

The Indian Libertarian

Price 25 Naye Paise

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

WE STAND FOR FREE ECONOMY
AND LIMITED GOVERNMENT

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. X No. 10

IN THIS ISSUE

August 15, 1962

	PAGE		PAGE
EDITORIAL ...	1	I Like Butter	
		By Jess Raley	9
Science And Spirituality		DELHI LETTER ..	11
by M. A. Venkata Rao	4	Book Review ..	18
Gandhi—Nehru Succession		Gleanings from the Press ..	14
by M. N. Tholal ..	6	ECONOMIC SUPPLEMENT ...	1-IV
		News & Views ..	14

EDITORIAL

SELF-GOVERNMENT OR GOOD GOVERNMENT?

TODAY fifteen years ago, India attained 'Swarajya' that is Self-Government. As usual, the Government offices and institutions will be religiously celebrating the day with flag-hoisting ceremonies and pompous speeches. But it will be also true to say that people will be going about their round of duties without evincing much interest or enthusiasm in such programmes connected with this historic day in the life of the nation. For, Self-Government obviously has not wrought any change in their weary life for the better. On the other hand, it has only further depressed their low living standards. On the home front, the country is now disunited and disintegrated as never before in recent history. On the Northern borders our country has been greatly humiliated and disgraced and made to look small in the eyes of the world by the Chinese intransigence. In foreign relations, we have alienated the best of our friends and sympathisers by our 'Neutrality' in favour of Communist countries which are almost knocking at our very doors in the sure belief that they will be opened without a semblance of resistance. It is therefore no wonder

that common people should stand aghast, dazed and not a little confused at this sorry outcome of "Self-Government" headed by Mr. Nehru, the wishful thinker and the dreamer of airy nothings.

The late Mr. G. K. Gokhale, the great Indian Liberal Leader of India is credited with being the author of the dictum; 'Self-Government is better than Good Government'. But it must not be forgotten that he never failed to impress upon Indians at the same time, the necessity to realise the deeper causes that made it possible for foreigners to invade India, conquer and enslave her. He ever exhorted them to remove from amongst themselves the caste, communal and religious barriers and angularities which separated man from man and to help create a firmly-rooted and broad-based national consciousness among the people through a wide-spread liberal educational system and patient and constructive work among the masses. This done, he thought, foreign yoke would wear off and Self-Government would step in and when it came it would be properly sustained by the Indians community well-knit into a strong and united nation. He and Indian Liberals were therefore content to be mere Moderates (not Revolu-

lutionaries') believing in sustained constructive and constitutional methods of achieving the goal of Swarajya.

But the Gandhian onrush almost threw these basically sound principles overboard. Instead of the light of reason guiding political action, the heat of blind passion became the driving force behind the spectacular Non-co-operation and Satyagraha movements launched by Gandhiji. The late Dr. Annie Besant held that but for Gandhian mystifying politics of fast, prayer, charka, Khilafat and the cult of hate for those who differed from Gandhi, India would have won freedom much earlier than it actually did and with less disaster and bloodshed, even before the thirties of this century. Her prophetic warning that Gandhiji would lead the nation into a blind alley and would not be able to control the forces of mass hysteria, disorder and disruption unleashed by him and his followers has come out remarkably true. The late Lokamanya Tilak had also given his definite opinion that Non-co-operation would be too costly to the country.

But all these warnings went unheeded during Gandhiji's life-time. After Gandhiji Mr. Nehru faithfully trod the path chalked out by his Master, notwithstanding his Socialist stunts and acrobatics. He is now rousing the blind passion of the masses on the same Gandhian pattern against all sober and stable elements in our national life, by meaningless Socialist slogans

and unwieldy Five Year Plans. And when he finds that in consequence of all this, the country is well on its way to rack and ruin, he like, his Master, frets and fumes and nonchalantly visits all his sins on the opposition parties primarily and on the devoted heads of his own followers and State Ministers secondarily.

The recent disturbances started by Munnetra Kazagam in Madras, Janata Parishad in Gujarat and the Naga Revolt and such other tribal risings reported in the press to be in the offing, in other tribal areas like Gondavana within the heart of India, seems to have upset Mr. Nehru and even unnerved him. He is now frantically going about the country harping upon his pet themes of National Integration, Anti-casteism and Anti-corruption and Anti-every evil, as if he and his Congress Government were not the authors of these evils and had not done every thing to foster them by their power politics, Hindi fanaticism and fighting elections with caste and communal support. The only thing which he forgets to do but which he ought to do in his own interests and those of the country is to integrate his own personality split between the 'agitator' and the 'idealist' in him, between loyalty to obsolete Gandhian ideas and techniques and a modern outlook which he has imbibed from his western education. If he does not yet set himself to the task of reforming himself first and then re-orientating his political way of thinking to the present needs of the situation, he will surely prove to be the greatest disappointment and disaster of India, whatever might be his services to the country in the past.

'Self-Government' under Mr. Nehru has, unhappily for India, thus proved to be a dismal failure. Self-Government has become for the common people 'No Government' in the States as in Madras, Madhya Pradesh and Kerala; or 'All Government' at the Centre. Under these circumstances, what hope is there even on this Independence Day that a new constructive and yet a resourceful dynamic leadership will emerge and Self-Government will shape itself into Good Government in the near future?

UNNECESSARY PANIC

Unnecessary panic has been created by some sections of Indian public opinion over economic consequences on India, of Great Britain's proposed entry into FCM. Our people need to appreciate that ECM is not merely an economic ideal and goal. It has a political objective too. With the tentacles spread over Eastern Europe by Communist Russia, Western European countries naturally feel that they should come together and fulfil their natural destiny of defending their cherished ideals of Free Economy and Free Life.

The Indian Libertarian

Independent Journal Of Free Economy and Public Affairs

Edited by : D. M. Kulkarni, B.A., LL.B.

Published On the 1st and 15th Of Each Month

Single Copy 25 Naye Paise

Subscription Rates :

Annual Ra. 6; 3 \$(U.S.A.); 12 S. (U.K.)

ADVERTISEMENTS RATES

*Full Page Ra. 100; Half Page Ra. 50; Quarter Page Ra. 25
One-eighth Page Ra. 15; One full column of a Page Ra. 50*

BACK COVER..... Ra. 150

SECOND COVER.....Ra. 125

THIRD COVER..... Ra. 125

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

And in his situation could Britain stand apart and aloof from this mighty and most urgent task of accomplishing the long cherished ideal of the United States of Europe?

This being the case, India and other Commonwealth countries will be doing a distinct disservice to the cause of world Democracy and Freedom, if they should put hurdles in the way of Britain's joining the ECM which has made such rapid progress within the short span of five years.

It cannot be too much emphasised in this connection that ECM members are quite alive to the economic hardships to which Commonwealth countries are likely to be put in the first instance. This is indicated by ECM's agreeing to permit the export of India's tea duty-free. Moreover, if India insists upon her pound of flesh under the Imperial Preferences, then it is more than likely that India will be shut out from the wider European market.

LIQUIDATE THESE SMALL POCKETS.

The Government of India have a peculiar knack of turning simple questions into complicated ones. Mr. Nehru's recent statement in the Lokasabha on the future status of Pondicherry is an apt illustration of this fact. Replying to a question put to him by a member on this issue, Mr. Nehru replied that Pondicherry would remain a Union Territory till people decided otherwise. This is in perfect keeping with the policy he followed in the case of Goa, Daman, Diu on the western coast, if not in the case of Chandernagor which was straightway merged with Western Bengal.

It must be clearly realised that these pockets by no stretch of imagination could be considered as separate regions. They were the creation of foreign Imperialists and as such, it was expected the Government of India would take firm and speedy steps to merge them with the surrounding States which are allied to them in language and culture. On the one hand, our leaders talk tall of National Unity and Integrity and on the other, they encourage such separationist and fissiparous elements in our national life in the name of preserving French language and culture in Pondicherry and Portuguese language and culture in Goa. One could at least appreciate these sentiments if these areas could form administratively viable separate units. But in fact Goa is much less than half of the Ratnagiri District nearby and Pondicherry is even much more so. How such tiny patches of land in the heart of big regions, could nourish and feed special cultures and languages and that too of foreign origin, not rooted in the soil, is beyond one's comprehension.

As for Goa, it is as clear as day-light that this small pocket on the Western coast is a part and parcel of the Konkani coastal littoral of Maharashtra State where, from Thana in the north of Bombay to Karwar in the south of Goa, people speak different Konkani dialects but at the same time write, learn and study only one common regional language, Marathi. Despite Portuguese suppression for centuries, Marathi has remained even to this day the only regional language of the Goans. As for Kannada language, no Goan, man or woman, Hindu or Christian knows even of a smattering of it as it belongs to the Dravidian group of languages as distinct from the Aryan group of languages to which both Marathi and the allied Konkani dialect belong. So the question of Goa's integration with Mysore should and could never arise at all but for the inexplicable refusal on the part of the Delhi Government to get itself fairly acquainted with the true situation obtaining in Goa.

The Government of India would therefore be better advised to hand over for the time-being the administration of Goa and Pondicherry to Bombay and Madras States respectively with a view to their eventual merger with the adjoining regions of Maharashtra and Tamilnad.

HERE AND THERE

It is reported that a small rat was found in a "Beer" Bottle in a certain hotel in Delhi and there is a furore there over this, among the drinking public. But in 'Prohibition' cities like Bombay, this would not create even a flutter. For people here have now taken to drinking cocktail drinks mixed with such delicacies as rats, flies and even reptiles, specially manufactured by 'Hatbhatti' manufacturers who carry on a flourishing trade under Prohibition Raj.

Dr. Arif Shah Gilani, the Director of Education of Pakistan recently prohibited singing and dancing by girl students as 'un-Islamic'. Now he has issued another circular banning use of light fitting drainpipe trousers by boys and sheath-like Kainery by girls 'as un-Islamic' so that the ideology for which Pakistan was created might be reflected in dress also. A model Theocratic State indeed?

FOOD FOR THOUGHT:

"Liberalism puts no obstacles in the way of a man to adjust his personal conduct and his private affairs according to the mode in which he individually or his Church or denomination interpret the teachings of the Gospel. But it is radically opposed to all endeavours to silence the rational discussion of problems of social welfare by an appeal to religious institution and to religious intuition and revelation".

—Prof. Ludwig Von Mises

Science And Spirituality

M. A. Venkata Rao

Though Pandit Nehru has a decisively Marxist outlook with its materialist outlook, he is alive to the higher values of human life usually called spiritual. He has taken to repeating the phrase: "science and spirituality" first used by Acharya Vinoba Bhave a couple of years ago.

Indeed many Leftists with a sceptical, materialist, Marxist outlook do not hesitate to assert the claims of spiritual values as a balancing factor against external progress without which science can become a disaster instead of a blessing. The menace of nuclear explosives today has brought home to thoughtful persons in all walks of life the absolute necessity for guiding human affairs for the relief of man's estate and not for the extinction of his career on the planet.

Current thought is divided between two contrasting and largely exclusive philosophies of man and nature. One is the offspring of religion as refined into idealist theory explaining the universe in terms of a supreme and perfect spirit or cosmic consciousness. The other is materialism or naturalism whether in Marxist or naturalistic form without the inverted Hegelian dialectic in which Marx clothed it.

The bulk of mankind still retains a faint aura of the former spiritualist climate of thought and feeling centred in the dogmas of religion such as a personal God. But many thinkers who have given some thought to this problem have come to defend a sense of human values on the basis of an infinite cosmic consciousness, immanent and transcendent approximating to Indian Vedanta.

But those with a scientific orientation whose major education and interest have lain in physics and mathematics and the other sciences or in industrial technologies naturally incline to a materialist or naturalistic point of view.

Since naturalism (or materialism) has the greater prestige among intellectuals and schoolmen today, it is necessary to think out the implications of such a philosophy for the survival of human values. It is clear that even materialists want to make the best of life for all. The pursuit of truth cannot lead to unhappiness, slavery and the reduction of human life to the level of animals or that of stocks and stones! It would do so if materialism is taken in bitter earnest in the way it presents itself to common sense. Materialism is the theory that the whole universe of nature and life, animal and human consists (in the end) of matter which is an unthinking substance like clay or rock.

Granting that matter has attained very refined forms in modern theories of physics like relativity and quantum behaviour of atomic particles and that matter, energy, time and space form an organic whole, it still remains true that matter in its ultimate essence is non-mental. It may be tenuous but tenuity does not make it a form of consciousness. It remains an object and can never become a subject.

Religiously inclined scientists like Dr. Eddington and James who seek to interpret relatively and quanta in terms of indeterminacy, will or choice (and therefore consciousness) should be contrasted with other scientists like Bertrand Russell who interpret the same phenomena purely in terms of entities not pervaded by consciousness. Russell at one time referred to them as neutral entities who appear as sensations at our end but as *sensa* or *sensedata* at the end at which they originate.

Spiritual philosophy cannot be smuggled into the universe through the interstices of quanta or seen as implied in relativity, for relativity in physics concerns only relativity to space-time systems and not to mind! It is part of the objective field and does not become subjective on account of participating in a dynamic equilibrium whose changing dimensions and positions in relation to each other can be calculated by tensor equations.

Karl Marx hides the difficulty by using uncritically the creative element involved in the dialectic of Hegel. Hegel thought of the universe as developing through a clash and tension of opposites — thesis and antithesis losing their antagonism in a higher synthesis. This was a corollary from his idealist hypothesis that the ultimate basis of the universe was an infinite consciousness which is continually expressing itself through successive stages of externalisation or achievement — matter, life, mind, and spirit.

Marx discarded this spiritual basis but illogically retained its functions for matter itself!

He further applied the dialectic to human classes determined by the relations of production.

If Marx's idea is true, social revolutions is inherent in human history and is inevitable. If so, it needs no assistance from revolutionary midwives to emerge into the stage of action! Further, if man were a mere piece of matter, he cannot exercise any freedom and organise himself either in capitalist or communist organisa-

tions to direct social development in the desired channels.

Freedom is thus a category for which there is no room in Marxian philosophy, if its premises are pushed to their logical conclusion. But driven to this corner, Marx took shelter under the plea that the philosophy was more concerned with the strategy of action than with logical consistency! The use of the word 'dialectic' in the inverted way Marx uses it does therefore make room for human freedom and choice.

No wonder, he came to dismiss freedom as a mere "bourgeois prejudice". The entire achievement and heritage of political freedom, the result of so many revolutions (the British, American and the French) as crystallised in the Rights of Man, The Bill of Rights, The Rights of Men and Citizens, Fundamental Rights, Declaration of Independence and Universal Declaration of Human Rights, which have been built into the legal and constitutional structure of the free world in the last few centuries are dismissed by Marxism-Leninism-Stalinism-Khrushchovism as a mere bourgeois prejudice! To the leaders of the Russian Revolution who are threatening human freedom today with their immense domination of one third of the globe and their scientific militarism, human liberties are so much dead wood to be cut away! Their version of democracy unashamedly enthrones the absolute dictatorship of a self-recruited minority elite over the proletariat. The whole of life, external and economic as well as mental and inward and cultural, is dominated by communist governments putting human being under the most comprehensive system of fetters known to history. Their authority over man is total and hence their political system is called rightly by the name of totalitarianism.

The philosophy that Russian leaders make use of extends beyond Marxism and impounds modern behaviourist psychology with its theory of conditioned reflexes as well as psychoanalysis with its technique of controlling the mind of man through hypnotic suggestion and the psychology of the Unconscious with its technique of filling the hinterland of the mind of the individual and society with prepared propagandist presentations. The system is comprehensively known as the Iron Curtain. It consists in a most systematic and thorough procedure of feeding the mind of the people to determine their every conceivable reaction.

Those who believe in materialism or naturalism as the most credible philosophy of nature and man should therefore re-interpret their vision and free it from the dire consequences that are today associated with Marxism in their impact on human life, progress and happiness.

After all, sciences are many in number. Physics and mathematics reveal the groundwork of the universe, no doubt. But in and through this network of matter and energy operating in space and time, we find new qualitative compounds called chemical substances emerging whose nature cannot be reduced to physics.

And in and through the physico-chemical network we find new beings emerge like plants and animals — the world of botany and zoology. The attempt to reduce biological organisms to matter-energy-mechanisms without a remainder has so far failed. There is more in life, even in the lowliest plant organism, than can be explained in terms of physics and chemistry. Life is an emergent.

So too mind when it emerges in the animal.

And in man, the emergent mind rises to higher levels of power capable of grasping universal principles and systems.

And in man we find a higher level of the capacity for self-determination, choice or freedom. Even the plant rises towards the sun and if it finds itself in a dark crevice, it takes devious paths upwards to reach the sun-heliotropism as they call it.

The animals choose their way and learn by experience in different degrees.

A great debate has taken place among philosophers through the centuries on the subject of human freedom — some holding that the will is not free but determined by previous states of consciousness, others insisting that the will is capable of inserting itself as an additional cause and changing the course that nature would have followed if not interfered with by him.

Religious thinkers have been unable to save the freedom of human action from the all-pervasive influence of God, whether He is thought of as transcendent (as in theism) or as immanent (as in idealism or vedanta).

If God is all-powerful and influences every movement of mind in man, man loses his freedom and becomes an automaton. Nicolai Hartmann brings out this aspect of the subject and insists on the necessity of the ethical neutrality of religion and its God if human freedom is to be saved. Moral responsibility would have no meaning if God were all.

So would moral responsibility disappear if matter and State were all.

Freedom is both the basis and medium of human personality. Without it, man would become a robot.

Lloyd Morgan, General Smuts (in Holism), Samuel Alexander in his Space Time Deity and C. D. Broad are thinkers who start from natura-

(Continued on page 6)

Gandhi—Nehru Succession—III

By M. N. Tholal

AS Indicated in the last issue of this journal, Jawaharlal Nehru came out of prison with but two words on his lips, "Resist Wardha", and Gandhi rightly concluded that, to preserve his leadership and dictatorship over the Congress, he should go all out to win over Nehru and thus drive a wedge between the two rebels, Nehru and Bose, making it impossible for the two to join forces against him. Every one knows that the presidentship of the Congress in those days was a gift in the hands of Gandhi and a hint to his followers was enough for them to plump for his nominee. We have seen how Gandhi's astute reply to Nehru's "Resist Wardha" was "Jawaharlal is my virtual successor". Neither of the two passages-at-arms were put down in writing. Both were whispered to friends and followers to assess, as it were, the effect of the words. Both were tentative, the word "virtual" in Gandhi's retort clearly proving it. But for the bait to work, Gandhi must have realised that the whispered offer, to look genuine, should be backed by deeds. He had therefore no hesitation in whispering the name of Jawaharlal Nehru for the presidentship of the Congress session in April, 1936.

MOST NATURAL EVENT

If the work of a historian consists in perverting facts and making them suit his thesis, Pattabhi Sitaramayya must be regarded as a great historian and his "History of the Congress" a good example of historical research. "Jawaharlal's selection for the second time as President

(Continued from page 5)

ism and evolve an emergent philosophy to make room for human values on the basis of freedom. Their would be a variety of Humanism. They defend spiritual values in the sense of morality or universal fellowship, art or contemplation of beauty and truth or discovery and contemplation of the universe in ever new spheres and dimensions.

It is the duty of thinkers in India to develop such theories with a naturalist (or materialist) orientation so as to include the higher aspirations and values of human life compendiously called spiritual. Knowledge and value consist in being appreciated by each individual through the process of his own mind. They do not lend themselves to be inherited passively like houses or money in the bank. Hence the work of thought is never finished, nor that of education. They must be renewed with every individual and every generation.

of the Congress," he says there, "was a small proof of the nation's sympathy for him in his hour of grief and of the nation's appreciation of his dear departed wife's collaboration with him in his life work." And again, "His selection was the most natural event under the circumstances." To prove the naturalness of the selection he had to antedate the hour of grief by more than a month. He had to do so because the selection was really most unnatural. Nehru was elected President in January, 1936. His wife died in Switzerland towards the end of February, 1936. Nehru himself, in the second chapter of his "Discovery of India," gives us an entirely different version of the event, which proves that his wife was alive when he was elected President. He says there:

"In January (1936) I went to Paris for a few days and paid another brief visit to London. Life was pulling at me again and news reached me, in London, that I had been elected for a second time president of the Indian National Congress, which was to meet in April. . . . It was a dilemma for me: to leave her as she was or to resign from the presidentship. She would not have me resign. She was just a little better and we thought that I could come back to her later. At the end of January, 1936, Kamala left Badenweiler and was taken to a sanatorium near Lausanne in Switzerland. I discussed the matter with Kamala and consulted the doctor. They agreed that I should return to India. . . . After all this had been fixed up, I found that Kamala did not at all like the idea of my leaving her. . . . Early on February 28th she breathed her last."

As if anticipating an easy rebuttal of his theory, the Congress historian proceeds to observe, "On the contrary, even if the bereavement was not there, there were adequate and compelling circumstances demanding his choice." One of these, he cryptically summarises thus: "While he has fought Gandhi sincerely and strenuously, he has made a point of agreeing with his conclusions." The fact, however, remained that the man responsible for the failure of the movement of the early thirties was not only made President of the Congress as soon as an opportunity came after his release from Prison: he was by Gandhi himself named as his "virtual successor"—all this after he had owned that the Communist philosophy of life gave him comfort and hope. Indeed, there was a better reason why he should not have been elected President at the time. Every one who mattered in the Congress knew that his wife was on her death bed and every one should have

felt that his duty was beside his wife. Exacting honours could wait.

TO SERVE AS A BRIDGE

We are further informed by this wonderful historian that "he was expected to serve as the bridge between the old and the new, between Gandhism and Communism and therefore presumably well-fitted to fill the Presidential chair at Lucknow". But every one knows that the other end of the bridge, Communism, was practically non-existent in the Congress. It is, therefore, clear that it was invented to make Nehru serve as an imaginary bridge and to hide the nature of the real forces working for the choice. The conclusion seems irresistible for those who knew that Pattabhi Sitaramayya kept himself well-informed regarding happenings behind the scenes on the Congress stage. And everything worthwhile in the Gandhian era happened behind the scenes, although on the lips of the Mahatma were always found the words: "I abhor secrecy" and "Secrecy is a sin". Truth, however, has a knack of jumping out of the bag. Sitaramayya himself admits in the same chapter; "Jawaharlal came to India full of Communistic and Marxian ideas. The achievements at the Congress disappointed him. He found himself as one against the world." In other words he was alone at one end of the bridge—the Communist end—and there was, therefore, no question of his serving as a bridge. Thus we see how an unguarded moment put an end to his own elaborate defence of the naturalness of the selection of Nehru as President of the Congress in April, 1936.

To revert to the Congress historian, the Congress President's address had "pleaded for pure Communism". He himself was "out of tune with the majority of the Working Committee" and "had offered his resignation at the very outset but he was persuaded to remain and to continue. . . . On the one hand, there was his presidential address which was not meant to be mere thesis but a programme of action. On the other, there was Gandhi with his following of ten members in the Working Committee thinking and acting as a solid block." To persuade a man elected President "to remain and continue" is one thing—for the sake of peace and to avoid unpleasantness and confusion—but to elect him again as Congress President for the succeeding year, even when "he found himself as one against the world" is quite another. It is, indeed, absolutely indefensible, except on the theory of appeasement and bribery and corruption prevalent on an extensive scale in the Congress of the Gandhian era. But that is exactly what happened. Nehru was again elected Congress President for the Faizpur session (December, 1936)—his ideological disqualification notwithstanding. There could be little doubt even in Nehru's mind after

that, that Gandhi meant business when he said, "Nehru is my virtual successor."

SARDAR PATEL'S SUPPORT

Gandhi and Sardar Patel had come closer to each other after a period of imprisonment together in the early thirties. After his release on May 8, 1933, as a result of a fast undertaken for the Harijan cause, Gandhi issued a statement recommending the suspension of the civil disobedience campaign, in the course of which he said, "It was a great privilege for me to have been with Sardar Vallabhbhai. I was well aware of his matchless bravery and his burning love of his country, but I had never lived with him as I have had the good fortune during the 16 months. The affection with which he covered me, recalls to me that of my own dear mother. I never knew him to possess motherly qualities. If the slightest thing happened to me he would be out of his bed. He superintended every little detail in connection with my comforts. He and my other associates had conspired to let me do nothing."

So close indeed had they come to each other that a cartoonist later assigned the part of the executioner to Sardar Patel in a cartoon in which Gandhi represented the Queen in "Alice in Wonderland" with her favourite order to the executioner, "Off with his head". Although Gandhi retired from the Congress in October, 1934, he continued exercising authority over that body through his lieutenants. That is a well-known fact. So when Sardar Patel issued a statement withdrawing his name from the next Congress Presidential election in favour of Jawaharlal Nehru, it was taken to have been issued at the instance of Mahatma Gandhi. The two had a common cause, inasmuch as Sardar Patel was at loggerheads with Subhas Bose over the lakh of rupees bequeathed to Bose by Vithalbhai Patel for national work. (The Sardar contested the will and got the money.)

In the 'course of his' statement' supporting the candidature of Jawaharlal Nehru for the presidentship of the Congress session at Faizpur, Sardar Patel said: "My withdrawal should not be taken to mean that I endorse all the views Jawaharlalji stands for. Indeed Congressmen know that on some vital matters my views are in conflict with those held by Jawaharlalji. . . . We know Jawaharlalji to be too loyal to the Congress to disregard the decision of the majority, assuming that the latter lays down a policy repugnant to him. . . . The Congress President has no dictatorial powers. He is the chairman of our well-baited organisation. He regulates the proceedings and carries out the decisions of the Congress as they may be arrived at from time to time. The Congress does not part with its ample powers by electing any individual—no matter who he is."

All these blandishments had the desired effect. Nehru, who had said at the end of his Autobiography, "I have a feeling that a chapter of my life is over and another chapter will begin," reconciled himself to the status quo ante belum soon after presiding over the Lucknow Congress, saying, "To talk of splits and the like is an absurdity. There can be no division in our ranks when the call of independence came to us and tingles the blood in our veins." As the Congress historian says: "The President had softened down a good deal since he bewailed his fate in winding up the Lucknow session. His grip of realities during the previous eight months began to bridge the gulf, yawning at Lucknow between himself and his environment." (This, by the way, is a truer description of the two ends of the bridge.)

HE IS LOYAL TO ME

Regarding the presidential election for the Faizpur Congress (December, 1936) Nehru himself said, "It would be absurd for me to treat this presidential election as a vote for socialism I do believe political independence is the paramount issue before the country and necessity for joint, united action on this is incumbent on all of us." Nehru, who had felt that a new chapter in his life was about to begin, did not even feel it part of his duty to join the Socialist Party to advance the cause of Socialism which he was supposed to have so much at heart. Had his refusal to join the Socialist Party nothing to do with the statement Gandhi issued from Wardhanganj on September 17, 1934? In the course of that statement Gandhi said: "I have welcomed the formation of the Socialist group. Many of them are respected and self-sacrificing co-workers. With all this I have fundamental differences with them on the programme published in their authorized pamphlets. But I would not, by reason of the moral pressure I may be able to exert, suppress the spread of ideas propounded in their literature. I may not interfere with the free expression of these ideas, however distasteful some of them may be to me. If they gain ascendancy in the Congress, as they well may, I cannot remain in the Congress. For to be in active opposition should be unthinkable. Though identified with many organisations during a long period of public services, I have never accepted that position."

This is a very frank exposition of the creed of dictators, though hardly intended as such. Gandhi had nevertheless good reason to be satisfied with the results of his blandishments, for to a journalist who about this time referred to Nehru's Communist views, Gandhi retorted, "But I know he is loyal to me." This again shows the personality cult in full swing, for, as the

retort indicated, what mattered was not loyalty to the Congress or the country but loyalty to "me". Here we see the triumph of the first person singular, naked and unabashed. In this respect Mr. Nehru is a true disciple of Mahatma Gandhi — his truest disciple in fact. Everything can be and is forgiven to the loyal. Anything may be safely in dispute, except personal loyalty.

But in this race for leadership and dictatorship there is no principle involved of any kind. There is no honest debate, no triumph for the right cause, no defeat for subterfuge, no defeat even for those who seek personal ascendancy while fighting ostensibly for the country. "We kick out careerists," said Attlee when he was here in India sometime ago. We Indians, on the other hand, worship them. We worship those who adopt the personality cult. Pakistan was born of the pursuit of the personality cult by Gandhi and Nehru. Gandhi had good reason to drop out the word "virtual" before "successor" when he wrote in Harijan in 1940, "I have been saying for some years now that Jawaharlal is my successor,"

LIBERTARIAN SOCIAL INSTITUTE BANGALORE

On 14-7-1962, Prof. M. A. Venkata Rao reviewed a book "The Indian Economic Policy and Development" by Prof. P. T. Bauer of London University.

Agency For Novelty & Artistic Calendar
Pictures Mounting style Board & Tinning
Special Calendars. Three Varieties in Monthly
twelve sheets (office) Date Calendars, New
special Sixty designs in Diwali Cards & Folders
& Special Wedding Cards.

Write to:-

Nootan Calendars & Art Printers

49, Ghoga Street Fort,
Bombay-1.

Agency for our Fit to each & every pocket
our special varieties in leakproof
Fountain Pens. Novelty in
Ball Pens & Gift Sets.

Write to:-

Navrang Pen Industries

49, Ghoga Street, Fort,
Bombay-1.

ECONOMIC SUPPLEMENT

The Real Path of Economic Development

*By Prof. G. Carl Wiegand.

FEW nations have been successful in developing an industrial system until they were able to produce agricultural surpluses. The industrial revolution of England followed and coincided with a rapid development of agriculture. The farm surpluses necessary to feed the growing industrial population require a gradual change from a primitive local self-sufficiency to the production of marketable surpluses. Land reforms, which are at present widely advertised as the solution of Latin America's problems, may or may not meet the needs of increased production. When the large estates of eastern Germany, which due to scientific farming and centuries of careful tending produced before the war large surpluses, were distributed among the workers and deserving party members, the production dropped sharply, and before long the communist regime found it necessary to unite the individual farms into cooperatives with the peasant, like the serf of yester-years, prohibited from leaving the land. In theory, the new collectives could have been operated as efficiently as were the former private estates, but in reality they are not, and eastern Germany, which was a good exporter before the war, is now dependent upon food imports despite a sharp decline in the total population and in the per capita consumption.

The tendency in underdeveloped countries to overlook the importance of agriculture as a basis, if not a prerequisite for industrial and economic growth in general, is in part at least the result of a prejudice dating from the colonial rule. The new nations no longer wish to be merely the producers of raw materials, the handmaidens of industrial nations. Dr. Raul Prebisch, one of Latin America's best-known economists, has built a whole theory of economic development upon this assumption, forgetting completely that until the end of the last century, the major portion of United States exports consisted of two farm products: cotton and wheat, and that even today farm exports account for about one-fourth of United States exports. The expansion of farm

production even during decades of declining prices, did not prevent, but actually made possible the industrialisation of the United States.

Since the United States is today the most highly industrialised and mechanised nation and enjoys the highest standard of living, the leaders of many underdeveloped nations jump to the conclusion that their economic problems can be solved if they can only build enough modern factories. This is a dangerous illusion. The steel production does not necessarily determine "the tempo of progress of the economy as a whole", as India's Second Five-Year Plan assured. The demand for steel is not self-generating, neither is the demand for machinery. Industrialisation requires a peculiar type of skilled worker, quite different from the skilled artisan, and a market for finished industrial products. Neither can be developed overnight, and stronger the cultural ties of a peasant-handicraft culture, the greater the difficulty of producing modern industrial workers and demand for machine-made products. Europe required centuries to achieve the transition. To speed this cultural process through government fiat, as the totalitarian countries have attempted, causes a profound cultural shock and indirectly retards economic development.

The case against heavy industries, created by the government and financed through heavy taxation or inflation, is particularly obvious in India with its very large supply of cheap labour, and its acute shortage of investment capital. Economic logic calls, for the time being at least, for labour rather than capital-intensive industries. It requires at least \$10,000 in capital investments to provide one job in an automated steel plant, compared with \$100 to \$200 in cottage industries. Some 100,000 steel plows at \$20 each will do far more for India's economic development than a \$2 million machine tool.

This raises the whole problematic question of capital formation and investments. One may well question a recent statement by one of India's highest government officials that "there is only one factor of growth missing, and that

* The author is Professor of Economics at the Southern Illinois University U.S.A.

is capital." Even though capital is admittedly important, the lack of certain psychological, cultural and social prerequisites is probably a far more critical and difficult handicap. There are four ways in which investments can be financed: through private savings, private foreign investments, government funds obtained through taxation or through the printing press; and finally through foreign aid or inter-government loans. It is a widely held misconception that the four are complementary. The inter-American "Alliance of Progress" is based on this illusion. The four sources of investment capital can be complementary under ideal conditions, but in reality they are often mutually destructive. Private domestic capital formation and private foreign investments go hand-in-hand. Traditionally one depends upon the other. Public investments on the other hand, whether financed through taxation or through inflation, are likely to hamper — contrary to post-Keynesian doctrine — both private capital formation and private foreign investments, unless great care is taken not to undermine private capital formation through heavy taxation and to discourage private investments through direct government competition. Unfortunately, modern economic planners are rarely satisfied to use public funds to prepare the basis on which a private economy can develop. Instead of building roads, schools, irrigation systems, and enforce social and economic order, modern economic planners build steel mills and power plants in direct competition with private enterprise, and yet they wonder why private enterprise seeks greener pastures in other countries.

Foreign aid can provide a sound basis for economic development, but the temptation of inter-governmental loans being used to expand the public sector at the expense of the private sector is obvious. The leaders of many underdeveloped countries and certainly many American experts, trained in Keynesian theories and raised in the spirit of the "New Deal," are basically distrustful of private enterprise and too impatient to permit the development of a free economy by logical stages. They build steel mills before the peasant has learned to use a steel plow, they build super-highways instead of all-weather feeder roads even though the price of the cheapest car is equal to the average per capita income for ten years. When Mexico, and more recently Colombia, nationalised the remaining private power plants, in which American investors held a substantial stake, the foreign exchange needed to pay off the American owners was obtained through a loan from

Washington. Instead of being used to build more power plants, American aid was used to spread socialism. Why should private investors, under such circumstances, risk their capital?

Investment policies in underdeveloped countries suffer from a basic defect in economic reasoning. Instead of starting with the available resources and planning their most effective allocation, much of what passes as economic planning in underdeveloped countries is concerned with production goals, usually far beyond the available supply of capital and skilled workers. While there is an old saying that some men succeed better than others because they attempt more, and the fraudulent check-passer may succeed better for a while than is more honest neighbour, in the long run he is likely to get into trouble; and inflating the currency in order to achieve utopian production goals, like passing bad checks, is a form of fraud, as the two great scholastic writers, Buridan and Oresme already warned more than 500 years ago. Nor does inflation pay in the long run. It hampers private capital formation, drives existing private capital abroad or into sterile treasure hoards, and scares away foreign investors.

Of all the dangerous socio-economic theories which have found wide currency in recent years, probably the most deadly is the idea, which always appeals to spend-happy politicians, that a nation need not worry about the effect of rising price on the balance of payments as long as the national income continues to grow at a rapid rate. As THE ECONOMIST wrote recently: "One cannot believe the governments of the United States and Britain will labour under artificial and irrational restraints on their economic growth,"—meaning, the maintenance of a sound balance of payments position. In order to import machinery essential to economic growth, underdeveloped countries must export and they will find their foreign markets vanishing, if their prices rise above world market prices. The "growth-through-inflation" formula is undermining the strength of the United States, and it makes impossible the economic development of India except on a totalitarian basis and at a cost in human dignity and well-being far greater than even Mahatma Gandhi could have anticipated when he called the state a "soulless machine" which "can never be weaned from violence."

The Forgotten Man

By S. G. Hart

I have read with interest the article published in the September issue of "The Rotarian" entitled "Sixteen books that changed the world," by Robert B. Downs, in which Henry George's "Progress and Poverty" finds no place.

The Missing Name

There is a name missing from the sixteen titles and authors cited which is doubly significant, not only because in service to mankind he was possibly the greatest of them all, but for the reason that in "high places" and in the "centres of learning," Henry George has been subjected to a conspiracy of silence. Karl Marx has been vilified—Gracchus they killed with sticks and stones—Socrates was given the hemlock. The teachings and theories expounded were thus strengthened by opposition. But Henry George—the man who developed political economy as a science, radiant with hope and promise—is taboo. His name and his works—as if by common consent—may not be referred to in Parliament, press or pulpit or in the educational institutions of our times.

Not only Henry George, but the whole classical school of Political Economy, built up with such painstaking and laborious effort by the intellectual giants of the past, has been relegated to obscurity. It was said, that George challenged established institutions and vested interests. Rocked them to their foundations would be a better expression.

The French Physiocrats, Adam Smith, David Ricardo, John Stuart Mill and Herbert Spencer were tolerated with academic interest, but George was more dangerous. He not only established political economy as a science, but also campaigned for action. With a brilliant and searching pen at the age of 39 he had published "Progress and Poverty" which was to become the world's best seller in its class. With a burning eloquence he toured America, England and Australia pleading his case, "Justice for all and privilege to none"

Rent of Land

Henry George explained why the rent of land tends to advance continually with the development of society while wages and interest remain at the bare minimum the labourer and the capitalist will consent to accept. He demonstrated:

That because wages and interest rise and fall in a converse ratio the cause of the worker and the capitalist are common and not opposed as communists and socialists would have us believe.

That the rent of land rises and falls in an inverse ratio with wages and interest; that while rent continues to rise, wages and interest must fall;

That while the private ownership of land is permitted every increase in population, advance in science, improvement in manners and morals and in the efficiency of government, will have the effect of raising rent and lowering wages and interest as a proportion of production;

That if the unearned increment of land value were used for public revenue, then all taxation which falls as a penalty to discourage the production of wealth might be abolished;

That since land values arise because of the expenditure of public money on development works and services, the resulting value rightly belongs to the people;

That the land value created is equal to expenditure on the services of Government, unless the expenditure has been wrongfully and wastefully directed;

That if the unearned increment of land value is appropriated as monopoly income by individuals, then the landowning classes will have a power over the wage earners that will not be less powerful or dangerous than chattel slavery. Since all men live from the products of the earth absolute ownership of the earth has the force of ownership of those that dwell thereon. "You take my house when you do take the prop that doth sustain my house. You take my life when you do take the means by which I live." (Shakespeare).

Government Revenue

That to collect the rent of land for Government revenue would not add to the cost of production since it is already being collected by those who render nothing in exchange;

That the collection of rent of land for Government revenue would react in an opposite direction to taxes imposed on the process of production and exchange. For example to tax houses is to make houses dearer and scarcer. To collect land rent for revenue would be to lower the capital cost of land and promote availability to the user. It would become unprofitable to hold valuable land out of use. Land must therefore be put to use or disposed of to bona fide producers. Increased supply would lower the price. Ultimately only the improvements would have exchange value;

That no Government can ever succeed in balancing its budget by orthodox taxation for the reason that taxation of labour products dis-

courages production and thus dries up the source from which taxes arise;

That Governments must have recourse to borrowing and inflation both of which add to production costs and Government administration expenses alike;

That borrowing violates the liberty of future generations. No man or group of men have the right to borrow on the security that their children and children's children will repay the loan;

That inflation is the cruellest form of robbery devised by modern Governments, since it falls with the greatest severity upon old people and those on fixed income, who are unable to take defensive action;

That a taxation system which discourages and restricts production amounts virtually to an act of treason since the vital strength and defence of a nation in the face of the gathering hordes of barbarians and communists depends on its productive capacity;

That the idle rich and the idle poor who are socially inseparable from land monopoly constitute a condition of injustice which is a fertile breeding ground for communism;

That communism has never arisen in any country which has recognised the equal and inalienable rights of all people to inhabit and use the earth.

Trade Restrictions

That contingent upon the recognition of the equal rights of all people to use the earth (subject to the payment of land rent for Government revenue in lieu of taxes), both international and internal trade might be completely free without only adverse consequences. A nation cannot be injured by buying cheaper from another nation unless it has an internal unemployment problem. On the contrary the cheaper a nation can buy, the higher will be its standard of living;

That trade war is the most fruitful cause of armed conflict between nations. A nation with an internal economy which obliges it to impose tariffs and trade restrictions is an aggressor nation. As the late Cordell Hull once said: "If goods do not pass frontiers, armies will";

Moral Principles

That the jargon which passes for economics today is based on high taxation and inflation both of which violate the commandment "Thou shalt not steal";

That the commandment "Thou shalt not steal" applies with equal force to Governments and that taxation without rendering equal service in exchange is theft;

That the State has no need to levy taxes which violate God-given rights since it has at hand the natural revenue, which arises from the value which the presence and industry of the community and the services of Government impart to the land.

That to impose current policies, restriction of personal liberty is necessary and this is a denial of the right of human liberty. Relaxation of taxation and inflation under the present land monopoly system would undoubtedly cause unemployment and depression. According to the doctrines of Lord Keynes taught by current economists and practised by all modern Governments, a nation must spend faster than it earns. This is called the velocity theory of money. An individual who practised such domestic economy and not having the right to impose taxes on his neighbour or counterfeit his wages, would undoubtedly become insolvent.

Atheistic Economics

The current or Empirical school of political economy is atheistic in its basic principles. It denies, that man has God-given inalienable rights, claiming that such rights as men enjoy, are bestowed by the State according to the will of the majority at any given time. According to this view the State may appropriate the property of the individual in whole or in part without obligation to render equal service in exchange. This doctrine is sufficient justification for all the forms of taxation as we know them today. Taxes levied according to "ability to pay", (a Communist principle) and not according to the value of services rendered in exchange.

Just imagine a private business concern charging a different price to each of its customers according to his or her ability to pay. His Grace being charged 30/- for a loaf of bread and Tom Jones, the dustman, paying only 6d. The idea is clearly absurd. Yet our economic leaders fail to see, that Government is a business established to do those things for the individual that he cannot effectively do for himself. For instance, it would not be practical for each householder to construct his own strip of road frontage or extend his water main.

The failure of governments all over the world to balance budgets and maintain stable currencies is due to methods of charging for services that would send a private concern bankrupt in a very short space of time.

Contrast

How simple, just and practical by comparison is the teaching of the forgotten man Henry George, who affirmed that all men have equal rights to life, liberty and the pursuit of happiness; That these rights cannot be sustained unless it is provided that each has an equal right to use the earth and that all such rights are subject only to the co-equal rights of all other men. That these rights are the gift of the Creator, the Giver of life and that life without such rights would be impossible. That these rights are not bestowed by the State and what the State cannot give, it has no warrant to take away.

— Progress (Australia)

I Like Butter

BY JESS RALEY

A high regard for truth compels me to admit, in the very beginning, that this investigation was motivated by personal, perhaps even selfish reasons. However, the facts illuminated here may be of some interest to you.

The whole thing started because I like butter. Not the type one employs to soften up the boss, preparatory to that important request, but the kind one spreads on bread if he can afford such luxury. I developed a taste for butter in my youth, only to find it beyond my means in these more prosperous middle years.

My helpmate and I have discussed this matter at great length. The whole truth is we could afford to splurge and buy a pound of real butter on special occasions (like Christmas and Thanksgiving if they didn't come so close together), but the genuine article is definitely not a good buy. At 50 per cent above the price of a substitute spread there would be reasonable grounds to mount a defense. At 150 per cent, no. After all, we have to live within a budget, since we have no authority to levy taxes.

To say that I have learned to like it would be rank hypocrisy, but through the years I have learned to accept the fact that a substitute spread is more practical and much more in line with our after-taxes income. That is, I had learned to accept this fact with reasonable good grace until the "down and outers" moved in across the street.

A few days after these people moved in I opened the refrigerator one evening and received a severe shock. Most of one shelf was filled with butter — one pound sticks, stacked like cordwood. After a brief period of confusion, which any family man can visualize better than I can tell, the wife made me understand that the butter was "surplus commodity" and belonged to the people across the street. It seems they received more butter than they could store, so the lady of the house made a deal with my wife for storage space. In return we could use all the butter we needed, since the supply was more than ample and sure to be replenished regularly.

I am, by nature, a quiet, perhaps even meek person, not given to raising my voice any place and especially not in my own home; but this was too much. I counted to ten three times, very slowly, and then erupted. Later I entered the study, shut the door, put aside the critical paper I was doing on classical metaphysics, and began a systematic search for facts in the most

provoking matter that has been forced to my attention since TVA.

Actually the "down and outers" are no more than contributing factors, vessels as it were, who have become willing wards of the state. In many ways this particular family appeared to be as nice as one could hope to meet. The wife and five children are sociable and intelligent. The man doesn't beat his wife, gamble away his welfare check, or drink excessively. He takes the family to church, plays with the kids, likes all sports, is always present when surplus commodities are handed out, and will sometimes do odd jobs for people in the community if they promise not to inform the welfare department. Even though they live in an apartment built with tax money, draw monthly checks, obtain food, school books, lunches, and the like from the same source, they are the least repulsive parasites I have met.

At this juncture, I assume you may be about to cast me as a Scrooge; may I assure you such would be a grave injustice. In all truth I have absolutely no quarrel with the gay troubadour — jug of wine, loaf of bread type. It's their life: let them live it. But! When I am forced to pay for the butter that goes on their bread, while having to settle for a less desirable spread myself — that I don't like.

WHAT REALLY HAPPENS

With all the persistence and order of thought generally reserved for matter and form, I pursued the illusive truth about butter: "surplus commodity" is a misnomer for a product that has been supported off the market. This is what actually happens: Everyone earning a salary is separated from a part thereof by the powers that be. Said powers by butter with some part of this money, at a price well above what it might bring in a free market. Obviously, they are using the people's money to maintain the price beyond those means left to the wage-earner's discretion. This unnatural course of events tends to cause huge accumulations of butter. In casting about for the ideal disposition, the powers apparently decided to add insult to injury by giving the butter to those least likely to have paid any taxes toward its purchase.

In a matter of this magnitude, one must approach the apparent conclusion from every conceivable angle. For this reason I hesitate to submit as absolute truth the apparent fact that the ox has been muzzled by the theory of:

"From each according to his ability, to each according to his need."

On the assumption that my reason in this case may have been swayed by my fondness for butter, I launched a minute examination of our tendency toward welfare statism.

According to my congressman, the public has been brainwashed for so many years to accept the proposition that all free-loaders, foreign and domestic, must and should share the fruits of American labour that no same man would dare raise his voice in protest.

Rabid enthusiasts of the proposition, that all men should lower their aim to conform to the lowest among them, claim that compassion pure and simple is their prime motivation. They insist the way of life which built the greatest country on earth was founded on the preamble of "every man for himself and let the devil take the hindmost." In this enlightened age, they propose to remedy this by herding the win, place, and show entries into the gubber with the of the line?

THE EMOTIONAL APPEAL

The rapid advance of this theory is due, in part, to the able manipulation of its sponsors and, in part, to the gullible acceptance of "we the people." Armed with the illusion of compassion, the equalizers have shown us the hungry child begging for food, the aged and infirm seeking shelter, the farmer toiling in rags. The burden of responsibility is too heavy, they have said; your government must relieve you of this great weight.

Their noble theory deals in opinions, not facts. It proposes to eliminate want, but without want there is no incentive to strive. It hopes to strike out fear, ignoring the fact that fear of failure breeds pride of success. No one shall know hunger, an enticing phrase, but the ox cares not who fills his manger — the ward of the state is little concerned whether his master wears an eagle or a hammer and sickle on his hat. Government is responsible for your welfare; this theory speaks loud and clear. But without responsibility there can be no self-respect. Lack of self-respect removes the opportunity to attain freedom. Freedom alone is able to ignite that vital spark of greatness in men and nations.

All this notwithstanding, the superficial philanthropists continue to preach compassion and win converts: in government, business, labor, education, and particularly among the coming generations. One must admit it sounds good — so good, in fact, I might have been converted had it not been for the butter episode.

This caused me to look beneath the surface.

SUBVERTING OUR YOUTH

A tendency of human nature to take the easy path (even though you hate yourself for it), aided and abetted by progressive taxation (to feed the drones), composes a very seductive siren's song. How can the youth of today fail to be tempted to sell their birthright for a bowl of pottage and take a seat on the receiving end of the line?

As a citizen of a Republic, I am unable to conform happily with this wonderful new concept of progress. No doubt the cruel, in-human, insensitive methods employed by our schools in those Dark Ages of the past are responsible to some extent! Looking back, I can see that many teachers of those days actually encouraged the more intelligent students to "show off" before the dumber ones. In many cases this created a complex among the slower students, causing them to work their brains unmercifully to prove they could learn. Far too often this offensive urge to equal or surpass the leaders of their classes was so firmly instilled in even the laziest, that they found it impossible to stop on graduation day, but continued to drive themselves without mercy to become leaders in business, industry, and politics.

The youth of today are assumed to be most fortunate in that they may enjoy the economic fruits of the old inhuman competitive period without being forced to compete themselves. In fact, we have found in this era of enlightenment that it is kinder to teach the zealous to loaf than to encourage the lazy to work. What better place to start a child right than in the schoolroom? There have been a few disgraceful instances of students rebelling against the utter boredom of this wonderful new system. One such uprising was put down masterfully by a principal who forbade a student-organized debating team to compete. He feared the winning team would feel they had presented a better argument than their opponents. We must not allow such seeds to be scattered in our schools if the students are to live happily ever after in the protective shade of this wonderful welfare tree we are growing.

All the advantages of this wonderful new way are sweet to contemplate. The tree of compassion casts a beautiful shade. The element I (old fogey that I am) find most difficult to grasp is: When all have become enlightened and have demanded their rightful place in the shade, who will gather and distribute nectar from the flowers that grow only in the sun?

— The Freeman

Who Wants To Defend Our Borders ?

(From Our Correspondent)

THE Opposition leaders seem determined to raise a debate in Parliament on the latest developments in Ladakh as they are dissatisfied with the Prime Minister's explanation given to them in the course of a 75-minute talk on August 3, as to why he had rejected their demand for a special session of Parliament to discuss the Ladakh situation. The Prime Minister is believed to have told them that such a session was liable to cause avoidable tension and panic among the people. The Opposition leaders had further cause for disappointment inasmuch as, far from getting a categorical assurance from the Prime Minister that there would be no settlement with China at the cost of Indian territory, Mr. Nehru did not rule out the possibility of some adjustments.

To those who have been reading between the lines of the utterances of the Prime Minister and the Defence Minister, the possibility of "some adjustments" should not come as a surprise. Both of them have from the very beginning been using words which clearly showed that they would be prepared to compromise by ceding some territory. The question has all along been that of the size of the territory to be ceded by India, in view of the ever-increasing claims put forward by the Chinese. It is obvious that Mr. Nehru could not have used the words 'adjustments' before the elections, particularly as the Chinese obliged him by stopping their onward march before the elections to enable their favourite Prime Minister to be returned to Parliament with a thumping majority. I am using the word "favourite" advisedly—for if, even after his pro-Chinese utterances month after month in Parliament, he is not a favourite with them, no one can be, as they know well enough that they cannot risk China itself over a war with India.

Some time ago Mr. Menon said there was "no active hostility" in Ladakh. Later the Prime Minister said there had been "no shooting." And after the shooting has taken place, the Prime Minister says there is "no major crisis". How can there be a major crisis when our troops have orders not to fire back, as seems evidently to be the case? It would be much better for our Government to send Vinoba Bhave's Shanti Sena there and test the prowess of non-violence while giving proof of Sino-Indian solidarity as part and parcel of the Asian solidarity of which the Prime Minister has been

speaking so fondly and so often. The Prime Minister says the situation in Ladakh is serious but he refuses a special session of Parliament to discuss it. Maybe he is right. After all, what is there to discuss? And who wants to defend our borders?

(Since the above was written the Prime Minister informed Parliament that our forces in the Chip Chap Valley returned the Chinese fire, though they did not do so in the Pangong area, adding, "We will not hesitate to meet any threat to our territorial integrity with firmness and where necessary, by force."—Ed.)

THE AKALI SPLIT

The Akali split has come at last. If it did not come earlier, it was because of the forbearance shown by Sant Fateh Singh towards Master Tara Singh, mainly for two reasons. As a gentleman he did not want to take advantage of his sudden rise in popularity among the Sikhs as a result of his fast-unto-death for Punjabi Suba. The other reason was that the Sant did not want to be responsible for dissension and disunity in the Akali Dal at a time when the fight for Punjabi Suba was on. But that fight is nowhere now, except on the lips of a few Sikh leaders. The general election, in which the Akalis suffered a severe blow, gave the quietus to the cry of Punjabi Suba, for it showed, strangely enough, that even Sikh strongholds were not enthusiastic over the cause of the Suba.

With the cause in the doldrums, the need for unity "at any cost" evaporated. Master Tara Singh does not appear to have read the mind of Sant Fateh Singh correctly. He was the one man in the Akali Dal whom he should have feared. There was a time when he could not make a public speech without the Sant by his side to prevent heckling. In his effort to re-establish his dictatorship he made some errors of judgment, for which he will have to pay now. He should not in any case have expelled the followers of the Sant himself. But there is no generosity in politics and dictatorship grows on what it feeds. On the other hand, one blunder is enough to put an end to dictatorship as well as to ruin the cause. The fast-unto-death of Master Tara Singh, which had to be given up when he found himself face to face with death, was one such blunder. The alienation of the Sant is another, though encompassed shrewdly only after the Sant had rehabilitated him.

Master Tara Singh, it appears, had not forgiven those who had brought about his trial and the subsequent penance, although at the time he had accepted the punishment loyally, as he had to.

In the trial of strength between Master Tara Singh and Sant Fateh Singh that has now begun, the fight for a Punjabi Suba may be said to have come to an ignominious end. At a crowded Press Conference in Delhi the other day Sant Fateh Singh accused Master Tara Singh of committing numerous malpractices in conducting the affairs of the Shromani Gurudwara Prabandhak Committee and the Akali Dal, and said that the time for rapprochement between him and the Master was past. The Sant also said that Master Tara Singh had given a wrong twist to the Punjabi Suba issue leading to misunderstanding between Sikhs and Hindus. He proposed to concentrate on creating better understanding among them, so that both communities could work together for the attainment of Punjabi Suba. Master Tara Singh at his press conference later was quick to seize on this analysis of the differences between the two and said that, if the Sant was of the view that there could be no Punjabi Suba without the support of the non-Sikhs, there was surely a fundamental difference between them and there was no meeting ground for them. (The Sant had already refused to meet Master Tara Singh.) It is obvious that Master Tara Singh intends to continue exploiting the fanaticism of the Sikhs, but there should be ground for rejoicing that his own erstwhile followers will be there now to criticise and condemn his unpatriotic utterances. Master Tara Singh, like all dictators, is an expert in the art of crushing opponents, but he will find himself so busy doing that now that he will have little time to think of Punjabi Suba. 'First things first' has always been his motto. But what a victory at last for Sardar Pratap Singh Kairon!

MADHYA PRADESH DRAMA

The drama unfolding in Madhya Pradesh is in many respects unique, revealing the way of working of a dictatorial regime. The Pradesh Congress Committee and the ministry of the state have been co-operating and collaborating with each other since Mr. Mandaloi became Chief Minister after the general elections. This should have been a very welcome state of affairs, since the Pradesh Congress was not fully co-operating with Dr. Katju when he was Chief Minister of Madhya Pradesh. The exit of Dr. Katju should not, therefore, have caused anger in the mind of the solitary member of the Congress High Command. But that was far from being so and Dr. Katju was asked to contest a by-election so that he may be made Chief Minister again. Such a thing has never happened before. It shows the depths of degradation—from the democratic point of view—which the Congress has reached.

Quite frankly it means that the Pradesh Congress Committee and the Pradesh Congress Legislature Party even together have no right to choose their Chief Minister.

Dr. Katju has been India's Defence Minister. He has been Governor of Bengal and the Chief ministership of Madhya Pradesh was no great honour for him. At a time when Governors are hard to find, Dr. Katju could have again filled a gubernatorial office with distinction—supposing of course that he does not yet feel old enough to lead a retired life. But he is one of the Prime Minister's favourites and the attempt to oust him—which apparently had been made and made with success—has proved too much for our Prime Minister, whose frown is enough to set people on the path of making and unmaking Chief Ministers, regardless of the fact that the imposition of Dr. Katju as Chief Minister of Madhya Pradesh can be and would be regarded as a good instance of casteism and regionalism combined.

It is not being suggested here that no attempt should have been made to find out if there was sabotage of the electioneering campaign of Dr. Katju resulting in his defeat. That of course should have been made and the saboteurs, if Congressmen, should have been punished. But if his defeat, brought about by chance or design or by his unpopularity in Madhya Pradesh, brought the legislature and the Pradesh Congress closer, it should not have in the interest of the Congress organisation and the state, produced a cantankerous reaction which demands the dissolution of the Pradesh Congress Committee, the resignation of its President and, what is yet to come, the resignation of the Chief Minister. All these show what it is to which value is attached by Congressmen these days and what it is that is regarded as irrelevant. Among the latter comes all that is not included in Mr. Nehru's whims and fancies.

How unwarranted and unjustified the forced resignation of the PCC President has been, is obvious from the circumstances attending it. Before he left New Delhi for Bhopal the AICC issued a communique saying, "The charge against Mr. Deshlehra of having worked against certain Congress candidates, and specially Dr. Katju, has not been upheld by Mr. Ramakrishna Rao." Mr. Deshlehra also won another point. He had complained to the seven-man disciplinary committee that "there was a lot of malicious propaganda being carried on against him in some of the Hindi papers of Madhya Pradesh and that he felt most unhappy over it." The committee held that the criticisms were not warranted or based on fact and warned Congressmen who were associated with these papers that "it is wrong and highly improper to indulge in propaganda against particular Congressmen or the organisation." An AICC spokesman described the resignation as

the "beginning of the process of self-criticism and self-sacrifice necessary to put the party on a proper footing in the state." He might have better described it as the continuation of the process of glorification of Mr. Nehru which should serve as a warning to all who are unable or unwilling to carry out Mr. Nehru's wishes by the simple process of anticipating the same.

The fiat having gone forth, all the faithfuls, including Central Ministers, are busy wearing down opposition to the return of Dr. Katju as Chief Minister of Madhya Pradesh. Twentyfive years ago, Madhya Pradesh, then known as the Central Provinces, witnessed a drama culminating in the expulsion of Dr. Khare, which is now part of history. It could then be said there was an error of judgment on the part of Dr. Khare which his opponents exploited to the full—more than full. In the present case the error of judgment has been on the part of the electorate in not returning Dr. Katju—on the part of His Majesty the Voter. Such an error usually results in the victim dropping out of the scene, but under the dictatorship of Mr. Nehru—compared to which that of Gandhi pales into significance—the error is resulting in the dropping of the PCC and its President as well as of the unanimously elected leader of the Madhya Pradesh Congress Legislature Party. Why not, it is being asked here, dissolve the MP Congress Legislature Party also—the chief culprit?

Book Review

INDIAN ECONOMIC POLICY AND DEVELOPMENT

by Professor P. T. Bauer, George Allen and Unwin Ltd., London 1961, Pages 152. Price 16 Shillings Net.

The author of this unusually frank and critical discussion of the basic principles of India's economic policies (for rapid industrialisation as embodied in the Five Year Plans) is professor of economic in the university of London, particularly of the development economics of under-developed countries in Asia like India and the newly enfranchised peoples of Africa.

We had an enticing summary of his criticism of Indian Plans with special reference to Foreign Aid in the press some time ago, being a news report of his lectures delivered to business circles in America and published as study by The American Enterprise Association of Washington D. C. in 1959.

The present book is a revised and enlarged edition of that study.

The book was completed just before the draft of the Third Plan was published and deals therefore only with the principles and outcome of the first and second Plans.

The book starts off with a sketch of the so-

cial and psychological background of Indian economy such as the large subsistence sector of which the Harijans and tribals form a large proportion. The Plans have not succeeded in galvanising this large sector of Indian humanity and inducting them into modern industrial life and work. Though much has been done for them, it must be said that the limitations of socialism impose a barrier for free movement of ideas and goods and cripple the opening up of the vast countryside through roads, motor transport and free mobility of goods. Caste and ancient customs like cow protection are also hindrances to economic development.

The psychology of initiative, enterprise and free mobility in search of economic opportunities is yet to be fostered in the countryside. The people are capable of modernising themselves as is proved by their success in other countries where they have settled such as Africa and South East Asia where Indians compete successfully with elements of European extraction.

The book goes on to discuss the economic ideas of the Second Plan at sufficient length to clarify the author's point that they hinder real economic development by their socialism, contrary to expectation!

He points out that mere industrialisation at State cost is not economic development. Production should be attained at costs that the people can afford and should give priority to the goods and services that they urgently need for daily life. From this viewpoint, he criticises the Soviet pattern of Indian Planning which allots far too large a part of investment finance to heavy producer goods and freezes the sphere of private organised industry that offers consumer goods and services.

He quotes Mr. Schonfield of the London Financial Times who had visited India and studied the Second Plan in this behalf and Indian economists like professors Shenoy, Vakil and Brahmananda who make the same point.

The result will be inflation aggravated by the high level of deficit finance contemplated namely Rs. 1200 crores out of an outlay of Rs. 4800 crores, a result that has actually transpired in the sequel. Today the Third Plan is obliged to admit the rise of 20 per cent in the wholesale prices during the second plan period of 1955-61. Retail prices have risen by 30 per cent. The social upset consequent on this steep rise in prices is seen today in the organised protests against government policies staged in many cities throughout the country.

The professor goes on to show that the same Socialist Soviet type underlies Indian policy with regard to land reform in its ingredients of ceilings on holdings, transfer of property rights from owners to tenants and cooperative farming.

He points out that cooperativisation in Indian Plans amount to socialisation and form an

integral part of the government or public sector. Socialism or monopolisation of agriculture will be completed by the introduction of state trading in food grains which is explicitly laid down in the Plans. The purpose is to annex the farming surplus and to control consumption to benefit the State industrial sector.

The reservation of the main lines of the economy for government activity and the complete control over the private sector (what remains of it) laid down in the Plans charge the economy with drives towards complete sovietism of the Moscow variety.

This is not democratic planning, says the professor.

The Aid-providing countries should consider their policy in its impact on democratic outcomes and stress Aid more for social overheads like education, road transport, health and research and technical assistance than to State-managed and States-owned economic installations.

Lovers of democracy Indian and foreign should reflect on this frank analysis by Prof. Bauer of Indian economic policies. His book is indispensable reading to Indian publicists of all kinds.

— M. A. Venkata Rao.

Gleanings from the Press

RUSSIA'S VAIN BOAST

Premier Khrushchev's interview last Monday with twelve American newspaper editors provides an interesting study in official Soviet thinking, both in the substance of what Mr. Khrushchev said and in the way in which the interview was handled.

One remark that got the most publicity and aroused the most interest, at least in the United States, was Mr. Khrushchev's statement that he has a global rocket that can penetrate any defence and an anti-missile rocket that can apparently stop any nuclear attack, because—in the words of Premier Khrushchev—it can hit a fly in outer space.

What is interesting is that Mr. Khrushchev should feel it necessary to make such claims repeatedly and with such emphasis—whether or not they are true. For they undermine the case for another series of Soviet tests. After all, if the Russians have these super-weapons, and the Americans do not—and Mr. Khrushchev declares emphatically that nobody else has them—then why should the Soviet Union need to conduct more tests?

Mr. Khrushchev doubtless knows well why he emphasised such claims. Perhaps the super-weapons claims are necessary in order to explain

why the supposedly aggressive Western powers, with their supposed predilection for the first-strike strategy, have not attacked the Soviet Union.

But it is confusing to hear Mr. Khrushchev—as he did when speaking to the editors—first boast of these super-weapons and then a few moments later indicate that new Soviet tests are necessary in order to “come abreast of the United States.” Why is it necessary, or how is it possible, to “come abreast” of somebody you are already, by your own testimony, so far ahead of?

R. J. Dunlavy in MysIndia

News & Views

RUSK'S STATEMENT ON 'THE RIGHT TO TEST LAST'

‘I don't know where the expression came from that “there is a right to test last.” Surely, from imagination. But memories tend to be very short.

After the Soviet Union last year abandoned the moratorium and conducted a series of more than 40 tests, I suppose that it felt that it had a right to test last. Be that as it may, members here will remember that even after that series of more than 40 tests, the United Kingdom and the U.S. made proposals for the stoppage of testing at that point, and forever — the principal price for which, in terms of assurance, was that international inspectors be permitted to look at less than one part in two one-thousandths of Soviet territory in any given year.

After that series of tests (before the recent U.S. series of tests) even that farthing was not paid to bring this testing to an end.

RUSSIA'S SECOND THOUGHT ABOUT M.I.G. SUPPLY TO INDIA

London

The Russians are having second thoughts about supplying India the assembly plant for the MIGs, says Mr. Stephen Barber of the “Sunday Telegraph.”

The Russian First Deputy Prime Minister, Mr. Anastas Mikoyan, has received a confidential report from his technical experts that India is not in a position at present to muster adequate skilled and semi-skilled labour for such a project.

Mr. Mikoyan's advisers fear that Indians will make a mess of producing the MIGs and then blame the Russians.

Mr. Barber, relying on “reliable sources and excellent authority,” also states that the Russians have run into angry criticism from their Chinese allies over the MIG-Menon deal. This is not Peking's first protest to Moscow over Russia's aid to Indian programme but it has raised sharper storm this time than before.

Mr. Barber admits that Vice-Marshal Harjinder Singh is a brilliant man but he thinks he is an erratic chief of the Indian Air Force Maintenance Command.

PRICE FOR PEACE WITH CHINA

For the present, let us face the ugly realities to which our policies have brought us. Never since the Chinese started nibbling away at our territory five years ago has our position been as weak as it is now. No amount of talk of our better preparedness and no isolated checkposts behind Chinese lines can conceal this naked truth — certainly not from the Chinese.

If, therefore, as the result of Mr. Krishna Menon's dialogue with Mr. Chen Yi we have arrived at a truce to incidents in Ladakh, this is no moment for the heaving of sighs of relief. This is the moment to fear the worst and to ask about the price that has been paid.

From hints dropped by one or two journalists who are usually well-informed it would appear the price being paid is the Chinese occupation of the line claimed in their map of 1930. I have no direct knowledge of whether this is true. I prefer to go in such cases on the published evidence. All the attendant circumstances at least strongly suggest that it is not the Chinese who have been frightened into making concessions to Mr. Krishna Menon.

I expect now to see a casual announcement one of these days to the effect that our posts "behind the Chinese lines" have all been abandoned.

— Mulgaonkar in Hindustan Times

DECOLONISATION IN THE FREE WORLD "JAMAICA IS FREE"

Kingston

Jamaica at midnight on August 5, hailed its independence as the latest member of the Commonwealth.

Beacons and bonfires blazed from hill and mountain tops to the hundreds of thousands in the plains and valleys of the "Land of Wood and Water," as it was called by the Sarawak Indians who inhabited the country when Columbus discovered it in 1494.

ULTIMATUM TO CHINA URGED TIME FOR ACTION, SAYS DANDEKAR ON BEHALF OF SWATANTRA

Speakers at a meeting sponsored by the Bombay Swatantra Party on Friday urged the Indian Government to issue a "thus far and no further" ultimatum on the advancing Chinese troops.

Mr. N. Dandekar, chairman of the party's Bombay branch, who presided over the meeting, declared that the Government's policy of inacti-

vity in the face of continued Chinese infiltration had humiliated and disgraced the country. He thought that the time had come for "definite and direct" action.

Mr. Dandekar's other two suggestions were that we should cultivate friends abroad — "in the name of non-alignment we have cultivated enough enemies" — and remove Mr. V. K. Krishna Menon from the Cabinet.

All the speakers were particularly critical about the Indian Government's withholding information from the public about the happenings on the northern borders. As one speaker put it: "An odd speech made by the Prime Minister in the Lok Sabha is our only report on the Chinese activities."

THE BEGINNING OF THE END OF PROHIBITION?

The Congress membership form has a column reading: "Are you a teetotaler?"

But the 10,000 enrolment forms lately despatched to Goa have a covering note from the AICC office which tells the party functionaries in Goa not to press prospective members to fill in that column!

This may prove to be the beginning of the end of Prohibition Policy.

VITAL QUESTIONS.

For sixty known centuries this planet that we call the earth has been inhabited by human beings not much different from ourselves. Their desire to live has been just as strong as ours. They have had at least as much physical strength as the average person of today and among them have been men and women of great intelligence. But down through the ages, most human beings have gone hungry and many have always starved. Why? This and other vital questions are sought to be answered by Henry Grady Weaver in his momentous book "The Main Spring of Human Progress".

Get your copy from:

LIBERTARIAN PUBLISHERS (PVT) LTD.,

Arya Bhuvan, 1st Floor,
Sandhurst Road, (West),
BOMBAY-4.

ANNOUNCEMENT

IF you have not yet read " Ideology Versus Democracy" by Arther Scheslinger, ask for a FREE COPY and send along with your request the name and address of a friend who, you think, will be interested in becoming a subscriber to the "INDIAN LIBERTARIAN".

Write to:

The Circulation Dept:
The Indian Libertarian
Arya Bhuvan, Sandhurst Road,
Bombay-4.

BOOKS FOR YOUR SHELF.

1. ESSAYS ON LIBERTY
2. THE RISE AND FALL OF SOCIETY
By Frank Chodorov.
3. OUR ENEMY THE STATE
By Albert Jay Nock.
4. MY POLITICAL MEMOIRS
By N. B. Khare.

Available with the Libertarian Social Institute, Arya Bhavan, 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
THE DUNCAN ROAD FLOUR MILLS
BOMBAY 4

Telephone : 70206

Telegram : LOTEWALLA