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*Incorporating the 'Free Economic Review'*

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# Editorial

## DOMICILE LAW IN KASHMIR— —A MATTER OF DOUBLE STANDARD

**T**HE Prime Minister has a way of stating things carrying a reflection upon his own efficiency in handling public affairs, as if they were entities unrelated to him—just unfortunate if they are evils—as though they were objective facts floating in the air, as it were. His statement regarding the law of domicile in Kashmir, recently in Parliament, was an instance of this trait in him, which many find so charming. He said that he himself would not be allowed, by the rules of domicile, to acquire land or other property in Kashmir, in spite of the fact that his family had some remote relation to the State. Now this is a strange fact, and irreconcilable with the official claim of Kashmir being an integral part of India. Bakshi Gulam Mohammad said some time ago that Kashmir was a part of India even as Bombay was such a part. If this is the legal position, it is strange that the Prime Minister should refer to the old obsolete rule of domicile of the days of the Maharajas in such an unconcerned way. It is reasonable to ask why he had not taken steps to change such separatist rules, and bring law and usage in Kashmir into line and harmony with those in the rest of India? It is reasonable to ask how the Prime Minister (who more than any other Minister has been in charge of Kashmir affairs) can escape responsibility for this state of things in the relation between this and the other States in the Union of India.

Or is it the case that the fact of integration within India is trotted out only to resist the claims of Pakistan, while Indian authorities have actually acquiesced in a status of autonomy for Kashmir vis-a-vis the rest of India? Are we having an exhibition of a **double standard** here again in our dealings with Kashmir as with international communism?

It is time that the real position on this matter was cleared up by means of a White Paper. Democracy does not mean merely popular acquiescence in official conduct, but in an intelligent rapport between authority and people, based on an understanding of the facts and policies relating to important issues.

## KASHMIR'S AUTONOMY

The autonomous status of Kashmir comes out glaringly in a number of points in the special constitution passed by the Kashmir constituent assembly and approved by India.

(a) **Election to the Indian Parliament:** While Indian members are elected from their constituencies to Lok Sabha directly, the representatives of Kashmir are elected indirectly from the Kashmir Assembly. This removes the Kashmiri voter one step from the Lok Sabha. He does not elect his own representatives directly to the Lok Sabha. And since the Kashmir

Assembly is dominated by the majority party in it—now the National Conference—in effect it is the National Conference leaders who select Kashmir's representatives in Lok Sabha. Thus the sovereignty of the Kashmiris is mediated by their National Conference leaders, who have thus greater powers than Nehru and Pant etc. vis-a-vis membership of Lok Sabha.

This is not integration in any intelligible sense. It keeps the door open to full separation, in the fullness of time, or when the Kashmiri leaders decide on the matter. Thus the population of Kashmir is not homogeneously one with that of the rest of India in an indivisible constitutional unity. It is a separate body, whose rights and duties are determined more by Kashmiri leaders than by all-India leadership! This was Sheikh Abdullah's deal with India's Prime Minister and it remains substantially the same even to day.

(b) **Law and Constitution:** The case is similar in law and constitution. The Kashmir constitution lays it down that the Kashmir High Court is subordinate to the Indian Supreme Court. But another clause says that the Supreme Court can take notice of any dispute only on the recommendation of the Kashmir Court:

(c) **Election Commission:** The Indian Election Commission has no jurisdiction over elections in Kashmir! Kashmir has its own election office appointed by its own government.

(d) **Double Standard:** Indians cannot acquire Kashmiri citizenship and acquire land and other property in Kashmir. But Kashmiris can emigrate to India and enjoy all the privileges of Indian citizenship! Kashmir's representatives in the Delhi Parliament take part in making laws for India as a whole but Indians from other parts cannot take part in Kashmir's legislation. This is not integral relationship by any means.

## DANGEROUS COMPLACENCY

Indians have to consider and decide how much of this anomalous relationship is justified by the actual facts of the situation, and how much is due to the soft corner that the Prime Minister has in his heart for Kashmir, both because of his origin as a Kashmiri himself, and because of the State enjoying a Muslim majority in population. Kashmir has been the subject of dispute with Pakistan from the day of partition and even before. And it is a border province touching communist countries, Russia and China through Tibet and Turkestan. Islam and communism are the two extra-territorial forces holding sway over considerable elements in our population on whom we have to keep a watchful eye. Granting that Indian Muslims have been assimilated into the body of citizenship, it is the part of wisdom to exercise vigilance regarding Pakistan and communism and their influence

on elements within the country. Autonomy for Kashmir, such as it has been enjoying, places all the greater responsibility on Indian and Kashmir authorities to resist Pakistani and communist infiltration in the border State.

#### Split in the Kashmiri Cabinet

From this point of view, the resignation of Mr. Sadiq and his colleagues from Mr. Bakshi's cabinet needs close study. The pilgrimage of reconciliation, made by Mr. V. K. Krishna Menon and Mr. Sahay of the External Affairs Ministry to Kashmir, seems to have failed. Mr. Sadiq and Mr. Bakshi Gulam Mohammad have come out with long statements of charges and answers. The gravamen of the charge against Mr. Bakshi, made by his erstwhile colleagues, is that he was authoritarian and dictatorial and undemocratic, and that he was too complacent regarding corruption in the administration. But if this is true, the critics share in the responsibility as much as the Chief Minister, for they were members of the Cabinet all along for years and could have purified the administration from the inside. Moreover they remained inside the Party and Cabinet during election. What has happened in these recent months to make them stand aside and confront Mr. Bakshi as an outside group? It is clear that there is more here than is apparent in the charges and counter-charges published in the press.

Mr. Sadiq and his group deny being card-holding members of the Communist Party. But it is known that their policies are indistinguishable from those of any regular communist party. It is known that they have been building up their own following in the party and the administration. How far this group was aligned with Pakistan and how far with Moscow through the CPI (or independently) has been difficult to ascertain.

#### The Poser of Kashmir—Nationalism or Communism?

Indeed there has been a sort of iron curtain hiding Kashmiri affairs from the rest of India. Attempts on the part of the PSP and the Praja Parishad to build up influence in the Kashmir Valley have been rudely and brutally resisted so far. It may be recalled, that in spite of the initial opposition of Sheikh Abdullah to Pakistan, it was Pakistan that was rudely shocked and created a furore, when he was arrested and removed from Premiership. The Sadiq group joined Bakshi in putting Sheikh Abdullah behind the bars, when it became clear that he was leading Kashmir beyond their grasp. As Muslims, the Sadiq group is favourably inclined to Pakistan, which is borne out by their agreeing to operate with the Kashmir Plebiscite Front! As communists or pro-communists, they are opposed to Pakistani leadership, in so far as Pakistan is anti-communist as a member of the Baghdad Pact. These are the wheels within wheels. It may be their design to win Kashmir to Pakistan on condition that Pakistan gives up her anti-communist alignment with the USA! For this purpose, it is essential that Kashmir should remain as separate as possible from the rest of India in an autonomous status.

Now Bakshi Saheb seems to be committed to full merger with India. This seems to be the irreconcilable difference between Sadiq and Bakshi. This poses a difficult problem to Indian statesmanship. Shall we, as Indian nationalists, back Bakshi whole-heartedly and merge Kashmir into India completely, or shall we, in accordance with our "socialist pattern" favour Sadiq and his backers? Nationalism or communism? This is the alternative posed by the split in Kashmir. It is to be hoped that nationalism will carry the day, bringing about a speedy merger of Kashmir with the rest of India in all ways.

#### Rs. 47 Crores for Kashmir

It was elicited in Parliament that India has so far given Rs. 47 crores to Kashmir for her economic development, of which some Rs. 20 crores are in the shape of returnable loans. It may be felt that it is right and proper for the Central Government to advance money for the development of the States of the Union. But the case of Kashmir is different, for she is not perfectly integrated with the rest of the country. Kashmir does not pay any taxes to the Centre, while she is drawing heavy sums by way of grants. Kashmir is living on India as something of a parasite. This may be a bribe for loyalty and accession but cannot be regarded as normal until integration is complete and the State assumes the status of other States of the Union in all respects. In view of the special privileged position of Kashmir, it is but right that Parliament should insist on a special review of the Centre's financial deals with the State. At present Bakshi and his colleagues have scores of crores of Rupees to play with only nominal responsibility for its expenditure. This is not a healthy state of affairs.

This money is different from the extra expenditure that India incurs on account of the Defence establishment on a war footing. It was estimated some years back that India had spent upwards of Rs 200 crores in military expenditure in Kashmir and yet, we have not been able to prevent border raids from Pakistan into Jammu and into East Punjab all these years.

#### Marshal Zhukov's Visit

What is the significance of Marshal Zhukov's visit to India last November? And why was it considered necessary to send General Thimmayya and his colleagues to Russia on a delegation? Has it anything to do with Mr. Krishna Menon's complaint that the Western Powers are not supplying our armament requirements promptly though we are prepared to pay for them? What is the politics of all this? Are we preparing to take Russian military aid like Egypt and Syria while we have rejected the Eisenhower Doctrine? Is this to counter the Pakistani threat? And is there no other way?

To counter the Pakistani threat in the Baghdad Pact, are Russians preparing to let in Russian Turkestan hordes into Gilgit? The Government have a duty to the people and should take them into confidence in this grave matter.

(Continued on page 6)

# Liberty And Limited Government

By M. A. Venkata Rao

**S**RI C. Rajagopalachari is becoming more and more explicit in his utterance on current public affairs, particularly on the governance of the country, and more forthright in his criticism of it. It is intriguing why he did not exert his influence, while in office, to check the adoption of the wrong policies he now castigates. He has stated clearly, in a recent address in Madras, that "although there is to-day abundant material for a powerful opposition, hypnotic fear and the pressure of individual interests operate to prevent the gathering together of the forces." He places his finger on the crucial point when he goes on to say: "Day-to-day life cannot be carried on without appeal for favours of all kinds from the government in power, and any effort in the direction of forming an Opposition party must involve sacrifice and considerable risk on the part of those who would make such a venture. . . men of experience are inclined to political caution in the personal sense."

(Vide 'Swarajya 17 August 1957)

## Unscientific Definition

This was the experience of all Opposition candidates during the last General Elections. What then is the remedy? Sri. C. Rajagopalachari is right in calling for a Rightist conservative party to form the Opposition so necessary for the balanced working of democracy. He gives a working definition of Leftism so as to clarify what he means by Rightist. But this definition is unscientific, and does not indicate the essence of Leftism. "The Left," he says "consists of people who demand changes in order to bring about a speedy advance in the welfare of the people, and more, even distribution of it among all sections". Welfare and equality to be brought about by State action is no doubt an essential part of Leftism but they are its outward marks, not its differentia. The real differentia of Leftism is the absorption of all economic power by the State (which is the repository of political power) through the nationalisation or centralisation of all capital or means of production. Socialism and communism of the Marxist kind (which is the only kind dominant today in the world) creating the basic problems of the cold war in international relations, and loss or attrition of liberty in internal affairs, even in professedly democratic states, are committed to the socialisation of capital. Such socialisation removes the economic basis of democracy. The hope and faith of social democrats, that liberty or democracy can be safe under a socialist regime, are short-sighted and contrary to human psychology. When all means of livelihood come to depend on the governing group, no man can, as C. R. points out, form an opposition and express himself boldly. "the Centre becomes an agency for dealing with every tankbund, school, hospital and social service club."

## Kautilya Has Foreseen This

It is this omnipresence of Government and its dominant influence in all spheres of social and individual life that are responsible for many evils, the least of which is corruption in government service. As it is said in Kautilya's Arthashastra, it is impossible to prevent the fish in the water from drinking some water. It is impossible to prevent corruption among the servants of government if the whole of life and its myriad occupations are controlled by them.

Hence even if a conservative Rightist party comes into existence to oppose the ruling party, and to confront it with an alternative group, able to form a government with the suffrages of the people, there will be but little relief to the people from the all-pervasive pressure of government, if the new party does not give up the principle of the omni-competence of government i.e. its right to control all aspects of life, even if it respects private property and goes slow on industrialisation.

## The Remedy is Limited Government

The real remedy for this state of affairs is to revise our idea of the scope and function of government. We should give up the present fashionable notion of the omni-competence of government i.e. its right to enter into all spheres of life, all interests and occupations and to seek to control every transaction between man and man, economic or cultural. We should popularise once more the old theory of government that confined its essential functions to defence from external danger, to foreign affairs, internal law and order, justice between man and man and a few additional powers like posts, telegraph and wireless communications. Even railways need not be the monopoly of government. The management of currency may be conceded to government, though much of the troubles of modern economy stem from such control, and the influence of central banking under State control on industry and commerce. If government confines itself to such basic and limited functions, the rest of social life and economic affairs will be left to partnerships, jointstock companies and co-operative associations or individual's operating singly, and taking full responsibility and risk for their undertakings. Corruption will then be substantially reduced. The area of corruption will shrink and competition and the choice of the consumer will bring about the production of goods at economic rates. Any losses that may ensue would be borne by individuals. The idea of limited government is, therefore, basic to liberty and democracy.

Any new party, that seeks to develop into an effective opposition, should clarify to itself and its propagandists the fundamental elements of free economy

and free society. Free society is only possible on the basis of free economy. Free economy implies limited government by definition.

#### The Blunder of Modern Times

The current identification of welfare and Leftism (socialism and communism) is a blunder unless we restrict the meaning of welfare to government-sponsored welfare. That the relief of suffering, the provision of social security, of education and amusement and radio service as integral parts of welfare can only be made available through government taxation, and monopoly administration is a basic blunder of modern times, a crucial mistake made by Leftism, and swallowed unthinkingly by people of all shades of opinion. Government welfare creates more problems than it solves. It absorbs too great a proportion of funds on administration, for socialism breeds a phenomenal proliferation of bureaucracy. Employment Exchanges serve more to provide jobs to favoured members of the bureaucracy in its own staff than to find employment for the unemployed. Government welfare deprives private philanthropy and private initiative of a field for exercise, a field for voluntary effort. Charity will become mechanised and soul-less. Also, the proverbial expensiveness of socialist government leaves but little margin in the hands of private citizens

as a consequence of high taxation, and policies of levelling down through wealth and expenditure taxes and estate or death duties. Individuals will be encouraged to become callous and to direct all needy persons to the Leviathan for relief, as they will have too little of a margin for making gifts.

#### Free Economy Is NOT "Laissez Faire" Economy

It is a mistake to think that free economy involves laissez faire and a free field for capital. Freedom entails equality in the exercise of freedom, for it is subject to the limitation that it should not impinge deleteriously on the equal freedom of others. It involves fair competition and the prevention of monopoly. In land, it implies free access to all on the basis of use, without the right to alienate. In banking, it calls for advance to investors without usury or interest, at cost against good security. It means also a system of free or automatic adjustment between the changing needs of the economy for funds and the provision of currency. Free economy is an alternative system, which provides a better economy in all respects while safeguarding liberty and democracy. To popularise its principles is the best form of constructive service that thinkers and publicists can render at this time of world crisis.

(Continued from page 4)

#### Defence Expenditure

There was criticism of the addition of Rs 50 crores to defence expenditure out of the new taxation realisations this year imposed in the recent budget session. But there was also approval of it on the part of elder publicists like Pandit Kunzru who even wanted Indian forces to be equipped with atomic weapons to match those of the Pakistani army.

A well-known publicist has taken the line for some years now that India need only spend a little more on the army than Pakistan, for it is the only State that is likely to attack us. He suggests that since Pakistan spends Rs. 100 crores out of her own sources, it is enough if India spends Rs 120 crores.

This suggestion is dangerously defective, for the defence requirements of a vast country like ours with a long coast on three sides and possible invaders on the north-west, north and north-east are vaster by many times those of Pakistan. Pakistan, Russia and China are all aggressive nations. The Red nations are militarily Great Powers and Pakistan is armed by the remaining third Great Power. India needs therefore far more armed forces than ever before, for she can no longer count on the British Navy and Air Force. She needs also a fairly large submarine fleet. The situation is not of our making and since we cannot stand alone in case of attack with any hope of success, it is imperative that we change our foreign policy and seek freedom-loving allies.

From this point of view, the statements made by our Defence Minister at Bangalore on the 20th August (Deccan Herald 21 August) are disturbing. He is reported to have reiterated India's repugnance to pacts and allies and military agreements. If Pakistan's pacts are repugnant to us, surely the remedy is not to develop an ostrich-like pathological antagonism

to alliance as such but to enter into counter pacts in self-defence. Meanwhile no one objects to efforts being made to strengthen the forces making for world peace. The two are not mutually contrary. The second statement of Mr. Menon is even more disturbing. He said that we are spending much less than Pakistan on Defence! This takes our breath away. How any responsible Minister can make such a statement and how the Government could have complacently allowed such a situation to develop in the face of the uninterrupted threat from Pakistan passes our understanding. This is what critics of our persuasion have in view when they say that the present rulers in supreme power in the country are deficient in national patriotism. There is no time to lose. The general public should awake and get the Government to remedy the grave lack in our defence potential thus casually revealed.

#### MOTTO FOR INDIAN LIBERTARIAN

THE ownership of land is the great fundamental fact that ultimately determines the social, the political, and consequently the intellectual and moral condition of the people. And it must be so. For land is the habitation of man, the storehouse upon which his labour must be applied for the supply of which he must draw for all his needs, the material to all his desires: for even the products of the sea cannot be taken, the light of the sun enjoyed, or any of the forces of nature utilised, without the use of land or its products. On the land we are born, from it we live, to it we return again—children of the soil as truly as is the blade of grass or the flowers of the field. Take away from man all that belongs to land, and he is but a disembodied spirit.

—Henry George in "Progress and Poverty."

# Congress Capitulates To Communism

By J. K. Dhairyawan

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**I**NDIA today is passing through a period of confusion of thought amongst the Congress leadership that is at the helm of affairs of the nation. From non-violent Gandhism to the praise of the violent and armed insurrection of 1857, from Gandhi's Sarvodaya to Socialism and from Socialism to Marxism and Communism are some of the high and abrupt jumps that the Congress leadership has taken during the last ten years of Independence. And the latest certificate, officially given by the President of the Republic to the Communist regime in Kerala, puts the final approval of the Congress leadership on international communism. If it is so, the question that arises amongst the intelligent is why does not the Congress officially come in the open as a purely communist organisation, without any mental inhibitions and reservations, and NOT CONFUSE the unwary and the ignorant electorate? This certificate to the communist regime at Trivandrum by Dr. Rajendra Prasad, one of the elder Gandhian statesmen, either shows the amount of colossal ignorance shared by the Gandhians, regarding the international role of communism, or betrays how towering and all-absorbing has been the influence of our Prime Minister on the tallest of the Old Gandhian Guards. By meekly accepting the lead of the Prime Minister and coolly succumbing to his influence, these Gandhian leaders are NOT ONLY BETRAYING THEIR DEAD LEADER BUT THEY ARE BEING FALSE TO THE INDIAN CONSTITUTION which was certainly drafted for a sovereign, free and democratic Republic. There was NO MENTION in the Constitution of socialism or Marxism. The forced marches towards socialism and communism that are undertaken by the Prime Minister are definitely contrary to the spirit and letter of the Indian Constitution, and strictly speaking, ultra vires of the Constitution. But in an illiterate democracy that we have, the Prime Minister could well afford to ride roughshod over the Constitution, backed as he is by a Parliament of white-capped and nodding heads. If the President of the Republic could officially and openly praise the communist regime of Kerala, one wonders where is the need of a separate Congress organisation, with its stress on the outdated khaddar, the sermons of non-violence, the symbolical spinning demonstrations on Gandhi Jayanti days, and all the other fads and fancies of Gandhi?

## Red Infiltration Under Democratic Facade

In a truly democratic set-up the role of the President of the Republic is to give vent to the democratic sentiments, as the official spokesman on ceremonial and festive occasions. But since the Congress Government have no definite democratic policy or rather since the Nehru Government has accepted the crypto-communist programme, it is no wonder that the

President should unconsciously or ignorantly come out as the official patron of the communist regime in Kerala. This is an exhibition of communist trends in the official ranks of the country which should make the thinking and the intelligent men pause and consider how far and advanced has been the march of communist infiltration in the country.

## Perverted Secularism

This journal has been one of the very few organs of public opinion that have been pointing out the dangerous trends of the Nehru Government in their attempts to foist the "socialist pattern" of society from Avadi to the socialist programme at Indore, solely on his own responsibility, and without any democratic basis for the same. Communism, or the international doctrine of communism, as preached from their Mecca of Moscow, and as understood by ALL thinking men all over the world, is NOT JUST a simple-looking political philosophy BUT A TOTALITARIAN RELIGION OF MATERIALISM, as cruel and relentless as any of the Semitic religions that were and are STILL responsible for so much bloodshed and antagonism in the world. If Mr. Nehru imagines that he can have an Indian version or a Gandhian brand of communism in the country, he is very much mistaken. There CAN NEVER BE A NATIONAL FORM OF COMMUNISM. And even the beginnings of communism in very quick time bring in all the hardships and privations associated with any planned economy as the 40 years of communism in Russia has shown, and as in the very beginning of the second Five Year Plan India is experiencing. ALL these drawbacks are no more hidden BUT ARE THERE FOR INTELLIGENT MEN TO SEE. But the misfortune of the country is that we have a doctrinaire Prime Minister and an ignorant and gullible populace, with no towering personality amongst the elder Gandhian leaders to challenge and question the actions and wisdom of the Prime Minister's perverted secularism.

Any informed and intelligent criticism of the actions of the Prime Minister have been dubbed by him as either "reactionary" or "communal"—two of the bugbears of the ignorant khadi-clad Congressmen, forgetting the fact that Congress "secularism" has sustained and encouraged communalism on the part of the minority communities. The latest example is the concession shown to the Roman Catholic community in Kerala over the Education Bill. If the Kerala Education Bill is communist or totalitarian in nature, it has to be rejected on that ground ALONE, and the intelligent opinion in the country, will stand by the action of the Central Government. BUT the official reason given for "watering" down the clauses of the Bill are, we are told, a concession to the susceptibilities of the Roman Catholic Church—another

reactionary and totalitarian institution of an international character—AND NOT FOR ENLIGHTENED REASON that the Bill destroys the foundation of the educational autonomy enjoyed by the private schools and educational institutions. Here we have the latest example of Nehrvian "secularism" in action. Secularism under the Nehrvian dispensation is a surrender to the anti-national and reactionary tendencies and susceptibilities of the minority communities, whether they be Muslims, the Christians, the Sikhs or even the neo-Buddhists. This "secularism" is today a disruptive force in the body politic of the country. And the paradox of the situation is that the 80 per cent Hindu population that wants to fight the anti-national and reactionary tendencies of these minorities are dubbed by the Nehru Government as "communal".

Turning to the latest statement of the President at Trivandrum that the existence of a communist government in one of the States of the Indian Union was a standing example of "co-existence", one does not really know whether to attribute it to complacency or ignorance on the part of the Gandhian President. If it is complacency, it is shocking in the extreme and dangerous to the safety and integrity of the nation. If it is ignorance, it is a misfortune that such a person should be the head of the nation.

#### Some Pertinent Questions

Are the intelligent Indians to understand that our President is so ignorant of the workings of international communism, of the totalitarian trends inherent in any communist regime, the communist tactics of infiltration under the cloak of democracy, the communist expansion in Eastern European countries, after World War II, where liberal democratic regimes were honey-combed with Red ministers, who at the right time liquidated the democratic regimes without any compunction or pity? Are the intelligent Indians to understand that our President is completely ignorant of the tactics that were used by international communism to suppress ruthlessly the revolt of the Hungarian people? Coming nearer home, are intelligent Indians to understand that our President is unaware of the activities of the Indian communists in Telengana, where they intended to establish an Yenan in the country, and where armed insurrection was started against his own Government? Surely this cannot be. Is it a case of the President being His Master's Voice of the Prime Minister, whose communist leanings and Red flirtations are there for any one to see? Has Gandhian philosophy been so thin-skinned that the blasts of communist winds sweeping over the country have caught the President in their grip?

One expected a man of the calibre of Dr. Rajendra Prasad to be well informed, and at least, not given to flattery or praise of the communist regime. If the President had cared to think a bit on the "miracle" of the communists coming to power in Kerala he would have cause for regret and not rejoicing at the victory of the communists. The blame squarely lies on the former Congress and the PSP regimes in Kerala which could not give a clean and stable administration to the State. Taking advantage of this

state of affairs the communists have promised a clean government to begin with, and use the democratic setup of the Indian constitution to blow up, both the Government and democratic institutions. They are only biding their time. That is the plain meaning of the communist "victory" in Kerala.

"Have we", asked the President pointing at Kerala, "not got on the smallest scale an actual working of an example of co-existence?" Well, the intelligent men in the country would certainly like to ask the President, "HAVE WE?" If so, what about the report submitted by the Congress General Secretary on the state of lawlessness and communist infiltration in the administration? Is one to take the President at his word or the Congress General Secretary? Both cannot be right. If the President is honest about his praise of the communist regime in Kerala then the Congress Secretary report is false and untrue. The fact of the matter is that the Congress has no political ideology left, and the practice of the personality cult of Nehru has so corroded the mental mechanism of the average Congressman that he accepts communism, lock, stock and barrel, as he swears by Gandhism.

If Mr. Nehru and Dr. Rajendra Prasad are turning their Nelson's eye to the real import and connotation of international communism, it is the greatest disservice that they are doing to India and democracy. If the President is to be taken at his word then it is an open invitation for the communists in other parts of the country, specially Bengal, Maharashtra, Andhra and other States to follow in the footsteps of Kerala and paint the whole of the country Red.

Whatever the delusion of the Gandhian Congressmen may be about communism, India as a whole, and specially the more thoughtful and intelligent men, certainly do not want that the country should fall a prey to international communism, the more so when the bitter experiences of Soviet Russia are NOW an OPEN BOOK. It is not only the "imperialist" critics of communism that are finding fault with the practice and preachings of communism. But even former communists like Djilas, Gomulka and a host of others. In the face of this rethinking of Marxism or communism, it is one of the national tragedies that the Congress leaders in the country should be lulled by the siren calls of the agents of Moscow, both abroad and in the country. Leaders like Mr. Nehru and Dr. Rajendra Prasad should know, that despite the attempts of Tito to tame communism into nationalism, he has failed and that communism and nationalism are incompatible. That is as clear as daylight. The sooner the Congress leaders abuse their mind of this delusion the better for the country.

If they do not do so, then it is time for the country to organise a party of the "Right" that will stand squarely for nationalism and national growth, free from the deceptions and delusions of communism or marxism. In any case, the performance of our President at Trivandrum should come as a rude shock to the intelligentsia of the country. It should open the eyes of the Indian public to the corroding influence of flirting with communist countries and communist international leaders. To those in the know of inter-

*(Continued on page 9)*

# THE CHALLENGE OF NEPAL

By K. D. Valicha

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THE most significant factor in the strategic situation affecting India is the rise of K. I. Singh in Nepal. Also of significance is the fact that Nehru has been unusually silent over this change in the strategic set-up. If there is a fault that Nehru is given to, it is that he blabs on practically every topic he can lay his tongue on. He talks on communism, industrialism, emotional integration, linguism, casteism, all isms, in fact. His silence on Nepal is a little difficult to digest.

It is obvious that K. I. Singh will try to merge Nepal with China, that K. I. Singh is a hard-boiled communist who will probably operate through Kerala, that the cordon ring of communism is tightening around India and now it is only a matter of time before India goes communist. Nehru cannot be unaware of this and his silence, to put it mildly, is peculiar.

K. I. Singh has extended his hand of friendship to India. The communists always do that. It is a point of technique and infiltration. The communist has one goal and that is a world communist empire. How he gets there and what methods he uses to get there do not bother him.

## Why This Silence?

K. I. Singh is a communist and that fact alone is enough to spell all his moves. Are we to be taken in? We do not know. Our Prime Minister has told us nothing. He has chosen to exercise his most powerful weapon—silence. Will his weapon work?

We doubt that very much. The communist is no fool and to think otherwise is the first step towards the way of Latvia, Lithuania, Estonia, Czechoslovakia, Poland, Hungary, China, northern Vietnam, Tibet, Nepal, Kerala, the Kuriles, Port Arthur, etc. Can Nehru meet the challenge cast by Nepal?

Without going into the moral presuppositions of his method, it behoves us to point out—a thing we have been doing the last ten years and have naturally become specialists in the line (which incidentally shows how thick-skinned a man can be)—our extreme doubts as to the effectiveness of Nehru's weapon of silence in the present situation. K. I. Singh knows his mind and is certainly not going to falter just because Nehru chooses to remain silent.

If communism was going to be held back by a nihilistic refusal to speak, then is it not legitimate to

*(Continued from page 8)*

national affairs, and the way the countries of Eastern Europe went under the communist yoke, the Red "gentlemen" of Kerala are playing their destined role. The Kerala communists have entered democratic institutions to destroy democracy and NOT TO ADVANCE IT. Perhaps a leopard may change his spots BUT a communist will NEVER CHANGE his convictions.

suppose that America, instead of arming herself, need only elect a dozen dumb statesmen and prepare herself for a quick communist occultation, leaving probably not a rack behind. Nehru, with whom rests the patent of this super-duper method of effective inaction, in such a case, would be the greatest statesman alive.

## Ignoring Unpleasant Facts

Probably Nehru owes his inspiration to Buddha who used to draw the veil when discussions centred round the subject of God or ultimate Reality. Nehru himself is a Buddhist and his syllable-less talk, which, by the way, does not bamboozle anybody, can be traced to his genuflexion to Buddhism.

But perhaps his method is not silence. In that case, we can only presume that he has selected to ignore the problem of Nepal. But is that not worse? That has precisely been the trouble with our foreign policy.

We have chosen to ignore the clear lesson of Hungary, the meaning behind the various communist moves, the refugee influx of East Pakistan which has become a major problem with the West Bengal Government, the true motives of V. K. Krishna Menon, the significance of Kerala which can spell the death-trap for India; we have chosen to ignore all these and the fateful results are all too clear—economic and political crisis.

How long can Nehru ignore the challenge that is so succinctly framed by Nepal under K. I. Singh? Or how long does he intend to maintain silence over this latest development which, on the most preliminary examination, clearly marks for-reaching repercussions? The Indian public should like to know for the Indian public is concerned right up to its neck.

Nehru must realize that Singh's rise in Nepal, when coupled with the Red regime in Kerala, assumes a very serious threat. Recently the Indian President voiced a very peculiar opinion. He said that Kerala was an instance of peaceful co-existence between communism and democracy. Here is a certificate for evil by the highest leader of the nation who seems to have deserted all the teachings of the Mahatma in his blank impotence. Communism by its very nature is anti-democratic; it does not believe in the democratic method; it cares two hoots for the Indian constitution or, for that matter, the constitution of any free country; it is going to subvert it the moment it thinks will be good enough. Kerala communism has not decided—but that does not mean that it is not again to. Let the Indian President examine his facts again for he has them all twisted. He seems to mouth what Nehru thinks. That is precisely the tragedy of Indian politics; all leaders have pawned their brains to a single one-man brain trust. And that is NOT DEMOCRACY.

# Our Foreign Policy Under Fire

By A. D. Gorwalla

**M**R. A. D. Gorwalla said that India's foreign policy has failed to serve national interests and the result was that India was friendless.

Mr. Gorwalla who was addressing a meeting organised by the Indian Council of World Affairs, Delhi, on India's Foreign Policy, said that there was need for complete rethinking so far as the foreign policy was concerned.

Mr. Gorwalla said that in the present circumstances a policy of non-involvement was necessary for a country like India. "But non-involvement means non-involvement," he added. It did not mean the country should close its eyes to the faults of one bloc and magnify those of the other.

## Strained Relationship

It was in the interest of India's development to have most cordial relations with the USA. But at present the relationship was "most strained, to put it at the mildest."

By and large, Americans saw India "in the image of Krishna Menon."

The general impression about Mr. Krishna Menon in America was that of "a strong partisan of the Soviet cause and one who cannot be trusted." Nor would it seem that this assumption was unmerited, Mr. Gorwalla said.

Mr. Gorwalla conceded that India's mediation efforts had been helpful in relieving tensions, but he cautioned the audience not to think that it was anything more than "conversational assistance."

Among other achievements of India's foreign policy was that it had made international communism respectable. And it was India that was now to dread the consequences, because foreign policy always reacted on domestic policy. If the Government of India thought that it had destroyed the influence of Communists in India by getting good chits from Soviet Leaders, it was wrong. It had "brought the disaster to itself, "which was illustrated in the recent elections results in Kerala."

A woman questioner asked Mr. Gorwalla whether while criticising Mr. Krishna Menon did he ask Americans why they sent Mr. Dulles around the world. Mr. Gorwalla replied: "Let us not forget that Mr. Dulles is a tactless man which is very different from what people are saying about Mr. Krishna Menon—that he is a double-dealing man."

Analysing the various aspects of India's foreign policy, Mr. Gorwalla said that it is in the case of Goa, the national interests lay in incorporating it into the country. The foreign policy had failed to achieve the result.

In Ceylon, India's interest lay in ensuring that people of Indian origin were treated as fullfledged citizens of that country. But that had not been achieved.

As regards Pakistan, the Government of that country was no doubt most "exasperating", and a great deal of the fault of that lay with it and "also with us." India's interests lay in having the most friendly relations with Pakistan.

There was a great diversity between the two wings of Pakistan and wise statesmanship should have established "some common ground for conciliation with East Pakistan" which was more akin to West Bengal than to West Pakistan.

In regard to Tibet, Mr. Gorwalla said it would have been in India's interest if Tibet would have been maintained as an independent State. When the Chinese marched into Tibet, Mr. Nehru said that the Chinese wanted "to liberate" them but he did not know from whom. In Nepal he was told no foreigner was more hated than an Indian. "Daily the Chinese influence grows and the Indian influence diminishes in Nepal, Mr. Gorwalla said. That is the sum total of the achievements of our foreign policy.

## U.S. AND SOVIET AID TO INDIA

Mr. A. M. Tayabji, in a letter to the "Times of India" writes as follows:

In a recent correspondence in your paper the question of American monetary aid to India and of potential Russian aid has been discussed. I am unaware of any Russian aid but about a year ago I was supplied the following data at my own request by the United States Information Service. I give below U.S. aid to India from August 15, 1947 till the end of 1955.

1. Technical assistance and economic aid programme through June 30, 1955.	\$ 267,909,000
2. Wheat loan of 1951-52.	\$ 190,000,000
3. Milo (grain) assistance in 1950-51.	\$ 12,000,000
4. Food relief aid.	\$ 4,435,000
5. Fullbright and Smith Mundt grants.	\$ 2,303,000
6. Ocean freight assistance (voluntary agencies)	\$ 1,287,000

Total items 1-6 \$ 477,934,000

This total may be divided into grants and loans as follows:

Grants	\$ 242,934,000
Loans	\$ 235,000,000

The above figures do not include (a) \$ 24,289,000 in grants and contributions from the Ford Foundation, Rockefeller Foundation, American Red Cross, and other United States private voluntary agencies, or (b) proportional contribution of the United States to assistance granted India by International agencies, varying from 60 per cent to 25 per cent of the individual agency's total contributions:

Assistance from private United States organisations:

7. American voluntary agencies aid under Indo-American agreement.	\$ 28,719,000
8. Ford Foundation grants.	\$ 14,490,000
9. Rockefeller grants.	\$ 5,000,000
10. American Red Cross Contributions.	\$ 80,000

Total items 7-10 \$ 48,289,000

Total items 1-10 \$ 526,223,000

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# DR. MAHALANOBIS AND THE PLAN

By M. A. Venkata Rao

THAT a student of science in one particular branch like physics is not necessarily scientific in all other subjects he tackles, was well illustrated by Dr. Mahalanobis when he spoke at the Gokhale Institute of Public Affairs (Bangalore) on 31st July. Karl Marx himself is a typical instance of mistaken scientism. Dr. Mahalanobis is a physicist practicing statistics. He has often confessed he is not an economist! Yet he has been the author of the Plan-frame of the Second Five Year Plan. Dr. Mahalanobis, therefore, contains in himself in miniature all the well known fallacies which Marxism in general is heir to.

Economics as a science cannot dictate to a people what ideology they should adopt. It is a misfortune of our times that the public and the politician tolerating the economist even where it is out of bounds for him. The citizen and statesman have a right to determine where and when the specialised knowledge of the economist is to be brought to service. Decisions like the pace of industrialisation for instance, cannot be thrust upon the citizen and statesman by the economist. It is not the business of the economist to arbitrarily declare one class 'superior' to others, either. Of, course, Dr. Mahalanobis as a citizen has a right to make recommendations and give explanations. But that should not carry weight as economic authority.

The economist, if he is true to his science, can make a comparative study of economic institutions under private and public sector and express them in terms of input-output ratio and leave it at that. It is for the citizen and statesman to make his choice.

### A GOOD STATISTICIAN BUT A BAD ECONOMIST

To be scientific, each science has to be applied within the limits of its validity. A good statistician can be a very bad economist. Dr. Mahalanobis is a good illustration. There are three kinds of lies—lies, damned lies and statistics! Of course 'figures don't don't lie', but liars do figure. In other words, the lie or falsehood may be due to assumptions and values not made explicit by the statistician or even unknown to himself. The statistician is apt to forget that human beings are not just figures on the graphs.

The cool indifference with which the public outcries against the Plan have so far been received reinforce our suspicion that Dr. Mahalanobis and his admirers are not above this fallacy.

This was the most characteristic feature of Dr.

Mahalanobis' lecture at the Gokhale Institute. He ignored the hardships imposed by the Plan and confined himself to showing that the difficulty of foreign exchange would be only temporary. He said the difficulty of foreign exchange would vanish as soon as the machinery imports, which are its cause, begin to go into production. The new steel and cement and machine making machinery will save us the trouble of finding foreign exchange later on. We shall then need to import less machinery and become self-sufficient in heavy Industry. But he said nothing to alleviate the present hardships caused by cut in imports and the like. He said nothing about the new taxes amounting to Rs. 180 crores in the last eighteen months. And what about the high probability of the present rate of inflation continuing. His statistics can survive these ordeals but not human beings.

### JUGGLING WITH FIGURES

The statistician's error was aptly illustrated by the Finance Minister when he computed the incidence of high prices flowing from the new taxes at 2% in rural areas and 1½% in urban areas! The Finance Minister is supported by — Dr. Mahalanobis in offering this statistical balm to the long suffering and ignorant public. He asked in all simplicity why the people cannot stand expenditures of an additional Rs. 2/- per month per head for the sake of the nation and its future prosperity. As he reminded the audience, the total investment in both the sectors, public and private, envisaged in the Plan in Rs. 7,200/- crores. How this figure works out to two rupees per head on a population of 36 crores is a mystery. Further, he himself admitted in answering a question, that the large majority of our people earn less than Rs. 100 per month, the average standing near Rs. 15/- per month. To say that such people can stand an additional expenditure of Rs. 2 per month, is a grim example of the statistician's fallacy. The figures remain calm but the people's condition is revolting. Dr. Mahalanobis should try his hand at tackling the Post and Telegraphs strikers, the victims of docile statistics!

Another striking feature of Dr. Mahalanobis' talk was the dogmatic firmness with which he held to his Plan even after county-wide dis-approval and exposure of — technical shortcomings. He knavely re-asserted the socialist objectives and ignored the possibility that Marxian Socialism is not the only way! He did not show any awareness of the fact that Marx-

ism necessarily leads to totalitarianism sooner or later. He might be aware of them as possibilities or illusions of the free-enterprisers. But neither two years ago nor yesterday did he give any value to them as a matter of practical politics.

#### A MERE ASSUMPTION NOT A FACT

The examples of Japan and West Germany achieving a marvellous come-back with full employment and a high level of prosperity were lost on the learned savant. He mentioned the policy of nationalisation incidentally as a necessary adjunct of socialism and pointed to the Plan statement and the new Industrial Policy announcement in 1956 and justified in their light the increased scope given to the public sector in the second Plan policies. Rather he assumed their justification.

But this precisely is the point for debate, for any scientific approach. That equality of opportunity can be achieved only through nationalisation is an unproven assumption. The assumption is unscientific because it is not made explicit and examined in the light of history, analysis, and verification of hypothesis and the correlation of evidence from all the fields experience involved economic, — psychological, ethical, social and political.

Karl Marx saw that capitalism in his time was accompanied by certain social injustices which he promptly attributed to the system of private enterprise as such and not to the failure of the State to control the capitalist class. The sovereignty of the capitalist class may be bad, even as the sovereignty of the political class is bad (and worse). But this does not mean that the subordinate functioning of the class if is unnecessary can be dispensed with. In an advanced society differentiation of functions is indispensable. Socialism is relapse into a primitive state.

Dr. J. Halanobis was full of enthusiasm for the achievements of Red China, having just returned from a fruitless visit to it. Observing an Iron Curtain country is a fine art requiring much more qualification than statistics and physical mathematics. The Doctor made the astounding statement that Red China had controlled inflation within negligible limits from 50% to 52% and without regimentation! Both the parts of the statement are incredible and turn a Nelson's Eye to Himalayan facts. Also, it betrays the most elementary ignorance of China's present system. For with China's communist policy of price-fixing is not based on a free market but on cost of production in nationalised factories and co-operativised or collectivised farms. Farm prices are fixed by the State and there is complete monopoly of procurement. And to say that these are done without regimentation is to play with words and to display a grave lack of public responsibility utterly contrary to scientific spirit.

Added to this was the extraordinary statement that the achievements of Red China had no necessary implication in regard to political systems, democratic or other! It is enough to recall that even Mao mentioned 8,00,000 as the number of people liquidated in the "Land Reform" period and the malignant outcome of his "Bloom Contend" speech to realise the enormity of the Doctor's assertion.

The heart of the dogma came out in the peroration

with which the Doctor closed namely that people, especially students, should remember in weighing the Plan that it is more important to consider the good of the Nation than the profits of the few. The unconscious philosophy unscientifically accepted, in such an appeal to ignorance and prejudice is that nationalisation and the elimination of private enterprise are necessary for the good of the nation.

#### THE BATTLE GROUND BETWEEN LEFTISTS AND LIBERTARIANS

That the Russian experiment has not given rise to evils greater than private enterprise, stemming from a confusion of functions, is an assumption astonishing after the revelations of Khrushchev and the Stalinist suppression of the Hungarian national revolt. The tragedy of our situation is, that thinkers in authority, are a generation backward in formative ideas. The modern world is divided between so-called progressive and so-called reactionary ideas in regard to social ideals. Leftism, secularist or spiritual, is sure to lead to the most reactionary and anti-social results by destroying free economy and free society.

This is a battle-ground for leftist and libertarian ideas. Libertarians have to rescue the core of truth in individualism and re-present it to our generation in a series of expositions (both critical and constructive) of our social problems. Loyalty to facts and the indisputable facts of human nature together with a capacity to unmask the errors in current collectivist panaceas are the twin wings of the libertarian movement settling out to capture the mind of the generation for liberty and truth and justice.

Condensed by:—M. V. Balakrishna Rao.

#### A Paradox—No Plan For The Planning Commission

WHILE public interest is understandably focussed on the personnel and the team work of the new Cabinet at the Centre, the equally important problem of the proper functioning of the Planning Commission demands Mr. Nehru's urgent attention. Is the Commission as well equipped to do its work as it was, say, four years back? Does it get policy directives on the "declared objectives" of the Government? Does it know the mind of the Finance Ministry? In its task of formulating a plan, the machinery required to implement it, is it well served by the Government agencies at the Centre and in the States? How correct is its periodical appraisals of the progress of the various schemes and stages in the Plan? Do its recommendations in the adjustments of policy and to other measures that such an appraisal finds necessary to serve any practical purpose? How did it happen that a Government servant and adviser to the Commission made suggestions and drew conclusions which were disowned by the Government?

Mr. Nehru must consider how the Planning Commission can become an effective body. . . . . It must not be looked upon as an ornamental adjunct to governmental machinery. . . . .

*Observer in "Times of India"*

# THREE GREAT DECEPTIONS: First One Analysed

By William Henry Chamberlin

**I**T is high time to recognize for what they are—great deceptions—three ideas in economics which have enjoyed much support and wide practice in our time.

They are:

1. That nationalization of basic industries and natural resources, with a planned economy thrown in, makes for a higher state of well-being.
2. That the Welfare State is a kind of manna from the skies, given free to its beneficiaries.
3. That people become richer by multiplying paper money symbols of wealth.

## DECEPTION 1:

**Nationalization makes for a high state of well-being:**

The biggest experiment in the nationalization of everything from steel mills to barber shops was carried out in the Soviet Union. It is also the one of longest standing, with the fortieth anniversary of the Bolshevik Revolution coming up in November 1957. This experiment has been imitated, with some modifications, in Red China and in the satellite states of Europe and Yugoslavia.

So nationalization and planned economy are no longer theoretical ideas; they can be weighed in the scales of actual results. The most significant and unvarying result of communist regimes is that large numbers of people, unable to oppose them at the polls, have been voting against them with their feet, by running away.

This flight from communism, often at the risk of life and liberty, is a most impressive plebiscite. No one knows exactly how many Russians are living outside their country as refugees from communism. But if one adds up the first wave of fugitives in the first years after the Revolution, the smaller number who left between the two wars, and the second big wave of Soviet citizens who at the end of World War II found themselves in Germany and Austria as war prisoners or factory workers and resisted all attempts to force them to return, the figure is certainly well over one million. The recent attempt of the Soviet authorities to start a "Home to the Fatherland" movement among Russian emigres has been a pitiful fiasco.

More than two million Germans have quit the communist-ruled Soviet Zone, with its nationalized factories and mines, for the capitalist West Germany. This movement is a continuing one, with hundreds of thousands of Germans in the Soviet Zone slipping across the border every year.

One year after the end of the war UNRRA was sheltering 800,000 registered DPs, every one a refugee from a communist dominated country, from Poland, the Baltic States, the Western Ukraine, Hungary, Yugoslavia. And at that time there were many more such refugees, hiding out on false identity papers.

More recently, one Hungarian out of fifty fled after the savage Soviet repression of the freedom movement. And there has been the same picture in the Far East: flight always away from communism, with its nation-

alization and state operation, never toward communism.

There has been a tidal wave of migration from North to South Korea, a very thin trickle of hardcore communists in the other direction. The majority of the North Korean and Chinese prisoners in the Korean War refused repatriation, the Koreans settling in the South, the Chinese seeking asylum in Formosa. When the northern part of Vietnam was abandoned to the communists, hundreds of thousands of villagers took what they could of their belongings and fled to the anti-communist South.

Yugoslavia offers a somewhat different and milder brand of communism; but people, especially young people, sneak out of it and seek greener pastures in the West at the rate of about fifty a day. The overwhelming majority of—thousands of Chinese students who were in this country at the time of the communist take-over in their native country have preferred to remain here. No communist-ruled country attracts voluntary immigration.

## EVEN WORKERS FLEE

This flight from communism goes far beyond the proportions of a movement of aristocrats, people of wealth, and conservative politicians. Among the refugees one finds many who belong to the groups which communists like to claim as their own—workers and peasants. The repudiation of communism by those very groups which the communist leaders considered most reliable—the industrial workers, the students, the younger generation brought up in communist schools—occurred most dramatically in Hungary. It was just these groups that were most active in the cruelly uneven fight against the obliteration of liberty by the Soviet tanks. This was also true in the more peaceful but equally widespread revolt in the Soviet Zone of Germany in 1953.

Such disaffection would not have developed if the transfer of factories, mines, and natural resources from private to public ownership had been the panacea promised by communist agitation. The wholesale flight from communist rule is only one of many proofs that there is no benefit to the general standard of living in such a transfer. Rather the reverse.

The closest studies of Soviet production and real wages indicate that during the last three decades production increased about sixfold, while real wages are still below rather than above the 1928 level. Here is an amazing indication of how much an all powerful state, in control of all means of production, can siphon off from the earnings of the workers for the benefit of cumbersome bureaucracy, ambitious schemes of militarization, and expensive industrial and building projects which do not improve the daily level of living.

Poland, under Soviet control since the war, has gone in for sweeping nationalization and a rigidly planned economy. But recently one of the leading Polish economic planners, the Marxist economist Oskar Lange, after frankly admitting a multitude of defects,

poor quality of output, low wages, and indifference of the workers for lack of incentive, listed a number of "disproportions" in the Polish economic set-up which, in Lange's own words, "have increased to such an extent that the national economy is on the verge of collapse." Poland now hopes that the United States will bail it out by supplying food and raw materials free or at cut-rate prices. This is how Tito's Yugoslavia, since the break with Moscow, has been righting a balance of international payments that has been chronically in the red.

It is not only in communist-ruled countries that nationalization leads to deterioration instead of improvement. Mexican oil output dwindled strikingly after the foreign oil companies, with their capital and know-how, were expropriated in the thirties. Iran almost went bankrupt after its Prime Minister, the fanatical nationalist Mohammed Mossadegh, seized the properties of the Anglo-Iranian Oil Company. It was pulled back from the brink of financial disaster when a face-saving arrangement partially restored the oil wells to private operation.

#### TROUBLE IN BOLIVIA

Recently a revolutionary regime in Bolivia conceived what it thought was the bright idea of nationalizing the tin mines which, developed under private initiative, were a main source of wealth in that poor country. The aftermath has been extremely disappointing. Productivity and profits have declined. The government has found itself obliged to subsidize some of the mines, and this has contributed to inflation. There were similar unhappy results when so-called land reform in Bolivia transferred considerable tracts to the ownership of Indian peasants. Lacking capital and experience, these peasants have been growing only enough to feed themselves. And Bolivia, with much unused fertile land, must import large quantities of food.

Nationalization of mines and railways in Great Britain has neither improved efficiency nor eliminated labour disputes. An impersonal state board of management is no more attractive to the worker, and may even be more difficult to reach with a local grievance than is a personal owner.

Doctrinaire advocates of nationalization overlook two important points. First the change from private to public ownership does not and cannot eliminate the need for management. And there is no reason to assume that a state salaried managerial group will be more efficient in cutting costs, more daring in adopting new inventions and production and promotion methods, more diligent in making an enterprise run efficiently than management under private auspices. Indeed, the probabilities are strongly in the opposite direction.

Second, the idea that public ownership will be more economical because it will save that otherwise might have been taken in profits is a complete fallacy, as the following indisputable fact will show.

If it were true that profits of owners and stockholders were making American factory products unduly expensive, there would be a simple and easy remedy. The trade-unions, with their ample funds, could purchase factories and turn them over to the workers to operate on their own. If rent, interest, and profits were such villains as the Marxist viewpoint assumes, factories directly owned and operated by workers could

be expected to undersell those under private ownership. And the stage would be set for legal peaceful transition from capitalism to socialism.

But this experiment of having workers own and manage the factories in which they work has seldom been tried, and has never met any conspicuous success. Here is the clearest proof that the rewards of management and investment, — sharply curtailed as they are by a soak-the-rich discriminatory tax system are not unduly high. (To be continued)

## INTELLECTUAL FERMENT IN EAST GERMANY

By Rainer Hildebrandt

IT is axiomatic that the public recognizes revolutions only when they manifest themselves in barricades or strikes, columns of marchers or the shedding of blood. Yet, the events of the last six months in Germany's Soviet Zone show that a revolution is in full swing even though its scene is not the street or the factory and many of its leaders are in jail.

It started in September 1956, when the students of Humboldt University in East Berlin, prompted by the example of the Hungarian students, demanded representation for themselves independently of the FDJ, the Communist youth organization. They did not succeed in this or in their demand for voluntary attendance at sociological lectures and Russian courses. But the discussions that resulted split the party into two bitterly hostile camps.

#### A Challenge to Russia

Under the slogan "Sharpen the Weapons of the Mind", the students began to interpret Marxism in the Marxist manner and to refute Stalinism. Marx and Engels, they pointed out, stated that socialism would develop in each country according to its own economic, political and cultural laws. Thus, they raised the question of whether Soviet experience was relevant to German conditions. In a forum discussion at Leipzig University, 200 students cited Lenin as their authority for demanding that no state functionary receive a salary "exceeding that of worker's wages."

Gerhart Eisler, who returned to Germany after emigrating to America and often leads discussion groups, was asked by students why East Germany toy shops sold People's Police tin soldiers whereas the West-Germany Government vigorously opposed the sale of toy soldiers. When Eisler explained that the army of the German Democratic Republic was serving peace, his audience burst out laughing.

Just as in Hungary, a few professors in East Germany, formed the focus of intellectual discontent. In Berlin, it was Dr. Wolfgang Harich, a professor at the University and editor-in-chief of the Journal of Philosophy, who has since been arrested and sentenced to ten years at hard labour. In Leipzig, many students rallied around the student chaplain Schmutzler, who has also been arrested, and philosophy professor Ernst Bloch, who has lost his job. The public attacks on the professors ordered by Party boss Walter Ulbricht have merely served to make them even more popular among the students. —The New Leader

# OUR FOREIGN POLICY\*

By Sumant S. Bankeshwar

**O**UR Government's quixotic refusal in 1953 of President Eisenhower's offer of military aid without strings is unfortunate. This has weakened our position vis-a-vis Pakistan, and now threatens to cost the nation much money for defence. Moreover, it forces the powerful western nations to side with Pakistan and against India, making it more difficult to achieve our just claims in Kashmir and Goa. It has the still graver danger that it may compel India to seek arms aid from the communist bloc, with catastrophic consequences. This will force India to abandon her policy of dynamic neutrality in favour of the communist bloc, thus directly involving her in the present cold war between the two Power blocs, and may be in the shooting war too.

## Fear Of Becoming A Second Korea

On the other hand, if we seek arms aid from the same country which has given military aid to Pakistan, and supported Pakistan and Portugal on the issues of Kashmir and Goa, it is likely to re-orient its policy towards Goa and Kashmir in favour of India, or at least will prefer to remain neutral. Moreover, we shall be able to secure a military counterweight to pressure from Pakistan and Portugal, and will be able to assert our legitimate rights in Kashmir and Goa. In case of any foreign invasion, we are too weak today militarily to defend ourselves without inviting foreign help in the form of foreign armies, and if the foreign armies are invited to defend us, India will become another Korea. The war will not be between India and the aggressor but between the aggressor and the foreign power which is invited to defend us, and ultimately whoever wins will rule India. On the other hand, if we take foreign military aid without strings, we shall not only save much of our expense on defence for our second five year plan but also shall become strong enough to defend ourselves against any aggressor without inviting any foreign power to defend us.

## The Kashmir Tangle

Kashmir, an unrivalled beauty spot to connoisseurs, a veritable paradise to tourists from far and near, has degenerated into a pawn on the chess-board of International power-politics. The Kashmir problem, though simple enough in the initial stages, has grown more and more complex with every fresh attempt on the part of our Government to solve it in a peaceful manner.

Kashmir, under invasion, was a part of India, a sovereign state. She was invaded by raiders from Pakistan, another sovereign state. But Pakistan pretended she had no hand in the invasion, and even pleaded her inability to stop the raiders, who came

from the No-Man's-land across her North-Western frontier. Pakistan's stand thus made the whole affair a domestic one for India when Kashmir acceded to India. The moment the accession became operative, what had till then been Kashmir under invasion, automatically became India under invasion. This fact, together with the fiction, accepted for all practical purposes as fact, that the stateless raiders were not backed by Pakistan, made the question of beating back the raiders a purely domestic one for India.

Our decision to refer the Kashmir issue, a purely domestic matter, to the U.N.O. instead of leaving it safely in the hands of our military experts to decide in their own way, was both wrong and uncalled for. Even in this case, instead of insisting that the UNO brand Pakistan as an aggressor, we simply requested it to restrain Pakistan from helping the tribal invaders. The Anglo-American support to Pakistan coupled with the better publicity and abler advocacy of Pakistan of her case have raised her position from that of a defendant to one of being the complainant with the result that the world is in doubt as to the real position of Pakistan in the Kashmir issue.

## A Serious Blunder

Our offer of a plebiscite is one of the most serious blunders that we have committed in regard to Kashmir.

In the first place, the Maharaja's decision to accede to India was supported by both the Praja Parishad and the National Conference, the only existing parties in Kashmir. Thus Kashmir's accession to India had the sanction of the accredited representatives of the Kashmiri people. In the absence of any political party in Kashmir opposing Kashmir's accession to India, the offer of a plebiscite to Pakistan was uncalled for. Pakistan, being an aggressor, had no legitimate claim for a plebiscite in Kashmir, since the question of a plebiscite arises only in the case of disputed area, over which both the parties can reasonably claim a right. If an invasion implies the right to claim a plebiscite, can we just invade any foreign country, East Pakistan for instance, with a view to claiming a plebiscite there? Pakistan's claim to Kashmir on the sole ground of religion cannot be sustained any more than her claim to Arabia or Egypt, in the absence of any evidence that the people of Kashmir or any political party of Kashmir had demanded a plebiscite.

Just when the liberation of the whole of the state of Jammu and Kashmir was in sight, we committed a most disastrous blunder by accepting the cease-fire order which became operative on the first of January, 1949. The present occupation of a third of the State of Jammu and Kashmir by Pakistan, is the consequence of our Government's unwise acceptance of the cease-fire at a time when our armed forces were in sight of total victory against the invading hordes.

(Continued on page 16)

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

# Malaya's Road To Independence

By Guy Wint

*Malaya, the picturesque land of many nationalities became an independent, Sovereign State on August 31. She is the sixth nation to achieve freedom from Britain.*

**T**HE advent of independence in Malaya in no sense marks a sudden new departure in British policy. It is the continuation of processes which have been going on for a long while. Independence is their culminating-point.

Malaya has shared in the historic and voluntary transformation of the British system overseas. India, Pakistan, Burma, Ceylon, the Gold Coast (now Ghana) all achieved independence. Now it is Malaya's turn.

In Malaya the chain of events began during the Japanese occupation. That was a destructive and negative episode. But during the occupation, the decisions were taken in London which were to lead to the present conclusion—the achievement by Malaya of full sovereignty.

Amid the storm of war, Britain had grasped that a new world was coming into being. It accepted the need for a sincere winding-up of the old system. This principle was to apply as much to Malaya, which had then hardly begun its constitutional progress, as to India, which had enjoyed a parliamentary system for decades.

## Rapid Evolution

Today it is only a dozen years since the war ended. In this time, Malaya's experience of rapid political evolution has been unparalleled. From the moment the British forces returned to Malaya, the political construction began and the pace was forced.

The speed of progress has been more striking because internal conditions in Malaya have been anything but favourable for constitution-making. The first impediment was the Communist rebellion which began in 1948. This was an all-out bid by Communism to seize power by violence.

Jungle terrain made Malaya ideal country for the wasting guerrilla tactics used by the rebels. One of the declared objects of the Communists was to wear down the Government and distract it from pursuing its constitutional plans. The rebels failed.

There were other impediments hardly less daunting. The population of Malaya is divided into three main communities: Malay, Chinese, and Indian. After the war, the gulf between the Chinese—an immigrant population—and the Malays was very wide. In the first post-war years, anything like cordial political collaboration between them looked a remote possibility.

Malaya was threatened by the clash of implacable rival communities. The political divisions were intensified by economic rivalries. The Chinese monopolized much of the commercial life, and the Malays felt themselves deprived of their economic birth right.

Patient and imaginative work by the then Commissioner-General for the United Kingdom in South-East

Asia, Mr. Malcolm MacDonald, opened up new possibilities. An informal Communities Liaison Council, founded by Mr. MacDonald, brought the leaders of both sides together with a quite new open-mindedness. That was a turning-point.

Apart from the communal question, constitution-making had to face many problems. Malaya, divided among nine sultanates, was bound to be a federal and not a unitary State. The first constitutional proposals by the United Kingdom Government after the war were criticized as going too far to meet the views of the individual sultans. They were afterwards modified.

But the controversy over this scheme, and all subsequent controversy, turned really on the nagging problem of making an adjustment and balance between Chinese and Malays. For most of the Chinese who resided in the sultanates lacked citizenship rights.

The Malays were, naturally, afraid that if the Chinese throughout Malaya were granted full citizenship, they might come to be the ruling power in a territory which had been ethnographically Malay. On the other hand, the Chinese were resolved that at the coming of independence they should receive their proper place in the political life of the country.

Probably no settlement at all would have been possible if the great—and predominantly Chinese—port of Singapore had been included in the federation. The Chinese claim for a paramount position would then have been formidable. But after the war, Singapore had been set on its own separate political course.

## Gifted Leader

In spite of some initial disappointments in its efforts at political architecture in Malaya, the United Kingdom Government became increasingly convinced that only Malaya itself could, in the long run, determine Malaya's destiny. The way for which it had been looking was opened up when a coalition was formed between the dominant Malay and Chinese political parties.

The coalition — the Alliance — threw up a gifted leader, Tunku Abdul Rahman. His Government, by adroit and realistic negotiation with Britain, secured in 1956 the agreement of which the proclamation of independence on August 31 is the outcome.

The way ahead will not be smooth sailing. The Alliance will come under heavy pressure. But the near-miracle has been achieved of securing agreement by powerful representatives of three great communities to a federal constitution which may secure the interests of each. The effort of all men of good will must now be to ensure that the experiment of keeping this plural society in political union is conducted in the most propitious environment possible.

# COMMUNISM EXPLODED

By Milovan Djilas

Following are excerpts from Milovan Djilas' book "The New Class," which has been published on August 12 by Frederic A. Pranger

**A**LTHOUGH the Communist revolution may start with the most idealistic concepts, calling for wonderful heroism and gigantic effort, it sows the greatest and the most permanent illusions.

But even if Communist aims *per se* were unreal, the Communists, as distinct from earlier revolutionaries, were fully realistic in creating those things that were possible. They carried it out in the only way possible by imposing their absolute totalitarian authority. Theirs was the first revolution in history in which the revolutionaries not only remained on the political scene after victory but, in the most practical sense, built social relationships completely contrary to those in which they believed and which they promised.

## Marx Proved Incorrect

Marx' concrete forecasts proved inaccurate. To an even greater degree, the same can be said for Lenin's expectations that a free or classless society would be created with the aid of the dictatorship.

Ownership is nothing other than the right of profit and control. If one defines class benefits by this right, the Communist states have seen, in the final analysis, the origin of a new form of ownership or of a new ruling and exploiting class.

In contrast to earlier revolutions, the communist revolution, conducted in the name of doing away with classes, has resulted in the most complete authority of any single new class. Everything else is sham and an illusion.

The roots of the new class were implanted in a special party of the Bolshevik type.

Trotsky noted that in pre-revolutionary professional revolutionaries was the origin of the future Stalinist bureaucrat. What he did not detect was the beginning of a new class of owners and exploiters.

The new class may be said to be made up of those who have special privileges and economic preference because of the administrative monopoly they hold.

## Mediocrity In Ascendant

After Lenin and Stalin came what had to come, namely, mediocrity in the form of collective leadership. And also there came the apparently sincere, kind-hearted, non-intellectual "man of the people" — Nikita Khrushchev.

The new class itself is tired of dogmatic purges and training sessions. It would like to live quietly. It must protect itself even from its own authorized leader now that it has been adequately strengthened.

The heroic era of communism is past. The epoch of its great leaders has ended. The epoch of practical men has set in. The new class has been created. It

is at the height of its power and wealth, but it is without new ideas. It has nothing more to tell the people.

The use, enjoyment and distribution of property is the privilege of the (Communist) party and the party's top men.

## Evils Of Communism

Party members feel that authority, that control over property, brings with it the privileges of this world. Consequently, unscrupulous ambition, duplicity, toadyism and jealousy inevitably must increase. Careerism and an ever expanding bureaucracy are the incurable diseases of communism.

Just as under Stalin, the new (Khrushchev) regime, in executing its so-called liberalization policy, is extending the "Socialist" ownership of the new class. Decentralization in the economy does not mean a change in ownership, but only gives greater rights to the lower strata of the bureaucracy or of the new class.

The new class instinctively feels that national goods are in fact its property and that even the terms "Socialist", "social," and "state" property denote a general legal fiction. The new class also thinks that any breach of its totalitarian authority might imperil its ownership.

Every real demand for freedom in communism, the kind of demand that hits at the substance of communism, boils down to a demand for bringing material and property relations into accord with what the law provides.

The type of ownership and exploitation which the new class creates by using its authority and its administrative privileges is such that even the class itself must deny it.

This makes the legal position of the new class uncertain and is also the source of the new class' biggest internal difficulties. The contradiction discloses the disharmony between words and actions.

While promising to abolish social differences (the new class) must always increase them by acquiring the products of the nations' workshops and granting privileges to its adherents. It must proclaim loudly its dogma that it is — fulfilling its historical mission of 'final' liberation of mankind from every misery and calamity while it acts in exactly the opposite way.

This is a class whose power over men is the most complete known to history. For this reason it is a class with very limited views, views which are false and unsafe. Closely ingrown and in complete authority, the new class must unrealistically evaluate its own role and that of the people around it.

While the new class accomplished one of its greatest successes in the revolution, its methods of control is one of the most shameful pages in human history. Men will marvel at the grandiose ventures it accomplished, and will be ashamed of the means it used, to accomplish them.

# L'affaire Mookerji—Wanted An Inquiry

**P**ROF. K. P. MOOKERJI is one of our leading academicians. An M.A., B.L. of Calcutta University and D. Phil of Germany, Prof. Mookerji has served as Principal in Calcutta, Ceylon and elsewhere. In 1952, he was appointed Sir Pheroze Shah Mehta Professor and Head of the Department of Politics in the University of Bombay. Soon after, the University Syndicate divided the School of Economics and Sociology—till then headed by Prof. C. N. Vakil—into three separate autonomous departments headed by C. N. Vakil (Economics), K. P. Mookerji (Politics) and Dr. Ghurye (Sociology). Evidently Sri Vakil did not like the arrangement. And evidently Dr. K. P. Mookerji could not stomach certain alleged financial irregularities relating to the Bombay Survey and Ford Foundation Grants and the Research Committee Programme funds.

A series of inquiries followed, as a result of which Dr. Mookerji was summarily dismissed and Prof. Vakil re-appointed head of the three departments put together. The dismissal has been the talk in Bombay academic circles all these months. We have deliberately refrained from taking up the matter in the hope that the Central Education Ministry would do something and institute a regular judicial inquiry to clear up some big reputations. But we have been disappointed. We publish below the text of Dr. Mookerji's statement on his dismissal and expect the Government to save the great Bombay University from suggestions of serious allegations. Ed.

## Clearing The Misunderstanding

In response to incessant inquiries from all over India and abroad regarding the authenticity of the news of my dismissal from the post of Sir Pheroze Shah Mehta Professor of Politics and Civics and the Head of the Department of Politics and Civics of the Bombay University, I desire to state that it is a fact (though stranger than fiction) that I was dismissed by a Syndicate Resolution without reason or notice on April 20, 1957 and was ordered to quit within the same afternoon. Till today, I have not been told by any responsible University Authority the charges against me, far less been given an opportunity to answer these charges, so that I am as much in the dark regarding the reasons for my dismissal as the rest of the world.

All that I am aware is that in October 1956, I had complained against the defiance and insubordination of certain junior colleagues of my Department and till December 17, 1956, I was kept under the hope that the matter would be amicably settled by the authorities if I was willing to forgive which I was always ready to do. But on that date, I was informed that settlement was no possible and therefore on December 20, 1957 I submitted a chargesheet against the defaulting party. In the Syndicate meeting of December 22, 1956, the Vice-Chancellor, Dr. John Mathai moved from the chair, without anything of that nature being on the Agenda, that since a "virtual breakdown of Administrative relations" has occurred in the Department of Politics, a high-level Judicial

Inquiry committee consisting solely of Mr. Justice D. V. Vyas of the Bombay High Court be appointed to enquire into the matter and the proposal was adopted by the Syndicate unanimously. I was kept in the dark about all this till February 9, 1957, on which date at 8 p.m. I received a notice to appear before the Vyas-committee, next day (February 10, 1957) at 2 p.m. I immediately sensed that this was a trap to hook me in somehow and my instinctive feeling was to refuse to be co-operative with this enquiry, because we were unaware of any "Administrative breakdown", in my Department. But being aware that in case anything adverse happened to me at the Syndicate stage I may have to go the Chancellor for relief, I tried to see and inform the Chancellor immediately and got an appointment on Phone through his A.D.C. Mr. Bapat to meet him at 10 a.m. next day. The trend of advice which I received from His Excellency on that occasion was against my boycotting, and in favour of facing the Inquiry after taking whatever preliminary objections I wanted to take. On his further assurance that nothing could happen to me as the Complainant-Head-of the Department, I decided to face the Inquiry, though very reluctantly. Thereupon, I took preliminary objections before Mr. Justice Vyas on the following score:

## Objection To The Inquiry

(1) Short notice, (2) lack of terms of reference (3) lack of clarification of the legal implications of my participation in the inquiry vis-a-vis my right for arbitration provided for in my agreement, etc. These were recorded and immediately ruled out without giving any reasons. The Inquiry lasted from February 10, 1957 to February 20, 1957 and was conducted with utmost procedural irregularities. On March 9, 1957, I received a phone call from the Private Secretary of His Excellency the Chancellor asking me to see His Excellency that afternoon, which I did, and was told at that meeting that the Vice-Chancellor Shri Advani had proposed to him that he, the Chancellor, should advise me to resign with six month's notice because, otherwise, the Syndicate was determined to dismiss me, even without letting me know the contents of Vyas-report and far less from allowing me to reply to the charges that might have been made in or on the basis of that report. I was simply shocked and asked for time to consider the proposal and thereafter having met the Vice-Chancellor Shri Advani on March 11, 1957 decided not to resign but to face all consequences and accordingly informed the Authorities. On 14th March 1957, I received a letter from the Registrar, University of Bombay, intimating the Syndicate Resolution of March 12, 1957, asking me to show cause why my services should not be terminated on nine grounds said to be arising out of the Vyas report. Of these nine grounds, three are based on my so-called temperamental unfitness for the Headship of a Department and commanding the loyalty of my colleagues an intellectual concoction and a myth which has been exploded by the resignation of both my male colleagues in the Department (Dr. Dwarkadas and Dr. Krishnan) within 10 minutes

of my dismissal order on April 20, 1957. The other six charges are charges to the effect that the misconduct of my junior colleagues against which I complained in my complaint of December 20, 1956 have not been proved by me before Mr. Justice Vyas. To this, I gave a convincing and exhaustive reply running into some 100 typed sheets on April 1, 1957 although due to very short time, within which I was forced to submit the reply, did not allow me to do full justice to mass of material at my disposal because the deposition before the Vyas Committee against my junior colleagues has run into some 300 typed sheets.

On April, 7, 1957, Dr. Dwarkadas, who was for some reason left out by Mr. Justice Vyas was asked to give his deposition before the Vice-Chancellor and Rector which was finished within half-an-hour, and this was described as "Departmental Inquiry". When, however, I asked the Vice-Chancellor at the beginning of this days' proceedings whether this was a fresh inquiry and I could call other important witnesses like Dr. John Mathai, Mr. Dongerkery, Mr. Phalke and others. I was told that he, the Vice-Chancellor, had decided to call only Dr. Dwarkadas because he was left out by Mr. Justice Vyas. On April 20, 1957, as I entered my room at the University premises at about 12-30 p.m. I was served with notice from the Registrar of the University to hand over charge to the Reader in the Department within the course of that very afternoon in the presence of the Registrar which I did. From 25th April to 25th June, 1957 my appeal against the dismissal was lying with the Chancellor who decided on the latter date not to intervene in matter and hence the delay in bringing out this statement.

At this stage, I want to draw the attention of the intelligentsia in particular, and the educational section of the society in general, that my case, apart from its personal significance to me and to my career, involves some of the gravest questions of academic and public importance such as (1) insubordination and defiance of junior colleagues to their Departmental chief on the strength of their political and communal influence. (2) The intrigue of one Departmental Head with the junior members of another for undermining the authority of the Head of the latter Department. (3) The instigation by a Vice-Chancellor of junior members of the staff of the Department against the Head. (4) The mismanagement and bungling of public funds connected with the University. (5) The bullying of a Departmental Head with threats of dismissal by a Vice-Chancellor for criticising such bungs or performing the duties of a committee of national importance like the Research Programmes Committee with independence of mind. (6) The appointment by a Vice-Chancellor of a judicial enquiry without any reference to Lok-Sabha or President or appropriate legislature. Apart from the question of the security of service in the University of Bombay, the dignity of a University Chair-holder, the maintenance of academic standards and values and the devastating influence of machination of pressure groups and political influences operating in the affairs of the University, thereby making it impossible for any nationally minded academician to follow honestly academic pursuits.

I therefore earnestly request all the Vice-Chancellors of the Indian Universities, all great educationists like Dr. Radhakrishnan, Dr. P. V. Kane Sir Raghunath Paranjape, Dr. M. R. Jaykar, Dr. C. P. Ramaswamy Ayyar, Dr. A. Laxmanswamy Mudaliar, Shri C. D. Deshmukh and all public leaders interested in educational affairs to press for an immediate enquiry into all the incidents directly and indirectly connected with my dismissal and force the University of Bombay to publish all papers connected with my dismissal such as Vyas-report and my reply thereto.

#### WHEN DOES A QUESTION CEASE TO BE A QUESTION?

**O**UR libertarian hearts jump with joy at yet another champion of the cause of freedom and rationality in a Parliament packed with white-capped mediocritics. Mr. Mahanty has done what every intelligent M.P. is expected to do. He has asked the pertinent question.

An M.P., by our popular definition, asks questions. Mr. Mahanty asks pertinent questions. On August 13, Mr. Surendra Mahanty walked out of the Lok Sabha in protest against the Speaker's refusal to allow him to put certain questions to the Finance Minister. That is how members who ask pertinent questions are treated.

Mr. Mahanty had asked whether industrial and commercial undertakings in the public sector had been declaring profits, the total amount invested in such undertakings up to March last and their contribution to general revenues.

This, as every one knows, is the basic question that can be raised, in view of the communistic and Socialistic ideologies that have afflicted our country's leadership. Because answer to this question can explode the myth of socialism under which this country is being led into the Soviet bloc.

#### He Has Said A Mouthful

But Mr. T. T. Krishnamachari does not answer questions like these. He is the right-hand who does as he is told—and does it with scrupulous efficiency. Mr. Krishnamachari says that no conclusions could be drawn at the moment because the total amount of contributions by public undertakings to general revenues was small. He says that it is a matter for investigations. "I expect," says Mr. Krishnamachari smugly, "within the next two years, the amount will be considerably augmented. It is unlikely we will get any returns for our investment till 1960-61."

The Speaker, too, knows his job. He felt that the question hour should not be utilised for going into the administration of these concerns. It would seem that any question pertaining to State revenues and public enterprise is a needless detail of administration. Mr. Speaker also says that the question hour is meant only to elicit information. And that was what Mr. Mahanty was doing but he was denied the information asked for.

When does a question cease to be a question?—It ceases to be a question when it is intelligent.

## The Problems Before Free India

### VENKATA RAO'S SPEECH ON INDEPENDENCE DAY AT KOLAR GOLD FIELDS

Mr. M. A. Venkata Rao delivered a speech on Independence Day at Kolar Gold Fields by invitation of the Mysore Mine Institute. Mr. Muninanjappa, Managing Director of the Mines, presided.

Mr. Venkata Rao outlined the major problems of current civilisation that free India has to face in collaboration with the better mind of the West as centering round Race, Nationalism and Class. There are two Wests—one that of imperialism and the other that of free, scientific culture with the stress on humanism and rationalism. India and the rest of the backward world are getting free of the imperialist West except that of the new imperialism of Soviet Russia. They have to solve the current problems set by race, nationalism and class before they can assure themselves a secure, progressive social order and in this the best thought and experience of the free liberal West is indispensable and helpful.

### Nationalism Is Essential

India has the problem of race in her customs of untouchability and caste. Free India's constitution has adopted the goals of liberty, equality and fraternity in the framework of justice or dharma. A realisation of these goals will involve a conscious programme of social and political action to overcome this evil heritage. But an element of heredity will remain as part of the human endowment. We shall have to use it for eugenic betterment and individual contribution without denying equality and liberty.

Nationalism, too, is not played out. It is not irremediably involved in chauvinism and national aggrandisement at the cost of weaker peoples. It is a necessary sentiment of social solidarity to make the State possible as a self-governing order. Loyalty to the national State is essential for existence and for betterment. It is not contradictory to internationalism. It should be the aim of State policy to help evolve a world order in

which nationalism and internationalism are being progressively realised in harmony with each other.

And class, too, is inevitable as an ingredient of human society, for inequality of capacity and variety of endowment are inescapable features of human beings as of other organisms. Hence what we should aim at is **NOT** a classless society in all respects, which is impossible, but a society characterised by equality of opportunity in education, in legal status, political rights such as claims for office and franchise and the right to earn a living.

### R. L. Hostel Celebrates Independence day

#### MISS DASTOOR'S ADDRESS

On the 15th August the discussion Forum was inaugurated by Dr. (Miss) A. J. Dastur, Head of the Department of Politics, Bombay University.

By surprising coincidence, the Independence Day special issue of **THE INDIAN LIBERTARIAN** was out on that day. An article in this (See page 17)

(Continued from page 11)

The Nehru-Abdullah agreement of July, 1952, was a meek surrender to Abdullah's independence mania and his snobbery. The Sheik had been shaky from the very beginning, and we knowingly allowed him to bloom into a *de facto* emperor. We granted Kashmir a separate status—the right to frame a separate constitution, adopt a separate flag and elect its own head. Our President was deprived of the power to declare a state of emergency in the State of Jammu and Kashmir in the event of any aggression from without or disruption from within. The citizens of Kashmir are also deprived of their fundamental rights and their right to appeal to the Supreme court for their vindication in view of the separate status that we have given to Kashmir.

(To be continued)

### TARA SINGH FOR RETENTION OF ENGLISH

Master Tara Singh, Akali leader, expressed the view that the decision to make Hindi the national language should be revoked by Parliament and English should continue to be the national language for all official purposes. In a signed editorial in the daily "Prabhat" he warned that the continuance of Hindi as the national language would lead to the disintegration of the country. He also declared that if anywhere in the

country movements to displace Hindi from its position as the national language are started they would have his sympathy.

### BOMBAY ASSEMBLY DEMANDS COMPULSORY TEACHING OF ENGLISH

A demand for the introduction of English as a **COMPULSORY SUBJECT** from the fifth standard was made by the Congress as well the Opposition members of the Bombay Legislative Assembly.

Mr. Shivram Raje Bhonsle (Independent-Samiti) suggested that English be reintroduced as a compulsory language from the fifth standard onwards. For high grade services such as the Union Government services a minimum qualification in English was laid down. Unless opportunities were given to boys and girls in the State to learn English, students with poor means, will never be able to aspire for them. He asked the Government to reintroduce English as a compulsory subject in the schools in the State.

Mr. G. S. Tadavi (Congress) also supported the move for the compulsory teaching of English from the fifth standard. Without a good knowledge of English, it would not be possible for students in Bombay State to compete for Union Government Service examinations. It was a mistake on the part of the Government to have removed English from the curricula of the schools in the State.

issue caught her attention and therefore she said "it is irresistible for me to select this topic namely 'A Decade of Donated Freedom'".

During the course of her address she said that she agreed with views of the author expressed in the article. However, she liked to qualify that by adding to the title one word, namely, "compulsory", she felt that it was a compulsory donation. It is true that the factors leading to this compulsion were more external than internal. While mentioning external factors, her obvious reference was the success of Labour Party in Britain, the degradation of Great Britain to the fifth rank in world affairs and last but not the least, the demoralisation of U.K. in its ability to rule India in the face of bankrupt economic situation. Among internal factors she drew special attention to the Azad Hind Phouj of Subhas and I.N. Mutiny. It was interesting to note that her reference to 'Quit India' movement was very casual.

Mr. Hemendra Shah, advocate was in the chair, in his concluding remarks stressed the need for vigilance to guard the freedom, though donated, and particularly to guard it against the activities of our most peace loving (?) neighbour, namely Pakistan.

Nearly 37 students had attended the meeting besides others who took part in the discussion.

#### R. L. FOUNDATION RESEARCH DEPARTMENT ACTIVITIES

Mr. B. S. Sanyal, the Director of the R. L. Foundation Research Dept., was invited to give an inaugural address to the Philosophical Association of the Jogeshwari Ismail College on Thursday the 22nd August, 1957. He spoke on the ethical values of democratic life. Mr. R. V. Pandya, lecturer in social philosophy of the College, introduced Mr. Sanyal as an esteemed journalist and a philosopher.

Mr. Sanyal began by pointing out that his talk was going to be neither popular nor philosophical—the two characteristics that might be expected of such a subject. He distinguished four ethical values. Individual freedom was the postulate of democracy. Mr. Sanyal claimed that "freedom was the

necessary condition of democracy." He gave the rationalist interpretation of morality: one may or one may not but one can and ought to. In this context, Mr. Sanyal analysed "good" in terms of happiness and analysed "duty" in terms of the greatest good of the greatest number. The greatest good of the greatest number made up the second value of democratic life.

Coming to the third value which is the method of discussion, Mr. Sanyal said: "The democratic government is based on the method of discussion. The method of discussion presupposes reason. In democracy, appeal is made not to the emotions—although these are an integral part of the human personality—but to reason ought to regulate our life."

#### GREATEST THREAT TO DEMOCRACY

Mr. Sanyal claimed balance of powers in the various sectors to be the fourth value. "The imbalance of powers," he said, "is the greatest threat to democracy. Economic power and political power, for example, must be kept separate. Hence the market forms an essential part of democratic life. Free enterprise, the right of purchase, of disposal, of possession are rights recognized by democracy. These cannot be trampled upon. This right also guarantees the openness of the society. The Indian society by virtue of its tolerance is quite democratic in outlook and tradition. Whereas the communists are evolving a closed society based on totalitarian methods." He also mentioned the serious threats to democratic life from the emergent ruling class.

Mr. Sanyal was cheered at regular intervals. He spoke for thirty-five minutes.

Prof. G. N. Mathrani, who had taken the chair, summed up in the following words: "Mr. Sanyal's talk was both philosophical and popular, in spite of his claim to the contrary. The third value which is the method of discussion is the most important value; for, it forms the bed-rock of all other values. The method of discussion is the only means whereby democracy can be retained."

The audience consisted of more than fifty members.

## Letters To The Editor

### WILL OUR GOVT. LISTEN TO NATIONAL CRISIS AND THE WAY OUT?

Dear Madam: Mr. M. A. Venkata Rao's article, "National Crisis and the Way Out" in your recent issue is worth noting. I quite agree with him, but I feel that what he has suggested will undoubtedly be ignored. Our Prime Minister, Mr. Nehru, flirts so much with the Communist leaders and is so much opposed to U.S. military aid being given to any country that there is not even an iota of chance that he will try and qualify for such aid for India.

Mr. Nehru preaches so much about Panchasheela and is kind enough to extend it to other countries, and is confident that all will follow it. But we have seen quite recently how far Russia, which affirms its extreme faith in Panchasheela, followed it. Instead the Russians have earned for themselves a reputation for becoming known as the "Butchers of Hungary". Is this what Mr. Nehru refers to as peaceful co-existence?

India today is definitely facing a grave crisis—financial, economic, political and psychological, and Mr. Rao has suggested that we be more realistic and qualify ourselves for U.S. economic aid and military aid. This is no doubt an excellent suggestion, but under the leadership of Mr. Nehru and his chief foreign policy lieutenant—the reputed anti-Western Mr. Krishna Menon—there is hardly any chance that his suggestions will get any weight. The chief reason for India's present crisis is due to certain grave mistakes of the Congress leadership and the foreign policy they are following. It is really unfortunate that in our country, a single party under the same leadership, is enjoying such a long-term monopoly of power.

Belgaum.

An Indian.

### CREDIT AND OTHER MONEY

Dear Madam: Hugo Bilgram's definition of Credit as the anti-thesis of debt is rather remarkable

seeing that all credit is Debt. Neither Debt nor Credit is Money. Both Debt and Credit are a condition in commerce. The condition of Debt or Credit ends when money cancels out that condition.

Only money issued Debt Free in payment for services and goods delivered to Government is 100% Purchase power when Taxes are eliminated. Taxation destroys money as Purchase power. Taxation creates False Debt and is False

accountancy, as Taxation pays for no thing but does destroy good money so that Debt and Credit are the conditions in commerce. There is no absolute security in a Tax State for by Taxes are all Securities and Values destroyed by inflation of False Debt. The Purchase power of money is that part of money left after Taxes have destroyed. Taxless money—Goods and Service is true purchase power.

G. T. Olarenshaw.

universalisms, naturalist and socialist, were not forces to reckon with. But if we apply his method, we shall find that there is no reason again for us to go in for these dubious partial and defective ideologies giving us more dangerous and pernicious group-egos. Let all of us emancipate ourselves from group-egos in a synchronised manner.

This is the message of Dayanand.

—B. S. S.

## Book Reviews

### DAYANAND — HIS LIFE AND WORK

**DAYANAND—HIS LIFE AND WORK** by Suraj Bhan M.A. published by Arya Pradeshika Pratinidhi Sabha, Jullunder, Punjab.

**DAYANAND**—His life & work, by Shri Suraj Bhan, is good reading for a student of Reformation in Hindu cultural system. Dayanand was not a revivalist; he desired and worked for the survival of Hindudom.

Look into his proposed reforms which are mostly rejections. He wanted us to give the practices of idol-worship, child-marriage, purdah, the caste-system based on birth, untouchability, the mythological part of Hinduism, pernicious social customs, meaningless ritual, the esoteric guru system, the attitude of ascetic negation to life which characterise only the first stage of idealistic venture towards the discovery of the ultimate position of the self, and so on. He lived and recommended to others the pattern of withdrawal from and return to social and natural life. He wished to see the Hindu society transformed into a vigorous moral organism: each individual must acquire the purity of body and mind, honesty of purpose and righteousness of spirit.

#### BASED HIS IDEAS ON REASON

We need not subscribe to his dogma that the Vedas are impersonal revelations of God. But we must accept his rationalist test: Reason may not be the source of truth but it must be the test of

truth. Whatever does not stand the test of reason must be rejected. Hinduism, he preached, is a rational universal religion: 'we should look for, investigate, discover and accept truth from every source.'

His recommendations alone, if carried out, can make for Hindu survival. The Hindu cultural system exists. To assert its existence and its natural right to continue to exist does not mean Hindu revivalism. Survival, and not revival, is the proper word here. And the Hindus may take in any amount of reform and yet remain Hindus. The identity and the proper name need not be discarded for the dubious gain in taking to some other identity and proper name—Christian, Islam, or Naturalist, and we may now add, Socialist or Communist. If the Hindus could learn science and technology without derogating to a lower-level naturalism, they can reach the world-state and world-culture without derogating to a socialistic or communistic level. And as to the discarding of group-egos, well, so long as other groups — whether naturalist, socialist or idealist (Christian and Islamic), will claim universality and greater power to redeem humanity, there is no reason why the Hindus should oblige any one of these.

Dayanand made a comparative study of three such claims to universalism all of idealist variety, viz. Hinduism, Islam and Christianity, and found Hinduism superior to others. In his days the other two

**CO-OPERATION AND MODERN SOCIALISM**—by Jack Bailey; 16 pages; 6d., prepared by the Co-operative Party, 56 Victoria St., London, S.W.1.

**PEOPLE** are generally involved in co-operation as an economic system without being fully aware of it as a social theory. Even the co-operative officials like to be better businessmen than good theoreticians or politicians. Founding a co-operative society is more constructive, though less exciting, than organising or taking part in a strike. In Trade Unions workers learn all about their right to withdraw their labour. In co-operative movement they learn how to build and manage. In both, co-operation is necessary, but in one it is negative while in the other it is positive. Co-operative movement has gained ground (in the field of consumers' co-operatives in Great Britain; and in agriculture and housing in Scandinavia); but its progress has not been much publicised. In contrast, every industrial dispute, every major political speech, every martial misfortune of a film-star has been news.

G. D. H. Cole in his *Century of Co-Operation* enumerates the basic principles of co-operation as follows: Democratic control, open membership, fixed or limited return on capital, distribution of net surplus to purchasers, cash trading only, the sale of pure and unadulterated goods, the education of the membership, and lastly political and religious neutrality.

#### POLITICAL NEUTRALITY

The principle of political neutrality was intended to prevent co-operative societies becoming the servants of a faction or being torn

by internal dissent. The co-operative movement could not ever consent to becoming politically subservient to another body. Nor could it, without exposing itself to the same criticisms as the co-operative movements of the so-called peoples' Democracies (the communist states), lay itself under an obligation to accept without objection or opposition any decisions to supersede existing co-operative institutions in any fields of its activity. Whenever a scheme is suggested to be promoted by the State, the Co-operative movement must look into it and see how far a single state monopoly is essential to fulfill the purposes of the scheme.

The aim of co-operators may be the same as that of the socialists: a free society in which the community has the right to use or to safeguard the use of the resources of the community, and to decide the means by which each member is given access to what is produced by these resources. But then the methods are different, and the co-

operative method is by far the safer one than the socialist method.

#### DIFFERENCES WITH CAPITALISM

The co-operators have their differences with the Conservatives or capitalists. The true conservative wishes to preserve for capital ownership the right to control the greater part of the economic system; he also believes that profit is the ultimate economic incentive. Nobody can deny that almost any sort of enterprise has to make a surplus over its entire costs of production if it is to provide funds for further capital investment. Such capital is provided by the savings of the capitalist in capitalism and by an overcharge to the consumer in socialism. In co-operatives any addition to the surplus goes as a dividend or purchases to the members or to expand the facilities of the society to the advantage of the members.

#### R. L. FOUNDATION LIBRARY

The following books have been added to the R. L. Foundation Library, Bombay, during the last month:—

1. Blavatsky, H. P.; *Secret Doctrine Vol. I & II.*
2. Montagu, Edwin S.; *Indian Diary.*
3. Blackham, Colonel Robert; *Incomparable India; Tradition, Superstition, Truth.*
4. Foster, William; *East India House: Its History and Associations.*
5. Mitchell, Rev. J. Murray; *Great Religions of India.*
6. Cervis, Pearce; *This is Kashmir.*
7. Chirol, Sir Valentine; *India Old and New.*
8. Kato, Genchi; *Study of Shinto the Religion of the Japanese Nation.*
9. Pearson, Hesketh; *Hero of Delhi.*
10. Whitehall (Ed.); *India Office and Burma Office List 1940.*
11. Reclus, Elie; *Primitive Folk.*
12. Taylor, Isaac; *Origin of the Aryans.*
13. Malleon, Colonel G. B.; *Indian Mutiny of 1857.*
14. Shah, Sirdar Iqbal Ali; *Extracts From the Koran.*
15. Durant, Will; *Case For India.*
16. Vidyarthi; *Works of Late Pandit Guru Dutta Vidyarthi.*
17. Griffiths, P. J.; *British In India.*
18. Monier-Williams, Sir Monier; *Hinduism.*
19. Munshi, K. M.; *Changing Shape of Indian Politics.*
20. Churchill, Winston S.; *India: Speeches and an Introduction.*
21. Tamhankar, K. M. (Ed.); *On to Delhi: 23 Enthroning Speeches of Subhas Chandra Bose.*

22. Bharucha, Ervad Sheriarji Dadabhai; *Brief Sketch of Zoroastrian Religion and Customs.*
23. Luckmidas, Keshavjee R. (Comp.); *Modern India Thinks.*
24. Chand, Gokul; *Message of the Vedas.*
25. Kincaid, Charles A.; *Lakshmbai, Rani of Jhansi and other Essays.*
26. Baerlein, Henry; *Abu'lala, the Syrian.*
27. Slater, T. E.; *Studies in the Upanishads.*
28. Desai, Bhulabhai J.; *I.N.A. Defence*
29. Arnold, Sir Edwin; *Light of Asia.*
30. Davids, T. W. Rhys; *Early Buddhism.*
31. Possony, Stefan; *Century of Conflict.*
32. Gaudefroy-Demombynes Maurice; *Muslim Institutions.*
33. Voigt, F. A.; *Unto Caesar.*
34. Huxley, Aldous; *Adonis and the Alphabet and other Essays.*
35. Kinche, Jon & David; *Secret Roads; "Illegal" Migration of people 1938-48.*
36. Lecky, William Edward Hartpole; *History of rise and influence of the spirit of Rationalism in Europe. Vol. I.*
37. Lecky, William Edward Hartpole; *History of rise and influence of the spirit of Rationalism in Europe. Vol. II.*
38. Mead, Margaret, (Ed.) *Cultural Patterns and Technical change.*
39. Toynbee, Arnold J. (Tr.); *Greek Civilization and Character.*
40. Dostoieffsky, Fedor; *Poor Folk and the Gambler.*
41. Kennedy John F.; *Why England Slept.*
42. Myrdal, Gunnar; *International Economy.*
43. Zola, Emile; *Beast in Man.*
44. Saroyan, William; *Daring Young Man on Fying Trapeze.*
45. Passos, John Dos; *Garbage Man, Parade with Shouting.*
46. Maupassant, Guy De; *Guy De Maupassant's short stories.*
47. Crosland, C. A. R.; *Future of Socialism.*
48. James, William; *Selected Papers on Philosophy.*
49. London, Jack; *Abysmal Brute.*
50. Toynbee, Arnold J. (Tr.); *Greek Historical Thought.*

#### A COMPETITION FOR OUR READERS

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The article should not exceed two pages of the 'Indian Libertarian' and should be preferably typewritten and on one side of the paper.

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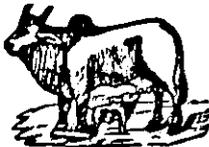
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This book suggests a way out

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