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An Independent Journal of Economic and Public Appairs

# WE STAND FOR FREE ECONOMY AND LIMITED GOVERNMENT

MAKE ENGLISH THE LINGUA FRANCA OF INDIA

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### **EDITORIAL**

VOTERS' CHOICE: THE SWATANTRA'S FREEDOM OR CONGRESS SLAVERY?

ITH the General Elections round the corner, the whole country is agog with feverish electioneering activity. National 'Heroes', Party Demagogues, flag-wavers, street demonstrators are all on the move to bag votes for their favourite candidates for State Assembly or the Parliament. The panel of candidates put forth before the electors, in most cases, does not bear any relation to the intrinsic merit of such candidates or to their record of selfless service to the country, but to their ability to manouvre themselves into the Grace of the top Party Bosses or to speak in the Congress Political parlance, 'The High Command'. The candidates and their partisans are not interested in 'educating their masters' about the implications of the various programmes of diffierent parties in the field. They look upon the voters as only pawns in the game of capturing seats of power once in every five years and so appeal only to their base communal, caste, class or religious passions and sentiments.

It is very sad to think that the Congress, the premier political organisation in India, should have failed so miserably in discharging its duty cast on its shoulders by History, of nursing and nurturing the nascent Indian Democracy. Indian people fought the battle against the British in the

name of Freedom, but the Congress is now imposing upon them a brand of Socialism which is the very negation of Freedom; the Constituent Assembly framed the Constitution guaranteeing to the people the fundamental right to hold property, but the Congress with its brute majority in the legislature has shamelessly confiscated their Property without even giving them fair compensation, thus deliberately releasing, out of lust for power, anarchic forces of fierce class hatred and conflict, throughout the country. The democratic forces of the country asserted themselves on the political situation in the early years of India's Freedom and succeeded in compelling the Congress Government to join the Commonwealth of Nations and to align itself with the free countries of the world. But the Nehru-Menon unholy alliance has cunningly contrived to land this country in the most unenviable situation of having to rely solely on the Soviet support in the UNO on the issues like those of Goa and Kashmir. which could have been peacefully solved long back with the good offices of the Democratic Powers, if India's present rulers had been a little more honest and sincere in implementing their loudly mouthed Democratic Faith and Professions. The country would have advanced to genuine industrial and economic prosperity in a democratic manner, if Mr. Nehru's Government, instead of playing the part of a bridegroom in a

hurry in this respect, had allowed foreign capital to find its natural way into this country through usual trade channels to finance private industry.

This costly game of socialism is indulged in, not only by the Congress but also by the so-called Leftist Parties, most notably the Communists. In fact the Communist and the Congress between themselves are making merry at the cost of the common man who finds himself completely at bay today amidst this socialist chaos. These two parties, have, therefore, placed themselves outside the pale of those who still cherish the values of Free and Democratic life. The Praja Socialists unfortunately have not yet, in actual practice, clearly differentiated themselves from the Congress-Communist, sponsored Aggressive Socialism.

The confused political situation urgently called for the emergence of a political party wedded to the Rule of the Law and pledged to the honouring of the Fundamental Rights conferred on the people by the Constitution in respect of Life, Property and Pursuit of Happiness. It must be admitted that this need has been largely met by the Swatantra Party, wisely and ably led by the veteran Patriot and Leader Shri Rajagopalachari. This Party is neither a richman's Party like the Congress, with the money bags of the monopolists and permit licence-holders to support it, nor is it a self-appointed Party of the Poor as the Communist Party poses to be. Its claims are modest. It merely wishes to represent the Common Man of the land-the Peasant, the Worker, the Small

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Trader, and Middle Class Intellectual Workerwho loves his country and aspires to a contented and happy -not necessarily affluent—life. It challenges other parties to an open discussion of its manifesto and to a comparison of it with others, instead of holding out to the opponents threats of 'Dire Hell' as Mr. Nehru is doing. In one word its aim is to replace the present One Party Rule of the Congress by the Common Man's Democratic Rule and the present dirty power-politics of the Congress laden with merely the heat of passion and hate, by the Politics of Freedom charged with the warmth of the light of reason and persuasion. As such, this is the One Party that must commend itself to the support of all right thinking and Freedom-loving persons, groups and communities.

In this connection it may also be recommendded that where the Swatantra candidates are not set up, the Jan Sangh, another Rightist Party supporting Free Economy and Individual Freedom, should be supported in the coming General Elections as the Next Best and the third preferential vote may also go, wherever inevitable, to the Praja Socialists.

Let the voter therefore clearly think out the issue posed before him and exercise his vote wisely and freely. He will have to choose between a Life of Slaverv and Serfdom offered by the Crypto-Communists within the Congress and outside it, and a Life of Liberty and Freedom promised by Democratic Forces headed by the Swatantra.

### PAKISTAN, MISLED AND ILLADVISED 1

Pakistan is reported to be passing-through an acute internal political crisis, both in the Eastern and Western part. It is, therefore, no wonder that Ayub Khan should now try to divert the attention of the Pakistanis away from these vexatious domestic issues. He has now thought it fit to rake up the Kashmir question in the U.N. Security Council, with the full connivance of Britain and America who seem to have been piqued and upset at the refusal of India to play the waiting game in the Goa affair as desired by them and also at the recent rejection by India of the offer of Mr. Eugene Black's mediation made by America on the Kashmir issue. The Security Council it is now reported, has decided a full-dress debate on the Kashmir issue somewhere in March after the General Elections in India are over.

Apparently, Pakistan has been misled and illadvised. Pakistan's seeming success over India at the U.N. Security Council over the Kashmir issue is I'kely to prove to be too costly to herself. India, in the long run, has nothing to fear from such a debate.

She is confident that a full discussion of this issue at the Security Council will not only justify her firm stand on Kashmir but will also fully expose Pakistan's ill-concealed role of an Aggressor on a territory which in Law and Fact properly,

circumstances that she has not only jeopardised her own national interests but has also caused incalculable harm to the safety and security of the whole Indo-Pakistan sub-continent by thoughtlessly rushing to the U.N., instead of accepting the fair offer made by Mr. Nehru of mutual talks and bly said at Karachi that the security of most

#### MORE LOYAL THAN THE KING

Mr. T. T. Krishnamachari has returned to the political arena after a short-lived eclipse, with the loud blowing of horns and trumpets. The first pronouncement that he made in the public after coming out from his forced exit from the public life in consequence of the Mundra scandal, goes to prove one thing and that is, that this time he is determined to pose as a Greater Loyalist in the cause of Socialism than Mr. Nehru himself. He -seems to have learnt and unlearnt nothing from his previous exper ences as a Finance Minister. He has now the temerity to complain that he was instrumental in putting 'Seven Times More Money' into the pockets of some businessmen than they had before and that he was seen out of the Cabinet before he could take steps to redistribute the income among the rest of the people.

The people, T.T.K. must remember, cannot be fooled for all time. They have now fully realised that Mr. Nehru and T.T.K. himself are only practising an unmitigated fraud on them in the name of Socialism. They have therefore set about in right earnest, organising themselves into the Swatantra Party just to deliver before long, a smashing blow to the corrupt and moth-eaten Congress organisation, the last refuge and resting place of such unprincipled politicians as T.T.K. who shame-facedly and glibly talk in the same breath about the growing prosperity of the monopolist businessmen and permit and licence holders and also of a just distribution of wealth among the people.

### HERE AND THERE

Our Indian Ambassador in America B. K. Nehru in a television programme, in reply to a question on Goa observed that India had rejected Gandhiji's Pacifism even before the country achieved independence. He should have also added that the Congress leaders were however exploiting Gandhiji's name only for election purposes so as to keep themselves in perpetual power in India.

Mr. Indulal Yagnik, M. P. addressing a Subash Day Meeting alleged that Mr. Morarji Desai had remarked that those who left the Congress had lost their importance and status and that Netaji was an example. Mr. Yagnik therefore exhorted his countrymen to protest against this disrespect shown to him. But why bother about the puerile fulminations of a Morarji whose idea of the status of a man consists only in getting himself appoint-

belongs to India. The time is not far off when ed as a Congress Minister through the back door, Pakistan will be compelled to realise by force of even after having been ignominiously thrown out in the elections by the people and thus forfeited. public confidence. The caravan of Subash the hero of unsullied name and fame passes on majestically. Let the Congress dogs and curs bark!

> Dr. Kessinger, Special Adviser to U.S. Assemcountries could not be assured by their own unaided efforts. But Mr. Nehru thinks otherwise. His Defence Minister has assured him that he will complete the modernisation of the Indian army within the next twentyfive years of India's Master Plan and till then, India could safely rely on the Panchshila agreement with China and Russia for maintaining her integrity and safety.

> Mr. Morarji Desai in an election speech asserted that the Congress believed in 'Raising all without bringing down anyone.' We agree. The Congress has raised the degree of the adjectives 'Rich' and 'Poor' into the Comparative 'Richer'. and 'Poorer' and may still raise the Comparative degree to the superlative, namely, 'Richest' and 'Poorest' by the end of the Third Plan.

Mr. S. K. Patil, the Union Food Minister speaking at the Bombay Rotary Club mentioned three variations of Democracy, namely, Basic Democracy, Guided Democracy and Dictated Democracy, being evolved in South-East Asia. He referred to Ayub Khan and Dr. Sokarno as the authors of the ideas of basic Democracy and Guided Democracy respectively. He further said, he did not know how such Democracies could work. He kept silent over the question as to who was the author of Dictated Democracy. Perhaps modesty prevented him from mentioning the name of our Prime Minister Nehru who is experimenting with his 'Dictated Democracy' in India.

### FOOD FOR THOUGHT

'Mr. Menon does what Mr. Nehru wants and he offers himself as a target. He is a martyr for Mr. Nehru's Policy. Krishnamachari is a martyr for Mr. Nehru's Economic Policy": House of the state of —Shri Rajagopalachari.

### QUOTABLE: QUOTES

Swatantra Party is a Of Rajas Only in the Sense that

## The Congress Party's Election Manifesto

M. A. Venkata Rao

ERY few people actually read the Congress V Party's election Manifesto. Most people are satisfied with the headlines in newspapers reporting its passage through Congress sessions—that of the AICC at Madhurai and of the plenary annual Session at Patna later.

Even critics of the Opposition parties do not seem to have scrutinised it with any seriousness. They go on repeating the stereotyped criticisms

they have formulated before.

Yet however futile it may seem, it is necessary in the interests of intellectual honesty and of fair debate in a democratic order of things for all citizens to give due attention to the electoral manifestos of political parties and formulate their criticisms based on a first hand reaction to its actual statements and governing ideas and ideals.

The Manifesto issued by the Congress Party is a remarkable document characterised by suppressio veri and suggestio falsi. It will appeal as very high-minded document (making out a clear case for the party's continuation of power) to all who have no background of relevant knowledge. Most people have a tabula rasa in their minds as regards theory and concrete situation. To them the Congress Manifesto (reported to be drafted or retouched by Sri Nehru has inflicted on the manysided life of the country-political, economic, psychological as affecting national unity, and ethical as revealed in the erosion of corruption of various kinds—will not appear in its naked truth at all. It will convey to them an impression of high adventure that Sri Nehru has initiated for the country's all-round development and modernisation which has attained a large measure of success in spite of the defects of a moribund society, only needing to be maintained in the same direction and accelerated as much as possible for the country to reach the ElDorado of the socialist "earthly paradise" in the fullness of time after another series of five or six Five Year Plan periods.

But those who are aware of the realities of the situation can see at once what a great illusion this picture suggests, how near\_bankruptcy\_economic and political and moral—the country has been pushed into by current fashionable policies.

The Manifesto should be viewed in the cold light of truth. The emotion of national patriotism or of humanitarian feeling should be sublimited into the dry light of science and fair appraised in considering the value of the Manifesto as a statement of actual achievements and of governing hopes and policies for the future guidance of the nation.

A full assessment in this manner would take up more room than can be afforded in a single issue of the Indian Libertarian. I shall therefore to its establishment in 1950.

endeavour to indicate briefly the lines of criticism that stand out before one's mind as he studies the document in the light of the full truth which it hides and distorts in order to present a reseate picture of success before the voter and outside world at large.

The first section inevitably refers to Mahatma Gandhi and his glorious national liberation movement and its record of self-sacrifice and inspiring national unity. This is to benefit from establishing a continuity between that record and the

present party.

Now this is a dangerous half-truth. That National Indian Congress Movement of Gandhi perished before Lord Mountbatten who persuaded Nehru-Patel-Prasad-Azad group to bypass Gandhi and accept the Partition of the country.

The group to whom government power was transferred by Attlee's Government became the leading elite of the new political democratic party calling itself by the same name in order to retain the emotional allegiance of the masses of India. But it was different. The claim of the Nehru group to rule depends on the electoral endorsements of 1952 and of 1957. The renewal of power for a further period of five years depends entirely on their record during these ten years of administration (fourteen counting from 1947).

Further, national independence was won by a number of forces working together. The revolt of the INA under Subash Bose and of the Indian Navy at the end of the war were decisive factors as stated by Attlee in Parliament in answer to Churchill. The Congress had been incapacitated long before in 1952.

Voters should not therefore allow their present judgement to be coloured by the pre-independence record of Gandhi and his chelas. They should imitate the mature behaviour of the British voters who in 1945 voted Churchill the war hero out of power and did not yield to the sentimentality of gratitude for his brilliant war leader-

The next section mentions the passing of the Constitution enshrining a democratic republic as our state structure with a clear enunciation of fundamental rights and of the principles of state policy making for welfare. It was a combination of liberalism and of socialist welfare-a self-contradictory mixture.

The credit for passing this democratic structure was given in the two past elections and does not make out a new case for a further lease of power by itself. It belongs to the past.

Also, there are a number of factors deleterious to democracy and detracting from the credit due In actual working the democratic spirit has been allowed to be contravened by socialist content in policy even as early as from 1948 when the first Industrial Policy Declaration was made. That declaration definitely announces a socialist slant to public policy, reserving the right of Government to nationalise key industries and "command the heights of the economy", as the socialist slogan goes. In this context it is relevant to call attention to the fact that the party Manifesto claims credit for the achievements of the Government, such as they are.

The Government under the leadership of Nehru as Prime Minister has encouraged the civil service and has by and large, barring a few personal nepotisms, maintained an all-India outlook and has not discriminated markedly against any caste or religion or region.

But this is more than can be claimed truthfully for the Congress Party.

It is the duty of the party to choose the personnel of government at the Centre and in the States. After such choice, they should leave them free to carry on day-to-day government and administration without interference. The party lays down policy and gets it accepted by the citizen body at the elections. Thereafter, it determines second principles necessary to realise approved policies and leaves the chosen members of government (cabinets) to administer them and translate them into actual measures through legislation and administrative rules and executive acts. Recruiting suitable officers at various levels is part of this work and duty.

In this vital task of administration, the party should only carry a watching brief. It should supervise discreetly and from behind the scenes, the way in which policy is realised and appointments are made by the official part of its personnel. But it should not seek to make a puppet of the government for securing party advantage and personal benefits to its chief members. It should largely efface itself after the formation of government.

It should concern itself with a liaisan function as between government and the citizen body, interpreting its policies and actions to the public from time to time. It should also concern itself with the opposite end of the spectrum namely the task of carrying the sentiments and views and grievances and aspirations of the people in all their ranks and spheres of interest to the government.

It should thus mediate between people and government. Properly performed, it is this function that confers such a superiority on democratic governments to bureaucratic or monarchical or dictatorial systems of governance.

It is in this aspect of party duty that the Con-

gress party has signally failed.

It has devoted itself from the moment of the advent of independence to extracting the utmost

In actual working the democratic spirit has value for itself and its members as a body and as a allowed to be contravened by socialist coninciple in policy even as early as from 1948 when first Industrial Policy Declaration was made.

They fell upon the "mess-pots" with unholy avidity and cast all scruples to the winds!

Groupism that has become such a notorious feature of the party climate is evidence of this

charge.

The Manifesto says not a word about this shortcoming of the party which has reduced it to the parlous condition of corruption reminding the knowledgeable of that of Marshal Chiang Kai Shek of Kuomintang China! We do not say this with any pleasure. On the contrary—with profound sorrow and anxiety for the future of the country.

Far from confessing this grave drawback of the party, the Manifesto speaks airily of caste as an evil frustrating its good work, as if the evil results sprang from the mere existence of caste and not from the shortsighted, narrow-minded selfish exploitation of caste feelings by Congress leaders for their own party and individual and group aggrandisement.

The way in which the Mysore Congress have prepared a list of over 160 castes and subcastes for use for reservation of seats in schools and colleges and for reservations and priorit es in appointments in government service; penalising only one small community on the score of birth (and past ascendancy) is an eloquent and typical instance of the disintegrating mentality and policies of the ruling party-men everywhere in the vast country. The idea and feeling of all the people (of the vast country from Kashmir to the Cape and from Gujerat to Assam and throughout the entire vast interior of the land) as belonging to one national society entitled to the same fundamental rights and equality of sopportunity has been notoriously absent as an active disposition in the minds of the ruling party's men and women in all States. This is an indictment, not of the people but of the Congress leaders individually and as an organisation.

The Manifesto dishonestly lays the blame on the people who had responded before as an integral nation to the unitary inspiration and demand of Gandhi. They would have done the same, caste or no caste, if the same pure national motive had shown through the personality of Congress rulers.

They have failed in this high task of nation-

building Pandit Nehru notwithstanding.

One instance of Nehru's failure is enough to prove the point. He has done nothing to counteract the separatist propaganda and activities of the Madras Dravida Kazhagam and Dravida Munnetra Kazhagam under Sri Ramaswamy Naicker and Sri Annadorai respectively. They want a separate sovereign national State for the South comprising Tamil Nad, Karnataka, Andhra Pradesh and Kerala. The Government could have initiated a scheme of counter-propaganda on behalf of integral nationlism. On the contrary, Sri Kamaraja Nadar has adopted the easier way of yielding to

the Kazaghams and using them to gain votes for ... The Manifesto next mentions the Plans as Congress and himself—And Pandit Nehru, our a great development for rapid industrialisation supreme nationalist hero has ignominiously succumbed, for he wants power even at the cost of surrender to separatism. "After me, the deluge:" seems to be his policy.

The credit of passing the democratic constitution belongs to the first period of office until 1950. The second period from 1950 to 1957 should have revealed the party as the nurse and guardian of democracy. It should have shown its leaders giving paramount importance to the development of healthy democratic conventions and the education of the people in the ways and responsibilities of democratic government. It did nothing of the kind.

On the contrary, it did a number of things to damage democracy. It did not prevent Nehru from passing amendments to the Constitution frequently, particularly the one removing the power of the judiciary to pass upon the adequacy of the compensation given to property acquired by the Government in pursuit of its semi-confiscatory policies like the zamindari abolition and the socalled land reforms imposing ceilings on landholdings and acquiring lands in excess of them for transfer to tenants and landless persons. The compensation offered is a poor fraction of fair market prices amounting to confiscation in large

Congress as a party should have exercised an influence on Nehru and secured fair compensation and retained the jurisdiction of the courts on the matter. But it failed in this duty,

In cases of police firing on a large scale as in connection with the "Bombay for Maharashtra" agitation, the Ramanathapur riots in Madras and the Assamese-Bengali conflict etc., the party should have exercised its influence and secured at least a fair and impartial judicial inquiry.

Shri Nehru went a step further and made remarks during the Chagla enquiry into the Mundhra scandal and just before the Jabalpur riots enquiry that prejudged the issue and prejudiced the conduct of the inquiry by the judges, It was deliberately done to influence their decision in a particular direction. In another case, he made disparaging remarks about a High Court Judge and was forced by the outcry that followed to apologise in a shame-face of manner!

In these ways Nehru and the Congress party have failed to keep the government within democratic limits and usage.

The greatest indictment of the party is its object collapse before the personality and prestige of Nehru. They have developed an object "cult of personality" which is contrary to the spirit of republicanism and democracy, which demand selfreliance and sturdy independence of judgment (and action) on the part of citizens. Congressmen have set a poor example in this regard.

a great development for rapid industrialisation and takes credit for a striking advance in the two plan periods from 1951-1956-1962.

But it fails to mention the widespread misery that it has caused to fixed income and low income groups by reason of high prices and scarcities of food, cloth and other necessities. The average consumption of food and cloth remains more or less stationary since 1939.

The pattern of the Plans is modelled after those of Soviet Russia with their disproportionate expenditure on heavy industries and comparative starvation of consumer goods.

The Party has failed to convey the gravity of the people's misery resulting from this distorted planning to the Government. The Manifesto is completely unconscious of and oblivious to the widespread misery of the majority of the people indicating the failure of the party in interpreting the economic grievances of the people.

The Manifesto also fails to mention the waste and extravagance of the Government which is characterised by gigantism and facadism. The bureaucracy has proliferated tenfold.

Waste and corruption accounts for over 500 crores in these years of independence.

The Institute of Public Opinion of New Delhi reports that 75 per cent of the 3600 persons (it interrogated in regard to their incomes during the last ten years) said that they were stationary in money incomes but lost in real income on account of high prices. Only 25 per cent confessed to a betterment in their incomes.

The Mahalanobis Inquiry Committee appointed to report as to the classes actually benefitting from these colossal plan expenditures have sent in their findings. But Government have decided to hold them over till after the Elections for publication!

It may be guessed that the report will reveal that the enormous expenditures have benefited, only a tiny minority of the vast population-contractors, engineers, permit-licence-quota holders. high officials and top-ranking Congressmen.

The Manifesto thus is a highly misleading document the extent of whose deceptiveness can only gauged by persons with a vast, comprehensive and relevant knowledge of facts and theories. It is too much to be expected that the bulk of the citizens can see through it. Opposition parties should therefore expose the defects of the document and show effectively how hollow is the claim for a further lease of power that it makes from the electorate in the February elections.

### Portents From Nepal

By M. N. THOLAL-

T is indeed a pity that relations with Nepal doing so openly and unhesitatingly.

and are admirers of Mahatma Gandhi and Mr. dictator irresponsible to the people. Nehru surely does not entitle the latter to dictate. in fact the best way of antagonising the King as well as the people of Nepal, the latter of whom have already started burning Mr. Nehru's effigy and staging anti-Indian demonstrations in front of the Indian Embassy.

The King of Nepal counts for a great deal in his country and an attempt on his life is a serious: matter. It is a very serious matter and the nature of the reaction of our ministers will be an index to their minds. Canathey affordate stand on formality in a matter like that and plead inability to do anything when the self-exiled leaders of Nepal themselves are claiming the credit for the outbursts of violence in Nepal?

It is true that the present King of Nepal appears to be no admirer of Mr. Nehru, not at least to the extent of seeking and following his advice: He has obviously a mind of his own which, so far as Mr. Nehru is concerned, is an unpardonable sin. I know the latter part of the last sentence to be a fact from my knowledge of the Prime Minister, and I concluded the former from the frown on Mr. Nehru's face, apparently directed at the King of Nepal standing beside him in a photograph published by the Statesman some months ago:

Mr. Nehru cannot understand why any oneare being allowed to deteriorate by the Gov- should differ from his opinions. This attitude of ernment of India. A cold war between the mind is common among many in the East. Nevertwo countries may be said to be developing and theless it should not be allowed public expression. our Government cannot be regarded as absolute- by our camera-conscious Prime Minister, particuly blameless for the deteriorating relations. To larly when it relates to the head of an indepenput it mildly, there has in the past been too much. dent state. To say the least it can be interpreted of the Big Brother, on the part of the Indian Gov- as a sign of encouragement and a great signal by, ernment, in the latter's relations with Nepal. That those Nepalese who are plotting against their King. can hardly be denied by any honest observer of from India. Indeed, that tell-tale frown was abevents. That being the case, our extensive aid to solutely out of place on Mr. Nehru's countenance,... Nepal cannot be said to be without strings. It is whether it was intentional or otherwise, and it. natural for Nepal's King and his ministers: to rear would take a lot- of argument to convince any sent those strings, and they would appear to be intelligent man in the court of Nepal that it was unintentional

Another reason why we should be extra-care-There are many reasons why our Government, ful in our relations with Nepal is that we are alshould take the utmost care to see that there is ready on cold-war terms—indeed worse than coldno justification for any suspicion regarding the war terms—with two of our neighbours, Pakistan absolute sovereignty of Nepal in the Nepal mind. and China. We did not object to parliamentary. For one thing, it is rather absurd to denounce migovernment vanishing in Pakistan at the behest litary aid from foreign lands because it cannot of one who had no constitutional right, unlike the be without strings, and then to offer aid of all. King of Nepal, to abolish it. We might have done sorts to Nepal with intangible but nevertheless so and marched our army into Pakistan to reobvious strings. That the politically-minded peo- claim it, saying that we had agreed to self-governple of Nepal-how many are they?-have been ment in Pakistan and not to Government by a

If any one were to ask medifuthe people of in any way to the Government of Nepal. That is Nepal or Pakistan, or even India, are fit for selfgovernment, I would answer with an emphatics NO, while agreeing that the people of India are far more politically advanced than the people of . Nepal or Pakistan. Even our Prime Minister, whom: I happen to know very well, has not the foggiest. not on: of democracy, In any case, it is absolutely, foreign to his mental make-up. Indeed, one does not have to claim a degree of familiarity with: him, or any at all, to be able to say that, for Prime. Minister: Nehru: is, in this respect, brutally frank:publicly:and:gives:ample-evidence.of-hisbent of mind almost every day, even to the extentiof: being unmannerly,

When: even: our leaders do not understand. democracy and have not assimilated its underly ing principles, how can we expect the man in the street to do so? That justifies President Ayub in Pakistan and the King in Nepal, even though the sufferers of the latter's coming to undemocratic conclusions are some of Mr. Nehru's admirers and. followers. There is indeed nothing to prevent Indians and Nepalis from being "Bhai-bhai" to-day, having regard to the fact that the absence of democracy, in China did not prevent the cry of "Hind'-Chini Bhai-bhai" from being officially-inspired, even at a time when China was annexing

our territory:on:our:northern:border.

#### NEPALI SENTIMENTS:

In an article in the Statesman Mr. Desmond

Doing says that Nepal resents the implications of Ind an intimacy, seeing it as interference in its internal affairs. During a week of talking to Nepalese leaders in Kathmandu he was plied with sentiments such as: "Friendship does not mean taking us for granted"; "What India really wants is control of our defence and foreign affairs": "India would like Nepal to be another Bhutan or Sikkim"; "Why should all we do be the concern of India": "Why should the King and his advisers be expected to make pilgrimages to Delhi?" "Why should India feel uneasy about our relations with the Chinese? Must our friendship be exclusively for India?"; "We do not necessarily agree with the King's policies and Delhi may not either, but this is no reason for open Indian interference in our affairs by allowing exiled Nepalese to plot against the King and Nepal."

It is difficult to disagree with Mr. Dolg when he says that, "while the Nepal Government's claim that Indian nationals have been indulging in subversive activity on Nepalese soil are largely unfounded, it is true that the Nepalese Congress Party's opposition to the King is being directed from India, and anger has resulted.

It is not difficult to confirm the veracity of this observation from the statements of the Nepalese leaders now in India, While Mr. Subarna Shamsher, acting President of the Nepali Congress, denied in Calcutta recently that the Nepali Congress was engineering trouble in Nepal from Indian soil, and said that the Nepalese Foreign' Minister, Dr. Tulsi Giri, who had made the charge, "should realise that it is not possible for a few persons living in India to stir a revolt in so many different parts of Nepal and evidently the people in their utter desperation are using arms which, incidentally, were not manufactured by us or sent by us from India," Mr. Kahi Nath Gautam, former Nepalese Minister for Health and Local Self-Government, claimed the same day (January 31) in Gorakpur (in Northern Uttar Pradesh) that the Nepali Congress had captured Surkhet, a subdivisional headquarters town in Dailake district in Western Nepal on January 24, adding that in the attack one police constable was killed and two were injured while the others surrendered.

#### **CONTRADICTORY ATTITUDES**

Apparently the Nepali leaders in India have not decided upon a common policy in regard to their statements which results in one contradicting the other. Mr. Gautam's statement may be born of bravado and may be highly exaggerated in order to encourage his followers and add to their number, but it affords evidence of liason between the disturbers of peace in Nepal and the Nepali leaders in India. It is noteworthy that he was able to broadcast the information within a week of

the alleged incident. Obviously means of communication are not lacking, unless the statement that he made is to be regarded as absolutely untrue. In the latter case, should the Government of India allow such subversive statements to be made from Indian soil, particularly if it values Nepali friendship?

In this connection the restrictions placed by the Government of India on the activities of the Dalai Lama call for similar, indeed more stringent restrictions on the Nepali leaders in India, in as much as the Dalai Lama was the acknow-ledged king of Tibet while the Nepali ex-ministers, now operating from India, were constitutionally liable to be dismissed at the King's pleasure The "political quarantine" in which the Dalai Lama finds himself presents a strong contrast to the liberty enjoyed by the self-exiled leaders of Nepal. Unrest in Nepal, it should be realised, is a threat to the security of both India and Nepal. And it should be further realised that Nepal at the moment means the King of Nepal, whether we like it or not. Nothing should in any case be done to throw Nepal into the arms of China. The King must in his own interest be exceedingly averse to any such proceeding but pigheadedness on one side can lead to pigheadedness on the other. resulting in the beneficiary being a common enemy. It is hardly good sense to cut our noses to spite our faces, particularly when justice and propriety alike demand a sober realisation of the realities of the situation for the benefit of both India and Nepal and to the detriment of the expansionist power, waiting and watching, with her proclaimed motto: step by step.

### ATTENTION !!!

#### OUR GIFT OF THE MONTH

To The New Subscribers of "THE INDIAN LIBERTARIAN"

During FEBRUARY 1962:

FOREIGN POLICY OF INDIA

BY S. R. PATEL

Write To

The Manager,
The Indian Libertarian,

Arya Bhuvan, Sandhurst Road, BOMBAY 4.

# Holding The Price Level

By Waheed A. Qazi,

HEN one analyses the planning in India, the most depressing feature one finds is that price level has been rising steadily. People feel that rise in prices has been responsible for much suffering in the country and reduction in prices would be a great relief to the people in general.

There are two schools of thought on price rise. The first school is much concerned about the war: rising prices. It put forward its argument that r sing prices are inflicting great hardship on the consumers; increasing the cost of production and reducing the savings of the people. They give the example of the second plan when the rising prices compelled the planners to lower the physical target. This school fears that if rising prices are not, arrested, the third plan will face serious difficulties and the positive danger of throwing the structure of economy out of gear.

The second school of thought holds contrary views. It is not much worried about the rising; prices. They feel that rising prices are inevitable T 50 at ...

in a planned economy.

According to one estimate, in general the rupee bought less than half as much in 1950 as it bought in 1920. The problem of the rise in prices started as soon as the Second World War started. During the war though the volume of employment is maintained, yet the output of consumption goods is reduced due to the divertion of manpower from the civil to armament production and because of difficulties in importing food and raw materials. Not only India, but other countries too experienced inflationary rise in prices during the war period. The natural calamities such as famine and man-made causes such as labour troubles and the prevalence of black markets worked as contributory causes to war-time inflationary rise in India. Accumulation of Sterling balance was also responsible for the increase in the quantity of active notes in circulation and consequently for inflation during the war time. According to the Reserve Bank of India Act of 1934, the Reserve Bank was obliged to print notes whenever it acquired gold or Sterling securities. During the war money in circulation rose by more than six times as a result of new money on the basis of accumulated Sterling balances. But the actual rise in prices during the six years of war was only 21/2 times that of 1939.

Increase in note issue along with other inflationary causes such as the shortage of materials and increased demand for goods leads to rise in prices. The new notes increased the total -

money supply from Rs. 346 crores in August 1939 to Rs. 2050 crores in March 1945. With this increase in money supply, the wholesale price Index Number rose from an average of 125-6 in 1939-40 to 245 in 1945-46. The following figures of the Economic Adviser's General Index Number would illustrate the rise in prices in different years of

รูส์ สิธา โรยหลัง ออเญี August 1939 . 100 . 100 . 100 . 11 16 ive at 1940 . . . 108 books we pay it 1942 we the 160. It working it best only a very self-than 1943 which 238 hand with a province of the control o

Prices of agriculture goods touched the highest mark in 1943, at the time of Bengal famine.

After 1943 prices had been stable more or less till the end of the war.

After the war, the average note circulation increased from Rs. 1163 in 1945-46, to nearly Rs. 1223 crores in 1946-47 and Rs. 1230 crores in 1948. The Economic Adviser's General Index rose from 244 in August 1945 to nearly 300 in August 1947 But it does not mean that money supply and rise in prices increase in the same proportion. Though U.K. and U.S.A. had experienced far greater currency expansions, prices there rose very slowly due to the effectiveness of the price control and rationing methods.

The currency expansion alone was not responsible for the inflationary rise in prices during the war; though it was one of the major causes. After 1948 fresh issue of notes practically stopped; but inflationary rise in prices continued and in fact the general index of wholesale prices touched an all time high level 433 in 1951.

The anticipation that the inflationary rise in prices would end as soon as the war ended, proved wrong. In certain years of the post-war period, the percentage of rise in prices was greater than that of any war year. The following figures shows the rise in prices during the post-war period.

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Private enterprise is people's enterprise. It is the initiative and enterprise of individuals which make possible the economic development of a

vate enterprise in the last few years, on ideologi- Milovan Diilas, Yugoslav Communist leader, descal grounds, facts of the situation are now being cribed as the New Class of privileged people); and gradually recognised. Recently, two eminent to a slowing down in the tempo of economic figures in public life, one a former Union Finance growth for lack of incentives. The experience of Minister and another a former Chief Minister of the British Labour Party has been endorsed by a State, dealt with these issues. Merits of private the Burmese experiment in Socialism. Moral: Soenterprise are now being recognised, and so are cialism has failed, and is on the way out. the dangers of nationalised enterprises.

"The former Finance Minister, Mr. C, D, Deshmukh, expressed the view that "the quality of the public services in India has gone down in the last few years, while that in the

'Util sation of Human Resources in Industry' under the auspices of the National Productivity Council, said this could not be wholly f prise was also facing similar problems. The decline in efficiency must be due to the poor guidance that public services received from politicians.

"Despite the mistakes which might have been made by way of a 'doctrinaire spirit in labour' policy', the atmosphere for productivity in India, said Mr. Deshmukh, was now better

### Mr. Hanumanthaiya's Remarks:

"The Mysore State motor vehicles operators met in an emergent conference in Bangalore on. Wednesday and protested against the new levy of surcharge on buses operated by them.

"Mr. K. Hanumanthaiya, former Chief Minister, inaugurating the conference, called upon the private operators to organise themselves and to seek redress in time....."

"Mr. Hanumanthaiya expressed the view that the working of the nationalised road transnefited the people. The real beneficiaries were , the officials, bus drivers and conductors", A. ...

all feet tout in win to make the see

### SOCIALISM ON THE WAY OUT TO A CONTROL OF THE SECOND

With its emphasis on the ideal of equality,

PRIVATE ENTERPRISE DELIVERS THE procession and a fascination for newly indepenin available of Asia. However, when the socialist programme of nationalisation and State ownership was implemented, it became apparent that socialism led neither to equality nor rapid economic progress. On the contrary, it led to the country. or paid about and another took for a bureaucracy; to greater inequalities Inspite of a sustained campaign against pri- (with bureaucrats and politicians forming what

### Mr. C. D. Deshmukh's Remarks and the state of the BURMA VEERS OFF SOCIALIST PATH IN HER on grant break of SECOND PLAN (a) the make have មាល្បីសមត្ថ សំស៊ើន មិនក្នុង ការប្រកែសស ១ មហី L ប្រ.

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private sector has improved. Burma has veered sharply off the path of socia-"Mr. Deshmukh, inaugurating a seminar on lism which has left the economy stagnant after 13 years of nationalisation since the country won its independence.

is a fire stream table.

Instead, the Government is basing its hopes due to the additional burdens cast on them. Instead, the Government is basing its hopes by a growing economy, since private enter-of economic progress on a strong private sector—which replies as one of the most important chiefwhich ranks as one of the most important objectives of the plan.

> The plan calls for a total investment of 900 million U.S. dollars, out of which \$405 million will be spent on foreign exchange,

> One two-year plan and another eight year plan which the government launched in the past

than ever before. It was improving day by were flops.

day."

Because the two plans in the past brought the country close to economic ruination, the present government took a lot of care to analyse the mistakes of the past to avoid making them again. Visse grates sille from a tractic more reco

> The primary objective of the new plan is to raise the standard of living. Prudently forgotten are the grandiose schemes of heavy industry.

> To bring about this objective, the plan calls for diversification of the economy.

First of all, efforts will be made to increase the output of groundnut, pulses, sugarcane, and a mockery and bus travel a curse. It had nei-timation to include modern methods of culther inflated the State and exchequer nor be tilicore and improve the yield of these crops, fer-

Gradually diversification will move from "Deccan Hearald", Bangalore, agriculture towards industry.

Economic Times", Bombay.

### Intellectuals And Forthcoming Elections

A. Pampapathy Rao.

HOULD Indian intellectuals remain "out-S siders" when the signs of totalitarianism are clearly visible in the horizen? Should they allow the things to take their own course i.e. allow India to go totalitarian? Should they be embodiments of inertia when there are encroachments in the realm of individual freedom and creative potentialities? Or should they raise their voice against such forces and preserve the essential things necessary for the complete development of man? This is an important question which every intelligent man should try to answer and take a decision. This is necessary for his own interests. Artists, writers, literary eritics, poets, philosophers and scientists-infact all those who are engaged in creative work and an evaluation of it-should be more concerned with this, as their creat vity is essentially related to the cultural (intellectual) atmosphere that permeats the

In this context I would like to make an appeal to all those who are connected with the Radical Humanist Movement. Here, in appealing to them, I will hint at some thoughts which I thought in answering the questions stated above.

Now, there are three possible alternatives before us and we have to choose any one of them. They are (1) to play the role of chorus in Greek plays and repeat the age old dictum "there is much to be said on both sides"-criticise formal democracy, criticise Socialism, criticise communalism, criticise communism and so on—and do nothing to check their growth in this country or (2) to play the role of an Eagle soaring in the summit i.e. to propound and systematise the cherished ideas, ideals and ideologies of Radical Humanism and develop a Narcisist attitude in that or (3) to join hands with all those institutions and individuals who are fightning against totalitarian forces, for the cause of individual freedom. (This we did in the Second World War.)

But it may be asked: Why, after all, should we commit ourselves? Is the situation in India at present so dangerous? To answer these questions I will analyse (very briefly) the political phenomena of the present day India, and show how complex and perplexing tendencies and features can be found in it; And all of them are pregnant with de-humanising forces. A clear analysis of it gives the alternative Freedom or Fascism? Is ideals it because this was also an alternative in 1940's and we chose Freedom. See:— Freedom or Fascism? 1942

M. N. Roy) The totalitarian force that is fast developed when the free-world.)

Now, in India in proclaimed Social baneful banner Communist part its ideals it because the second its ideals it because the second in this top proclaimed Social baneful banner Communist part its ideals it because the second in the free-world.)

(erroneously, of course) considered as two opposite schools of thought. But the fact is just the contrary and it can be shown very easily. These "twins of irrationalism" wanted to thrive together for some time (Russian-German relations until Hitler invaded Russia and Stalin's att tude to Germany and its rivals before that incident are sufficient to prove it) and there was a conflict. In the post-war period there have been metamorphic changes in both of them, to the extent that we cannot now draw a clear-cut demarcating line between them. After all, they are of the same origin Viz Hegelianism. One can wonder how Fascism is related to Hegel. But just see what he said: "It is the task of the World to reconcile itself with spirit.....this task is entrusted to the German World." (Obviously this is extreme nationalism—an essential feature of Fascism). Communism after the post-war metamorphosis turned into National—Communism, and that is why there are misunderstandings between Peking and Moscow, and Belgrade and Moscow besides explicit economic disparities between any two Commu-6 B. 16, 1 nist countries.

It should also be noted that, as means of production are not socialised but are kept in the hands of monolithic and Omnipotent state, the so-called Communist countries are not really Socialistic but Nationalist—State—Capitalistic; and Fascism exactly a ms in establishing such an institution.

Despite the fact that the Communist countries are as much national minded as any other country in the free-world, they are united on one point and there are no two opinions on that issue; and that NOBLE CAUSE for which they are fighting in the interests of humanity, is to turn the so-called capitalist-imperialist and underdeveloped democratic countries towards communism. (But Russia is as imperialist as any other imperialist country of the free-world and underdeveloped when compared to some countries of the free-world.)

Now, in India, another metamorphosis is going on in this totalitarian force. The ruling party proclaimed Socialism as its goal and under this baneful banner is heading towards Nationalist State-Capitalism. But there is a highly organised Communist party too. As the ruling party owned its ideals it became, so to say, defunct. Then what should it do now? This is the question that puzzles C.P.I. as well as other communist countries. (C. P.I. is very happy with Congress Party for its acceptance of Socialism as its goal; and it need not be mentioned about other communist countries.

To them Mr. Nenru became dearer and nearer than late Mr. Ajay Ghosh) What should be the next step of C.P.I.? The choice left to them is either to dissolve C.P.I. and see that all its members join Congress Party (Now itself there are plenty of them in it. But this will bungle the whole affair and defeat the very purpose for which they are thriving, as people will know about the Congress-Communist alliance to turn India totalitarian and will certainly oppose them... So that will be a costly thing for C.P.I. as well. as Congress Party) or to continue it as an opposition party and willfully weaken it (to the extent that it extinguishes and creates a general impression that the C.P.I. has died a natural death, due to the popularity and Democratic ideals and framework of Congress Party.). The Communists have chosen the later method.

Meanwhile a nationalist-State Capitalist organisation will be in power. Call this force Fascist or Communist or Fascist-Communist or something else; and that is the aim of all those countries which are now called "Communist Countries". After all names are symbols. They should not make us blind to the things for which they stand, in their utter nudity.

Mr. Menon and China are playing vital roles in this tragedy. As communism has turned manifold in the constitution of the country. But communists all over the world have a sentimental attachment for Russia and China and dance to their tunes. If a non-communist country is attacked by any one of these, it will definitely weaken the cause of communist movement in that country. That is why under an international conspiracy, China did cross our borders to fulfil their purpose. (It is not due to thirst for further territory that China crossed our border. The reason is much deeper and tactical one. It is not only a border issue. It is an international issue.)

I cannot think that leaders of C.P.I. do not know this, for they send a delegation every year to this international conspiracy centre viz. Moscow, Mr. Menon too, I think, is aware of this and that is why he did not propose any positive steps on the border-issue.

Communists occupied Indian territory and immediately there was a split in the C.P.I. and that split was between definitely nationalist group and the ombivalent one. The nationalist group to some extent secured public sympathy by considering China an agressor and compromising with the proposal of counter-attack or peaceful negotiations. Now an exodus will begin from the nationalist group of C.P.I. to the Congress Party. (The Communists, it seems to have, realised that capturing power from inside is easier and safer than capturing it from outside.)

China did:not come further and is not tired of giving baseless and incredible arguments

(with the view that an admission of fact may be detrimental to the cause for which it is fighting as it wanted to see the effects of its first experiment in India.

Now elections have come. If the C.P.I. is to be routed it will be on the border issue (and they will be routed). If they loose in the election to the extent that they will be paralysed, then gradually, in quota system, they will join the Congress Party, Otherwise they will think of '67 elections. In that case China will try to fulfil its cause by further incursions; and that will be to the tune of C.P.I.'s disintigration.

By the time C.P.I. disintigrates Congress Party will adopt and will try to implement all the policies of Neo-Communism; i.e. Nationalist-State Capitalism. Do not forget this is Neo-Fascism also. Congress Party will try to nationalise everything. They will nationalise not only means of production but also means to produce means of production Viz.. brain and ideas. That means we will be given a brain-wash. This process has actual. ly begun. What else can nationalisation of Text Books mean? (Did not Hitler and Stalin do it?) Of course Mr. Nehru and his party are in the footsteps of those two devils. Now All India Radio is a semi-party organ beating the trumpet of Mr. Nehru and his party men and policies; and gradually the press follows. Power will be centralised to the extent that the Congress-Communist group, at any moment, can fulfil their lust for power by abrogating the constitution. The fair maiden of Indian democracy will be seduced at any time by this totalitarian force.

Should we allow this to happen?

No. We should not. We will not. We want Democracy. We want freedom. We want individual liberty. We cannot produce any thing significant, we cannot create any thing valuable unless we are free. All that is precious in human thought and culture will be destroyed in totalitarian states. So we should oppose all those forces which are against our creative faculties and potentialities.

Then what? How should we act against this growing force-of totalitarianism? I shall suggest two measures. (1) Immediate: Support Swatantra Party as it can save the creative talent of this country from a possible brain-wash. Its proclaimed Educational policy is definitely humanist. It is fighting against centralisation of power. It needs our support as we need its support. Let us be co-operative and by Co-operation we can save our freedom from danger. (2) Long term measure: A strong anti-totalitarian front should be organised and for such an organisation Radical Humanists, Indian Rationalists, Swatantra intellectuals, Congress for cultural freedom, creative writers, literary critics, artists, Philosophers, Scientists, School teachers and university Dons should give their support. Unless this step is taken the future of freedom in India is dark indeed.

## On The Road To Slavery Again

(From Our Correspondent)

lose sight of the end which should always be in mind, and that end is the preservation of our independence. This is particularly important in a land which has been a slave country for a thousand years. To detached observers it appears that the mentality which brought about that thousand-year-old slavery, ending in the gift of freedom by the British Labour Party, still persists. That mentality may be said to take its stand on non-essentials and to consist in ignoring the essentials—in forgetting the vital necessity of practising the motto: First things first.

The Congress Party's government of the country has to be judged by two tests. One: whether it has stood foursquare for the territorial integrity of the country and against inroads on our sovereignty by imperialist powers. Two: whether it has been able to withstand the temptation to resort to corruption to prolong its life. If we fail to apply these two tests, we are on the road to dictatorship in the interests of a foreign power. That is the same thing as being on the road to slavery again.

On both these counts the verdict is plainly and unequivocally against the Congress Government. On the north the Chinese have annexed 10,000 sq. miles of our territory, and the Congress Government has acquiesced in the annexation. (Mr. Nehru has called it a controversy and, since he insists on being friendly with China, it may be said to be a friendly controversy.) There is no other word for it except acquiescence, having regard to the long period of five years during which Mr. Nehru kept the aggression a closelyguarded secret. While there has been this agression on our territory by Communist China, there has been aggression against the political life of the country by Communist Russia, which has been subsidizing the Communist Party of India by perm tting it to swallow the saleproceeds, amounting to crores, of the Russian literature with which the Soviet Government is flooding the land and by making Russian technicians in India, engaged in Russian-aided projects, to transfer almost the whole of their salaries to the Indian Communist Party, in lieu doubtless of the amounts so transferred being deposited in their accounts in Soviet Russia. This is direct interference in our political affairs and the Nehru Government has been unable to resist it.

It is not necessary, in connection with the elections, to go into the reasons for these two

glaring and treacherous failures on the part of the Congress Government on two vital fronts. They may be due to the fact that Mr. Nehru is a crypto-Communist or they may be due to the fact that the Nehru Government is mortally afraid of Russia and China. There can be no other reason and in either case that Government deserves to be thrown out by the people. It is, indeed, a pity that the issue is not being put squarely before the people.

 On the other test—that of corruption—applicable in the case, Rajaji has forcibly drawn the attention of his countrymen to the kind of government we have-license-permit-quota raj. Any one influential enough to command the votes of a few hundred people can today get a license or a permit or a quota ensuring him an income of a few hundred rupees a month. Congressmen, as the ruling class, naturally benefit from this corrupt practice of the Government and are able to extend the Congress following among those on the lookout for avenues of self-advancement. This is the only programme the Congressman believes in today, whatever Mr. Nehru may choose to write on paper as the Congress programme. In the bad old days of slavery and in the Indian states there used to be confirment of jagirs for loyalty to the king or the ruling chief. The license-permit-quota system is in many ways better, for it has to be renewed every year and the prospect acts like a stranglehold on the favoured, ensuring loyalty.

#### **ELECTION SIDELIGHTS**

Addressing a Press Conference in Kanpur on January 29, Mr. S. A. Dange admitted that China had committed a breach of faith in occupying Indian territory. He, however, denied that it was an act of aggression on the part of China. If even occupying another's territory is not aggression, it would be interesting to know from Mr. Dange and his party, what is? And if the Chinese have committed no aggression, where is the sense in Mr. Dange's observation (at the same Press Conference) that "after this (the Chinese) experience, it is not correct to leave any other area unguarded, and if they (the Indian Government) do so, it is a mistake. The approach of the elections has made our Communist friends run with the hare and hunt with the hounds, but Mr. Dange is not regarded here as a very clever performer. Indeed, our Communist friends should be protesting against the Indian Government trying to guard any areas in the north, since the Chinese, on their own showing, are incapable of committing aggression.

On the same day Mr. Nehru at Jodhpur said the Jan Sangh was "ignorant" of Indian and Hindu culture. Their communal policies, he claimed, could only bring disruption and division, and all been insisting on men of character being returnprogress would come to a stop. The people, he farther observed, should beware of them and their communal policies which were against every con-Mr. Nehru takes it to be, why did he allow this disruptionist party to participate in the National Integration Conference? But many acquainted with Indian history would be inclined to agree with the Prime Minister that the Jana Sangh is "ignorant" of Indian and Hindu culture, in as much as the only substantial result emanating from the same has been foreign domination which Mr. Nehru and his party are doing their best to restore in the country, and the Jana Sangh's policies are undoubtedly likely to arrest all "progress" towards that destination.

Incidentally, Mr. Nehru has had little to say to those Muslims who gathered together under the auspices of Nationalist and Congress Muslims in Delhi some months ago and raised painful sighs-"aah! aah!"—on reférences to alleged discrimination against Muslims under Congress rule. Some are still hoping that he would do so after the elections, i.e., after the Muslims have cast their votes for the Congress Party, unless of course he comes to the conclusion by that time that it is an old, unhappy, far-off thing like battles long ago.

In Punjab, where there is much criticism of some of the candidates selected by the Congress, Mr. Nehru urged the people to look to the party behind the candidates. The latter may be bad, he said, but the party behind them was good and had good principles unlike the Jana Sangh, the Akali Dal and the other Opposition parties. That in fact has been the main trouble with Mr. Nehru and his party. They can always enunciate sublime principles but it is in the course of their implementation that they falter at every step. The spirit is indeed willing, as the saying goes, but the flesh is weak. While the Congress spirit demands renunciation and public good, the Congress flesh is all out for acquisitiveness, a natural instinct to satisfy which there has been a phenomenal increase in I censes, permits and quotas. And since Mr. Nehru, and his most obedient party, believe in appeasement—at home as well as abroad -the demands of the flesh have to be satisfied. (When the demands of foreign communists can be satisfied, why cannot the demands of fellowparty men?) Otherwise, the Congress leaders ask in private, who will work for the Congress? There is a good deal of commonsense in that. It is foolish to follow principles to the wilderness, for in the case of the Congress it is there that they lead to. And in the wilderness it may not be possible even to enunciate sublime principles for the satisfaction of the soul, for the soul is not satisfied unless and until the people are hoodwinked. That clearly shows how bad candidates, returned to the legis-

latures, form good parties-like two negatives making a possitive—and proves the hollowness of the argument of leaders like Rajaji who have ed by the electorate.

casts by political parties because of lack of agreement among them, on the basis for dividing the available radio time. The basis suggested by the Election Commission was in fact absurd, so long as the Election Commission was not prepared to insist on All-India Radio discontinuing its broadcasts of the Prime Minister's electioneering speeches, which give the Congress Party a broadcast everyday in the course of news broadcasts. Opinion is unanimous here that the various parties are unable to take any firm stand where the Prime Minister is concerned and it is not the Congress Party alone which is afraid of Mr. Nehru. In any democratic country favouritism for the Prime Minister would have resulted in a hue and cry that would have made the individual concerned himself interested in the elimination of his speeches from news broadcasts. But here even the Opposition leaders are afraid of wounding the Prime Minister's susceptibilities.

#### SPIRITUAL IMPLICATIONS OF LIBERTY

'There are so many spiritual implications in liberty that it deserves to be considered an end in itself. Even if State planning offered more material goods, people who have known and cherished liberty would rather live as free human beings on a more modest standard of living than sell their birthright for a mess of totalitarian postage. But no such alternative exists. The fruits of totalitarianism are for the State, at most for a limited the person of t class."

John Chamberlain in "Roots of Capitalism."

### ORIGINALITY INDEED

Strike diki je iza e Guza 🗔

Three years ago a U.P. Minister discovered that an elephant is a substitute for a tractor. He argued that if an elephant was harnessed o plough huge tracts of load, there would be no need to import costly foreign tractors and consume precious fuel. And the animals would provide rich manure for the soil. The Minister asked experts in his department to work out the saving accruing from the use of elephants, and the obliging Press gave wide publicity to this discovery of a member of the Cabinet.

The pachydermatous experiment proved a flop after the waste of a good deal of the tax-payers'

-Behar Herald.

# Agenda For A Free Society

By Odysseus

DAM Smith (1723-1799) was the first person to see that the reasons why some nations became richer than others constituted a specialised branch of knowledge. His "Wealth of Nations" (1776) speeded the Industrial Revolution by its epoch-making recognition that individual freedom in enterprise, combined with the division of labour among specialists, multiplies wealth. But his book was also a tract for the times, attacking the established ideas of his day, criticising hoary institutions adapted to long vanished mediaeval conditions, exposing the futility of mercantilism—the attempt of governments to regulate trade and industry in order to try to secure a surplus of exports over imports in the illusion that this insures national prosperity. By releasing individual initiative from centuries of bondage, Adam Smith introduced change in a static world.

But the solution of one problem always creates new ones, and in the 185 years since Adam Smith wrote, many governments in their efforts to solve new problems have, in many countries, gradually built up new accretions of regulations and protectionisms, which have increasingly stifled the initiative of the individual, and made him unable, or reluctant, to act without a permit, or a directive, from some authority.

I maintained here on October 14, 1960, that Prof. F. A. Hayek's "Constitution of Liberty" (Routledge & Kegan Paul, London, 1960. Price 45 sh.) was another "Wealth of Nations", that in its breadth of vision it is (1) a positive restatement of basic principles for a free society, and (2) a tract for the times, attacking established ideas. Today, I rejoice to find this view supported by Mr. Arthur Seldom who, in his introduction to "Agenda for A Free Society" (published in 1961 by Hutchinson for the Institute of Economic Affairs, 66A, Eaton Square, London, SW.1. Price 25 sh.) compares Hayek's to Adam Smith's great work.

"Agenda For A Free Society" contains ten essays by leading philosophers, lawyers, and economists, of the calibre—to name but four—of Frederic Benham, Grantham Hutton, A. A. Shenfield and Sir Henry Slessor (Solicitor-General in the 1924 U.K. Labour Government, who discuss the practical significance that Hayek's book has for the solution of contemporary problems. These essays reinforce the impression already made on anyone who has read Hayek with an enquiring mind: they point up the profound scholarship of

the "Constitution of Liberty", which draws on, appraises, more than a thousand authors.

Since Hayek examines afresh some of the most widely prevailing ideas of our times, such as social justice, progressive taxation, and Welfarism. it is natural that he should have drawn on himself ridicule and scorn. It is also natural that a book of such extraordinary scope, which bases its discussion of freedom on economics, political theory, philosophy, sociology, anthropology, and jurisprudence, should be unequal in its treatment of so large a canvas, and many specialists have been quick to point out gaps, errors, or weaknesses, in some of Hayek's theoretical positions. Nevertheless, it is remarkable that, although every contributor to "Agenda For A Free Society" has criticisms to offer, they all agree that the "Constitution of Liberty" is a monumental work, full of challenging, corrective ideas. Indeed, that these ten authorities should think it worth while to assess Hayek at all, and that his ideas should emerge broadly intact from their criticisms, is evidence both of Hayek's impact and of his stature.

#### TWO GREAT SOCIAL REFORMERS.

There are two further parallels here with Adam Smith. First, Adam Smith's view did not win the day without massive attacks from what J. K. Galbraith calls the Old Guard of conventional wisdom. For thirty years or more, the air was full of solemn warnings that the creation of a liberal would end in ruin.

Secondly, Adam Smith, his followers, and Hayek, have been scourged as the apologists of capitalist exploiters, opponents of social reform, exponent, of a harsh laissez-fairism. It is true that a hasty reading of the "Wealth of Nations" and of the "Constitution of Liberty" could create the impression that their authors oppose government intervention in principle and propose total freedom in economic activity. But, ironically enough, this is precisely because they are both essentially social reformers. Smith showed the poverty created, imposed, and prolonged, by the restrictive mercantilist institutions and habits of thought, which survived from the 17th and 18th centuries. Hayek exposes the strangling effects (a) on indvidual liberty, and (b) on the multiplication of wealth, of the jungle of controls, priorities, allocations, permits and restrictions, that have grown up, following the teachings of Marx and his socialist or communist disciples. Smith was, and Hayek is, concerned with the evils around them. It is,

'herefore, natural that the emphasis in both is on setting men free. But neither stops there. Neither envisages the government's role as that of a passive onlooker. Both expect the government to be active in promoting reforms, laws, and institutions, to enable a market economy to work, not for the oenefits of a few capitalists but for the community as a whole.

Who was it, for example, who insisted on ",... the duty of erecting and maintaining certain public works and certain public institutions, which it can never be for the interest of any individual, or small number of individuals, to erect and maintain, because the profit could never repay the expense to any individual or small number of individuals, though it may frequently do much more than repay it to a great society"? Karl Marx? No, Adam Smith. The anoymous author of the article on the Classical Economists in "Everyman's Encyclopaedia" (J. M. Deni & Sons, 1958) sums up their strength by saying that they made two realistic assumptions, first, that man sought his own interest (and this did not mean merely self-interest but also the interest of those whom he benefited by his efforts) second, that while the world was getting richer, it was still poor, and that all had to be given incentives to contribute to the common good. Hence the need for machinery that would gear self-interest to the social advantage. "The record of the 19th and 20th centuries," says the Encyclopaedia, "suggests that no system known to man or conceived by him, except a market economy, can, in modern industrial society, achieve these objectives and leave man out of his life in freedom. The classical economists must be judged not from the interpretations of others, but from their own writings and from the experience of those who have ignored or learned from their teachings."

#### THE BLUDGEON BEHIND SOCIAL JUSTICE.

Hayek re-interprets these teachings in the light of post-World War II experience. Professor H. B. Action of London points out in "Agenda For A Free Society" that Hayek rejects the rationalistic method of consciously reconstructing society in favour of the spontaneous adjustment of free activities to one another through market processes. The arrangements and institutions that so arise are generally better than any that can be planned by powerful individuals or groups, however wise, because any man or group must be ignorant of many of the relevant facts, and of the consequences of their policies, whereas the adjustments of multitudes of ind viduals to one another promote a harmony too complicated for any individual to grasp. Hayek contrasts a free society developing in unforeseeable ways with a society in which a governing system of priorities and allo-cations is imposed from above. The latter is the type widely favoured today, although many of its supporters do not realise the extent to which it is essential that the individual must be coerced in order to maintain it. Hayek reveals the bludgeon behind the back of many of those who call for social justice, fair shares, the abolition of inequalities, and so on.

A state based on the principle of individual freedom and the rule of law is not static. It is dynamic, because it allows both the proliferation, and the testing of many varying and conflicting ideals. Progress is not towards a goal pre-conceived in the minds of some well-meaning men whose vision is necessarily conditioned by their education, limited by the state of existing knowledge, and subject to fleeing contemporary passions, prejud ces, or fashions, but is towards ideals not yet conceived. Any one who has read any history is likely to agree with this. Would the circumstances and problems of 20th century independent India have fitted into the strait-jacket of Plato's 5th century BC Ideal Republic? When, in 1867, Marx proclaimed that capitalism would keep the working classes on starvation wages until they were saved by the revolut on, did he foresee that the average industrial wage in the U.K. in 1931 would be Rs. 200 a week? Did he foresee that the Russian revolution would supply powerful arguments to the upholders of free enterprise? So slowly was Russia, which had been hit by World War I far less than most other belligerants, recovering, and so impractical did Lenin find Marx's blueprints that he introduced the New Economic Policy, allowing a degree of private enterprise. And what about incentives? Did Marx foresee that in the U.S.S.R. of 1961 top people's earning (exclusive of free transport, houses, and expense accounts) would run between Rs. 40,000 and Rs. 120,000 a year, and that income tax (highest level at present 13 per cent) is to be eliminated by 1965?

-The Eastern Economist

### Gleanings from the Press

#### HOW MENON TWISTS NEHRU'S FOREIGN POLICY

To Shri Nehru the difference between his own statement of our foreign policy and Shri Menon's may be of 'a word here and a word there', but surely people have a right to exercise their own judgment. If it were not so there will be no democracy in this country. For example, whatever may have been the intentions of Shri Menon, his describing the national uprising in Hungary as a street brawl and Jawaharlal's description of it as a 'popular uprising' cannot be considered as a difference of 'a word here and a word there'! Again when Shri Nehru said that not a further inch of our territory will be occupied by the Chinese and when Shri Menon put the word 'administrative' before 'territory', it does not appear to be a question of 'a word here and a word there'.

It is something more fundamental. A word may change the whole context of a sentence and its entire meaning and cannotation. It should therefore be quite permissible for a citizen in a free country to differ from his Prime Minister without being accused of committing a "fraud" or without being sent to "hell" for it. People in high and responsible positions have to be careful about their use of the words, if they do not want to be misunderstood. It is the misfortune of Shri Menon that he is often misunderstood in the country and abroad and as often by Congressmen themselves.

—Acharya Kripalani in "Thought".

News & Views

### INDIA'S NEED FOR AN ACTIVE DEFENSIVE STRATEGY

SPEAKING AT A RECEPTION at Constitution Club, Delhi, Dr. Raghuvira, M.P., said that India's rulers today seemed in the grip of a peculiar sense of egoistic righteousness—that "we shall not manufacture arms, even though others may do it"—and this is proving disastrous for the nation's defences.

"India must begin to think", he said, "in terms of maintaining her own freedom as well as the freedoms of south-eastern nations. The withdrawal of colonial rule from Southern Asia has created a power vacuum which has to be filled up."

### GANATANTRA PARTY TO BACK P. S. P., SWATANTRA MEN

CUTTACK,—The president of the Ganatantra Parishad, Dr. Ram Prasad Misra, announced that his party would support P.S.P. and Swatantra Party candidates in the present poll for Lok Sabha seats against the Congress and other Opposition Parties, in constituencies where the Parishad had not set up any candidates.

#### STRAIGHT FROM THE HORSE'S MOUTH RIFTS PLAGUE CONGRESS

AHMEDABAD:

MR. N. Sanjiva Reddy, Congress President, admitted that he was feeling sad at the internal rifts prevailing in the Congress organisation in certain States like Rajasthan and Madhya Pradesh.

Mr. Reddy, who was addressing a meeting of City Congress workers, felt painted at the sorry spectacle of Congress workers contesting against official candidates in these and other States.

### SWATANTRA FIGHT AGAINST 'STATISM' MUNSHI CITES PARTY GOAL

Mr. K. M. Munshi, the Swatantra Party leader, said that his Party was fighting Statism established in the country by the Congress during the last few years.

Speaking at a meeting held under the auspices of the Progressive Group at the Green's Hotel in Bombay on 'Defence of Democracy," Mr. Munshi said that the Statism was a creeping paralysis meant to destroy the free play of democratic

forces. Its appearance had become very dangerous when the ruling Party had pledged to the personality cult of its leader, who exercised all the powers of the State.

The Swatantra Party leader indicated that the one-party rule, for a number of years, had created a vested interest in prepetuating its power and was destructive of democracy.

ENGLISH, THE IRREPRESSIBLE

Naturally enough, U. P. is the vanguard of the Agreji Hatao movement. But at the same time, there is a terrific rush for admission to the English medium schools and there are only a handful of them. In one school alone in Lucknow, there are a thousand boys on the waiting list, and in a convernt school the rush is so great that the authorities have stopped even registration of names of candidates for admission. And who are the parents most anxious to get admission for their children in such schools and move heaven and earth for it? they form the vanguard in the movement for rejecting English, lock stock and barrel!

-Behar Herald.
NON-ALIGNED NATIONS MAY GET LESS
U. S. SUPPORT

KARACHI:

THE United States defence support to non-aligned countries in the event of Communist aggression would be much less effective than in the case of countries which are aligned with the U.S.

This was stated by Dr. Henry A. Kissinger, Special Adviser to the U.N National Security Council, who was answering questions at a meeting organised here by the Pakistan Institute of International Affairs.

Even if the United States did support such non-aligned countries, Dr. Kissinger added, its effectiveness would be less as such support would not have the advantage of previous co-ordination and planning.

NO CHANGE

Dr. Kissinger said there has been no change in American foreign policy with respect to the U.S. commitment to defend her allies. There has been only a change in strategy as a result of change in technology.

"Those who ask us to respect non-aligned countries should respect our commitments to our friends. This is how both aligned and non-aligned

nations can work together," he added.

Every nation must be its own judge of best method to assure its security. Security of most countries, however, cannot be assured by heir own unaided efforts.

#### NOTICE

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