive them. In 1904 larger loans were made available so that the size of the holding could be large enough to preclude the necessity of working part time on bigger farms to supplement the income of the small holder. The average holdings now range between 15 to 25 acres. Further by another law, the State began to carve out lands from unoccupied cultivable land to

be given to tenants, who were given all the rights of ownership. He had only to pay an annual land rent, but improvements made at their own cost were exempted. Later on the State compelled owners of land, beyond an upper limit to sell surplus to small holders directly or through co-operative credit associations. In this way small and middle peasants have been enabled to purchase 80% of all the agricultural land of Denmark. By guaranteeing an interest of 4% on bonds which were negotiable, a secure avenue of investment was created which was availed of by all alike. The rates was co-related to the conditions of the market fluctuating from 1 to 5%. The time for repayment of the loan was 40 years.

Thus in the course of less than two generations, half the farming community came to consist of small holders with fifteen to twenty acres. This result was achieved without confiscation and violence.

Thus the changes in the structure of society in

Denmark were made gradually by the individuals who composed the society. These evolutionary changes were not effected in the interest of social organism as a whole, but in the interest of the individuals who compose it. The wellbeing of the individual was made the conscious purpose; the good of the society is the fortuitous result. This is how true co-operation evolves.

'Men will not interest themselves in anything else, unless their individuality is gratified by its attainment.' (Hegel). Co-operation demands individualism, and this individualism has been curbed in Russia and China where man is but a cog in the huge State Machinery. To be true, co-operation must aim at the perfection of the individual. A good society can be built only out of good individuals; the success of the movement will depend on its power to improve the individual, who in turn improves society.

REVOLUTIONISING INDIAN LIFE (Section II)*

Annihilate Superstition (Part III)

By Dr. K. N. Kini, M.A. PH.D. (Columbia University)

Former Director of Public Instruction, Jodhpur.

Superstition Helped Invasions

(26) While the personal aspects of God has brought about idol worship in Hinduism with all its superstitions and defects, which have sapped the energies of the people and deterred them from enhancing their material prosperity, it is argued that it has not produced religious animosities of a violent nature. Aldous Huxley says "The Chinese pilgrim Hiuen Tsiang, who visited India in the first half of the seventh century makes it clear that Hindus and Buddhists lived side by side without any show of violence. Each party attempted the conversion of the other; but the methods used were those of persuasion and argument, not those of force. Neither Hinduism nor Buddhism is disgraced by anything corresponding to the Inquisition; neither was ever guilty of such iniquities as the Albigenian crusade or such criminal lunacies as the religious wars of the sixteenth and seventeenth centuries." The real reason for not fighting is that the Hindus had, by the seventh century, lost in a great measure the propensity of pugnacity and had become almost cowardly on account of the preaching of non-violence (ahimsa) by Mahavira and their successors and by kings like Asoka and the practice of this tenet by a preponderatingly large mass of this country's population for a thousand years. A. Huxley continues: "The Moslems who invaded India brought with them the idea of a God who was not the order of the army of being, but its general. *Bhakti* towards this despotic person was associated with wholesale slaughter of Buddhists and Hindus. Similarly, *bhakti* towards the personal God of Christianity

has been associated throughout the history of that religion, with the wholesale slaughter of pagans and the retail torture and murder of heretics. It is the business of the rational idealist to harp continually upon this all-important fact. In this way perhaps he may be able to mitigate the evil correlated belief in a personal deity."

(27) Unfortunately, the rational idealists are very few in India even today after a century of science and education. In the name of tradition and inheritance, highly influential people wish to perpetuate the outworn and outmoded beliefs, which do not stand scientific scrutiny. Thus superstitions are continued and even fostered and fattened in the name of religion. Idol worship is one such superstition. Most diabolical sacrifices are perpetrated to propitiate these idol-deities and ward off imaginary evils. The priests chant manthrams which say that God is infinite, omnipresent and omnipotent, but they care little about thinking if a piece of wood or stone or metal can be so. Shrewd idol worshippers say that the idol is only a symbol representing God. But most people believe that the idol itself is God and decorate it with jewels, ornaments of gold and silver and flowers just to impose upon the masses who do not desire to think, but blindly follow what the priests do and say. One of the reasons for the invasions of India by Iconoclasts is that they were lured by the fabulous wealth on these idols of our temples, which were destroyed and the booty taken away. *Thousands of these idols did not come to the rescue of the Hindus, though they worshipped them for thousands of years.* Even today, idol worship is going on unimpeded and considerable money, time and energy are wasted in the process.

28) Swami Dayanand Saraswati, a great scholar of

*The last article on the subject appeared in our issue of May 1st.
* Ends and Means, 1938, pages 245-6.

Sanskrit and Hindu Shastras, carried on a crusade against idol worship throughout his life (1824-1883). He visited most places of pilgrimage and vehemently denounced idol-worship, as crude, depraved and hypocritical method of worshipping God. "Some returned with their faiths shaken, others half-confused, still others indignant at what they dubbed his atheism". The priests started a counter propaganda against the Swamiji's teachings and very questionable means were adopted by the former. But it must be said to the credit of this great son of India, who endeavoured to rid the people of many of their superstitions, that his preaching had some effect on the thoughtful among them.

(29) Other Indian reformers also preached against idol worship in the nineteenth century, being to some extent influenced by European thought. K. A. N. Shastri notes** "For a time the spirit of western rationalism seemed to make a wide appeal and promote an iconoclastic outlook. Traditions, ancestral practices and beliefs were denounced, and India's salvation was held to depend on their total abandonment. . . . the students of the Calcutta Hindu College engaged for a time in a vigorous and reckless campaign against superstition. . . . In 1828, he (Ram Mohan Roy) founded the Brahma Sabha and opened a Mandir (temple) dedicated to *Brahman* and with no image in it. The Brahma Samaj founded by Mahatma Devendranath Tagore (1817-1905) in 1845 was the outcome of Ram Mohan's work. . . . The Prarthna Samaj was the West Indian counterpart of Brahma Samaj and enlisted such leaders of thought as Justice Ranade and G. K. Gokhale among its members."

(30) Rabindranath Tagore greatly disapproved idol worship. Dr. Mrs. W. H. Fisher records*** an interview she had with Mahatma Gandhi at Shantiniketan

** History of India, Part III, pp. 368-70.

*** The Sunday Standard, Madras, May 16, 1954.

in 1925 when Tagore is reported to have expressed to Gandhiji in their discussion on idolatry: "We know full well that God is not only in the temple, He is there where the tiller tills the hard ground. He is with them in sun and shower, and when their garments are dusty. . . . If idols and idolatry, if beads and painted stones are not needed by us in this room, not righteous for us, then they are not righteous for any of our people however lowly. I'd like to sweep up every idol of every kind—brass, wood, stone and alabaster, from every city and village—every temple and mohalla, and make one great heap from the whole country and sweep them into the sea and so cleanse our stables."

Discard Idolatry

(31) Those who believe in God (or Nature) as Infinite should abandon idol-worship themselves and should carry on a crusade against it. They should instill into the minds of the masses what the most thoughtful of the old Sages said "Tat Twam Asi" (Thou Art That) where "That" connotes the total Effect of all the natural forces and energies, known and unknown to us, which influences human destiny to a considerable degree. It is by no means easy to make them discard the practice which has been in existence for thousands of years. The task of the reformer in a democratic society is all the greater, when four-fifths of the people are illiterate and therefore have no means of reading books and journals dealing with such problems on a rational basis. Still, much can be done by example and persuasion. *The promiscuous worship of all kinds of objects and phenomena only fosters fear in the multitude and makes weaklings of them in this practical world where bravery and fearlessness and fighting quality are most needed.*

(To be Continued)

The Mind Of The Nation

Politically Dangerous and Economically Unwise

In the last analysis the Budget must be described in invisible terms. It has impressed on the Indian people the determination of the Government of India to go socialist in more than in its taxation measures. Relief on personal taxation amounting to Rs. 7.5 crores is no departure from this determination since the tax on wealth and, in time to come, the expenditure tax, will absorb a substantial amount of the increased incentive which lower personal taxation rates have induced. The private sector, apart from a gesture, here and there, is being forced to give ground. There is thus evidence that the determination to proceed with the Plan is not merely great, but it is also heavily loaded against the instruments of private incentive, which are broadly speaking, the investor and the cor-

poration in which his assets are framed. If this should be the pattern of all future budgets, one might argue that the private sector in this country has been served with a notice that its operations will be conducted in an atmosphere of such onerous financial pressure that in the last analysis, it will be dependent on the Government, for all new capital. Thus socialism will be established by making all economic activity dependent on the Government's pleasure. That is both politically dangerous, and economically unwise end of public policy.

—Eastern Economist

More Is at Stake Than the Plan

He (Mr. Nehru) wants the Opposition to cooperate in making a success of the Plan. But did he consult the Opposition—imported communist experts

were no opponents—when drafting the Plan? Pandit Nehru's Government has defied the Opposition on all questions, ranging all the way from cow protection to Kashmiri integration. With what face does he now seek the co-operation—unless it be for the sake of verbal form—or the very parties he has abused, villified, and cursed?

Let the Prime Minister realise that his government is elected to power on a minority vote, and that not all the truth may always be on his side. Let him, therefore, cast all pride and prejudice aside, meet his critics as friends—nay as brothers—try to meet their point of view and create a happy atmosphere of unity in the country. What is at stake is not simply the second Plan but the fate of this country for a many a critical year.

—Organiser

The Plan and not the People Matter

If the Plan were to stretch to cover six years instead of five, the Congress would not face defeat at the polls. What will bring the Congress down is something entirely different—the internal rottenness

which the Prime Minister and the Vice-President have again discussed in tones of justified forebodings.

But the Finance Minister and the Prime Minister behind him, are standing on prestige. They will not abate a single project of their Plan, even if the country is plunged into the direct suffering.

Prices, already very high, will jump up several per cent more, consumption will be reduced by the simple process of denying people the money to buy what they want, and private business will be still further hampered.

.....Our planners set out with the laudable object of raising the standard of living continuously, while saving and investments rose side by side with it. But the course of planning never did run smooth, and as soon as a serious obstacle is encountered, the good original intentions are thrown overboard. The inevitable hitch has occurred, and instead of easing up on expansion, the standard of living of the people is ruthlessly sacrificed. That is not the democratic way; that is the totalitarian way. The people don't matter; only the Plan matters.

—Mysindia

Indian News Parade

IN "SECULARIST" AND "SOCIALIST" INDIA-NIZAM IS EXEMPT FROM TAXES

Speaking at a public meeting at the Sunderbai Hall, Bombay, Mr. Ashok Mehta criticised the Government taxation policies. He said that the "socialist" Government of India seemed to have a soft corner for the rich and the wealthy people. It is a known fact that over Rs. 100 crores of taxation are lost to the Government Exchequer due to evasion on the part of the monied classes. It is also a wonder that the Nizam of Hyderabad, whose annual income is Rs. 100 crores, is exempt from taxation.

FINANCE MINISTER ILL-ADVISED

The present was the most inopportune time to introduce the wealth tax and the expenditure tax because the Government had not created the necessary climate for doing so, Dr. Rustom C. Cooper told the Democratic group of the Indian Merchants' Chamber and the Commerce Graduates' Association in Bombay.

Dr. Cooper said that the Finance Minister was ill-advised about these

taxes. The present defective Municipal records of urban property, the extensive Indian practice of buying and selling of shares on blank transfers, and the problem of *benami* holdings would greatly defeat the objects of the new taxation.

Besides the wealth tax would be a strong discouragement to savings and productive enterprise.

—Times of India.

INVESTORS SUFFER

The Bombay Shareholders Association have estimated that the total fall in the market value of equities since August last is around Rs. 200 crores. In a circular to its members the Association has pointed out the small and middle-class investors have suffered a lot on account of the Government policies of fresh taxation.

The additional burden of wealth tax and the corporate taxes on the eight important corporations and companies which are quoted on the Bombay market are indicated in a table.

The drop in the share values of 22 important concerns has been brought out in another table. The

market values of these was Rs. 147 crores on November 30, 1956, Rs. 118 crores on May 5, 1957, and Rs. 109 after the Budget proposals were announced. The loss in value is placed at Rs. 37 crores on a paid-up capital of Rs. 67.81 crores i.e. 52.8 per cent of capital paid up.

—Times of India

RS. 56 LAKHS LOST

The Public Accounts Commission of Parliament for the year 1956-57 has said that it is distressed at the manner in which the ten-year old deal, relating to the purchase of Japanese cloth had been entered into by the Government of India but added that it does not wish to press for a judicial inquiry—a recommendation which had been made by two previous Public Accounts Commissions.

The Government had purchased 80 millions yards of Japanese cloth at a cost Rs. 6 crores in 1947 at a time when there was a cloth shortage in India. The cloth, however, could not find a market in India because of its comparatively high price, and it was exported, the transaction causing a loss of Rs. 56 lakhs to the Exchequer.

WORLD NEWS

U. S. JOINS BAGHDAD PACT MILITARY BODY

KARACHI : The United States joined the Military Committee of the anti-communist Baghdad Pact at midday today.

The invitation came less than 25 minutes after the Pact's Ministerial Council opened its third meeting to take economic and military steps against communism in the strategic West Asia region.

"I am authorised by my Government to accept this invitation said Mr. Loy Henderson, Deputy Under-Secretary of State and head of the American observers' delegation to the Council meeting.

—Times of India

REFERENCE TO KASHMIR ISSUE IN BAGHDAD PACT MEETING

KARACHI : A direct reference to Kashmir issue was made at the open session of the Ministerial Council of the Baghdad Pact not by the Pakistani Prime Minister Mr. Suhrawardy but by the Iraqi Premier, Mr. Nur El Said.

The Iraqi Premier said, "I regret to say that the Kashmir problem remains unsolved despite the sincere efforts on the part of Pakistan to reach a peaceful solution."

"There should be no deviations from the principles of the UN Charter. No effort should be spared on our part to bring about a solution consonant with the UN resolutions."
—PTI

CONCERN IN NEW DELHI

NEW DELHI : The formal entry of the United States into the military committee of the Baghdad Pact and the Iraqi Premier's declaration on Kashmir... have been noted with deep concern here.

Both events underline the findings of the UN Kashmir Representative. Mr. Gunnar Jarring, regarding "the changing strategic factors surrounding the whole of Kashmir question, together with the changing pattern of power relations in West and South Asia."

On a wider plane the emergence of U.S. as a military member of the Baghdad Pact is not likely to

ease tension in West Asia, according to observers here.

—Times of India

CHINA EXPERIENCES ECONOMIC DIFFICULTIES

LONDON . The first authoritative information on the extent of the Chinese economic difficulties during the period 1956-57 is now available in London.

The significance of these difficulties that they are considered here to have been the major influence in the new trend of liberalisation.

The information is contained in a survey by Chia To-fu, Vice-chairman, of the National Economic Commission which appears in the April issue of the Peking planned economy monthly, *Chi Hua Ching Chi*.

It reveals that in spite of the fulfilment, and in some cases of over-fulfilment of the targets of 1953-57 Five Year Plan, in the industrial field, the economic position of the country was not markedly stronger at the end of 1957. This was principally due to two factors—lack of proper co-ordination in industrial planning and the failure of agricul-

tural to keep pace with the industrial advance.

Mr. Chia reports that because the capital investment plan for 1956" went beyond the limit of the financial power of the State, large cuts have had to be made in the investments for 1957." He foresees that even in 1958 the amount of capital construction "cannot be markedly raised", and probably "will not reach even to the level of 1956."

The cutback says Mr. Chia has brought "numerous difficulties." The main ones are stated to be:

(1) the loss suffered from bringing certain construction projects to a standstill.

(2) the effects of the cuts of investments on the production level of the Five Year Plan.

(3) unemployment of a part of the working personnel, and

(4) the idleness of some installations.

Mr. Chia warns that "after four years of implementing the Five Year Plan, a state of imbalance has appeared in the development of our national economy. It seems proper that the local investments should be further reduced."

The final conclusion of Mr. Chia is that "the people's livelihood can only be improved gradually, on a small scale, with low speed."

—Times of India

Book Reviews

AN ALLEGORICAL NOVEL

GUMPTION ISLAND by Felix Morley The Caxton Printers, Ltd., Idaho, 1956 Price \$ 5 pages 306.

GUMPTION ISLAND is an allegorical novel "designed to clarify the major political, economic, and social problems". But it is hard to classify it and pin it down to a genre. It is science-fiction, fantasy, and humour. It is full of social purpose and extraliterary motivation. But one may, however, place it with Bertrand Russell and certain Indians who write philosophical and political nightmares.

The novel is science-fiction

because it entertains another interesting theory of time. A bomb is invented by the Communists which is capable of shattering space-time and separating the two. It is tried with the singular result that Gumption Island is thrown backwards in time by some fifty million years. But the note of fantasy is restrained and is subordinated to the novel's *raison d'être*.

The island settles down to its new time dimension and the allegory part of the novel begins. In the new surroundings, problems of economy, politics, religion, etc. crop up. The problem of money and exchange, the problem of

government; all find expression in a treatment which is sober, restrained and comprehensive. Problems of Communism, socialism and democracy are reduced to their simplest components and treated from an individualistic point of view. The human element is prominent throughout and the interplay of personal desire and social need and the ultimate dissolution of this seeming polarity in individual freedom are aspects of man which are handled with human understanding and sympathy.

FRESH AIR IN CHOKED ATMOSPHERE

Private property is a part of the human personality and the denial of this essential right can never make for a contented society. Mr. Morley's good sense and unflinching faith in human nature are refreshing elements in this grim, over-sensitive world which so prominently lacks Voltaires. Mr. Morley breathes fresh air: he is to be congratulated for it.

Besides its allegorical import, the novel has little else to offer. The characterization is very unrealistic and may be called 'journalistic'. The characters sound bizarre in their extreme pleasantness and in their incredible capacity to adjust themselves to impossible situations. They are a highly conversational lot and the narrative suffers greatly through incessant conversation.

A forced attempt is made at humour. But the effect is in most places rather jarring and dumpy. The only remark that is somewhat amusing is the one made by the Communist when he comes across a packet of Chesterfield cigarettes in Gumption Island. He says to himself: "What crazy letters they have, . . . That first one, before the little 'h', it must be 'C'. I think 'Ch' is the way they abbreviate christ. I suppose they put that under a crown to symbolize the subordination of Church to State. So it's Christ's Esterfield Cigarettes. That's capitalism for you—using the name of their god to advertise cigarettes! Easter is one of their big Christian festivals and a field is where farmers plant grain. I suppose that's to give a warning that their cigarettes taste like straw."

The novel could easily have been

compressed, and with better effect, in fewer pages. It suffers from an inane characterization and its literary merits are doubtful. But in allegory, it is rich and purposeful.

—K. D. Valicha

THE OPEN SOCIETY

ONE of the essays in *EXPLORATIONS* by Prof. Sibnarayan Ray is "A Theory of the Open Society K. R. Popper." It is a study of Karl Popper's book, "The Open Society and Its Enemies." Prof. Ray begins with a short resume of Popper's book.

Popper opens by criticising and rejecting the historicist method of social engineering which reduces man to a pawn of historical fact, robs him of moral choice and derogates him to the position of a mariolette.

Utopian social engineering too Popper similarly rejects. The utopian method seeks to do away with the existing order and to replace it with an utopia, the logical assumptions of which are to be proved by a partial reading of history. This utopian method is radical in the sense that "it can think only in terms of total transformation of an entire system at a time," aesthetic in the sense that "it must begin with a clean sweep of the social canvas before creating anything new," romantic in the sense that "it refuses to have any compromise with life, to learn gradually from experiment" and ultimately irrational and futile.

But this does not reduce the idea of social engineering to an impossible absurdity. Only the approach is to be different: a piecemeal approach which is to be substantiated by an accurate reading of history. Social change is a much more complex affair and has both the aspects of determinism and individual volition. This interplay of convention and human will is the cause of history. Again, no single factor is to be given undue importance. Piecemeal social engineering gives elbow-room to the frailties and mistakes of man and ensures, in such cases, readjustment. This is the method of democracy.

Prof. Ray gives vent, in his criticism, to his philosophical bias. Endowing to nature the qualities that a theist usually attributes to

God, he objects to the dualism between determinism and human will that Popper demonstrates. True, Ray accepts the distinction but, he feels, that does not entitle Popper to expostulate dualism.

Prof. Ray has an eye on a monistic naturalist interpretation of history. As a result, his naturalism ceases to be naturalism in the ordinary sense; it becomes a variant of an idealistic naturalism. Freedom, to him, is a *necessary* condition, in the sense of nature's need. 'One can but one may or may not—Freedom. 'One can but may or may not, yet ought to'—Morality. When freedom and morality are both traced to nature, nature gets idealised.

Yet Prof. Ray's remarks have significance in so far as he asserts that the individual cannot be equated with any or all his transformations. There remains always a residual substance which is unexplained and is yet the centre of human history. It is the dynamic nature in the individual. Prof. Ray is justified in advocating caution in too readily supporting either absolute dichotomy or absolute individual privacy between man and nature.

Finally, Prof. Ray makes an interesting contribution when he points out that, logically, even Popper's piecemeal social engineering is a species of utopianism in the sense that all schemes that are visionary, however slightly so, are. This is obviously true and there can be more than one type of a piecemeal approach. In Prof. Ray's own words, "These considerations lead us to think that utopianism is an essential feature of all forms of purposive social change, whether big or small, that while in the process of actualisation all social changes should be, in the main, experimental and piecemeal, in the ideal visualisation of the change thoroughness and comprehension are necessary and useful, and that social transformation, if it is meant to extend the frontiers of human freedom, must be based on persuasion, free criticism and co-operation and not on coercion or centralisation of authority. This last point is the most important to be recognised and rigorously followed in any theory and practice of meaningful social change. If for no other reason, at least for clearly and

emphatically making this point (so readily forgotten by most social idealists), we have sufficient reason to be grateful to Popper's critique."

K. D. V.

A WORLD APART

A WORLD APART, by Gustav Herling Published by the New American Library. Price: 35 cents.

MR. Gustav Herling in his book gives a devastating picture of what happens to people when they surrender their freedom for bread in a most impressive and eloquent way. The remarkable lesson that we learn from this book is that where people surrender their freedom for bread, they will lose both.

Mr. Gustav Herling gives here a simple and vivid description of his shocking personal experience during the two years he was interned in a northern Russian slave labour camp, the incredible and horrifying ordeals he had to undergo and endure and the appalling conditions of life in that camp of which hunger, freezing cold, inadequate clothing and medical care, back-breaking work, terrorism, deliberate brutality and lingering death were the "normal" and "common" features.

He gives a true and horrible picture of how human beings behave under inhuman conditions, and are lost in the whirlpools of sin, in a century shorn of all moral values. There is nothing a person cannot be forced to do by hunger and pain. Only a confirmed communist, devoid of all humanity, will seek "noble" motives behind the unbelievable horrors and torture, which are being inflicted in all its nakedness upon millions of wretched men, women and children in Russian concentration camps.

Only persons without a trace of humanity left in their hearts can disbelieve the evidence of this heart-wrenching document of Mr. Gustav Herling. This book needs to be widely read in India the freedom of which is increasingly threatened by the menace of International Communism.

Sumant S. Bankeshwar

BOOKS ADDED TO R. L. FOUNDATION LIBRARY

The following are the books added to the R. L. Foundation Library, Bombay, during the months of February and March:

1. Heibrunn, Otto; *Societ Secret Ser-*
2. Low, Francis; *Struggle for Asia.*
3. Spalding, K. J.; *Essays on the Evolution of Religion.*
4. Shankland, Robert S.; *Atomic and Nuclear Physics.*
5. Kelsen, Hans.; *Society and Nature.*
6. Seymour, John.; *Hard way to India.*
7. Taylor, A. E.; *Elements of Metaphysics.*
8. Bailey, S. K. & others; *Research Frontiers in Politics and Government.*
9. Munshi, K. M.; *Janu's Death and other Kulpati's Letters.*
10. Mookerj, Radhakumud; *Fundamental Unity of India.*
11. Prakasa, Sri.; *Annie Besant.*
12. Sinha, Satyanarayan; *On a Forbidden Flight.*
13. Bose, Abinash Chandra.; *Call of the Vedas.*
14. Munshi, K. M.; *Glory that was Gurjaradesa (A.D. 550-1300) Part I.*
15. Munshi, K. M.; *Glory that was Gurjaradesa. (A.D. 550-1300). Part. II.*
16. Panikkar, K. M.; *Geographical Factors in Indian History.*
17. Roy, Dilip Kumar & Devi Indira; *Kumbha, India's Ageless Festival.*
18. Munshi, K. M.; *City of Paradise and other Kulpati's Letters.*
19. Rajagopalachari; *Mahabharata.*
20. Munshi, K. M.; *Sparks from the Ancil.*
21. Shukla, Chandrashanker; *Gandhi's View of Life.*
22. Shastri, Shakuntala Rao; *Aspirations from a French world.*
23. Shastri, Shankuntala Rao; *Women in the Vedic Age.*
24. Munshi, K. M.; *Our Greatest Need and other Addresses.*
25. Diwakar, R. R.; *Mahayogi: (Life Sidhana and Teachings of Aurobindo).*
26. Munshi, K. M.; *To Badrinath.*
27. Aiyer, N. Chandrasekhara.; *Valmiki Ramayana.*
28. Dasgupta, Surendra Nath; *Fundamentals of Indian Art.*
29. Munshi, K. M.; *Bhagavad Gita and Modern Life.*
30. Munshi, K. M. (General Editor); *Indian Inheritance. Vol. II.*
31. Pusalker, A.D.; *Studies in the Epics and Puranas.*
32. Sarma, D. S.; *Hinduism Through the Ages.*
33. Sinja, Satyanarayan.; *Flight to Soviets.*
34. Munshi, K. M.; *Wolf Boy and other Kulpati's Letters.*
35. Diwakar, R. R.; *Paramahansa Sri. Ramakrishna.*
36. Behari, Bankey.; *Minstrels of God. (Part I).*
37. Behari, Bankey.; *Minstrels of God. (Part II).*
38. Gandhi, M. K.; *Towards Lasting Peace.*
39. Aron, Raymond & Othrs.; *Soviet Economy.*
40. Bradley, F. H.; *Principles of Logic. Vol. I.*
41. Bradley, F. H.; *Principles of Logic. Vol. II.*
42. Kautsky, John H.; *Moscow and the Communist Party of India.*
43. Strachey, John., *Contemporary Capitalism.*
44. Kohn, Hans.; *Nationalism and Liberty.*
45. Handlin, Oscar.; *Adventure in Freedom.*
46. Ayer, A.J.; *Problem of Knowledge.*
47. Berdyaev, Nicolas.; *Meaning of the Creative Act.*
48. Huxley, Aldous.; *Those Barren Leaves.*
49. Maugham, W. Somerset.; *Cakes and Ale.*
50. Robertson, Archibald.; *French Revolution.*
51. Chesterton, G. K.; *Heretics.*
52. Gauba, K. L.; *Hyderabad or India.*
53. Muir, Sir William.; *Life of Mohammad.*
54. Parikh, Narhari D.; *Sardar Vallabhbhai Patel Vol. I.*
55. Upadhyaya, Ganga Prasad; *Light of Truth.*
56. Bowles, Chester.; *American Politics in a Revolutionary world.*
57. James, William.; *Essay in Pragmatism.*
58. Hobson, John A.; *Evolution of Modern Capitalism.*
59. Toynbee, Arnold J.; *Study of History Vol. VII.*
60. Toynbee, Arnold J.; *Study of History Vol. IX.*
61. Toynbee, Arnold J.; *Study of History Vol. X.*

Leading News Magazine

ORGANISER

A National Views and News
Weekly Published from Delhi
with an ALL-INDIA
circulation

Edited by **K. R. MALKANI**

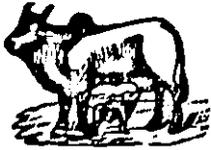
Published By **Bharat Prakashan**
(Delhi) Ltd. Delhi 6.

Single Copy As. 4

Annual Subscription Rs. 12.

The Duncan Road Flour Mills

Have you tried the Cow Brand flour manufactured by the Duncan Road Flour Mills? Prices are economical and only the best grains are ground. The whole production process is automatic, untouched by hand and hence our produce is the cleanest and the most sanitary.



Write to:

THE MANAGER
DUNCAN ROAD FLOUR MILLS
BOMBAY 4

Telephone: 70205 Telegram: LOTEWALLA

Agents at Poona

LALDAS AMARSEE & SONS,
437, Raviwar Peth,
Poona-2.

Telegraph add: 'STELLATEA' Telephone: 2488

Before making any of your
INSURANCE CONTRACT
kindly consult:

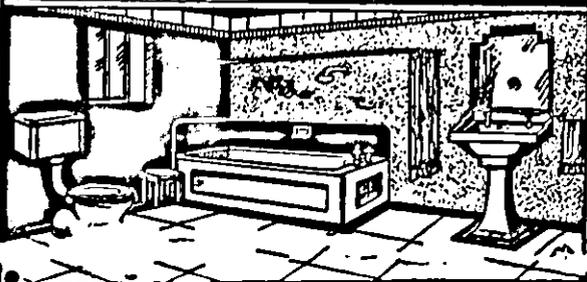
Bhaichand Damodar Esq.
BOMBAY — CALCUTTA

*A successful and immense underwriting is
done since 20 years with cent per cent
competency and sound experience.*

Telephones:

38081/38082
Bombay

6181 City
Calcutta



VICTORIA'S SANITARY STORES
54, 3RD, BHOIWADA, BHULESHAWAR

SHRI V. H. MERCHANT
BOMBAY 2

Phone: Office 73530

Residence 40829

*For every intelligent student this book shows
the way out of present day chaos*

THE ANALYSIS OF USURY

By Jeffrey Mark

Published by

The Libertarian Publishers Ltd.,
Arya Bhuvan, Sandhurst Road,
Bombay 4.

Price: Rs. 3/-

This is a book that analyses the basis and foundation of Usury. Today in Capitalist countries the control of credit is monopolised by banking system. This is a perversion, for the community is made to pay large sums of money by way of interest to banks for hire of money which in the last analysis, is its own credit. On the other hand Socialists understand this perversion but Socialism is corrupted by political and personal ambitions and its leaders.

This book suggests a way out

ORDER YOUR COPY NOW