

# Indian Libertarian

Price 25 Naye Paise

Incorporating the 'Free Economic Review' and 'The Indian Rationalist'  
AN INDEPENDENT JOURNAL OF ECONOMIC AND PUBLIC AFFAIRS

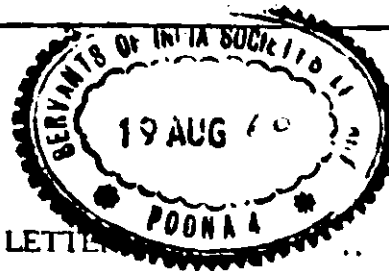
WE STAND FOR FREE ECONOMY  
AND LIBERTARIAN DEMOCRACY

MAKE ENGLISH THE LINGUA FRANCA OF INDIA

The views expressed in the columns of the 'Indian Libertarian,' do not necessarily reflect the policy of the Journal

Vol. VIII No. 10

IN THIS ISSUE



August 15, 1960

	PAGE		PAGE
EDITORIAL .. ..	1	DELHI LETTERS .. ..	11
<i>America's New 'Frontier'</i> by M. A. Venkata Rao	4	BOOK REVIEW .. ..	13
<i>Demos Raising Its Head</i> by M. N. Tholal ..	6	Swatantra Party Annual Convention at Bombay ..	14
<i>Swatantra Concept of Democratic Freedom</i> by V. P. Menon .. ..	9	GLEANINGS FROM THE PRESS ..	18
<i>Soviet-Indo Friendship?</i> by A. D. Gorwala ..	10	NEWS AND VIEWS .. ..	18
ECONOMIC SUPPLEMENT	I-IV	LETTER TO THE EDITOR .. ..	19

## EDITORIAL

### NEHRU CONCEDES NAGALAND

WITH the rebel Naga leader Phizo settled in London, the Rev. Michael Scott to sponsor him to the British public and the disturbing revelation of the sizable extent of support that many British groups and a part of the press have given to his anti-Indian cause of Naga independence, Shri Nehru seems to have lost his nerve. He has conceded the substance of the demand for Nagaland in Assam to the delegation led by their 'moderate' leader Dr. Alongkin Ao. The saving grace of the capitulation is that the Nagas are to have a State within the Indian Union and not an absolutely independent State outside it, completely beyond Indian jurisdiction. The Governor of Assam is to be the Governor of Nagaland who will retain the portfolio of law and order and finance. Immediately a Council of Naga leaders will be constituted to advise the Governor. It will assume charge of the country ceded to them and arrange for proper elections on adult suffrage. From representatives so chosen a fullfledged council of ministers is to be constituted. The tribal customs and rights over tribal lands are to be under the sovereign control of the Nagaland Government.

It is significant that Dr. Ao refused to have the new Government designated Naga State or Naga

Pradesh. He insisted on the name Nagaland, in closer affinity to England, Finland and other English names with the suffix 'land'. This reveals the foreign orientation of their minds, (natural to an aboriginal people in a remote part of the country) on account of their education at the hands of British and American missionaries.

The umbilical cord with the Indian people has been cut by this foreign education without natural affiliation to the Indian environment. They have been under the exclusive influence of foreign missionaries from the days of the Montagu-Chelmsford Reforms of 1919. The Reforms Act reserved hill tribes areas under the name of Scheduled Tribes Areas for direct control by the Governor, excluding them from the jurisdiction of the popular part of the diarchical ministry set up by the Act. Indian religious mutts and reformed sects like the Arya Samaj were deliberately excluded from the reserved tribal areas.

We see today the result of that policy in the anti-Indian stand of the Nagas.

It is also significant that British missionaries made a representation to the Attlee Government in 1947, not to hand Naga areas over to independent India but to retain it as a crown colony! Attlee fortunately refused their request.

The long term consequences of this concession of Mr. Nehru are fissiparous. It will give a fillip to the Punjabi Subha and like demands. Other hill tribes in Assam who are already demanding a separate State will be encouraged to intensify their agitation.

In the borderlands of Bihar, West Bengal and Orissa, the hill tribes under their missionary—educated leader Dr. Jaipal Singh, M.P. have long been agitating for a state of their own which they have named Jharkhand. Nagaland and Jharkhand are in effect nothing but Christisthan, just as the Punjabi Subha is Sikhisthan.

In despair about the feasibility of resisting such future demands, Mr. Durga Das, former editor of *Hindustan Times* writes in his *News Features Diary* that perhaps India will have to increase the units of the Union to 40 to 50 and come to resemble the United States, and from the policy applied to Andhra, Karnatak, Kerala, Maharashtra and Gujerat, it appears that the only logical policy to follow would be hereafter to concede further States to all recognisably distinct groups and areas before they start bitter agitation.

But one precaution has to be taken and that is, to reduce the sovereign power conceded to the provinces in 1947 for the sake of a federal union. This was another of the profoundly unwise acts of the Constituent Assembly, whose follies are now coming home to roost!

#### GOVERNMENT ACCEPT PAY COMMISSION RECOMMENDATIONS

The Central Government have announced acceptance of the principal recommendations of the

pay commission. Perhaps if they had done so during the negotiations with the leaders of employees, the recent general strike with all its subversive overtones and sufferings could have been avoided for the time being.

The combatant ranks in the Armed Forces below the level of officers are also to get a rise of Rs. 13.50.

But it would be idle to expect that these concessions solve the problem on any long-term reckoning. The governing factor in the situation is the great and continuing increase in the prices of food-grains, cloth and other essential commodities from the days of the war. They have risen four times since 1939. The present index number of 117 is a camouflage since the basic year from which it is calculated is 1953. Retail prices have risen by 25 to 30 since 1953. In Western countries, there will be agitation and uproar and anxious efforts to control the situation if the index number rises by as much as only 1 or 2 per cent! But in India, the people die like sheep and only a few in organised industry and Government departments make abortive moves by way of strikes to obtain relief.

The minimum for the lowest paid Central Government employees will now be Rs. 80 instead of Rs. 75, pay and dearness allowance included. Those higher in the scale are to be satisfied with increments of Rs. 10 to Rs. 20!

This is essentially an unstable equilibrium. Government are reported to be contemplating the permanent abolition of the right to strike, on the part of their servants, introducing Whitley Councils, essentially conciliatory bodies of officials, as a means of discussing staff discontent.

This will not meet the situation at all. Mr. Jayaprakash Narain's suggestion of compulsory arbitration by bodies constituted with the consent of employees as to membership with a guarantee of acceptance of their recommendations by Government, is eminently worth consideration as a way out of the impasse.

But the genuine remedy is to link emoluments to index numbers and to adopt policies to lower the prices of essential commodities. Government will have to lower tax levels and eschew inflationary deficit financing. But this they will not do, committed as they are to the Soviet pattern of forced five year plans, with the maximum of Government levies and disproportionately high expenditure on heavy industry and nonconsumer goods.

So the country has to reel on like a drunken person on the road from one stumbling block to another.

#### HINDI AND THE SOUTH

Government have announced their orders on Hindi as the official language. They have confirmed, (under questioning in Parliament by

***The Indian Libertarian***  
*Independent Journal of Free Economy  
 and Public Affairs*

Edited by MISS KUSUM LOTWALA  
 Published on the 1st and 15th of Each Month  
 Single Copy 25 Naye Paise  
 Subscription Rates:  
 Annual Rs. 6; Half Yearly Rs. 3

ADVERTISEMENTS RATES  
 Full Page Pa. 100; Half Page Rs. 50; Quarter Page  
 Rs. 25.  
 One-eighth Page Rs. 15 One full column of a Page  
 Rs. 50.

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

- Articles from readers and contributors are accepted. Articles meant for publication should be type-written and on one side of the paper only.
- Publications of articles does not mean editorial endorsement since the Journal is also a Free Forum.
- Rejected articles will be returned to the writers if accompanied with stamped addressed envelope.

Write to the Manager for sample copy  
 and gifts to new subscribers.  
 Arya Bhuvan, Sandhurst Road, Bombay 4.

Mr. Anthony and threats from the Dravidians of Madras and by Mr. C. Rajagopalachari) the limitations announced by Mr. Nehru sometime back. Hindi will not be required for competitive examinations and entry into Government service in non-Hindi states. It will not be compulsorily imposed on any State.

English can continue to be used by States in their communication with the centre.

But critics are not satisfied. They want a statutory amendment to embody these concessions, as a safeguard against back-sliding and mutual reservations.

But critics of Hindi in the South, especially Madras, are averse to English as medium of instruction in schools and colleges. The regional language is to have pride of place in administration, legislatures, courts and schools at all levels.

There is as much of a fanatical aversion to attaining proficiency in English as to Hindi! The result, it is to be feared, will be that there will be no common medium between different States and linguistic groups at a level sufficient for modern life at its best. Modern knowledge will have to wait for translation into Tamil or Telugu or Kannada before it can reach the mass of the people speaking them as a mother-tongue.

The Madras experiment of giving special coaching in English to teachers is too limited to have any serious effect. Not only teachers but all educated people have to attain adequate mastery of English to be able to absorb modern thought and to express themselves with accuracy, clarity and force.

This is another muddle in which divided minds and loyalties, led more by demagogic considerations than by far-seeing vision on the part of the leaders in charge of the destiny of the country are damaging the future of the nation.

#### THE RUSSIAN'S 88th VETO

The Russian delegate vetoed the American resolution before the Security Council calling for an impartial, international inquiry into the Russian shooting down the American reconnaissance plane RB-47. This is their 88th veto since the starting of the U.N.O.!

This Veto reveals the weakness of the Russian case that the plane was shot down within their territorial waters on the Arctic coast. The Americans say that the plane was 200 miles away flying over international territory, when it was forced by Russian fighter planes to move into Russian waters. But it resisted and did not approach within 30 miles of the Russian coast-line.

The Russian shot it down (criminally) trusting to brazen denial and propaganda to carry it off in the UNO and the world press. In the circumstances, the American suggestion of impartial inter-

national investigation was bona fide and indisputably fair. But Russia showed herself in her true colours by vetoing the proposal to prevent an exposure of the falsity of her charges. This is in strong contrast to the truthful, though highly distasteful, revelations by the USA leaders of the spying programme of the U-2 plane piloted by Mr. Powers before the Summit.

#### MR. MACMILLAN'S INITIATIVE

Mr. MacMillan the British Prime Minister took the initiative after the Summit debacle of May 12 to relieve the suspense occasioned by the American Presidential election campaigns.

He wrote an exquisitely written letter to Mr. Khrushchev asking him whether he had changed his foreign policy from the day of the abortive summit in May. He read it out to the House of Commons and elicited delighted appreciation of its tone and content all round. Mr. Gaitskell the leader of the Labour Party complimented the Premier on the wording and spirit of his letter.

England is trying in this (and in the proposal for a revision of the Air bases agreement with the USA) to win a greater voice and some posture of leadership in Allied Councils and policies.

#### DE GAULLE AND DR. ADENHAUR

French and West German leaders have also met and discussed the world situation. It is clear that Khrushchev's recommendation to De Gaulle to beware of the Germans and to trust Russia instead has not made any impression on him.

In the economic sphere, De Gaulle has approved of the European Common Market of Six. The Six Nations are now moving to have a Common Parliament for economic affairs consisting of members elected directly on adult franchise. Such a measure of integration traversing the zealously-guarded sovereignty of the nations seemed unthinkable before the war. But Europe is being forced to consider the idea of integration seriously. Britain is hesitating between the continental Six and the outside Commonwealth.

Dr. Adenaur is adamant about West Berlin and holds that it should not be surrendered to appease Khrushchev for it will not stop there! If the Allies yield an inch, the Russians will take an ell!

Mr. Nehru will do well to learn this lesson from Western Statesmen!

#### THE CONGO CAULDRON

The UNO forces from many lands—Ghana, Ethiopia, Morocco, Tunisia, Ireland, Sweden, Guinea and (now India) have been deployed in the interior districts of Congo to maintain order and relieve Belgian troops. Belgians have withdrawn from Dr. Lumumba's part of Congo. But

*(Continued on page 4)*

# America's New 'Frontier'

By M. A. Venkata Rao

**M**R. JOHN KENNEDY characterised the present challenge and opportunity confronting the USA today in world politics as America's 'New Frontier'. The epithet mobilises in American minds memories of the great creative phase in their history, when they pioneered from the East Coast to the West, clearing forests, winning virgin territory for agriculture and building roads, railways and townships. The story is a modern saga of vast dimensions full of adventure and enterprise, endurance and courage. It was a period of "rugged individuality" and self-reliance when millions of Europeans poured into America year after year in search of new homes and opportunity for winning prosperity in a social climate free from the narrow restrictions and oppressions of the old world, with its class and caste-ridden social structure.

The American Presidential elections have reached a definite stage with the nominations of candidates by the Democratic and Republican Conventions at Los Angeles and Chicago. The Democrats have chosen Mr. John Kennedy (age 43) in spite of his comparative youth and his Catholicism. He has chosen Mr. Johnson (61) as his running mate for Vice-President. The Republicans have chosen, as expected, Mr. Richard Nixon, the present Vice-President under Eisenhower. His running mate for the Vice-Presidency is Mr. Henry Cabot Lodge, at present United States Delegate at the U.N.O.

The rival candidates have begun their final decisive campaign for the suffrages of the people which will end on 8 November, the polling day. The new President and Vice-President will be installed in their exalted offices early in January.

The present Presidential election is of outstanding interest and importance for the whole world in the present posture of affairs as between the free world and the Communist bloc.

In spite of a stubborn pre-disposition towards isolation still persisting in the subconscious mind of Americans, the vocal elements and leaders in politi-

*(Continued from Page 3)*

Mr. Tshombe, premier of Katanga province, which is the richest in minerals, is threatening not to allow world troops. The Belgians have agreed to withdraw from Katanga also. The matter has to go to the Security Council again. This is the most spectacular work of the UNO so far. This is the beginning of its great work of finding a substitute for monolithic empires of the old type to lead African and other backward peoples to maturity and modernism.

**THE INDIAN LIBERTARIAN**

cal and economic circles have been driven (by the aggressive expansionism of Stalinist imperialism, year by year, since the fall of Czechoslovakia in 1948 and the conquest of Mao Tse Tung in China in 1949) to assume ever-increasing burdens and responsibilities by way of world leadership. American leaders began from the grim and dangerous process of re-armament and world alliances to contain Soviet Power. The Korean War of 1950-53 was decisive evidence of the need for matching the Communist power system by deterrent force. The memory of the sudden attack on and destruction of American ships and planes by Japan without declaration of war at Pearl Harbour in the last war is acting as a powerful motive to American leaders never again to be caught napping.

Subsequent history through Korea and Indo-China, Guatemala and Cuba, Lebanon and Iraq, the airlift to West Berlin and Khrushchev's renewed pressure on the City, his wrecking of the Paris Summit meeting, the story of U-2 and RB-47, continue the pressure of the crisis, deepening it day by day.

Americans have been deeply offended by Khrushchev's insult to President Eisenhower at Paris. Mr. John Kennedy makes specific mention of it and declares that it was an unpardonable insult to the whole nation and not merely to the personality of the President.

The fiasco of Congo's independence and the entry of U.N.O. to rescue it from chaos and forceful Russian interference has intensified the clash between the West and the Soviets.

Khrushchev has kept the door open for a new Summit and is awaiting the results of the November elections. He has made statements amounting to an interference in the internal affairs of the USA giving his preference to the Democrats.

The whole world is watching the progress of the American Presidential campaigns with anxiety, the Soviets no less than the allies and uncommitted nations.

The election platforms adopted at the Conventions of the two parties (Democrats and Republicans) formulate the issues of world politics and indicate the attitude to be taken by the American people to face their immensely complicated problems, weighted with weal or woe for all humanity.

Today more than ever before since the First World War of 1914-18, domestic and foreign policies have become inter-twined inextricably and

deeply dependent on each other. Foreign affairs overshadow internal developments. And since the danger from external sources is so overwhelming as to call for the full mobilisation of American capacity and genius in every field, foreign policy has a determining effect on all domestic spheres, economic, political, psychological and even moral.

Usually the Republican party has a tradition of conservatism favouring Big Business and free enterprise, low taxation and balanced budgets and isolation generally in relation to the outside world.

The Democratic party especially since the New Deal of President Roosevelt (forged to meet the great depression of 1929) is more hospitable to Leftist policies using State machinery to interfere on behalf of welfare state and to stimulate the economy by State advances and even direct investment in industry. Deficit financing was not rejected in this forward policy nor direct subventions for welfare like social security provisions. It made a deep indent on the American system of private enterprise and philosophy of "rugged individualism" and *laissez faire*.

But since the war, the Republicans under President Eisenhower have been obliged to depart from their old liberalism and to approach welfare techniques by the sheer pressure of events and the necessity of meeting the Communist challenge.

The result is that today there is hardly any radical difference in the general outlook and platforms of the two contesting parties. This approach between the rival parties stands out unmistakably in the 'acceptance' speeches of the candidates.

Mr. John Kennedy summed up his attitude and philosophy by calling upon the American people to meet the present challenge confronting them as if they faced a 'New Frontier'. World problems (viz., the preservation of the freedom of nations from Communist aggression, assisting under-developed nations and the African peoples newly emerging to a status of independence out of tribalism, the forging of a permanent institution for world peace, the final reckoning with Communism and all forms of totalitarianism so as to assure freedom in peace (and with justice for all peoples in the whole world) certainly constitute a new frontier before American leadership. It demands, for a successful confrontation of its many challenges, qualities of adventure, hardihood, love of freedom and respect for human values, together with knowledge and cooperative spirit, on a deeper level of spiritual resources than displayed in meeting the physical frontiers of the wild West from coast to coast in the early centuries of American settlement in the New World.

The first and most comprehensive of these problems is that of containing Soviet Communism and its expansive potential. In containing it within its frontiers, the world political climate should be so guided and transformed as to assist the unfortunate peoples groaning under its ruthless grip behind its

Iron Curtain to liberate themselves gradually and achieve a free social order. This is the only way to relieve the present intolerable tension between the two worlds of East and West.

The rival power systems should evolve into a global order of partnership in freedom and progress in an environment of peace and justice. Empire, whether Communist or capitalist, should give place to a cooperative social order, with the Haves finding their prosperity in assisting the Have-nots, whether they are classes within States or independent nations. If the Have-nots want capital and machinery and scientific technology, the Haves need raw material, mineral, agricultural forest and ocean and human labour which are so abundant in the backward continents. It should be possible to evolve economic arrangements making mutual benefit possible to both parties, with rising standards of living accruing to the poor. Those at the top of affluence may find ways of spiritualising consumption in greater degrees in the ways of culture, demanding less of the world's goods, as suggested in Galbraith's *Affluent Society*. This is the most important trail in the "new frontier" facing the United States and other affluent societies keen on freedom for all.

In this subject of dealing with the Communist bloc there is substantial agreement between Mr. Richard Nixon and Mr. John Kennedy. They agree that America in alliance with friendly nations should maintain a position of strength vis a vis the Communist empire. The Democrats are critical of the Eisenhower regime for not keeping up with the Soviets in the weapons race. Mr. Nixon too stresses the absolute necessity of having preponderant military strength in all departments relative to the Soviets.

But both candidates emphasise the need to maintain only a defensive posture of vigilance and not passing over to the offensive under any delusive notion of preventive war.

Mr. Khrushchev had said that the grandchildren of Americans would live under Communism. Mr. Nixon replied that the grandchildren of Russians will live under freedom. Mr. Nixon wants to overcome Communism without war.

Consequent on this determination to contain Communism by superior preparedness and strength and by diplomacy accelerating liberalism in Communist states, both leaders envisage an increase in the rate of development of American economy. Mr. Kennedy even mentions the figure of 5% per annum which is double the present rate. The Russians are supposed to have a rate of 14% per annum, but though high in percentage, it is far lower to American figures in quantity.

Republicans too have been emphasising social security programmes like increase of old age pensions. The Democrats are closer to Leftist policies of state-promoted welfare.

*(Continued on page 6)*

# Demos Raising Its Head

By M. N. Tholal

SOON after the British proprietors of the *Pioneer* decided in the late twenties to change the policy of their anti-Indian daily, its Editor decided to recruit a few Indians—natives, to be more exact—on the editorial staff, as without them he was finding it difficult to make the paper pro-Indian. The Sahibs on the staff, covenanted hands from Britain, did not even know the names of the top-most Indian leaders—Who is Lawjpat Roy? one of them asked me one day—and the annual session of the Indian National Congress was summarily dismissed as a fill-up without a heading in three lines containing two sentences. "The.....th session of the Indian Congress was held on December 26. Mr. .... presided."

My friend Sir Tej Bahadur Sapru, who was a great friend of the pro-Indian Editor of the *Pioneer*, Frederick William Wilson, one day suddenly asked me, "Why don't you join the *Pioneer*?" I looked at him in surprise, and he proceeded to inform me: "They want Indians on the staff now. The Editor has been asking me to recommend some capable hands for the editorial side." "A letter from Sapru is as good as appointment," a local journalist assured me a few hours later. I was nevertheless given a very stiff test before the appointment was made. I say this to underline the Englishman's emphasis

*(Continued from page 5)*

Both leaders emphasise the need for helping underdeveloped countries and uncommitted nations like India.

In fact, Senator Kennedy had issued a statement with former USA ambassador to India, Mr. Chester Bowles, calling for aid to India on the Marshall Plan Scale!

If Khrushchev has any illusions that the next President of America would be more pliant to his persuasions and threats, he will be undeceived! For, both Nixon and Kennedy have sounded a note of caution with regard to Summit meetings. They have underscored the great need for prior diplomatic preparations before Summit meetings. Kennedy has criticised President Eisenhower for being too naive. He points out that mere amiability, good-will and trust are not enough in diplomacy and world leadership.

Far from international tension being diminished after the Presidential election, all the signs point to a great increase in its tension. The new President will be firmer and will step up both economic and military strength and will prepare the American people to face the "new frontier" with austerity in consumption and grim determination in resisting and tanning Communism.

on efficiency, which really stems from his sense of fairplay.

Unlike some of my Indian colleagues, I was rather free with my opinions, and they were naturally antagonistic to those of the diehards there. Instead of making enemies, my frankness, to my surprise, earned for me the friendship of the Britishers there. I still remember the day of my triumph on the *Pioneer*. It did not consist in the editorials I was surreptitiously writing and which, after a few master touches from the Editor's pen, used to be quoted in the Central Legislative Assembly. It consisted in the reading over to my colleagues of a cable from London. As I read it silently, I began thumping the table, saying "Hear, hear." "What's it?" asked my colleagues in surprise, for the *Pioneer* office was a model of decency and decorum from which my action was undoubtedly a clear departure. "Here is a cable from London," I rejoined, "I must admit there are some honest men in England. A Labour M.P. has summed up British rule in India in three words." "What are they?" naturally asked my colleagues. And I read out from the cable: "Robbery, jobbery, snobbery." (Incidentally, can any one sum up the present Congress Government better?)

There was pindrop silence for a few seconds, followed by laughter, and we resumed our work. But the shot had gone home, and when the major part of the work was done and the time came to relax a little towards the small hours of the morning, one of them said to me as seriously as he could: "You will see, Tholal, when we are gone—and we shall go one day—you Indians will be fighting among yourselves like Kilkenny cats."

Toleration of inefficiency being out of the question, there was little intrigue in the *Pioneer* office. I have not come across that smooth working in any Indian newspaper office. As against that, I may add, I have not seen so much intrigue in any newspaper office as I did on that Congress daily, the *National Herald*, ten years later—an office where we were all supposed to be super-patriots. I have no hesitation in saying, after my experience of public life in India extending to four decades, that intrigue runs in the blood of Congress leaders, because the sense of fairplay and justice is lacking. I have singled out Congressmen because they pose to be super-patriots.

## IS IT FAIR?

As I have said, my diatribes against Englishmen earned me their respect and, I flatter myself, their

affection. For they began inviting me to tea. At the residence of one of them, while we were having tea, one of the two children of my host, who were playing on the lawn, came running to her mother to lodge a complaint against her brother, ending up with the query, "Mummy, is that fair?" I looked in amazement at that child of seven, posing that problem to her mother in a spirit of inquiry and wanting to know whether what her brother, a couple of years older, was insisting on as right, was really right. Mummy decided it wasn't fair and John bowed to her decision rather shamefacedly. I have often found that question on the lips of English children, boys and girls. But how often does it strike us elderly Indians to ask that question: "Is it fair?" I wonder if there is a popular Hindi equivalent for the word 'fair.'

Let us take, for instance, the greatest Indian of our times—Gandhi. While acting as Editor of the *National Herald* I felt called upon to criticise him once. It was the year 1940. Gandhi had asked the Secretary of the Gujarat Provincial Congress Committee to ask those among Gujarat Congressmen who did not have implicit faith in nonviolence in thought, word and deed to say so. (Gandhi used to say in those days he was not even a four-anna member of the Congress!) I said in criticism of the great leader, in a leading article, that the Congress was not committed to nonviolence in thought, word and deed, that the Secretary of the Gujarat P.C.C. was not likely to furnish this information while putting the proposed question, and that the silence of Gujarat Congressmen or their failure to reply to the query, which might be due to fear of the Mahatma, cannot properly be interpreted as a declaration of faith in nonviolence in thought, word and deed, and that the better way to find out how many among them were "true" devotees of nonviolence would be to invite all those who believed in the thought, word and deed nonviolence, to write to Gandhiji. That would, I said, be a truer index of the number of the faithful.

Most of the directors of the *Herald* were then in prison. The one outside, Raghunandan Saran of Delhi, was sent for by the Mahatma at Wardha and shown the leader. As in duty bound, the Delhi leader, who was only too anxious to come into prominence, expressed regret that such an article should have appeared in his paper. On arrival at Lucknow therefrom he told me as much. "But what is wrong with the article?" I asked, adding, "I have read it over and over again." "So have I," rejoined Mr. Saran, "and I must say there is nothing objectionable in it, but you can't criticise Mahatmaji. This is a Congress paper." "Yes," I said, "and I was only explaining the Congress viewpoint as per their Working Committee resolutions."

I brought the discussion to a close by informing him that I had already sent a cutting to (Chairman of the Board of Directors) Nehru in Dehra Dun jail through his stenographer who happened to break

journey at Lucknow on his way to Dehra Dun, and had asked for Nehru's comment on the article as it had created somewhat of a sensation. (But there was no comment from Nehru.)

Gandhi might have done what Motilal Nehru did in 1923. In his own daily, the *Independent*, its Editor, David Upson, criticised in a leading article a statement made by Motilal Nehru to the effect that the oath of allegiance that members of the legislatures had to take—he was then starting the Swaraj Party—was a constitutional oath, not binding for ever, and was like a coat which one could put on and put off at will. Motilal Nehru wrote a rejoinder to the leading article which was published as a Letter to the Editor. It smashed the case made out by the Editor. Gandhi could have done likewise or asked Mahadev Desai—who had also acted as Editor of the *Independent*—to write a rejoinder. But he knew he had no case, and therefore the surreptitious approach, although he used to say, "I abhor secrecy." The fact of the matter is that he had no *locus standi* either.

### WHAT DO YOU GAIN?

Some Congress friends came up to me and whispered sympathetically: "What do you gain?" Other Congress friends would glance at me through the corners of their eyes, as they might have done at a man going mad, and keep their distance. I am not quite sure that they were wrong—in India. Indeed, I have often wondered whether there is not something really radically wrong with me (in India) that, instead of asking the prosperity-building question—what do I gain?—I am always asking that suicidal question: "Is it fair?" Not only asking it but answering it too, in prose as well as verse, with the venomous pen that I wield. David Upson once told me when I started my career as leader-writer on the *Independent*: "My God! I have never seen such a venomous pen as yours. You don't abuse as I do. You murder!"

What I have been trying to drive home is the mantram of Congress leaders: "What do I gain?" What did the Assam Congress leaders and ministers say when the rioting began? Just this: "What do we gain by coming out in the open against these rioters and incendiaries? And their inner voice replied unanimously. "Nothing. You may lose their votes in the bargain." And that clinched the issue for them.

The other day Mr. A. Ranganathan, a contributor to the *Indian Libertarian*, came to see me, from far-away Madras, for a few minutes. We exchanged some information. During those few minutes I knew I was talking to a fellow-countryman. I frankly confess I do not have that feeling whenever I have the misfortune to speak to my next-door neighbour, a Punjabi, whose language I do not understand, and whose culture (lack of it, to be more exact) I abhor. Not to appear snobbish, I try to hide my feelings, and that is the utmost I can do

for the sake of peaceful co-existence, which is persistently eluding us. I do not think things would have been any better, had my neighbour been a U. P. man like myself, but with the education (for lack of it) of my neighbour. What is it that makes me feel that Mr. Ranganathan is a fellow-countryman and my neighbour a boorish alien who should have been, in all propriety, living a few hundred miles away from me? English education, or lack of it, obviously.

Put an uneducated North Indian and an uneducated South Indian together and they will feel naturally that they belong to two different races, different nations. That feeling is not there between an English-educated Kashmiri like me and an English-educated Tamilian like Mr. Ranganathan. Any one can see that for himself. I have come across southerners who knew only their mother-tongue and I have felt like an utter stranger among them. Any one who cannot realise the cementing force and the emotional integration that the English language produces must be very weak in the upper story. There was a time when we Northerners thought—the educated ones to their dismay—we would get away with Hindi as the all-India official language, which would supplant English soon. But that is a dream which is now evaporating from the minds of the dreamers themselves, and the sooner we give it up the better it would be for the country.

#### BASIS OF ALL MORALITY

I have as good a right to expect Mr. Ranganathan to talk to me in Hindi as he has, to expect me to talk to him in Tamil. For myself, quite frankly, I cannot imagine anything more absurd and out of the question than talking to him in Tamil, and I should not feel surprised if he should think talking in Hindi equally absurd for him. "Do unto others as you would they should do unto you" is the basis of all morality, and I am really surprised that we Indians cannot bear this elementary fact in mind. It was Gandhi's Hindu majority that made Jinnah adamant. ("Jinnah is my brother," said Gandhi when he failed to subdue him. "Yes," retorted Jinnah. "The only difference is that Brother Gandhi has three votes while I have one." Is it going to be Hindi majority this time, working the same havoc?

It is said that English education makes us foreigners in our own land, that we thereby lose the sense of kinship with our fellow-countrymen around us. Granted. What harm does this evolution do the country so long as it preserves the kinship and fellowship between educated men in the far north and the far south? After all, it is the educated who lead, and if the leaders of the country have the mutual feeling of fellowship and kinship, further partitions of the country will be out of the question. Why then should we (including Mr. Ram Monohar Lohia) insist on destroying the fountain source of this mutual feeling of fellowship and kinship, which is the foundation of nationalism? And is our constitution a *desai* constitution by any stretch of the imagination? And if it is not—as admittedly it

is not—why should we make this conglomeration of foreign ideas the basis of our political existence? Or having made it, why should we set about stabbing it in the back by resorting to everything indigenous, from the language upwards or downwards?

I know little about other Indian languages, but about Hindi I can say with the greatest assurance that it is a very good language for inculcating *bhakti* (devotion)—the sort Gandhi wanted and the sort Nehru wants now. Good enough for them, I dare say, but the moment there are two Rams, all the Hanumans will be flying at one another's throats. What was the tragedy of partition, if it was not the tragedy of two Rams, named Gandhi and Jinnah? It is devotion that produces Rams. There is no better language for producing Rams than Hindi, and there is no better instrument for tearing India to pieces than Hindi. Democracy cannot thrive on devotion. Democracy makes a man stand upright and think himself to be the equal of the greatest in the land. Hindi is the undemocratic language of an undemocratic people belonging to an undemocratic land. Insofar as other Indian languages are allied to Hindi, they must be undemocratic *pari passu*. Of course, all these languages can be developed to suit modern purposes. But languages cannot be developed in a few years. They take decades at least, if not centuries. Let them try to develop rather than retard the intellectual growth of Indians by supplanting a language which they cannot replace.

The truth is that the Indian constitution was one of the numerous poses of Mr. Nehru—not for poor ignorant Indians to practise but for foreigners to admire. And we are now paying the price of that pose and shall continue to pay it so long as we refuse to make up our minds to throw it on the scrap heap. But Mr. Nehru, as he himself says, has no time to think. What is even more unfortunate is that he thinks no one else in the country has the right to think!

#### DEMOCRACY VERSUS SOCIALISM

Democracy extends the sphere of individual freedom, Socialism restricts it. Democracy attaches all possible value to each man; Socialism makes each man a mere agent, a mere number. Democracy and Socialism have nothing in common but one word: equality. But notice the difference: while democracy seeks equality in liberty, Socialism seeks equality in restraint and servitude.

—De Tocqueville

#### STERILE SERVICES

At best public services are a necessary evil. At worst they have a malign tendency against which an alert community must exercise eternal vigilance. Even when they serve the most important ends, such services are sterile. Government is powerless to create anything in the sense in which business produces wealth.

—John Kenneth Galbraith



# Swatantra Concept Of Democratic Freedom

By V. P. Menon

**T**HERE are twenty-one basic principles to which every member of the Swatantra Party subscribes, the last of which runs as follows:

"The Swatantra Party holds that democracy is best served if every political party allows freedom of opinion to its members on all matters outside the Fundamental Principles of the Party. It therefore gives its members full liberty on all questions not falling within the scope of the Principles stated above."

In commending this principle at the Preparatory Convention held in Bombay in August 1959, Rajaji described it as "a new window for democracy". The concept is revolutionary and its possibilities as working guide to real democracy are tremendous.

India follows rather closely the British pattern of democracy without its accumulated experience or political education.

We have here a Government at the Centre which is supported by the majority party in the Lok Sabha. The party consists not only of mere hand-lifters but also of persons who can contribute substantially to the debates. When the Government considers any policy to be essential, a whip is issued to every member of the party enjoining him to vote in the manner desired by the Government. This has resulted in frustration and a sense of hurt over the arbitrary deprivation of one's own liberty and judgment.

Political thinking is a revolutionary process which constantly adjusts itself to changing conditions and changing times. No democracy can survive if the line is taken that the last word on any subject has been said. In Great Britain the Conservatives are supposed to stand for tradition and are accused by their opponents of an unwillingness to change. But this is hardly true; for, within the past few decades the Conservatives have been responsible, as much as any of the so-called progressive parties, for introducing new ideas, new concepts and new procedures under the stress of circumstances. Conservatism, has therefore come to mean today not so much swearing by a hoary principle; it rather means a trend of development clear and sound, though the pace of progress may be slower. Profiting by experience, rigidity has been thrown overboard not only by the Conservatives but even by the more radical parties.

Where the Opposition feels that it can neither amend, abridge nor influence the decisions of Government because of the overwhelming strength of the ruling party in the legislature, the Opposition becomes sterile, barren, bitter and irresponsible in

opposing the Government. Conservative thinking is in these conditions reduced to the minimum. Vehemence and repetition take the place of argument, and judgment abdicates in favour of emotion. The more adamant a Government is to any reasonable change which may be suggested either by its own partymen or by the Opposition, the greater is the scope given to extremism. If we concede that the members returned to a legislature are capable of discharging their responsibilities completely, opportunities must be given to them to express their point of view. Of course this does not mean that every member should support the ruling party or the Opposition and repeat parrot-like the opinions already held or the arguments already advanced. It should be possible for a member to put forward a different view and gain a hearing for it. If a member of the legislature is denied this privilege, not only will his electorate feel he has not contributed anything towards the debate, but the member himself will suffer frustration. The essence of democracy is that conflicting views are considered and a majority opinion emerges which decides what is good for the country and community. Where opportunities for such discussion are curtailed or denied, it ends in hasty legislation, improvised methods and wasteful expenditure. This is the very foundation of democracy and Rajaji has focussed attention on this cardinal point.

This concept of democracy is the one most suited to our country. Outside the 21 Fundamental Principles of the Swatantra Party there is a vast field where every member can freely express his opinion, and on account of this freedom there is no danger of his feeling shackled or regimented. Given this sort of freedom, the legislature becomes a real forum for exchanging ideas and thoughts and the Government is subjected to the impact of fresh ideas. In this process the Government's prestige will not suffer any decline nor will its power be challenged. It would only mean that an open mind is maintained on a subject under discussion until the very last, and what will emerge is the collective judgment of the members of legislature reflecting the collective opinion in the country as a whole. The Opposition under such conditions will feel the urge to take up a constructive attitude and real co-operation may be forthcoming amongst the parties. Under such conditions there may be a cleaner political atmosphere, and everyone, realising his responsibility, will play his role to the best advantage of the country, putting aside party prejudices and personal considerations. Real democracy based on freedom of discussion will then flourish, and the demagogue and the sycophant will drop out of politics.

# Soviet-Indo Friendship ?

By A. D. Gorwala

**F**OR many years the Government of India deceived both itself and the people about the extreme friendliness of Communist China for this country and its very great cordiality towards it. Under Government's active patronage, 'Hindi-Chini Bhai-Bhai' became the slogan of the multitude. The people have now learned better and so, it may be hoped, has the Government. But is it now embarking on a similar campaign in regard to the Soviet Union? Is high authority in Delhi, feeling the loss of its courteous Communist Chinese sympathisers, attempting to replace them by the equally tactful and obliging Soviet Communists? The questions arise because of the recent overwhelming appearance of cordiality between the two Governments, the constant visits of dignitaries, alone and in delegations, to the Soviet Union, and the declarations about the deep friendship of the Soviet Union for India even by men in power ordinarily recognised as sober-minded and not apt to be swept away by adolescent enthusiasms. Before, then, the Government of India declares its profound belief in the everlasting affection of the Soviet Union for India and in its profound sincerity, and 'Hindi-Rusi Bhai-Bhai' becomes, under its aegis, the new maiden cry, it may be worthwhile examining to what extent there can be a union of hearts between the Soviet Union and India.

The principal leader of the Soviet Union, Comrade Khrushchev, recently declared that he hoped during his life-time to see every country in the world under the Communist flag. That to him is the noblest of all ideals. Is it to us? Do we wish to see, let alone every country in the world, our own, under the Communist flag? Members of the Communist Party and a crypto-Communist or two, high in authority, may be so desirous. But is anyone else in the country? No. Our own flag is good enough for us, and unless most ingeniously deceived and sabotaged, we would certainly resist every attempt to get us under the Communist flag. Clearly then to friend Khrushchev's onward march, India presents a not unformidable obstacle. Are we to suppose that this is not apparent to his perspicacious mind, or that his charitable heart takes no account of it, and in spite of it continues to be sincerely devoted to this country? We may, of course, if we are quite as blind to things as they are as the Government of India sometimes seems to be.

That the Soviet Union, in spite of its current economic assistance and offers for the future, desires India little good is clear from its extreme reluctance to call to order Communist China, the aggressor who has seized 12,000 square miles of Indian terri-

tory and claims many thousand more. Of the Soviet Union's ability to get its 'younger brother' to accept its wishes, there can be no doubt. The 'younger' is dependent for every single item of complicated equipment, every expert technician, upon the 'elder.' Even those wishful-thinking Westerners, who for some time sought comfort for their own weakness in a supposed rift between the two, have now been compelled to conclude that they were wrong and that the policy of International Communism remains what it has always been, united and one, with the head of the Soviet Union primarily in charge. In fact, correspondents have reported that Soviet officers solved the more difficult logistic problems for the movement of Communist Chinese troops into Ladakh. Whatever the appearances sought and the representations made to deceive, there can be no doubt that the Soviet Union feels that the passing of the Himalayas into Communist Chinese hands would serve the interests of International Communism, and consequently its own.

In ideas as in ideal, a gulf yawns between the Soviet Union and India. Whether it be in the value to be attached to the individual, in the importance of the rule of law and of an independent judiciary, in the need for honest elections, in the maintenance and free exercise of civil liberties, the conceptions of the two countries are totally different. Briefly the Soviet Union is a despotism. India, in spite of its many errors and transgressions, remains a democracy. Great is the difference indeed between tyranny and freedom, and little the possibility of any lasting friendship between the two.

The Soviet Union moreover in its capacity as the fountainhead of International Communism is an ever-present danger to this country. In its view no land is free unless it is ruled by the Communists. For tactical reasons, it may make all kinds of declarations of friendship with non-Communist governments but this is its basic belief. It is moreover bound by its principles to 'liberate' all countries not free in its sight, in other words, to establish in such countries, as and when it appears to it feasible, Communist governments. For this purpose, it maintains and directs what Stalin called his 'shock-brigades,' local Communist parties whose efforts, open and underground, are directed towards the uprooting and destruction of all those institutions and activities that come in the way of the fulfilment of its aim. It finances, instructs and guides such parties and its special staff, expert at conspiratorial technique, takes a prominent part in the instruction. The liberalisation in the Soviet Union reported in recent

*(Continued on page 11)*

# The Indian Libertarian

## *Economic Supplement*

---

### Private Sector and Third Plan

By Prof. G. N. Lawande, M.A.

**T**HE draft outline of the Third Five-Year Plan released in the last month for eliciting public opinion clearly shows that our half-baked leaders on whom Marxism has a considerable influence have not learnt any lesson from the mistakes made in the past i.e. in the First and Second Five-Year Plans. The Plan envisages a total investment of Rs. 10200 crores—Rs. 6200 crores in the public sector and Rs. 4000 crores in the private sector over the five years' period (1961-66). The main objects of the Third Plan are to secure a rise in national income of over 5% per annum, to achieve self-sufficiency in foodgrains, to expand basic industries like steel, fuel and power, to make the best use of the man-power resources and to bring about a reduction of inequalities in income and wealth and a more even distribution of economic power. In other words, the main objective of the Third Plan is to secure a marked advance towards self-sustaining growth and to accelerate the momentum of the effort which has got into the first and second plans. It is estimated by the Planning Commission that the ratio of domestic savings to national income is to be raised to 8 per cent in 1961 and 11 per cent in 1966, and that the ratio of investment to national income will be higher i.e. 11 per cent in 1961 and 14 per cent in 1966. According to Prof. Rostow and others, self-sustaining growth can be achieved only when a country starts to save a steady 10 to 12 per cent of national income and invest a steady 12 to 14 per cent of national income. But the real issue is whether the people in our country are able to save under the present conditions when the prices of necessities are rising every day. Under inflationary pressure it has become impossible for the large majority of the people to make both ends meet. In such a condition to rely more and more on domestic savings for the implementation of Plan is to live in Fool's Paradise. In order to increase the domestic savings, price line should be held in check not by economic controls but by more and more production of the consumers goods. This can be achieved by giving full scope to the private enterprise instead of strangling it at every stage. The criticism levelled against private enterprise by Mr. Nehru that it leads to monopoly is out of date. In modern democracies the State has ample powers to break such arrangements by proper legislation.

So far as our country is concerned there are no monopolies formed deliberately in the private sector. It is true that there is not enough competition in some industries but this is mainly due to import restrictions and other economic controls imposed by the Government. At present our Government is using powers to check monopolies in the private sector by fixing prices, regulating production and distribution of goods, licensing of industries and supervising the persons appointed as managers, secretaries etc. As a matter of fact, it is in the public sector that we find the monopolies of undesirable kind and they are growing day by day under the very nose of Mr. Nehru. They are detrimental, but the citizens are helpless because they have no effective means to check the evil effects of concentration of economic power in the hands of politicians and bureaucrats. As long as this policy continues all talk of prosperity and economic progress is a mockery.

In the Draft of Third Five-Year Plan, it is assumed that the private sector cannot be relied upon to achieve spectacular results and that the public sector should be pushed forward to a position of increasing dominance in the economy. This attitude cannot be justified on economic grounds because the private sector has not only fulfilled its targets but even exceeded them. It can be justified on the ground of political ideology propounded by the ruling party. It is an incontrovertible fact that the public sector has not been able to invest as much as it ought to have done, because it has been wasting a good deal of its money on welfare schemes which have not produced desired results. On the contrary these schemes have only enabled the Ministers to exploit the poor people and squeeze the private sector by imposing confiscatory pattern of taxation on the recommendations of Dr. Kuldor. In spite of heavy taxation private sector was able to achieve substantial results and if the Government had created a proper atmosphere for smooth functioning of private sector the "take-off" stage would have reached in Second Plan itself. So far our country has not reached that stage and this is mainly due to muddle-headed fiscal and monetary policies adopted by the ruling party during the Second Five Year Plan. It is not possible for us

to raise our standard of life under the present conditions. "Full employment and prosperity do not depend upon overambitious plans, but on whether the people of our country work hard, accept sacrifices and complement the large inflow of foreign aid with the adoption of rational economic policies at home." During the Second Five-Year Plan the taxation policy adopted by the ruling party has had a major impact on the funds available to private sector. "The draft outline of the Third Plan indicates that the process of milching the private cows to nurse the State-owned calves is to continue with renewed vigour. This impact would have been less adverse if the Government had concentrated to mop up the funds which are not accessible to the private enterprise. In such a case the total savings would have increased but at present they are transferred from one sector to the economy to the other. The present system of taxation hits directly those parts of the economy where voluntary savings would normally be the greatest, whereas it leaves practically untouched the numerous other parts which are not in the habit of saving—and which, if they do save merely accentuate inflation by putting their money in foodgrain, commodity and bullion hoards." In the Draft Outline it is assumed that additional taxes to the tune of Rs. 1650 crores can be raised in five years i.e. Rs. 330 crores per annum, but this Herculean task can be achieved only by aggravating the inflationary pressures. These additional taxes, it must be remembered, are to be on the top of those that have been imposed in the Second Plan and which have caused great damage to our economy. In other words the private sector will be asked to bear more and more burden to milch the public sector. This will result in more and more unemployment. There will be less propensity to invest and there is every possibility that domestic capital may take refuge in foreign countries.

In any non-communistic, democratic society the private sector will always be bigger. It is said that our country is a bastion of democracy but it must be borne in mind that democracy and socialism cannot go hand in hand because "Democracy extends the individual freedom. Socialism restricts it. Democracy attaches all possible value to each man. Socialism makes each man a mere agent, a mere number. Democracy and Socialism have nothing in common but one word: equality. But notice the difference: while democracy seeks equality in liberty, Socialism seeks equality in restraint and servitude." (De Tocqueville). In order to achieve rapid industrialisation of our country the ideological considerations should be given a secondary place. Socialism would lead to serfdom. Instead of prosperity there will be distribution of poverty. So the only way to accelerate the tempo of economic development of our country is to give more scope to the private enterprise. The sum of Rs. 4000 crores allotted to the private sector is too small in view of the fact that the outlay in the private sector was Rs. 3100 crores against a target of Rs. 2400 crores.

At least Rs. 5000 crores should be earmarked for the private sector. The Third Plan is overofficialised by the public sector covering agriculture, community development, small industries and road transport. This will lead to confusion and overlapping. "It must be generally recognised now that purely ideological considerations have lost in weight during recent years. Not only is there any special virtue in public ownership but there is positive danger in it for a popular government in that it will become a mere party whenever a trade dispute arises in nationalised undertakings. Forms of economic organization must be suited to the resources of managerial ability and their distribution among the people. Our democratic ministers have enough on their hands not to take on more from nebulous ideas of social ideology". The Third Plan proposals envisage the extension of community projects and cooperative movement to cover all the villages in the country; free and compulsory education for all children in the 6-11 years age group and the provision of minimum amenities to all rural areas, including drinking water, roads linking each village to the nearest main road or railway station and a village school building which may also serve as a community centre and provide facilities for the village library". But this is mere wishful thinking and it should have no place in the technique of planning. At present our food problem is no better than during the Second Plan period which depend very greatly upon imports from America and other foreign countries. In spite of this our Food Minister, Mr. S. K. Patil is very dogmatic when he says that the country would be self-sufficient in foodgrains by 1965-66.

Our country can achieve "take-off" stage only when a free scope is given to the private enterprise. "There has to be a rise of nearly 40 per cent in the rate of domestic savings, assuming that 21.5 per cent of the investment contemplated will be met by external assistance. In order to bring about such a sharp rise in savings there will have to be considerable restraint on consumption. This will be possible only if the wholehearted cooperation of the public especially industrial and agricultural workers, is forthcoming in a spirit of understanding and appreciation. The feeling of restlessness that we now see among the middle class and working class is a grim pointer which cannot be overlooked or lightly dismissed as a temporary aberration. Realism therefore demands that adequate provision is made in the Plan for the plentiful supply of food, cloth, sugar and housing at prices which will not add any further to the cost of living. This is essential prerequisite for the "take off" stage for a democratic economy". This can be achieved by enabling the private sector to play its proper role in the economic development of our country. Empty stomachs of the poor people will not be filled by empty slogans and by drafting overambitious plans.

# East And West Berlin

## A STUDY IN FREE vs. CONTROLLED ECONOMY

By Prof. B. R. Shenoy,

Member, Panel of Economists, Planning Commission

**A** VISIT to East and West Berlin is, as I now find it, a pilgrimage. I would recommend it to economists who are still wavering on the relative potentialities of freedom and stage regulation, to administrators who think that controls are indispensable for accelerated economic growth and to ministers, legislators and politicians who believe that India's economic salvation is not possible without centrally directed five-year plans.

The contrast between the two Berlins cannot miss the attention of a school child. West Berlin though an island within East Germany, is an integral part of West German economy and shares the latter's prosperity. Destruction through bombing was impartial to the two parts of the city. Rebuilding is virtually complete in West Berlin. Vacant plots are often used to raise crops. Buildings still in damaged condition are rare. The residential areas, including flats for workers,—of varying floor space, they are not shawls—and the shopping centres radiate boom conditions. In East Berlin a good part of the destruction still remains; twisted iron, broken walls and heaped up rubble are common enough sights. The new structures, especially the pre-fabricated workers' tenements, look drab.

The main thoroughfares of West Berlin are near-jammed with prosperous looking automobile traffic, the German make of cars, big and small, being much in evidence. Buses and trams dominate the thoroughfares in East Berlin; other automobiles, generally old and small cars, are in much smaller numbers than in West Berlin. One notices cars parked in front of workers' quarters in West Berlin. The new phenomenon of workers owning cars, which West Berlin shares with U.S.A. and many parts of Europe, is unknown in East Berlin. In contrast with what one sees in West Berlin, the buildings here are generally grey from neglect, the furnishings lack in brightness and quality, and the roads and pavements are shabby, somewhat as in our cities.

The contrast applies, too, to shop windows. The departmental stores in West Berlin are cramming with wearing apparel, other personal effects and a multiplicity of household equipment, temptingly displayed. Nothing at all comparable is visible in

East Berlin. East Berliners visit West Berlin to take back un-noticed whatever goods they can buy. The food shops in East Berlin exhibit cheap articles in indifferent wrappers or containers and the prices for comparable items, despite the poor quality, are noticeably higher than in West Berlin. Walking into a restaurant in East Berlin, one finds the same contrast. The stranger's doubt whether payments will be received in West marks is soon dispelled. They are accepted with a twinkle in the eye. Coffee and ice-cream costs 3.10 marks; to economise on foreign exchange, coffee is heavily mixed with synthetics; genuine stuff alone is served in West Berlin and it may be had for half the price.

The frontier between East and West Berlin is nominal. There are no pass-port formalities as a normal practice. Foreigners, in particular, may move across the frontier quite freely. Generally, there are police guards only on the Eastern side. On the underground railway, movement between East and West is virtually free; the change in the uniformed station staff indicates the passing of the frontier. The generally shabby clothes of the people coming in is another evidence of the entry into East Berlin.

Visiting East Berlin gives the impression of visiting a prison camp. The people do not seem to feel free. In striking contrast with the cordiality of West Berliners, they show an unwillingness to talk to strangers, generally taking shelter behind the plea that they do not understand English. At frequent intervals one comes across on the pavements uniformed police and military strutting along. Apart from the white armed traffic police and the police in the routine patrol cars, uniformed men are rarely seen on West Berlin roads.

But Communist party men are eloquent. They have a ready explanation for the contrast between East and West Berlin. West Berlin is part of the dollar empire! For propaganda effect, American capitalists are pouring money into West Berlin; once this blood transfusion ceases, West German economy will collapse. East German prosperity, on the other hand, rests on solid foundations—hard and devoted work of East German workers. Though progress may be slow, it will endure.

This is a grossly misleading explanation. It is not true that West German prosperity rests on foreign capital; nor is it superficial and temporary. Though foreign aid played an important part in speeding up reconstruction in the initial phase, even so, aid between April 1948 and the end of 1954 was of the order of 6.7 per cent of the gross investment of the period. Foreign aid has played a much more vital role in the progress of planning in India; it accounted for 23 per cent of the investment in the public and the corporate private sector in the first three years of the Second Plan. It is much more true to facts to say that, as in the case of Canada, continued German prosperity attracted foreign capital, rather than that this prosperity rested on foreign capital. In recent years, there has been a net outflow of German capital, which amounted to DM 1.64 billion (Rs. 185 crores) in 1959, and yet German prosperity continues on the up-trend. Share values in Germany since 1951, keeping pace with the national product, have risen at an annual rate of 28 per cent, in a black-ground of comparative price stability. This would not happen if the economy lacked in soundness and stability.

For an explanation of the contrast of the two Berlins, we must look deeper; the main explanation lies in the divergent political systems. The people being the same there is no difference in talent, technological skill and aspirations of the residents of the two parts of the city. In West Berlin efforts are spontaneous and self-directed by free men, under the urge to go ahead. In East Berlin effort is centrally directed by Communist planners, who do not lack in determination for speedy progress; the urge to progress is particularly strong, if only to demonstrate the potentialities of communism to foreign visitors to the two Berlins. The contrast in prosperity is convincing proof of the superiority of the forces of freedom over centralised planning. It is difficult to resist the inference that workers in East Berlin, deprived of the incentives of full property rights over the fruits of one's effort, are loath to put in their best.

This is reflected in the unabated emigration from East to West Berlin. The emigrants have to leave behind all their assets, have the clothing they wear and such valuable as they may carry unobtrusively. The route they take is usually the underground railway. Once in West Berlin, the emigrants are assured of hospitality at the reception centre at Marienfelde. Depending on choice, job availability and background, they then leave to the several parts of West Germany. The largest bulk of the emigrants is within the age groups of 18 and 45; the urge to leave is great among technicians, professional men and intellectuals. While the population of West Germany is growing, that of East Germany is declining. Communists can never give a satisfactory explanation to this strange phenomenon of workers, by self choice, abandoning their paradise, leaving behind kith, kin and possessions, to start life all anew in a decaying community dominated by capitalist exploiters.

The flow of traffic, human and financial, is predominantly one way, from East to West Berlin. This is reflected in the glut of supply of East makes and in the exchange rate in the free market. One West mark buys 4½ East marks, the official rate being one to one. Conversion at the free rate may be effected at banks or money changers at important railway stations in West Berlin. This explains the twinkle in the eye when East Berliners receive payments in West marks at the official rate.

Theatres, news-stands and book-shops in East Berlin exhibit home products and propaganda material on the achievements of communism. For a breath of fresh air and for the news, literature and amusements of the free world East Berliners visit West Berlin. Out of sympathy for them, Bonn and West Berlin subsidise cinema houses to permit their accepting payments at par in East marks, the amount of the subsidy being of the order of 10 million marks a year.

The contrast in achievements, which has widened with time, is a heavy strain on communist nerves, and, doubtless, is a factor in the "Berlin problem." To begin with East Berlin was better fed and clothed than West Berlin. With the coming of Professor Erhard's free market policies in 1948,—when he threw "into the waste paper basket, in one swoop, hundreds of decrees promulgating controls and prices"—West German economy began to book and soon overtook East Germany.

Statistics of West German progress testify eloquently the superiority of the forces of freedom. The gross national product of West Germany expanded at an annual rate of 17 per cent during the past decade,—a world record for a sustained rise at this high rate—and West German wages rose, during the same interval, by about 90 per cent. The international payments of the country were chronically in deficit, calling for doles, when "planning" prevailed; since the restoration of freedom to the producer and the consumer, the payments position has shown rising surpluses, German exports forging ahead from the fifth to the second place in the world.

That an innate conflict exists between freedom and progress is a delusion which is clouding the vision of policy makers in many countries, including our own. Policies ensuring economic freedom, in every case, have rescued economies from semi-stagnation, to which controls and statism had condemned them. The examples of West Germany, Belgium, Switzerland, Italy, Japan, Hong-Kong and, more recently, France demonstrate this. West Germany has achieved, in less than ten years, more economic well-being for the citizen than Russia had done after 40 years of ruthless regimentation. Communism makes for sectoral, not general, progress, significantly in areas where freedom is allowed full play as in the sciences (Sputnik).

## Linguistic Lunacy

(From Our Correspondent)

**A**LTHOUGH, normally, there should be no bar to Parliament debating disturbances like those which disfigured the face of Assam during the last two months, it cannot be denied that, if a debate tends to inflame feelings now subsiding, the best course in the circumstances is to postpone it, and that is what the Speaker wisely, even if undemocratically, did in the Lok Sabha on the start of its monsoon session. The Communists were probably right in refusing to accept the view that a discussion on Assam would only result in "mutual recrimination," but some such recrimination was undoubtedly unavoidable and could not have failed to exacerbate feelings in Bengal and Assam. Pandit Pant was, however, arguing against himself when he observed that there was no feeling of danger or insecurity in the minds of the displaced people who were returning to their homes in large numbers. Bengal's

*(Continued from page 10)*

times, which is said to have reduced the burden on Soviet citizens somewhat, has not affected this international aspect of Soviet Communist activity in the least.

High government personages reiterate their belief in the peaceful disposition of the Soviet Union. In reality, to war as such, the Communist has never had any objection and the only thing that prevents the Soviet Union from launching a most destructive attack on the free world is that it still does not consider itself to have sufficient ability to escape with only slight damage from retaliation. The moment its inventors place in its hands some device which will make its chiefs feel they have such an advantage, there will be no hesitation. Men to whom the killing of millions of their own countrymen, in the interests, as they saw it, of a cause, came quite naturally, are not likely to be backward in destroying other nations and peoples for their own and the cause's final victory.

Let us then be quite clear that in ideals, ideas, behaviour and disposition, there is nothing in common between us and the leaders of International Communism. Our interests are diametrically opposed. Any sincere friendship in these circumstances is impossible. To declare it is either to be deluded or hypocritical. In dealing with the Soviet Union, for us the only wise course is a combination of cool correctness and continuous vigilance.

—Opinion

Relief Minister, Mr. P. C. Sen, was obviously giving a truer picture of the situation when he said the same day (August 1) that restoration of confidence was not as easy as was thought in some quarters, that there were cases where there was still none, and that some evacuee farmers had returned to West Bengal after going back to Assam because of the feeling of insecurity.

Nevertheless the failure of the Government of India to introduce Presidential rule in Assam to check disturbances in that State last month is in glaring contrast to the introduction of Presidential rule in Kerala where there was, in any case, no general breakdown of the administration as in Assam. The inference is irresistible that that failure was due to the fact that the Ministry in Assam was a Congress Ministry. How can a Congress Central Government thus censure a State Congress Government which may be presumed to have been following the former's directives in handling the situation regarding which the former had been kept fully informed? In censuring the State Government the Central Government would have in fact been censuring itself. That is only another reason why the Central Government should be anxious to avoid a debate on the happenings in Assam. The Opposition naturally cannot appreciate the predominating need of Congress leaders and ministers of Assam not doing anything which may turn the popular tide against them. Against the background of this solid fact, it has to be admitted that what the country has been face to face with, in Assam is the failure of democracy and self-government itself, towards which all parties have been contributing, by refusing to agree among themselves to leave the students alone to their studies and not to exploit them for party purposes.

The situation has been referred to as "cold war" and even as "inter-provincial war". Acharya Kripalani has been insisting that there should be a probe into the causes of the disturbances in Assam. Who does not know these causes? Ultimately they resolve themselves into one: LINGUISTIC MANIA, and the popular demand for promoting the cause of the language of the soil, knowing, as all thoughtful people must do, that, with the passing of British rule, the English language is the only remaining common bond among the different communities inhabiting India. It is an expression of great political insight that makes the Indian

Libertarian advise Indians every fortnight on its front page: "Make English the lingua franca of India." But such a cry obviously cannot be popular among the Indian masses, and it is not popular among the Indian leaders because it cannot attract the masses to their parties. And the extent of the lack of popularity of this cry among our leaders is the extent also of their lack of patriotism and of courage to face unpopularity, if need be, for the sake of the good of the country. It is still not too late to heed the sage who coined the cry quoted above. The alternative is dismemberment of the country, deferred happily by the sanity displayed by Bengal during her observance of her Protest Day over the happenings in Assam. But how long, it is being asked here, will our leaders depend on such fortuitous events?

### THE NAGA GAMBLE

The agreement between the Government of India and the delegation of the Naga People's Convention is intended to strengthen the hands of the Moderates among the Nagas, thirty per cent of whom are counted hostile, 30 per cent moderate and the remaining are regarded as sitting on the fence. It is to these latter that the agreement is addressed, and it remains to be seen whether it will succeed in persuading them to give up their neutrality and join the constructive forces in the State—to use a phrase made familiar by British writers in the days of our slavery. A state is being created with a population of 3½ lakhs and an annual revenue of Rs. 5 lakhs! The new state has at least 14 tribes whose interests will have to be reconciled, besides meeting the demands of the still more backward Tuensang area upon the "more advanced" Naga Hills district. The agreement is frankly the result of a stalemate, our 30,000 men of the Indian Army having failed to crush the 2,000 hostiles who are still at large, mainly on account of the fact that the terrain is not fit for normal military operations.

It is being said in defence of the Government that the creation of a separate Naga State was the only way out, but at the same time the present official expectation is that there may be an intensification of hostile activity. The contradiction involved in the two assertions seems to have escaped the notice of the policy-makers of the Government of India, if there are any such in existence. (I am prepared to admit that there is no need for them in a Government which has an 'all-powerful' and always-moody Prime Minister and a Home Minister always prepared to say 'Yes' to the Prime Minister to keep his job for which he would appear to be unfit on account of his advanced age). What has obviously led to this agreement is wishful thinking and we can only hope and pray that our hopes will not be belied by events. It was only the other day that the Congress in its annual session declared that there will be no more bifurcation of states, and the Congress President has been repeating the Congress decision from a hundred and one platforms to depress the Sikhs demanding a Punjabi Suba.

Under the agreement Tuensang will be under the administrative control of the Governor for ten years to prevent it from being swamped by the more noisy and numerous Naga Hills tribes. But what after ten years? Will the Central Government concede a separate State for the people of Tuensang? Tuensang will nevertheless participate in all the benefits accruing to the new State and will be duly represented in the legislature, the interim body and the Council of Ministers. The burden of these benefits will be borne by the Central Government. In the proposed Nagaland there will be 14 or 15 tribes, unequal in the number of people comprising them and thus unequal in influence, but, regardless of their size, the tribes will have equal representation. It is being pointed out here that, had this not been done, recrimination among the tribes would have led some of them to join the hostiles who, it is expected, will eventually be persuaded to realise the folly of continuing warfare and the wisdom of partaking in amenities, the burden of which is borne by New Delhi. Failure on one side and suffering on the other have led to the creation of the Naga State, thus justifying the oft-repeated observation that Nehru bows to violence. No one can feel optimistic about the future of the new State, who has had a good look at the somewhat fierce countenance of some of the members of the Naga delegation. In any case, it is to be hoped that the reaction of the formation of Nagaland on the Sikhs will not be as bad as it might well be.

### OFFICIAL LANGUAGE POLICY

Prime Minister Nehru has informed an M.P., in reply to a letter from him, that the Government of India stands fully by the assurances given by him in regard to the language question. According to Mr. Nehru, there has been no occasion at any time for the Government to go back in any way on those assurances. While the Prime Minister maintains that reference is made to his assurances in the President's order, 15 M.Ps, who also wrote to Mr. Nehru on the subject, regretted that the President's order on the subject of official language did not, in its operative part, make it clear that Mr. Nehru's assurance to the non-Hindi speaking people should form the foundation of all action to be taken by the various ministries. They rightly feared that the absence of a specific mention of this assurance could result in different ministries and departments approaching the language question according to their own predilections. The Prime Minister's assurance should allay their misapprehensions to a great extent and it is not quite apparent why the issuing of a communique should be considered necessary to reaffirm his assurances.

Mr. Frank Anthony, however, goes farther and says that the President's notification on the official language was "clearly in breach of the specific assurances given by the Prime Minister to the non-speaking Hindi peoples." Article 343 of the Constitution requires that, for a period of fifteen years



from the commencement of the Constitution, the English language shall continue to be used for all the official purposes of the Union for which it was being used immediately before such commencement. But, according to Mr. Anthony, by executive fiat and the policies enunciated in the language notification, Hindi is already being treated as the principal official language and English as a subsidiary language. That is a serious charge and obviously requires detailed justification which, it is to be hoped, Mr. Anthony will try to produce at the earliest opportunity.

It is not necessary for the Home Minister to endorse the Prime Minister's assurances on any subject, as Mr. Anthony seems to think. He has to implement them or resign—the latter course is generally out of the question even when there are fundamental differences! The need for vigilance cannot therefore be denied. There is, however, substance in the point that Mr. Anthony makes with the Anglo-Indian community in mind. The Prime Minister had stated categorically that the non-Hindi speaking candidates will not be required to pass a Hindi test for entry into the Central services, while the language notification and the Home Minister's declaration make it clear that this will only apply to the non-Hindi regions. The effect will be that the linguistic minorities in the Hindi regions will, contrary to the Prime Minister's assurance, be compelled to

pass a Hindi test before they can enter the Central services. This, Mr. Anthony says, is bound to mean the progressive exclusion of the non-Hindi-speaking candidates from the Central services. Mr. Anthony's reading of the situation is that, on the one hand, Government is delaying the introduction of a Bill to clarify the position in terms of the Prime Minister's assurances, and, on the other, through executive action non-Hindi-speaking Government servants are being insidiously coerced into taking Hindi tests and examinations. There does appear to be an underground attempt to whittle down the Prime Minister's assurances in regard to the official language—assurances which gave a shock to the Hindi maniacs of Northern India—and it will not at all be surprising to find that the Hindi maniacs have gone underground in the hope that they will be functioning more effectively therefrom!

### O, FOR A SARDAR!

The strike has, as expected, fizzled out, and it is heartening to find that the Government has not yielded to those who demanded that the strikers should not lose their pay for the strike period. With an eye always on popularity, the Nehru Government might have yielded on that point too. The aptest comment on the strike has been: There would have been no strike if Sardar Patel were alive. To that might be added: There would have been no disturbances in Assam, had Sardar Patel been alive. It is bad to have a shilly-shallying mind. It is worse, much worse, for it to become known generally, for people begin to bank upon it. So far as

preservation of peace in the country as concerned, nothing can be more unfortunate than the ever-increasing belief in the minds of the people that Prime Minister Nehru bows to violence. This belief and the facts upon which it is based constitute a threat to the integrity of the country.

## Book Review

THE CONSTITUTION OF LIBERTY: by F. A. Hayek.

Sixteen years ago, in a short but very important book, *The Road to Serfdom*, F. A. Hayek sought a modern restatement of the great issue between liberty and authority. Now, pushing his researches further, he has produced a monumental work of 570 pages, *The Constitution of Liberty* (University of Chicago Press, \$7.50), exploring the philosophical foundations of freedom with a thoroughness, scholarship, rigor of reasoning, and precision of statement rarely equalled and never surpassed. It is one of the great political works of our time.

It is difficult, within the limits of this space, to convey an adequate idea of the book's scope and contents. Part I is concerned with the meaning and value of freedom. As Abraham Lincoln pointed out, "The world has never had a good definition of the word 'liberty.' We all declare for liberty; but in using the same word, we do not all mean the same thing." Hayek analyses the many ambiguities of the word, but uses it to describe "the state in which a man is not subject to coercion by the arbitrary will of another or others." He examines the goals and methods—legal, political, economic, educational—that restrict or threaten this liberty, as well as the ideals and measures most likely to promote and maximize it. In the course of this examination, the goal of Liberty is compared with that of Equality, Majority Rule, and Democracy to determine to what extent they are compatible and, when not, which must have priority. Democracy, he concludes, though "probably the best method of achieving certain ends," is "not an end in itself."

### THE RULE OF LAW

In part II, Hayek considers the relation of freedom to the law, and presents an illuminating historical survey of the slow growth of safeguards to individual liberty. Among these he stresses the importance of a written constitution, of federalism, limited government powers, division of powers, and judicial review.

Most of all he stresses the importance of the Rule of Law. By this he means the absence of arbitrariness, privilege, and discrimination. The

(Continued from page 14)

# Swatantra Party Annual Convention at Bombay

**T**HE city of Bombay experienced a week of hectic political activity from July 27 to August 4, during which the one year old Swatantra Party held its annual Convention at Bombay. The stage was set by the arrival of Mr. C. Rajagopalachari, the founder-leader of the party at Santa-Cruz Air Port in I. A. C. Viscount Plane in the evening on 27th July 1960. Despite the heavy rains a large

crowd of nearly 300 persons consisting of the leading Members of the Swatantra Party, friends and admirers had assembled there to greet him. Those who were present included Prof. N. G. Ranga, Mr. K. M. Munshi and Mr. V. P. Menon. Rajaji was welcomed by full-throated cries of "Jai Swatantra" and "Rajaji Zindabad" as he was led to the waiting car and was profusely garlanded by about 100 volunteers.

(Continued from page 13)

law must apply to all, and not merely to particular persons or groups. It must be certain. It must consist in the enforcement of known rules. These rules must be general and abstract rather than specific and concrete. They must be prospective in their application and not retrospective. They must be so clear that court decisions are predictable. The case for the ideal of the rule of law, for its certainty, generality, and equality, is presented with unanswerable force. But Hayek is compelled to point out in a final chapter of this section how, under the influence of legal positivism, socialism, and the drive toward a Welfare State, the ideal of the rule of law has been declining.

## CREEPING BUREAUCRACY

The final section consists of eight chapters in which Hayek shows what the effects have been—on labor and employment, social security, taxation, money, housing and town-planning, agriculture, and education—of the decline of the rule of law and personal liberty in the pursuit of the goals of socialism, welfare-statism, redistribution, "full employment," and inflation.

This is a series of masterly discussions which unfortunately cannot be reviewed in detail here. I must confess some disappointment in one or two of them. His chapter on "The Monetary Framework", for example, though it contains a brilliant analysis of inflation, seems to violate his own declared principles when it suggests that a restoration of the gold standard is neither practicable nor desirable, and even expresses doubt about the wisdom of tying down the monetary managers by "rigid rules" instead of depending on their discretion.

Yet these chapters in general are distinguished as much for their courage as for their intellectual penetration. No one has pointed out more clearly the dangers now facing us from inflation, paralyzing "progressive" taxation, coercive labor unions, the ever-increasing dominance of government in education, and a social-service bureaucracy with far-reaching arbitrary powers. Hayek's book is the twentieth-century successor to John Stuart Mill's essay *On Liberty*, and the contemporary legal-political counterpart of Ludwig von Mises' economic treatise, *Human Action*.

—Henry Hazlitt, 'Newsweek'

## RAJAJI'S ADDRESS TO THE PRESS CONFERENCE

The nature of the deliberations of the General Council Meeting of the Swatantra Party to be held on July 31 was almost forestalled by the important points made by Rajaji in his address to the Press Conference held at Bharatiya Vidya Bhavan on July 28. The salient points were:—

**Charge of stifling opposition:** He repeated his charge against the Congress that it was attempting to stifle his one year old Swatantra Party.

**Assam Riots:** His advice to the Government was that it should make it clear that the reorganisation of the States would not be allowed to become a tyranny of the minorities. "I am ashamed," he observed "of what had happened in Assam. It is a black mark on our civilization".

**Third Five-Year Plan:** The outline of the Plan according to him spelled a great deal of inflation and besides contained "many errors of calculation." In reply to a question as to whether he wanted the Planning Commission to be abolished, he observed amidst laughter that he did not want "a demobilisation of the brains of the Cabinet by the Commission." He took the line that if properly constituted it could do some useful work.

**Election Prospects:** The Swatantra Party, he thought, would contest the coming Elections in most, if not all, of the States and he rated the Party's prospects in the Elections "very high".

**Alliances with the Power Blocs:** He thought, alliance was perhaps a strong word. We should try to shrink the cold war although the activities of aggressive States might put us on the defensive. But it was not right to be "Over-obsessed" by the notion that anything that we might do would lead to a General World War.

**Co-operative Farming:** The Swatantra Party had always taken the position that Co-operative Farming would involve compulsion at some time or other. "If I can make a conjecture, the delegation going to Russia shortly, comprising Ministers and Officials, will lead proudly to the education in the art of compulsion," were his caustic comments.

**Official Language:** He would continue to oppose the imposition of Hindi as 'official language' as vigorously as before. "I will oppose it till all English newspapers in India are closed down," he said humorously in reply to a question.

### DELIBERATIONS OF THE GENERAL COUNCIL MEETING AT SUNDARABAI HALL

How Rajaji's Press interview faithfully reflected the opinion of his Party could be seen from the resolutions approved after full discussion at the Annual Convention of the Party held at Sunderabai Hall on July 31. The Hall was packed to its capacity with delegates drawn from every nook and corner of the country and distinguished visitors and sympathisers. Mr. N. G. Ranga, the Chairman of the Party presided.

The proceedings of the General Council Session began with a prayer by the film actor Prem Nath, a Member of the Party, followed by a welcome speech by Mr. Morarji Vaidya, Chairman of the Bombay Branch. In his speech Mr. Vaidya said that the Party should make a determined, organised and extraordinarily sustained effort to present to the country a dynamic and constructive programme, as the time of the General Elections of 1962 was very short.

### PROF. RANGA'S WARNING AGAINST NEHRU-STYLE COMMUNISM

Prof. N. G. Ranga in his presidential address declared that the country would go to pieces if the present regime continued for another five years. The freedom hoped for, by the people was falsified by the ruling Congress Party and the only way out was to replace it. The Swatantra Party was pledged to do its best in that direction. The choice before the country was between communism through the International Organisation of communism and communism through Nehru. "But we choose" Mr. Ranga thundered "to go the way of Swatantra and Rajaji".

Prof. Ranga deserves the thanks of all freedom loving people for his outspoken and thorough-going public exposure of the Nehru brand of communism at this juncture, when the people are sought to be frightened into the belief that it is only the Congress under Nehru that stands in the way of communism coming to India and therefore they should support the Congress at any cost.

### RESOLUTIONS UNANIMOUSLY APPROVED

All the resolutions were approved unanimously at the Session. Among those who spoke on the different resolutions were Mr. M. R. Masani (on strike), Mr. Sardar Uddam Singh Nagoke (on Punjab tension), Sardar Lall Singh, an expert on agriculture and Mr. Lobo Prabhu (on The Third Five Year Plan), Mr. Kamakshiya Narayan Singh, the Raja of Ramgarh (on The next elections), Mr. H. P. Mody (on China and Tibet), Mr. N. C. Chatterji

and Mr. V. P. Menon (on Assam situation), Mr. K. M. Munshi (on threat to national unity).

### RAJAJI'S CONCLUDING ADDRESS

Rajaji in winding up the Session with a forty-five minute address spoke on the resolutions. He felt that strikers should not be arrogant, lest they might lose public sympathy, and on its part, the Government failed in properly tackling unemployment problem and removing disparities among its own employees. The Government should now realise that the only way to increase employment in the country was to allow industries to grow freely, thereby leading to "decent and proper employment for thousands of people." He warned members of the party to be on guard to see that no injustice was committed by State Ministries with regard to the treatment of linguistic minorities.

### RAJAJI TAKES THE CITY OF BOMBAY BY STORM

During the week Rajaji stayed in Bombay he almost took the City of Bombay by storm. Besides attending the Central Executive Meetings and the Annual Convention of the party he addressed meetings of students and Merchants' Associations, the progressive group, as also open air meetings at Bombay, Dharavi, Matunga and other places. The meeting at Chowpaty on August 31, was easily the biggest of all political meetings recently held in Bombay. About a lakh of people who had assembled there listened to the message of "Independence with Freedom" as Rajaji termed it, with rapt attention and in complete silence, undeterred by even the drizzle of rain for a short time. At Dharavi the working class population gathered in its thousands to welcome and hear him. On August 2, he addressed a crowded meeting, mostly consisting of middle-class intellectuals at Sir Cowasji Jehangir Hall.

### CHALLENGE TO NEHRU AND THE CONGRESS

In a hurricane campaign throughout the city and its suburbs and also at the open Session of the Party, Rajaji repeatedly gave an open challenge to the Prime Minister Nehru to step down six months before the General Elections so that there would not be an opportunity for "mass bribery and easy victory" for the Congress Party. If the Congress then won, Mr. Nehru could go back with redoubled strength. He gave another challenge to the Party in power to enact a law as in America, in the forth-coming Session of the Lok Sabha, prohibiting Companies in the country from giving contributions to political parties. These measures he said, would ensure fair and free elections. Mr. Nehru was claiming that his Collective Farming would be different from that of Russia and his socialism was also original. "I want him" Rajaji said, "to be original in some other direction, viz., to step out of the Government before the elections. Let him step out, because the Congress would not step out. If he steps out the Congress is jerked out.

Let us have in India a Parliamentary system for the first time when six months before the General Elections the Government will be entrusted to a caretaker Government."

### 'THE FREEDOM THAT IS NOT FREE'

In a closely reasoned-out and hard-hitting speech at Sir Cawasjee Jehangir Hall, Rajaji repeated the same two challenges to the ruling party. He said that he had been told by many industrialists and businessmen that they felt helpless to support the Swatantra Party for fear of reprisals from the Government. He added "I know they will not accept this suggestion, for they have tied their votes to money and their reputation is so bad in the country that money only can save them".

Dilating at length on the freedom of the Press, he claimed that since the advent of the Swatantra Party, the Press in India had shown a larger amount of independence in criticising the ruling party, though the editors still seemed to agree among themselves that the Prime Minister be left alone as it was he "who kept the country together". In India the freedom of the Press was curtailed not by law but by fear. Under the circumstances, he poignantly asked "What is this freedom which is not free?"

He finally appealed for support of the people to the Swatantra Party if they wanted to enjoy "Independence with Freedom."

### RAJAJI'S MESSAGE ON THE EVE OF HIS DEPARTURE FROM BOMBAY

On the eve of his departure from Bombay on August 4, Rajaji issued the following message: "I am glad to say that I have seen youngmen and women who are working for the Party in Bombay and I have met others who came from all other parts of the country. It would be a pity, a tragedy if their work goes to nothing in the coming elections. We must demonstrate that money cannot win elections."

### THE SWATANTRA PARTY HAS COME TO STAY

To judge from the brilliant success of the annual Convention of the Swatantra Party and public meetings which followed it, it can be safely asserted that the Swatantra Party is making rapid progress and is moving from strength to strength. The people, who had no other choice uptil now than that of voting for the Congress which they wrongly thought, was a lesser evil than the communist and socialist parties, are fast rallying under the new distinctive and inspiring banner of the Swatantra Party, led by the stalwart leader and sagely statesman Shri Rajagopalachari, ably assisted by other eminent public leaders. The Swatantra Party, it can be said, has now come to stay, and the time is fast approaching when even those Congressmen who till recently were scoffing at it, will learn to pray within its precincts.

---

## Swatantra Party

### RESOLUTIONS APPROVED BY THE CENTRAL COUNCIL MEETING ON SUNDAY, JULY 31, 1960

(A summary of the Resolutions is given below—Ed.)

#### 1. GOVERNMENT EMPLOYEES' STRIKE:

The General Council of the Swatantra Party congratulated the people of India on keeping calm and preserving the normal life of the community during the course of the recent strike of Central Government employees and expressed satisfaction at the fact that a large number of Government employees did not associate themselves with this ill-advised and unnecessary stoppage of work and thus helped in bringing the strike to an early conclusion and minimising distress and inconvenience to the public.

The Council disapproved of the action of those employees in the administrative and essential services of Government who went on strike and sought to hold the community to ransom. It deplored the action of the leaders of the strike. It was of the view that the situation was aggravated by the domination of the Government Employees' Unions by outsiders from the ranks of political parties who

attempted to exploit the genuine discontent of the employees for personal or party ends.

On the other hand the Council was unhappy at the indiscriminate use in a number of cases of the extraordinary powers under the Ordinance and the Preventive Detention Act.

In the opinion of the Party, the root cause of the strike was the continuing rise in the cost of living due to the inflation that was inherent in the Congress Government's Five-Year Plan. The refusal of the Union Government to compensate their employees for the rise in living costs created by its own policies was inconsistent with the concept of removing disparities that they themselves put forward in other fields.

It was to be hoped that this experience of what happens in State employment and nationalised enterprises would open the eyes of the public in general

and the working class in particular to the soundness of the Swatantra Party's thesis that State Capitalism and Free Trade Unionism cannot co-exist for long.

The General Council was of the view that a sound policy of dealing with Government employees, needs to be evolved and should be based on the following considerations:

- (a) The drawing of a distinction between civil servants, those in essential services and those employed in industrial or other establishments managed by Government, with appropriate procedures applicable in each case;
- (b) The establishment of appropriate machinery for negotiation and conciliation in order to facilitate collective bargaining, including the establishment of suitable Joint Council;
- (c) The acceptance of the principle that, whenever civil servants and those employed in essential services are denied the right to strike, there should be an opportunity for the matter in dispute to be referred to arbitration; and
- (d) The recognition of Unions and Associations of Government employees being made conditional on their office-bearers and executives being drawn from the ranks of the employees and not from those of outsiders.

The Council expressed the hope that Government would adopt a humane attitude in dealing with strikers who were misguided or intimidated. The Council requested the Public Aid Committee of the Party to render whatever legal help may be possible and necessary to the strikers facing disciplinary proceedings.

## 2. DRAFT OF THE THIRD FIVE-YEAR PLAN:

The General Council requested a Panel from among the members of the Party and others to examine the draft of the Third Five-Year Plan published by the Government and to help the Party with a report on the subject within the next two months. The following gentlemen were requested to undertake this work:

- (1) Prof. B. R. Shenoy, (2) Sardar Lal Singh, (3) Mr. M. A. Sreenivasan, (4) Prof. M. Ruthnaswamy, and (5) Mr. J. M. Lobo Prabhu.

## 3. THE NEXT GENERAL ELECTIONS:

The General Council called on the State units of the Party to ensure that no one who was eligible to vote was deprived of his civic rights. For this purpose they should interest themselves in the preparation of the Electoral Rolls and ensure that the names of those who were eligible to vote were included in the appropriate rolls so as to make them correct and up-to-date.

The Council was confident that the Swatantra Party would secure a gratifying response at the next

General Elections if it chose men of ability, quality and character as its candidates and gave them adequate time to approach their constituencies. With a view to enable the new National Executive and General Council of the Party which would come into existence by the beginning of 1961 to commence adopting candidates for Parliament and State Assemblies, the Council called on Party units in the States to undertake, as soon as the enrolment of members concluded by the end of September 1960, the preparation of tentative panels of prospective Parliamentary and State Assembly candidates and to forward such lists to the Central Office of the Party by the end of February 1961.

## 4. CHINA AND TIBET:

The General Council took note of the continued resistance of the valiant people of Tibet to the Chinese occupation of their country and paid its respectful tribute to the heroism and tenacity of the Tibetan people.

The Council noted with deep concern and regret the lack of a firm and effective policy on the part of the Government of India to meet the continued aggression of the Communist Government of China on the Himalayan frontiers.

## 5. ASSAM:

The General Council viewed with pain the recent happenings in Assam and condemned the grievous failure of the Congress Government in Assam to maintain law and order and to protect the lives of people of Bengali origin residing in that State.

## 6. REPRESSION IN THE PUNJAB:

While the Swatantra Party had refrained from being involved in local and linguistic issues, it strongly condemned the reign of terror and repression that has been initiated in the Punjab with the acquiescence of the Union Government. The Council apprehended that this sort of repression would tend to have an adverse influence on the security and defence of India.

The General Council requested the following gentlemen (with powers to co-opt) to pay an early visit to the Punjab to make an impartial appraisal of the situation in relation to the repressive measures taken by the Government irrespective of the political issues raised by the various Parties in the State and to make a report to the Central Organising Committee: (1) Shri K. M. Munshi, (2) Shri N. C. Chatterjee, (3) Sardar Kartar Singh Campbellpuri and (4) Shri C. B. Agarwala.

## 7. THREAT TO NATIONAL UNITY AND DEMOCRACY

The Swatantra Party held the view very strongly that the policies initiated and persisted in by the Congress Party in the face of opposition of the saner elements of the community as well as in its own ranks, though not always expressed publicly

for a variety of reasons, had resulted in a parochial and disintegrating tendency throughout the country weakening the united strength of the people.

The General Council therefore appealed to the people to reinforce the efforts of the Swatantra Party in resisting this process of national disintegration.

---

## Gleanings from the Press

### DISCOVERY OF NEHRU

This is a time of crisis for the nation's leadership, and camouflage will not serve it any longer. Whether Nehru has discovered India or not, India has discovered Nehru. He has made a mess of the nation's affairs. Administrative standards have been demoralised beyond redemption. Education has been ruined. The soaring prices have made life dreadful to common people. There is discontent everywhere. Even the territorial integrity of the country has not been protected. There is no talk any longer of the recovery of Ladakh. Taxation has reached an all-time high, with little to show in return. Of the huge sums spent on the Plans, the major part has gone down the drain through inefficiency, waste and corruption. By every test of commonsense, the Nehru leadership has failed to justify itself.

Yet the Congress plans for perpetuating itself as the ruling party. Its strategy is clear. It wants to gather to itself such an amount of power that nobody can stand up in dissent, and with money extorted with such power it plans a mass bribery of voters. The collection work has begun, and as generosity to Congress is profitable, and refusal to pay may be disastrous, no party can compete with the Congress either in the collection of funds or putting voters under undue pressure. There can be no fair elections without the Congress stepping down from office and leaving things in charge of a caretaker government for a period of at least six months in advance of the polling. All parties should now concentrate on this demand for the sake of fair elections.

—Swarajya

---

## News And Views

### CHINESE RULE IN TIBET CONDEMNED FOR GENOCIDE AND VIOLATION OF HUMAN RIGHTS LEGAL INQUIRY BODY'S REPORT

New Delhi: The International Commission of jurists has published the 340-page report of its Legal Inquiry Committee on Tibet.

Based on an exhaustive examination of three

specific legal issues arising from the occupation of Tibet by the Chinese Communists, the report presents to the world the unanimous view of nine eminent jurists from seven countries that (1) genocide had been committed against Tibetans as a religious group but not as a race; (2) the Chinese Communist authorities in Tibet had violated human rights; and (3) Tibet was at least a de facto independent State when the Sino-Tibetan agreement was signed in 1951, and the repudiation of this agreement by the Tibetan Government in 1959 was fully justified. It further says:

"The price paid for the development of Tibet has included genocide (against the Buddhist religious group) and also the large-scale violation of the most basic of human rights. Against this there is little to commend in such improvements as has been claimed in the economic, social and cultural life of Tibet."

About 65,000 people were killed in Tibet since the beginning of the Khampa rebellion against the Chinese early in 1956, according to the estimate of Mr. Trikandas, the Chairman of the Committee, who was answering questions at a press conference held on the occasion of the release of the full report of the Committee.

The International Commission is a non-governmental and non-political body having a consultative status with the Economic and Social Council of the United Nations and is made up of judges, professors and practising lawyers and its main objective is the defence of the rule of law.

### "REAL & STRONG OPPOSITION" TO CONGRESS ESSENTIAL MR. RAJAGOPALACHARI ON SWATANTRA PARTY'S AIM

The founder-leader of the Swatantra Party, Mr. C. Rajagopalachari, declared in Bombay that his party's aim was to become a "real and strong opposition" to the party in power.

He said that such a party was an "indisputable requirement" to ensure that the parliamentary system of Government worked properly for the good of the people.

Mr. Rajagopalachari, in a statement issued on the occasion of the first anniversary of the establishment of the Swatantra Party in Bombay, said that his party had undertaken the task of democratic education of the people to make them realise that the "Government in a parliamentary democracy can be changed by the people if they feel dissatisfied and that it is not a dynasty."

The Swatantra Party leader claimed that his party men had broken the "great and malignant spell" that demobilised the spirit and intelligence of the people of all classes as a result of the unbroken rule of the Congress party.

When India's Constitution was framed, he said, the people expected good Government to issue out of it. "Our expectations have not been fulfilled." The ruling party had failed in this most important of its duties.

Mr. Rajagopalachari accused the ruling party of committing itself to a policy of regimentation. Regulation, including all forms of control evolved for the purpose, was conceived probably in good faith. But it had ended as it must in the "cramping of national energy" all round and in the suppression of initiative and enterprise. It had resulted in several big monopolies for favoured individuals and the utilisation of public money to help such monopolies.

#### **"ANTI-INFLATION DAY" PLANNED**

The Swatantra Party will observe an "Anti-inflation Day" on September 18 throughout the country to protest against the policies of the Government which "tended" to increase the cost of essential commodities.

Announcing this at the briefing of the Press after the General Council concluded its closed session, Mr. M. R. Masani, general secretary of the party said that on that day protest meetings would be held to educate the people about the policies of the Congress which had directly led to inflationary tendencies.

#### **725 SCIENTISTS FLEE FOR FREEDOM**

Compelled by increasing Communist pressure on educational institutions, teachers and scientific personnel in the so-called German Democratic Republic of Germany, 725 scientists and scholars fled the Soviet-occupied zone of Germany during 1958 and 1959 and sought asylum in the Federal Republic and in West Berlin.

#### **BASIC PROBLEMS OF MAN AND SOCIETY INTERNATIONAL INSTITUTE TO UNDERTAKE RESEARCH**

Simla: An international body to undertake scientific research in the basic problems of man and society was formed here.

Known as the International Institute of Social Sciences, the body will launch a comprehensive programme of research into basic problems of man and society; promote normative approach to life; disseminate scientific data among scholars, students and common man; establish scientific norms for human behaviour; and work for the integration of the extant knowledge to offset the lop-sided development of pure sciences.

A non-political, non-sectarian, non-racial organisation of thoughtful men and women, the international Institute of Social Sciences will have its headquarters at Hazel Dene, Summer Hill, Simla, with branches spread all over India, Britain and the U.S.A. Mr. Ralph Borsodi, who has already done 20 years' research in this field, has been elected the honorary President of the Institute.

The Institute also plans to undertake shortly a pilot project for betterment of living conditions in rural India and to put the ideals of the Institute into practice.

## **Letter to the Editor**

### **INFLATION OF WHAT?**

Madam.

Mr. Hazlitt in "Inflation" and Morality, omits to state what is inflated. Here I propose to clarify Mr. Hazlitt's article. Inflation is of False Debt. Inflation is caused by Government's not paying for the Goods and services they buy. Inflation of Debt occurs when Governments borrow Bank credits instead of creating and issuing new Bank Debt Free notes and coin of the Realm. No inflation occurs when Governments pay for the Goods and Services they buy so long as they pay for them in notes and coin Bank Debt free. Deflation of Debt occurs when debts are paid off. Governments can-not pay off debts by borrowing money, neither can they pay off debts by borrowing counterfeit money as Bank credits. Governments can only pay off debts by creating new Bank Debt Free money, notes and coin of the Realm "Cash". Every Tax levied creates a Civil Debt and every tax levied creates a Government Debt to the Governed. Taxation is Theft. Taxation can pay for nothing. The purpose of Taxation is to destroy money so that a market for Bank Credits at Usury is made. The purchasing power of money is greater when no taxes are levied. In fact, Taxless money is one hundred per cent purchase power. There is no discount by Taxes. Some idea of the immensity of the Tax and False Debt Swindle can be gleaned by examining the amount of money = notes & Coin issued in a nation, the amount of Taxes levied and the amount of debt outstanding to the Banks and H. P. Companies together with the amount of the national & Local Gov. debt. It will be seen that Taxes are in most cases more than twice the total money existing at the time the Tax is levied so that if the tax was half of it paid with money = notes & Coin, there would be no money at all in circulation. The Banks have lent more than 80 times the total money existing so that they are receiving something in excess of 560 per cent annually in values by way of mortgages etc., in payment of interest on False money = Bank credits being 80 times in volume greater than the Total money existing. It is well known that if Government's issued notes and coin of the Realm Bank Debt free in payment for the Goods & Services delivered to them, there would soon be no usury, no Bankruptcies, no Civil Debt, less suicides, and empty Hospitals. "Taxation, Strikes & War, are all tools used to create a Loan Market for Bank Credits." Bank Credits are not money. They are false Debts. The only Bankrupts are the Bankers as they could not pay one hundredth part of their commitments in cash. I think this may go some way to explain the juggling trick which Mr. Hazlitt complains about.

G. T. Olarensshaw

## WIN A PRIZE !

A prize of Rs. 100/- will be awarded for anyone who sends us an essay not exceeding 50 typed pages on:

### THE ORIGIN OF CASTE-SYSTEM AND ITS ROLE IN BRINGING FOREIGN RULE IN INDIA

The essay must clearly indicate the evil wrought by the caste-system created by Brahminism

The next best essay will be awarded a prize of Rs. 50/-

It must be type-written, double-spaced on one side only,  
and must reach us by 15th October 1960.

Write to:

The Secretary,  
Libertarian Social Institute  
Arya Bhuvan, Sandhurst Road,  
BOMBAY 4.

## THE DUNCAN ROAD FLOUR MILLS

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



Write to:

THE MANAGER  
DUNCAN ROAD FLOUR MILLS  
BOMBAY 4

Telephone: 70205

Telegram: *LOTEWALLA*